



The best carrier from Taiwan

China Airlines 2026 1st Investor Conference

Mar.19' 26

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Agenda

- ✈ 2025 Results Highlights
- ✈ Passenger Strategy and Outlook
- ✈ Cargo Strategy and Outlook



2025 Results Highlights

2025 Financial Performance

In 2025, revenue reached NT\$209.1 billion, operating net profit NT\$ 20.8 billion, and EPS of NT\$2.42.

(TWD 100 Million)

	2025	2024	Diff.	YoY
Operating revenue	2,091.4	2,038.8	52.6	2.6%
Passenger revenue	1,249.1	1,279.2	-30.1	-2.4%
Cargo revenue	668.3	607.1	61.2	10.1%
Other operating revenue	174.0	152.5	21.5	14.1%
Net Operating Income	208.4	182.0	26.4	14.5%
Net Income After Tax	161.7	155.0	6.7	4.3%
Net Income Attributable to Owners of the company	147.0	143.8	3.2	2.2%
Earnings Per Share (TWD)	2.42	2.38	0.04	1.7%

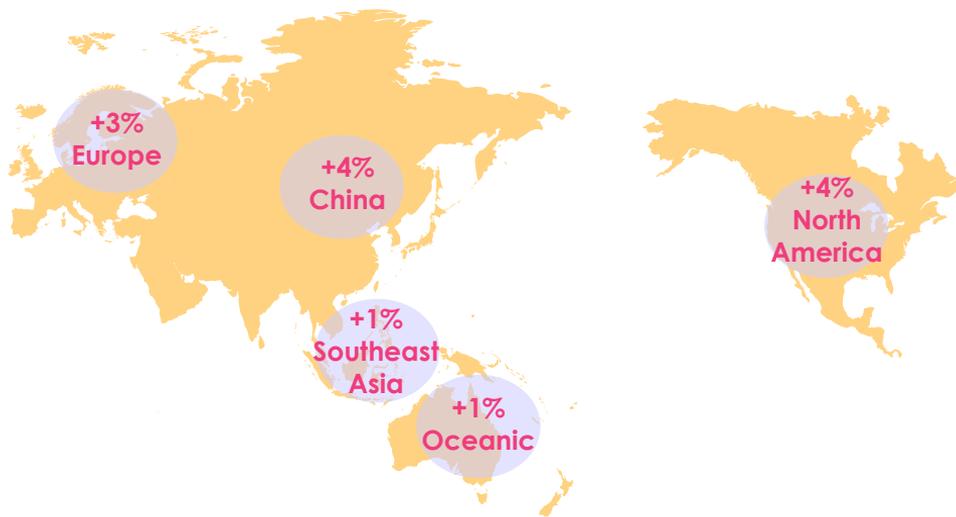
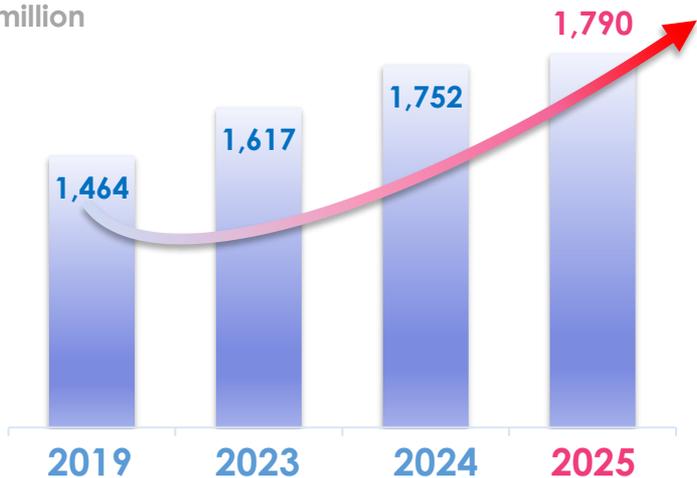
Operating Revenue Growth Over the Years

Operating revenue increased by 2% to 179 billion, continuing its year-over-year growth.

Passenger and cargo revenue from North America and China showed the strongest increase, rising by 4%, while European, Southeast Asian, and Oceanic routes also recorded growth.

Operating Revenue Growth

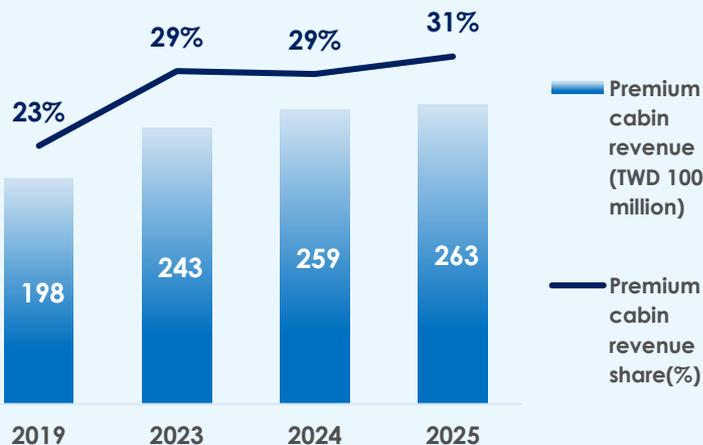
NTD100 million



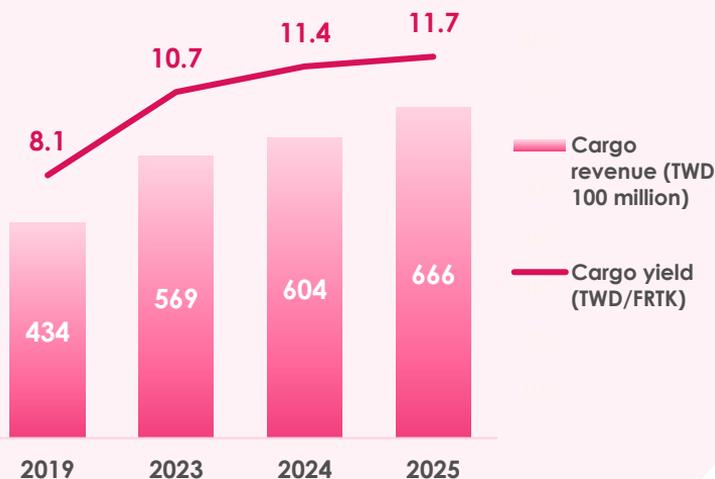
Dual Engines of Passenger and Cargo Driving Continuous Revenue Mix Optimization

Continued growth in premium cabin sales and stable cargo revenue, with dual passenger and cargo momentum enhancing overall revenue and earnings quality.

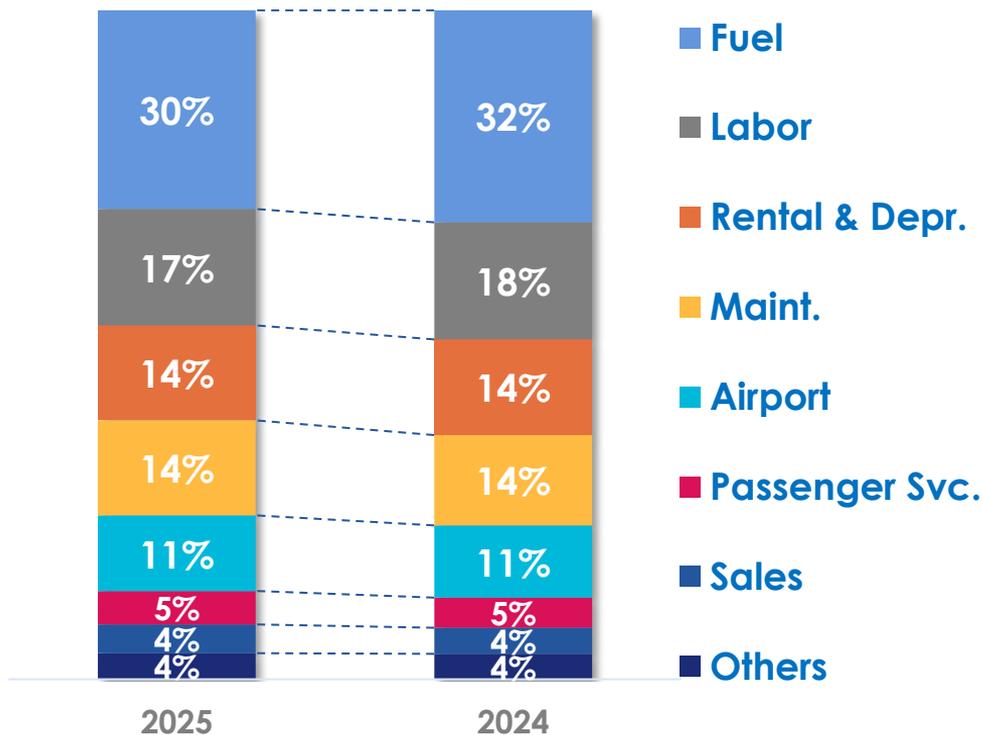
Premium cabin products improved the passenger revenue structure



Rising cargo yield drive cargo revenue growth



Cost Breakdown and Comparison



The operating cost structure in 2025 remained broadly consistent with the previous year. Fuel, labor, rental & depreciation expenses continued to be the three largest cost items, while the share of fuel costs declined most notably as fuel prices eased.

Fuel Cost Analysis

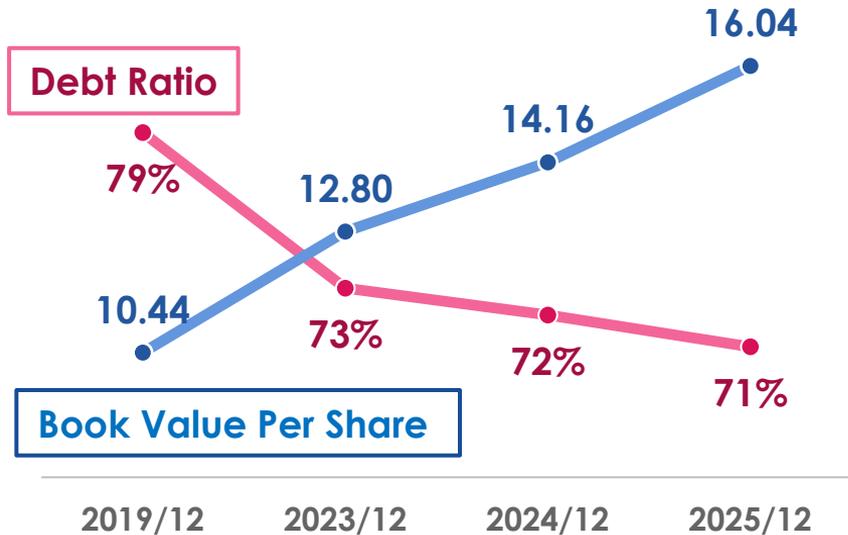
	2025	2024	YoY
Jet fuel (SIN JET) (USD/BBL)	86.7	96.3	-9.9%
Fuel Consumption (10K/BBL)	1,615.7	1,551.8	4.1%
Hedging (gain) lost (TWD 100 million)	0.23	-0.15	
Total fuel cost (TWD 100 million)	485.2	516.0	-6.0%



In 2025, average fuel prices dropped 9.9% YoY, while fuel usage rose 4.1%. Including NT\$23 million in hedging costs, total fuel expenses fell by NT\$3.08 billion, down 6% from last year.

Group Financial Ratio

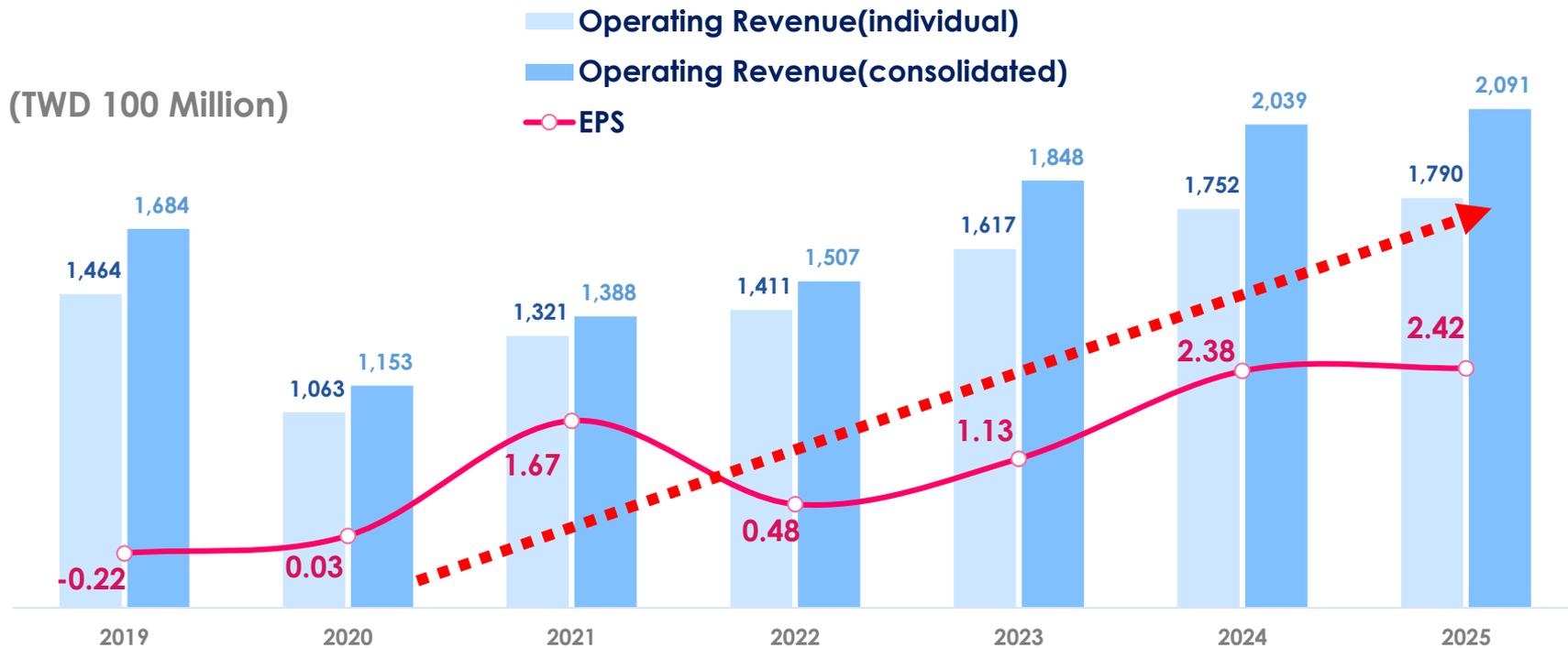
CAL Financial Ratios trend



Stable growth and improving financial health

25Q4 v.s 19Q4
Book Value per share +5.6
Debt ratio -8ppt

Stable Development of Company Operations and Financial Status

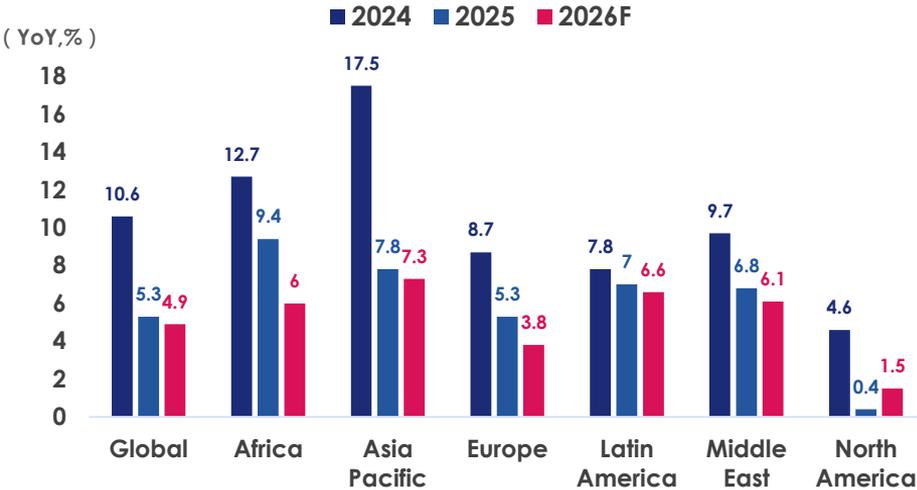


Passenger Strategy and Outlook

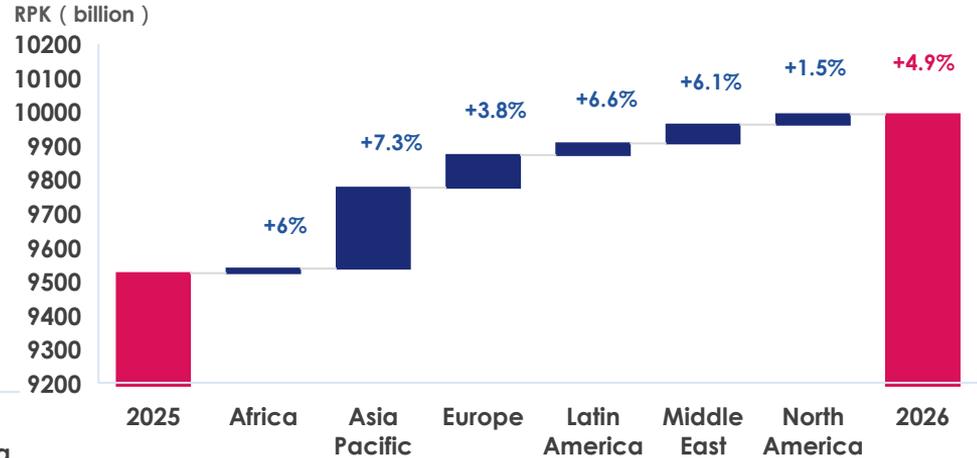
Global Passenger Market Outlook

- IATA reported that global RPK grew by 5.3% year-on-year in 2025, and noted that passenger demand growth in 2026 is expected to revert to the long-term average, at +4.9% YoY.
- In 2026, the Asia-Pacific region is expected to remain in the lead in terms of both growth rate and traffic volume, serving as the primary engine of global growth.

Global / Regional RPK Growth

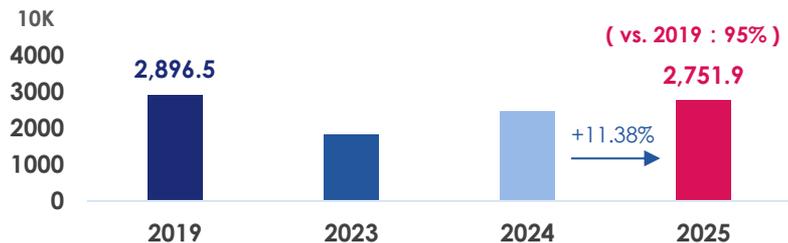


Contribution to 2026 RPK Growth by Region

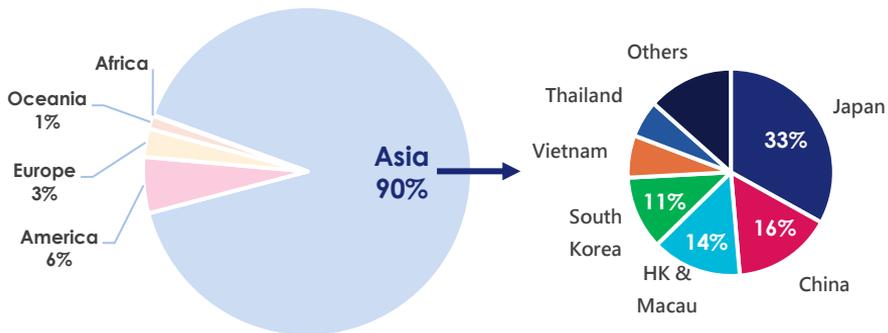


Taiwan Passenger Market Outlook

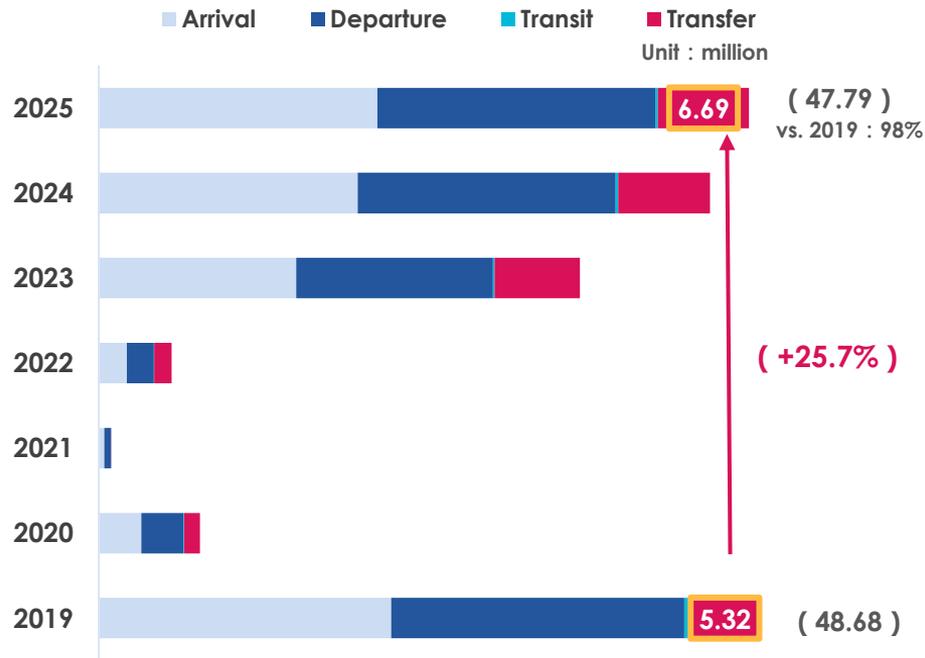
Inbound / Outbound visitors



Passenger Volume Distribution by Region (2025)



2019 - 2025 TPE Passenger Distribution (2019-2025)



Passenger Fleet Plan

- Looking ahead to 2026, we will continue fleet renewal and capacity growth. New A321neo deliveries will strengthen regional capacity, while the 787-9 and additional A350-900s will enhance long-haul efficiency and network flexibility.

	Aircraft Type	End of Dec 2025
	A321neo	21
	A350-900	15
	A330-300	13
	737-800	10
	777-300ER	10

total 69

	Aircraft Type	End of 2026	Remark
	A321neo	27	+ 6
	A350-900	18	+ 3
	A330-300	7	- 6
	737-800	6	- 4
	777-300ER	10	
	787-9	5	+ 5

total 73 + 4

Building the Next-Generation Fleet for the Next Decade

Large Widebody

A350-1000 x 15

(To be introduced from 2029)



777-9 x 15

(To be introduced from 2030)



Medium Capacity

787-9 x 18

(To be introduced from 2026)



787-10 x 6

(To be introduced from 2027)



Complete A333 phase-out by 2027

Narrowbody

A321neo x 30



Complete 738 phase-out by 2028

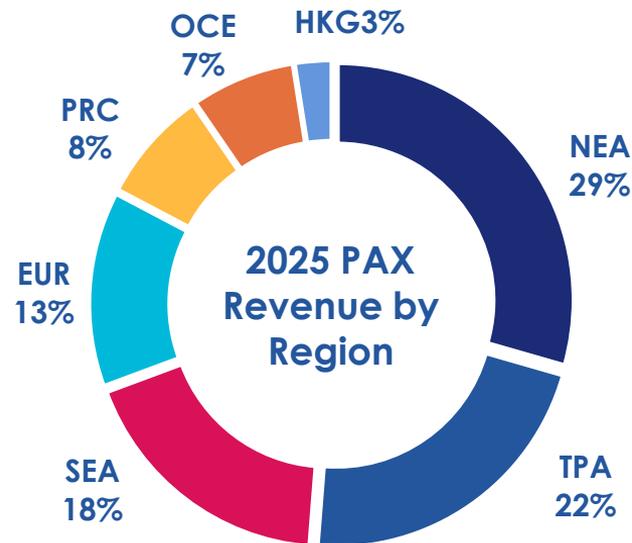
Note: 777 phase-out under evaluation from 2030 ; A350-900 from 2034

2025 Passenger Operational Results

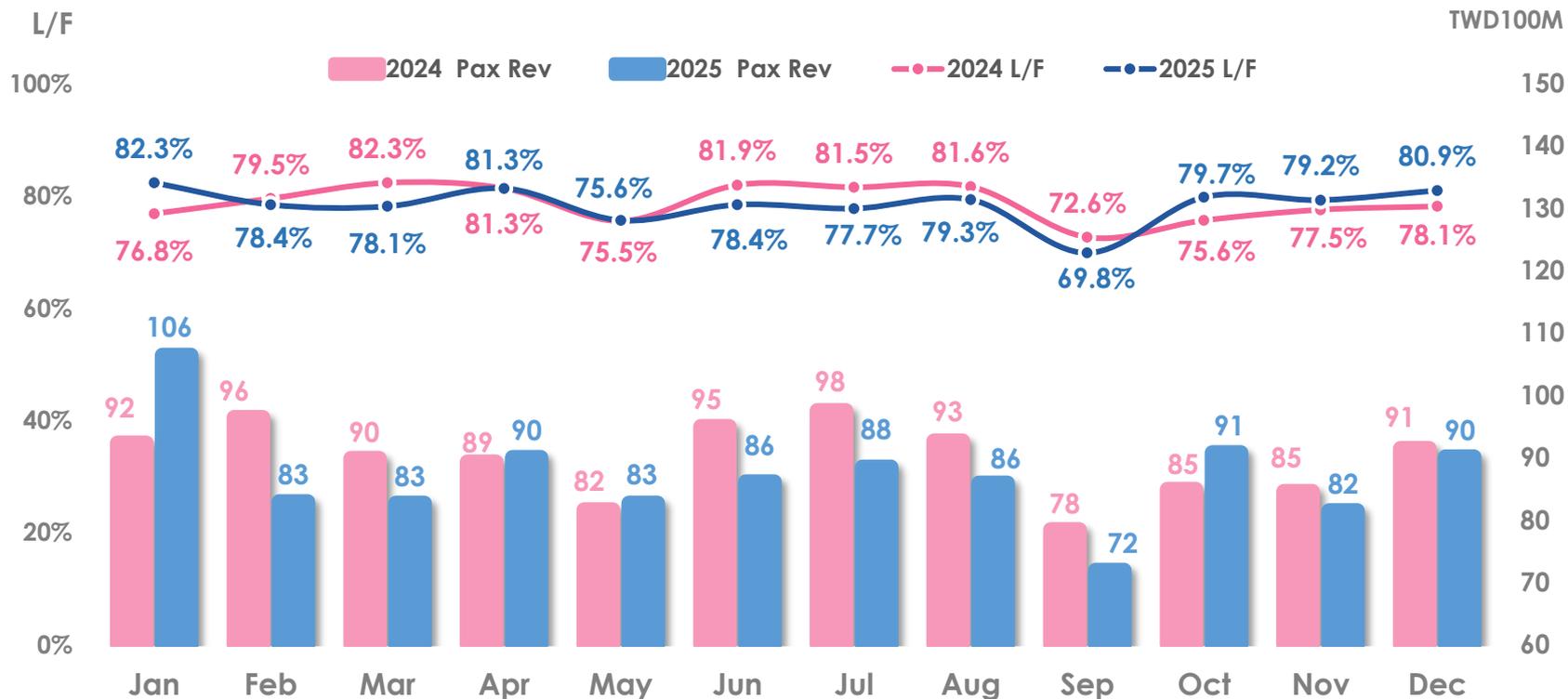
Passenger revenue 2025 reached NT\$104 billion. Passenger growth outpaced capacity, but increasing competition slightly reduced load factor and yield, in line with other Taiwan full-service carriers.

Appetite for overseas travel is to remain strong in 2026, combined with the recovery of business travel and surging transit passenger volume, total passenger count expected to reach a record high.

	2025	2024	YoY
Passenger revenue (TWD 100m)	1,040	1,074	-3.2%
Revenue passenger (10 Thousand)	1,175	1,146	2.5%
Available Seat Kilometer (100 million)	476	474	0.5%
Average load factor (%)	78.4	78.7	-0.2ppt
Passenger yield (TWD/RPK)	2.78	2.88	-3.4%



2025 Monthly Passenger Revenue & L/F



Passenger Operation Strategy



Steady Development

- **Build-up hub & spoke network:** the advantage of geographic location.
- **Expanding Network:** Partner with Alliance and codeshare airlines.
- **Strengthen & deepen corporate travel business.**
- **Develop new & young generation customers.**
- **Allocate the Aircraft fleet with flexibility to maximize revenue.**



Continuous Innovation

- **CRM:** Digital technology to connect customer with care.
- **Miles Bring Smiles:** Broader options for mile redemption.
- **Optimize the China Airlines website to enhance user experience.**
- **Expanding Cooperation with other industry, to create win-win add-on value**

Ancillary revenue / Tickets Reissue Charge

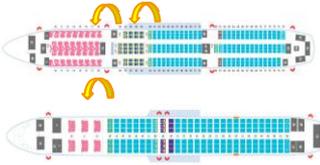
Sales Period : Jan-Dec2025

Chargeable
Seats



+

Web Upgrade



+

Excess Baggage



+

No Show Fee



+

Reissue Fee



Percentage : 53.6%

Percentage : 4.1%

Percentage : 13.8%

Percentage : 2.2%

Percentage : 26.3%

Total:
TWD 2.65 billion
Year-over-Year Growth: 8%

Elevating the Customer Experience

Delivering Multi-Channel, Around-the-Clock Support

24/7 Global Support
across all branch offices

2027~



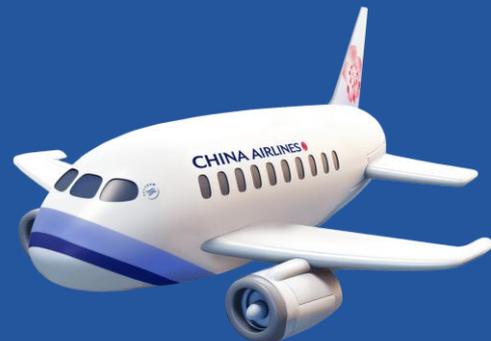
24/7 Service expansion to Hong
Kong (incl. PRC) and Japan

2026Q2 ~2026Q3



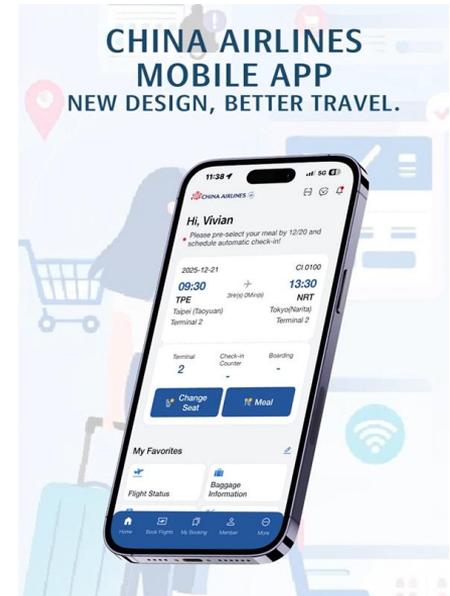
Launching Live Chat Customer Service
(Chinese, English and Japanese)

2026Q1



New App and Redesign China Airlines Website

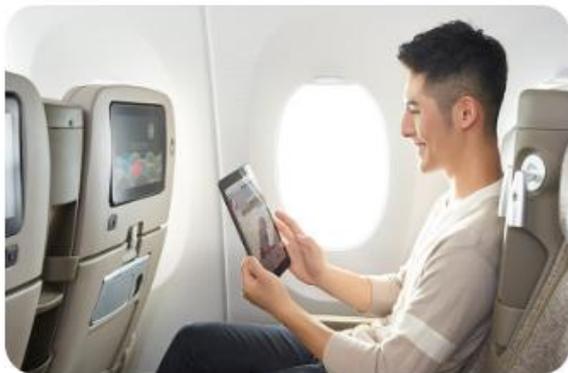
- The new App has been launched, featuring an intuitive interface and integrated with member portal for a smoother travel experience



Miles Bring Smiles

New Options for Miles Purchase and Gifting

Miles aren't just for redemption; but can also be purchased or gifted to others.



Miles Purchase: Quickly Cover the Difference

A shortage of miles is no longer a concern — you will soon be able to **buy miles to cover any shortfall**, ensuring your redemption goals are not compromised.



Bringing Back Expired Miles

Expired miles can be **restored for a fee within six months** of its expiration to continue its original accumulation and prevent it from being wasted.



Purchase Miles, Gift to Loved Ones

Miles can be **purchased and gifted to family and friends**, letting wishes take off instantly without requiring flight-based accumulation.

Passenger Operation Highlights

Continue to collaborate with well-known IPs and sponsor major events to enhance brand awareness across diverse audience segments and drive overall brand synergies.



Co-branded inflight catering services

Partnering with Michelin Restaurants and Leading Brands to Highlight Quality and Soft Power



T+T Contemporary Asian Cuisine in the Sky



TOUTOUAN Autumn Delicacies



Yang Ming Spring



Little Tree Food



MIPON Classic Taiwanese Cuisine



MOONMOONFOOD Co-branded



In-Flight Lounge Bar in Collaboration with BLAH BLAH Bar x SUNMAI Enjoy all-new co-branded cocktails



Taiwanese Popcorn Chicken

In-Flight Service Highlights Premium Economy Service Enhancement

In-Flight Amenities



Brand-New Premium Economy Tableware

Service launch on
Long-haul routes - 2026/02/01
Regional routes - 2026/04/01

Elegant white porcelain design, perfectly presenting gourmet meals in the sky



Blanket & Slippers

Fully upgraded blanket and slipper service



Single Packed hand wipe

Single-use towel with an enhanced premium feel



Over-ear Headphones

Active noise cancellation, top-tier sound quality, and a stylish design

In-Flight Beverages



Business-class shared wine selection: **sparkling wine**



Expanded tea selection: **chamomile herbal tea**

In-Flight Service Highlights First Airline in Taiwan to Introduce Disney+

Starting from **2026/01/01**



First-Ever Disney+ Streaming Experience in Taiwan's Skies

CAL becomes the first Taiwanese carrier to introduce Disney+ into its in-flight entertainment system, offering a wide selection of popular movies, animations, and series.





Continuously Achieving Excellence

S&P Global

China Airlines, Ltd.
Airlines

Top 1%

Corporate Sustainability
Assessment (CSA) 2025 Score

87/100



FTSE4Good



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

9th
2016-2026

Selected for
S&P Sustainability YearBook
Top 1% of the Global Aviation Industry
Ranked first in the global aviation industry in 2026

10th
2016-2025

Consecutive years
selected for
FTSE4Good Index Series

4th
2022-2025

Consecutive years selected for
The Aviation Challenge
2025 : Organizational Transformation Awards
– Transformational Impact through SAF

1st
2024

Certified by SBTi
The first Taiwanese airline to receive approval



7th
2019-2025

Sustainability Report : Silver Class
Consecutive years selected for
**Global Corporate Sustainability
Award**



12th
2014-2025

4th time **Best Sustainability Report**
Consecutive years selected for
**Taiwan Corporate
Sustainability Award**



FTSE4Good
TIP Taiwan ESG Index



TIP
TAIWAN INDEX PLUS

7th
2018-2019
2021-2025

Consecutive years selected for
FTSE4 Good Index Series



臺灣指數股份有限公司
TAIWAN INDEX PLUS
指數創新・加值創富

9th
2017-2025

Consecutive years selected for
**Taiwan High Compensation 100 Index
Taiwan Employment Creation 99 Index**



2nd
2024-2025

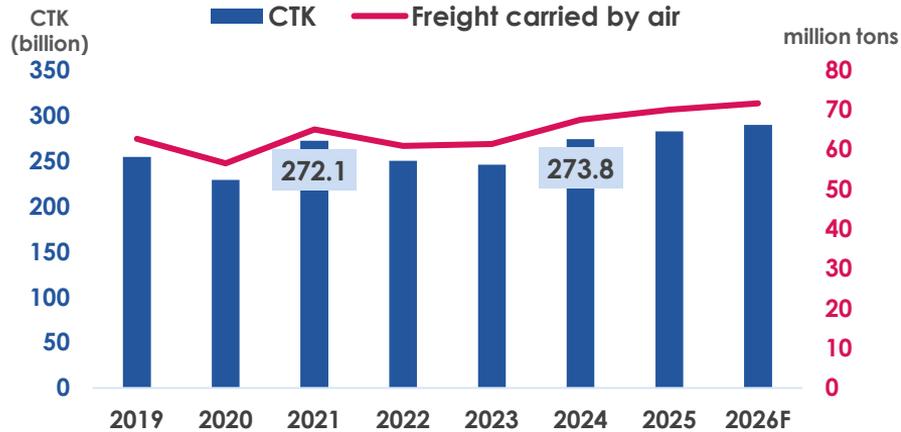
**ESG Transportation Sustainability
Award – Gold Award**
Awarded Gold for Two Consecutive Years
No 1. in the Aviation Industry

Cargo Strategy and Outlook

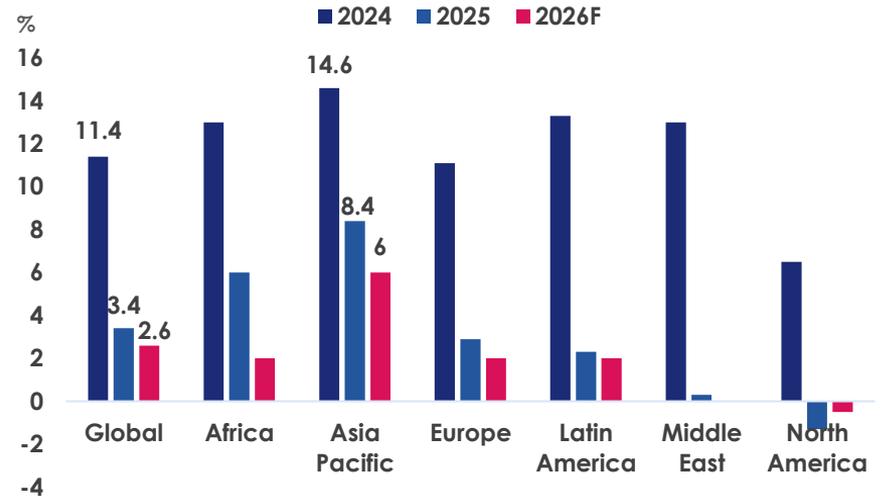
Global Cargo Market Outlook- (1)

- IATA noted that global air cargo demand (CTK) is expected to reach a new record in 2025, building on the post-pandemic high set in 2024, with 3.4% YoY growth.
- In 2026, air cargo will remain shaped by trade and geopolitical risks, while supply chain shifts, high-value electronics, and e-commerce continue to support demand. Airlines will optimize capacity and networks, with 2.6% growth projected.
- The Asia-Pacific region is expected to remain the key driver of global air cargo growth in 2026.

Air Freight Tonnage & Cargo Traffic CTK
(2019 – 2026)



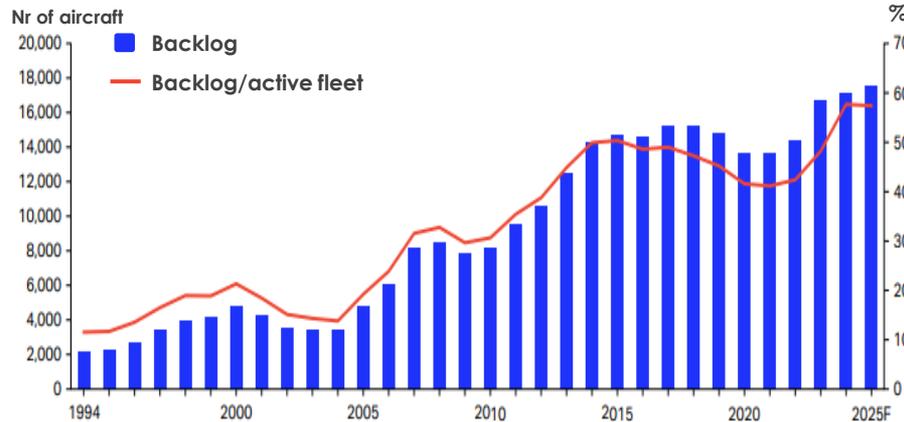
Global / Regional Cargo YoY Growth
(2024-2026)



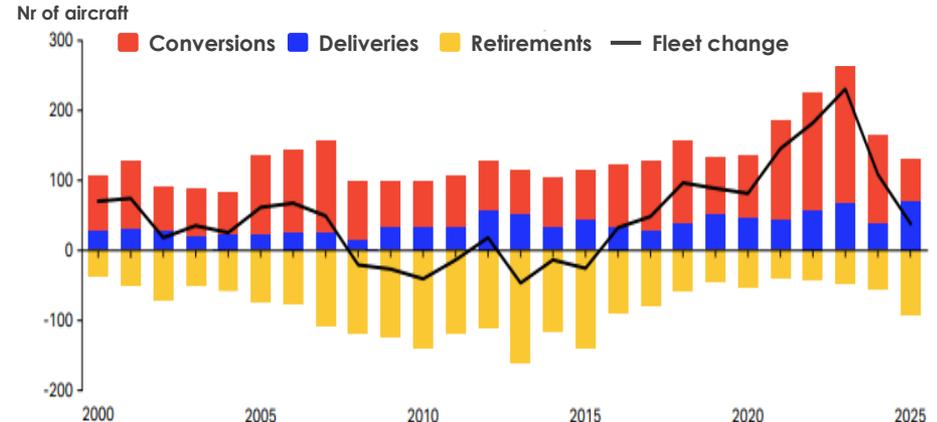
Global Cargo Market Outlook- (2)

- In 2025, global aircraft manufacturers' order backlogs reached a new record high, constraining overall belly cargo capacity on passenger aircraft.
- Historically, global freighter fleet growth has been led by P2F conversions. With passenger aircraft deliveries delayed, fewer conversions are expected, constraining freighter capacity growth.

Aircraft order backlog and its relation to the active fleet

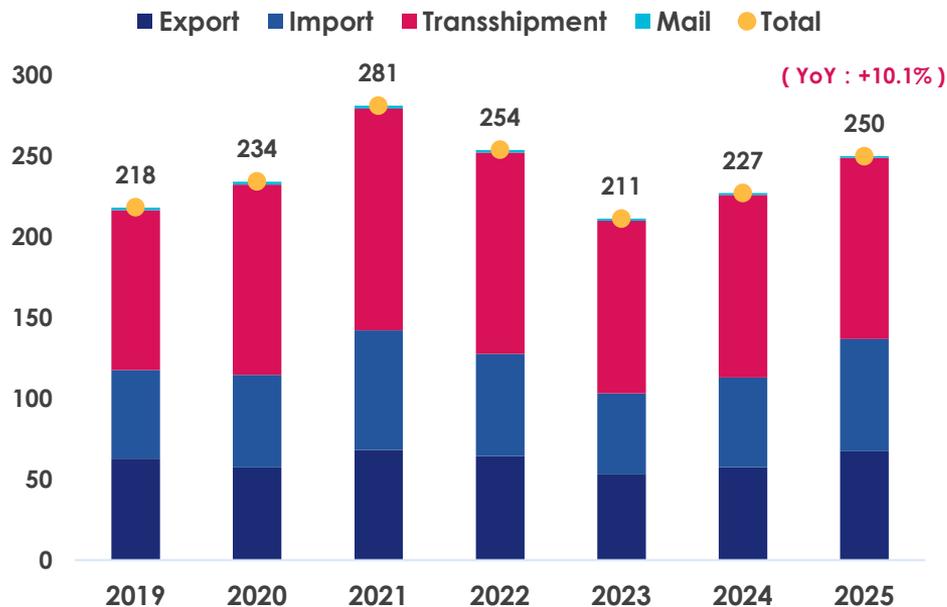


Cargo fleet size change by event type



Taiwan Cargo Market Outlook

Taoyuan Intl. Airport Cargo Vol. (2019 – 2025)



2026 Taiwan Cargo Market Outlook



High-Value Products

(AI / Semiconductors) :

High unit value and time-critical demand underpin airfreight share and revenue mix.



Supply Chain Reconfiguration :

Dispersed production is driving multi-point consolidation and transshipment, increasing the importance of hub connectivity and ground-handling efficiency.



E-commerce :

Policy impacts have been less severe than expected and demand is recovering, but peaks are shorter and more fragmented—putting greater pressure on customs clearance and last-mile delivery efficiency.

Cargo Fleet Advantage

Cargo Fleet Planning

- Dual-model fleet: Balancing large capacity and fuel-saving cost advantages.
- Full utilization of capacity: For example, CI 777F fleet achieves a utilization rate of 17.94 (hours/day) surpassing the global average of 12.94 (hours/day) °
- Continuous fleet renewal: progressively phase out 747-400Fs and expand our 777F fleet, with the next-generation 777-8F to be introduced in the future °
- One of the youngest B777F fleets in the world: Average fleet age is 3.1 years.

	Aircraft Type	End of Dec 2025
	744F	8
	777F	10

Total 18

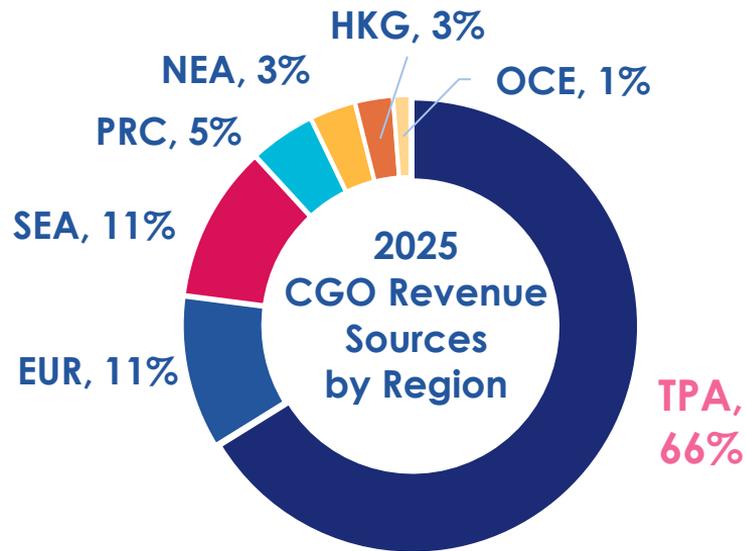
Pending Delivery	Aircraft Type	Number
	777-8F	8
	777F	2

total 10

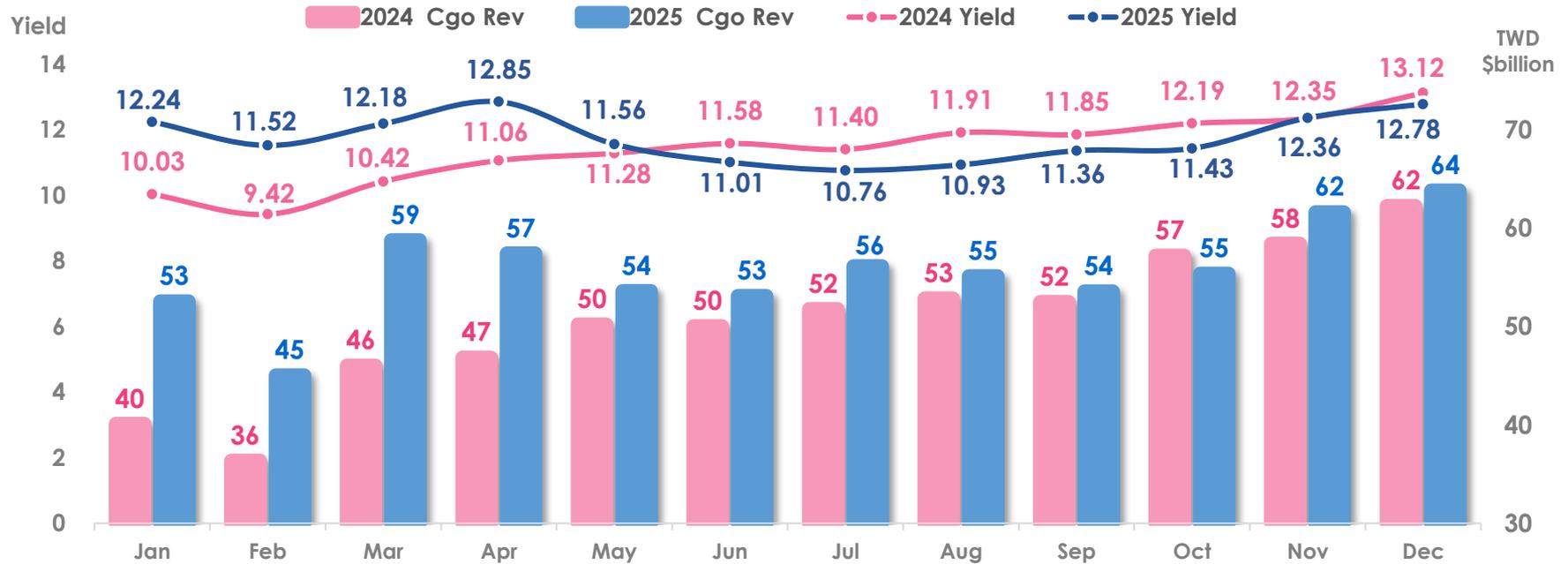
2025 Cargo Operational Results

With the full deployment of 777F fleet, cargo capacity increased by 9.6% year on year. Supported by strong demand from AI and semiconductor, cargo revenue and yield grew by 10.2% and 2.6% year on year. North American routes remain the core revenue driver, for nearly 70% of total cargo revenue.

	2025	2024	YoY
Cargo revenue (TWD 100 million)	666	604	10.2%
Revenue Freight Ton Kilometer(million)	5,674	5,285	7.4%
Available Freight Ton Kilometer(million)	8,477	7,736	9.6%
Average load factor (%)	66.9%	68.3%	-1.4ppt
Cargo yield (TWD)	11.74	11.44	2.6%



2025 Cargo Revenue and Yield



Note : Due to factors such as U.S. tariff policies, suspension of duty-free de minimis treatment, and fluctuations in New Taiwan Dollar(TWD) exchange rate, the average yield calculated in TWD for the period from June to December 2025 is slightly lower than that of the same period in 2024.

2026 Global Air Cargo Market is expected to grow positively

- In January 2026, the IMF revised upward its World Economic Outlook for this year, raising the forecast for global GDP growth to 3.3% (from the previous forecast of 3.1%), indicating steady global economic growth.
- IATA forecasts that global air cargo volume will reach 71.6 million tons in 2026, representing 2.4% year on year.
- China Airlines will continue to monitor international air cargo market trends, including the impacts of geopolitical conflicts, U.S. tariff-related issues, and global fiscal and monetary policy developments, and will flexibly adjust the strategic deployment in response to market changes.

Global Air Cargo Volume Forecast(IATA)

Global airline industry	2025E	2026F
CTK, billion	282.3	289.5
% change YoY	3.1%	2.6%
Freight carried by air, million tonnes	70.0	71.6
% change YoY	3.6%	2.4%

Source: IATA Sustainability and Economics.

Cargo Operation Strategy



Strengthening Network and Capacity Advantages by Focusing on Core Markets, Staying Aligned with Industry Trends, and Maintaining Operational Flexibility

- Continue to optimize Southeast Asia freighter network and increase capacity in response to demand, reinforcing our position as a key transshipment hub.
- Convert the outbound Toronto service to a scheduled commercial flight and increase frequency to 3 flights per week, expanding our share in North American market.
- Flexibly adjust European routes to capture demand related to AI products.
- Monitor shipment trends in key growth industries (AI, semiconductors, e-commerce, electric vehicles, drones, etc.), as well as high-value cargo such as pharmaceutical cold chain and aircraft parts, to secure charter and block space business.
- Maintain strong partnerships with integrated carriers and interlines to extend market reach and expand our operational footprint.
- Enhance the use of third-party online sales platforms to develop new customer segments and grow market share.
- Leverage AI to develop innovative cargo services, enhancing customer experience and service quality.

Q & A



The best carrier from Taiwan

Thank you

2026.03

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