



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)



INTERIM REPORT
2026



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BUSINESS REVIEW FOR THE FIRST HALF OF 2026

The board of directors (the “**Board**”) of TravelSky Technology Limited (the “**Company**”) hereby announces the unaudited interim results report of the Company and its subsidiaries (the “**Group**”) for the six months ended June 30, 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.

BUSINESS REVIEW FOR THE FIRST HALF OF 2026

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.

BUSINESS REVIEW FOR THE FIRST HALF OF 2026**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.

BUSINESS REVIEW FOR THE FIRST HALF OF 2026

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.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

- 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.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(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.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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 5.13 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.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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 this report, 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.

OTHER INFORMATION

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.

SHARE CAPITAL STRUCTURE

The issued share capital of the Company as at June 30, 2026 amounted to 2,926,209,589 shares, with a par value of RMB1.00 each. As at June 30, 2026, the share capital structure of the Company is as follows:

Class of shares	Number of shares	Percentage to the total number of shares in issue (%)
Domestic shares	1,993,647,589	68.13
H shares	932,562,000	31.87
Total	2,926,209,589	100.00

INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at June 30, 2026, the interests and short positions of any persons (other than directors or chief executives of the Company) in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”) are as follows:

Name of shareholder	Class and number of securities (Note 2)	Capacity	Approximate percentage of respective class of share capital (Note 3)	Approximate percentage of total share capital (Note 3)
China TravelSky Holding Company Limited	864,836,589 domestic shares of RMB1 each (L)	Beneficial owner	43.38%	29.55%

OTHER INFORMATION

Name of shareholder	Class and number of securities (Note 2)	Capacity	Approximate percentage of respective class of share capital (Note 3)	Approximate percentage of total share capital (Note 3)
China National Aviation Holding Corporation Limited	260,690,500 domestic shares of RMB1 each (L)	Beneficial owner	13.08%	8.91%
	18,720,000 domestic shares of RMB1 each (L) (Note 4)	Interest of controlled corporation	0.94%	0.64%
	13,045,500 domestic shares of RMB1 each (L) (Note 5)	Interest of controlled corporation	0.65%	0.45%
China Mobile Communications Group Co., Ltd.	292,100,000 domestic shares of RMB1 each (L) (Note 6)	Interest of controlled corporation	14.65%	9.98%
China Southern Air Holding Co., Ltd.	202,781,500 domestic shares of RMB1 each (L)	Beneficial owner	10.17%	6.93%
	65,773,500 domestic shares of RMB1 each (L) (Note 7)	Interest of controlled corporation	3.30%	2.25%
China Eastern Air Holding Co., Ltd.	182,743,500 domestic shares of RMB1 each (L)	Beneficial owner	9.17%	6.25%
	25,155,000 domestic shares of RMB1 each (L) (Note 8)	Interest of controlled corporation	1.26%	0.86%
	3,900,000 domestic shares of RMB1 each (L) (Note 9)	Interest of controlled corporation	0.20%	0.13%
BlackRock, Inc.	92,424,012 H shares of RMB1 each (L) (Note 10)	Interest of controlled corporation	9.91%	3.16%
	5,375,000 H shares of RMB1 each (S) (Note 10)	Interest of controlled corporation	0.58%	0.18%
Brandes Investment Partners, L.P.	65,715,536 H shares of RMB1 each (L)	Investment manager	7.05%	2.25%

OTHER INFORMATION

Notes:

- (1) Interests and short positions in the shares and underlying shares of the Company disclosed in this section are based on the reasonable enquiries made by the Company and the data published on the website of Hong Kong Exchanges and Clearing Limited ("**HKEX**") (www.hkexnews.hk). For the latest disclosure of interests filings of the substantial shareholders of the Company's H shares, please refer to the "Disclosure of Interests" section on the website of HKEX (www.hkexnews.hk).
- (2) (L) — Long position; (S) — Short position; (P) — Lending pool.
- (3) The percentage is calculated by the amount of shares held by relevant person/the total amount of relevant shares issued as at June 30, 2026. Percentage in total share capital is based on 2,926,209,589 shares of the total issued share capital of the Company as at June 30, 2026; percentage in respective class of share capital is based on 1,993,647,589 domestic shares and 932,562,000 H shares of the Company as at June 30, 2026.
- (4) These shares were held by Shenzhen Airlines Company Limited, a subsidiary of China National Aviation Holding Corporation Limited. China National Aviation Holding Corporation Limited was deemed to be interested in the shares held by Shenzhen Airlines Company Limited pursuant to the SFO.
- (5) These shares were held by Shandong Airlines Company Limited, a subsidiary of China National Aviation Holding Corporation Limited. China National Aviation Holding Corporation Limited was deemed to be interested in the shares held by Shandong Airlines Company Limited pursuant to the SFO.
- (6) These shares were held by China Mobile Capital Holding Co., Ltd., a subsidiary of China Mobile Communications Group Co., Ltd. Pursuant to the SFO, China Mobile Communications Group Co., Ltd. was deemed to be interested in the shares held by China Mobile Capital Holding Co., Ltd. Based on the Disclosure Notice of the Interest of Corporate Substantial Shareholder filed by China Mobile Communications Group Co., Ltd. on February 6, 2024, of which 145,500,000 domestic shares (S) (accounting for approximately 4.97% of the total share capital) are deemed to be held through China Mobile Capital Holding Co., Ltd. under the relevant agreements.
- (7) These shares were held by Xiamen Airlines Company Limited, a subsidiary of China Southern Air Holding Co., Ltd. China Southern Air Holding Co., Ltd. was deemed to be interested in the shares held by Xiamen Airlines Company Limited pursuant to the SFO.
- (8) These shares were held by China Eastern Airlines Co., Ltd., a subsidiary of China Eastern Air Holding Co., Ltd. China Eastern Air Holding Co., Ltd. was deemed to be interested in the shares held by China Eastern Airlines Co., Ltd. pursuant to the SFO.
- (9) These shares were held by China Eastern Airlines Wuhan Co. Ltd., a subsidiary of China Eastern Air Holding Co., Ltd. China Eastern Air Holding Co., Ltd. was deemed to be interested in the shares held by China Eastern Airlines Wuhan Co. Ltd. pursuant to the SFO.

OTHER INFORMATION

- (10) Based on the Disclosure Notice of the Interest of Corporate Substantial Shareholder filed by BlackRock, Inc. on June 22, 2026, BlackRock, Inc. was deemed to be interested in 92,424,012 H shares (L) and 5,375,000 H shares (S). These shares were held by BlackRock Finance, Inc., Trident Merger, LLC, BlackRock Investment Management, LLC, BlackRock Holdco 2, Inc., BlackRock Financial Management, Inc., BlackRock Holdco 4, LLC, BlackRock Holdco 6, LLC, BlackRock Delaware Holdings Inc., BlackRock Institutional Trust Company, National Association, BlackRock Fund Advisors, BlackRock Capital Holdings, Inc., BlackRock Advisors, LLC, BlackRock International Holdings, Inc., BR Jersey International Holdings L.P., BlackRock Holdco 3, LLC, BlackRock Canada Holdings ULC, BlackRock Asset Management Canada Limited, BlackRock Australia Holdco Pty. Ltd., BlackRock Investment Management (Australia) Limited, BlackRock (Singapore) Holdco Pte. Ltd., BlackRock HK Holdco Limited, BlackRock Asset Management North Asia Limited, BlackRock Cayman 1 LP, BlackRock Cayman West Bay Finco Limited, BlackRock Cayman West Bay IV Limited, BlackRock Group Limited, BlackRock Finance Europe Limited, BlackRock (Netherlands) B.V., BlackRock International Limited, BlackRock Group Limited-Luxembourg Branch, BlackRock Luxembourg Holdco S.à r.l., BlackRock Investment Management Ireland Holdings Unlimited Company, BlackRock Asset Management Ireland Limited, BLACKROCK (Luxembourg) S.A., BlackRock Investment Management (UK) Limited, BlackRock Fund Managers Limited, BlackRock Life Limited, BlackRock (Singapore) Limited, EG Holdings Blocker, LLC, Amethyst Intermediate, LLC, Aperio Holdings, LLC, Aperio Group, LLC, which were directly or indirectly controlled by BlackRock, Inc. BlackRock, Inc. was deemed to be interested in the shares held by such companies pursuant to the SFO.

Save as the above, to the best knowledge of the Company's directors, as at June 30, 2026, no persons (other than directors or chief executive of the Company) had any interests or short positions in the shares or underlying shares of the Company that are required to be recorded in the register maintained by the Company under Section 336 of the SFO.

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ANY OTHER ASSOCIATED CORPORATIONS

As at June 30, 2026, none of the directors or chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) that are required to be recorded in the register kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange by the directors or chief executives pursuant to the Model Code (the "**Model Code**") as set out in Appendix C3 to the Listing Rules.

None of the directors or chief executives of the Company or their respective associates had been granted or had exercised any rights to subscribe for the securities of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) for the six months ended June 30, 2026.

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.

OTHER INFORMATION

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 this report, the nomination committee of the Company comprises members of a single gender. Notwithstanding this, as at the date of this report, 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.

OTHER INFORMATION

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

As stated in the announcement of the Company dated February 27, 2026, the Board proposed amendments to the Articles of Association to change the Company's business scope and registered address. The proposed amendments are primarily made in response to the Company's business operations, domicile status, and the requirements of the industrial and commercial registration authorities, including: (i) the Company intends to further expand its business scope to include "type I value-added telecommunication business and type II value-added telecommunication business"; and (ii) to maintain consistency with the address information recorded in the newly acquired real property certificate, the Company intends to update its registered address as set out in the Articles of Association. As stated in the announcement of the Company dated June 1, 2026, the Board proposed amendments to the Articles of Association, to adjust the terms of reference of the president of the Company subject to the corporate governance framework established under the Company Law of the People's Republic of China, relevant laws and regulations and the applicable domestic and foreign regulatory rules and based on actual operation development of the Company. Such amendments have been approved at the AGM of the Company held on June 26, 2026. The Articles of Association and details of its amendments are available on the website of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Company's compliance website.

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.

CHANGE OF DIRECTORS AND SENIOR MANAGEMENT AND CHANGE IN INFORMATION

Change of Directors and Senior Management

As stated in the announcement of the Company dated April 13, 2026, with effect from April 13, 2026, Mr. Huang Rongshun resigned as an executive director of the Company and a member of the Strategy and Investment Committee (Legal Compliance Committee) due to retirement, and has ceased to serve as the general manager of the Company since March 20, 2026.

As stated in the announcement of the Company dated June 11, 2026, Mr. Sun Yuquan resigned as a non-executive director of the Company and a member of the Strategy and Investment Committee (Legal Compliance Committee) due to adjustment of other work arrangements.

OTHER INFORMATION

As stated in the announcement of the Company dated June 26, 2026, Mr. Zeng Yongchao was elected and appointed by the shareholders' meeting of the Company as a non-executive director of the Company, and the termination of office of Mr. Qu Guangji as a non-executive director and a member of the Strategy and Investment Committee (Legal Compliance Committee) of the Company was approved; the Board of the Company appointed Director Zeng Yongchao as a member of the Strategy and Investment Committee (Legal Compliance Committee) of the Company on August 24, 2026.

As stated in the announcement of the Company dated June 26, 2026, the employee representative meeting of the Company elected and appointed Mr. Sun Minghe as the employee representative director of the Company, and resolved that Ms. Liang Shuang shall cease to act as the employee representative director of the Company.

Change in Information of Directors

There has been no change in the information of directors of the Company that is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the publication of the Company's 2025 annual report.

By order of the Board

Jiang Bo

Chairman

August 24, 2026

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

Assets	Notes	As at June 30, 2026	As at December 31, 2025
Current assets:			
Cash and bank balances	5.1	8,860,035,119.35	10,059,017,494.73
Balances with clearing companies			
Loans to banks and other financial institutions			
Financial assets held for trading	5.2	6,019,540,958.90	3,414,508,219.18
Derivative financial assets			
Notes receivable	5.3	480,166,024.92	248,143,157.49
Accounts receivable	5.4	4,479,654,911.13	5,106,913,414.98
Receivables financing			
Advances to suppliers	5.5	228,755,764.03	218,866,208.80
Premiums receivable			
Reinsurance accounts receivable			
Reinsurance contract reserves receivable			
Other receivables	5.6	3,331,343,457.06	2,853,637,688.95
Including: Interest receivable			
Dividends receivable		5,500,000.00	5,500,000.00
Financial assets purchased under resale agreements			
Inventories	5.7	157,636,345.89	79,496,278.28
Including: Data resources			
Contract assets	5.8	83,853,118.19	75,742,973.38
Assets held for sale			
Non-current assets maturing within one year	5.9	525,552,555.55	545,671,917.81
Other current assets	5.10	1,297,570,416.09	1,286,064,183.52
Total current assets		25,464,108,671.11	23,888,061,537.12

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

Assets	Notes	As at June 30, 2026	As at December 31, 2025
Non-current assets:			
Disbursements of loans and advances			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	5.11	921,498,632.36	927,965,569.04
Investments in other equity instruments	5.12	1,427,800,000.00	1,052,313,600.00
Other non-current financial assets	5.13	1,113,051,859.51	1,116,357,687.34
Investment properties	5.14	163,959,974.88	169,818,798.42
Fixed assets	5.15	2,984,435,350.64	2,976,476,809.06
Construction in progress	5.16	19,668,482.66	18,203,856.24
Productive biological assets			
Oil and gas assets			
Right-of-use assets	5.17	222,628,081.55	286,900,097.77
Intangible assets	5.18	1,518,708,458.00	1,699,851,111.76
Including: Data resources		23,618,951.67	24,629,561.49
Development expenditures	6.2	294,427,755.64	227,406,005.45
Including: Data resources			
Goodwill	5.19	260,400.76	260,400.76
Long-term deferred expenses	5.20	21,946,281.35	28,371,085.56
Deferred tax assets	5.21	675,637,507.27	654,306,807.30
Other non-current assets	5.22	124,690,486.49	144,301,861.08
Total non-current assets		9,488,713,271.11	9,302,533,689.78
Total assets		34,952,821,942.22	33,190,595,226.90

The accompanying notes form an integral part of the financial statements.

Legal Representative: Jiang Bo

Chief Accountant: Liu Xianqing

Accountant in Charge: Wang Gang

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

		As at June 30, 2026	As at December 31, 2025
Liabilities and Shareholders' equity	Notes		
Current liabilities:			
Short-term borrowings	5.24	512,757,308.23	1,288,402,134.97
Borrowings from central bank			
Loans from banks and other financial institutions			
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable			
Accounts payable	5.25	2,346,647,854.47	2,443,621,921.40
Advances from customers	5.26	134,433.43	
Contract liabilities	5.27	1,251,585,232.85	1,050,430,852.10
Financial assets sold under repurchase agreements			
Absorption of deposits and interbank deposits			
Receiving from vicariously traded securities			
Receiving from vicariously sold securities			
Employee compensation payable	5.28	277,072,533.89	320,138,829.90
Taxes payable	5.29	212,007,136.45	249,244,910.86
Other payables	5.30	3,716,878,864.45	2,280,682,802.54
Including: Interest payable			
Dividends payable		827,845,050.11	27,150,969.34
Handling charges and commissions payable			
Reinsurance accounts payable			
Liabilities held for sale			
Non-current liabilities maturing within one year	5.31	137,433,642.27	137,224,917.67
Other current liabilities	5.32	68,101,590.59	65,291,971.02
Total current liabilities		8,522,618,596.63	7,835,038,340.46

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

		As at June 30, 2026	As at December 31, 2025
Liabilities and Shareholders' equity	Notes		
Non-current liabilities:			
Reserves for insurance contracts			
Long-term borrowings	5.33	482,976,591.11	471,200,000.00
Bonds payable			
Including: Preferred stock			
Perpetual bonds			
Lease liabilities	5.34	105,977,486.25	164,965,639.83
Long-term payables	5.35	395,709.35	395,709.35
Long-term employee compensation payable			
Provisions	5.36	1,643,120.73	1,702,448.23
Deferred income	5.37	2,610,235.85	1,372,500.00
Deferred tax liabilities	5.21	147,415,272.75	90,693,021.34
Other non-current liabilities			
Total non-current liabilities		741,018,416.04	730,329,318.75
Total liabilities		9,263,637,012.67	8,565,367,659.21
Shareholders' equity:			
Share capital	5.38	2,926,209,589.00	2,926,209,589.00
Other equity instruments			
Including: Preferred stock			
Perpetual bonds			
Capital reserves	5.39	1,267,468,110.48	1,267,468,110.48
Less: Treasury stock			
Other comprehensive income	5.40	446,593,155.59	135,684,837.81
Special reserves			
Surplus reserves	5.41	5,063,514,529.44	4,871,436,773.32
General risk reserves	5.42	15,707,880.64	15,228,948.37
Retained earnings	5.43	15,310,552,760.29	14,767,735,851.01
Total equity attributable to shareholders of the Company		25,030,046,025.44	23,983,764,109.99
Non-controlling interests		659,138,904.11	641,463,457.70
Total shareholders' equity		25,689,184,929.55	24,625,227,567.69
Total liabilities and shareholders' equity		34,952,821,942.22	33,190,595,226.90

The accompanying notes form an integral part of the financial statements.

Legal Representative: Jiang Bo

Chief Accountant: Liu Xianqing

Accountant in Charge: Wang Gang

STATEMENT OF FINANCIAL POSITION OF THE PARENT COMPANY

As at June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

Assets	Notes	As at June 30, 2026	As at December 31, 2025
Current assets:			
Cash and bank balances		5,400,628,084.42	7,120,057,312.32
Financial assets held for trading		6,019,540,958.90	3,414,508,219.18
Derivative financial assets			
Notes receivable		447,974,951.01	234,499,486.67
Accounts receivable	17.1	4,290,421,026.97	4,672,467,944.67
Receivables financing			
Advances to suppliers		218,308,457.80	213,844,999.74
Other receivables	17.2	400,155,022.73	347,266,728.38
Including: Interest receivable			
Dividends receivable		66,269,100.00	51,786,700.00
Inventories		37,361,715.92	33,298,107.35
Including: Data resources			
Contract assets		92,095,686.30	90,260,887.78
Assets held for sale			
Non-current assets maturing within one year			
Other current assets		1,199,133,942.93	1,205,001,953.56
Total current assets		18,105,619,846.98	17,331,205,639.65

STATEMENT OF FINANCIAL POSITION OF THE PARENT COMPANY

As at June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

Assets	Notes	As at June 30, 2026	As at December 31, 2025
Non-current assets:			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	17.3	2,774,634,366.45	2,779,881,525.64
Investment in other equity instruments		1,427,800,000.00	1,052,313,600.00
Other non-current financial assets		1,113,051,859.51	1,116,357,687.34
Investment properties		64,210,532.49	68,332,353.15
Fixed assets		2,690,501,940.32	2,678,632,911.14
Construction in progress		19,767,539.26	18,302,912.84
Productive biological assets			
Oil and gas assets			
Right-of-use assets		197,622,293.75	256,995,880.92
Intangible assets		1,401,634,689.44	1,569,499,382.10
Including: Data resources		23,618,951.67	24,629,561.49
Development expenditures		273,678,443.38	206,551,818.76
Including: Data resources			
Goodwill			
Long-term deferred expenses		19,075,474.83	24,800,201.82
Deferred tax assets		655,305,158.20	636,975,903.83
Other non-current assets			
Total non-current assets		10,637,282,297.63	10,408,644,177.54
Total assets		28,742,902,144.61	27,739,849,817.19

The accompanying notes form an integral part of the financial statements.

Legal Representative: Jiang Bo

Chief Accountant: Liu Xianqing

Accountant in Charge: Wang Gang

STATEMENT OF FINANCIAL POSITION OF THE PARENT COMPANY

As at June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

Liabilities and Shareholders' equity	Notes	As at June 30, 2026	As at December 31, 2025
Current liabilities:			
Short-term borrowings			
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable			
Accounts payable		2,486,376,521.22	2,624,968,520.63
Advances from customers			
Contract liabilities		1,034,862,055.76	926,178,498.25
Employee compensation payables		129,889,404.91	204,920,718.64
Taxes payable		164,520,289.86	148,449,251.36
Other payables		3,640,260,346.93	3,521,990,919.56
Including: Interest payable			
Dividends payable		827,845,050.11	20,209,069.34
Liabilities held for sale			
Non-current liabilities maturing within one year		119,356,997.87	117,942,531.58
Other current liabilities		70,013,949.04	56,356,580.61
Total current liabilities		7,645,279,565.59	7,600,807,020.63
Non-current liabilities:			
Long-term borrowings		482,976,591.11	471,200,000.00
Bonds payable			
Including: Preferred stock			
Perpetual bonds			
Lease liabilities		96,674,788.27	152,658,873.81
Long-term payables			
Long-term employee benefits payable			
Provisions			
Deferred income		1,410,235.85	1,372,500.00
Deferred tax liabilities		133,757,900.68	76,801,994.15
Other non-current liabilities			
Total non-current liabilities		714,819,515.91	702,033,367.96
Total liabilities		8,360,099,081.50	8,302,840,388.59

STATEMENT OF FINANCIAL POSITION OF THE PARENT COMPANY

As at June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

	Notes	As at June 30, 2026	As at December 31, 2025
Liabilities and Shareholders' equity			
Shareholders' equity:			
Share capital		2,926,209,589.00	2,926,209,589.00
Other equity instruments			
Including: Preferred stock			
Perpetual bonds			
Capital reserves		1,366,207,124.26	1,366,207,124.26
Less: Treasury stock			
Other comprehensive income		473,697,431.10	154,533,991.10
Special reserves			
Surplus reserves		5,058,008,337.24	4,865,930,581.12
Retained earnings		10,558,680,581.51	10,124,128,143.12
Total shareholders' equity		20,382,803,063.11	19,437,009,428.60
Total liabilities and shareholders' equity		28,742,902,144.61	27,739,849,817.19

The accompanying notes form an integral part of the financial statements.

Legal Representative: Jiang Bo

Chief Accountant: Liu Xianqing

Accountant in Charge: Wang Gang

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB 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	5.44	4,112,124,188.81	3,894,499,947.14
Including: Operating income	5.44	4,112,124,188.81	3,894,499,947.14
Interest income			
Earned premium			
Fees and commission income			
II. Total operating costs		2,417,851,262.93	2,427,876,763.37
Including: operating costs	5.44	1,579,304,893.98	1,606,525,896.47
Interest expenses			
Handling charges and Commissions Expenses			
Refunds of insurance premiums			
Net payments for insurance claims			
Net provisions for insurance liability reserves			
Commissions on insurance policies			
Cession charges			
Taxes and surcharges	5.45	44,626,257.18	44,819,753.64
Selling and distribution expenses	5.46	36,560,616.29	45,870,925.36
General and administrative expenses	5.47	595,966,178.89	620,243,073.36
Research and development expenses	5.48	191,649,620.76	166,323,848.95
Financial expenses	5.49	-30,256,304.17	-55,906,734.41
Including: Interest expenses		12,518,253.86	7,799,447.56
Interest income		50,830,895.66	57,411,998.60
Plus: Other income	5.50	3,276,643.78	3,903,044.93
Investment income ("-" for losses)	5.51	23,802,044.07	28,714,482.79
Including: Gains from investment in associates and joint ventures		-6,466,936.68	11,043,198.77
Gains from derecognition of financial assets measured at amortized cost			
Foreign exchange gains ("-" for losses)			
Income from net exposure hedging ("-" for losses)			
Gains from the changes in fair value ("-" for losses)	5.52	4,219,643.53	9,398,506.85
Credit impairment losses ("-" for losses)	5.53	15,995,236.26	176,545,235.82
Asset impairment losses ("-" for losses)	5.54	-2,167,492.16	2,069,412.78
Gains from disposal of assets ("-" for losses)	5.55		2,733,843.86

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

Item	Notes	For the six months ended June 30, 2026	For the six months ended June 30, 2025
III. Operating profits ("-" for losses)		1,739,399,001.36	1,689,987,710.80
Plus: Non-operating income	5.56	15,607,468.45	1,917,439.73
Less: Non-operating expenses	5.57	15,688,318.44	13,985,252.11
IV. Total profits ("-" for total losses)		1,739,318,151.37	1,677,919,898.42
Less: Income tax expenses	5.58	178,633,126.52	229,136,532.58
V. Net profit ("-" for net loss)		1,560,685,024.85	1,448,783,365.84
(I) Classified by operating continuity			
1. Net profit from continuing operations ("-" for net loss)		1,560,685,024.85	1,448,783,365.84
2. Net profit from discontinued operations ("-" for net losses)			
(II) Classified by ownership			
1. Net profit attributable to shareholders of the Company ("-" for net loss)		1,543,009,578.44	1,447,650,871.75
2. Net profit attributable to non-controlling interests ("-" for net loss)		17,675,446.41	1,132,494.09
VI. Other comprehensive income, net of tax		310,908,317.78	30,963,792.32
Other comprehensive income, net of tax attributable to shareholders of the Company		310,908,317.78	30,963,792.32
(I) Other comprehensive income that cannot be reclassified to profit or loss		319,163,440.00	33,587,580.00
1. Changes of re-measurement in 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		319,163,440.00	33,587,580.00
4. Changes in the fair value of the Company's own credit risk			

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

Item	Notes	For the six months ended June 30, 2026	For the six months ended June 30, 2025
(II) Other comprehensive income that may be reclassified to profit or loss		-8,255,122.22	-2,623,787.68
1. Other comprehensive income that may be reclassified to profit or loss under the equity method			
2. Changes in fair value of other debt investment			
3. Amounts of financial assets reclassified to other comprehensive income			
4. Provisions for credit impairment of other debt investments			
5. Cash flow hedging reserves			
6. Differences arising from translation of foreign-currency financial statements		-8,255,122.22	-2,623,787.68
7. Others			
Other comprehensive income, net of tax, attributable to non-controlling interests			
VII. Total comprehensive income		1,871,593,342.63	1,479,747,158.16
Total comprehensive income attributable to shareholders of the Company		1,853,917,896.22	1,478,614,664.07
Total comprehensive income attributable to non-controlling interests		17,675,446.41	1,132,494.09
VIII. Earnings per share:	5.59		
(I) Basic earnings per share (RMB/share)		0.53	0.49
(II) Diluted earnings per share (RMB/share)		0.53	0.49

The accompanying notes form an integral part of the financial statements.

Legal Representative: Jiang Bo

Chief Accountant: Liu Xianqing

Accountant in Charge: Wang Gang

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

Item	Notes	For the six months ended June 30, 2026	For the six months ended June 30, 2025
I. Operating income	17.4	3,282,543,057.93	3,165,206,321.88
Less: Operating costs	17.4	1,236,077,306.65	1,309,765,956.64
Taxes and surcharges		36,866,252.02	38,465,759.90
Selling and distribution expenses		5,422,002.85	20,080,694.64
General and administrative expenses		379,704,059.76	415,270,647.39
Research and development expenses		129,649,857.38	127,081,309.64
Financial expenses		-3,397,713.03	-11,513,145.17
Including: Interest expenses		11,172,033.41	6,960,012.58
Interest income		25,575,425.34	20,414,489.49
Plus: Other income		1,968,697.52	2,132,998.45
Investment income ("-" for loss)	17.5	53,876,417.25	30,949,960.28
Including: Gains from investment in associates and joint ventures		-5,247,159.19	12,262,976.26
Gains from derecognition of financial assets measured at amortized cost			
Income from net exposure hedging ("-" for losses)			
Gains from changes in fair value ("-" for losses)		4,219,643.53	9,398,506.85
Credit impairment losses ("-" for losses)		13,931,417.26	151,464,140.79
Asset impairment losses ("-" for losses)		-2,707,124.60	1,269,465.98
Gains from disposal of assets ("-" for losses)			2,661,860.29
II. Operating profits ("-" for loss)		1,569,510,343.26	1,463,932,031.48
Plus: Non-operating income		14,981,012.43	560,835.99
Less: Non-operating expenses		15,654,308.19	12,801,739.11
III. Total profits ("-" for total losses)		1,568,837,047.50	1,451,691,128.36
Less: Income tax expenses		134,570,872.22	190,287,922.47
IV. Net profit ("-" for net loss)		1,434,266,175.28	1,261,403,205.89
(I) Net profit from continuing operations ("-" for net loss)		1,434,266,175.28	1,261,403,205.89
(II) Net profit from discontinued operations ("-" for net loss)			

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

Item	Notes	For the six months ended June 30, 2026	For the six months ended June 30, 2025
V. Other comprehensive income, net of tax		319,163,440.00	33,587,580.00
(I) Other comprehensive income that cannot be reclassified to profit or loss		319,163,440.00	33,587,580.00
1. Changes in re-measurement of the 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		319,163,440.00	33,587,580.00
4. Changes in the fair value of the Company's own credit risk			
(II) Other comprehensive income that may be reclassified to profit or loss			
1. Other comprehensive income that may be transferred to profit or loss under the equity method			
2. Changes in fair value of other debt investments			
3. Amounts of financial assets reclassified to other comprehensive income			
4. Provisions for credit impairment of other debt investments			
5. Cash flow hedging reserves			
6. Differences arising from translation of foreign-currency financial statements			
7. Others			
VI. Total comprehensive income		1,753,429,615.28	1,294,990,785.89
VII. Earnings per share:			
(I) Basic earnings per share (RMB/share)			
(II) Diluted earnings per share (RMB/share)			

The accompanying notes form an integral part of the financial statements.

Legal Representative: Jiang Bo

Chief Accountant: Liu Xianqing

Accountant in Charge: Wang Gang

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

Item	Notes	For the six months ended June 30, 2026	For the six months ended June 30, 2025
I. Cash flows from operating activities			
Cash received from sales of goods and rendering of services		4,993,721,365.95	4,026,621,677.33
Net increase in customer deposits and deposits from other banks and financial institutions			
Net increase in borrowings from central banks			
Net increase in loans from other financial institutions			
Cash received from receiving insurance premium of original insurance contract			
Net cash received from reinsurance business			
Net increase in deposits and investments from policyholders			
Cash received from interest, handling charges and commissions			
Net increase in loans from banks and other financial institutions			
Net capital increase in repurchase business			
Net cash received from vicariously traded securities			
Refunds of taxes and surcharges		105,483,364.11	856,040.37
Cash received from other operating activities	5.61	80,573,089,408.01	57,658,822,810.80
Sub-total of cash inflows from operating activities		85,672,294,138.07	61,686,300,528.50
Cash paid for goods purchased and services received		1,164,122,498.92	954,038,106.02
Net increase in customers' loans and advances			
Net increase in deposits with central bank and with banks and other financial institutions			
Cash paid for original insurance contract claims			
Net increase in loans to banks and other financial institutions			
Cash paid for interest, handling charges and commissions			
Cash paid for policy dividends			
Cash paid to and on behalf of employees		1,128,589,622.18	1,078,548,834.69
Cash paid for taxes and surcharges		591,485,123.03	492,014,104.92
Cash paid for other operating activities	5.61	80,352,397,778.05	57,846,947,937.27
Sub-total of cash outflows from operating activities		83,236,595,022.18	60,371,548,982.90
Net cash flows from operating activities	5.62	2,435,699,115.89	1,314,751,545.60

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

Item	Notes	For the six months ended June 30, 2026	For the six months ended June 30, 2025
II. Cash flows from investing activities			
Cash received from disposal of investments		5,602,492,731.64	4,326,001,337.64
Cash received from returns on investments		42,763,552.08	43,492,261.22
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		2,053,864.00	230,031.73
Net cash received from disposal of subsidiaries and other business units			
Cash received from other investing activities			
Sub-total of cash inflows from investing activities		5,647,310,147.72	4,369,723,630.59
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		199,718,525.17	387,432,803.21
Cash paid for investments		8,200,062,500.00	9,100,066,190.32
Net increase in pledge loans			
Net cash paid to acquire subsidiaries and other business units			
Cash paid for other investing activities			
Sub-total of cash outflows from investing activities		8,399,781,025.17	9,487,498,993.53
Net cash flows from investing activities		-2,752,470,877.45	-5,117,775,362.94
III. Cash flows from financing activities			
Cash from absorption of investments			
Including: Cash received by subsidiaries from investment by minority shareholders			
Cash received from borrowings		159,300,522.06	1,975,909,645.78
Cash received from other financing activities			
Sub-total of cash inflows from financing activities		159,300,522.06	1,975,909,645.78
Cash paid for debts repayments		923,366,075.52	1,983,189,098.25
Cash paid for distribution of dividends and profits or payment of interest		25,030,879.09	17,181,331.19
Including: Dividends and profits paid to minority shareholders by subsidiaries		6,941,900.00	1,136,500.00
Cash paid for other financing activities	5.61	63,350,794.34	57,609,797.71
Sub-total of cash outflows from financing activities		1,011,747,748.95	2,057,980,227.15
Net cash flows from financing activities		-852,447,226.89	-82,070,581.37
IV. Effect of fluctuation in exchange rate on cash and cash equivalents		-18,980,083.68	-1,404,917.31
V. Net increase in cash and cash equivalents		-1,188,199,072.13	-3,886,499,316.02
Plus: beginning balance of cash and cash equivalents		10,017,949,085.85	10,507,711,480.03
VI. Closing balance of cash and cash equivalents		8,829,750,013.72	6,621,212,164.01

The accompanying notes form an integral part of the financial statements.

Legal Representative: Jiang Bo

Chief Accountant: Liu Xianqing

Accountant in Charge: Wang Gang

STATEMENT OF CASH FLOWS OF THE PARENT COMPANY

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

Item	Notes	For the six months ended June 30, 2026	For the six months ended June 30, 2025
I. Cash flows from operating activities			
Cash received from sales of goods and rendering of services		3,776,793,973.55	3,126,727,158.06
Refund of taxes and surcharges		103,703,222.02	327,630.97
Cash received from other operating activities		52,354,613.24	68,857,249.48
Sub-total of cash inflows from operating activities		3,932,851,808.81	3,195,912,038.51
Cash paid for goods purchased and services received		887,090,148.86	858,034,896.41
Cash paid to and on behalf of employees		651,254,072.28	651,032,817.12
Cash paid for taxes and surcharges		426,849,427.02	376,767,249.00
Cash paid for other operating activities		918,109,230.78	500,764,450.32
Sub-total of cash outflows from operating activities		2,883,302,878.94	2,386,599,412.85
Net cash flows from operating activities		1,049,548,929.87	809,312,625.66
II. Cash flows from investing activities			
Cash received from disposal of investments		5,602,492,731.64	4,326,001,337.64
Cash received from returns on investments		59,971,152.08	43,492,261.22
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		1,993,352.00	173,847.75
Net cash received from disposal of subsidiaries and other business units			
Cash received from other investing activities			
Sub-total of cash inflows from investing activities		5,664,457,235.72	4,369,667,446.61
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		182,288,723.10	379,139,793.78
Cash paid for investments		8,200,062,500.00	9,100,066,190.32
Net cash paid to acquire subsidiaries and other business units			
Cash paid for other investing activities			
Sub-total of cash outflows from investing activities		8,382,351,223.10	9,479,205,984.10
Net cash flows from investing activities		-2,717,893,987.38	-5,109,538,537.49

STATEMENT OF CASH FLOWS OF THE PARENT COMPANY

For the Six Months Ended June 30, 2026
 (Amounts are expressed in RMB unless otherwise stated.)

Item	Notes	For the six months ended June 30, 2026	For the six months ended June 30, 2025
III. Cash flows from financing activities			
Cash from absorption of investments			
Cash received from borrowings		11,130,000.00	471,200,000.00
Cash received from other financing activities			
Sub-total of cash inflows from financing activities		11,130,000.00	471,200,000.00
Cash paid for debts repayments			200,000,000.00
Cash paid for distribution of dividends and profits or payment of interest		6,289,529.63	3,247,368.89
Cash paid for other financing activities		56,382,545.44	48,112,377.23
Sub-total of cash outflows from financing activities		62,672,075.07	251,359,746.12
Net cash flows from financing activities		-51,542,075.07	219,840,253.88
IV. Effect of fluctuation in exchange rate on cash and cash equivalents		457,904.68	1,029,532.49
V. Net increase in cash and cash equivalents		-1,719,429,227.90	-4,079,356,125.46
Plus: beginning balance of cash and cash equivalents		7,120,057,312.32	7,834,760,091.25
VI. Closing balance of cash and cash equivalents		5,400,628,084.42	3,755,403,965.79

The accompanying notes form an integral part of the financial statements.

Legal Representative: Jiang Bo

Chief Accountant: Liu Xianqing

Accountant in Charge: Wang Gang

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

For the Period from January 1, 2026 to June 30, 2026									
Item	Share capital	Preferred stock	Other equity instruments	Others	Capital reserves	Less:			Total shareholders' equity
						Other comprehensive income	Treasury stock	Undistributed profits	
I. Balance as at December 31, 2025	2,926,209,599.00				1,267,448,110.48	135,644,827.81		14,767,735,851.01	24,425,227,551.69
Plus: Changes in accounting policies									
Correction of accounting errors in prior periods									
Business combination under common control									
Others									
II. Balance as at January 1, 2026	2,926,209,599.00				1,267,448,110.48	135,644,827.81		14,767,735,851.01	24,425,227,551.69
III. Increased decrease in 2026 ("+" for decrease)									
(1) Total comprehensive income						310,908,317.78		542,815,909.28	1,063,957,344.41
(2) Capital contributed or reduced by shareholders						310,908,317.78		1,543,009,578.44	1,871,895,344.43
(i) Common stock contributions by shareholders									
(ii) Capital contributed by the holders of other equity instruments									
(iii) Amounts of share-based payments recognized in shareholders' equity									
(iv) Others									
(3) Profit distribution									
(i) Withdrawal of surplus reserves								-1,000,192,669.16	-807,635,980.77
(ii) Withdrawal of general risk reserves								-192,077,756.12	-192,077,756.12
(iii) Profit distribution to shareholders								-478,932.27	-478,932.27
(iv) Others								-807,635,980.77	-807,635,980.77
(4) Internal carry-forward of shareholders' equity									
(i) Conversion of capital reserves into paid-in capital (or share capital)									
(ii) Conversion of surplus reserves into paid-in capital (or share capital)									
(iii) Losses offset by surplus reserves									
(iv) Carry-forward of changes in the defined benefit plan for related earnings									
(v) Carry-forward of other comprehensive income for related earnings									
(vi) Others									
(5) Special reserves									
(i) Amount withdrawn in 2026									
(ii) Amount used in 2026									
(6) Others									
IV. Balance as at June 30, 2026	2,926,209,599.00				1,267,448,110.48	444,593,155.59		15,310,552,740.29	25,489,184,929.55

The accompanying notes form an integral part of the financial statements.

Legal Representative: Jiang Bo

Chief Accountant: Liu Xianqing

Accountant in Charge: Wang Gang

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

For the Period from January 1, 2025 to June 30, 2025														
Equity attributable to shareholders of the parent company														
Items	Share capital	Preferred stock	Other equity instruments	Others	Capital reserves	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	General risk reserves	Undistributed profits	Sub-total	Minority interest	Total shareholders' equity
I. Balance as at December 31, 2024	2,926,209,590.00				1,267,448,110.48		98,947,549.31	4,589,067,403.87		13,261,933.32	13,489,875,636.21	22,304,819,222.19	597,154,477.65	22,861,865,699.84
Plus: Changes in accounting policies														
Correction of accounting errors in prior periods														
Business combination under common control														
Others														
II. Balance as at January 1, 2025	2,926,209,590.00				1,267,448,110.48		98,947,549.31	4,589,067,403.87		13,261,933.32	13,489,875,636.21	22,304,819,222.19	597,154,477.65	22,861,865,699.84
III. Increased decrease in 2025 ("+" for decreases)							30,963,793.22	170,291,633.33		1,968,015.05	576,071,516.0	779,250,572.30	154,594.09	779,407,164.39
(I) Total comprehensive income							30,963,793.22				1,447,630,871.75	1,478,614,664.07	1,132,494.09	1,479,747,158.16
(2) Capital contributed or reduced by shareholders														
(i) Common stock contributions by shareholders														
(ii) Capital contributed by the holders of other equity instruments														
(iii) Amounts of share-based payments recognized in shareholders' equity														
(iv) Others														
(3) Profit distribution														
(i) Withdrawal of surplus reserves									170,291,633.33	1,968,015.05	-877,623,720.15	-699,346,091.77	-975,900.00	-700,339,991.77
(ii) Withdrawal of general risk reserves									170,291,633.33		-170,291,633.33			
(iii) Profit distribution to shareholders										1,968,015.05	-1,968,015.05			
(iv) Others												-699,346,091.77	-975,900.00	-700,339,991.77
(4) Internal carry-forward of shareholders' equity														
(i) Conversion of capital reserves into paid-in capital for share capital														
(ii) Conversion of surplus reserves into paid-in capital for share capital														
(iii) Losses offset by surplus reserves														
(iv) Carry-forward of changes in the defined benefit plan for retained earnings														
(v) Carry-forward of other comprehensive income for retained earnings														
(vi) Others														
(5) Special reserves														
(i) Amount withdrawn in 2025														
(ii) Amount used in 2025														
(6) Others														
Balance as at June 30, 2025	2,926,209,590.00				1,267,448,110.48		129,911,341.63	4,679,359,017.20		15,286,948.37	14,065,902,787.81	23,084,079,794.49	597,213,071.74	23,676,997,866.23

The accompanying notes form an integral part of the financial statements.

Legal Representative: Jiang Bo

Chief Accountant: Liu Xiangqing

Accountant in Charge: Wang Gang

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY OF THE PARENT COMPANY

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

Items	For the Period from January 1, 2026 to June 30, 2026							Total shareholders' equity
	Share capital	Preferred stock	Other equity instruments	Others	Capital reserves	Less: treasury stock	Other comprehensive income	
I. Balance as at December 31, 2025	2,926,209,589.00				1,366,207,124.26		154,533,991.10	19,437,009,426.60
Plus: Changes in accounting policies								
Correction of accounting errors in prior periods								
Others								
II. Balance as at January 1, 2026	2,926,209,589.00				1,366,207,124.26		154,533,991.10	19,437,009,426.60
III. Increase/decrease in 2026 ("+" for increases)							319,163,440.00	945,793,634.51
(1) Total comprehensive income							319,163,440.00	945,793,634.51
(2) Capital contributed or reduced by shareholders								
(i) Common stock contributions								
by shareholders								
(ii) Capital contributed by the holders								
of other equity instruments								
(iii) Amounts of share-based payments								
recognized in shareholders' equity								
(iv) Others								
(3) Profit distribution								
(i) Withdrawal of surplus reserves								
(ii) Profit distribution to shareholders								
(iii) Others								
(4) Internal carry-forward of shareholders' equity								
(i) Conversion of capital reserves into								
paid-in capital (or share capital)								
(ii) Conversion of surplus reserves into								
paid-in capital (or share capital)								
(iii) Losses offset by surplus reserves								
(iv) Carry-forward of changes in the defined								
benefit plan for retained earnings								
(v) Carry-forward of other comprehensive								
income for retained earnings								
(vi) Others								
(5) Special reserves								
(i) Amount withdrawn in 2026								
(ii) Amount used in 2026								
(6) Others								
IV. Balance as at June 30, 2026	2,926,209,589.00				1,366,207,124.26		473,697,431.10	20,382,803,061.11

The accompanying notes form an integral part of the financial statements.

Legal Representative: Jiang Bo

Chief Accountant: Liu Xianqing

Accountant in Charge: Wang Gang

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY OF THE PARENT COMPANY

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

For the Period from January 1, 2025 to June 30, 2025											
Items	Share capital	Preferred stock	Other equity instruments Perpetual bonds	Others	Capital reserves	Treasury stock	Less: comprehensive income	Special reserves	Surplus reserves	Undistributed profits	Total shareholders' equity
I. Balance as at December 31, 2024	2,926,209,389.00				1,366,207,124.26		113,265,760.25		4,503,561,211.67	9,265,084,043.12	18,174,327,728.30
Plus: Changes in accounting policies											
Correction of accounting errors in prior periods											
Others											
II. Balance as at January 1, 2025	2,926,209,389.00				1,366,207,124.26		113,265,760.25		4,503,561,211.67	9,265,084,043.12	18,174,327,728.30
III. Increase/decrease in 2025 ("+" for increases)							33,387,580.00		170,291,613.33	391,747,500.79	595,626,694.12
(1) Total comprehensive income							33,387,580.00				
(2) Capital contributed or reduced by shareholders							33,387,580.00			1,261,403,205.89	1,294,990,765.89
(i) Common stock contributions											
by shareholders											
(ii) Capital contributed by the holders											
of other equity instruments											
(iii) Amounts of share-based payments											
recognized in shareholders' equity											
(iv) Others											
(3) Profit distribution									170,291,613.33	-869,655,705.10	-699,364,091.77
(i) Withdrawal of surplus reserves									170,291,613.33		
(ii) Profit distribution to shareholders									170,291,613.33	-170,291,613.33	
(iii) Others										-699,364,091.77	-699,364,091.77
(4) Internal carry-forward of shareholders' equity											
(i) Conversion of capital reserves into											
paid-in capital (or share capital)											
(ii) Conversion of surplus reserves into											
paid-in capital (or share capital)											
(iii) Losses offset by surplus reserves											
(iv) Carry-forward of changes in the defined											
benefit plan for retained earnings											
(v) Carry-forward of other comprehensive											
income for retained earnings											
(vi) Others											
(5) Special reserves											
(i) Amount withdrawn in 2025											
(ii) Amount used in 2025											
(6) Others					1,366,207,124.26		146,853,340.25		4,673,852,825.00	9,656,681,543.91	18,769,954,422.42
IV. Balance as at June 30, 2025	2,926,209,389.00				1,366,207,124.26		146,853,340.25		4,673,852,825.00	9,656,681,543.91	18,769,954,422.42

The accompanying notes form an integral part of the financial statements.

Legal Representative: Jiang Bo

Chief Accountant: Liu Xianqing

Accountant in Charge: Wang Gang

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

[Amounts are expressed in RMB unless otherwise stated.]

1 COMPANY PROFILE

TravelSky Technology Limited (hereinafter referred to as the “**the Company**” or “**Company**”) was incorporated in Beijing, the People’s Republic of China on October 18, 2000, with offering of 577,303,500 shares at the time of establishment, par value of RMB1.00 per share, and totaled share capital of RMB577,303,500.00.

On February 7, 2001, the Company completed its initial offering of H shares of 310,854,000 shares (par value of RMB1.00 per share) to overseas investors, and listed on the Stock Exchange of Hong Kong Ltd. (the “**SEHK**”), increasing its total share capital to RMB888,157,500.00 after the offering.

On June 5, 2007, at the annual general meeting and class shareholders’ meeting of the Company, the Company approved to distribute bonus at RMB1.00 par value per share to shareholders with the capital reserves-equity premiums of RMB888,157,500.00, with one bonus share for each existing share held, totaling 888,157,500 shares for each existing share for one share, and meanwhile increased the share capital of the Company. After the conversion, the number of ordinary shares of the Company increased from 888,157,500 shares to 1,776,315,000 shares and the total share capital increased to RMB1,776,315,000.00.

According to the Company’s extraordinary shareholders meeting resolution in July 2008, the Company issued 174,491,393 ordinary shares (par value of RMB1.00 per share) to China TravelSky Holding Company Limited (formerly known as China TravelSky Holding Company, hereinafter referred to as “**CTH**”) as all equities of China Accounting Center of China Aviation Limited Company (hereinafter referred to as “China Aviation Accounting”) acquired by the Company from CTH of all equity interests in China Aviation Settlement Co., Ltd. and the consideration for property (hereinafter referred to as “Property”) located at Dongxing Lane, Chaoyang District, Beijing, China. Upon completion of the acquisition in March 2009, the number of ordinary shares of the Company increased from 1,776,315,000 shares to 1,950,806,393 shares and the total share capital increased to RMB1,950,806,393.00.

In accordance with the resolution of the annual general meeting on June 28, 2011, the Company was approved to, by RMB975,403,196.00 by way of allocation of its reserves and retained earnings to capital, increase its share capital with discretionary surplus (RMB487,701,598.00) and undistributed profits (RMB487,701,598.00), and distribute the bonus to the shareholders of the Company whose names appeared on its register of shareholders on June 28, 2011, with one bonus share for every two shares of the Company held at that time, and the total share capital of the Company after the capital increase increased to RMB2,926,209,589.00.

As at June 30, 2026, the Company cumulatively issued share capital was 2,926,209,589 shares, and the registered share capital was RMB2,926,209,589.00.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
 (Amounts are expressed in RMB unless otherwise stated.)

1 COMPANY PROFILE (CONTINUED)

The existing unified social credit code: 9111000071092729XP. Registered office: Room A2912, Building 5, Yuhang Road No.8 Yard, Shunyi District, Beijing (changed on August 25, 2026.). Legal representative: Jiang Bo (changed on January 12, 2026.)

The Company's business scope includes: Permitted items: Internet information service business. (Projects that require approval according to law can only be carried out with the approval of relevant departments. Specific business projects shall be subject to the approval documents or licenses of relevant departments). General business items: Industrial Internet data services; digital technology services; Internet data services; network technology services; computer software, hardware and peripheral equipment manufacturing; computer software, hardware and auxiliary equipment wholesale; computer software, hardware and auxiliary equipment retail; software development; technical services, technology development, Technical consultation, technology exchange, technology transfer, technology promotion; information technology consulting services; computer system services; information system operation and maintenance services; communication equipment sales; leasing services (excluding licensed leasing services); software sales; cloud computing equipment sales; Network equipment sales; technology import and export; goods import and export; information consulting services (excluding licensing information consulting services); information system integration services; intelligent control system integration. (The Company may independently choose business items and conduct business activities in accordance with the law) (any operating activity of the item banned and restricted by Beijing industrial policy may not be conducted.)

The business nature of the Company is: Aviation information technology services.

The industry in which the Company operates is: Other air transportation auxiliary activities.

The Company's main business activities are: The company targets airlines, airports, ticket sales agents, tourism companies, civil aviation-related institutions and international organizations, and provides a full range of air passenger business processing, air travel electronic distribution, airport passenger processing, air cargo data processing, Internet travel platforms, international and domestic Passenger and freight revenue management system applications and agency settlement and clearing services.

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 "the Group".

The financial statements have been approved by the Company's board of directors on August 24, 2026.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

[Amounts are expressed in RMB unless otherwise stated.]

2 BASIS OF PREPARATION FOR FINANCIAL STATEMENTS

2.1 Basis of preparation

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 are also in compliance with the applicable disclosure provisions of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited, as well as the applicable disclosure requirements of the Hong Kong Companies Ordinance.

2.2 Going concern

The financial statements are prepared on a going concern basis.

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

The following contents disclosed have covered the specific accounting policies and accounting estimates formulated according to the characteristics of actual production and business operation by the Company.

3.1 Statement on compliance with the Accounting Standards for Business Enterprises

The financial statements meet the requirements of the Accounting Standards for Business Enterprises issued by the Ministry of Finance, and truly and completely reflect the consolidated financial position and the parent company’s financial position as at June 30, 2026, and the consolidated operating results and the parent company’s operating results, the consolidated cash flows and the parent company’s cash flows for the period from January 2026 to June 2026.

3.2 Accounting period

The accounting year is from January 1 to December 31 in calendar year.

3.3 Operating cycle

The Company’s operating cycle is 12 months.

3.4 Functional currency

The Company adopts RMB as its functional currency. Subsidiaries of the Company determine their functional currency according to the main economic environment in which they operate. This financial statement is presented in RMB.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
 (Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

(CONTINUED)

3.5 Accounting treatment methods for business combinations under common control and not under common control

Business combination under common control: For the assets and liabilities acquired from business combination by the combining party (including the goodwill formed by the acquisition by the final controller of the combine), they are measured at book value of assets and liabilities in the consolidated financial statements of the final controller on the combination date. The stock premium in capital reserves is adjusted according to the difference between the book value of net assets acquired through combination and the book value of consideration paid for the combination (or total par value of shares issued). If the stock premium in capital reserves is insufficient to cover the difference, the remaining amount will be charged against retained earnings.

Business combination not under common control: The combination costs are the fair value, on the acquisition date, of any assets acquired, any liabilities incurred or assumed, and any equity securities issued by the acquirer, in exchanges for the right of control over the acquiree. The Company shall recognize the difference of the combination costs in excess of the fair value of the identifiable net assets acquired from the acquiree as goodwill. The Company shall recognize the difference of the combination costs in short of the fair value of the identifiable net assets acquired from the acquiree in the current profit or loss. The identifiable assets, liabilities, and contingent liabilities of the acquiree that are obtained by the acquirer from combination and conform to the recognition criteria shall be measured at the fair value on the acquisition date.

Direct relevant expenses arising from the business combination are included in the current profit or loss upon occurrence. Trading expenses on issuing equity securities or debt securities for the business combination are included in the initially recognized amount of the equity securities or the debt securities.

3.6 Preparation method of consolidated financial statements

3.6.1 Scope of consolidation

The consolidation scope of consolidated financial statements is determined on the basis of control, covering the Company and all the subsidiaries. Control means the Company has the power over the investee and enjoys the variable return through participating in activities related to the investee, and has the ability to affect the return of the investee by using the power over the investee.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.6 Preparation method of consolidated financial statements (Continued)****3.6.2 Procedures for consolidation**

The Company regards the entire enterprise group as an accounting entity and prepares consolidated financial statements in accordance with unified accounting policies to reflect the overall financial status, operating results and cash flow of the enterprise group. The influence of internal transactions between the Company and its subsidiaries or between subsidiaries shall be offset. If internal transactions indicate that the relevant assets have suffered impairment losses, this part of losses shall be confirmed in full. If the accounting policies or accounting periods of a subsidiary are different from those of the Company, adjustments are made in accordance with the Company's accounting policies and accounting periods when preparing the consolidated financial statements.

The share of shareholders' equity, current net profit or loss and current comprehensive income of subsidiaries attributable to minority shareholders are respectively and separately presented under the shareholders' equity in the consolidated balance sheet, the net profit in the consolidated income statement, and the total comprehensive income in the consolidated income statement. If the current loss shared by a minority shareholder of a subsidiary exceeds the balances arising from the shares enjoyed by the minority shareholder in the shareholders' equity of the subsidiary at the beginning of the period, minority equity will be written down accordingly.

(1) Increase of subsidiaries or business

During the reporting period, where the Company acquired subsidiaries or business from the business combination under common control, the operating results and cash flows of the newly acquired subsidiaries or business from the beginning of the period for business combination to the end of the reporting period are included in the consolidated financial statements; the beginning amount of the consolidated financial statements and relevant items in the comparative statements are adjusted accordingly, as if the reporting entity after the business combination exists as of the time when the ultimate controller has the control.

Where control can be exercised on the investee under the common control for additional investment or other reasons, equity investments held before the control over the combined party is obtained, the related profits or losses, other comprehensive income as well as other changes in net assets recognized from the later between the date when the original equity is obtained and the date when the acquirer and the acquiree are under common control to the combination date will respectively write down the beginning retained earnings or the current profit or loss during the period for comparing financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

3.6 Preparation method of consolidated financial statements (Continued)

3.6.2 Procedures for consolidation (Continued)

(1) *Increase of subsidiaries or business (Continued)*

During the reporting period, if the Company acquired subsidiaries or business from the business combination not under common control, all identifiable assets, liabilities and contingent liabilities will be included in the consolidated financial statements from the purchase date based on their fair value determined on purchase date.

Where the Company can control the investee not under common control for additional investments, it shall re-measure equity of the acquiree held before the acquisition date at the fair value of such equity on the acquisition date and include the difference between the fair value and book value in the current investment income. Where equity of the acquiree held before the acquisition date involves in other comprehensive income that can be reclassified into profit or loss and other changes in shareholders' equity accounted for under the equity method shall be transferred to the investment income in the year which the acquisition date falls in.

(2) *Disposal of subsidiaries*

① **General treatment methods**

When the Company loses the control over the investee due to disposal of partial equity investment or other reasons, the remaining equity investment after the disposal should be re-measured by the Company at the fair value thereof on the date of losing the control. The difference of total amount of the consideration from disposal of equities plus the fair value of the remaining equities less the shares calculated at the original shareholding ratio in net assets and goodwill of the original subsidiary which are continuously calculated as of the acquisition date or combination date shall be included in the investment income of the period at the loss of control. Other comprehensive income that will be reclassified into profit or loss later associated with the equity investments of the original subsidiary, or the changes in other shareholders' equity calculated under the equity method, shall be transferred into investment income of the current period when control is lost.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.6 Preparation method of consolidated financial statements (Continued)****3.6.2 Procedures for consolidation (Continued)****(2) Disposal of subsidiaries (Continued)****② Disposal of subsidiaries by stages**

If the control is lost due to disposal of the equity investments in subsidiaries through multiple transactions by stages, and the terms, conditions and economic impact of the transactions related to the disposal of equity investments in subsidiaries meet one or more of the following circumstances, it usually indicates that multiple transactions will be treated a package deal:

- i. The transactions are concluded at the same time or under the consideration of mutual effect;
- ii. These transactions as a whole can reach a complete business result;
- iii. The occurrence of a transaction depends on that of other transaction or more; and/or
- iv. A single transaction is uneconomical but it is economical when considered together with other transactions.

Where various transactions belong to a package deal, accounting treatment shall be made by the Company on the transactions as a transaction to dispose subsidiaries and lose the control; the difference between each disposal cost and net asset share in the subsidiaries corresponding to each disposal of investments before loss of the control should be recognized as other comprehensive income in the consolidated financial statements and should be transferred into the current profit or loss at the loss of the control.

Where various transactions do not belong to a package deal, before the loss of the control, accounting treatment shall be made according to the partial disposal of equity investments in the subsidiary without losing control; at the loss of the control, accounting treatment shall be made according to general treatment methods for disposal of subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
 (Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

3.6 Preparation method of consolidated financial statements (Continued)

3.6.2 Procedures for consolidation (Continued)

(3) *Purchase of minority interest of subsidiaries*

The share premium in the capital reserves under the consolidated balance sheet will be adjusted at the difference between the long-term equity investment acquired by the Company for the purchase of minority interest and the share of net assets calculated constantly from the acquisition date (or combination date) according to the newly increased shareholding ratio. If the share premium is insufficient to offset, retained earnings will be adjusted.

(4) *Partial disposal of equity investments in subsidiaries without losing control*

The equity premium of capital reserves in the consolidated balance sheet will be adjusted according to the difference between the disposal price and the share of net assets of subsidiaries calculated from the acquisition date or the combination date corresponding to the disposal of long-term equity investments; if the equity premium of capital reserves is insufficient, the retained earnings will be adjusted.

3.7 Recognition criteria of cash and cash equivalents

Cash refers the Company's cash on hand and the unrestricted deposits. Cash equivalents refer to short-term and highly liquid investments that are readily convertible to known amounts of the cash and which are subject to an insignificant risk of change in value.

3.8 Foreign currency transactions and translation of foreign currency statements

3.8.1 Foreign currency transactions

As for foreign currency transactions of the Company, the amounts of these transactions are translated into RMB at the spot exchange rate on the day when these transactions occur.

The balance of foreign currency items on the balance sheet date are translated at the spot exchange rate on the balance sheet date. Except those arising from specific-purpose borrowings in foreign currencies related to assets eligible for capitalization that shall be measured in accordance with principle of capitalization of the borrowing costs, other exchange differences shall be recognized in profit or loss for the current period.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.8 Foreign currency transactions and translation of foreign currency statements (Continued)****3.8.2 Translation of foreign currency financial statements**

When the Company measures the foreign currency statements of its overseas business, the assets and liabilities in the balance sheet are translated at the spot exchange rates on the balance sheet date; owners' equity items, except for the item of "retained earnings", are translated at the spot exchange rates on the date when the business occurs. The income and expenses items in income statements are translated at the spot exchange rate on the day when the transaction occurs.

At the disposal of overseas business, the translation differences of foreign currency statements relating to the overseas business shall be transferred from the owner's equity item to the current profit or loss at disposal.

3.9 Financial instruments

When the Company becomes a party to a financial instrument, it shall recognize a financial asset, financial liability, or equity instrument.

3.9.1 Classification of financial instruments

According to the business model of financial assets and contractual cash flow characteristics of the same, which are subject to the management of the Company, financial assets are classified at initial recognition as: financial assets measured at the amortized cost, financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through profit or loss.

Financial assets not designated to be measured at fair value through the current profit or loss in line with the following conditions will be reclassified into the financial assets measured at amortized cost:

- The business model aims to collect contractual cash flows;
- The contract cash flow is only the payment for the principal and the interest based on the outstanding principal amount.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.9 Financial instruments (Continued)****3.9.1 Classification of financial instruments (Continued)**

Financial assets not designated to be measured at fair value through profit or loss in line with the following conditions will be reclassified into the financial assets (debt instruments) measured at fair value through other comprehensive income:

- Where the purpose of the business model is to collect contractual cash flows and sell such financial assets;
- Contractual cash flow is only the payment for the principal and the interest based on the outstanding principal amount.

At the initial recognition, the Company irrevocably designates the non-trading equity instrument investments as financial assets (equity instruments) measured at fair value through the other comprehensive income. The designation is made based on a single investment and the relevant investment is in line with the definition of the equity instrument from the issuer's perspective.

Except for the financial assets measured at amortized cost and the financial assets measured at fair value through other comprehensive income mentioned above, all the remaining financial assets are classified as financial assets measured at fair value through profit or loss. At the initial recognition, in order to eliminate or obviously reduce accounting mismatch, the Company may irrevocably designate the financial assets that shall be classified to be measured at amortized cost or measured at fair value through other comprehensive income as financial assets measured at fair value through profit or loss.

At the initial recognition, financial liabilities are classified as: financial liabilities measured at fair value through profit or loss and financial liabilities measured at the amortized cost.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.9 Financial instruments (Continued)****3.9.2 Recognition basis and measurement method of financial instruments****(1) *Financial assets measured at amortized cost***

Financial assets measured at amortized cost include notes receivable and accounts receivable, other receivables, long-term receivables, and creditors' investment, etc., of which initial measurement is made at fair value, and relevant transaction costs are included in the initially recognized amount; exclude accounts receivable with significant financing component and accounts receivable with the financing component not exceeding one year and not considered by the Company, of which initial measurement is made at the contract transaction price.

During the holding period, the interest calculated with the effective interest method should be included in the current profit or loss.

At recovery or disposal, the difference between the purchase price obtained and the book value of such financial assets is included in the current profit or loss.

(2) *Financial assets (debt instruments) measured at fair value through the other comprehensive income*

Financial assets (debt instruments) measured at fair value through the other comprehensive income include receivables financing and other creditors' investment, of which initial measurement is made at fair value, and relevant transaction costs are included in the initially recognized amount. The subsequent measurement of such financial assets is made at fair value. Changes in fair value are included in other comprehensive income except for the interest calculated by the effective interest method, impairment losses or reversal, and exchange gains or losses.

At derecognition, the accumulated gains or losses previously included in other comprehensive income are transferred from the other comprehensive income to the current profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.9 Financial instruments (Continued)****3.9.2 Recognition basis and measurement method of financial instruments (Continued)*****(3) Financial assets (equity instruments) measured at fair value through other comprehensive income***

Financial assets (equity instruments) measured at fair value through other comprehensive income, including the investment in other equity instruments, are initially measured at fair value, and relevant transaction costs are included in the initially recognized amount. The subsequent measurement of such financial assets is made at fair value, and the changes in fair value are included in other comprehensive income. The dividends obtained are included in the current profit or loss.

At derecognition, the accumulated gains or losses previously included in other comprehensive income are transferred from the other comprehensive income to the retained earnings.

(4) Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss include trading financial assets, derivative financial assets and other non-current financial assets, of which initial measurement is made at fair value, and relevant transaction costs are included in the current profit or loss. The subsequent measurement of such financial assets is made at fair value, and changes in fair value are included in the current profit or loss.

(5) Financial liabilities measured at fair value through profit or loss

Financial liabilities measured at fair value through profit or loss include trading financial liabilities and derivative financial liabilities, of which initial measurement is made at fair value, and relevant transaction costs are included in the current profit or loss. The subsequent measurement of such financial liabilities is made at fair value, and changes in fair value are included in the current profit or loss.

At derecognition, the difference between the book value and the consideration paid of such financial liabilities is included in the current profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.9 Financial instruments (Continued)****3.9.2 Recognition basis and measurement method of financial instruments (Continued)****(6) Financial liabilities measured at amortized cost**

Financial liabilities measured at the amortized cost include short-term borrowings, notes payable and accounts payable, other payables, long-term borrowings, bonds payable and long-term payables, of which initial measurement is made at fair value, and related transaction costs are included in the initially recognized amount.

During the holding period, the interest calculated by the effective interest method is included in the current profit or loss.

At derecognition, the difference between the consideration paid and the book value of such financial liabilities is included in the current profit or loss.

3.9.3 Derecognition and transfer of financial assets

Where one of the following conditions is met, the Company shall derecognize financial assets:

- The contractual right of collecting cash flows of financial assets is terminated;
- The financial assets have been transferred, and nearly all of the risks and rewards related to the ownership of the financial assets have been transferred to the transferee;
- The financial assets have been transferred, and the Company does not retain the control over the financial assets through it has neither transferred nor retained nearly all risks and rewards related to the ownership of the financial assets.

When the Company modifies or renegotiates a contract with a counterparty and the modification constitutes a material change, the original financial asset is derecognized and a new financial asset is recognized in accordance with the modified terms.

At the transfer of financial assets, where nearly all the risks and rewards related to the ownership of the financial assets have been retained, such financial assets shall not be derecognized.

In determining whether the transfer of a financial asset meets the above derecognition criteria of financial assets, the principle of substance over form will be adopted.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.9 Financial instruments (Continued)****3.9.3 Derecognition and transfer of financial assets (Continued)**

The Company divides the transfer of financial assets into overall transfer and partial transfer. Where the entire transfer of financial assets meets the derecognition conditions, the difference of the following two amounts is included in the current profit or loss:

- (1) The book value of the transferred financial asset;
- (2) The sum of consideration received from the transfer, and the accumulated change amount of fair value originally recorded in shareholders' equity (the financial assets involved in the transfer are financial assets (debt instruments) measured at fair value through the other comprehensive income).

Where the partial transfer of a financial asset meets the derecognition criteria, the entire book value of the financial asset transferred shall be allocated between the derecognized part and the recognized part based on the relative fair value, and the difference between the following two amounts shall be included in the current profit or loss:

- (1) The book value of derecognized part;
- (2) The sum of the consideration for the derecognized part and the amount corresponding to the de-recognition part in the accumulated change amount of fair value originally and directly included in shareholders' equity (where the financial assets transferred are the financial assets (debt instruments) measured at fair value through the other comprehensive income).

Where the transfer of financial assets does not meet the derecognition criteria, the financial assets shall continue to be recognized, and the consideration received shall be recognized as a financial liability.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.9 Financial instruments (Continued)****3.9.4 Derecognition of financial liabilities**

Where the present obligations of financial liabilities have been discharged in whole or in part, the financial liabilities or any part thereof shall be derecognized; if the Company signs an agreement with creditors to replace the existing financial liabilities by undertaking new financial liabilities, and the new financial liabilities are substantially different from the existing ones in terms of contract terms, the existing financial liabilities shall be derecognized, and at the same time, the new financial liabilities shall be recognized.

Where substantive changes are made to the contract terms of existing financial liabilities in whole or in part, the existing financial liabilities shall be derecognized in whole or in part, and the financial liabilities of which terms have been modified shall be recognized as the new financial liabilities.

Where financial liabilities are derecognized in whole or in part, the difference between the book value of the financial liabilities derecognized and the consideration paid (including non-cash assets surrendered and the new financial liabilities assumed) shall be included in current profit or loss.

Where the Company redeems part of its financial liabilities, it shall, on the redemption date, allocate the entire book value of whole financial liabilities according to the comparative fair value of the part that continues to be recognized and the derecognized part. The difference between the book value allocated to the derecognized part and the considerations paid (including non-cash assets surrendered and the new financial liabilities assumed) shall be included in the current profit or loss.

3.9.5 Recognition methods of the fair value of financial assets and financial liabilities

As for the financial instruments for which there is an active market, the quoted prices in the active market shall be used to determine the fair values thereof. Where there is no active market for a financial instrument, the valuation techniques shall be adopted to determine its fair value. At the time of valuation, the Company shall adopt the valuation technique that is applicable to the current circumstance and is supported by sufficient available data and other information to select the input values consistent with the assets or liabilities characteristics that are considered by market participants in transactions of relevant assets and liabilities and shall give priority in use of observable input values. Unobservable input values may be used only when observable input values are unavailable or impractical to obtain.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.9 Financial instruments (Continued)****3.9.6 Test method and accounting treatment of impairment of financial assets**

The Company estimates the expected credit loss of financial assets measured at the amortized cost and financial assets (debt instruments) measured at fair value through other comprehensive income, and financial guarantee contracts on an expected credit loss basis.

By considering such reasonable and well-founded information as relevant matters in the past, current conditions and prediction of future economic conditions, the Company calculates the probability weighted amount, weighted by default risk, of the present value of the difference between the cash flows receivable under the contract and the cash flows expected to be received, to determine the expected credit loss.

For receivables and contract assets arising from the transactions specified in the Accounting Standards for Business Enterprises No. 14 – Revenue, whether or not they contain significant financing components, the Company always makes the provision for credit loss at the amount equivalent to the expected credit loss over the whole duration.

For lease receivables arising from the transactions specified in the Accounting Standards for Business Enterprises No. 21 – Leases, the Company chooses to always makes the provision for credit loss at the amount equivalent to the expected credit loss over the whole duration.

For other financial instruments, the Company assesses at each balance sheet date the changes in credit risk of the relevant financial instruments since initial recognition.

By comparing the default risk in financial instruments on the balance sheet date with the default risk in financial instruments on the initial recognition date, the Company determines the relative change in default risk in financial instruments during the estimated duration to assess whether the credit risk of financial instruments has greatly increased following the initial recognition of such financial instruments. Generally, once the period is overdue for over 30 days, the Company may consider that there is obvious increase in credit risk of such financial instrument, unless there is unambiguous evidence that there is no obvious increase in credit risk of such financial instrument following the initial recognition.

If the credit risk of the financial instrument is low on the balance sheet date, the Company will immediately consider that there is no obvious increase in credit risk of such financial instrument following the initial recognition.

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(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.9 Financial instruments (Continued)****3.9.6 Test method and accounting treatment of impairment of financial assets (Continued)**

If there is obvious increase in credit risk following the initial recognition of such financial instrument, the Company will measure the loss provision at the amount which is equivalent to the amount of the expected credit loss over the entire duration of such financial instrument; if there is no obvious increase in credit risk following the initial recognition of such financial instrument, the Company will measure the loss provision at the amount which is equivalent to the amount of the expected credit loss within 12 months in the future of such financial instrument. Amount increased or reversed of loss provision arising therefrom will be included in the current profit or loss as impairment loss or gain. For financial assets (debt instruments) at fair value through other comprehensive income, a provision for impairment is recognized in other comprehensive income, and the impairment loss or gain is recognized in profit or loss and does not reduce the carrying amount of the financial asset as stated in the balance sheet.

The Company combines the accounts receivable and contract assets according to similar credit risk characteristics and based on forward-looking information and all other reasonable and reliable information, estimates the proportion of provision for bad debts of accounts receivable as follows:

Determination basis of portfolio	Portfolio analysis method
Portfolio of receivables from related parties	For the accounts receivable from related parties (including the open accounts with the shareholder company, the open accounts between the parent company and the subsidiaries or between subsidiaries), in principle, no provision for bad debts shall be made. However, if there is conclusive evidence that the debt unit of the related party has been revoked, bankrupt, insolvent, and the cash flow is seriously insufficient, and the receivables will not be recovered by debt restructuring or other means, the corresponding provision for bad debts shall be accrued according to the estimated possible losses from bad debts, and the provision for bad debts may also be accrued for all the receivables from related parties that are estimated to be unrecoverable.
Portfolio of receivables from third parties	Based on the experience of historical credit losses, the Group adopts a simplified method to calculate the expected credit losses by using the reserve matrix for the expected credit losses of the whole duration.

The measurement of provision for impairment loss on other receivables is conducted in accordance with the measurement method of impairment loss on the aforesaid financial assets (excluding accounts receivables).

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3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.9 Financial instruments (Continued)****3.9.6 Test method and accounting treatment of impairment of financial assets (Continued)**

The balance of other receivables mainly includes: The payment by the Company's wholly owned subsidiary, China Aviation Accounting Co., Ltd. paid on behalf of airlines for the settlement and clearing services provided to them, and the principal of the factoring of accounts receivable collected by Antu Jinxin Commercial Factoring Co., Ltd., a subsidiary of China Aviation Accounting Co., Ltd. As these accounts are within the normal collection period, and from experience observations, no credit risk has occurred, or the borrower has strong financial support to repay the funds in the short term. Hence, they are treated low credit risk and no expected credit loss is accrued.

For various types of margin, deposit and reserve borrowings, in principle, no provision for bad debts is made. However, if there is conclusive evidence that bad debts have been formed, corresponding bad debt provisions will be made based on the estimated bad debt losses that may occur.

If the Company no longer reasonably expects that the contractual cash flow of the financial asset can be fully or partially recovered, the book balance of the financial asset will be directly written down.

3.10 Inventories**3.10.1 Classification and cost of inventories**

Inventories are classified as: Raw materials, low-cost consumables, stock commodities, goods dispatched, contract performance cost, contract acquisition cost, etc.

Inventories are initially measured at cost, and the inventory cost includes the procurement cost, processing cost, and other expenses arising from making the inventory at their present location and condition.

3.10.2 Measurement method of dispatched inventories

The Company's inventories are measured using the specific identification method when shipped.

3.10.3 Inventory system

Perpetual inventory system is adopted.

3.10.4 Amortization methods for low-cost consumables and packaging materials

- (1) One-off write-off method is adopted for low-cost consumables;
- (2) Reusable packaging materials are amortized into cost and expenses over their expected usage times.

NOTES TO THE FINANCIAL STATEMENTS

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(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.10 Inventories (Continued)****3.10.5 Recognition standards and accrual methods for inventory depreciation provisions**

On the balance sheet date, inventories shall be measured at the cost or the net realizable value, whichever is lower. Where the inventory cost is higher than its realizable value, the provision for inventory impairment shall be made. During routine activities, net realizable values of inventories refer to the amounts of the estimated selling prices of inventories minus the estimated costs to completion, estimated selling expenses and relevant taxes and surcharges.

Net realizable values of merchandise inventories held directly for sale, such as finished goods, stock commodities, and available-for-sale materials, are measured at the estimated selling prices less estimated sales expenses and relevant taxes and surcharges in the normal production process. Net realizable values of material inventories which need further processing are measured at the estimated selling prices less the estimated costs of completion, estimated sales expenses and relevant taxes and surcharges in the normal production process. Net realizable values of inventories held for the purpose of fulfillment of sales contracts or service contracts are calculated on the basis of the contract prices; if the quantity of inventories held exceeds that stated in the contract, the net realizable values of the excessive part are calculated on the basis of normal selling prices.

When the provision for inventory impairment is made, where the previous factor rendering the write-down of the inventory value has been eliminated, for which the net realizable value of the inventory is higher than the book value of the same, the provision for inventory impairment shall be reversed from the amount of provision for inventory impairment originally made, and the reversed amount shall be included in the current profit or loss.

3.11 Contract assets**3.11.1 Recognition method and criteria for contract assets**

The Company presents contract assets or contract liabilities in the balance sheet based on the relationship between its performance of fulfillment obligations and customer payments. The right of the Company to the charge of consideration via goods transfer or service rendering to the customer (and the right depends on other factors except for the time lapses) is presented as contract asset. Contractual assets and contractual liabilities under the same contract shall be presented at net amount. The unconditional (only depending on the time lapses) right to the charge of consideration from the customer, possessed by the Company, is presented as receivables.

3.11.2 Determination method and accounting treatment for the expected credit loss of contract assets

See “3.9.6 Test method and accounting treatment of impairment of financial assets”, for the determination method and accounting treatment for the expected credit loss of contract assets.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

3.12 Assets held for sale and discontinued operation

3.12.1 Assets held for sale

Where the Company recovers the book value of any non-current asset or disposed asset portfolio mainly through selling (including the exchange of non-monetary assets with commercial essence) but not continuously using the same, such non-current asset or disposed asset portfolio shall be divided into assets held for sale.

The Company recognizes non-current assets or disposed asset portfolios meeting the following conditions at the same time as assets held for sale:

- (1) According to the general practice for selling such kind of asset or disposed asset portfolio in the similar transaction, the asset or portfolio can be immediately sold in the prevailing circumstance;
- (2) The sale of the asset or portfolio is very likely to happen, which means that the Company has made a resolution for one selling plan and has acquired the decided purchase commitment, and it is estimated that the sale will be completed within one year. Where the sale is subject to the approval of relevant authorities or regulatory authorities of the Company according to relevant provisions, the approval has been obtained.

For any non-current asset (excluding financial assets, deferred tax assets) or disposed asset portfolio classified assets as held for sale, where its book value is higher than the net amount of its fair value less the selling expense, the book value shall be written down to the net amount of the fair value less the selling expense, and the amount written down shall be recognized as the losses from asset impairment and included in the current profit or loss, while the provision for impairment of assets held for sale is made.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.12 Assets held for sale and discontinued operation (Continued)****3.12.2 Discontinued operation**

A discontinued operation is a separately distinguishable component that meets one of the following conditions and that has been disposed of by the Company or classified by the Company as held for sale:

- (1) The component represents a separate major operation or a separate major operating area;
- (2) The component is part of a related plan for the proposed disposition of a separate principal business or a separate principal operating area;
- (3) The component is a subsidiary acquired exclusively for resale.

Gains and losses from continuing operations and gains and losses from discontinued operations are presented separately in the income statement. Operating gains and losses, such as impairment losses and reversal amount for discontinued operations, as well as gains and losses on disposals, are presented as gains and losses from discontinued operations. For discontinued operations reported in the current period, the Company restates the information that was previously reported as profit or loss from continuing operations as profit or loss from discontinued operations for the comparable accounting period in the financial statements of current period.

3.13 Long-term equity investments**3.13.1 Judgment criteria for joint control and significant influence**

Joint control refers to the control shared over an arrangement in accordance with the relevant stipulations, and the decision-making of related activities of the arrangement should not be made before the party sharing the control right agrees the same. Where the Company exercises common control over the investee together with other parties to the joint venture and enjoys the right on the investee's net assets, the investee is a joint venture of the Company.

Significant influence refers to the power to participate in making decisions on the financial and operating policies of the investee, but not the power to control or jointly control the formulation of such policies with other parties. Where the Company is able to exert significant influence over the investee, the investee is its associate.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
 (Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

3.13 Long-term equity investments (Continued)

3.13.2 Determination of initial investment cost

(1) Long-term equity investment acquired from business combination

For the long-term equity investments in subsidiaries formed by the business combination under common control, the share of book value of its shareholders' equity in the combine in the consolidated financial statements of the ultimate controller shall be recognized, on the combination date, as the initial cost of the long-term equity investment. If there is a difference between the initial investment cost of the long-term equity investment and the book values of the paid consideration, the difference shall be used to adjust the share premium in the capital reserve; and if the share premium in the capital reserve is insufficient to be offset, retained earnings shall be adjusted. If it is possible to control an investee under the same control due to additional investment or other reasons, the initial investment cost of the long-term equity investment confirmed according to the above principles shall be equal to the book value of the long-term equity investment before the merger plus the new consideration paid for further shares acquired on the merger date. The difference between the sum of the book values shall be adjusted to the equity premium. If the equity premium is insufficient to offset, the retained earnings shall be offset.

For the long-term equity investments in subsidiaries formed by the business combination not under common control, the Company recognizes the combination cost determined on the combination date as the initial investment cost of long-term equity investments. If it is possible to exercise control over an investee that is not under the same control due to additional investment or other reasons, the initial investment cost shall be the sum of the book value of the original equity investment plus the cost of the new investment.

(2) Long-term equity investment acquired by means other than business combination

For long-term equity investments acquired through making payments in cash, its initial investment cost is the actually paid purchase cost.

For long-term equity investments acquired from issuance of equity securities, its initial investment cost is the fair value of the issued equity securities.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.13 Long-term equity investments (Continued)****3.13.3 Subsequent measurement and recognition of profits or losses****(1) Long-term equity investments accounted for under the cost method**

Long-term equity investments of the Company in its subsidiaries are accounted for under the cost method unless such investments meet the conditions of holding for sale. Under the cost method, except for the actual price paid for acquisition of investment or the cash dividends or profits contained in the consideration which have been declared but not yet distributed, the Company recognizes the proportion it shall enjoy in the cash dividends or profits declared by the investee as its investment income.

(2) Long-term equity investments accounted for under equity method

Long-term equity investments in associates and joint ventures are accounted for under the equity method. If the initial investment cost is in excess of the share of fair value of the net identifiable assets in the investee when the investment is made, the difference will not be adjusted to the initial cost of long-term equity investment; if the initial investment cost is in short of the share of the fair value of the net identifiable assets in the investee when the investment is made, the difference will be included in the current profit or loss, and will be adjusted to the initial cost of long-term equity investment.

The Company shall, based on its attributable share of the net profit or loss and other comprehensive income realized by the investee, respectively recognize the investment income and other comprehensive income, and simultaneously adjust the book value of the long-term equity investment. The Company shall, in the light of the profits or cash dividends that the investee declares to distribute, reduce the book value of the long-term equity investment correspondingly. As to other changes in shareholders' equity of the investee other than net profit or loss, other comprehensive income and profit distribution (hereinafter referred to as "**Other Changes in shareholders' Equity**"), the Company shall adjust the book value of the long-term equity investment and include such change in the shareholders' equity.

The Company shall, based on the fair value of net identifiable assets of the investee when the investment is made, recognize its attributable share of the net profits or losses, other comprehensive income, and other changes in shareholders' equity of the investee after the adjustment made to the net profit and other comprehensive income of the investee according to the accounting policies and accounting period adopted by the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.13 Long-term equity investments (Continued)****3.13.3 Subsequent measurement and recognition of profits or losses (Continued)****(2) Long-term equity investments accounted for under equity method (Continued)**

The Company calculates its attributable but not realized profit or loss from internal transactions between the Company and its associates or joint ventures based on its attributable percentage and offset such profit or loss and recognizes the investment income on that basis; however, businesses formed by assets invested or sold are excluded. Unrealized losses from internal transactions between the Company and any investee shall be recognized in full if they belong to the losses from asset impairment.

For net losses on joint ventures or associates, apart from the obligation of assuming the extra loss, the Company shall write down such losses with the book value of long-term equity investments and the long-term equity where net investments in joint ventures or associates have been formed substantially; and the maximum of such losses shall be the sum of the book value and long-term equity mentioned above. Where any joint venture or associate realize net profit in the future, the Company shall recognize the income sharing amount when the unrecognized loss sharing amount is offset with the income sharing amount.

(3) Disposal of long-term equity investments

For disposal of long-term equity investments, the difference between the book value and the actual price shall be included in the current investment income.

For long-term equity investments with partial disposal accounting by the equity method, where the remaining equity is still accounted for by the equity method, other comprehensive income recognized originally upon the accounting by the equity method shall be carried forward at the corresponding proportion on the basis same with that for the direct disposal of relevant assets or liabilities by the investee, and other changes in shareholders' equity shall be carried forward to the current profit or loss in proportion.

Where the Company loses the common control over or significant influence on the investee on account of the disposal of equity investment and any other reason, when the accounting by the equity method is terminated, other comprehensive income recognized upon the accounting by the equity method from the original equity investment shall be subject to the accounting treatment which is made on the basis same with that for the direct disposal of relevant assets or liabilities by the investee, and other changes in shareholders' equity shall be transferred to the current profit or loss in full.

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(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.13 Long-term equity investments (Continued)****3.13.3 Subsequent measurement and recognition of profits or losses (Continued)****(3) Disposal of long-term equity investments (Continued)**

Where the Company loses the control over the investee on account of the disposal of partial equity and any other reason, at the preparation of any single financial statements, if the remaining equity has the common control over or significant influence on the investee, the accounting shall be made by the equity method, and an adjustment shall be made as if the remaining equity was accounted for by the equity method at acquisition; other comprehensive income recognized before the control over the investee is obtained shall be carried forward on the basis same with that for the direct disposal of relevant assets or liabilities by the investee, and other changes in shareholders' equity recognized on account of the accounting by the equity method shall be carried forward to the current profit or loss in proportion; if the remaining equity has no common control over or significant influence on the investee, relevant financial assets shall be recognized, the difference between the fair value on the day of losing control of such remaining equity and the book value of the same shall be included in the current profit or loss, and other comprehensive income and other changes in shareholders' equity which have been recognized before the control over the investee is obtained shall be carried forward in full.

Where the disposal of subsidiaries' equity investments till the loss of control by stages through multiple transactions belongs to a package deal, the accounting treatment shall be made by taking each transaction as the transaction where the subsidiaries' equity investments are disposed and the corresponding control is lost; before the loss of control, the difference between the disposal price and the book value of the long-term equity investment corresponding to the equity disposed shall be firstly recognized as other comprehensive income in the individual financial statements, and at the loss of control, all transferred to the profit or loss for the period when the control is lost. Where the aforesaid disposal does not belong to a package deal, the accounting treatment shall be made respectively for each transaction.

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For the Six Months Ended June 30, 2026
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3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES **(CONTINUED)**

3.14 Investment properties

Investment property is the property to earn rentals or for capital appreciation or both. Examples include leased land use right, land use right held for transfer upon appreciation, and leased building (including buildings that have been constructed or developed for future lease out under operating leases, and buildings that are being constructed or developed for future lease out under operating leases).

Subsequent expenditures related to investment properties are included in the costs of investment properties when relevant economic benefits are likely to flow in the Company and their costs can be measured reliably; otherwise, such subsequent expenditures shall be included in the current profit or loss when occur.

The Company measures its existing investment property by using the cost model. For investment properties measured using the cost method – a building used for rental is subject to Company's depreciation policy for fixed assets, and the land use right used for rental is subject to the amortization policy for intangible assets.

3.15 Fixed assets

3.15.1 Recognition criteria of fixed assets

Fixed assets refer to tangible assets held for commodity production, rendering of services, renting or business management, with the useful lives over one year. Fixed assets are recognized when they simultaneously meet the following conditions:

- (1) It is probable that the economic benefits relating to the fixed assets will flow into the Company; and
- (2) The costs of the fixed assets can be measured reliably.

The initial measurement of fixed assets is made at cost (and by taking the impact of expected disposal costs).

The subsequent expenditures relating to fixed assets are included in the costs of fixed assets when relevant economic benefits are likely to flow in the Company and their costs can be measured reliably; as for the part replaced, the book value thereof is derecognized; all other subsequent expenditures are included in the current profit or loss when they occur.

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For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.15 Fixed assets (Continued)****3.15.2 Depreciation method**

The provision for depreciation of fixed assets is made by the straight-line method by category. The depreciation rate is determined based on the category, estimated useful life and estimated net residual value rate of fixed assets. For fixed assets where the provision for impairment has been made, the depreciation amount in the future will be determined at the book value of the fixed assets where the provision for impairment has been deducted, based on the remaining useful life. Where the fixed assets have the components with different useful lives or bring economic benefits for the enterprise in different ways, then the Company should choose different depreciation rates or methods to separately make the provision for depreciation.

The depreciation life, residual value rates and annual depreciation rates of fixed assets are presented by category as follows:

Category	Depreciation life (Year)	Residual value rate (%)	Annual depreciation rate (%)
Buildings and constructions	10-35	3.00	2.77-9.70
Transportation facilities	5-10	3.00	9.70-19.40
Machinery and equipment	3-10	3.00	9.70-32.33
Electronic equipment	3-11	3.00	8.82-32.33
Office equipment	3-9	3.00	10.78-32.33
Others	2-9	3.00	10.78-48.50

3.15.3 Disposal of fixed assets

When the fixed assets are disposed, or they are expected not to bring any economic interest via use or disposal, such fixed assets will be derecognized. When the fixed asset is sold, transferred, scrapped or damaged, the Company will include such disposal revenue, deducting the book value and related taxes and surcharges thereof, in the current profit or loss.

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 (Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES **(CONTINUED)**

3.16 Construction in progress

Construction in progress is measured at the actual cost incurred. The actual costs include building costs, installation costs, borrowing costs eligible for capitalization and other necessary expenditures to make the construction in progress achieve the working condition for its intended use. Constructions in progress are transferred to fixed assets when they reach the condition for its intended use, and the provision of depreciation will be provided since the next month.

The standards and timing for transferring the company's construction-in-progress to fixed assets are as follows:

The physical construction (including installation) of the fixed asset has been completed or substantially completed.

The amount of expenditure on fixed assets for this construction is very small or almost no longer occurs.

3.17 Borrowing costs

3.17.1 Recognition criteria of capitalization of borrowing costs

The borrowing costs incurred to the Company and directly attributable to the acquisition and construction or production of assets eligible for capitalization should be capitalized and recorded into asset costs; other borrowing costs should be recognized as costs according to the amount incurred and be included into the current profit or loss.

Assets eligible for capitalization refer to fixed assets, investment property, inventories and other assets which may reach their intended use or sale status only after long-time acquisition and construction or production activities.

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3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.17 Borrowing costs (Continued)****3.17.2 Capitalization period for borrowing costs**

Capitalization period refers to the period from the beginning of capitalization to the cease of capitalization for borrowing costs, excluding the period of capitalization suspension of borrowing costs.

Borrowing costs may be capitalized only when all the following conditions are met:

- (1) Asset expenses, which include those incurred by cash payment, the transfer of non-cash assets or the undertaking of interest-bearing debts for acquiring and constructing or producing assets eligible for capitalization, have already been incurred;
- (2) Borrowing costs have already been incurred;
- (3) The acquisition and construction or production activities which are necessary to prepare the assets for their intended use or sale have already been started.

Capitalization of borrowing costs should be ceased when the acquired and constructed or produced assets eligible for capitalization have reached their intended use or sale status.

3.17.3 Period of capitalization suspension

If the acquisition and construction or production activities of assets eligible for capitalization are abnormally interrupted and such condition lasts for more than 3 months, the capitalization of borrowing costs should be suspended; if the interruption is necessary procedures for the acquired, the constructed or produced assets eligible for capitalization to reach the working conditions for its intended use or sale, the borrowing costs continue to be capitalized. Borrowing costs incurred during the interruption are recognized as the current profit or loss and continue to be capitalized until the acquisition, construction or production of the assets restarts.

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For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.17 Borrowing costs (Continued)****3.17.4 Measurement of capitalization rate and capitalized amounts of borrowing costs**

As for special borrowings borrowed for acquiring and constructing or producing assets eligible for capitalization, borrowing costs of special borrowing actually incurred in the current period less the interest income of the borrowings unused and deposited in bank or return on temporary investment should be recognized as the capitalization amount of borrowing costs.

As for general borrowings used for acquiring and constructing or producing assets eligible for capitalization, the amount of general borrowings to be capitalized should be calculated by multiplying the weighted average of asset disbursements of the part of accumulated asset disbursements exceeding special borrowings by the capitalization rate of used general borrowings. The capitalization rate is calculated by weighted average interest rate of general borrowings.

During the capitalization period, exchange differences of principal and interest on foreign currency special borrowings shall be capitalized and included in the cost of assets eligible for capitalization. Exchange differences arising from the principal and interest on foreign currency borrowings other than foreign currency special borrowings are recognized in the current profit or loss.

3.18 Intangible assets**3.18.1 Measurement of intangible assets****(1) *The Company initially measures intangible assets at cost on acquisition;***

The costs of externally acquired intangible assets comprise their purchase prices, related taxes and surcharges and any other directly attributable expenditure incurred to prepare the assets for their intended use.

(2) *Subsequent measurement*

The useful lives of the intangible assets are analyzed and determined on acquisition.

As for intangible assets with limited useful life, straight-line amortization method is adopted in the period when the intangible assets generate economic benefit for enterprise; if the period when the intangible assets generate economic benefit for enterprise cannot be forecasted, the intangible assets should be deemed as those with indefinite useful life and should not be amortized.

NOTES TO THE FINANCIAL STATEMENTS

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3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.18 Intangible assets (Continued)****3.18.2 Estimate of the useful life of the intangible assets with definite useful lives**

Item	Estimated useful live	Amortization method	Residual rate (%)	Basis
Data resource	3 – 5 years	straight-line	0.00	Period of benefit
Land use right	40 – 50 years	straight-line	0.00	Useful life
Software	3 – 5 years	straight-line	0.00	Period of benefit
Non-patented technology	5 years	straight-line	0.00	Period of benefit

3.18.3 Determination basis and procedure for review of useful life for intangible assets with indefinite useful life

As at the balance sheet date, the Group has no intangible assets with indefinite useful lives.

3.18.4 Scope of collection of research and development expenditures

Expenditures incurred by the company during the research and development process include relevant employee salaries, consumed materials, related depreciation and amortization expenses and other related expenses for personnel engaged in research and development activities.

3.18.5 Specific criteria for classifying research and development stages

The Company's expenses for its internal research and development projects are classified into research expenses and development expenses.

Research stage: Research stage is the stage when creative and planned investigation and research activities are conducted to acquire and understand new scientific or technological knowledge.

Development stage: Development stage is the stage when the research achievements and other knowledge are applied to a plan or design, prior to the commercial production or use, so as to produce any new or substantially improved material, device or product.

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(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.18 Intangible assets (Continued)****3.18.6 Criteria for capitalization of development expenditures**

The research expenditure is included in the current profit or loss when it occurs. The development expenditure is recognized as intangible assets when it meets the following conditions at the same time, and is included in the current profit or loss when it fails to meet the following conditions:

- (1) It is feasible technically to finish intangible assets for use or sale;
- (2) It is intended to finish and use or sell the intangible asset;
- (3) The ways how the intangible assets generate economic benefits include the way where it is able to prove that the products made by using the intangible assets exist a market or that the intangible assets themselves have the market, and the way where the serviceability of the intangible assets can be proved in case they are used internally;
- (4) It is able to finish the development of the intangible assets and to use or sell the same with the support of sufficient technologies, financial resources and other resources; and
- (5) The expenditure attributable to the intangible assets during its development phase can be measured reliably.

If the research expenditure and development expenditure are indistinguishable, all research and development expenditures incurred will be included in the current profit or loss.

3.19 Impairment of long-term assets

Where there are signs of impairment on long-term assets, such as long-term equity investments, investment properties measured with cost model, fixed assets, construction in progress, right-of-use assets and oil and gas assets with definite useful lives, on the balance sheet date, the impairment test should be made. Where the result of the impairment test shows that the recoverable amount of the asset is lower than book value, the provision for impairment should be made and included in impairment loss. The recoverable amount of the asset is the higher of the net amount of its fair valueless disposal expenses or the present value of its estimated future cash flows. Provision for asset impairment is made on individual asset basis. If it is difficult to estimate the recoverable amount of the individual asset, the Company will estimate the recoverable amount of the asset portfolio where the individual asset belongs. Asset portfolio is the smallest one that can independently generate cash inflows.

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(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.19 Impairment of long-term assets (Continued)**

For goodwill resulting from business combinations, intangible assets with uncertain useful lives, and intangible assets that have not yet reached serviceable condition, regardless of whether there are signs of impairment, at least at the end of each year, the impairment test is carried out at the end of each year.

The Company conducts goodwill impairment tests and apportions the carrying amount of goodwill resulting from business combinations to the relevant asset groups in a reasonable manner from the date of purchase; If it is difficult to allocate to related asset groups, it will be allocated to the related asset group combination. The associated asset group or combination of asset groups is the asset group or combination of asset groups that can benefit from the synergies of the business combination.

When conducting an impairment test on a group or combination of assets containing goodwill, if there are signs of impairment in the asset group or portfolio of asset groups related to goodwill, the impairment test is first carried out on the asset group or asset group combination that does not contain goodwill, the recoverable amount is calculated, and the corresponding impairment loss is recognized by comparing it with the relevant carrying value. Then, the impairment test is carried out on the asset group or asset group combination containing goodwill, and the carrying amount is compared with the recoverable amount, if the recoverable amount is lower than the book value, the amount of impairment loss is first offset against the carrying value of the goodwill allocated to the asset group or asset group combination, and then the carrying value of the other assets is proportionally offset according to the proportion of the carrying value of the assets other than goodwill in the asset group or asset group combination.

The losses from impairment of the above assets cannot be reversed in subsequent accounting periods once recognized.

3.20 Long-term deferred expenses

Long-term deferred expenses refer to various expenses which have been already incurred but will be borne in current and future reporting periods with an amortization period of over one year.

3.21 Contract liabilities

According to the relationship between the performance of obligations and the customer payment, the Company presents contract assets or contract liabilities in the balance sheet. The Company's obligations in transferring goods or rendering services to customers on the ground that it has received or will receive relevant considerations from these customers are presented as contract liabilities. Contract assets and contract liabilities under the same contract should be presented at net amount.

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For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.22 Employee benefits****3.22.1 Accounting treatment of short-term compensation**

During the accounting period when employees serve the Company, the actual short-term compensation is recognized as liabilities and included in current profit or loss or costs associated with assets.

The cost of social insurance and housing fund paid by Company for employees and the labor union cost and employee education costs provided by the Company in accordance with provisions shall, in the accounting period, during which the service is provided by employees for enterprises, be used to calculate corresponding amount of employee benefits according to the stipulated provision basis and proportion.

The employee welfare occurring in the Company shall be include in the current profit or loss or the related asset costs according to the actual amount when actually occurring. Among them, non-monetary benefits are measured at the fair value.

3.22.2 Accounting treatment of post-employment benefits**(1) Defined contribution plan**

The Company pays the basic endowment insurance premiums and unemployment insurance for employees according to the relevant provisions of the local governments. During the accounting period when employees serve the Company, the paid amount which is calculated based on the payment base and proportion as stipulated in the provisions of the local place is recognized as liabilities and included in current profit or loss or related asset costs. In addition, the Company also participates in the enterprise annuity plans/supplementary pension funds approved by the relevant state authorities. The Company makes payments to the annuity plans or local social insurance institutions in a certain proportion to the total employee wage, with corresponding expenses included in the current profit or loss or related asset costs.

(2) Defined benefit plans

According to the formula determined based on expected cumulative unit method, the Company will set the period that the welfare obligations deriving from the defined benefit plan, which will be included in current profit or loss or assets-related cost.

A net liability or net asset in connection with the defined benefit plan is recognized at the present value of the obligation under the defined benefit plan less the deficit or surplus arising out of the fair value of the assets under the defined benefit plan. For a surplus of defined benefit plans, the Company should measure the net asset of such defined benefit plans at the lower of the surplus of such defined benefit plans and asset upper limit thereof.

NOTES TO THE FINANCIAL STATEMENTS

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(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.22 Employee benefits (Continued)****3.22.2 Accounting treatment of post-employment benefits (Continued)****(2) Defined benefit plans (Continued)**

Obligations under the defined benefit plan, including the payment obligation that is expected to be done within 12 months following the annual reporting period when the employees serve for the Company, are discounted at the market yield of the national debt matching with the obligatory term of the defined benefit plan and the currency on the balance sheet date or the bonds of the high-quality companies in the active market.

The service costs of the defined benefit plan and net interest on the net liabilities or net assets in respect of the defined benefit plan are included in the current profit or loss or assets-related costs; changes in the re-measurement of net liabilities or net assets under the defined benefit plans should be included in other comprehensive income and should not be reversed in subsequent accounting periods. When the original defined benefit plan terminates, the portion originally included in other comprehensive income will all be transferred to the undistributed profits.

For the settlement of the defined benefit plan, the balance between the present value and the settlement price in regard to the defined benefit plan confirmed on the settlement date is recognized and settled as gains or losses.

3.22.3 Accounting treatment of dismissal benefits

Where the Company provides dismissal welfare to employees, employee benefits incurred from dismissal benefits are recognized as liabilities and recorded into the current profit and loss at the earlier date of: when the Company is unable to unilaterally withdraw the dismissal benefits provided in the plan on the cancellation of labor relationship or the layoff proposal; when the Company recognizes the cost related to restructuring concerning payment of dismissal benefits.

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For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.23 Estimated liabilities**

When an obligation relating to a contingency meets all the following conditions at the same time, it will be recognized as an estimated liability by the Company:

- (1) Such obligation is a present obligation of the Company;
- (2) The performance of such obligation is likely to result in outflow of economic benefits from the Company;
- (3) The amount of the obligation can be measured reliably.

Estimated liabilities of the Company are initially measured as the best estimate of expenses required for the performance of relevant present obligations.

When determining the best estimates, the Company comprehensively considers the risks, uncertainties, time value of money, and other factors relating to the contingencies. If the time value of money is significant, the best estimates shall be determined after discount of relevant future cash outflows.

If there is continuous range for the necessary expenses, and probabilities of occurrence of all the outcomes within this range are equal, the best estimate will be determined at the intermediate value; in other cases, the best estimate is subject to the treatment for the following circumstances:

- If contingencies are involved with single project, the estimate will be determined based on the amount which is most likely to occur.
- If contingencies are involved with several projects, the estimate will be determined based on various possible results and relevant probabilities.

If all or part of the expenses necessary for liquidating estimated liabilities are expected to be compensated by a third party, the compensation will be separately recognized as assets when it is virtually certain that the compensation will be received. The compensation recognized should not exceed the book value of estimated liabilities.

The Company reviews the book value of estimated liabilities on the balance sheet date. If there is unambiguous evidence indicating that such book value cannot reflect the current best estimate, such book value will be adjusted based on the current best estimate.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.24 Share-based payments**

The Company's share-based payments are transactions in which the Company grants equity instruments or undertakes equity-instrument-based liabilities in return for services from employees or other parties. The share-based payments of the Company consist of equity-settled share-based payments and cash-settled share-based payments.

3.24.1 Equity-settled share-based payment and equity instruments

Where the Company acquires services rendered by employees via the equity-settled share-based payment, such payment should be calculated at the fair value of equity instruments granted to employees. The Company includes the share-based payment for which relevant right can be exercised subsequent to the grant of equity instruments in relevant costs or expenses on the grant date at the fair value of equity instruments and increases capital reserves accordingly. For the share-based payment for which relevant right can be exercised after the grant of equity instruments only when the services during the waiting period are completed or the specified performance conditions are met, on each balance sheet date within the waiting period, the Company, based on the best estimate of the quantity of equity instruments where relevant rights can be exercised, includes the services acquired during that period in relevant costs or expenses at the fair value on the grant date, and increases capital reserves accordingly.

In case any clause on the equity-settled share-based payment has been modified, services acquired should be recognized as if such clause has not been modified. In addition, the increase in services acquired should be recognized in case of any increase to the fair value of equity instruments granted or any change favorable to employees on the date of increasing such fair value.

During the waiting period, if any equity instrument granted is canceled, the Company will accelerate the right exercise relevant to the equity instrument canceled, immediately include the amount which should be recognized during the remaining waiting period in the current profit or loss, and recognize capital reserves at the same time. However, if any new equity instrument is granted and on the date of granting such new equity instrument, it is affirmed that such new equity instrument can replace the canceled one, the treatment for such new equity instrument will be made in the way for modifying terms and conditions of the original equity instrument.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.24 Share-based payments (Continued)****3.24.2 Cash-settled share-based payment and equity instruments**

Cash-settled share-based payment is measured at the fair value of the liability which is assumed by the Company and calculated based on share or other equity instrument. The Company includes the share-based payment for which relevant right can be exercised subsequent to the grant of equity instruments in relevant costs or expenses on the grant date at the fair value of the liability it assumes, and increase liabilities accordingly. For the share-based payment for which relevant right can be exercised after the grant of equity instruments only when the services during the waiting period are completed or the specified performance conditions are met, on each balance sheet date within the waiting period, the Company, based on the best estimate on the situation of exercising relevant right, includes the services acquired during that period in relevant costs or expenses and in liabilities according, at the fair value of the liability the Company assumes. On each balance sheet date and settlement date prior to the settlement of relevant liabilities, the fair value of liability should be remeasured through the current profit or loss.

The Company amends the terms and conditions of the cash-settled share-based payment agreement so that it is paid in equity-settled shares, and on the modification date (whether occurring during or after the end of the waiting period), the Company measures the equity-settled share payments at the fair value of the equity instrument on the date of grant, includes the services obtained in the capital reserve, and derecognizes the cash-settled share-based payment of the recognized liabilities on the modification date, the difference between which is recognized in profit or loss for the period. If the waiting period is extended or shortened due to the amendment, the Company will account for the revised waiting period.

3.25 Revenue**3.25.1 Accounting policies adopted for revenue recognition and measurement**

If the Company fulfills its performance obligations in a contract, it will recognize revenue when relevant customer obtains right of control over relevant goods or services. Obtaining the right of control over relevant goods or services means that the customer is able to make decisions on the use of the goods or the rendering of the services, and can obtain almost all of the economic benefits therefrom.

If two or more performance obligations are covered in the contract, on the contract commencement date, the transaction price will be amortized to individual performance obligation based on the relative proportion of the individual selling price of goods or services involved in the individual performance obligation. The Company measures revenue at the transaction price amortized to individual performance obligation.

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(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.25 Revenue (Continued)****3.25.1 Accounting policies adopted for revenue recognition and measurement (Continued)**

The transaction price refers to the amount of consideration the Company is expected to have the right to take on account of the transfer of goods or services to the customer, excluding the payments charged by any third party and the payments expected to be refunded to the customer. The Company determines the transaction price according to the contract terms and in light of its previous regular practice, in the meantime, factors such as variable consideration, significant financing composition existing in the contract, non-cash consideration, and consideration payable to customers will be taken into account. The Company determines the transaction price involving the variable consideration at the amount that should not exceed the amount of accumulatively recognized revenue that is highly unlikely to have a major reversal when relevant uncertainty is eliminated. If the significant financing component is covered in the contract, the Company will determine the transaction price based on the amount of cash payable at once by the customer when the customer acquires the right of control over goods or services, as assumed, and amortize the difference between such transaction price and the contract price by the effective interest method during the contract period.

The obligation performance belongs to certain period in case one of the following conditions is met; otherwise, it belongs to certain time-point:

- The customer obtains and consumes the economic benefits brought by the performance of the Company while the Company is performing the obligation.
- Customers are able to control the goods under construction by the Company in the course of performing obligations.
- The Goods produced in the course of performing obligations have irreplaceable uses, and the Company has the right to receive payments for the portion of the performance that has been completed to date.

For a performance obligation to be performed within a certain period, the Company recognizes the revenue according to the performance progress during such period, except for the case that the performance progress cannot be reasonably determined. The Company may determine the performance progress by the output method or input method based on the nature of goods or service. When the performance progress cannot be reasonably determined, if the cost incurred is expected to be compensated, the revenue will be recognized by the Company at the amount of the cost incurred until the performance progress can be reasonably determined.

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 (Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

3.25 Revenue (Continued)

3.25.1 Accounting policies adopted for revenue recognition and measurement (Continued)

The revenue from obligation performance belonging to certain time-point is recognized by the Company when the customer has acquired the right of control over relevant goods or services. The Company will consider the following signs when judging whether the customer has acquired the right of control over relevant goods or services:

- The customer has the current payment obligation for such goods or service, i.e. the Company enjoys the current right to collect the payment for such goods or service.
- The Company has transferred the legal ownership of such goods to the customer, i.e. the customer possesses the legal ownership of such goods.
- The Company has transferred goods to the customer in kind, i.e. the customer has possessed such goods in kind.
- The substantial risks and rewards of the ownership of such goods have been transferred by the Company to the customer, i.e. the customer has acquired the substantial risks and rewards of the ownership of such goods.
- The customer has accepted such goods or services.

The Company determines whether its status is that of a principally liable person or an agent at the time of engaging in a transaction based on whether it has control over the goods or services prior to transferring them to the customer. If the Company is able to control the goods or services prior to transferring them to the customer, the Company is the principal and recognizes revenue based on the total consideration received or receivable; otherwise, the Company is the agent and recognizes revenue based on the amount of commissions or fees it expects to be entitled to receive.

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(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.25 Revenue (Continued)****3.25.2 Disclosure of specific revenue recognition and measurement methods by type of business**

Business revenues of the Company mainly come from information technology services for civil aviation, settlement and clearing service, data network service, system integration service and technology service. In which, revenues from rendering information technology service for civil aviation, settlement and clearing service, data network services and technology service are recognized monthly in the course of rendering these services; the revenue from system integration service is recognized upon the acceptance inspection by the customer as the project work time is generally short. In the system integration project, if the commitment that the installation service will be rendered after the equipment delivery is given to the customer, and the installation service does not have significant impact on the equipment, the revenue recognition will be made by stages based on two obligation performance, i.e., sales of equipment and rendering of installation service. The revenue recognition for sales of equipment is made after the equipment delivery and acceptance inspection, and that for installation service is made after the customer fully completes the acceptance inspection.

3.26 Contract costs

Contract costs include the contract performance cost and the contract acquisition cost.

The Company's cost on contract performance does not belong to scope of standards for inventories, fixed assets or intangible assets, and is recognized as an asset when it meets the following conditions:

- Such cost is directly relevant to the contract which has been or is expected to be acquired.
- Such cost increases the resource which will be used by the Company for obligation performance.
- Such cost is expected to be recoverable.

If the incremental cost incurred in the Company on account of contract acquisition is expected to be recoverable, it, as the contract acquisition cost, will be recognized as an asset.

Assets related to contract cost are amortized on the basis for the recognition of revenue from goods or services relevant to such assets; however, if the amortization period of contract acquisition cost is less than one year, the Company will include such cost in the current profit or loss when it occurs.

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 (Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

(CONTINUED)

3.26 Contract costs (Continued)

If the book value of the assets related to contract cost is higher than the difference between the following two items, the Company will make the provision for impairment of the exceeding part, and recognize it as the loss from impairment of assets.

1. The remaining consideration expected to be obtained on account of the transfer of goods or services related to the assets;
2. The cost that is expected to be incurred for the purpose of transferring relevant goods or services.

If the factors causing the impairment in the previous period change, resulting that the above-mentioned difference is higher than the book value of such assets, the Company will reverse the provision for impairment which has been made originally, and include it in the current profit or loss. However, the book value of assets reversed should not exceed the book value of such assets on the reversal date as if no provision for impairment has been made.

3.27 Government grants

3.27.1 Type

Government grants are monetary assets and non-monetary assets freely obtained by the Company from the government. Government grants are classified into asset-related government grants and income-related government grants.

Asset-related government grants refer to government grants obtained by the Company for forming long-term assets by acquisition, construction or other manners. Income-related government grants refer to government grants excluding the asset-related government grants.

3.27.2 Timing of recognition

Government grants are recognized when the Company can meet all conditions attached thereto and is able to obtain such grants.

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(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.27 Government grants (Continued)****3.27.3 Accounting treatment**

Asset-related government grants are used to offset the book value of relevant assets or recognized as deferred income. If such grants are recognized as the deferred income, they will be included in the current profit or loss by reasonable and systematic methods within useful lives of related assets (if such grants are relevant to routine activities of the Company, they will be included in other income; if such grants are irrelevant to routine activities of the Company, they will be included in non-operating revenue);

Income-related government grants to be used as compensation for future expenses or losses are recognized as deferred income and are recorded in current profit or loss where the relevant expenses or losses are recognized (if they are related to daily activities of the Company, they will be included into other income; otherwise, they will be included in non-operating income) or set off the related expenses or losses; those to be used as compensation for incurred expenses or losses are recorded in current profit or loss (if they are related to daily activities of the Company, they will be included into other income; otherwise, they will be included in non-operating income) or will set off the related expenses or losses.

The interest subsidies of policy-based preferential loans obtained by the Company are subject to the following accounting treatments according to two situations:

- (1) When the finance department appropriates the interest subsidies to the lending bank, and the lending bank provides the loan at the policy-based preferential interest rate to the Company, the Company will take the book-entry value at the loan amount actually received, and relevant loan expenses are calculated based on the principal of the loan and the policy-based preferential interest rate.
- (2) Where the finance department directly appropriates the interest subsidies to the Company, the Company will use the corresponding interest subsidies to offset related borrowing costs.

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3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

3.28 Deferred tax assets and deferred tax liabilities

Income tax includes the current income tax and deferred income tax. Except for the income tax in the transactions or matters of business combination and directly including relevant items in the owners' equity (including other comprehensive income), the Company includes the current income tax and deferred income tax in the current profit or loss.

The deferred income tax assets and deferred income tax liabilities are calculated and recognized based on the differences (temporary differences) between the tax bases of assets and liabilities and the book values of the same.

Deferred income tax assets are recognized at deductible temporary differences to the extent that it shall not exceed the taxable income probably obtained in future period and used to deduct the deductible temporary differences. For deductible losses and tax credits that can be carried forward to subsequent periods, deferred income tax assets arising therefrom are recognized to the extent of the taxable income probably obtained in future period that can be used for deducting the deductible losses and tax credits.

Taxable temporary differences are recognized as deferred income tax liabilities except in special circumstances.

Special situations where the deferred income tax assets or deferred income tax liabilities are not recognized include:

- Initial recognition of goodwill;
- Transactions or matters that neither belong to the business combination nor affect the accounting profit and taxable income (or deductible loss) when they occur, and that do not give rise to equal amounts of taxable temporary differences and deductible temporary differences upon initial recognition of the assets and liabilities.

For the taxable temporary differences related to the investments in subsidiaries, associates and joint ventures, the deferred tax liabilities should be recognized, unless that the timing of the reversal of the temporary differences is able to be controlled by the Company and the temporary differences will be probable not to be reversed in the foreseeable future. For deductible temporary differences arising from investments in subsidiaries, associates and joint ventures, when the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the deductible temporary differences can be used, the deferred tax asset will be recognized.

On the balance sheet date, the deferred income tax assets and deferred income tax liabilities are measured at the tax rates applicable to the period where relevant assets are expected to be recovered or relevant liabilities are expected to be discharged, according to the tax law.

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(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.28 Deferred tax assets and deferred tax liabilities (Continued)**

On the balance sheet date, the Company reviews the book value of deferred income tax assets. If it is unlikely to obtain sufficient taxable income in the future to offset against the benefit of deferred income tax assets, the book value of deferred income tax assets will be written down. If it is likely to obtain sufficient taxable income, the book value of deferred tax assets written down will be recovered.

If the Company has the legal right to settle in net amounts and intends to settle in net amount or to obtain assets and discharge liabilities simultaneously, the current tax assets and current tax liabilities of the Company shall be presented based on the net amount after offset.

On the balance sheet date, deferred income tax assets and deferred income tax liabilities simultaneously meeting the following conditions are presented by net amount after offset:

- The taxpayer has the legal right to settle the current income tax assets and current income tax liabilities by net amount;
- Deferred income tax assets and deferred income tax liabilities are related to the income tax which are imposed on the same taxpayer by the same tax collection authority or to different taxpayers, but, in each important future period in connection with the reversal of deferred income tax assets and liabilities, the involved taxpayers intend to settle the current income tax assets and current income tax liabilities with net amount or to obtain assets and discharge liabilities simultaneously.

3.29 Lease

Lease refers to a contract in which a lessor assigns the right to use an asset to a lessee within a certain period of time in order to obtain consideration. On the contract commencement date, the Company evaluates whether the contract is a lease or includes a lease. If a party to a contract transfers the right to control the use of one or more identified assets within a certain period in exchange for consideration, the contract shall be a lease or include a lease.

If the contract contains multiple individual leases, the Company will split the contract and make accounting treatment over each individual lease. If the contract contains both leased and non-leased parts, the lessee and lessor will split the leased and non-leased parts.

NOTES TO THE FINANCIAL STATEMENTS

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3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

3.29 Lease (Continued)

3.29.1 The Company as lessee

3.29.1.1 Right-of-use assets

At the commencement date, the Company recognize the right-of-use asset for leases other than short-term leases and low-value asset leases. Right-of-use assets are initially measured at cost. This cost includes:

- the initial measurement amount of lease liabilities;
- in case of any lease incentives, relevant amount of the lease incentives enjoyed shall be deducted from the lease payment paid on or before the commencement date of the lease term;
- the initial direct costs incurred of the Company;
- the costs incurred of the Company for demolishing and removing leased assets, restoring the site where the leased assets are located, or restoring the leased assets to the state agreed in the lease terms, but excluding the cost incurred for inventory production.

The Company subsequently adopts the straight-line-method to make the provision for the depreciation of the right-of-use assets. If it can be reasonably determined that the ownership of the leased asset will be obtained at the expiration of the lease term, the Company shall accrue depreciation within the remaining useful life of the leased asset; otherwise, the leased assets should be depreciated over the shorter of the lease term or the remaining useful life of the leased assets.

The Company determines whether the right-of-use assets have been impaired or not according to the principle described in "3.19 Impairment of long-term assets" in this note, and make the accounting treatment for the identified impairment losses.

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3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.29 Lease (Continued)****3.29.1 The Company as lessee (Continued)****3.29.1.2 Lease liabilities**

As at the beginning of the lease period, the Company recognizes the leases other than short-term leases and leases of low-value assets as lease liabilities. Lease liabilities are initially measured at the present value of the lease payments that have not been paid. Lease payments include:

- for fixed payments (including substantial fixed payments), if there is any lease incentive, the relevant amount of the lease incentive shall be deducted;
- variable lease payments depending on the index or ratio;
- the payments expected to be payable based on the residual value of the guarantee provided by the Company;
- exercise price of purchase option, provided that the Company reasonably determines that it will exercise the option;
- the amount to be paid to exercise the lease termination option, provided that it is reflected that the Company will exercise the lease termination option during the lease period.

The Company adopts the implicit rate of lease as the discount rate, but if the implicit rate of lease cannot be reasonably determined, the incremental borrowing rate will be adopted as the discount rate.

The Company calculates the interest expenses of lease liabilities in each lease term based on a fixed periodic interest rate, and includes such expenses into the current profit or loss or the cost of related assets.

The variable lease payments not included in the measurement of lease liabilities shall be included in the current profit or loss or the costs of related assets when they actually occur.

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3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

3.29 Lease (Continued)

3.29.1 The Company as lessee (Continued)

3.29.1.2 *Lease liabilities (Continued)*

After the commencement date of the lease term, under any of the following circumstances, the Company will re-measure the lease liabilities and adjust the corresponding right-of-use assets; if the book value of the right-of-use assets has been reduced to zero and further reduction of lease liabilities is still required, the difference will be included in the current profit or loss:

- In case of any change in the evaluation results of the purchase option, lease renewal option or termination option, or any inconsistency between the actual exercise of the aforesaid options and the original evaluation results, the Company will re-measure lease liabilities according to the present value calculated by the changed lease payments and the revised discount rate;
- In case of any change in the substantial fixed payments, the estimated payable amount based on the residual value of the guarantee, or in the index or ratio used to determine lease payments, the Company will re-measure lease liabilities according to the present value calculated by the changed lease payments and the original discount rate. However, if the change of lease payment is caused by the change of floating interest rate, the revised discount rate is used to calculate the present value.

3.29.1.3 *Short-term leases and leases of low-value assets*

The Company chooses not to recognize right-of-use assets and lease liabilities for short-term leases and leases of low-value assets, and the relevant lease payments are included in the current profit or loss or the cost of related assets by straight-line method over each period within the lease term. Short-term leases refer to leases that do not exceed 12 months on the commencement date of the lease period and do not include any purchase option. Low-value asset lease refers to the lease of a single lease asset with lower value when it is brand new. The Company regards the lease of a single leased asset with a value of no more than RMB35,000.00 when it is brand new as a new asset as a low-value asset lease. For the lease asset subleased by the Company subleases or expected to be subleased, the original lease is not a lease of low-value assets.

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(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.29 Lease (Continued)****3.29.1 The Company as lessee (Continued)****3.29.1.4 Lease changes**

If the lease changes and the following conditions are met at the same time, the Company will carry out accounting treatment over the lease change as a separate lease:

- where the lease change expands the scope of the lease by adding the right to use one or more leased assets;
- where the increase of the consideration is equivalent to the adjusted individual price of the expanded part of the lease scope according to the contract.

Where the lease change is not accounted for as a separate lease, on the effective date of the lease change, the Company will re-distribute the consideration of the contract after the change, re-determine the lease period, and re-measure lease liabilities according to the present value calculated by the changed lease payments and the revised discount rate.

If the lease change causes the lease scope to be reduced or the lease term to be shortened, the Company shall correspondingly reduce the book value of the right-to-use assets, and include the related gains or losses of partial or complete termination of the lease in the current profit or loss. Where other lease changes lead to re-measurement of lease liabilities, the Company will adjust the book value of the right-of-use assets accordingly.

3.29.2 The Company as lessor

Leases of the Company are classified as finance lease and operating lease on the lease commence date. Lease under which almost all the risks and rewards relevant to the ownership of leased assets are materially transferred is recognized as finance lease, regardless of whether the ownership is ultimately transferred. Operating lease refers to the leases other than finance lease. When the Company is a sub-lessor, it classifies the sub-leases based on the right-of-use assets generated by the original lease.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.29 Lease (Continued)****3.29.2 The Company as lessor (Continued)*****3.29.2.1 Accounting treatment of operating leases***

Rental from the operating lease in each stage during the rental period should be recognized as the lease income by the straight-line method. Initial direct costs relating to operating lease incurred by the Company are capitalized, and shall be included in the current profit or loss on the same basis as the recognition of lease income during the lease term. The variable lease payable that is not included in the lease receivable shall be included in the current profit or loss at the time of actual occurrence. In case of any change in the operating lease, the Company will make the accounting treatment for it as a new lease from the effective date of the change, and the amount received in advance or lease receivables before the change will be regarded as the receivables from the new lease.

3.29.2.2 Accounting treatment of finance lease

On the lease commencement date, the Company recognizes finance lease receivables for financing leases and derecognizes finance lease assets. When the Company conducts the initial measurement of finance lease receivables, the net lease investment is adopted as the entry value of the finance lease receivables. The net lease investment is the sum of the unguaranteed residual value and the present value of the lease payments that have not been received at the beginning of the lease term and discounted at the interest rate included in the lease.

The Company calculates and recognizes the interest expenses in each lease term based on a fixed periodic interest rate. The derecognition and impairment of finance lease receivables shall be accounted for in accordance with “3.9 Financial instruments” herein.

The variable lease payable that is not included in the net lease investment for measurement shall be included in the current profit or loss at the time of actual occurrence.

If the finance lease changes and the following conditions are met at the same time, the Company will carry out accounting treatments over the change as a separate lease:

- where the change expands the scope of the lease by adding the right to use one or more leased assets;
- where the increase of the consideration is equivalent to the adjusted individual price of the expanded part of the lease scope according to the contract.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.29 Lease (Continued)****3.29.2 The Company as lessor (Continued)****3.29.2.2 Accounting treatment of finance lease (Continued)**

Where the change of finance lease is not accounted for as a separate lease, the Company will treat the changed lease according to the following circumstances:

- If the change comes into effect on the lease commencement date, the lease will be classified as an operating lease. The Company will start making accounting treatment for it as a new lease from the effective date of the lease change, and regard the net lease investment before the effective date of the lease change as the book value of the leased assets;
- If the change comes into effect on the lease commencement date, the lease will be classified as a finance lease, and the Company will conduct accounting treatment according to the policy on modifying or renegotiating the contract in “3.9 Financial instruments” of this note.

3.29.3 Sale-and-leaseback deals

The Company evaluates and determines whether the transfer of assets in the sale-and-leaseback transaction is a sale in accordance with the principles described in “3.25 Revenue” herein.

(1) As the lessee

If the asset transfer in the sale-leaseback transaction belongs to sales, the Company as the lessee measures the right-of-use asset formed by the sale-leaseback according to the part related to the use-right obtained from the leaseback in the original book value of assets, and only recognizes the relevant gains and losses only for the rights transferred to the lessor.

After the commencement date of the lease term, for subsequent measurement of the right-of-use assets and lease liabilities and lease modifications, please refer to “3.29.1 The Company as lessee” in this note. In the subsequent measurement of lease liabilities arising from the sale-leaseback, the Company’s method of determining lease payments or modified lease payments does not result in the recognition of gains or losses related to the right of use retained in the leaseback.

If the asset transfer in the sale-and-leaseback transaction does not belong to the sale, the Company, as the lessee, continues to confirm the transferred assets and recognizes a financial liability equivalent to the transfer income. Please refer to “Note 3.29.1 The Company as lessee” for the accounting treatment for financial liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

3.29 Lease (Continued)

3.29.3 Sale-and-leaseback deals (Continued)

(2) *As the lessor*

If the asset transfer in the sale-leaseback transaction belongs to sales, the Company, as the lessor, will make accounting treatment for the purchased assets, and for the asset lease according to the aforesaid policy in “2. The Company as the lessor”; If the asset transfer in the sale-and-leaseback transaction does not belong to the sale, the Company, as the lessor, will not confirm the transferred assets but recognizes a financial asset equivalent to the transfer income. Please refer to “Note 3.9 Financial instruments” for the accounting treatment for financial assets.

3.30 Debt restructuring

3.30.1 The company as a creditor

The Company terminates the recognition of claims when the contractual right to collect cash flows from the claims terminates. If debt is restructured by settling debts with assets or converting debts into equity instruments, the company will recognize the relevant assets when they meet their definition and recognition conditions.

If debt restructuring is carried out by repaying debts with assets, the transferred non-financial assets shall be measured at cost when the company initially recognizes them. The cost of inventory includes the fair value of the relinquished claims and other costs directly attributable to the asset such as taxes, transportation fees, loading and unloading fees, insurance premiums and other costs incurred to bring the asset to its current location and condition. The cost of an investment in an associate or joint venture includes the fair value of the relinquished claims and other costs such as taxes directly attributable to the asset. The cost of investment real estate includes the fair value of the relinquished claims and other costs such as taxes that are directly attributable to the asset. The cost of a fixed asset includes the fair value of the relinquished claim and other costs directly attributable to the asset such as taxes, transportation fees, loading and unloading fees, installation fees, professional service fees and other costs incurred before the asset reaches its intended usable condition. The cost of biological assets includes the fair value of the relinquished claims and other costs such as taxes, transportation fees, and insurance premiums that are directly attributable to the assets. The cost of intangible assets includes the fair value of the relinquished claims and other costs that are directly attributable to taxes and other costs incurred in bringing the asset to its intended use. If the debt restructuring by converting debt into equity instruments results in the creditor converting its claim into an equity investment in an associate or joint venture, the company shall measure it based on the fair value of the relinquished claim and taxes and other costs directly attributable to the asset. its initial investment cost. The difference between the fair value and the book value of the relinquished claims is included in the current profit and loss.

If debt restructuring is carried out by modifying other terms, the company shall confirm and measure the restructured claims in accordance with “Note 3.9 Financial Instruments”.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.30 Debt restructuring (Continued)****3.30.1 The company as a creditor (Continued)**

If multiple assets are used to repay debts or a combination is used to restructure debt, the company will first confirm and measure the transferred financial assets and restructured claims in accordance with “Note 3.9 Financial Instruments”, and then use The fair value ratio of each asset is divided into the net amount after deducting the confirmed amount of transferred financial assets and restructured claims from the fair value of the relinquished claims, and based on this, the cost of each asset is determined according to the aforementioned method. The difference between the fair value of the relinquished claim and its book value shall be included in the current profit and loss.

3.30.2 The company as the debtor

The Company derecognises a debt when its current obligations are discharged.

If debt reorganization is carried out by repaying debts with assets, the company will terminate the recognition when the relevant assets and the debts paid off meet the conditions for derecognition, and the difference between the book value of the debts paid off and the book value of the transferred assets shall be included in the current profit and loss.

If the debt is converted into equity instruments for debt restructuring, the company will derecognize the debt when the repaid debt meets the conditions for derecognition. When the company initially recognizes an equity instrument, it is measured based on the fair value of the equity instrument. If the fair value of the equity instrument cannot be reliably measured, it is measured based on the fair value of the debt repaid. The difference between the book value of the debt repaid and the recognized amount of the equity instrument shall be included in the current profit and loss.

If debt restructuring is carried out by modifying other terms, the company shall recognize and measure the restructured debt in accordance with “Note 3.9 Financial Instruments”.

If multiple assets are used to repay debts or a combination is used to reorganize debts, the company shall confirm and measure equity instruments and restructured debts in accordance with the aforementioned methods. The difference between the book value of the debt repaid and the sum of the book value of the transferred assets and the recognized amounts of the equity instruments and restructured debts shall be included in the current profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.31 Segment reporting**

The Company determines its operating segments based on its internal organizational structure, management requirements, and internal reporting system, and determines its reportable segments and discloses segment information on the basis of operating segments.

An operating segment is a component of the Company that simultaneously meets the following conditions: (1) the component is capable of generating revenues and incurring expenses in its day-to-day activities; (2) the management of the Company is able to evaluate the operating results of the component on a regular basis in order to decide on the allocation of resources to the component and to evaluate its performance; and (3) the Company is able to obtain the component's accounting information relating to the component's financial position, results of operations and cash flows. Two or more operating segments may be consolidated into one operating segment if they have similar economic characteristics and meet certain conditions.

3.32 Key accounting policies and accounting estimates**3.32.1 Estimated useful life and residual value of property, plant and equipment**

The Group uses the straight-line method to depreciate property, plant and equipment according to their estimated useful life, and adopts a sufficient depreciation rate to offset the amount of their cost minus the accumulated impairment loss and the revaluation amount after the estimated remaining value. The Group reviews the useful lives of fixed assets on a regular basis to ensure that the depreciation method and depreciation rate are in line with the economic benefits of the relevant fixed assets.

The Group's estimation of the useful life of fixed assets is detailed in the "Note 3.15 Fixed Assets", which is based on the historical experience of the Group in using similar assets and takes into account expected technological changes. If there is a significant change in the previous estimate, the future depreciation expense will be adjusted.

3.32.2 Impairment of goodwill and intangible assets

Determining whether goodwill and intangible assets are impaired requires an estimation of the value in use of the cash-generating unit to which goodwill has been allocated. When calculating the value in use, management is required to estimate the expected future cash flows from the cash-generating unit and an appropriate discount rate to calculate the present value.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

3 PRINCIPAL ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES**(CONTINUED)****3.32 Key accounting policies and accounting estimates (Continued)****3.32.3 Income tax and deferred tax**

The Group pays income tax in Mainland China and other jurisdictions. When determining income tax, significant judgments are required. In the ordinary course of business, the final tax determination involved in some transactions and calculations is uncertain. The Group recognizes liabilities for anticipated tax audit items based on estimates of whether additional taxes will be required. The final tax consequences of such events are different from the amounts originally recorded, and these differences will affect the income tax and deferred tax provisions during the period in which these determinations are made.

3.33 Changes in significant accounting policies and accounting estimates and correction of errors**3.33.1 Changes in significant accounting policies**

None.

3.33.2 Changes in significant accounting estimates

None.

4 TAXATION**4.1 Major tax types and tax rates**

Tax type	Basis of tax assessment	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	See Table 1 as below
Urban maintenance and construction tax	Levied based on the actual VAT and consumption tax	5.00, 7.00
Corporate income tax	Levied based on taxable income	See Table 2 as below

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

4 TAXATION (CONTINUED)**4.1 Major tax types and tax rates (Continued)****4.1.1 During the reporting period, VAT rates adopted by the Company and its subsidiaries are**

Company	Tax rate %
TravelSky Technology Limited	13.00, 9.00, 6.00
Chongqing Civil Aviation Cares Information Technology Co., Ltd.	13.00, 6.00
Hunan TravelSky Technology Limited	13.00, 6.00
Xi'an Civil Aviation Cares Technology Co., Ltd.	13.00, 6.00, 3.00
Hubei Civil Aviation Cares Co., Ltd.	13.00, 6.00
Civil Aviation Cares Technology of Xinjiang Co., Ltd.	13.00, 6.00, 3.00
Shenzhen Civil Aviation Cares Co., Ltd.	13.00, 6.00
Shanghai TravelSky Technology Limited	6.00
Xiamen Civil Aviation Cares Co., Ltd.	13.00, 6.00
Qingdao Civil Aviation Cares Co., Ltd.	13.00, 9.00, 6.00
Hainan Civil Aviation Cares Co., Ltd.	13.00, 6.00
Guangzhou TravelSky Technology Ltd.	13.00, 6.00, 5.00
China Aviation Accounting Co., Ltd.	6.00
Beijing Yake Technology Development Co., Ltd.	6.00
Antu Jinxin Commercial Factoring Co., Ltd.	6.00
Infosky Information Technology Co., Ltd.	13.00, 6.00
TravelSky Cares (Beijing) Real Estate Co., Ltd.	13.00, 6.00
Beijing TravelSky Travel Agency Co., Ltd.	6.00
TravelSky Southeast Data Center Co., Ltd.	13.00, 6.00
Inner Mongolia TravelSky Technology Limited	13.00, 6.00
Zhejiang TravelSky Technology Limited	13.00, 6.00
Henan TravelSky Technology Limited	13.00, 6.00
Beijing TravelSky Technology Limited	13.00, 6.00
Guangzhou Skyecho Information Technology Co., Ltd.	13.00, 6.00
Beijing Hangju Credit Management Co., Ltd.	6.00
TravelSky Technology International Limited	Not Applicable
TravelSky Technology Singapore Pte. Ltd.	Not Applicable
OpenJaw Technologies Limited	23.00

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

4 TAXATION (CONTINUED)**4.1 Major tax types and tax rates (Continued)****4.1.2 During the reporting period, enterprise income tax rates adopted by the Company and its subsidiaries are**

Taxpayer	Income tax rate %
TravelSky Technology Limited (Remark 1)	15.00
Chongqing Civil Aviation Cares Information Technology Co., Ltd. (Remark 2)	15.00
Xi'an Civil Aviation Cares Technology Co., Ltd. (Remark 2)	15.00
Hubei Civil Aviation Cares Co., Ltd. (Remark 1)	15.00
Civil Aviation Cares Technology of Xinjiang Co., Ltd.	25.00
Shenzhen Civil Aviation Cares Co., Ltd. (Remark 1)	15.00
Shanghai TravelSky Technology Limited (Remark 3)	20.00
Xiamen Civil Aviation Cares Co., Ltd. (Remark 1)	15.00
Qingdao Civil Aviation Cares Co., Ltd. (Remark 1)	15.00
Hainan Civil Aviation Cares Co., Ltd. (Remark 1)	15.00
Guangzhou TravelSky Technology Limited (Remark 1)	15.00
China Aviation Accounting Co., Ltd. (Remark 1)	15.00
Beijing Yake Technology Development Co., Ltd.	25.00
Antu Jinxin Commercial Factoring Co., Ltd.	25.00
Infosky Information Technology Co., Ltd. (Remark 1)	15.00
TravelSky Cares (Beijing) Real Estate Co., Ltd. (Remark 3)	20.00
Henan TravelSky Technology Limited	25.00
Hunan TravelSky Technology Limited	25.00
Beijing TravelSky Technology Limited	25.00
Beijing TravelSky Travel Agency Co., Ltd.	25.00
TravelSky Cloud Intelligence Technology (Beijing) Co., Ltd. (Remark 1)	15.00
Zhejiang TravelSky Technology Limited	25.00
Guangzhou Skyecho Information Technology Co., Ltd. (Remark 3)	20.00
TravelSky Digital Intelligence Technology (Beijing) Co., Ltd. (Remark 3)	15.00
Inner Mongolia TravelSky Technology Limited	25.00
TravelSky Technology International Limited	8.25, 16.50
TravelSky Technology (Singapore) Pte. Ltd.	17.00
OpenJaw Technologies Limited	12.50

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

4 TAXATION (CONTINUED)

4.1 Major tax types and tax rates (Continued)

4.1.2 During the reporting period, enterprise income tax rates adopted by the Company and its subsidiaries are (Continued)

- Remark 1: TravelSky Technology Limited, Hubei Civil Aviation Cares Co., Ltd., Shenzhen Civil Aviation Cares Co., Ltd., Xiamen Civil Aviation Cares Co., Ltd., Qingdao Civil Aviation Cares Co., Ltd., Hainan Civil Aviation Cares Co., Ltd., Guangzhou TravelSky Technology Limited, China Aviation Accounting Co., Ltd., Beijing Yake Technology Development Co., Ltd., Infosky Information Technology Co., Ltd. have been assessed as high-tech enterprises, enjoying the preferential income tax rate of 15%.
- Remark 2: The principal businesses of Chongqing CAAC Kaiya Information Technology Co., Ltd. and Xi'an CAAC Kaiya Technology Co., Ltd. fall under Item 1 of Category 26 (Encouraged Industries) in the Catalogue for the Guidance of Industrial Structure Adjustment (2024 Edition), namely "Development and Construction of Aviation Computer Management and Its Network Systems". Accordingly, the companies are eligible for the 15% preferential corporate income tax policy for the Western Development Strategy.
- Remark 3: In accordance with the provisions of the Announcement on Tax and Fee Policies to Further Support the Development of Small and Micro Enterprises and Individual Industrial and Commercial Households (Announcement No. 12 of 2023 issued by the Ministry of Finance and the State Taxation Administration), the policy for small low-profit enterprises of calculating taxable income at a reduced rate of 25% and paying corporate income tax at a tax rate of 20% shall be extended to December 31, 2027. In the current period, Shanghai CAAC Information Technology Co., Ltd., TravelSky Kaiya (Beijing) Real Estate Co., Ltd., Guangzhou Hanglv Sky Information Technology Co., Ltd., Inner Mongolia CAAC Information Technology Co., Ltd. and TravelSky Digital Intelligence Technology (Beijing) Co., Ltd. meet the three conditions simultaneously, namely taxable income not exceeding 3 million yuan, number of employees not exceeding 300 people, and total assets not exceeding 50 million yuan, and are applicable to calculate taxable income at a reduced rate of 25% and pay corporate income tax at a tax rate of 20%.

4.2 Tax incentives

4.2.1 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%.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

4 TAXATION (CONTINUED)**4.2 Tax incentives (Continued)****4.2.2 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**5.1 Cash and cash equivalents**

Item	As at June 30, 2026	As at December 31, 2025
Cash on hand	1,185.56	1,132.61
Digital currency	1,402,446.23	3,072,386.73
Cash at bank	8,834,487,011.50	9,976,798,045.45
Other cash and cash equivalents	24,144,476.06	79,145,929.94
Total	8,860,035,119.35	10,059,017,494.73
Including: The total amount deposited abroad	303,154,686.87	305,071,639.92
Money deposited abroad and with restrictions on fund repatriation		

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
 (Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.2 Financial assets held for trading**

Item	As at June 30, 2026	As at December 31, 2025
Financial assets measured at fair value through the current profit or loss	6,019,540,958.90	3,414,508,219.18
Including: Debt instrument investments	6,019,540,958.90	3,414,508,219.18
Total	6,019,540,958.90	3,414,508,219.18

Note: Debt instrument investments represent the structured bank deposits (floating returns) held by the Group issued by Bank of Beijing Co., Ltd., China Everbright Bank Co., Ltd., Ping An Bank Co., Ltd., Industrial Bank Co., Ltd., Industrial and Commercial Bank of China Co., Ltd., and China CITIC Bank Co., Ltd. The annual interest rate of such structured deposits ranges from 1.80% to 1.95% with a maturity period of 90 to 186 days, and they are non-revocable prior to maturity.

5.3 Notes receivable**5.3.1 Breakdown of the notes receivable**

Item	As at June 30, 2026	As at December 31, 2025
Bank acceptance bills	457,705,069.12	248,143,157.49
Commercial acceptance bills	23,725,624.61	
Less: Provision for bad debts	1,264,668.81	
Total	480,166,024.92	248,143,157.49

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)**5.3 Notes receivable (Continued)****5.3.2 Disclosure of notes 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		
			Proportion		Book value			Proportion		Book value
	Amount	(%)	Amount	(%)		Amount	(%)	Amount	(%)	
Provision for bad debts accrued on an individual basis										
Provision for bad debts on portfolio basis of credit risk characteristics	481,430,693.73	100.00	1,264,668.81	0.26	480,166,024.92	248,143,157.49	100.00			248,143,157.49
Total	481,430,693.73	100.00	1,264,668.81		480,166,024.92	248,143,157.49	100.00			248,143,157.49

Provision for bad debts on portfolio basis of credit risk characteristics:

Provision for bad debts accrued on a portfolio basis:

Name	As at June 30, 2026		
	Notes receivable	Provision for bad debts	Proportion of provision (%)
Bank acceptance bills	457,705,069.12		
Commercial acceptance bills	23,725,624.61	1,264,668.81	5.33
Total	481,430,693.73	1,264,668.81	

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
 (Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5.3 Notes receivable (Continued)

5.3.3 Provision, reversal or recovery of provision for bad debts in 2026

Category	As at December 31, 2025	Changes in the current period				As at June 30, 2026
		Provision	Reversal or recovery	Write-off or charge-off	Other changes	
Commercial acceptance bills		1,264,668.81				1,264,668.81
Total		1,264,668.81				1,264,668.81

5.3.4 Notes receivable pledged As at June 30, 2026

None.

5.3.5 Notes receivable endorsed or discounted but undue As at June 30, 2026

None.

5.3.6 Notes receivable actually written off in the current period

None.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.4 Accounts receivable****5.4.1 Disclosure of accounts receivable (based on invoice date)**

Aging	As at June 30, 2026	As at December 31, 2025
Within 1 year	3,916,750,199.62	4,023,101,970.17
Including: Subitem within 1 year		
Within 6 months	2,727,365,218.12	2,910,511,722.04
7 – 12 months	1,189,384,981.50	1,112,590,248.13
1 – 2 years	674,036,515.58	1,317,645,129.60
2 – 3 years	317,675,253.22	205,302,425.07
3 – 4 years	276,797,877.54	341,227,634.11
4 – 5 years	67,369,884.81	15,335,709.41
Over 5 years	280,394,466.78	276,862,558.39
Sub-total	5,533,024,197.55	6,179,475,426.75
Less: Provision for bad debts	1,053,369,286.42	1,072,562,011.77
Total	4,479,654,911.13	5,106,913,414.98

5.4.2 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	868,209,128.91	15.69	548,879,256.21	63.22	319,329,872.70	903,581,424.16	14.62	530,110,131.54	58.67	373,471,292.62
Provision for bad debts on portfolio basis of credit risk characteristics	4,664,815,068.64	84.31	504,490,030.21	10.81	4,160,325,038.43	5,275,894,002.59	85.38	542,451,880.23	10.28	4,733,442,122.36
Total	5,533,024,197.55	100.00	1,053,369,286.42		4,479,654,911.13	6,179,475,426.75	100.00	1,072,562,011.77		5,106,913,414.98

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5.4 Accounts receivable (Continued)

5.4.2 Disclosure of accounts receivable under the methods of provision for bad debts by category (Continued)

Provision for bad debts accrued on an individual basis:

Name	As at June 30, 2026				As at December 31, 2025		
	Book balance	Provision for bad debts	Proportion of provision (%)	Reason for provision	Book balance	Provision for bad debts	Proportion of provision (%)
Customer 1	184,496,534.62	184,496,534.62	100.00	Poor financial position	184,496,534.62	184,496,534.62	100.00
Customer 2	138,019,966.24	132,659,042.36	96.12	Poor financial position	159,925,542.87	151,310,185.45	94.61
Customer 3	313,740,010.78	91,399,408.31	29.13	Poor financial position	322,201,696.30	71,063,666.42	22.06
Customer 4	67,175,389.36	34,870,718.93	51.91	Poor financial position	71,665,376.40	34,870,718.93	48.66
Customer 5	19,215,961.30	19,215,961.30	100.00	Poor financial position	19,981,414.06	19,981,414.06	100.00
Customer 6	11,139,029.46	11,139,029.46	100.00	Poor financial position	11,582,743.96	11,582,743.96	100.00
Customer 7	7,860,786.21	7,860,786.21	100.00	Poor financial position	7,860,786.21	7,860,786.21	100.00
Customer 8	38,501,545.03	19,537,692.51	50.75	Poor financial position	32,225,845.18	7,800,568.47	24.21
Customer 9	6,443,184.87	6,291,290.95	97.64	Poor financial position	5,683,608.87	5,683,608.87	100.00
Customer 10	9,466,160.25	1,768,446.73	18.68	Poor financial position	9,865,437.48	5,518,344.98	55.94
Other companies	72,150,560.79	39,640,344.83			78,092,438.21	29,941,559.57	
Total	868,209,128.91	548,879,256.21			903,581,424.16	530,110,131.54	

Provision for bad debts on portfolio basis of credit risk characteristics:

Item accrued on a portfolio basis:

Name	As at June 30, 2026		
	Accounts receivable	Provision for bad debts	Proportion of provision (%)
Accounts receivable from related parties	2,671,164,666.19		
Accounts receivable from third parties	1,993,650,402.45	504,490,030.21	25.30
Total	4,664,815,068.64	504,490,030.21	

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)**5.4 Accounts receivable (Continued)****5.4.3 Provision, reversal or recovery of provision for bad debts in 2026**

Category	As at December 31, 2025	Changes in the current period					As at June 30, 2026
		Provision	Reversal or recovery	Write-off or charge off	Exchange rate changes	Reclassification adjustment	
Provision for bad debts accrued on an individual basis	530,110,131.54	20,482,118.00	375,665.89		-1,337,327.44		548,879,256.21
Provision for bad debts accrued on a portfolio basis	542,451,880.23	-35,789,286.77	1,577,070.41	595,492.84			504,490,030.21
Total	1,072,562,011.77	-15,307,168.77	1,952,736.30	595,492.84	-1,337,327.44		1,053,369,286.42

Of which, significant amounts of provision for bad debts recovered or reversed in the current period:

Name of entity	Amount recovered or reversed	Reason for reversal	Method of recovery	Basis for determining the original provision for bad debts and its reasonableness
Customer A	1,325,385.12	Collection of amounts	Cash collection	Calculated based on discounted cash flows from collections.
Customer B	135,000.00	Collection of amounts	Cash collection	Calculated based on discounted cash flows from collections.
Customer C	240,000.00	Collection of amounts	Cash collection	Calculated based on discounted cash flows from collections.
Total	1,700,385.12			

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.4 Accounts receivable (Continued)****5.4.4 Accounts receivable actually charged off in 2026**

Item	Amount write off
Accounts receivable actually write off	595,492.84

5.4.5 Top five of accounts receivable As at June 30, 2026, presented by debtors

The sum amount of top five of accounts receivable and contract assets presented by debtors is RMB2,196,638,979.80, accounting for 38.97 % of the ending balance of accounts receivable and contract assets, and the corresponding ending balance of provision for bad debts is RMB244,816,214.72.

5.5 Advances to suppliers**5.5.1 Presentation of advances to suppliers by aging**

Aging	As at June 30, 2026		As at December 31, 2025	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	194,387,900.18	83.67	194,416,191.78	87.40
1 to 2 years	23,245,326.74	10.01	9,111,746.99	4.10
2 to 3 years	8,560,163.77	3.68	9,987,327.88	4.49
Over 3 years	6,125,128.91	2.64	8,913,697.72	4.01
Sub-total	232,318,519.60	100.00	222,428,964.37	100.00
Less: Provision for bad debts	3,562,755.57		3,562,755.57	
Total	228,755,764.03	100.00	218,866,208.80	100.00

5.5.2 Prepayments to top five suppliers by ending balance

The total amount of prepayments to the top five suppliers by concentration of ending balance is RMB60,751,516.50, accounting for 26.15% of the total ending balance of prepayments.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.6 Other receivables**

Item	As at June 30, 2026	As at December 31, 2025
Interest receivable		
Dividends receivable	5,500,000.00	5,500,000.00
Other receivables	3,325,843,457.06	2,848,137,688.95
Total	3,331,343,457.06	2,853,637,688.95

5.6.1 Dividends receivable*Details of dividends receivable*

Item (or investee)	As at June 30, 2026	As at December 31, 2025
Xinjiang TravelSky E-surfing Science and Technology Co., Ltd.	5,500,000.00	5,500,000.00
Sub-total	5,500,000.00	5,500,000.00
Less: Provision for bad debts		
Total	5,500,000.00	5,500,000.00

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.6 Other receivables (Continued)****5.6.2 Other receivables****(1) Disclosure by aging**

Aging	As at June 30, 2026	As at December 31, 2025
Within 1 year	3,152,986,891.08	2,746,209,771.34
Including: Subitem within 1 year		
Within 6 months	3,038,271,441.35	2,717,621,136.75
7 – 12 months	114,715,449.73	28,588,634.59
1 – 2 years	69,971,794.52	29,403,878.45
2 – 3 years	72,708,915.54	40,603,953.06
3 – 4 years	4,723,560.73	7,122,357.60
4 – 5 years	4,947,717.56	9,715,072.60
Over 5 years	20,611,964.90	15,190,043.17
Sub-total	3,325,950,844.33	2,848,245,076.22
Less: Provision for bad debts	107,387.27	107,387.27
Total	3,325,843,457.06	2,848,137,688.95

(2) Disclosure of other receivables 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 value	Book balance		Provision for bad debts		Book value
	Amount	Proportion	Amount	Proportion of provision		Amount	Proportion	Amount	Proportion of provision	
		(%)		(%)			(%)		(%)	
Provision for bad debts accrued on an individual basis										
Provision for bad debts on portfolio basis of credit risk characteristics	3,325,950,844.33	100	107,387.27		3,325,843,457.06	2,848,245,076.22	100.00	107,387.27		2,848,137,688.95
Total	3,325,950,844.33	100	107,387.27		3,325,843,457.06	2,848,245,076.22	100.00	107,387.27		2,848,137,688.95

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.6 Other receivables (Continued)****5.6.2 Other receivables (Continued)****(2) Disclosure of other receivables under the methods of provision for bad debts by category (Continued)**

Provision for bad debts on portfolio basis of credit risk characteristics:

Item accrued on a portfolio basis:

Name	As at June 30, 2026	
	Other receivables	Provision for bad debts
Related-parties	2,324,133,483.75	107,387.27
Third-parties	1,001,817,360.58	
Total	3,325,950,844.33	107,387.27

(3) Provision for bad debts

	Phase 1	Phase 2	Phase 3	
	Expected credit losses in the next 12 months	Expected credit losses for the entire duration (no credit impairment)	Expected credit losses for the entire duration (credit impairment)	Total
Provision for bad debts				
Balance As at December 31, 2025		107,387.27		107,387.27
In 2026, balance As at December 31, 2025				
- Transfer to Phase 2				
- Transfer to Phase 3				
- Reversal from Phase 2				
- Reversal from Phase 1				
Provision in 2026				
Reversal in 2026				
Write-off in 2026				
Charge-off in 2026				
Other changes				
Balance As at June 30, 2026		107,387.27		107,387.27

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
 (Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.6 Other receivables (Continued)****5.6.2 Other receivables (Continued)****(4) Provision, reversal or recovery of provision for bad debts in 2026**

Category	As at December 31, 2025	Changes in the current period			As at June 30, 2026
		Provision	Reversal or recovery	Write off or charge off	
Accrued on a portfolio basis	107,387.27				107,387.27
Total	107,387.27				107,387.27

(5) Classification of other receivables by the nature of payment

Nature	As at June 30, 2026	As at December 31, 2025
Various margin, deposit and loan of reserve fund	31,446,792.42	29,301,478.42
Current loan	134,440,862.10	81,300,335.52
Settlement and clearing payments	1,642,021,242.22	1,413,903,392.27
Factoring receivables	1,518,041,947.59	1,323,739,870.01
Total	3,325,950,844.33	2,848,245,076.22

(6) Analysis of other receivables by debtor – top five by ending balance

The total amount of other receivables due from the top five debtors by ending balance is RMB954,162,022.76, accounting for 28.69% of the total ending balance of other receivables, and the corresponding ending balance of provision for bad debts is RMB0.00.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.7 Inventories****5.7.1 Classification of inventories**

Item	As at June 30, 2026			As at December 31, 2025		
	Book balance	Provision for depreciation/ Impairment of contractual performance costs	Book value	Book balance	Provision for depreciation/ Impairment of contractual performance costs	Book value
Merchandise inventories	79,753,392.32		79,753,392.32	35,655,440.37		35,655,440.37
Contract performance cost	77,882,953.57		77,882,953.57	43,840,837.91		43,840,837.91
Total	157,636,345.89		157,636,345.89	79,496,278.28		79,496,278.28

5.8 Contract assets**5.8.1 Contract assets**

Item	As at June 30, 2026			As at December 31, 2025		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Airport digitalization service etc	104,817,183.85	20,964,065.66	83,853,118.19	94,575,700.93	18,832,727.55	75,742,973.38
Total	104,817,183.85	20,964,065.66	83,853,118.19	94,575,700.93	18,832,727.55	75,742,973.38

5.8.2 Amount from significant change in book value and reason therefor during the reporting period

Item	Changed amount	Reason for change
Airport digitalization service etc	10,241,482.92	Increase due to change in measurement of progress in compliance
Total	10,241,482.92	

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5.8 Contract assets (Continued)

5.8.3 Classification disclosure of contract assets under method of provision for impairment

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 impairment accrued on an individual basis	5,036,966.12	4.81	5,036,966.12	100.00		5,659,207.36	5.98	5,036,966.12	89.00	622,241.24
Provision for impairment loss on portfolio basis of credit risk characteristics	99,780,217.73	95.19	15,927,099.54	15.96	83,853,118.19	88,916,493.57	94.02	13,795,761.43	15.52	75,120,732.14
Total	104,817,183.85	100.00	20,964,065.66		83,853,118.19	94,575,700.93	100.00	18,832,727.55		75,742,973.38

Provision for impairment accrued on an individual basis:

Name	Balance As at June 30, 2026				Balance As at December 31, 2025		
	Contract assets	Provision for impairment	Proportion of provision (%)	Reasons for accrual	Contract assets	Provision for impairment	Proportion of provision (%)
Customer D	5,036,966.12	5,036,966.12	100.00	Calculated based on discounted cash flows of repayments from HNA Group entities	5,036,966.12	5,036,966.12	100.00
Customer E				Debt restructuring	622,241.24		
Total	5,036,966.12	5,036,966.12			5,659,207.36	5,036,966.12	

Provision for impairment loss on portfolio basis of credit risk characteristics:

Item accrued on a portfolio basis:

Name	Balance As at June 30, 2026		
	Contract assets	Provision for impairment	Proportion of provision (%)
Third-parties	91,628,392.06	15,927,099.54	17.38
Related-parties	8,151,825.67		
Total	99,780,217.73	15,927,099.54	

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.8 Contract assets (Continued)****5.8.4 Provision for impairment of contract assets in 2026**

Item	Balance As at December 31, 2025	Provision in 2026	Reversal in 2026	Write-off/ charge-off in 2026	Other changes	Balance As at June 30, 2026
Provision for impairment assessed on an individual basis	5,036,966.12					5,036,966.12
Provision for impairment assessed on a portfolio basis	13,795,761.43	2,567,554.24	400,062.08	32,461.49	-3,692.56	15,927,099.54
Total	18,832,727.55	2,567,554.24	400,062.08	32,461.49	-3,692.56	20,964,065.66

5.9 Non-current assets maturing within one year

Item	As at June 30, 2026	As at December 31, 2025
Time deposits and interest maturing within one year	525,552,555.55	545,671,917.81
Total	525,552,555.55	545,671,917.81

Note: The Group holds RMB time deposit certificates with China Construction Bank, Ping An Bank Co., Ltd., and Industrial Bank Co., Ltd., with an annual interest rate of 1.55%-2.60% and a term of 1,095 days, which are irrevocable before maturity.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
 (Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.10 Other current assets**

Item	As at June 30, 2026	As at December 31, 2025
Debt investments due within one year (Note 1)	1,000,457,054.62	1,000,175,102.74
Time deposits with original maturity within one year and accrued interest (Note 2)	50,531,222.24	50,179,277.79
Input VAT to be deducted	233,662,884.69	227,022,499.57
Prepaid taxes	12,919,254.54	8,687,303.42
Total	1,297,570,416.09	1,286,064,183.52

Note 1: The debt investments represent the Group's holdings in 7-day reverse repurchase agreements of government bonds, with a principal amount of RMB1,000,000,000.00 and an annualized interest rate of 1.50% with a maturity period of 11 days.

Note 2: The Group holds one-year time deposit certificates with Bank of Communications, with an annual interest rate of 1.4%, and a term of 365 days.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(CONTINUED)

5.11 Long-term equity investments

5.11.1 Long-term equity investments

Investee	Balance of provision for impairment		Increase/decrease in 2026							Balance of provision for impairment	
	As at	As at	Gain/loss on		Adjustment		Change		Cash		As at
	December 31, 2025	December 31, 2025	Increase in investments	Decrease in investments	recognized under equity method	to other comprehensive income	in other equity change	dividends declared to be distributed	Provision for impairment in 2026	Others	As at June 30, 2026
1. Joint ventures											
Heilongjiang TravelSky Airport Network Co., Ltd.	29,270,482.23				2,161,987.99						31,432,470.22
Dalian TravelSky Airport Network LLC	24,471,437.81				133,643.24						24,605,081.05
Hebei TravelSky Airport Network Co., Ltd.	16,906,374.81				1,286,287.47						18,192,662.28
Xinjiang TravelSky E-surfing Science and Technology Co., Ltd.	35,953,577.45				-5,282,348.88						30,671,228.57
Yunnan TravelSky Airport Network Co., Ltd.	122,392,863.92				-485,647.89						121,907,216.03
Sub-total	228,994,736.22				-2,186,078.07						226,808,658.15
2. Associates											
Beijing TravelSky Birun Technology Co., Ltd.	68,340,899.47				3,564,347.73						71,905,247.20
TravelSky Mobile Technology Co., Ltd.	241,300,143.62				-13,733,413.64						227,566,729.98
Shanghai Civil Aviation East China Cares System Integration Co., Ltd.	94,637,648.23				-1,774,640.36						92,862,987.87
Shenyang Civil Aviation Northeast Cares Co., Ltd.	176,545,647.52				982,350.86						177,527,998.38
Chengdu Civil Aviation Southwest Cares Co., Ltd.	103,706,035.64				5,954,824.98						109,660,860.62
Guangzhou Skyecho Information Technology Co., Ltd.	7,002,578.66				407,394.67						7,409,973.33
Yantai TravelSky Airport Network Co., Ltd.	7,437,879.68				318,297.15						7,756,176.83
Sub-total	698,970,832.82				-4,280,858.61						694,689,974.21
Total	927,965,569.04				-6,466,936.68						921,498,632.36

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.12 Investments in other equity instruments****5.12.1 Details of other equity instrument investments**

Item	As at December 31, 2025			Profit recognized in other comprehensive	Loss charged to other comprehensive			Dividend income	Accumulated profit in other comprehensive	Accumulated losses in other comprehensive	Reasons for designation as at fair value through other comprehensive income
		Additional investment	Reduction of investment	income for the period	income for the period	Other	As at June 30, 2026	recognized during the period	income at the end of the period	income at the end of the period	
China Merchants RenHe Life Insurance Company Limited	1,052,313,600.00			375,486,400.00			1,427,800,000.00		552,800,000.00		The Company does not intend to hold the investment for trading purposes.
Total	1,052,313,600.00			375,486,400.00			1,427,800,000.00		552,800,000.00		

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.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.13 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	1,113,051,859.51	1,116,357,687.34
Including: Equity instrument investments	1,113,051,859.51	1,116,357,687.34
Total	1,113,051,859.51	1,116,357,687.34

Note: 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 5G industry application 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 RMB861,704,161.66 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.

NOTES TO THE FINANCIAL STATEMENTS

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5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.14 Investment properties****5.14.1 Investment properties measured at cost**

Item	Buildings, constructions	Land use right	Total
1. Original book value			
(1) As at December 31, 2025	271,474,731.12	95,285,700.00	366,760,431.12
(2) Increase in 2026			
– Transfer from fixed assets			
– Others			
(3) Decrease in 2026			
– Transfer to self-use			
(4) As at June 30, 2026	271,474,731.12	95,285,700.00	366,760,431.12
2. Accumulated depreciation			
(1) As at December 31, 2025	155,382,922.02	41,558,710.68	196,941,632.70
(2) Increase in 2026	3,043,349.64	2,815,473.90	5,858,823.54
– Provision or amortization	3,043,349.64	2,815,473.90	5,858,823.54
– Transfer from fixed assets			
– Others			
(3) Decrease in 2026			
– Transfer to self-use			
(4) As at June 30, 2026	158,426,271.66	44,374,184.58	202,800,456.24
3. Provision for impairment			
(1) As at December 31, 2025			
(2) Increase in 2026			
(3) Decrease in 2026			
(4) As at June 30, 2026			
4. Book value			
(1) As at June 30, 2026	113,048,459.46	50,911,515.42	163,959,974.88
(2) As at December 31, 2025	116,091,809.10	53,726,989.32	169,818,798.42

5.14.2 Investment properties with pending certificate of title

None.

5.15 Fixed assets**5.15.1 Fixed assets and disposal of fixed assets**

Item	As at June 30, 2026	As at December 31, 2025
Fixed assets	2,983,823,066.93	2,976,048,895.19
Disposal of fixed assets	612,283.71	427,913.87
Total	2,984,435,350.64	2,976,476,809.06

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.15 Fixed assets (Continued)****5.15.2 Breakdown of fixed assets**

Item	Buildings and constructions	Machinery equipment	Motor vehicles	Electronic equipment	Office equipment	Others	Total
1. Original book value							
(1) As at December 31, 2025	2,898,790,121.26	923,229,024.13	65,523,668.41	3,600,080,457.78	704,761,799.12	1,586,940.77	8,193,972,011.47
(2) Increase in 2026		72,985,948.56	1,203,558.52	107,300,053.90	13,581,075.23		195,070,636.21
- Purchase		72,985,948.56	1,205,592.93	107,883,296.84	12,995,797.88		195,070,636.21
- Transferred from construction in progress							
- Asset class adjustments			-2,034.41	-583,242.94	585,277.35		
- Transfer from investment property to self-use							
(3) Decrease in 2026			1,770,873.82	22,539,770.15	4,693,323.52	11,269.84	29,015,237.33
- Disposal or scrapping			1,734,494.55	22,049,649.05	4,431,375.85		28,215,519.45
- Effect of foreign exchange			36,379.27	490,121.10	261,947.67	11,269.84	799,717.88
- Transfer to investment property							
- Transfer to intangible assets							
(4) As at June 30, 2026	2,898,790,121.26	996,214,972.69	64,956,353.11	3,684,840,741.53	713,649,550.83	1,575,670.93	8,360,027,410.35
2. Accumulated depreciation							
(1) As at December 31, 2025	920,038,725.20	718,252,206.76	53,860,275.95	2,867,813,734.22	643,633,845.49	1,112,155.12	5,204,710,942.74
(2) Increase in 2026	44,637,834.66	31,586,003.66	1,181,304.02	78,942,659.66	29,928,840.71	60,985.58	186,337,628.29
- Provision	44,637,834.66	31,586,003.66	1,182,093.35	79,707,614.07	29,163,096.97	60,985.58	186,337,628.29
- Asset class adjustments			-789.33	-764,954.41	765,743.74		
- Transfer from investment property to self-use							
(3) Decrease in 2026			1,688,522.92	21,827,473.02	4,538,498.76	1,754.45	28,056,249.15
- Disposal or scrapping			1,682,459.70	21,388,332.90	4,278,606.53		27,349,399.13
- Effect of foreign exchange			6,063.22	439,140.12	259,892.23	1,754.45	706,850.02
- Transfer to investment property							
- Transfer to intangible assets							
(4) As at June 30, 2026	964,676,559.86	749,838,210.42	53,353,057.05	2,924,928,920.86	669,024,187.44	1,171,386.25	5,362,992,321.88
3. Provision for impairment							
(1) As at December 31, 2025		6,322,675.59		6,889,497.95			13,212,173.54
(2) Increase in 2026							
(3) Decrease in 2026				152.00			152.00
(4) As at June 30, 2026		6,322,675.59		6,889,345.95			13,212,021.54
4. Book value							
(1) As at June 30, 2026	1,934,113,561.40	240,054,086.68	11,603,296.06	753,022,474.72	44,625,363.39	404,284.68	2,983,823,066.93
(2) As at December 31, 2025	1,978,751,396.06	198,654,141.78	11,663,392.46	725,377,225.61	61,127,953.63	474,785.65	2,976,048,895.19

5.15.3 Temporarily idle fixed assets

None.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5.15 Fixed assets (Continued)

5.15.4 Details of fixed assets leased under operating lease

Item	Buildings and constructions	Office equipment	Others	Total
1. Original book value				
(1) As at December 31, 2025	5,990,918.08	5,319,202.87	2,198,230.10	13,508,351.05
(2) Increase in 2026				
(3) Decrease in 2026	5,990,918.08			5,990,918.08
(4) As at June 30, 2026		5,319,202.87	2,198,230.10	7,517,432.97
2. Accumulated depreciation				
(1) As at December 31, 2025	5,313,191.18	5,159,626.79	727,563.00	11,200,380.97
(2) Increase in 2026			252,821.88	252,821.88
- Provision			252,821.88	252,821.88
- Others				
(3) Decrease in 2026	5,313,191.18			5,313,191.18
(4) As at June 30, 2026		5,159,626.79	980,384.88	6,140,011.67
3. Provision for impairment				
(1) As at December 31, 2025				
(2) Increase in 2026				
(3) Decrease in 2026				
(4) As at June 30, 2026				
4. Book value				
(1) As at June 30, 2026		159,576.08	1,217,845.22	1,377,421.30
(2) As at December 31, 2025	677,726.90	159,576.08	1,470,667.10	2,307,970.08

5.15.5 Disposal of fixed assets

Item	As at June 30, 2026	As at December 31, 2025
Scrapping of fixed assets to be approved	612,283.71	427,913.87
Total	612,283.71	427,913.87

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

**5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)****5.16 Construction in progress****5.16.1 Construction in progress and project materials**

Item	As at June 30, 2026			As at December 31, 2025		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Construction in progress	19,668,482.66		19,668,482.66	18,203,856.24		18,203,856.24
Project materials						
Total	19,668,482.66		19,668,482.66	18,203,856.24		18,203,856.24

5.16.2 Breakdown of construction in progress

Item	As at June 30, 2026			As at December 31, 2025		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
China Aviation Information Technology Industrial Park Construction Project (Phase II)	19,668,482.66		19,668,482.66	18,203,856.24		18,203,856.24
Total	19,668,482.66		19,668,482.66	18,203,856.24		18,203,856.24

5.16.3 Changes in major items of construction in progress in 2026

Items	Budget	As at December 31, 2025	Transfer into fixed assets in 2026			As at June 30, 2026	Proportion of the project's cumulative investment in the budget (%)	Project progress	Cumulative amount of interest capitalization	Of which: the amount of interest capitalized in the current period	Current interest capitalization rate (%)	Sources of funds
			Increase in 2026	Other decreases in 2026								
China Aviation Information Technology Industrial Park Construction Project (Phase II)	938,492,800.00	18,203,856.24	1,464,626.42			19,668,482.66	2.1	2.1%				Own capital
Total		18,203,856.24	1,464,626.42			19,668,482.66						

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.17 Right-of-use assets**

Items	Buildings and constructions	Others	Total
1. Original book value			
(1)As at December 31, 2025	436,858,800.75	98,644.77	436,957,445.52
(2)Increase in 2026	9,760,249.41		9,760,249.41
– New lease	9,755,522.97		9,755,522.97
– Re-evaluation adjustment	4,726.44		4,726.44
(3)Decrease in 2026	39,111,154.40		39,111,154.40
– Expiration of lease	29,757,739.98		29,757,739.98
– Effect of foreign exchange	1,424,489.07		1,424,489.07
– Re-evaluation adjustment	5,219,736.15		5,219,736.15
– Disposal	2,059,547.10		2,059,547.10
– Others	649,642.10		649,642.10
(4)As at June 30, 2026	407,507,895.76	98,644.77	407,606,540.53
2. Accumulated depreciation			
(1)As at December 31, 2025	147,630,746.51	37,333.71	147,668,080.22
(2)Increase in 2026	68,623,892.97	16,440.84	68,640,333.81
– Provision	68,623,892.97	16,440.84	68,640,333.81
– Others			
(3)Decrease in 2026	31,329,955.05		31,329,955.05
– Expiration of lease	27,464,743.03		27,464,743.03
– Effect of foreign exchange	914,607.44		914,607.44
– Disposal	2,059,547.10		2,059,547.10
– Others	891,057.48		891,057.48
(4)As at June 30, 2026	184,924,684.43	53,774.55	184,978,458.98
3. Provision for impairment			
(1)As at December 31, 2025	2,389,267.53		2,389,267.53
(2)Increase in 2026			
(3)Decrease in 2026	2,389,267.53		2,389,267.53
– Effect of foreign exchange	67,945.66		67,945.66
– Others	2,321,321.87		2,321,321.87
(4)As at June 30, 2026			
4. Book value			
(1)As at June 30, 2026	222,583,211.33	44,870.22	222,628,081.55
(2)As at December 31, 2025	286,838,786.71	61,311.06	286,900,097.77

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.18 Intangible assets****5.18.1 Breakdown of intangible assets**

Item	Land use rights	Patents	Non-patented technology	Software	Purchase	Data resources Self-developed	Other	Total
1. Original book value								
(1) As at December 31, 2025	2,077,031,443.91	6,055,101.69		3,498,008,347.43		38,550,618.09		5,619,645,511.12
(2) Increase in 2026				18,939,637.04				18,939,637.04
- Purchase				3,215,400.83				3,215,400.83
- Internal R&D				15,724,236.21				15,724,236.21
- Class adjustment								
- Others								
(3) Decrease in 2026		287,081.14		9,868,066.32				10,155,147.46
- Disposal				4,420,519.20				4,420,519.20
- Portion that expired and was derecognized								
- Effect of foreign exchange		287,081.14		5,447,547.12				5,734,628.26
(4) As at June 30, 2026	2,077,031,443.91	5,768,020.55		3,507,079,918.15		38,550,618.09		5,628,430,000.70
2. Accumulated depreciation								
(1) As at December 31, 2025	820,828,166.51	875,041.28		3,084,170,134.97		13,921,056.60		3,919,794,399.36
(2) Increase in 2026	25,817,847.06	231,691.75		170,944,648.58		1,010,609.82		198,004,797.21
- Provision	25,817,847.06	231,691.75		170,944,648.58		1,010,609.82		198,004,797.21
- Others								
(3) Decrease in 2026				8,077,653.87				8,077,653.87
- Disposal				4,420,519.20				4,420,519.20
- Portion that expired and was derecognized								
- Effect of foreign exchange				3,657,134.67				3,657,134.67
- Others								
(4) As at June 30, 2026	846,646,013.57	1,106,733.03		3,247,037,129.68		14,931,666.42		4,109,721,542.70
3. Provision for impairment								
(1) As at December 31, 2025								
(2) Increase in 2026								
(3) Decrease in 2026								
(4) As at June 30, 2026								
4. Book value								
(1) As at June 30, 2026	1,230,385,430.34	4,661,287.52		260,042,788.47		23,618,951.67		1,518,708,458.00
(2) As at December 31, 2025	1,256,203,277.40	5,180,060.41		413,838,212.46		24,629,561.49		1,699,851,111.76

Intangible assets formed through in-house research and development accounted for 24.69% of the intangible asset balance at the end of the period.

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5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.18 Intangible assets (Continued)****5.18.2 Status of intangible assets of data resources****5.18.2.1 Intangible assets of data resources with indefinite useful lives**

None.

5.18.2.2 Intangible assets of a single data resource with a significant impact

None.

5.19 Goodwill**Changes in goodwill**

Name of the investee or matters forming goodwill	As at December 31, 2025	Increase in 2026		Decrease in 2026		As at June 30, 2026
		Formed from the business combination	Others	Disposal	Others	
Original book value						
Guangzhou Skyecho Information Technology Limited	260,400.76					260,400.76
OpenJaw Technologies Limited	152,334,357.62					152,334,357.62
Sub-total	152,594,758.38					152,594,758.38
Provision for impairment						
OpenJaw Technologies Limited	152,334,357.62					152,334,357.62
Sub-total	152,334,357.62					152,334,357.62
Book value	260,400.76					260,400.76

5.20 Long-term deferred expenses

Item	As at December 31, 2025	Other decreases			As at June 30, 2026
		Increase in 2026	Amortization in 2026	- Foreign currency translation	
Various types of renovation and transformation works	28,371,085.56	487,180.66	6,878,637.86	33,347.01	21,946,281.35
Total	28,371,085.56	487,180.66	6,878,637.86	33,347.01	21,946,281.35

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.21 Deferred tax assets and deferred tax liabilities****5.21.1 Deferred tax assets before offset**

Item	As at June 30, 2026		As at December 31, 2025	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Provision for impairment of assets	1,045,622,988.11	157,872,743.76	1,056,793,690.79	159,511,181.02
Amortization of intangible assets	1,286,539,955.28	192,984,372.47	1,197,106,412.09	179,569,341.00
Fixed assets depreciation	108,105.82	17,837.46	108,105.82	17,837.46
Employee compensation payable				
accrued more than actually paid	218,991,574.85	32,848,736.23	306,930,358.20	46,039,553.73
Accrued expenses	1,492,196,209.16	223,829,431.37	1,362,873,468.00	204,431,020.20
Temporary differences due to				
lease liabilities	241,933,916.01	37,213,310.08	301,213,448.12	46,420,795.32
Contract liabilities	414,089,657.87	62,113,448.68	414,089,657.87	62,113,448.68
Deductible tax losses	17,207,569.38	2,581,135.41		
Offset	-219,746,237.87	-33,823,508.19	-284,323,813.24	-43,796,370.11
Total	4,496,943,738.61	675,637,507.27	4,354,791,327.65	654,306,807.30

5.21.2 Deferred tax liabilities before offset

Item	As at June 30, 2026		As at December 31, 2025	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Changes in fair value of financial instruments held for trading and other non-current financial assets	317,018,509.10	47,552,776.36	312,798,865.60	46,919,829.84
Changes in fair value of investments in other equity instruments	552,800,000.00	82,920,000.00	177,313,600.00	26,597,040.00
Temporary difference arising from accelerated depreciation of fixed assets	23,615,398.32	3,573,811.28	23,999,206.82	3,632,231.70
Temporary difference arising from asset revaluation increment	26,438,650.84	6,417,421.25	25,002,395.20	6,242,394.29
Temporary differences due to right-of-use assets	221,761,392.71	34,170,579.85	286,257,632.64	44,119,371.04
Amortization of intangible assets	50,565,766.80	6,604,192.20	53,470,091.12	6,978,524.58
Offset	-219,746,237.87	-33,823,508.19	-284,323,813.24	-43,796,370.11
Total	972,453,479.90	147,415,272.75	594,517,978.14	90,693,021.34

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For the Six Months Ended June 30, 2026
 (Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.21 Deferred tax assets and deferred tax liabilities (Continued)****5.21.3 Details of unrecognized deferred tax assets**

Item	As at June 30, 2026	As at December 31, 2025
Deductible temporary differences	11,052,281.13	13,088,028.33
Deductible losses	16,060,031.74	20,937,163.30
Total	27,112,312.87	34,025,191.63

5.21.4 Deductible losses from unrecognized deferred tax assets will be expired in the following years

Year	As at June 30, 2026	As at December 31, 2025	Remark
2026	265,207.86	265,207.86	
2027	2,194,158.89	2,194,158.89	
2028	1,272,212.30	1,272,212.30	
2029	3,144,399.65	3,144,399.65	
2030	2,979,834.59	8,061,387.24	
2031	204,421.09		
2033	5,999,797.36	5,999,797.36	
Total	16,060,031.74	20,937,163.30	

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.22 Other non-current assets**

Item	As at June 30, 2026			As at December 31, 2025		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Time deposits and interest over one year	124,648,249.97		124,648,249.97	144,301,861.08		144,301,861.08
Others	42,236.52		42,236.52			
Total	124,690,486.49		124,690,486.49	144,301,861.08		144,301,861.08

Note: Time deposits with a maturity of over one year represent RMB-denominated time certificates of deposit held by the Group, issued by Bank of Communications and China Minsheng Banking Corporation. Such certificates bear annual interest rates ranging from 1.4% to 2.4% per annum, with terms of 730 to 1,095 days.

5.23 Assets with restricted ownership or use

Item	As at June 30, 2026				As at December 31, 2025			
	Carrying amount	Book value	Type of restriction	Restrictions	Carrying amount	Book value	Type of restriction	Restrictions
Cash and cash equivalents	2,010,164,845.97	2,010,164,845.97	Other	Payment business reserve deposits, time deposits or call deposits used as collateral, performance bonds, property preservation deposits, channel guarantee deposits paid, etc.	1,569,614,257.59	1,569,614,257.59	Other	Payment business reserve deposits, time deposits or call deposits used as collateral, performance bonds, property preservation deposits, channel guarantee deposits paid, etc.
Non-current assets due within one year	504,280,000.00	504,280,000.00	Other	Locked-up funds and accrued interest	545,671,917.81	545,671,917.81	Other	Locked-up funds and accrued interest
Total	2,514,444,845.97	2,514,444,845.97			2,115,286,175.40	2,115,286,175.40		

5.24 Short-term borrowings**5.24.1 Classification of short-term borrowings**

Item	As at June 30, 2026	As at December 31, 2025
Credit borrowings	512,757,308.23	1,288,402,134.97
Total	512,757,308.23	1,288,402,134.97

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For the Six Months Ended June 30, 2026
 (Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.24 Short-term borrowings (Continued)****5.24.2 Detailed information of borrowings**

Lender	Principal amount (RMB)	Date		Interest rate (annual %)
		Start	End	
China CITIC Bank Co., Ltd. Beijing Branch	101,000,000.00	2025/12/17	2026/12/11	1-year LPR minus 0.89
China CITIC Bank Co., Ltd. Beijing Branch	30,436,108.87	2025/12/18	2026/12/3	1-year LPR minus 0.80
China CITIC Bank Co., Ltd. Beijing Branch	55,739,825.95	2025/12/23	2026/12/3	1-year LPR minus 0.80
China CITIC Bank Co., Ltd. Beijing Branch	21,108,097.57	2025/12/23	2026/12/3	1-year LPR minus 0.80
Beijing Rural Commercial Bank Co., Ltd. Fengtai Sub-branch	91,000,000.00	2025/11/25	2026/11/25	1-year LPR minus 0.88
China Minsheng Banking Corp., Ltd. Beijing Branch	86,170,522.06	2026/4/21	2026/10/21	1-year LPR minus 0.89
Bank of Communications Co., Ltd. Beijing Shunyi Sub-branch	31,000,000.00	2026/4/17	2026/7/31	1-year LPR minus 0.89
Bank of Communications Co., Ltd. Beijing Shunyi Sub-branch	31,000,000.00	2026/4/24	2026/7/31	1-year LPR minus 0.89
Shanghai Pudong Development Bank Co., Ltd. Tianjin Branch	62,331,989.61	2025/7/22	2026/7/21	1-year LPR minus 0.80
Shanghai Pudong Development Bank Co., Ltd. Tianjin Branch	2,668,010.39	2025/7/23	2026/7/21	1-year LPR minus 0.80
Total	512,454,554.45			

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.25 Accounts payable****5.25.1 Presentation of accounts payable (based on invoice dates)**

Item	As at June 30, 2026	As at December 31, 2025
Within 1 year (including 1 year)	1,441,081,691.33	1,644,717,971.22
1 – 2 years (including 2 years)	610,143,431.01	405,438,253.06
2 – 3 years (including 3 years)	206,806,762.42	224,126,066.13
Over 3 years	88,615,969.71	169,339,630.99
Total	2,346,647,854.47	2,443,621,921.40

5.25.2 Significant account payables with aging over one year

Item	As at June 30, 2026	Reason for no payment or carry-forward
Supplier 1	44,957,133.71	Business is conducted on a continuous rolling basis
Supplier 2	39,824,676.24	Business is conducted on a continuous rolling basis
Total	84,781,809.95	

5.26 Advances from customers

Item	As at June 30, 2026	As at December 31, 2025
Within 1 year (including 1 year)	134,433.43	
Total	134,433.43	

NOTES TO THE FINANCIAL STATEMENTS

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 (Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.27 Contract liabilities****5.27.1 Details of contract liabilities**

Item	As at June 30, 2026	As at December 31, 2025
Contracts for airport digital services, etc.	1,251,585,232.85	1,050,430,852.10
Total	1,251,585,232.85	1,050,430,852.10

5.27.2 Significant contractual liabilities aged over one year

Item	As at June 30, 2026	Reasons for non-reimbursement or carry-over
Air China Limited	94,468,008.86	Performance obligations not yet completed
China Southern Airlines Company Limited	89,489,116.89	Performance obligations not yet completed
Shanghai Airlines Co., Ltd.	76,911,038.49	Performance obligations not yet completed
Hainan Airlines Holding Co., Ltd.	54,761,093.65	Performance obligations not yet completed
Nanjing Lukou International Airport Technology Co., Ltd	51,370,442.48	Performance obligations not yet completed
Total	366,999,700.37	

5.27.3 Amount from significant change in book value and reason therefor during the reporting period

Item	Changed amount	Reason for change
Contracts for airport digital services, etc.	201,154,380.75	Expansion of business scale
Total	201,154,380.75	

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For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.28 Employee compensation payable****5.28.1 Presentation of employee benefits payable**

Item	As at December 31, 2025	Increase in 2026	Decrease in 2026	As at June 30, 2026
Short-term compensation	297,837,022.95	918,943,122.60	960,967,823.56	255,812,321.99
Post-employment benefits				
– defined contribution plans	15,425,438.64	178,884,880.50	178,699,389.82	15,610,929.32
Dismissal benefits	437,157.11	336,294.97	678,298.57	95,153.51
Other benefits due within one year				
Others	6,439,211.20	5,028,889.27	5,913,971.40	5,554,129.07
Total	320,138,829.90	1,103,193,187.34	1,146,259,483.35	277,072,533.89

5.28.2 Presentation of short-term compensation

Item	As at December 31, 2025	Increase in 2026	Decrease in 2026	As at June 30, 2026
(1) Salaries, bonuses, allowances and subsidies	190,285,593.15	632,171,510.68	707,297,816.43	115,159,287.40
(2) Employee welfare		73,443,557.48	60,893,716.02	12,549,841.46
(3) Social insurance premiums	2,163,486.12	91,577,071.35	91,446,226.02	2,294,331.45
Including: medical insurance premium	1,036,063.69	88,163,607.78	88,026,436.42	1,173,235.05
Work-related injury insurance premium	131,204.27	2,296,881.81	2,292,546.42	135,539.66
Maternity insurance premium	996,218.16	1,116,581.76	1,127,243.18	985,556.74
(4) Housing provident funds	750,724.68	88,075,630.17	81,005,721.62	7,820,633.23
(5) Labor union expenditures and employee education funds	104,518,505.33	27,998,026.82	14,545,270.83	117,971,261.32
(6) Short-term compensated absences				
(7) Short-term profit sharing plan				
(8) Other short-term employee compensation	118,713.67	5,677,326.10	5,779,072.64	16,967.13
Total	297,837,022.95	918,943,122.60	960,967,823.56	255,812,321.99

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.28 Employee compensation payable (Continued)****5.28.3 Presentation of defined contribution plans**

Item	As at December 31, 2025	Increase in 2026	Decrease in 2026	As at June 30, 2026
Basic endowment insurance premium	3,040,906.78	124,078,104.62	123,718,536.86	3,400,474.54
Unemployment insurance premium	-64,757.71	3,961,308.34	3,955,752.46	-59,201.83
Enterprise annuity payment	12,449,289.57	50,845,467.54	51,025,100.50	12,269,656.61
Total	15,425,438.64	178,884,880.50	178,699,389.82	15,610,929.32

5.29 Taxes payable

Taxes and surcharges	As at June 30, 2026	As at December 31, 2025
Value-added tax	10,750,892.28	18,733,042.41
Consumption tax		18,237.56
Corporate income tax	163,513,973.17	129,353,221.47
Individual income tax	29,386,108.38	91,055,921.12
Urban maintenance and construction tax	3,375,322.16	3,575,879.06
House property tax	1,592,946.95	1,439,342.22
Educational surcharge	2,543,396.27	2,544,951.95
Resource tax	10,522.20	14,474.20
Land use tax	150,740.90	142,770.48
Others	683,234.14	2,367,070.39
Total	212,007,136.45	249,244,910.86

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.30 Other payables**

Item	As at June 30, 2026	As at December 31, 2025
Interest payable		
Dividends payable	827,845,050.11	27,150,969.34
Other payables	2,889,033,814.34	2,253,531,833.20
Total	3,716,878,864.45	2,280,682,802.54

5.30.1 Dividends payable

Item	As at June 30, 2026	As at December 31, 2025
Ordinary share dividends	827,845,050.11	27,150,969.34
Total	827,845,050.11	27,150,969.34

5.30.2 Other payables*Presentation in terms of nature*

Item	As at June 30, 2026	As at December 31, 2025
E-commerce payment business	1,975,473,303.04	1,519,907,130.86
Settlement and clearing business payment	700,111,500.08	516,939,204.96
Current amounts	140,403,547.56	165,434,152.62
Social insurance and provident funds	37,505,470.38	16,861,399.93
Guaranteed deposits and deposits, etc.	35,539,993.28	34,389,944.83
Total	2,889,033,814.34	2,253,531,833.20

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
 (Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.31 Non-current liabilities maturing within one year**

Item	As at June 30, 2026	As at December 31, 2025
Long-term borrowings maturing within one year		306,280.00
Lease liabilities maturing within one year	137,433,642.27	136,918,637.67
Total	137,433,642.27	137,224,917.67

5.32 Other current liabilities

Item	As at June 30, 2026	As at December 31, 2025
Output tax to be carried forward	68,101,590.59	65,291,971.02
Total	68,101,590.59	65,291,971.02

5.33 Long-term borrowings

Item	As at June 30, 2026	As at December 31, 2025
Credit borrowings	482,976,591.11	471,200,000.00
Total	482,976,591.11	471,200,000.00

Note: The loan represents a credit loan obtained by the Company from its parent company in the form of entrusted loans, in accordance with the requirements of relevant documents, based on national project funds received by the parent company. The principal amount of the loan is RMB482,330,000.00, with a loan term from May 8, 2025 to May 8, 2028, an annual interest rate of 2.60%, interest payable quarterly, and principal repayable in a lump sum at maturity.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.34 Lease liabilities**

Item	As at June 30, 2026	As at December 31, 2025
Lease payments	107,316,820.32	168,558,151.84
Less: Financing charges unrecognized	1,339,334.07	3,592,512.01
Total	105,977,486.25	164,965,639.83

5.35 Long-term payables

Item	As at June 30, 2026	As at December 31, 2025
Long-term payables		
Special payables	395,709.35	395,709.35
Total	395,709.35	395,709.35

5.35.1 Special payables

Item	As at December 31, 2025	Increase in 2026	Decrease in 2026	As at June 30, 2026
Item 1	395,709.35			395,709.35
Total	395,709.35			395,709.35

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.36 Provisions**

Item	As at December 31, 2025	Increase in 2026	Decrease in 2026	As at June 30, 2026
Restoration cost of leased premises	1,156,424.55	29,514.41	44,300.59	1,141,638.37
Product quality warranty	526,023.68	20,151.04	64,692.36	481,482.36
Payment business risk reserve (Note)	20,000.00			20,000.00
Total	1,702,448.23	49,665.45	108,992.95	1,643,120.73

Note: Beijing Yake Technology Development Co., Ltd., a subsidiary of the Group, accrues payment business risk reserves according to its internally issued Yakefa "2020" No. 21 "Payment Business Risk Reserve Management Measures". According to the management measures, The company withdraws a risk reserve of RMB5,000.00 every six months, with a maximum limit of RMB20,000.00. The management measures were promulgated in July 2020 and will be implemented from the date of promulgation.

5.37 Deferred income

Item	As at December 31, 2025	Increase in 2026	Decrease in 2026	As at June 30, 2026
Government grants related to assets				
Government grants Related to Income	1,372,500.00	1,237,735.85		2,610,235.85
Total	1,372,500.00	1,237,735.85		2,610,235.85

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.38 Share capital**

Item	As at December 31, 2025	Changes in 2026 ("+" for increase and "-" for decrease)					As at June 30, 2026
		New shares issued	Share donation	Conversion of reserves into share	Others	Sub-total	
Total shares	2,926,209,589.00						2,926,209,589.00

5.39 Capital reserves

Item	As at December 31, 2025	Increase in 2026	Decrease in 2026	As at June 30, 2026
Capital (share capital) premium	840,950,466.11			840,950,466.11
Other capital reserves	426,517,644.37			426,517,644.37
Total	1,267,468,110.48			1,267,468,110.48

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5.40 Other comprehensive income

Item	As at December 31, 2025	2026						As at June 30, 2026
		Amount before income tax in the current period	Less: amount previously included in the other comprehensive income and currently transferred to the profit or loss	Less: income tax expenses	Amount after tax attributable to the parent company	Amount after tax attributable to minority shareholders	Less: amount previously included in the other comprehensive income and currently transferred to the retained earnings	
1. Other comprehensive income that cannot be reclassified into profit or loss	154,533,991.10	375,486,400.00		56,322,960.00	319,163,440.00		473,697,431.10	
Including: Other comprehensive income not transferable to profit or loss under the equity method	3,817,431.10						3,817,431.10	
Changes in fair value of other equity instrument investments	150,716,560.00	375,486,400.00		56,322,960.00	319,163,440.00		469,880,000.00	
2. Other comprehensive income that will be reclassified into profit or loss	-18,849,153.29	-8,255,122.22			-8,255,122.22		-27,104,275.51	
Including: Translation differences of foreign currency financial statements	-18,849,153.29	-8,255,122.22			-8,255,122.22		-27,104,275.51	
Total of other comprehensive income	135,684,837.81	367,231,277.78		56,322,960.00	310,908,317.78		446,593,155.59	

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.41 Surplus reserves**

Item	As at December 31, 2025	Increase in 2026	Decrease in 2026	As at June 30, 2026
Statutory surplus reserves	2,689,942,297.22			2,689,942,297.22
Discretionary surplus reserves	2,181,494,476.10	192,077,756.12		2,373,572,232.22
Total	4,871,436,773.32	192,077,756.12		5,063,514,529.44

Note: Pursuant to the resolution of the Annual General Meeting of Shareholders held by the Company on June 26, 2026, the discretionary surplus reserve is accrued.

5.42 General risk reserves

Item	As at December 31, 2025	Increase in 2026	Decrease in 2026	As at June 30, 2026
General risk reserves	15,228,948.37	478,932.27		15,707,880.64
Total	15,228,948.37	478,932.27		15,707,880.64

Note: The general risk reserves are accrued by the subsidiary of the Company Antu Jinxin Commercial Factoring Co., Ltd. from net profit, the amount determined at 1% of the balance of risk assets at the end of the period is deducted from the amount that has been accrued in the book, in accordance with the Circular of the General Office of the China Banking and Insurance Regulatory Commission on Strengthening the Supervision and Administration of Commercial Factoring Enterprises [YBJBF [2019] No.205].

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.43 Retained earnings**

Item	Six months ended June 30, 2026	Six months ended June 30, 2025
Retained profit at the end of the previous year before adjustment	14,767,735,851.01	13,489,875,636.21
Total adjustment to retained profit at the beginning of the year [“+” for increase and “-” for decrease]		
Retained profit at the beginning of the year after adjustment	14,767,735,851.01	13,489,875,636.21
Plus: Net profit attributable to shareholders of parent company	1,543,009,578.44	1,447,650,871.75
Less: Withdrawal of discretionary surplus reserves	192,077,756.12	170,291,613.33
Withdraw general risk reserve	478,932.27	1,968,015.05
Common stock dividends payable	807,635,980.77	699,364,091.77
Retained profit at the end of the period	15,310,552,760.29	14,065,902,787.81

Note: On June 26, 2026, the proposal to distribute the “2025 Final Cash Dividend” was approved at the annual general meeting of the Company, with a dividend of RMB0.276 per share (including tax), with a total distribution of RMB807,635,980.77.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.44 Operating income and operating costs****5.44.1 Operating income and operating costs**

Item	For the six months ended June 30, 2026		For the six months ended June 30, 2025	
	Revenue	Cost	Revenue	Cost
Primary businesses	4,100,382,780.68	1,573,446,070.44	3,881,068,480.01	1,601,053,984.38
Other businesses	11,741,408.13	5,858,823.54	13,431,467.13	5,471,912.09
Total	4,112,124,188.81	1,579,304,893.98	3,894,499,947.14	1,606,525,896.47

Details of operating income:

Item	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Aviation information platform service revenue (Note 1)	2,352,180,341.32	2,393,266,085.16
Accounting, settlement and clearing services revenue (Note 2)	453,631,497.71	407,075,372.99
Airport digitalization service revenue (Note 3)	600,390,878.18	418,354,566.18
Aviation Travel Intelligent Products and Services (Note 4)	442,185,998.15	384,961,151.39
Information network and digital infrastructure service revenue (Note 5)	256,527,594.13	281,577,149.83
Other income	7,207,879.32	9,265,621.59
Total	4,112,124,188.81	3,894,499,947.14

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.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
 (Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.44 Operating income and operating costs (Continued)****5.44.2 Significant contractual changes or significant transaction price adjustments**

None.

5.45 Taxes and surcharges

Item	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Urban construction and maintenance tax	10,178,329.61	9,558,106.89
Educational surcharges	5,661,792.68	5,340,430.26
Local educational surcharges	3,774,528.43	3,593,696.20
Real property tax	23,119,504.75	23,384,335.61
Resource tax	17,795.40	4,183.80
Land use tax	287,131.53	280,908.02
Stamp tax	1,476,595.03	2,537,409.20
Vehicle and vessel tax	46,857.50	44,795.00
Others	63,722.25	75,888.66
Total	44,626,257.18	44,819,753.64

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.46 Selling and distribution expenses**

Item	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Labor costs	29,757,999.21	28,965,739.74
Distribution support costs	-1,882,631.50	7,786,117.94
Payments of business cost	1,945,749.71	1,843,953.85
Expenses for business trips	2,237,138.30	1,996,741.27
Business entertainment fees	920,859.84	1,445,478.83
Advertising and production costs	923,103.57	1,320,826.93
Technical support and maintenance fees	855,076.42	700,540.64
Amortization expenses of right-of-use assets	239,494.71	283,569.10
Meeting fees	88,347.08	200,353.32
Depreciation expenses of fixed assets	200,206.56	246,466.28
Other costs	1,275,272.39	1,081,137.46
Total	36,560,616.29	45,870,925.36

5.47 General and administrative expenses

Item	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Labor costs	395,209,646.78	391,941,391.67
Depreciation expenses of fixed assets	52,702,449.38	58,817,250.22
Technical support and maintenance fees	32,861,866.89	50,335,714.06
Amortization of intangible assets	33,627,520.02	34,232,956.30
Amortization of right-of-use assets	24,079,986.33	24,041,545.54
Property management fees of office building	18,179,226.02	11,728,657.48
Utility costs	6,853,561.62	8,711,851.75
Amortization of renovation costs	5,243,642.57	8,358,787.37
Expenses for business trips	8,237,186.42	8,055,325.67
Consulting fees	3,827,204.23	4,644,347.18
Other costs	15,143,888.63	19,375,246.12
Total	595,966,178.89	620,243,073.36

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
 (Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.48 Research and development expenses**

Item	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Labor costs	125,156,060.51	101,479,043.24
Technical support fees	50,742,899.73	53,868,577.70
Depreciation expenses of fixed assets	11,591,575.23	5,974,175.58
Amortization expenses of intangible assets	3,790,018.80	2,435,826.96
Depreciation expenses of right-of-use assets		2,076,878.48
Amortization of renovation costs	81,480.90	185,174.12
Expenses for business trips	168,697.52	98,829.60
Other costs	118,888.07	205,343.27
Total	191,649,620.76	166,323,848.95

5.49 Financial expenses

Item	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Interest expenses	12,518,253.86	7,799,447.56
Including: Interest expenses of lease liabilities	5,069,142.57	4,139,975.05
Less: Interest income	50,830,895.66	57,411,998.60
Gains or losses on foreign currency exchange	7,136,462.14	-7,682,253.61
Others	919,875.49	1,388,070.24
Total	-30,256,304.17	-55,906,734.41

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.50 Other income**

Item	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Government grants	1,584,410.20	1,560,380.14
Withholding of personal income tax fees	1,692,233.58	2,143,153.32
Others		199,511.47
Total	3,276,643.78	3,903,044.93

5.51 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	-6,466,936.68	11,043,198.77
Gains from disposal of long-term investments		115,292.51
Income from held-for-trading financial assets during the holding period	20,462,453.54	8,858,877.99
Interest income from debt investment during the holding period	9,806,527.21	8,697,113.52
Total	23,802,044.07	28,714,482.79

5.52 Gains from changes in fair value

Sources of income from changes in fair value	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Financial assets held for trading	5,032,739.72	3,941,859.78
Other non-current financial assets	-813,096.19	5,456,647.07
Total	4,219,643.53	9,398,506.85

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.53 Losses from credit impairment (“-” for loss)**

Item	For six months ended June 30, 2026	For the six months ended June 30, 2025
Bad debts of notes receivable	-1,264,668.81	5,637,209.19
Bad debts of accounts receivable	17,259,905.07	170,908,026.63
Total	15,995,236.26	176,545,235.82

5.54 Losses from assets impairment (“-” for loss)

Item	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Losses from impairment of contract assets	-2,167,492.16	2,069,412.78
Total	-2,167,492.16	2,069,412.78

5.55 Gains from disposal of assets (“-” for loss)

Item	For the six months ended June 30, 2026	For the six months ended June 30, 2025	Amount included in non-recurring profit or loss in the current period
Disposal of right-of-use assets		2,770,420.98	
Disposal of fixed assets		-36,577.12	
Total		2,733,843.86	

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.56 Non-operating income**

Item	For the six months ended June 30, 2026	For the six months ended June 30, 2025	Amount included in non-recurring profit or loss in the current period
Gains from damage and scrapping of non-current assets	1,437,096.40	43,524.37	1,437,096.40
Indemnities	338,319.03	600,377.77	338,319.03
Penalties	251,000.00	449,500.00	251,000.00
Others	13,581,053.02	824,037.59	13,581,053.02
Total	15,607,468.45	1,917,439.73	15,607,468.45

5.57 Non-operating expenses

Item	For the six months ended June 30, 2026	For the six months ended June 30, 2025	Amount included in non-recurring profit or loss in the current period
Donations	15,312,286.88	12,000,000.00	15,312,286.88
Losses from the damage and scrapping of non-current assets	223,645.68	674,193.13	223,645.68
Late fee	-71,982.53	595,653.30	-71,982.53
Others	224,368.41	715,405.68	224,368.41
Total	15,688,318.44	13,985,252.11	15,688,318.44

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
 (Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.58 Income tax expenses****5.58.1 List of income tax expenses**

Item	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Current income tax expenses	199,180,861.98	223,315,007.29
Deferred income tax expenses	-20,547,735.46	5,821,525.29
Total	178,633,126.52	229,136,532.58

5.58.2 Adjustment process of accounting profits and income tax expenses

Item	For the six months ended June 30, 2026
Total profits	1,739,318,151.37
Income tax expenses calculated at statutory or applicable tax rate	260,897,722.71
Effect of different tax rates applicable to subsidiaries	15,987,344.69
Influence of adjustments to the income tax for the prior years	-95,403,454.37
Influence of non-taxable income	787,073.88
Influence of non-deductible costs, expenses and losses	705,034.50
Influence of using the deductible losses related to deferred tax assets unrecognized in previous periods	-181,711.95
Influence of unrecognized deferred tax assets and deductible temporary differences or losses in current period	201,294.79
Additional deduction for research and development expenses	-4,360,177.73
Income tax expenses	178,633,126.52

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.59 Earnings per share****Basic earnings per share**

Basic earnings per share is calculated by dividing the consolidated net profit attributable to the ordinary shareholders of the Company by the weighted average of the Company's ordinary shares:

Item	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Consolidated net profit attributable to the common stockholder of the Company	1,543,009,578.44	1,447,650,871.75
Weighted average of the Company's outstanding common stock	2,926,209,589.00	2,926,209,589.00
Basic earnings per share	0.53	0.49
Including: Basic earnings per share from continuing operations	0.53	0.49
Basic earnings per share from discontinued operations		

5.60 Supplementary information to the income statement with expenses classified by nature

Operating costs, selling and distribution expenses, general and administrative expenses, research and development expenses, and financial expenses in income statement are classified by nature and listed as below:

Item	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Labor costs	1,058,187,747.22	968,205,905.03
Depreciation and amortization expenses	461,049,459.03	438,093,585.03
Cost of sales for airport digitalization business [Note]	103,039,371.53	200,791,856.19
Technical support and maintenance fees	262,586,275.63	285,497,819.33
Departure and distribution support fees	281,311,283.53	307,217,913.89
Internet usage fees	58,734,006.46	42,630,973.57
Financial expenses	-30,256,304.17	-55,906,734.41
Other operating costs	178,573,166.52	196,525,691.10
Total	2,373,225,005.75	2,383,057,009.73

Note: Cost of sales for airport digitalization business was disclosed as "Cost of sales of integration business" in previous years;

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
 (Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.61 Items of statement of cash flows****5.61.1 Cash flows from operating activities****5.61.1.1 Other cash receipts relating to operating activities**

Item	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Government grants received	1,505,303.32	2,087,469.23
Interest income received from bank deposits	39,339,867.23	31,452,713.55
Guarantee funds and quality guarantee deposits received	8,766,596.15	19,016,906.88
Current accounts received	16,228,170,450.81	67,758,236.51
Other non-operating income received	14,174,276.57	1,581,897.45
Collections and payments received	5,522,119.57	36,639,145.96
Others	64,275,610,794.36	57,500,286,441.22
Total	80,573,089,408.01	57,658,822,810.80

5.61.1.2 Other cash payments relating to operating activities

Item	For the six months ended June 30, 2026	For the six months ended June 30, 2025
General and administrative expenses paid	76,131,174.52	127,511,094.37
Selling and distribution expenses paid	5,093,371.36	14,778,224.24
Research and development expenses paid	59,974,916.14	57,752,209.36
Bank charges paid	879,585.43	1,647,494.66
Non-operating expenses paid	209,857.05	1,248,578.07
Security deposit paid	6,038,915.53	25,038,429.05
Current accounts between entities paid	16,661,574,872.62	381,111,608.09
Others	63,542,495,085.40	57,237,860,299.43
Total	80,352,397,778.05	57,846,947,937.27

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.61 Items of statement of cash flows (Continued)****5.61.2 Cash flows from financing activities****5.61.2.1 Other cash payments relating to financing activities**

Item	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Lease liabilities paid	48,050,794.34	45,609,797.71
External donations (Note)	15,300,000.00	12,000,000.00
Total	63,350,794.34	57,609,797.71

Note: External donations represent funds are for poverty alleviation.

5.61.2.2 Changes in liabilities arising from financing activities

Item	As at December 31, 2025	Increase in 2026		Decrease in 2026		As at June 30, 2026
		Cash movements	Non-cash movements	Cash movements	Non-cash movements	
Short-term borrowings	1,288,402,134.97	148,170,522.06	11,350,176.18	935,165,524.98		512,757,308.23
Long-term borrowings	471,506,280.00	11,130,000.00	6,629,840.74	6,289,529.63		482,976,591.11
Lease liabilities	301,884,277.50		5,195,447.97	48,050,794.34	15,617,802.61	243,411,128.52

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.62 Supplementary information to the statement of cash flow****5.62.1 Supplementary information to the statement of cash flows**

Supplementary information	For the six months ended June 30, 2026	For the six months ended June 30, 2025
1. Net profit adjusted to cash flows from operating activities		
Net profit	1,560,685,024.85	1,448,783,365.84
Plus: Provisions for impairment of assets	2,167,492.16	-2,069,412.78
Losses from credit impairment	-15,995,236.26	-176,545,235.82
Depreciation expenses of fixed assets	191,184,952.45	134,933,480.63
Amortization of right-of-use assets	68,640,333.81	52,806,400.06
Amortization of intangible assets	197,403,518.91	240,012,052.52
Amortization of long-term deferred expenses	6,878,637.86	10,568,285.60
Losses from disposal of fixed assets, intangible assets and other long-term assets ("-" for gains)		-2,733,843.86
Losses from scrapping of fixed assets ("-" for gains)	-1,213,450.72	-630,668.76
Losses from changes in fair value ("-" for gains)	-4,219,643.53	-9,398,506.85
Financial expenses ("-" for gains)	12,758,578.14	12,189,551.55
Investment losses ("-" for gains)	-23,802,044.07	-28,714,482.79
Decreases in deferred tax assets ("-" for increases)	-21,330,699.97	5,015,144.35
Increases in deferred tax liabilities ("-" for decreases)	399,291.41	7,359,283.95
Decreases in inventories ("-" for increases)	-78,140,067.61	-26,269,148.88
Decreases in operating receivables ("-" for increases)	3,992,807,176.98	-1,179,032,247.51
Increases in operating payables ("-" for decreases)	-3,452,524,748.52	828,477,528.35
Others		
Net cash flow from operating activities	2,435,699,115.89	1,314,751,545.60
2. Significant investing and financing activities not involving cash receipts and payments		
Debt transferred into capital		
Convertible corporate bonds maturing within one year		
Acquisition of right-of-use assets by assumption of lease liabilities		
3. Net change in cash and cash equivalents		
Ending balance of cash	8,829,750,013.72	6,621,212,164.01
Less: Beginning balance of cash	10,017,949,085.85	10,507,711,480.03
Plus: Ending balance of cash equivalents		
Less: Beginning balance of cash equivalents		
Net increase in cash and cash equivalents	-1,188,199,072.13	-3,886,499,316.02

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.62 Supplementary information to the statement of cash flow (Continued)****5.62.2 Breakdowns of cash and cash equivalents**

Item	As at June 30, 2026	As at December 31, 2025
I. Cash	8,829,750,013.72	10,017,949,085.85
Including: Cash on hand	1,185.56	1,132.61
Unrestricted digital currency	1,402,446.23	3,072,386.73
Unrestricted bank deposit	8,820,244,275.35	9,966,728,037.74
Unrestricted other monetary asset	8,102,106.58	48,147,528.77
II. Cash equivalents		
Including: Bond investments maturing within three months		
III. Ending balance of cash and cash equivalents	8,829,750,013.72	10,017,949,085.85
Including: Cash and cash equivalents with restricted use right by parent company or subsidiaries of the Group		

Restricted use but still presented as cash and cash equivalents:

Item	As at June 30, 2026	Reasons for cash and cash equivalents
People's Bank of China customer provisions	1,979,879,740.34	Ready to be used for the settlement of daily operations of the payer
Total	1,979,879,740.34	

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.62 Supplementary information to the statement of cash flow (Continued)****5.62.2 Breakdowns of cash and cash equivalents (Continued)**

Monetary funds not classified as cash and cash equivalents:

Item	As at June 30, 2026	As at December 31, 2025	Reasons for not being cash and cash equivalents
Performance bond	28,375,378.40	39,158,809.89	Restricted and unable to use
Payment Gateway Margin	507,427.23	507,298.99	Restricted and unable to use
Others	1,401,500.00	1,402,300.00	Restricted and unable to use
Total	30,285,105.63	41,068,408.88	–

5.63 Foreign currency monetary items

Item	Foreign currency balance at end of period	Exchange rate	Converted RMB balance at the end of the period
Cash and bank balances			308,315,443.94
Including: USD	30,293,479.42	6.8109	206,325,858.98
EUR	1,214,214.55	7.7671	9,430,925.83
HKD	102,019,199.28	0.8686	88,613,876.49
Other Currencies	120,644,759.02		3,944,782.64
Accounts receivable			352,831,275.65
Including: USD	23,991,591.18	6.8109	163,404,328.37
EUR	4,235,212.60	7.7671	32,895,319.79
HKD	178,031,984.45	0.8686	154,638,581.69
Other Currencies	527,663.20		1,893,045.80

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.64 Lease****5.64.1 The company as the lessee**

Items	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Interest expense arising from lease liabilities	7,068,473.91	4,139,975.05
Short-term lease expenses that are simplified treated to the cost of related assets or current profits and losses	281,943.78	56,123.90
Lease expenses for low value assets that are simplified treated to the cost of related assets or current profits and losses (exclude short-term lease for low value assets)	73,003.70	77,113.76
Cash outflows in relation to lease	53,819,857.15	45,754,871.61

The company's anticipated cash outflows from leases in future years, committed but not commenced, are as follows:

Remaining lease terms	Undiscounted lease payments
Within 1 year	127,306,401.67
1 – 2 year	100,800,452.21
2 – 3 year	2,353,171.48
Over 3 years	732,423.22
Total	231,192,448.58

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
 (Amounts are expressed in RMB unless otherwise stated.)

5 NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**(CONTINUED)****5.64 Lease (Continued)****5.64.2 The company as the lessor***Operating lease*

	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Income from operating leases	13,198,168.85	14,412,037.48
Including: Income related to variable lease payments not included in lease receipts		

Undiscounted lease receipts to be received after the balance sheet date are as follows:

	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Remaining lease terms		
Within 1 year	21,000,391.11	22,189,543.98
1 – 2 year	19,807,483.11	20,091,960.44
2 – 3 year	19,316,860.31	19,431,592.82
3 – 4 year	3,393,267.69	19,130,176.80
4 – 5 year	1,638,536.74	3,090,175.98
Over 5 years	411,179.48	6,041,450.16
Total	65,567,718.44	89,974,900.18

5.65 Data resources**5.65.1 Data resource assessment status**

None.

5.65.2 Other data resource-related information

None.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

6 RESEARCH AND DEVELOPMENT EXPENDITURES**6.1 Research and development expenditures**

Item	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Labor costs	153,274,328.32	128,860,782.55
Depreciation and Amortization expenses	17,017,810.00	10,672,055.14
Technical support and fees	104,417,625.35	82,687,301.04
Others	473,866.11	324,400.66
Total	275,183,629.78	222,544,539.39
Including: Expensed R&D expenditure	191,649,620.76	166,323,848.95
Capitalized R&D expenditure	83,534,009.02	56,220,690.44

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

6 RESEARCH AND DEVELOPMENT EXPENDITURES (CONTINUED)**6.2 Development expenditures**

Item	As at December 31, 2025	Increase in 2026		Decrease in 2026		As at June 30, 2026
		Internal development expenditures	Others	Recognized as an intangible asset	Others	
Item 1	47,520,568.89			5,028,001.70		42,492,567.19
Item 2	47,874,580.73	-19,676.29		4,085,566.89		43,769,337.55
Item 3	64,437,023.53	31,326,164.99				95,763,188.52
Item 4	15,408,895.22	12,022.15				15,420,917.37
Item 5	4,159,530.48	1,692,460.04				5,851,990.52
Item 6	26,686,709.51	27,471,285.07				54,157,994.58
Item 7		13,275,991.74				13,275,991.74
Item 8		2,529,450.01				2,529,450.01
Item 9	1,488,293.83			1,488,293.83		
Item 10	1,046,412.71			1,046,412.71		
Item 11	1,667,773.46			1,667,773.46		
Item 12	942,366.84			942,366.84		
Item 13	1,465,820.78			1,465,820.78		
Item 14	4,496,112.17	167,024.07				4,663,136.24
Item 15	10,211,917.30	7,079,287.24			788,022.62	16,503,181.92
Subtotal	227,406,005.45	83,534,009.02		15,724,236.21	788,022.62	294,427,755.64
Less: Provisions for impairment						
Total	227,406,005.45	83,534,009.02		15,724,236.21	788,022.62	294,427,755.64

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

6 RESEARCH AND DEVELOPMENT EXPENDITURES (CONTINUED)**6.2 Development expenditures (Continued)****6.2.1 The situation of important capitalized R&D projects**

Item	End-of-period R&D progress	Estimated completion time	How economic benefits are expected to arise	The point at which the capitalization begins	The specific basis for determining the point at which capitalization begins
Item 1	Project closure	July, 2026	Formation of corresponding products, subsequent market entry	September, 2023	Start capitalisation with company project approval.
Item 2	Project closure	July, 2026	Formation of corresponding products, subsequent market entry	January, 2025	Start capitalisation with company project approval.
Item 3	The R&D progress is approximately 56.96%.	December, 2027	Formation of corresponding products, subsequent market entry	February, 2025	Start capitalisation with company project approval.
Item 4	Overall progress has reached 100%.	December, 2026	Formation of corresponding products, subsequent market entry	February, 2025	Start capitalisation with company project approval.
Item 5	Overall progress has reached 100%.	December, 2026	Formation of corresponding products, subsequent market entry	April, 2025	Start capitalisation with company project approval.
Item 6	Overall progress has reached 100%.	July, 2026	Formation of corresponding products, subsequent market entry	September, 2025	Start capitalisation with company project approval.
Item 7	The R&D progress is approximately 30.44%.	December, 2026	Formation of corresponding products, subsequent market entry	June 2026	Start capitalisation with company project approval.
Item 8	The R&D progress is approximately 4.26%.	December, 2026	Formation of corresponding products, subsequent market entry	June 2026	Start capitalisation with company project approval.
Item 14	The R&D progress is approximately 81.71%.	December, 2027	Formation of corresponding products, subsequent market entry	October 2024	Start capitalisation with company project approval.
Item 15	Ready for production acceptance	December, 2026	Formation of corresponding products, subsequent market entry	January 2025	Start capitalisation with company project approval.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

7 CHANGE OF THE CONSOLIDATION SCOPE

There was no change in the consolidation scope during the period.

8 EQUITY IN OTHER ENTITIES**8.1 Equity in the subsidiaries Equity in joint venture arrangements or associates****8.1.1 Structure of the enterprise group**

Name of subsidiary	Principal place of business operation and registration	Business type	Registered		Shareholding ratio (%)		Way of acquisition
			capital	Nature of Business	Directly	Indirectly	
Chongqing Civil Aviation Cares Information Technology Co., Ltd.	Chongqing, China	Limited liability company (state-owned holding)	1,480.00	Provision of electronic travel distribution, airport passenger processing and cargo management services; and sales and installation of related information systems	51.00		Investment
Hunan TravelSky Technology Limited	Changsha, China	Limited liability company (sole proprietorship invested or controlled by a non-natural person)	3,000.00	Planning and construction, operation management, technical support, product development and e-commerce of computer reservation, departure and freight transportation and other application systems	100.00		Investment
Xi'an Civil Aviation Cares Technology Co., Ltd.	Xi'an, China	Limited liability company	1,500.00	Computer software and hardware development and data network services	51.00		Investment
Hubei Civil Aviation Cares Co., Ltd.	Wuhan, China	Other limited liability companies	1,500.00	Provision of electronic travel distribution, airport passenger processing and cargo management services; and sales and installation of related information systems	62.50	7.68	Investment
Civil Aviation Cares Technology of Xinjiang Co., Ltd.	Urumqi, China	Limited liability company (state-owned holding)	1,000.00	Computer software and hardware development and data network services	51.00		Investment
Shenzhen Civil Aviation Cares Co., Ltd.	Shenzhen, China	limited liability company	6,100.00	Provision of e-tourism distribution and freight management services; and the sale and installation of relevant information systems	61.47		Investment
Shanghai TravelSky Technology Limited	Shanghai, China	Limited liability company (sole proprietorship invested or controlled by a non-natural person)	400	Computer software and hardware development and data network services	100.00		Investment

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

8 EQUITY IN OTHER ENTITIES (CONTINUED)**8.1 Equity in the subsidiaries Equity in joint venture arrangements or associates (Continued)****8.1.1 Structure of the enterprise group (Continued)**

Name of subsidiary	Principal place of business operation and registration	Business type	Registered		Shareholding ratio (%)		Way of acquisition
			capital	Nature of Business	Directly	Indirectly	
Xiamen Civil Aviation Cares Co., Ltd.	Xiamen, China	other limited liability companies	2,000.00	Computer software and hardware development and data network services	51.00		Investment
Qingdao Civil Aviation Cares Co., Ltd.	Qingdao, China	other limited liability companies	5,000.00	Computer software and hardware development and data network services	51.00		Investment
Hainan Civil Aviation Cares Co., Ltd.	Haikou, China	other limited liability companies	1,000.00	Provision of e-tourism distribution and freight management services; and the sale and installation of relevant information systems	68.94		Investment
Guangzhou TravelSky Technology Limited	Guangzhou, China	Limited liability company (sole proprietorship)	40,000.00	Computer software and hardware development and data network services	100.00		Investment
China Aviation Accounting Co., Ltd.	Beijing, China Tianjin, China	Limited liability company (sole proprietorship)	75,978.52	Settlement, liquidation services and related information system development and support services	100.00		Investment
Beijing Yake Technology Development Co., Ltd.	Beijing, China	Limited liability company (sole proprietorship)	15,612.16	Technology promotion service, computer software technology development, computer system engineering design and installation	100.00		Investment
Antu Jinxin Commercial Factoring Co., Ltd.	Beijing, China Tianjin, China	Limited liability company (sole proprietorship)	30,000.00	Provision of trade financing in the form of transferring accounts receivable; receipt, payment, settlement, management and collection of accounts receivable; management of sales sub-account (ledger); customer credit investigation and evaluation; related consulting services; other businesses permitted by laws and regulations	100.00		Investment
Infosky Information Technology Co., Ltd.	Beijing, China	Limited liability company (Sino-foreign joint venture)	\$2,548.00	Provision of freight management services and related software and technology development; provision of technical support, training and information services	94.62	5.38	Investment

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

8 EQUITY IN OTHER ENTITIES (CONTINUED)**8.1 Equity in the subsidiaries Equity in joint venture arrangements or associates (Continued)****8.1.1 Structure of the enterprise group (Continued)**

Name of subsidiary	Principal place of business operation and registration	Business type	Registered capital	Nature of Business	Shareholding ratio (%)		Way of acquisition
					Directly	Indirectly	
TravelSky Cares (Beijing) Real Estate Co., Ltd.	Beijing, China	Limited liability company (sole proprietorship)	1,000.00	Real estate development and sales, self-developed commercial housing contracting, labor service subcontracting and investment management	100.00		Investment
Beijing TravelSky Travel Agency Co., Ltd.	Beijing, China	Limited liability company (sole proprietorship)	7,200.00	Domestic travel business and inbound travel business	100.00		Investment
TravelSky Yunzhi Technology (Beijing) Co., Ltd.	Beijing, China	Limited liability company (sole proprietorship)	5,000.00	Computer system services, data processing, computer and communication equipment leasing, technical services and technical consulting	100.00		Investment
Inner Mongolia TravelSky Technology Limited	Hohhot, China	Limited liability company (sole proprietorship invested or controlled by a non-natural person)	500	Computer and auxiliary equipment, sales, leasing, maintenance and technical consulting; computer system services and tourist information consulting	100.00		Investment
Zhejiang TravelSky Technology Limited	Hangzhou, China	Limited liability company (foreign-invested enterprise and domestic-funded joint venture)	3,734.73	Contracting of computer software and hardware engineering, airport air traffic control engineering and building weak current system engineering, and computer software and hardware, sales, maintenance, leasing and technical consulting services	51.00		Business combination under common control

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

8 EQUITY IN OTHER ENTITIES (CONTINUED)**8.1 Equity in the subsidiaries Equity in joint venture arrangements or associates (Continued)****8.1.1 Structure of the enterprise group (Continued)**

Name of subsidiary	Principal place of business operation and registration	Business type	Registered		Shareholding ratio (%)		Way of acquisition
			capital	Nature of Business	Directly	Indirectly	
Henan TravelSky Technology Limited	Zhengzhou, China	Limited liability company (sole proprietorship invested or controlled by a non-natural person)	1,000.00	Contracting of computer software and hardware engineering projects; technical consultation and service; system integration	100.00		Investment
Beijing TravelSky Technology Limited	Beijing, China	Limited liability company (sole proprietorship)	5,001.00	Technology development, technology services, and technology transfer; sales of computers, software and auxiliary equipment	100.00		Investment
Guangzhou Skyecho Information Technology Co., Ltd.	Guangzhou, China	other limited liability companies	200	Software and information technology services	51.00		Business combination not under common control
TravelSky Digital Intelligence Technology (Beijing) Co., Ltd.	Beijing, China	Limited liability company (sole proprietorship)	5,000.00	Technology development, technology consulting, technology services, technology transfer, technology promotion and software development	100.00		Investment
China TravelSky International Limited	Hong Kong, China	Sole proprietorship	HK\$1,236.00	Commercial services	100.00		Investment
TravelSky Technology (Singapore) Pte. Ltd.	Singapore	Sole proprietorship	S\$7,158.08	Hardware consulting and system consulting	100.00		Investment
OpenJaw Technologies Limited	Dublin, Ireland	Sole proprietorship	€25.21	Technology service and technology support	100.00		Business combination not under common control

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

8 EQUITY IN OTHER ENTITIES (CONTINUED)**8.1 Equity in the subsidiaries Equity in joint venture arrangements or associates (Continued)****8.1.2 Major non-wholly-owned subsidiaries**

Name of subsidiary	Shareholding ratio of minority shareholders (%)	Profit or loss attributable to minority shareholders in 2026	Dividends declared to be distributed to minority shareholders in 2026	Balance of minority interest as at June 30, 2026
Shenzhen Civil Aviation Cares Co., Ltd.	38.53	1,741,002.38		165,616,385.67
Xiamen Civil Aviation Cares Co., Ltd.	49.00	2,887,553.45		121,849,019.69
Qingdao Civil Aviation Cares Co., Ltd.	49.00	10,577,035.62		93,469,306.21

8.1.3 Key financial information of major non-wholly-owned subsidiaries

Name of subsidiaries	Balance as at June 30, 2026						Balance as at December 31, 2025					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Shenzhen Civil Aviation Cares Co., Ltd.	393,411,506.72	47,342,049.60	440,753,556.32	10,838,950.05	68,189.35	10,907,139.40	390,213,055.34	47,822,109.54	438,035,164.88	12,627,001.14	80,403.79	12,707,404.93
Xiamen Civil Aviation Cares Co., Ltd.	231,986,173.93	50,400,769.78	282,386,943.71	32,358,459.05	1,357,015.90	33,715,474.95	227,409,174.87	52,121,956.86	279,531,131.73	36,749,057.00	3,572.20	36,752,629.20
Qingdao Civil Aviation Cares Co., Ltd.	849,843,066.82	9,989,906.01	859,832,972.83	669,079,286.68		669,079,286.68	687,072,093.34	10,928,231.75	698,000,325.09	528,832,425.92		528,832,425.92

Name of subsidiaries	Amount for the six months ended 30, 2026					Amount for the six months ended 30, 2025				
	Operating income	Net profit	Total comprehensive income	Cash flow from operating activities		Operating income	Net profit	Total comprehensive income	Cash flow from operating activities	
Shenzhen Civil Aviation Cares Co., Ltd.	35,818,874.31	4,518,656.97	4,518,656.97	-117,510.39		49,068,130.62	13,625,468.13	13,625,468.13	279,588.44	
Xiamen Civil Aviation Cares Co., Ltd.	36,485,476.04	5,892,966.23	5,892,966.23	1,199,323.21		31,973,992.88	-1,677,811.51	-1,677,811.51	51,155.00	
Qingdao Civil Aviation Cares Co., Ltd.	258,713,271.48	21,585,786.98	21,585,786.98	154,729,703.62		36,646,382.31	-9,994,587.12	-9,994,587.12	-41,026,023.13	

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For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

8 EQUITY IN OTHER ENTITIES (CONTINUED)**8.2 Equity in joint venture arrangements or associates****8.2.1 Major joint ventures or associates**

Name of joint ventures or associates	Principal place of business and registration place	Business Nature	Shareholding ratio (%)		Accounting treatment method of the investments in joint ventures or associates	Whether Strategic for Company's activities
			Directly	Indirectly		
Shanghai Civil Aviation East China Cares System Integration Co., Ltd.	Shanghai, China	Information System Integration Services	41.00		Equity method	Yes
Shenyang Civil Aviation Northeast Cares Co., Ltd.	Shenyang, China	Information System Integration Services	46.00		Equity method	Yes
Heilongjiang TravelSky Airport Network Co., Ltd.	Harbin, China	Information System Integration Services	50.00		Equity method	Yes
Dalian TravelSky Airport Network Co., Ltd.	Dalian, China	Information System Integration Services	50.00		Equity method	Yes
TravelSky Mobile Technology Co., Ltd.	Beijing, China	Technology Development; Promotion	20.66		Equity method	Yes
Yunnan TravelSky Airport Network Co., Ltd.	Kunming, China	Internet information service	50.00		Equity method	Yes

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(Amounts are expressed in RMB unless otherwise stated.)

8 EQUITY IN OTHER ENTITIES (CONTINUED)

8.2 Equity in joint venture arrangements or associates (Continued)

8.2.2 Principal financial information of major joint ventures

	As at June 30, 2026/For the six months ended June 30, 2026			As at December 31, 2025/For the six months ended June 30, 2025		
	Yunnan TravelSky Airport Network Co., Ltd.	Heilongjiang TravelSky Airport Network Co., Ltd.	Dalian TravelSky Airport Network LLC	Yunnan TravelSky Airport Network Co., Ltd.	Heilongjiang TravelSky Airport Network Co., Ltd.	Dalian TravelSky Airport Network LLC
Current assets	220,929,800.96	62,076,419.50	48,691,747.08	226,099,666.02	57,805,921.45	49,663,066.96
Including: cash and cash equivalents	6,436,581.05	35,288,702.34	25,551,683.60	6,015,592.80	5,835,028.69	28,260,851.92
Non-current assets	37,429,380.26	4,234,043.49	5,369,922.83	41,083,755.74	4,760,406.59	5,597,989.95
Total assets	258,359,181.22	66,310,462.99	54,061,669.91	267,183,421.76	62,566,328.04	55,261,056.91
Current liabilities	14,376,158.12	3,391,618.00	4,851,507.81	22,229,102.92	3,971,459.01	6,318,181.30
Non-current liabilities	168,590.99	53,904.57		168,590.99	53,904.57	
Total liabilities	14,544,749.11	3,445,522.57	4,851,507.81	22,397,693.91	4,025,363.58	6,318,181.30
Minority shareholders' equity						
Equity attributable to the shareholders of the parent company	243,814,432.11	62,864,940.42	49,210,162.10	244,785,727.85	58,540,964.46	48,942,875.61
Net asset shares calculated according to the shareholding ratios	121,907,216.03	31,432,470.22	24,605,081.05	122,392,863.92	29,270,482.23	24,471,437.81
Adjustment matters						
- Goodwill						
- Unrealized profit from internal trading						
- Others						
Book value of the equity investment in joint ventures						
Fair value of investments in interests in joint ventures for which publicly quoted prices exist	121,907,216.03	31,432,470.22	24,605,081.05	122,392,863.92	29,270,482.23	24,471,437.81

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

8 EQUITY IN OTHER ENTITIES (CONTINUED)**8.2 Equity in joint venture arrangements or associates (Continued)****8.2.2 Principal financial information of major joint ventures (Continued)**

	As at June 30, 2026/For the six months ended June 30, 2026			As at December 31, 2025/For the six months ended June 30, 2025		
	Yunnan TravelSky Airport Network Co., Ltd.	Heilongjiang TravelSky Airport Network Co., Ltd.	Dalian TravelSky Airport Network LLC	Yunnan TravelSky Airport Network Co., Ltd.	Heilongjiang TravelSky Airport Network Co., Ltd.	Dalian TravelSky Airport Network LLC
Operating income	30,220,505.39	12,901,875.64	15,541,640.81	29,981,036.35	11,025,053.64	15,046,716.15
Financial expenses	-282,786.89	-139,837.11	-6,476.74	-321,966.40	-149,685.43	-21,231.90
Income tax expenses	27,020.00	1,497,636.67	89,095.50	373,266.50	1,065,838.01	122,710.18
Net profit	-971,295.74	4,323,975.96	267,286.49	1,619,690.32	3,197,514.02	-67,540.18
Net profit from discontinued operations						
Other comprehensive income						
Total comprehensive income	-971,295.74	4,323,975.96	267,286.49	1,619,690.32	3,197,514.02	-67,540.18
Dividends received from joint ventures in the current period				2,560,000.00		

8.2.3 Key financial information of major associates

	As at June 30, 2026/For the six months ended June 30, 2026			As at December 31, 2025/For the six months ended June 30, 2025		
	Shanghai Civil Aviation East China Cares System Integration Co., Ltd.	Shenyang Civil Aviation Northeast Cares Co., Ltd.	TravelSky Mobile Technology Co., Ltd.	Shanghai Civil Aviation East China Cares System Integration Co., Ltd.	Shenyang Civil Aviation Northeast Cares Co., Ltd.	TravelSky Mobile Technology Co., Ltd.
Current assets	311,033,951.11	300,751,420.10	622,126,830.47	337,937,693.18	306,349,847.10	608,712,155.55
Non-current assets	148,997,777.25	97,661,926.86	90,080,541.61	179,269,533.15	100,933,530.35	104,611,010.79
Total assets	460,031,728.36	398,413,346.96	712,207,372.08	517,207,226.33	407,283,377.45	713,323,166.34
Current liabilities	131,366,279.32	7,513,417.54	506,061,838.39	184,173,004.21	18,310,339.48	472,884,589.58
Non-current liabilities	3,834,817.65	4,969,498.18	28,206,215.52	3,875,150.83	5,178,152.06	470,648.86
Total liabilities	135,201,096.97	12,482,915.72	534,268,053.91	188,048,155.04	23,488,491.54	473,355,238.44

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

8 EQUITY IN OTHER ENTITIES (CONTINUED)**8.2 Equity in joint venture arrangements or associates (Continued)****8.2.3 Key financial information of major associates (Continued)**

	As at June 30, 2026/For the six months ended June 30, 2026			As at December 31, 2025/For the six months ended June 30, 2025		
	Shanghai Civil Aviation East China Cares System Integration Co., Ltd.	Shenyang Civil Aviation Northeast Cares Co., Ltd.	TravelSky Mobile Technology Co., Ltd.	Shanghai Civil Aviation East China Cares System Integration Co., Ltd.	Shenyang Civil Aviation Northeast Cares Co., Ltd.	TravelSky Mobile Technology Co., Ltd.
Minority shareholders' equity Equity attributable to the shareholders of parent company	324,830,631.39	385,930,431.24	177,939,318.18	329,159,071.29	383,794,885.91	239,967,927.90
Net asset shares calculated according to the shareholding ratios	133,180,558.87	177,527,998.38	36,758,704.35	134,955,219.23	176,545,647.52	57,172,358.82
Adjustment matters	-40,317,571.00		190,808,025.63	-40,317,571.00		184,127,784.80
- Goodwill						
- Unrealized profit from internal trading	-40,317,571.00			-40,317,571.00		
- Others			190,808,025.63			184,127,784.80
Book value of the equity investment in associates	92,862,987.87	177,527,998.38	227,566,729.98	94,637,648.23	176,545,647.52	241,300,143.62
Fair value of investments in interests in joint ventures for which publicly quoted prices exist						
Operating income	91,610,970.10	151,003,590.99	240,378,936.41	93,680,628.65	150,989,520.93	161,429,191.05
Net profit	-4,328,439.90	2,135,545.33	-60,575,254.77	-4,005,314.55	15,299,090.39	-12,119,774.37
Net profit from discontinued operations						
Other comprehensive income						
Total comprehensive income	-4,328,439.90	2,135,545.33	-60,575,254.77	-4,005,314.55	15,299,090.39	-12,119,774.37
Dividends received from associates in the current period						

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

8 EQUITY IN OTHER ENTITIES (CONTINUED)**8.2 Equity in joint venture arrangements or associates (Continued)****8.2.4 Summary of financial information on insignificant joint ventures or associates**

	As at June 30, 2026/ For the six months ended 30, 2026	As at December 31, 2025/ For the six months ended 30, 2025
Joint ventures:		
Total investment book value	48,863,890.85	52,859,952.26
Total amount calculated based on the following shareholding proportions		
– Net profit	-7,992,122.85	-8,085,700.99
– Other comprehensive income		
– Total comprehensive income	-7,992,122.85	-8,085,700.99
Associates:		
Total investment book value	196,732,257.98	186,487,393.45
Total amount calculated based on the following shareholding proportions		
– Net profit	27,389,413.04	29,193,760.72
– Other comprehensive income		
– Total comprehensive income	27,389,413.04	29,193,760.72

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
 (Amounts are expressed in RMB unless otherwise stated.)

9 GOVERNMENT GRANTS**9.1 The type, amount and presentation of government subsidies**

Items	For the six months ended 30, 2026	For the six months ended 30, 2025
Income -related government grants	1,584,410.20	1,560,380.14
Total	1,584,410.20	1,560,380.14

9.2 Liabilities involving government subsidies

Liability items	As at December 31, 2025	The amount of new subsidy in this period	Amount included in non-operating income for the period	The amount of other income transferred in the current period	Amounts charged to costs during the period	Other changes	As at June 30, 2026	Asset-related/ income-related
Deferred earnings								Assets-related
Deferred earnings	1,372,500.00	1,237,735.85					2,610,235.85	Income-related

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

10 RISKS RELATED TO FINANCIAL INSTRUMENTS**10.1 Risks arising from financial instruments**

The Company is exposed to various financial risks in the course of its operations: credit risk, liquidity risk and market risk (including exchange rate risk, interest rate risk and other price risks). The financial risks and the risk management policies taken by the Company to mitigate these risks are set out as below:

The Board of directors is responsible for planning and establishing the Company's risk management framework, formulating the Company's risk management policies and relevant guidelines, and supervising the implementation of risk management measures. The Company has formulated risk management policies to identify and analyze the risks faced by it. These risk management policies specify specific risks and cover many aspects such as market risk, credit risk and liquidity risk management. The Company regularly evaluates the changes in the market environment and the Company's business activities to decide whether to update the risk management policies and systems. The Company's risk management is carried out by the Risk Management Committee in accordance with the policies approved by the board of directors. The Risk Management Committee identifies, evaluates and avoids relevant risks through close cooperation with other business departments of the Company. The Company's internal audit department regularly reviews the risk management controls and procedures, and reports the audit results to the Company's Audit Committee.

The Company diversifies its exposure to financial instruments through an appropriately diversified portfolio of investments and businesses, and reduces the risk of concentration in a single industry, a specific region or a specific counterparty by formulating corresponding risk management policies.

10.1.1 Credit risk

Credit risk refers to the risk of financial loss to the Company caused by the counterparty's failure to perform its contractual obligations.

The Company's credit risk arises mainly from cash and cash equivalents, notes receivable, accounts receivable, contract assets, other receivables, and debt instruments that are not included in the scope of impairment assessment and are measured at fair value and whose changes are included in current profit and loss. Investments and derivative financial assets, etc. On the balance sheet date, the book value of the company's financial assets has represented its maximum credit risk exposure.

The Company's cash and cash equivalents are mainly bank deposits placed with reputable state-owned banks and other large and medium-sized listed banks with high credit ratings, which the Company believes that they have no significant credit risk and will almost never incur significant losses due to bank's defaults.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

10 RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)**10.1 Risks arising from financial instruments (Continued)****10.1.1 Credit risk (Continued)**

In addition, for notes receivable, accounts receivable, receivables financing, contract assets and other receivables, etc. the Company has set the relevant policies to control credit risk exposure. The Company, based on the customers' financial positions, the possibility of obtaining guarantees from the third party, credit records and other factors such as the current market conditions, evaluated the credit qualifications of customers and set credit term. The Company would monitor the customers' credit records periodically; as for the customers with bad credit records, the Company would adopt the methods including requesting a payment in writing or shortening or canceling credit term so as to keep the Company's overall credit risks within controllable scope.

10.1.2 Liquidity risk

Liquidity risk refers to the risk of capital shortage arising when the enterprise performs the settlement obligation by way of the delivery of funds or other financial assets.

The policy of the Company is to ensure that there are sufficient cash for the payment of the matured debts. Liquidity risk is under centralized control of the financial department of the Company. The financial department monitors cash balance and readily realizable and marketable securities and makes rolling forecast on cash flows of the next 12 months to ensure that the Company has sufficient funds to repay debts in all cases of reasonable prediction. Meanwhile, it monitors whether provisions of the borrowing agreement are satisfied, obtain commitments of main financial institutions for providing sufficient reserve funds to satisfy the demand for short-term and long-term funds.

Various financial liabilities of the Company should be presented at undiscounted contractual cash flows on the maturity date as follows:

Item	As at June 30, 2026					The total amount of the undiscounted contract	Total
	Immediate repayment	Within one year	1-2 years	2-5 years	Over 5 years		
Short-term borrowings		516,310,812.05				516,310,812.05	512,757,308.23
Accounts payable		1,303,586,539.68	617,283,451.49	249,453,538.78	38,273,945.28	2,208,597,475.23	2,208,597,475.23
Other payables		2,806,021,451.94	11,474,368.96	7,142,372.54	64,395,620.90	2,889,033,814.34	2,889,033,814.34
Long-term borrowings		13,361,345.83	493,233,337.61			506,594,683.44	482,976,591.11
Lease liabilities		137,974,495.39	103,109,734.82	3,085,594.70		244,169,824.91	243,411,128.52
Total		4,777,254,644.89	1,225,100,892.88	259,681,506.02	102,669,566.18	6,364,706,609.97	6,336,776,317.43

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

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10 RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)**10.1 Risks arising from financial instruments (Continued)****10.1.2 Liquidity risk (Continued)**

As at December 31, 2025

Item	Immediate repayment	Within one year	1-2 years	2-5 years	Over 5 years	The total amount of the undiscounted contract	Total
Short-term							
borrowings		1,305,045,203.23				1,305,045,203.23	1,288,402,134.97
Accounts payable		1,606,531,211.55	454,765,455.16	330,524,905.74	51,800,348.95	2,443,621,921.40	2,443,621,921.40
Other payables		2,178,323,186.22	3,469,303.64	1,064,738.25	70,674,605.09	2,253,531,833.20	2,253,531,833.20
Long-term							
borrowings		12,761,666.67	12,421,355.56	475,590,013.33		500,773,035.56	471,506,280.00
Lease liabilities		146,010,781.41	133,278,928.90	35,279,222.94		314,568,933.25	301,884,277.50
Total		5,248,672,049.08	603,935,043.26	842,458,880.26	122,474,954.04	6,817,540,926.64	6,876,484,020.86

The repayment period of bank borrowings and other financing is analysed as follows:

Item	As at June 30, 2026		As at December 31, 2025	
	Bank borrowing	Other financing	Bank borrowing	Other financing
Within one year	529,672,157.88	137,974,495.39	1,288,708,414.97	146,010,781.41
1-2 years	493,233,337.61	103,109,734.82		133,278,928.90
2-5 years		3,085,594.70	471,200,000.00	35,279,222.94
Total	1,022,905,495.49	244,169,824.91	1,759,908,414.97	314,568,933.25

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
 (Amounts are expressed in RMB unless otherwise stated.)

10 RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)**10.1 Risks arising from financial instruments (Continued)****10.1.3 Market Risk**

Market risk associated with financial instruments refers to the risk that fair value or future cash flows of financial instruments fluctuate due to variations in market prices, and it includes exchange rate risk, interest rate risk and price risks.

10.1.3.1 Interest rate risk

Interest rate risks refer to the risks of fluctuation in the fair value or future cash flows of financial instruments due to changes in market interest rate.

Fixed-rate and floating-rate interest-bearing financial instruments make the Company expose to fair value interest rate risk and cash flow interest rate risk, respectively. The Company determines the ratio of fixed-rate instruments to floating-rate instruments based on market conditions and maintains an appropriate mix of fixed-rate and floating-rate instruments through regular review and monitoring. When necessary, the Company uses interest rate swap instruments to hedge interest rate risk.

As at June 30, 2026, with other variables held constant, if the borrowing rate calculated on a floating rate basis increases or decreases by 100 basis points, the Company's net profit will decrease or increase by RMB1,392,429.90 (December 31, 2025: RMB9,840,025.92).

10.1.3.2 Exchange rate risk

Exchange rate risk refers to the risk that fair value or future cash flows of financial instruments fluctuate due to variations in foreign exchange rate.

The Company continuously monitor the foreign currency transactions and foreign currency assets and liabilities to minimize the foreign exchange risks. In addition, the Company may also sign forward foreign exchange contracts or currency swap contracts to achieve the purpose of avoiding exchange rate risk. In current period and prior period, the Company did not sign any forward foreign exchange contract or currency swap contract.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

10 RISKS RELATED TO FINANCIAL INSTRUMENTS (CONTINUED)**10.1 Risks arising from financial instruments (Continued)****10.1.3 Market Risk (Continued)****10.1.3.2 Exchange rate risk (Continued)**

The exchange rate risk the Company is facing is mainly from the financial assets and liabilities denominated in US dollars, and the foreign currency assets and liabilities are equivalent to the amount denominated in RMB indicated as below:

Item	As at June 30, 2026			As at December 31, 2025		
	US Dollar	Other foreign currencies	Total	US Dollar	Other foreign currencies	Total
Cash and cash equivalents	206,325,858.98	101,989,584.96	308,315,443.94	228,798,790.32	84,952,651.33	313,751,441.65
Accounts receivable	163,404,328.37	189,426,947.28	352,831,275.65	145,076,467.61	104,319,137.14	249,395,604.75
Total	369,730,187.35	291,416,532.24	661,146,719.59	373,875,257.93	189,271,788.47	563,147,046.40

As at June 30, 2026, if all other variables remain unchanged, if the RMB appreciates or depreciates against the U.S. dollar by 1%, the company will decrease or increase its net profit by RMB5,619,747.12 (December 31, 2025: RMB4,786,749.89).

10.1.3.3 Other price risk

Other price risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of the changes in market prices other than exchange rate risk and interest rate risk.

The Company's other price risk arises primarily from investments in various equity instruments. There is the risk of changes in the prices of equity instruments.

As at June 30, 2026, in the case that other variables remained the same, if the value of equity instruments increase or decrease by 2%, the Company will increase or decrease the net profits of RMB18,921,881.61 and other comprehensive income of RMB24,272,600.00 (December 31, 2025: Net profits of RMB18,978,080.68; other comprehensive income of RMB17,889,331.20).

10.2 Risk management of hedging operations

The Company has no hedging business.

10.3 Transfer of financial assets

None.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
 (Amounts are expressed in RMB unless otherwise stated.)

11 DISCLOSURE OF FAIR VALUE

The input value used for measuring fair value is divided into three levels:

Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Company can access on the measurement date;

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs that have been applied in valuing the respective asset or liability.

The level of the measurement result of fair value shall subject to the lowest level which the input that is great significance to the entire measurement of fair value belongs to.

11.1 Fair value of assets and liabilities measured at fair value as at June 30, 2026

Item	Fair value as at June 30, 2026			Total
	Measurement of fair value at Level 1	Measurement of fair value at Level 2	Measurement of fair value at Level 3	
I. Continuous measurement of fair value				
◆ Held-for-trading financial assets		6,019,540,958.90		6,019,540,958.90
1. Financial assets measured at fair value through profit or loss		6,019,540,958.90		6,019,540,958.90
(1) Debt instrument investment		6,019,540,958.90		6,019,540,958.90
◆ Investment in other equity instruments			1,427,800,000.00	1,427,800,000.00
◆ Other non-current financial assets			1,113,051,859.51	1,113,051,859.51
1. Financial assets measured at fair value through the current profit or loss			1,113,051,859.51	1,113,051,859.51
(1) Investment in equity instruments			1,113,051,859.51	1,113,051,859.51
Total assets with continuous fair value measurement		6,019,540,958.90	2,540,851,859.51	8,560,392,818.41

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

11 DISCLOSURE OF FAIR VALUE (CONTINUED)**11.2 Qualitative and quantitative information of valuation techniques and key parameters adopted for items measured at the fair value of Level 2 on a going and non-going concern**

Item	Fair value as at December 31, 2025	Major parameters		
		Valuation techniques	Qualitative information	Quantitative information
Structured Deposits	6,019,540,958.90	Market approach	The applicable time deposit interest rate is determined based on the market exchange rate pricing issued as at June 30, 2026.	

11.3 Qualitative and quantitative information of valuation techniques and key parameters adopted for items measured at the fair value of Level 3 on a going and non-going concern

	Fair value as at December 31, 2025	Major parameters		
		Valuation techniques	Unobservable input value	Range interval (weighted average)
China Merchants RenHe Life Insurance Company Limited	1,427,800,000.00	Transaction case comparison method	Price-to-book ratio	1.35
China Mobile Equity Fund (Hebei Xiong'an) Partnership investment	1,113,051,859.51	Market approach	Liquidity discount	10%-35%

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

11 DISCLOSURE OF FAIR VALUE (CONTINUED)

11.4 Analysis on the measurement items measured at fair value of level 3 on a going concern, adjustment information between the book value as at the end of the last year and the book value as at the end of last period and sensitivity of unobservable parameters

11.4.1 Analysis on the measurements items measured at fair value of Level 3 reconciliation items

Item	As at		Transfer	Current profit or loss		Purchases, issuances, sales, and settlements				As at June 30, 2026	For assets held at the end of the reporting period, current unrealized gains or changes included in profit or loss
	December 31, 2025	Transfer to Level 3		Included in the current profit or loss	Included in the other comprehensive income	Purchases	Issuances	Sales	Settlements		
◆ Investment in other equity instruments	1,052,313,600.00				375,486,400.00					1,427,800,000.00	
◆ Other non-current financial assets	1,116,357,687.34			-813,096.19					2,492,731.64	1,113,051,859.51	-813,096.19
Financial assets measured at fair value through the current profit or loss	1,116,357,687.34			-813,096.19					2,492,731.64	1,113,051,859.51	-813,096.19
- Equity instrument investment	1,116,357,687.34			-813,096.19					2,492,731.64	1,113,051,859.51	-813,096.19
Total	2,168,671,287.34			-813,096.19	375,486,400.00				2,492,731.64	2,540,851,859.51	-813,096.19
Including: Gains and losses related to financial assets				-813,096.19							-813,096.19
Gains and losses related to non-financial assets											

11.4.2 Unobservable parameters sensitivity analysis

The non-input observable for other equity instruments is the price-to-book ratio range of 1.57, which would result in an increase or decrease in fair value of RMB5,261.57 million if the price-to-book ratio increased or decreased by 5%.

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12 RELATED PARTIES AND RELATED-PARTY TRANSACTIONS**12.1 Parent company of the Company**

Name of parent company	Registration place	Nature of business	Registered capital (RMB10 thousand)	Shareholding ratio of the parent company in the Company (%)	Voting ratio of the parent company in the Company (%)
China TravelSky Holding Company Limited	Room A2913, Building 5, Yuhang Road No. 8 Yard, Shunyi District, Beijing	Manage all state-owned assets and state-own equity arising from the state investments in the group company and its investees.	300,000.00	29.55	29.55

The Company's ultimate controller: The State-owned Assets Supervision and Administration Commission of the State Council.

12.2 Subsidiaries of the Company

See the "Note 8 Interests in other entities" for the details of major subsidiaries the Company.

12.3 Joint ventures and associates of the Company

See the "Note 8 Interests in other entities" for the details of major joint ventures or associates of the Company.

12.4 Other related parties

Name of other related party	Relationship with the Company
Air China Co., Ltd.	Subsidiaries of shareholders of the Company
Shenzhen Airlines Co., Ltd.	A shareholder of the Company
China Southern Airlines Co., Ltd.	Subsidiaries of shareholders of the Company
Xiamen Airlines Co., Ltd.	A shareholder of the Company
China Eastern Airlines Co., Ltd.	A shareholder of the Company
Shanghai Airlines Co., Ltd.	Subsidiaries of shareholders of the Company
China United Airlines Co., Ltd.	Subsidiaries of shareholders of the Company
Hainan Airlines Holding Co., Ltd.	A shareholder of the Company
Sichuan Airlines Co., Ltd.	Subsidiaries of shareholders of the Company
Shandong Airlines Co., Ltd.	A shareholder of the Company
CCTS Co., Ltd.	Associate company of the shareholders of the Company
TravelSky Cloud Data Co., Ltd.	Same ultimate controller

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12 RELATED PARTIES AND RELATED-PARTY TRANSACTIONS (CONTINUED)**12.5 Related-party transactions****12.5.1 Related party transactions on purchase and sales of goods, rendering and receipt of labor services***Purchase of goods/receipt of services*

Related party	Content of related-party transactions	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Shenyang Civil Aviation Northeast Cares Co., Ltd. and its subsidiaries	Purchase of goods/ Technology support fee	53,967,711.44	112,928,853.09
Chengdu Civil Aviation Southwest Cares Co., Ltd. and its subsidiaries	Purchase of goods/ Technology support fee	38,256,057.89	32,636,828.86
Shanghai CAAC Huadong Kaiya System Integration Co., Ltd. and its subsidiaries	Purchase of goods/ Technology support fee	10,162,273.54	10,684,268.93
Beijing TravelSky Borun Technology Co., Ltd.	Technology support fee	7,414,807.94	9,048,380.99
Xinjiang Hangxin Tianyi Technology Innovation Co., Ltd.	Purchase of goods/ Technology support fee	-76,995.28	5,222,557.34
Yunnan TravelSky Airport Network Co., Ltd. and its subsidiaries	Technology support fee	1,588,364.30	3,539,460.20
Heilongjiang TravelSky Airport Network Co., Ltd.	Purchase of goods/ Technology support fee	2,627,513.21	1,151,960.96
Dalian TravelSky Airport Network LLC	Purchase of goods/ Technology support fee	42,955.45	136,027.72
Hebei TravelSky Airport Network Co., Ltd.	Technology support fee	-2,872.70	140,312.83
Yantai TravelSky Airport Network Co., Ltd.	Technology support fee	173,092.59	42,155.66
TravelSky Mobile Technology Co., Ltd.	Purchase of goods/ Technology support fee	2,054,429.66	3,575,308.54
Air China Corporation Limited and its subsidiaries	Purchase of goods/ Technology support fee	1,117,295.71	3,138,496.67
China Southern Airlines Co., Ltd. and its subsidiaries	Technology support fee	-1,185,259.81	2,708,139.40
China Eastern Airlines Corporation Limited and its subsidiaries	Technology support fee	161,991.71	872,401.15
Hainan Airlines Holding Co., Ltd. and its subsidiaries	Technology support fee		1,486.79
TravelSky Cloud Data Co., Ltd.	Technology support fee	2,247,315.43	1,101,409.02
CCTS Co., Ltd.	Technology support fee		1,164,366.65
China TravelSky Holding Company Limited	Purchase of goods	34,285.71	
Sichuan Airlines Co., Ltd. and its subsidiaries	Purchase of goods	1,170,968.06	

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12 RELATED PARTIES AND RELATED-PARTY TRANSACTIONS (CONTINUED)**12.5 Related-party transactions (Continued)****12.5.1 Related party transactions on purchase and sales of goods, rendering and receipt of labor services (Continued)*****Sales of goods/rendering of services***

Related party	Content of related-party transactions	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Air China Corporation Limited and its subsidiaries	Aviation Information Technology Service	672,695,368.72	552,564,057.31
China Southern Airlines Company Limited and its subsidiaries	Aviation Information Technology Service	474,429,274.11	424,200,882.41
China Eastern Airlines Corporation Limited and its subsidiaries	Aviation Information Technology Service	471,485,767.31	494,218,494.35
Hainan Airlines Holding Co., Ltd. and its subsidiaries	Aviation Information Technology Service	218,800,340.68	264,068,888.43
Sichuan Airlines Co., Ltd. and its subsidiaries	Aviation Information Technology Service	132,105,313.47	145,743,723.03
Shanghai CAAC Huadong Kaiya System Integration Co., Ltd. and its subsidiaries	Information Technology Service	3,144,331.42	6,638,058.33
Shenyang Civil Aviation Northeast Cares Co., Ltd. and its subsidiaries	Information Technology Service	344,277.42	902,661.14
Chengdu Civil Aviation Southwest Cares Co., Ltd. and its subsidiaries	Information Technology Service	1,773,282.69	3,300,791.40
Yunnan TravelSky Airport Network Co., Ltd. and its subsidiaries	Information Technology Service	1,064,979.94	963,722.80
Heilongjiang TravelSky Airport Network Co., Ltd.	Information Technology Service	1,132.08	260,424.12
Dalian TravelSky Airport Network LLC.	Information Technology Service	340,672.07	387,263.74
Hebei TravelSky Airport Network Co., Ltd.	Information Technology Service	111,886.78	119,811.33
Yantai TravelSky Airport Network Co., Ltd.	Information Technology Service	15,094.36	19,811.32
TravelSky Mobile Technology Co., Ltd.	Information Technology Service	11,756,264.75	7,935,158.67
CCTS Co., Ltd.	Information Technology Service	794,644.41	182,999.56
TravelSky Cloud Data Co., Ltd.	Information Technology Service	489,355.85	2,023,857.85
Xinjiang Hangxin Tianyi Technology Innovation Co., Ltd.	Information Technology Service		3,934,183.53

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12 RELATED PARTIES AND RELATED-PARTY TRANSACTIONS (CONTINUED)**12.5 Related-party transactions (Continued)****12.5.2 Related-party lease**

The Company acted as lessee:

Name of lessor	Type of leased assets	For the six months ended June 30, 2026					For the six months ended June 30, 2025				
		Simplified treatment of rental costs		Variable lease payments		Interest	Simplified treatment of rental costs		Variable lease payments		Interest
		for short-term leases and		not included		expenses	for short-term leases and		not included		expenses
		leases of low-value assets	in the lease	in the lease	in the lease	incurred on lease	leases of low-value assets	in the lease	in the lease	in the lease	incurred on
			liabilities	Rent paid	liabilities	Right-of-use assets			Rent paid	lease liabilities	Right-of-use assets
China TravelSky Holding Company Co., Ltd	Buildings and constructions			18,834,046.19	1,141,911.89				18,300,355.48	1,901,586.72	103,541,759.48
TravelSky Cloud Data Co., Ltd.	Buildings and constructions			26,993,219.91	3,306,223.77	-2,740,892.35			22,796,586.86	1,580,148.24	187,206,393.31
China Eastern Airlines Co., Ltd.	Buildings and constructions			356,036.70	22,029.30					35,952.96	2,026,830.78
China Eastern Airlines Co., Ltd.	Others			11,071.74	685.05					1,118.05	63,028.73

12.5.3 Loans from and to related parties

Related party	Amount of money on loan	Starting date	Due date	Remarks
Loans from related parties				
China TravelSky Holding Company Limited	482,976,591.11	May 8, 2025	May 8, 2028	Long-term borrowing principal plus accrued interest

Note: Interest expenses incurred in the current period amounted to RMB6,289,529.63.

12.5.4 Asset transfer and debt restructuring of related parties

None.

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(Amounts are expressed in RMB unless otherwise stated.)

12 RELATED PARTIES AND RELATED-PARTY TRANSACTIONS (CONTINUED)**12.6 Receivables from and payables to related parties****12.6.1 Receivables**

Item	Related party	As at June 30, 2026		As at December 31, 2025	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Accounts receivable					
	Air China Limited and its subsidiaries	658,843,531.95	11,596,387.14	488,588,530.51	12,313,825.14
	China Southern Airlines Company Limited and its subsidiaries	628,483,162.59	184,438,119.52	939,277,991.17	184,496,534.62
	China Eastern Airlines Corporation Limited and its subsidiaries	1,064,635,458.61	3,412,024.92	1,354,926,814.21	3,383,030.92
	Hainan Airlines Holding Co., Ltd. and its subsidiaries	314,293,501.76	91,226,873.73	322,206,031.66	71,063,666.42
	Sichuan Airlines Co., Ltd. and its subsidiaries	214,326,524.68		296,143,614.05	
	Shanghai Civil Aviation East China Cares System Integration Co., Ltd. and its subsidiaries	14,347,773.32		12,975,288.35	
	Chengdu Civil Aviation Southwest Cares Co., Ltd. and its subsidiaries	4,334,900.00		2,781,100.00	
	Shenyang Civil Aviation Northeast Cares Co., Ltd. and its subsidiaries	331,700.00		501,050.00	
	Yunnan TravelSky Airport Network Co., Ltd. and its subsidiaries	5,154,690.65		5,348,410.81	
	Dalian TravelSky Airport Network LLC	881,449.85		1,365,729.70	
	Hebei TravelSky Airport Network Co., Ltd.	4,754,140.00		4,700,140.00	
	Heilongjiang TravelSky Airport Network Co., Ltd.	400.00			
	Xinjiang TravelSky Tianyi Technology Innovation Co., Ltd.	27,201,485.00		28,614,232.25	
	Yantai TravelSky Airport Network Co., Ltd.	-200.00		10,100.00	
	Guangzhou Air Port Air Wing Information Technology Co., Ltd.			104,000.00	
	TravelSky Mobile Technology Limited	170,750,517.01		166,810,903.42	
	TravelSky Cloud Data Co., Ltd.	9,196,845.66		9,196,074.59	
	CCTS Co., Ltd.	312,192.68		205,589.74	

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12 RELATED PARTIES AND RELATED-PARTY TRANSACTIONS (CONTINUED)**12.6 Receivables from and payables to related parties (Continued)****12.6.1 Receivables (Continued)**

		As at June 30, 2026		As at December 31, 2025	
Item	Related party	Book balance	Provision for bad debts	Book balance	Provision for bad debts
Notes receivable					
	Hainan Airlines Holding Co., Ltd. and its subsidiaries	183,869,185.65		141,666,297.58	
	Sichuan Airlines Co., Ltd. and its subsidiaries	204,644,582.50			
Advances to suppliers					
	China Southern Airlines Company Limited and its subsidiaries			39.90	
	Shanghai Civil Aviation East China Cares System Integration Co., Ltd. and its subsidiaries	9,989,411.53		8,745,929.93	
	Shenyang Civil Aviation Northeast Cares Co., Ltd. and its subsidiaries	1,826,837.01		1,864,196.61	
	Chengdu Civil Aviation Southwest Cares Co., Ltd. and its subsidiaries	10,005,558.80		11,216,426.40	
	Yunnan TravelSky Airport Network Co., Ltd. and its subsidiaries	439,515.41		631,127.60	
	Dalian TravelSky Airport Network LLC			564,000.00	
	TravelSky Mobile Technology Limited	789,000.00		725,388.00	
	TravelSky Cloud Data Co., Ltd.	4,555,528.82		333,250.30	
	CCTS Co., Ltd.	50,943.40			

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12 RELATED PARTIES AND RELATED-PARTY TRANSACTIONS (CONTINUED)**12.6 Receivables from and payables to related parties (Continued)****12.6.1 Receivables (Continued)**

Item	Related party	As at June 30, 2026		As at December 31, 2025	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Other receivables					
	China Southern Airlines Company Limited and its subsidiaries	110,357,825.55		277,754.42	
	China Eastern Airlines Corporation Limited and its subsidiaries	246,656,084.73		335,039,312.75	
	Air China Limited and its subsidiaries	830,259,264.77		534,934,740.91	
	Hainan Airlines Holding Co., Ltd. and its subsidiaries			6,326,038.29	
	Sichuan Airlines Co., Ltd. and its subsidiaries	1,236,660.82		6,707,097.91	
	Shenyang Civil Aviation Northeast Cares Co., Ltd. and its subsidiaries			2,499,241.80	
	Chengdu Civil Aviation Southwest Cares Co., Ltd. and its subsidiaries			774,635.91	
	Shanghai Civil Aviation East China Cares System Integration Co., Ltd. and its subsidiaries	6,264,014.94		6,246,514.94	
	Yunnan TravelSky Airport Network Co., Ltd. and its subsidiaries	965,249.60		965,249.60	
	Dalian TravelSky Airport Network LLC			284,523.44	
	Guangzhou Air Port Air Wing Information Technology Co., Ltd.	4,691.75		4,691.75	
	Hebei TravelSky Airport Network Co., Ltd.	268,201.38		525,623.18	
	Heilongjiang TravelSky Airport Network Co., Ltd.			279,579.96	
	TravelSky Mobile Technology Limited	4,451,183.46		4,501,183.46	
	China TravelSky Holding Company Limited	482,627.94		482,627.94	
	TravelSky Cloud Data Co., Ltd.	2,173,846.92		2,173,846.92	
	China Communications Co., Ltd.	6,922,487.21		6,922,487.21	

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12 RELATED PARTIES AND RELATED-PARTY TRANSACTIONS (CONTINUED)**12.6 Receivables from and payables to related parties (Continued)****12.6.1 Receivables (Continued)**

		As at June 30, 2026		As at December 31, 2025	
Item	Related party	Book balance	Provision for bad debts	Book balance	Provision for bad debts
Contract assets					
	China Eastern Airlines Corporation Limited and its subsidiaries	5,335.00		257,416.66	
	Air China Limited and its subsidiaries	4,349,990.00		4,454,432.78	
	China Southern Airlines Company Limited and its subsidiaries	18,750.00		29,006.08	
	Hainan Airlines Holding Co., Ltd. and its subsidiaries			4,335.36	
	Sichuan Airlines Co., Ltd. and its subsidiaries			4,335.36	
	Chengdu Civil Aviation Southwest Cares Co., Ltd. and its subsidiaries	4,118.40		11,318.40	
	Dalian TravelSky Airport Network LLC			59,949.85	
	Heilongjiang TravelSky Airport Network Co., Ltd.	32,400.00		32,400.00	
	Xinjiang TravelSky E-surfing Science and Technology Co., Ltd.	187,100.00		191,420.00	
	Yunnan TravelSky Airport Network Co., Ltd. and its subsidiaries	10,140.00		10,140.00	
	Shanghai Civil Aviation East China Cares System Integration Co., Ltd. and its subsidiaries	35,000.00		374,466.12	
	Shenyang Civil Aviation Northeast Cares Co., Ltd. and its subsidiaries	9,318.75		5,250.00	

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12 RELATED PARTIES AND RELATED-PARTY TRANSACTIONS (CONTINUED)**12.6 Receivables from and payables to related parties (Continued)****12.6.2 Payables**

Item	Related party	As at June 30, 2026	As at December 31, 2025
Accounts payable			
	China TravelSky Holding Company Limited	968,475.59	968,475.59
	TravelSky Cloud Data Co., Ltd.	15,645,664.31	15,179,263.43
	CCTS Co., Ltd.	1,653,206.92	1,669,493.71
	China Southern Airlines Company Limited and its subsidiaries	20,220.28	3,147,432.21
	Air China Limited and its subsidiaries	573,113.21	781,418.14
	China Eastern Airlines Corporation Limited and its subsidiaries	2,374.80	106,543.68
	Sichuan Airlines Co., Ltd. and its subsidiaries	14,924.28	32,513.95
	Shenyang Civil Aviation Northeast Cares Co., Ltd. and its subsidiaries	97,658,676.19	157,760,233.59
	Chengdu Civil Aviation Southwest Cares Co., Ltd. and its subsidiaries	39,024,586.04	52,584,635.05
	Shanghai Civil Aviation East China Cares System Integration Co., Ltd. and its subsidiaries	100,563,981.40	133,686,833.91
	Yunnan TravelSky Airport Network Co., Ltd. and its subsidiaries	12,492,142.39	16,288,287.40
	Xinjiang TravelSky Tianyi Technology Innovation Co., Ltd.	15,389,527.56	27,029,076.00
	Xizang TravelSky Technology Co., Ltd.	2,490,864.48	
	Hebei TravelSky Airport Network Co., Ltd.	953,319.46	1,847,511.02
	Dalian TravelSky Airport Network LLC	724,298.76	2,909,830.65
	Heilongjiang TravelSky Airport Network Co., Ltd.	2,904,892.16	2,009,984.94
	Yantai TravelSky Airport Network Co., Ltd.	181,278.45	90,961.89
	Beijing TravelSky Borun Technology Co., Ltd.	4,982,523.63	2,902,225.92
	TravelSky Mobile Technology Limited	25,458,913.63	25,926,184.12
Other payables			
	China Eastern Airlines Corporation Limited and its subsidiaries		3,671,656.69
	China Southern Airlines Company Limited and its subsidiaries	5,443,886.37	25,487,772.54
	Air China Limited and its subsidiaries	7,659,303.18	42,298,389.37
	Hainan Airlines Holding Co., Ltd. and its subsidiaries	3,953,860.76	1,057,613.01
	TravelSky Mobile Technology Limited	425,600.00	425,600.00

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12 RELATED PARTIES AND RELATED-PARTY TRANSACTIONS (CONTINUED)**12.6 Receivables from and payables to related parties (Continued)****12.6.2 Payables (Continued)**

Item	Related party	As at June 30, 2026	As at December 31, 2025
Contract liabilities	China TravelSky Holding Company Limited	539,585.00	7,849,552.71
	CCTS Co., Ltd.	483,761.16	439,259.78
	TravelSky Cloud Data Co., Ltd.		12,780.00
	China Southern Airlines Company Limited and its subsidiaries	89,508,595.99	89,627,437.43
	Air China Limited and its subsidiaries	110,524,216.75	105,058,231.47
	China Eastern Airlines Corporation Limited and its subsidiaries	238,366,549.11	238,363,549.16
	Hainan Airlines Holding Co., Ltd. and its subsidiaries	79,162,361.09	79,019,357.43
	Sichuan Airlines Co., Ltd. and its subsidiaries	24,412,881.81	24,412,881.81
	Shenyang Civil Aviation Northeast Cares Co., Ltd. and its subsidiaries	254,716.98	
	Shanghai Civil Aviation East China Cares System Integration Co., Ltd	2,747,433.10	2,747,033.10
	Chengdu Civil Aviation Southwest Cares Co., Ltd. and its subsidiaries	261,320.75	91,509.43
	Dalian TravelSky Airport Network LLC	339,823.01	
	Heilongjiang TravelSky Airport Network Co., Ltd.	535,849.05	535,849.05
	Xinjiang TravelSky Tianyi Technology Innovation Co., Ltd.	2,603,773.58	2,603,773.58
	Yantai TravelSky Airport Network Co., Ltd.		94.34
	China TravelSky Holding Company Limited	1,179,245.28	
	CCTS Co., Ltd.	308,863.50	281,841.22
Current portion of non-current liabilities			
	China TravelSky Holding Company Limited		306,280.00
Long-term borrowings			
	China TravelSky Holding Company Limited	482,976,591.11	471,200,000.00

12.7 Centralized fund management

None.

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13 SHARE-BASED PAYMENT

None.

14 COMMITMENTS AND CONTINGENCIES**14.1 Significant commitments**

On April 6, 2020, the Company, as a limited partner, signed the Agreement on China Mobile Equity Fund (Hebei Xiong'an) Partnership (Limited Partnership) with China Mobile Capital Holding Co., Ltd. and other companies, by which the Company subscribed for a capital contribution of RMB1 billion. As at June 30, 2026, the Company made the actual capital contribution (including fund management fees) of RMB861,704,161.66. 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.

Except for the case mentioned above, the Group has no other commitments required to be disclosed.

14.2 Contingencies

As at June 30, 2026, the Group had no significant contingencies required to be disclosed.

15 POST BALANCE SHEET EVENTS

None.

NOTES TO THE FINANCIAL STATEMENTS

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 (Amounts are expressed in RMB unless otherwise stated.)

16 OTHER SIGNIFICANT EVENTS**16.1 Correction of accounting errors in prior periods**

There were no corrections of accounting errors in previous periods made during the reporting period.

16.2 Annuity plan

All full-time employees of the Group participate in the basic endowment insurance established by the government in accordance with national policies. As at June 30, 2026, the Group contributed basic endowment insurance premiums at a rate of up to 16% of the employees' basic salaries, not exceeding the cap stipulated by the relevant government authorities. Employees contribute basic endowment insurance premiums at a proportion of their salaries as prescribed by the government. Upon reaching the statutory retirement age, employees are entitled to receive basic pension benefits monthly. As at June 30, 2026, the total basic endowment insurance expenses of the Group amounted to RMB124,078,104.62 (As at June 30, 2025: RMB113,848,446.19).

In addition, the Group has established an enterprise annuity plan. Contributions to the enterprise annuity plan are jointly made by the enterprise and the employees. Employees may voluntarily choose to participate or not participate in the enterprise annuity plan of the Company. As at June 30, 2026, the total expenses in respect of the enterprise annuity plan of the Group amounted to RMB50,845,467.54 (As at June 30, 2025: RMB47,250,654.74).

As at June 30, 2026, the Group had no forfeited contributions available to offset its contributions to the defined contribution retirement plans administered by the Group in future years.

As at June 30, 2026, the Group did not have any defined benefit plans.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

16 OTHER SIGNIFICANT EVENTS (CONTINUED)**16.3 Segment information**

The Group's business is mainly located in China. The Group operates business only in one industry, i.e., providing aviation information technology and relevant services in China. The Group's revenues mainly come from its related parties and customers in China, and the revenue division made by the Group based on major product or service has been presented in Note 5.44. The Group did not prepare any segment balance sheet and income statement for period ended June 30, 2026 and June 30, 2025.

Meanwhile, as the Group's revenues mainly come from China, and its assets are also in China, there is no regional segment information presented in the Group's financial statements.

17 NOTES TO THE MAIN ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS**17.1 Accounts receivable****17.1.1 Disclosure of accounts receivable by aging (based on invoice date)**

Aging	As at June 30, 2026	As at December 31, 2025
Within 1 year	3,803,553,580.72	3,655,086,170.24
Including: Subitem within 1 year		
Within 6 months	2,650,440,740.82	2,602,710,142.96
7 – 12 months	1,153,112,839.90	1,052,376,027.28
1 – 2 years	659,879,013.52	1,246,969,578.14
2 – 3 years	193,398,631.67	135,796,887.31
3 – 4 years	240,441,742.19	310,845,019.95
4 – 5 years	58,577,581.45	9,132,309.23
Over 5 years	284,318,735.97	278,317,655.61
Sub-total	5,240,169,285.52	5,636,147,620.48
Less: provision for bad debts	949,748,258.55	963,679,675.81
Total	4,290,421,026.97	4,672,467,944.67

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

17 NOTES TO THE MAIN ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

17.1 Accounts receivable (Continued)

17.1.2 Disclosure 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		
			Proportion of					Proportion of		
	Amount	(%)	Amount	(%)	Book value	Amount	(%)	Amount	(%)	Book value
Provision for bad debts accrued on an individual basis	797,908,988.52	15.23	498,655,749.94	62.50	299,253,238.58	820,110,133.03	14.55	478,878,763.72	58.39	341,231,369.31
Provision for bad debts accrued on a portfolio basis of credit risk characteristics	4,442,260,297.00	84.77	451,092,508.61	10.15	3,991,167,788.39	4,816,037,487.45	85.45	484,800,912.09	10.07	4,331,236,575.36
Total	5,240,169,285.52	—	949,748,258.55		4,290,421,026.97	5,636,147,620.48	—	963,679,675.81		4,672,467,944.67

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

17 NOTES TO THE MAIN ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)**17.1 Accounts receivable (Continued)****17.1.2 Disclosure under the methods of provision for bad debts by category (Continued)**

Provision for bad debts accrued on an individual basis:

Entity	As at June 30, 2026				As at December 31, 2025	
	Accounts receivable	Provision for bad debts	Proportion of provision (%)	Reason for provision	Accounts receivable	Provision for bad debts
Customer 1	241,966,785.90	53,382,142.38	22.06	Poor financial situation	247,190,566.69	47,507,434.54
Customer 2	184,398,119.10	184,398,119.10	100.00	Significant uncertainty about recoverability	184,398,119.10	184,398,119.10
Customer 3	131,590,068.81	126,816,489.12	96.37	Operating difficulties	153,754,954.72	146,065,215.60
Customer 4	67,175,389.36	34,870,718.93	51.91	Significant uncertainty about recoverability	71,665,376.40	34,870,718.93
Customer 5	31,252,216.33	17,781,739.87	56.90	Poor financial situation	24,511,337.63	6,135,134.25
Customer 6	20,459,050.18	6,160,387.31	30.11	Poor financial situation	23,392,944.35	3,509,150.19
Customer 7	20,393,614.28	10,607,251.36	52.01	Poor financial situation	22,866,265.84	13,231,590.61
Customer 8	15,617,146.43	5,191,865.16	33.24	Poor financial situation	19,461,818.54	4,054,530.90
Others	85,056,598.13	59,447,036.71	69.89		72,868,749.76	39,106,869.60
Total	797,908,988.52	498,655,749.94			820,110,133.03	478,878,763.72

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

17 NOTES TO THE MAIN ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

17.1 Accounts receivable (Continued)

17.1.2 Disclosure under the methods of provision for bad debts by category (Continued)

Provision for bad debts accrued on a portfolio basis:

Item accrued on a portfolio basis:

Portfolio	As at June 30, 2026		
	Accounts receivable	Provision for bad debts	Proportion of provision (%)
Accounts receivable from third-parties	1,574,280,055.03	451,092,508.61	28.65
Accounts receivable from related parties	2,867,980,241.97		
Total	4,442,260,297.00	451,092,508.61	

17.1.3 Provision, reversal or recovery of provision for bad debts in 2026

Item	As at December 31, 2025	Changes in the current period				As at June 30, 2026
		Provision	Reversal/ Recovery	Write-off/ charge-off	Other changes	
Provision for bad debts accrued on an individual basis	478,878,763.72	19,776,986.22				498,655,749.94
Provision for bad debts accrued on a portfolio basis	484,800,912.09	-33,708,403.48				451,092,508.61
Total	963,679,675.81	-13,931,417.26				949,748,258.55

17.1.4 Top five of accounts receivable and contract asset as at June 30, 2026, presented by debtors.

The sum amount of top five of accounts receivable and contract asset presented by debtors is RMB2,209,550,262.65, accounting for 41.30% of the ending balance of accounts receivable and contract asset, and the corresponding ending balance of allowance for bad debts is RMB244,743,755.66.

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

17 NOTES TO THE MAIN ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)**17.2 Other receivables**

Item	As at June 30, 2026	As at December 31, 2025
Interest receivable		
Dividends receivable	66,269,100.00	51,786,700.00
Other receivables	333,885,922.73	295,480,028.38
Total	400,155,022.73	347,266,728.38

17.2.1 Dividends receivable*Details of dividends receivable*

Item (or investee)	As at June 30, 2026	As at December 31, 2025
Xi'an Civil Aviation Cares Technology Co., Ltd.		4,735,100.00
Hubei Civil Aviation Kaiya Co., Ltd.		1,125,000.00
Xinjiang TravelSky E-surfing Science and Technology Co., Ltd.	20,000,000.00	20,127,500.00
Hainan Civil Aviation Cares Co., Ltd.	9,079,100.00	9,079,100.00
Qingdao Civil Aviation Cares Co., Ltd.		11,220,000.00
Xinjiang TravelSky E-surfing Science and Technology Co., Ltd.	5,500,000.00	5,500,000.00
TravelSky International Limited	31,690,000.00	
Sub-total	66,269,100.00	51,786,700.00
Less: provision for bad debts		
Total	66,269,100.00	51,786,700.00

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

17 NOTES TO THE MAIN ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

17.2 Other receivables (Continued)

17.2.2 Other receivables

(1) Disclosure by aging

Aging	As at June 30, 2026	As at December 31, 2025
Within 1 year	28,998,408.60	99,276,329.16
Including: subitem within 1 year		
Within 6 months	6,530,088.53	98,321,432.16
7 – 12 months	22,468,320.07	954,897.00
1 – 2 years	104,156,606.57	17,817,335.38
2 – 3 years	64,007,237.46	36,995,910.07
3 – 4 years	17,210,566.25	16,236,274.49
4 – 5 years	7,377,922.52	8,978,105.66
Over 5 years	112,135,181.33	116,176,073.62
Sub-total	333,885,922.73	295,480,028.38
Less: provision for bad debts		
Total	333,885,922.73	295,480,028.38

(2) Disclosure 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 value	Book balance		Provision for bad debts		Book value
	Amount	Proportion (%)	Amount	Proportion of provision (%)		Amount	Proportion (%)	Amount	Proportion of provision (%)	
Provision for bad debts accrued on an individual basis										
Provision for bad debts accrued on a portfolio basis of credit risk characteristics	333,885,922.73	100.00			333,885,922.73	295,480,028.38	100.00			295,480,028.38
Total	333,885,922.73	—			333,885,922.73	295,480,028.38	—			295,480,028.38

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

17 NOTES TO THE MAIN ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)**17.2 Other receivables (Continued)****17.2.2 Other receivables (Continued)****(2) Disclosure under the methods of provision for bad debts by category (Continued)**

Provision for bad debts accrued on a portfolio basis:

Item accrued on a portfolio basis:

Name	As at June 30, 2026		
	Other receivables	Provision for bad debts	Proportion of provision (%)
Non-related parties	129,422,471.42		
Related parties	204,463,451.31		
Total	333,885,922.73		

(3) Classification of other receivables by the nature of payment

Nature	As at June 30, 2026	As at December 31, 2025
Various margin, deposit and loan of reserve fund	6,202,651.23	5,880,759.46
Intercompany borrowings	327,683,271.50	289,599,268.92
Total	333,885,922.73	295,480,028.38

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

17 NOTES TO THE MAIN ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

17.2 Other receivables (Continued)

17.2.2 Other receivables (Continued)

(4) Top five of other receivable as at June 30, 2026, presented by debtors.

Name of Entity	Nature of Amounts	As at June 30, 2026	Aging	Percentage of Total Other Receivables Ending Balance (%)	Provision for Bad Debts Ending Balance
TravelSky International Limited	Intercompany borrowings	134,941,892.55	Within 6 months ∙ 3 - 4 years ∙ 4 - 5 years ∙ Over 5 years	40.42	
Infosky Technology Co., Ltd.	Intercompany borrowings	35,357,303.92	7 - 12 months ∙ 1 - 2 years	10.59	
Xinjiang Civil Aviation Kaiya Information Network Co., Ltd.	Intercompany borrowings	7,803,494.05	Within 6 months ∙ 7 - 12 months ∙ 1 - 2 years	2.34	
CCCC Information Technology Co., Ltd.	Intercompany borrowings	6,922,487.21	7 - 12 months ∙ 1 - 2 years	2.07	
Shanghai Civil Aviation East China Kaiya System Integration Co., Ltd.	Intercompany borrowings	6,264,014.94	Within 6 months ∙ 7 - 12 months ∙ 1 - 2 years	1.88	
Total	—	191,289,192.67	—	57.29	

17.3 Long-term equity investments

Category	As at June 30, 2026			As at December 31, 2025		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investment in subsidiary	2,066,899,557.32		2,066,899,557.32	2,066,899,557.32		2,066,899,557.32
Investment in associates and joint ventures	707,734,809.13		707,734,809.13	712,981,968.32		712,981,968.32
Total	2,774,634,366.45		2,774,634,366.45	2,779,881,525.64		2,779,881,525.64

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

17 NOTES TO THE MAIN ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)**17.3 Long-term equity investments (Continued)****17.3.1 Investment in subsidiaries**

Investees	Balance as at December 31, 2025	Balance of provision for impairment as at December 31, 2025	Increase/decrease in 2026				Balance as at June 30, 2026	Balance of provision for impairment as at June 30, 2026
			Additional investment	Reduced investment	Provision for impairment	Others		
Hainan Civil Aviation Cares Co., Ltd.	10,205,095.00						10,205,095.00	
Shenzhen Civil Aviation Cares Co., Ltd.	4,302,941.18						4,302,941.18	
Hubei Civil Aviation Cares Co., Ltd.	11,446,825.00						11,446,825.00	
Chongqing Civil Aviation Cares Information Technology Co., Ltd.	4,998,000.00						4,998,000.00	
Xiamen Civil Aviation Cares Co., Ltd.	1,020,000.00						1,020,000.00	
Infosky Information Technology Co., Ltd.	153,820,754.50						153,820,754.50	
Qingdao Civil Aviation Cares Co., Ltd.	1,020,000.00						1,020,000.00	
Xi'an Civil Aviation Cares Technology Co., Ltd.	1,020,000.00						1,020,000.00	
Civil Aviation Cares Technology of Xinjiang Co., Ltd.	1,530,000.00						1,530,000.00	
Guangzhou TravelSky Technology Limited	400,000,000.00						400,000,000.00	
Shanghai TravelSky Technology Limited	4,000,000.00						4,000,000.00	
China Aviation Accounting Co., Ltd.	853,519,487.07						853,519,487.07	
TravelSky International Limited	11,364,427.02						11,364,427.02	
TravelSky Technology (Singapore) Limited	353,594,927.55						353,594,927.55	
TravelSky Cares (Beijing) Property Co., Ltd.	10,000,000.00						10,000,000.00	
Hunan TravelSky Technology Limited	30,000,000.00						30,000,000.00	
Inner Mongolia Civil Aviation Information Technology Co., Ltd.	5,000,000.00						5,000,000.00	
Beijing TravelSky Travel Service Co., Ltd.	72,000,000.00						72,000,000.00	
Travelsky Yunzhi Technology (Beijing) Co., Ltd.	50,000,000.00						50,000,000.00	

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026
(Amounts are expressed in RMB unless otherwise stated.)

17 NOTES TO THE MAIN ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

17.3 Long-term equity investments (Continued)

17.3.1 Investment in subsidiaries (Continued)

Investees	Balance as at December 31, 2025	Balance of provision for impairment as at December 31, 2025	Increase/decrease in 2026				Balance as at June 30, 2026	Balance of provision for impairment as at June 30, 2026
			Additional investment	Reduced investment	Provision for impairment	Others		
Henan Civil Aviation Information Technology Co., Ltd.	10,000,000.00						10,000,000.00	
Zhejiang Civil Aviation Information Technology Co., Ltd.	19,047,100.00						19,047,100.00	
Beijing TravelSky Technology Limited	50,010,000.00						50,010,000.00	
Guangzhou Skyecho Information Technology Co., Ltd.	4,000,000.00						4,000,000.00	
TravelSky Digital Intelligence Technology (Beijing) Co., Ltd.	5,000,000.00						5,000,000.00	
Total	2,066,899,557.32						2,066,899,557.32	

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

17 NOTES TO THE MAIN ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)**17.3 Long-term equity investments (Continued)****17.3.2 Investments in associates and joint ventures**

Investees	Balance of provision for impairment		Increase/decrease in 2026								Provision for impairment	
	Balance as at December 31, 2025	as at December 31, 2025	Profit or loss on investments recognized under the equity method		Adjustment to other comprehensive income	Cash dividends or profits declared to be distributed			Provision for impairment	Others	As at June 30, 2026	as at June 30, 2026
			Additional investment	Reduced investment		Changes in	to be	for				
1. Joint ventures												
Heilongjiang TravelSky Airport Network Co., Ltd.	29,270,482.23				2,161,987.99						31,432,470.22	
Dalian TravelSky Airport Network LLC	24,471,437.81				133,643.24						24,605,081.05	
Hebei TravelSky Airport Network Co., Ltd.	16,906,374.81				1,286,287.47						18,192,662.28	
Xinjiang Hangxin Tianyi Technology Innovation Co., Ltd.	35,953,577.45				-5,282,348.88						30,671,228.57	
Yunnan TravelSky Airport Network Co., Ltd.	122,392,863.92				-485,647.89						121,907,216.03	
Sub-total	228,994,736.22				-2,186,078.07						226,808,658.15	

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

17 NOTES TO THE MAIN ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)**17.3 Long-term equity investments (Continued)****17.3.2 Investments in associates and joint ventures (Continued)**

			Increase/decrease in 2026											
			Profit or loss on investments recognized under the equity method					Cash dividends or profits declared to be distributed					Provision for impairment	
			Adjustment to other comprehensive income					Provision for impairment					As at June 30, 2026	
			Changes in other equity					Provision for impairment					As at June 30, 2026	
Investees	Balance as at December 31, 2025	Balance of provision for impairment as at December 31, 2025	Additional investment	Reduced investment	the equity method	comprehensive income	Changes in other equity	distributed	Provision for impairment	Others	As at June 30, 2026	as at June 30, 2026		
2. Associates														
Beijing TravelSky Borun Technology Co., Ltd.	68,340,899.47				3,564,347.73						71,905,247.20			
TravelSky Mobile Technology Limited	26,316,542.90				-12,513,636.15						13,802,906.75			
Shanghai Civil Aviation East China Cares System Integration Co., Ltd.	94,637,648.23				-1,774,660.36						92,862,987.87			
Shenyang Civil Aviation Northeast Cares Co., Ltd.	176,545,647.52				982,350.86						177,527,998.38			
Chengdu Civil Aviation Southwest Cares Co., Ltd	103,706,035.64				5,954,824.98						109,660,860.62			
Guangzhou Airport Hangyi Information Technology Co., Ltd.	7,002,578.66				407,394.67						7,409,973.33			
Yantai TravelSky Airport Network Co., Ltd.	7,437,879.68				318,297.15						7,756,176.83			
Sub-total	483,987,232.10				-3,061,081.12						480,926,150.98			
Total	712,981,968.32				-5,247,159.19						707,734,809.13			

NOTES TO THE FINANCIAL STATEMENTS

For the Six Months Ended June 30, 2026

(Amounts are expressed in RMB unless otherwise stated.)

17 NOTES TO THE MAIN ITEMS OF THE PARENT COMPANY'S FINANCIAL STATEMENTS (CONTINUED)**17.4 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
Primary businesses	3,273,289,549.55	1,231,955,485.99	3,154,638,646.20	1,305,613,931.11
Other businesses	9,253,508.38	4,121,820.66	10,567,675.68	4,152,025.53
Total	3,282,543,057.93	1,236,077,306.65	3,165,206,321.88	1,309,765,956.64

17.5 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 cost method	31,690,000.00	1,015,700.00
Income from long-term equity investments calculated under equity method	-5,247,159.19	12,262,976.26
Gains from disposal of long-term investments		115,292.51
Income from held-for-trading financial assets during the holding period	20,462,453.54	8,858,877.99
Interest income from debt investment during the holding period	6,971,122.90	8,697,113.52
Total	53,876,417.25	30,949,960.28

TRAVELSKY TECHNOLOGY LIMITED

August 24, 2026

CORPORATE INFORMATION

(As of the latest practicable date September 4, 2026 before the issue date of this report)

BOARD

The seventh session of the board of directors of the Company established by election by shareholders on February 27, 2020 comprises:

Jiang Bo	<i>Chairman, Executive Director</i> (appointed on December 18, 2025)
Sun Minghe	<i>Employee Representative Director</i> (appointed on June 26, 2026)
Zeng Yongchao	<i>Non-executive Director</i> (appointed on June 26, 2026)
He Xiaoqun	<i>Non-executive Director</i> (appointed on June 12, 2025)
Liu Zehong	<i>Independent Non-executive Director</i> (appointed on September 1, 2022)
Chan Wing Tak Kevin	<i>Independent Non-executive Director</i> (appointed on September 1, 2022)
Xu Hongzhi	<i>Independent Non-executive Director</i> (appointed on September 1, 2022)

AUDIT COMMITTEE

Chan Wing Tak Kevin	<i>Chief Member (Chairman)</i> (appointed on September 1, 2022)
Liu Zehong	<i>Member</i> (appointed on September 1, 2022)
Xu Hongzhi	<i>Member</i> (appointed on September 1, 2022)

REMUNERATION AND EVALUATION COMMITTEE

Liu Zehong	<i>Chief Member (Chairman)</i> (appointed on September 1, 2022)
Chan Wing Tak Kevin	<i>Member</i> (appointed on September 1, 2022)
Xu Hongzhi	<i>Member</i> (appointed on September 1, 2022)

NOMINATION COMMITTEE

Jiang Bo	<i>Chief Member (Chairman)</i> (appointed on December 18, 2025)
Liu Zehong	<i>Member</i> (appointed on September 1, 2022)
Xu Hongzhi	<i>Member</i> (appointed on September 1, 2022)

STRATEGY AND INVESTMENT COMMITTEE (LEGAL COMPLIANCE COMMITTEE)

Jiang Bo	<i>Chief Member (Chairman)</i> (appointed on December 18, 2025)
Liu Zehong	<i>Member</i> (appointed on January 18, 2023)
Zeng Yongchao	<i>Member</i> (appointed on August 24, 2026)
He Xiaoqun	<i>Member</i> (appointed on June 12, 2025)

CORPORATE INFORMATION

(As of the latest practicable date September 4, 2026 before the issue date of this report)

DIRECTOR RESIGNED INCLUDING HIS/HER RESPECTIVE DUTY IN THE SPECIAL COMMITTEE

Huang Rongshun	<i>Executive Director, Member of the Strategy Committee</i> (appointed on August 5, 2021, resigned on April 13, 2026)
Sun Yuquan	<i>Non-executive Director, Member of the Strategy Committee</i> (appointed on January 25, 2024, resigned on June 11, 2026)
Qu Guangji	<i>Non-executive Director, Member of the Strategy Committee</i> (appointed on January 25, 2024, resigned on June 26, 2026)
Liang Shuang	<i>Employee Representative Director</i> (appointed on January 23, 2025, resigned on June 26, 2026)

SENIOR MANAGEMENT

Liu Xianqing	<i>Chief Accountant</i> (appointed on September 29, 2024)
Li Jinsong	<i>Vice General Manager</i> (appointed on November 14, 2016)
Liang Haifeng	<i>Vice General Manager</i> (appointed on August 27, 2020)
Du Xiaoming	<i>Vice General Manager</i> (appointed on June 4, 2025)
Yu Bo	<i>Vice General Manager</i> (appointed on June 4, 2025)
Yu Xiaochun	<i>Secretary to the Board</i> (Company Secretary, appointed on March 16, 2010)

SENIOR MANAGEMENT RESIGNED

Huang Rongshun	<i>General Manager</i> (appointed on September 29, 2024, resigned on March 20, 2026)
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REGISTERED ADDRESS

Room A2912, Building 5, Yuhang Road No.8 Yard, Shunyi District
Beijing 101300, PRC

PLACE OF BUSINESS IN HONG KONG

Room 2201-05, 22/F., China Resources Building
26 Harbour Road, Wanchai
Hong Kong

PLACE OF LISTING

The Stock Exchange of Hong Kong Limited
Stock Code: 00696

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-16, 17/F, Hopewell Centre
183 Queen's Road East, Wanchai, Hong Kong

CORPORATE INFORMATION

(As of the latest practicable date September 4, 2026 before the issue date of this report)

DEPOSITARY OF SPONSORED LEVEL I AMERICAN DEPOSITARY RECEIPT PROGRAMME

The Bank of New York Mellon

Shareholder correspondence:

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Overnight Correspondence:

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AUDITOR

WUYIGE Certified Public Accountants LLP
22/F, Xueyuan International Building,
No.1 Zhichun Road,
Haidian District, Beijing 100083,
PRC

According to the Financial Reporting Council Ordinance (Cap 588) of Hong Kong effective on October 1, 2019, WUYIGE Certified Public Accountants LLP engaged by the Company is a recognised PRC auditor.

LEGAL ADVISERS

As to Hong Kong law:

Baker & McKenzie
14th Floor, One Taikoo Place,
979 King's Road, Quarry Bay, Hong Kong

As to the PRC law:

Commerce & Finance Law Offices
12-14/F, China World Tower 2,
No.1 Jianguomenwai Avenue, Beijing,
PRC

CORPORATE INFORMATION

(As of the latest practicable date September 4, 2026 before the issue date of this report)

CONTACT DETAILS FOR INVESTORS

Beijing:	Board office	HK:	Public Relations Consultant
Postal address:	TravelSky High-Tech Industrial Park, Houshayu Town, Shunyi District, Beijing 101300, PRC		Ever Bloom (HK) Communications Consultants Group Limited 10/F, 80 Gloucester Road, Wanchai, Hong Kong
Telephone:	(8610) 5765 0696	Tel:	852-3468 8640
Facsimile:	(8610) 5765 0695	Fax:	852-2111 1103
Email:	ir@travelsky.com.cn	Email:	travelsky.list@everbloom.com.cn
Website:	www.travelskyir.com		

COMPANY'S WEBSITES

Website of consolidated information of the Company:

www.travelsky.cn

Website established in accordance with Rule 2.07C(6)(a) of the Listing Rules:

www.travelskyir.com

You may obtain the English and Chinese versions of the financial reports, announcements, circulars, operation data and results presentation of the Company through this website.



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