



# Summary of Accounting and Business Data

(Prepared in accordance with PRC Accounting Standards)

## Profit for the year ended 31 December 2019

(RMB Million)

|                                   |        |
|-----------------------------------|--------|
| Net profit                        | 3,483  |
| Income from main operations, net  | 12,566 |
| Income from other operations, net | 1,094  |
| Income from investments           | 368    |
| Non-operating income, net         | 838    |

## Major Accounting Data & Financial Indicators

(RMB Million)

|   | 2018    | 2019    |
|---|---------|---------|
| 1. Operation revenue  | 114,930 | 120,860 |
| 2. Net profit attributable to the equity holders of the Company             | 2,709   | 3,195   |
| 3. Total assets   | 236,765 | 282,936 |
| 4. Shareholders' equity   | 59,352  | 70,397  |
| 5. Earnings per share (RMB)   | 0.19    | 0.21    |
| 6. Equity attributable to the equity holders of the Company per share (RMB) | 3.85    | 4.08    |

Note:

- Calculation of major financial indicators:  
Earnings per share = profit attributable to the equity holders of the Company ÷ weighted average number of ordinary shares outstanding in issue during the year  
Equity attributable to the equity holders of the Company per share = equity attributable to the equity holders of the Company at the end of the year ÷ number of ordinary shares outstanding at the end of the year



## Summary of Major Operating Data

|  | As at 31 December |            |          |
|--|-------------------|------------|----------|
|  | 2019              | 2018       | Change   |
| <b>Passenger transportation data</b>                     |                   |            |          |
| <b>ASK (available seat – kilometres) (millions)</b>      | <b>270,254.00</b> | 244,841.00 | 10.38%   |
| – Domestic routes  | <b>171,684.04</b> | 154,059.34 | 11.44%   |
| – International routes                                   | <b>92,162.42</b>  | 84,408.13  | 9.19%    |
| – Regional routes  | <b>6,407.53</b>   | 6,373.52   | 0.53%    |
| <b>RPK (revenue passenger – kilometres) (millions)</b>   | <b>221,779.11</b> | 201,485.95 | 10.07%   |
| – Domestic routes  | <b>142,921.41</b> | 128,906.39 | 10.87%   |
| – International routes                                   | <b>73,811.75</b>  | 67,290.26  | 9.69%    |
| – Regional routes  | <b>5,045.95</b>   | 5,289.30   | -4.60%   |
| <b>Number of passengers carried (thousands)</b>          | <b>130,297.36</b> | 121,199.70 | 7.51%    |
| – Domestic routes  | <b>109,006.37</b> | 101,226.48 | 7.69%    |
| – International routes                                   | <b>17,581.34</b>  | 16,104.28  | 9.17%    |
| – Regional routes  | <b>3,709.64</b>   | 3,868.94   | -4.12%   |
| <b>Passenger load factor (%)</b>                         | <b>82.06</b>      | 82.29      | -0.23pts |
| – Domestic routes  | <b>83.25</b>      | 83.67      | -0.43pts |
| – International routes                                   | <b>80.09</b>      | 79.72      | 0.37pts  |
| – Regional routes  | <b>78.75</b>      | 82.99      | -4.24pts |
| <b>Passenger – kilometres yield (RMB)<sup>Note</sup></b> | <b>0.522</b>      | 0.540      | -3.33%   |
| – Domestic routes  | <b>0.540</b>      | 0.561      | -3.74%   |
| – International routes                                   | <b>0.474</b>      | 0.486      | -2.47%   |
| – Regional routes  | <b>0.744</b>      | 0.730      | 1.92%    |



## Summary of Major Operating Data

|   | As at 31 December |          |         |
|---|-------------------|----------|---------|
|   | 2019              | 2018     | Change  |
| <b>Freight transportation data</b>                            |                   |          |         |
| <b>AFTK (available freight tonne – kilometres) (millions)</b> | <b>9,132.69</b>   | 7,900.78 | 15.59%  |
| – Domestic routes   | <b>3,215.85</b>   | 2,740.72 | 17.34%  |
| – International routes  | <b>5,727.63</b>   | 4,968.72 | 15.27%  |
| – Regional routes   | <b>189.21</b>     | 191.34   | -1.11%  |
| <b>RFTK (revenue freight tonne – kilometres) (millions)</b>   | <b>2,971.40</b>   | 2,588.34 | 14.80%  |
| – Domestic routes   | <b>951.33</b>     | 886.08   | 7.36%   |
| – International routes  | <b>1,991.28</b>   | 1,667.08 | 19.45%  |
| – Regional routes   | <b>28.78</b>      | 35.19    | -18.22% |
| <b>Weight of freight carried (million kg)</b>                 | <b>976.57</b>     | 915.12   | 6.71%   |
| – Domestic routes   | <b>672.62</b>     | 644.89   | 4.30%   |
| – International routes  | <b>279.44</b>     | 240.00   | 16.43%  |
| – Regional routes   | <b>24.51</b>      | 30.23    | -18.92% |
| <b>Freight tonne – kilometres yield (RMB)<sup>Note</sup></b>  | <b>1.288</b>      | 1.401    | -8.07%  |
| – Domestic routes   | <b>1.048</b>      | 1.116    | -6.09%  |
| – International routes  | <b>1.340</b>      | 1.465    | -8.53%  |
| – Regional routes   | <b>5.558</b>      | 5.570    | -0.20%  |

## Summary of Major Operating Data

|  | As at 31 December |           |          |
|--|-------------------|-----------|----------|
|  | 2019              | 2018      | Change   |
| <b>Consolidated data</b>                                     |                   |           |          |
| <b>ATK (available tonne – kilometres) (millions)</b>         | <b>33,455.55</b>  | 29,936.47 | 11.76%   |
| – Domestic routes  | <b>18,667.41</b>  | 16,606.06 | 12.41%   |
| – International routes                                       | <b>14,022.25</b>  | 12,565.46 | 11.59%   |
| – Regional routes  | <b>765.88</b>     | 764.96    | 0.12%    |
| <b>RTK (revenue tonne – kilometres) (millions)</b>           | <b>22,518.00</b>  | 20,358.36 | 10.61%   |
| – Domestic routes  | <b>13,559.38</b>  | 12,267.28 | 10.53%   |
| – International routes                                       | <b>8,485.44</b>   | 7,590.43  | 11.79%   |
| – Regional routes  | <b>473.19</b>     | 500.65    | -5.48%   |
| <b>Overall load factor (%)</b>                               | <b>67.31</b>      | 68.01     | 0.70pts  |
| – Domestic routes  | <b>72.64</b>      | 73.87     | -1.24pts |
| – International routes                                       | <b>60.51</b>      | 60.41     | 0.11pts  |
| – Regional routes  | <b>61.78</b>      | 65.45     | -3.66pts |
| <b>Revenue tonne – kilometres yield (RMB)<sup>Note</sup></b> | <b>5.315</b>      | 5.525     | -3.80%   |
| – Domestic routes  | <b>5.761</b>      | 5.971     | -3.52%   |
| – International routes                                       | <b>4.436</b>      | 4.632     | -4.23%   |
| – Regional routes  | <b>8.272</b>      | 8.105     | 2.06%    |

### Notes:

1. In calculating unit revenue index, the relevant revenue includes incomes generated from co-operation routes and fuel surcharge.
2. The Group had presented unit revenue excluding fuel surcharge in prior years. However, the Group no longer includes unit revenue excluding fuel surcharge separately because the current fuel surcharge accounts for a small proportion of revenue and has a small impact on unit revenue index.



# Fleet Structure

The Group has been continuously practicing the vision of green development and optimising its fleet structure in recent years. In 2019, the Group introduced a total of 44 aircraft of major models and a total of one aircraft retired. With the introduction of new aircraft, such as A350-900, B787-9 and A320NEO, the Group's fleet age structure still continues to remain young.

As at 31 December 2019, the Group operated a fleet of 734 aircraft, which included 723 passenger aircraft and 11 business aircraft held under trust.

## Fleet structure as at 31 December 2019

(Units)

| No.   | Model                      | Self-owned | Under<br>finance lease | Under<br>operating<br>lease | Sub-total  | Average fleet<br>age (Years) |
|---|----------------------------|------------|------------------------|-----------------------------|------------|------------------------------|
| 1   | B777-300ER                 | 10         | 10                     | 0                           | 20         | 3.9                          |
| 2   | B787-9                     | 3          | 7                      | 0                           | 10         | 0.9                          |
| 3   | A350-900                   | 1          | 6                      | 0                           | 7          | 0.8                          |
| 4   | A330-300                   | 7          | 14                     | 5                           | 26         | 5.4                          |
| 5   | A330-200                   | 17         | 13                     | 0                           | 30         | 6.6                          |
| <b>Total number of wide-body aircraft</b>                 |                            | <b>38</b>  | <b>50</b>              | <b>5</b>                    | <b>93</b>  | <b>4.6</b>                   |
| 6   | A321                       | 44         | 33                     | 0                           | 77         | 6.4                          |
| 7   | A320                       | 69         | 45                     | 66                          | 180        | 9.0                          |
| 8   | A319                       | 17         | 16                     | 2                           | 35         | 6.7                          |
| 9   | A320NEO                    | 6          | 30                     | 0                           | 36         | 0.8                          |
| 10  | B737-800                   | 49         | 67                     | 117                         | 233        | 5.0                          |
| 11  | B737-700                   | 36         | 9                      | 10                          | 55         | 10.5                         |
| 12  | B737 MAX 8 <sup>Note</sup> | 2          | 12                     | 0                           | 14         | 1.7                          |
| <b>Total number of narrow-body aircraft</b>               |                            | <b>223</b> | <b>212</b>             | <b>195</b>                  | <b>630</b> | <b>6.6</b>                   |
| <b>Total number of passenger aircraft</b>                 |                            | <b>261</b> | <b>262</b>             | <b>200</b>                  | <b>723</b> | <b>6.4</b>                   |
| <b>Total number of business aircraft held under trust</b> |                            |            |                        |                             | <b>11</b>  |                              |
| <b>Total number of aircraft</b>                           |                            |            |                        |                             | <b>734</b> |                              |

Note: The Group has temporarily grounded B737 MAX 8 since March 2019. As at the date of this report, B737 MAX 8 is still grounded. The Group will pay close attention to the work progress on the resumption of operation of B737 MAX 8. There remains a great uncertainty on the time for the resumption of operation of B737 MAX 8.

## 1. Major Operations

| Model       | Passenger traffic volume (10 thousand) | Passenger load factor (%) | Overall load factor (%) | Daily utilisation (hours) |
|-------------|--|---------------------------|-------------------------|---------------------------|
| B777-300ER  | 300.23                                 | 84.15                     | 61.07                   | 14.79                     |
| B787-9      | 169.54                                 | 82.29                     | 56.19                   | 12.62                     |
| A350-900    | 80.63                                  | 80.74                     | 60.24                   | 13.17                     |
| A330 series | 1,225.00                               | 80.47                     | 54.64                   | 11.60                     |
| A320 series | 6,008.56                               | 82.33                     | 73.52                   | 9.46                      |
| B737 series | 5,245.78                               | 81.93                     | 76.38                   | 8.71                      |

## 2. Fleet Condition

As at 31 December 2019, the Group operated a total of 734 passenger aircraft, including 11 business aircraft held under trust. The details of each model are as follows:

| Model | Form of tenure      | B777-300ER                                       |                   |                           |                  |
|-------|---------------------|--|-------------------|---------------------------|------------------|
|       |                     | Number of aircraft (end of the Reporting Period) | Average fleet age | Daily utilisation (hours) | Paid flight hour |
|       | Self-owned          | 9  | 4.0               | 15.22                     | 49,998.52        |
|       | Under finance lease | 11   | 3.8               | 14.47                     | 58,099.96        |
|       | Total               | 20   | 3.9               | 14.81                     | 108,098.48       |

| Model | Form of tenure      | B787-9   |                   |                           |                  |
|-------|---------------------|--|-------------------|---------------------------|------------------|
|       |                     | Number of aircraft (end of the Reporting Period) | Average fleet age | Daily utilisation (hours) | Paid flight hour |
|       | Self-owned          | 3  | 1.3               | 12.58                     | 13,778.97        |
|       | Under finance lease | 7  | 0.7               | 12.65                     | 20,728.28        |
|       | Total               | 10   | 0.9               | 12.62                     | 34,507.25        |

| Model | Form of tenure      | A350-900   |                   |                           |                  |
|-------|---------------------|--|-------------------|---------------------------|------------------|
|       |                     | Number of aircraft (end of the Reporting Period) | Average fleet age | Daily utilisation (hours) | Paid flight hour |
|       | Self-owned          | 1  | 1.1               | 13.37                     | 4,881.61         |
|       | Under finance lease | 6  | 0.7               | 13.11                     | 19,539.74        |
|       | Total               | 7  | 0.8               | 13.17                     | 24,421.35        |

| Model | Form of tenure        | A330 series                                      |                   |                           |                  |
|-------|-----------------------|--|-------------------|---------------------------|------------------|
|       |                       | Number of aircraft (end of the Reporting Period) | Average fleet age | Daily utilisation (hours) | Paid flight hour |
|       | Self-owned            | 24   | 7.9               | 11.14                     | 101,564.27       |
|       | Under finance lease   | 27   | 5.2               | 12.28                     | 116,491.27       |
|       | Under operating lease | 5  | 1.4               | 10.41                     | 18,993.37        |
|       | Total                 | 56   | 6.0               | 11.60                     | 237,048.91       |

Note: A330 series aircraft included A330-200 and A330-300 aircraft

| Model                 | A320 series                                      |                   |                           |                  |
|-----------------------|--|-------------------|---------------------------|------------------|
|                       | Number of aircraft (end of the Reporting Period) | Average fleet age | Daily utilisation (hours) | Paid flight hour |
| Form of tenure        |  |                   |                           |                  |
| Self-owned            | 136  | 9.3               | 9.23                      | 457,974.21       |
| Under finance lease   | 124  | 4.3               | 9.65                      | 389,978.14       |
| Under operating lease | 68   | 8.8               | 9.62                      | 238,672.67       |
| Total                 | 328  | 7.3               | 9.46                      | 1,086,625.02     |

Note: A320 series aircraft included A319, A320, A320NEO and A321 aircraft

| Model                 | B737 series                                      |                   |                           |                  |
|-----------------------|--|-------------------|---------------------------|------------------|
|                       | Number of aircraft (end of the Reporting Period) | Average fleet age | Daily utilisation (hours) | Paid flight hour |
| Form of tenure        |  |                   |                           |                  |
| Self-owned            | 87   | 7.4               | 8.73                      | 272,011.19       |
| Under finance lease   | 88   | 3.9               | 8.91                      | 253,910.50       |
| Under operating lease | 127  | 6.3               | 8.56                      | 377,792.38       |
| Total                 | 302  | 5.9               | 8.71                      | 903,714.07       |

Note: B737 series aircraft included B737-700, B737-800 and B737 MAX 8 aircraft

#### Introduction and Retirement Plan of Aircraft for 2020 to 2022

| Model       | 2020         |            | 2021         |            | 2022         |            | Units |
|-------------|--------------|------------|--------------|------------|--------------|------------|-------|
|             | Introduction | Retirement | Introduction | Retirement | Introduction | Retirement |       |
| B787 Series | 5            | —          | —            | —          | —            | —          |       |
| A350 Series | 4            | —          | 7            | —          | 2            | —          |       |
| A330 Series | —            | —          | —            | —          | —            | —          |       |
| A320 Series | 34           | 1          | —            | 6          | —            | 5          |       |
| ARJ Series  | 3            | —          | 6            | —          | 8            | —          |       |
| Total       | 46           | 1          | 13           | 6          | 10           | 5          |       |

Notes:

- As at the end of 2019, the Group originally planned to introduce 11 aircraft of B737 MAX 8, 10 of which have not been delivered. In 2020 and 2021, the Group originally planned to introduce 34 and 12 aircraft of B737 MAX 8, respectively, and retire 12 and 8 aircraft of B737-800 or B737-700, respectively. The Group is currently negotiating with Boeing regarding the time for resumption of operation and delivery of B737 MAX 8, which is still with greater uncertainty;
- According to confirmed orders, the Group planned to introduce 9 aircraft and retire 16 aircraft in 2023;
- The Group and its suppliers have proactively negotiated and adjusted the progress for the introduction of aircraft due to the influence of COVID-19. The planning for the introduction and retirement of aircraft will be subject to timely adjustment based on the changes in external environment and market conditions, and flight capacity allocation of the Group.

# 2019 Milestones

## The future of the national gate

In 2019, the Company successfully completed important tasks for the CEA base in Beijing Daxing International Airport, such as overall planning, construction and inspection, comprehensive drills, trial and inaugural flight, business operation, transitions due to change of seasons and brand promotion. Meanwhile, the Company completed the construction and operation at high quality as well as the transfer of the first airline, China United Airlines (a subsidiary of CEA) to the Beijing Daxing International Airport.



With the formal operation of Beijing Daxing International Airport, this world-class airport and world-class airline brands complement each other. In the future, leveraging on Beijing Daxing International Airport, a new "source of momentum" of national development and the "world-class aviation gateway" — the Satellite Terminal of Shanghai Pudong International Airport, CEA will formally launch Beijing-Shanghai dual hub mode, deploy smart services with leading technology and upgrade ancillary facilities of airport.

## The coming of world's largest single satellite terminal

On 16 September 2019, the world's largest single satellite terminal, the Satellite Terminal of Shanghai Pudong International Airport commenced operation officially. CEA, as the largest main base airline in Shanghai, first docked at the satellite terminal bridge and operated the first departure flight. This marked that CEA entered a new mode of operation of "Terminal T1 + Satellite Terminal S1" simultaneously.



The launching of Satellite Terminal S1 of Pudong will create a new development potential for Shanghai to build a world-class aviation hub, as well as strengthen the main hub network for CEA and bring new development momentum to the optimization of the "world-class" aviation enterprises.

## Innovative reform and win-win cooperation

In 2019, CEA successfully reached a number of strategic cooperation. On 19 March, the Company reached a cooperation with Greenland Holdings on the equity proportion of Shanghai Airlines Tours. On 6 September, the cross-shareholding with Juneyao Group was completed, and the two parties became key mutual strategic shareholders, with a total cooperation capital of over RMB13 billion. This became a paragon for the integrated development of state-owned capital and private capital. On 16 October, CEA entered into a memorandum of intent to deepen joint venture cooperation with three first class global airlines, namely Air France, KLM and Virgin Atlantic. On 17 December, CEA signed a contract with the Shanghai Municipal Administration of Culture and Tourism to expand inbound travel joint handedly, as a result, the Shanghai cultural tourism branding will "fly globally".



With an open attitude, CEA launched cross-sector cooperation and further promoted the "shareholding + business" cooperation in order to better optimize resource allocation and enhance corporate vitality and competitiveness.

## Buy, fly and service globally

At the beginning of November 2019, CEA guaranteed the second China International Import Expo with high standard and acted actively in areas such as charter flights guarantees, passenger services, transportation of exhibits and volunteer services, which led to signing of 14 significant contracts and manifested the brand image of "fly, buy and service globally".



As the aerial bridge and the link connecting China and the world, CEA promoted the economic and trade exchange and cultural communication between China and other countries across the world and displayed the "charms of the East" to the world. At the same time, with our unique vision and experiences as an enterprise, CEA illustrated the opportunities in China, the opening up for cooperation, opening up for innovation and opening up for sharing.

## Smart travelling, limitless possibilities

In January 2019, CEA applied the RFID technology to track and trace the entire flow of flight luggage, being the first airline to adopt this technology in China. In June, CEA took the lead to establish an artificial intelligent (AI) sound interactive platform in China. In July, CEA became the world's first airline to launch passive permanent electronic baggage tag and used them in passenger services. In September, CEA launched China's first Aviation Sign Language application with simultaneous interpretation service for passengers at Shanghai Hongqiao International Airport and Shanghai Pudong International Airport, and introduced, for the first time, the 5G network based integrated smart travelling service system at Beijing Daxing International Airport, giving a new definition for the new standard of intelligent, scenario-based and convenient aviation services.





### Forging the "Aerial Silk Road", CEA strives again

In 2019, CEA has made new progress by actively integrating into the construction of "The Belt and Road Initiative" and forging the "Aerial Silk Road". From 31 March, CEA started using the latest generation of wide-body aircraft, A350-900, for the Shanghai-Rome route and added new flights. On 7 June, CEA launched the domestically first direct flight to Hungary. In the 70th anniversary of establishment of diplomatic relations between China and Hungary, CEA, the Hungarian government, the Sichuan provincial government and the Shaanxi provincial government jointly announced the launching of two new "The Belt and Road" routes, which are Shanghai Pudong-Chengdu-Budapest and Shanghai Pudong-Xi'an-Budapest, during the year.



### The centennial year of Nanyuan, the inaugural year of Daxing

Beijing Nanyuan Airport, the first airport in the history of China with 109 years of service, formally shut down at 23:23 on 25 September 2019 after the last flight took off smoothly from the airport. On the same day, China United Airlines fully transferred its operations to Beijing Daxing International Airport and operated its first flight successfully, becoming the first airline to station to and operate flight service in Beijing Daxing International Airport.



### Safeguarding hopes of safety, playing life symphonies

In 2019, CEA was determined to implement the belief of "Life First" and continued to compose its life symphonies by action. On 13 February, CEA urgently transported a Tibetan three-day-old newborn baby who suffered from serious illness to Xi'an Children Hospital for medical treatment. Emergency fuel dumping in preparation of landing for rescues in March and July went viral. On 26 November, various units of CEA interacted cooperatively to open up the "Green Channel" which ensured the timely arrival of flights carrying donated organs. On 24 December, CEA guaranteed that the transportation of donated organs ran smoothly in a 3,200 km relay.



### "Overlooking the East", flying for love

On 19 April 2019, CEA held the premiere of spokesperson charity promotional movies. Such ceremony has gained widespread attention from the environmentalists within and across the industry. The president of Sichuan Green River Environmental Protection Promotion Association, Yang Xin, the spokesperson of CEA and the volunteer of the source of Yangtze River, Hu Ge and other guests were all present.



### Outstanding capability and awards for excellence

CEA received a series of important honors such as "Model Brand in the Grand Ceremony of China Brands 2019" and "Top 20 Chinese Enterprise Global Image" (ranking first in the transportation sector).



### Winning the battle against poverty

Throughout 2019, CEA put a lot of effort in implementing in-depth and refined measures for targeted poverty alleviation in various locations, achieving full coverage of poverty-stricken areas of our flight network. Our poverty alleviation through aviation had played important role in the GDP growth at poverty-stricken areas, and the Group invested RMB18,251,700 in poverty alleviation. Cangyuan County and Shuangjiang County, the counterpart to our poverty alleviation works, have officially eliminated poverty.



CEA proactively fulfilled its social responsibilities and was determined in winning the battle against poverty by transforming the battle into a long-term effort in poverty alleviation, so as to achieve "high quality, high standard and sustainable" poverty alleviation.

