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中國國際航空股份有限公司
AIR CHINA LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00753)

FIRST QUARTERLY REPORT OF 2022

This announcement is made pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors (the “**Board**”) of Air China Limited (the “**Company**”) held a meeting of the Board on 28 April 2022 and passed the resolution approving the first quarterly report of 2022 of the Company for the period ended 31 March 2022 (the “**Reporting Period**” or “**Period**”) prepared in accordance with the PRC Accounting Standards for Business Enterprises.

IMPORTANT NOTICE

The Board and the supervisory committee of the Company together with the directors, supervisors and the senior management of the Company guarantee that the contents of the quarterly report are true, accurate and complete and do not contain any false representation, misleading statement or material omission, and shall jointly and severally accept legal liability.

The person in charge of the Company, person in charge of accounting function and person in charge of accounting department (accounting superintendent) hereby guarantee that the financial statements set out in this quarterly report are true, accurate and complete.

Whether the first quarterly report of the Company is audited

Yes No

I. MAJOR FINANCIAL DATA

(1) MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS

Unit: RMB'000

| Items | During the Reporting Period | | Increase/decrease as compared to the same period of the previous year (%) |
|--|------------------------------------|---------------------------------|--|
| | At the end of the Reporting Period | At the end of the previous year | Increase/decrease at the end of the Reporting Period as compared to the end of the previous year (%) |
| Revenue | 12,917,577 | | -11.41 |
| Net profit attributable to shareholders of the listed company | -8,899,923 | | N/A |
| Net profit attributable to shareholders of the listed company after deducting non-recurring profits and losses | -8,962,346 | | N/A |
| Net cash flows from operating activities | -7,658,829 | | N/A |
| Basic earnings per share (RMB per share) | -0.65 | | N/A |
| Diluted earnings per share (RMB per share) | N/A | | N/A |
| Weighted average return on net assets (%) | -15.64 | 7.31 | Decreased by percentage points |
| Total assets | 293,138,034 | 298,415,152 | -1.77 |
| Owners' equity attributable to shareholders of the listed company | 52,375,762 | 61,402,519 | -14.70 |

(2) **Items and amount of non-recurring profits and losses**

Unit: RMB'000

| Items | Amount for the Period |
|---|------------------------------|
| Gains or losses on disposal of non-current assets | -4,081 |
| Government subsidies recorded in the income statement for the current period (excluding those closely related to the Company's normal business and continuously entitled to in fixed amounts or quotas in accordance with the requirements of the state policy) | 73,932 |
| Gain or loss from change in fair value by holding tradable financial assets, derivative financial assets, tradable financial liabilities and derivative financial liabilities, and investment income from disposal of tradable financial assets, derivative financial assets, tradable financial liabilities and derivative financial liabilities as well as other debt investments, excluding the effective hedging businesses related with the normal operations of the Company | -657 |
| Switch-back of impairment provisions of accounts receivable and contract assets that have undergone impairment test alone | 2,892 |
| Other non-operating income and expenses besides the above items | 14,539 |
| Less: Effect of income tax | 13,589 |
| Effect of non-controlling interests (after tax) | <u>10,613</u> |
| Total | <u><u>62,423</u></u> |

Explanation of non-recurring profits and losses items listed in the “Interpretative Announcement for Information Disclosure of Companies That Issue Securities to the Public No.1 – Non-recurring Profits and Losses” (《公開發行證券的公司信息披露解釋性公告第1號－非經常性損益》) which are defined as recurring profits and losses items

Applicable Not applicable

(3) Particulars of, and reasons for, changes in major accounting data and financial indicators

Applicable Not applicable

| Items | Percentage of Change (%) | Major Reasons |
|--|--------------------------|---|
| Net profit attributable to shareholders of the listed company | N/A | Mainly due to the combined effects of the domestic sporadic outbreak of the pandemic and the rising aviation fuel price |
| Net profit attributable to shareholders of the listed company after deducting non-recurring profits and losses | N/A | Mainly due to the combined effects of the domestic sporadic outbreak of the pandemic and the rising aviation fuel price |
| Net cash flows from operating activities | N/A | Mainly due to the effect of the decrease of deposits received by the finance company under the Group during the Period |
| Basic earnings per share (RMB per share) | N/A | Mainly due to the combined effects of the domestic sporadic outbreak of the pandemic and the rising aviation fuel price |

II. INFORMATION OF SHAREHOLDERS

(1) Total number of holders of ordinary shares, the number of holders of preference shares with restored voting rights and the particulars of the top 10 shareholders

Unit: share

| | | | |
|--|---|--|---|
| Total number of holders of ordinary shares as at the end of the Reporting Period | 111,662 accounts, of which 3,022 were registered shareholders of H shares | Total number of holders of preference shares with restored voting rights as at the end of the Reporting Period (account, if any) | / |
|--|---|--|---|

Particulars of the top 10 shareholders

| Name of shareholder | Nature of shareholder | Number of shares held | Shareholding percentage (%) | Number of shares held subject to selling restrictions | Shares pledged, marked or frozen Status | Number |
|---|--------------------------|-----------------------|-----------------------------|---|---|-------------|
| China National Aviation Holding Corporation Limited | State-owned legal person | 5,952,236,697 | 40.98 | 0 | Frozen | 127,445,536 |
| Cathay Pacific Airways Limited | Foreign legal person | 2,633,725,455 | 18.13 | 0 | Nil | 0 |
| HKSCC NOMINEES LIMITED | Foreign legal person | 1,688,204,365 | 11.62 | 0 | Nil | 0 |
| China National Aviation Corporation (Group) Limited | Foreign legal person | 1,556,334,920 | 10.72 | 0 | Frozen | 36,454,464 |

Particulars of the top 10 shareholders

| Name of shareholder | Nature of shareholder | Number of shares held | Shareholding percentage (%) | Number of shares held subject to selling restrictions | Shares pledged, marked or frozen Status | Number |
|---|---------------------------------------|-----------------------|-----------------------------|---|---|--------|
| China National Aviation Fuel Group Corporation | State-owned legal person | 324,541,025 | 2.23 | 0 | Nil | 0 |
| China Securities Finance Corporation Limited | State-owned legal person | 311,302,365 | 2.14 | 0 | Nil | 0 |
| Hong Kong Securities Clearing Company Ltd. | Foreign legal person | 82,153,262 | 0.57 | 0 | Nil | 0 |
| Agricultural Bank of China Limited – GF Balanced Preferred Hybrid Securities Investment Fund (中國農業銀行股份有限公司-廣發均衡優選混合型證券投資基金) | Domestic non-state-owned legal person | 58,402,229 | 0.40 | 0 | Nil | 0 |
| Bank of China – YFD Stable Income Bond Investment Fund (中國銀行-易方達穩健收益債券型證券投資基金) | Domestic non-state-owned legal person | 42,570,400 | 0.29 | 0 | Nil | 0 |
| Industrial Bank Co., Ltd. – GF Stable Preferred Six-Month Holding Period Hybrid Securities Investment Fund (興業銀行股份有限公司-廣發穩健優選六個月持有期混合型證券投資基金) | Domestic non-state-owned legal person | 32,184,214 | 0.22 | 0 | Nil | 0 |

Particulars of the top 10 shareholders not subject to selling restrictions

| Name of shareholder | Number of tradable shares held not subject to selling restrictions | Class and number of shares Class | Number |
|---|---|---|------------------------------|
| China National Aviation Holding Corporation Limited | 5,952,236,697 | RMB ordinary shares | 5,952,236,697 |
| Cathay Pacific Airways Limited | 2,633,725,455 | Overseas listed foreign shares | 2,633,725,455 |
| HKSCC NOMINEES LIMITED | 1,688,204,365 | Overseas listed foreign shares | 1,688,204,365 |
| China National Aviation Corporation (Group) Limited | 1,556,334,920 | RMB ordinary shares Overseas listed foreign shares | 1,332,482,920 223,852,000 |
| China National Aviation Fuel Group Corporation | 324,541,025 | RMB ordinary shares | 324,541,025 |
| China Securities Finance Corporation Limited | 311,302,365 | RMB ordinary shares | 311,302,365 |
| Hong Kong Securities Clearing Company Ltd. | 82,153,262 | RMB ordinary shares | 82,153,262 |
| Agricultural Bank of China Limited – GF Balanced Preferred Hybrid Securities Investment Fund (中國農業銀行股份有限公司-廣發均衡優選混合型證券投資基金) | 58,402,229 | RMB ordinary shares | 58,402,229 |
| Bank of China – YFD Stable Income Bond Investment Fund (中國銀行-易方達穩健收益債券型證券投資基金) | 42,570,400 | RMB ordinary shares | 42,570,400 |
| Industrial Bank Co., Ltd. – GF Stable Preferred Six-Month Holding Period Hybrid Securities Investment Fund (興業銀行股份有限公司-廣發穩健優選六個月持有期混合型證券投資基金) | 32,184,214 | RMB ordinary shares | 32,184,214 |
| Explanation on connected relationship or action in concert among the above shareholders | China National Aviation Corporation (Group) Limited is a wholly-owned subsidiary of China National Aviation Holding Corporation Limited. Accordingly, China National Aviation Holding Corporation Limited is directly and indirectly interested in 51.70% of the shares of the Company. | | |
| Explanation on the participation of the top 10 shareholders and the top 10 shareholders not subject to selling restrictions in margin financing and securities lending as well as margin and securities refinancing business (if any) | Nil | | |

1. HKSCC NOMINEES LIMITED is a subsidiary of The Stock Exchange of Hong Kong Limited and its principal business is acting as nominee for and on behalf of other corporate shareholders or individual shareholders. The 1,688,204,365 H shares held by it in the Company do not include the 166,852,000 shares held by it as nominee of China National Aviation Corporation (Group) Limited.
2. According to the “Implementation Measures on Partial Transfer of State-owned Shares to the National Social Security Fund in the Domestic Securities Market” (Cai Qi [2009] No. 94) (《境內證券市場轉持部分國有股充實全國社會保障基金實施辦法》(財企[2009]94號)) and the Notice ([2009] No. 63) jointly issued by the Ministry of Finance, the SASAC, China Securities Regulatory Commission and the National Council for Social Security Fund, 127,445,536 and 36,454,464 shares held by China National Aviation Holding Corporation Limited, the controlling shareholder of the Company, and China National Aviation Corporation (Group) Limited respectively are frozen at present.

III. OTHER ALERTS

Other important information that needs to be brought to the attention of investors regarding the Company’s operations during the Reporting Period

Applicable Not applicable

IV. QUARTERLY FINANCIAL STATEMENTS

(1) Type of audit opinion

Applicable Not applicable

(2) **Financial statements**

CONSOLIDATED BALANCE SHEET

31 March 2022

Prepared by Air China Limited

Unit: RMB'000 (Unaudited)

| Items | 31 March 2022 | 31 December 2021 |
|--------------------------------------|--------------------------|-----------------------------|
| CURRENT ASSETS: | | |
| Cash and bank balance | 11,953,983 | 16,709,664 |
| Provisions on payables | | |
| Contributions made | | |
| Financial assets held-for-trading | 3,500 | 4,157 |
| Derivative financial assets | | |
| Bills receivable | 1,193 | 3,591 |
| Accounts receivable | 1,565,549 | 2,991,037 |
| Receivables financing | | |
| Prepayments | 598,670 | 440,274 |
| Premium receivable | | |
| Receivables on reinsurance | | |
| Provisions for reinsurance contracts | | |
| Other receivables | 3,466,217 | 3,191,247 |
| Including: Interest receivable | | |
| Dividend receivable | | |
| Purchase of financial assets resold | | |
| Inventories | 2,611,116 | 2,050,282 |
| Contract assets | | |
| Held-for-sale assets | 111,502 | 333,884 |
| Non-current assets due within a year | | |
| Other current assets | 5,703,688 | 4,672,592 |
| Total current assets | 26,015,418 | 30,396,728 |

| Items | 31 March 2022 | 31 December 2021 |
|---|------------------|---------------------|
| NON-CURRENT ASSETS: | | |
| Loans and advances | | |
| Debt investments | | |
| Other debt investments | 1,329,109 | 1,373,634 |
| Long-term receivables | 552,506 | 574,646 |
| Long-term equity investments | 11,125,478 | 12,081,091 |
| Investments in other equity instruments | 157,396 | 178,366 |
| Other non-current financial assets | | |
| Investment properties | 127,210 | 128,782 |
| Fixed assets | 83,721,874 | 85,009,447 |
| Construction in progress | 33,915,102 | 34,862,651 |
| Biological assets for production | | |
| Oil and gas assets | | |
| Right-of-use assets | 121,067,139 | 119,213,535 |
| Intangible assets | 3,502,815 | 3,544,175 |
| Development expenses | | |
| Goodwill | 1,102,185 | 1,102,185 |
| Long-term deferred expenses | 234,267 | 249,358 |
| Deferred tax assets | 10,287,535 | 9,700,554 |
| Other non-current assets | | |
| Total non-current assets | 267,122,616 | 268,018,424 |
| Total assets | 293,138,034 | 298,415,152 |
| CURRENT LIABILITIES: | | |
| Short-term loans | 19,442,120 | 22,001,916 |
| Short-term financing bonds payable | 11,880,363 | 12,332,635 |
| Borrowings from central bank | | |
| Contributions received | | |
| Financial liabilities held-for-trading | | |
| Derivative financial liabilities | | |
| Bills payable | 377,793 | 199,276 |
| Accounts payable | 14,405,302 | 13,307,360 |
| Air traffic liabilities | 1,926,792 | 2,116,028 |
| Receipts in advance | | |
| Contract liabilities | 1,705,498 | 1,479,717 |
| Sale of financial assets repurchased | | |
| Deposits from clients and placements from other banks | | |
| Brokerage payable | | |
| Underwriting fees payable | | |
| Employee compensations payable | 2,776,794 | 3,502,384 |
| Taxes payable | 138,485 | 166,085 |
| Other payables | 16,195,803 | 17,239,846 |
| Including: Interest payable | | |
| Dividend payable | | |
| Fees and commissions payable | | |
| Amounts payable on reinsurance | | |
| Held-for-sale liabilities | | |
| Non-current liabilities due within a year | 24,080,838 | 19,070,477 |
| Other current liabilities | | |
| Total current liabilities | 92,929,788 | 91,415,724 |

| Items | 31 March 2022 | 31 December 2021 |
|--|------------------|---------------------|
| NON-CURRENT LIABILITIES: | | |
| Reserves on insurance contracts | | |
| Long-term loans | 48,114,323 | 43,620,468 |
| Debentures payable | 7,492,253 | 9,499,579 |
| Including: Preference shares | | |
| Perpetual bonds | | |
| Lease liabilities | 77,056,885 | 76,347,051 |
| Long-term payables | 5,749,470 | 5,656,909 |
| Long-term employee compensation payables | 220,736 | 218,336 |
| Accrued liabilities | 3,136,799 | 3,147,357 |
| Deferred income | 533,592 | 544,383 |
| Deferred tax liabilities | 326,954 | 328,063 |
| Other non-current liabilities | 1,721,906 | 1,772,209 |
| Total non-current liabilities | 144,352,918 | 141,134,355 |
| Total liabilities | 237,282,706 | 232,550,079 |
| OWNERS' EQUITY | | |
| (OR SHAREHOLDERS' EQUITY): | | |
| Paid-up capital (or share capital) | 14,524,815 | 14,524,815 |
| Other equity instruments | | |
| Including: Preference shares | | |
| Perpetual bonds | | |
| Capital reserve | 26,270,841 | 26,270,841 |
| Less: Treasury shares | | |
| Other comprehensive income | -532,143 | -405,309 |
| Special reserves | | |
| Surplus reserves | 11,564,287 | 11,564,287 |
| General risk provisions | 131,916 | 131,916 |
| Retained earnings | 416,046 | 9,315,969 |
| Total owners' equity (or shareholders' equity) | | |
| attributable to the parent company | 52,375,762 | 61,402,519 |
| Non-controlling interests | 3,479,566 | 4,462,554 |
| Total owners' equity (or shareholders' equity) | 55,855,328 | 65,865,073 |
| Total liabilities and owners' equity | | |
| (or shareholders' equity) | 293,138,034 | 298,415,152 |

Person in charge of the Company: Mr. Song Zhiyong

Person in charge of accounting function: Mr. Xiao Feng

Person in charge of accounting department: Mr. Zhan Zhong

CONSOLIDATED INCOME STATEMENT

January to March 2022

Prepared by Air China Limited

Unit: RMB'000 (Unaudited)

| Items | First quarter of 2022 | First quarter of 2021 |
|--|-----------------------|-----------------------|
| I. Total revenue from operations | 12,917,577 | 14,580,678 |
| Including: Operating income | 12,917,577 | 14,580,678 |
| Interest income | | |
| Premium earned | | |
| Fees and commission income | | |
| II. Total operating cost | 23,144,688 | 23,098,558 |
| Including: Operating costs | 19,688,533 | 19,241,297 |
| Interest expenses | | |
| Fees and commission expenses | | |
| Returned premium | | |
| Net reimbursement paid | | |
| Net amounts of provisions on insurance obligations drawn | | |
| Bonus paid on insurance policy | | |
| Reinsurance premium | | |
| Taxes and other levies | 52,195 | 58,856 |
| Selling expenses | 1,048,349 | 1,095,861 |
| General and administrative expenses | 1,066,408 | 1,056,567 |
| R&D expenses | 38,099 | 30,249 |
| Finance expenses | 1,251,104 | 1,615,728 |
| Including: Interest expenses | 1,500,782 | 1,313,417 |
| Interest income | 29,366 | 8,188 |
| Add: Other income | 613,591 | 913,601 |
| Investment income (loss is represented by “-” sign) | -842,440 | -1,047,673 |
| Including: Share of profits of associates and joint ventures | -853,876 | -1,062,546 |
| Gains on derecognition of financial assets measured at amortised cost | | |
| Exchange gains (loss is represented by “-” sign) | | |
| Gains from net exposure to hedging (loss is represented by “-” sign) | | |
| Gains from changes in fair value (loss is represented by “-” sign) | -657 | |
| Impairment loss of credit (loss is represented by “-” sign) | 4,948 | -5,228 |
| Impairment loss of assets (loss is represented by “-” sign) | | |
| Gains from disposal of assets (loss is represented by “-” sign) | 1,193 | -914 |

| Items | First quarter of 2022 | First quarter of 2021 |
|--|-----------------------|-----------------------|
| III. Profit from operations (loss is represented by “-” sign) | -10,450,476 | -8,658,094 |
| Add: Non-operating income | 27,255 | 27,204 |
| Less: Non-operating expenses | 17,989 | 7,119 |
| IV. Total profit (total loss is represented by “-” sign) | -10,441,210 | -8,638,009 |
| Less: Income tax expenses | -569,551 | -1,690,959 |
| V. Net profit (net loss is represented by “-” sign) | -9,871,659 | -6,947,050 |
| (I) Classified by continuity of operations | | |
| 1. Net profit from continuing operations (net loss is represented by “-” sign) | -9,871,659 | -6,947,050 |
| 2. Net profit from discontinued operation (net loss is represented by “-” sign) | | |
| (II) Classified by ownership | | |
| 1. Net profits attributable to shareholders of the parent company (net loss is represented by “-” sign) | -8,899,923 | -6,207,790 |
| 2. Profit or loss attributable to non-controlling interests (net loss is represented by “-” sign) | -971,736 | -739,260 |
| VI. Other comprehensive income after tax, net | -138,086 | 82,705 |
| (I) Other comprehensive income after tax attributable to owners of the parent company, net | -126,834 | 89,375 |
| 1. Other comprehensive income that cannot be subsequently reclassified to profit or loss | -8,021 | -1,854 |
| (1) Changes arising on remeasurement of defined benefit plans | | |
| (2) Other comprehensive income accounted for using the equity method that cannot be reclassified to profit or loss | | |
| (3) Change in fair value of investments in other equity instruments | -8,021 | -1,854 |
| (4) Change in fair value of own credit risk of the Company | | |
| 2. Other comprehensive income that will be reclassified to profit or loss | -118,813 | 91,229 |
| (1) Other comprehensive income accounted for using the equity method that may be reclassified to profit or loss | | |
| (2) Change in fair value of other debt investments | | -1,945 |
| (3) Amount of financial assets reclassified into other comprehensive income | | |
| (4) Provisions for credit impairment of other debt investments | | -2,387 |
| (5) Reserve for cash flow hedging | | |
| (6) Exchange difference on translation of financial statements in foreign currency | -118,813 | 95,561 |
| (7) Others | | |
| (II) Other comprehensive income after tax attributable to non-controlling interests, net | -11,252 | -6,670 |

| Items | First quarter of 2022 | First quarter of 2021 |
|---|-----------------------|-----------------------|
| VII. Total comprehensive income | -10,009,745 | -6,864,345 |
| (I) Total comprehensive income attributable to owners of the parent company | -9,026,757 | -6,118,415 |
| (II) Total comprehensive income attributable to non-controlling interests | -982,988 | -745,930 |
| VIII. Earnings per share: | | |
| (I) Basic earnings per share (RMB per share) | -0.65 | -0.45 |
| (II) Diluted earnings per share (RMB per share) | N/A | N/A |

For business combination under common control during the Period, the net profit of merged party before the business combination is Nil, and the net profit of the merged party for the last period is Nil.

Person in charge of the Company: Mr. Song Zhiyong
Person in charge of accounting function: Mr. Xiao Feng
Person in charge of accounting department: Mr. Zhan Zhong

CONSOLIDATED CASH FLOW STATEMENT

January to March 2022

Prepared by Air China Limited

Unit: RMB'000 (Unaudited)

| Items | First quarter of 2022 | First quarter of 2021 |
|--|--------------------------|--------------------------|
| I. Cash flows from operating activities: | | |
| Cash received from sales of goods and provision of services | 14,657,731 | 14,380,541 |
| Net increase in deposits from clients and placements from banks | | |
| Net increase in borrowings from central bank | | |
| Net increase in contributions received from other financial institutions | | |
| Cash received from premiums of original insurance contracts | | |
| Net cash receipt from reinsurance operations | | |
| Net increase in reserve of the insured and investment | | |
| Cash received from interest, fees and commission | | |
| Net increase in contributions received | | |
| Net increase in cash from repurchase operations | | |
| Net cash receipt from securities trading as agent | | |
| Refund of taxes and levies | 9,761 | 4,636 |
| Other cash received relating to operating activities | 1,204,029 | 1,624,412 |
| Subtotal of cash inflows of operating activities | 15,871,521 | 16,009,589 |
| Cash paid for goods purchased and services received | 9,480,709 | 8,587,763 |
| Net increase in loans and advances to clients | | |
| Net increase in deposits in central bank and other banks | | |
| Cash paid in respect of claims under original insurance contracts | | |
| Net increase in contributions made | | |
| Cash paid for interest, fees and commissions | | |
| Cash paid for bonus paid on insurance policy | | |
| Cash paid to or on behalf of employees | 6,550,937 | 6,584,075 |
| Taxes and levies paid | 236,815 | 266,475 |
| Other cash paid relating to operating activities | 7,261,889 | 1,825,572 |
| Subtotal of cash outflows from operating activities | 23,530,350 | 17,263,885 |
| Net cash flows from operating activities | -7,658,829 | -1,254,296 |

| Items | First quarter of 2022 | First quarter of 2021 |
|--|--------------------------|--------------------------|
| II. Cash flows from investing activities: | | |
| Cash received from sale and redemption of investments | 30,061 | 722,905 |
| Cash received from investment income | 22,064 | 291 |
| Net cash proceeds from disposal of fixed assets, intangible assets and other long-term assets | 233,921 | 8,251 |
| Net cash proceeds from disposal of subsidiaries and other business units | | |
| Other cash received relating to investing activities | 76,675 | 31,118 |
| Subtotal of cash inflows from investing activities | 362,721 | 762,565 |
| Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets | 1,466,844 | 562,481 |
| Cash paid for investments | 794,343 | 50,000 |
| Net increase in secured loans | | |
| Net cash payments for acquisition of subsidiaries and other business units | | |
| Other cash paid relating to investing activities | 1,554 | 6,758 |
| Subtotal of cash outflows from investing activities | 2,262,741 | 619,239 |
| Net cash flows from investing activities | -1,900,020 | 143,326 |
| III. Cash flows from financing activities: | | |
| Cash received from issuance of debentures | 5,750,000 | 700,000 |
| Cash received from capital injection | | 490,148 |
| Including: Cash received from capital injection of non-controlling shareholders in subsidiaries | | 490,148 |
| Cash received from borrowings | 15,029,966 | 13,650,876 |
| Other cash received relating to financing activities | | |
| Subtotal of cash inflows from financing activities | 20,779,966 | 14,841,024 |
| Cash paid for repayment of borrowings | 7,581,824 | 4,219,254 |
| Cash paid for repayment of debentures | 3,250,000 | 1,000,000 |
| Cash paid for distribution of dividends, profits or payment of interest expenses | 1,588,383 | 1,564,579 |
| Including: Dividends and profits paid to non-controlling shareholders by subsidiaries | | |
| Other cash paid relating to financing activities | 3,516,104 | 3,616,317 |
| Subtotal of cash outflows from financing activities | 15,936,311 | 10,400,150 |
| Net cash flows from financing activities | 4,843,655 | 4,440,874 |

| Items | First quarter of 2022 | First quarter of 2021 |
|--|--------------------------|--------------------------|
| IV. Effect of exchange rate changes on cash and cash equivalents | -7,693 | 23,666 |
| V. Net increase in cash and cash equivalents | -4,722,887 | 3,353,570 |
| Add: Balance of cash and cash equivalents as at the beginning of the Period | 15,934,713 | 5,837,998 |
| VI. Balance of cash and cash equivalents as at the end of the Period | 11,211,826 | 9,191,568 |

Person in charge of the Company: Mr. Song Zhiyong
Person in charge of accounting function: Mr. Xiao Feng
Person in charge of accounting department: Mr. Zhan Zhong

Particulars in relation to adjustments made to the financial statements as at the beginning of the year for the initial implementation of New Accounting Standards since 2022

Applicable Not applicable

By Order of the Board
Air China Limited
Huang Bin Huen Ho Yin
Joint Company Secretaries

Beijing, the PRC, 28 April 2022

As at the date of this announcement, the directors of the Company are Mr. Song Zhiyong, Mr. Ma Chongxian, Mr. Feng Gang, Mr. Patrick Healy, Mr. Li Fushen, Mr. He Yun*, Mr. Xu Junxin* and Ms. Winnie Tam Wan-chi*.*

* *Independent non-executive director of the Company*