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Blue Skyview Company Limited
藍色天景有限公司

(incorporated with limited liability under the laws of the British Virgin Islands)

US\$683,000,000 7.125 Per Cent. Senior Perpetual Securities
(the “Perpetual Securities”)
(Stock Code: 5364)

VOLUNTARY ANNOUNCEMENT

This is a voluntary announcement made by Blue Skyview Company Limited (the “**Company**”). Capitalised terms not otherwise defined in this announcement shall have the same meaning given to them in the terms and conditions (the “**Terms and Conditions**”) of the Perpetual Securities.

DISTRIBUTION DEFERRAL

On 7 July 2020, the Company gave a notice to its holders of Perpetual Securities in respect of its election to defer the Distribution which is scheduled to be paid on the Distribution Payment Date falling on 26 July 2020 pursuant to Condition 5(d)(i) of the Terms and Conditions.

INCREASE OF DISTRIBUTION RATE

Pursuant to Condition 4(c) of the Terms and Conditions, the Company is required to furnish to the Fiscal Agent within 150 calendar days after the end of the Financial Year of the Guarantors, being 31 December, copy of the financial statements (on a consolidated basis) (the “**Relevant Financial Statements**”) in respect of the relevant financial year audited by PricewaterhouseCoopers or another internationally recognised firm of independent accountants. Accordingly, the Issuer is required to furnish the Relevant Financial Statements on or before 29 May 2020 (the “**Relevant Date**”).

The Company has not been able to provide the Relevant Financial Statement on or before 29 May 2020 which constituted a breach of the covenant under Condition 4(c) of the Terms and Conditions and the Issuer has not been able to remedy the breach by 28 June 2020, being the 30th day following the Relevant Date. According to Condition 5(e)(i) of the Terms and Conditions, the Distribution Rate will be increased by 5% per annum with effect from 26 July 2020.

In the event any holder of the Perpetual Securities has any questions relating to this announcement, please contact acctrd@hkairlines.com.

By Order of the Board
Blue Skyview Company Limited
Sun Jianfeng
Director

Hong Kong, 26 July 2020

As at the date of this announcement, the sole director of the Issuer is Sun Jianfeng.