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CATHAY PACIFIC AIRWAYS LIMITED

國泰航空有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 293)

RESULTS OF THE RIGHTS ISSUE ON THE BASIS OF SEVEN RIGHTS SHARES FOR EVERY ELEVEN SHARES HELD ON THE RECORD DATE

Reference is made to the prospectus dated 22 July 2020 (the “**Prospectus**”) issued by Cathay Pacific Airways Limited (“**Cathay Pacific**”). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as defined in the Prospectus.

RESULTS OF THE RIGHTS ISSUE

The Board is pleased to announce that all conditions set out in the Rights Issue Underwriting Agreement have been fulfilled and the Rights Issue became unconditional at 4:00 p.m. on Thursday, 6 August 2020.

The Rights Issue was over-subscribed. In aggregate, 882 valid acceptances and applications in respect of a total of 3,430,276,029 Rights Shares, representing approximately 137.0% of the total number of 2,503,355,631 Rights Shares (the “**Total Number of Rights Shares**”) offered under the Rights Issue, have been received and comprised of the following:

- (i) 556 valid acceptances of provisional allotments under the PALs for a total of 2,440,936,555 Rights Shares, representing approximately 97.5% of the Total Number of Rights Shares offered under the Rights Issue; and
- (ii) 326 valid acceptances of excess Rights Shares under the EAFs for a total of 989,339,474 Rights Shares, representing approximately 39.5% of the Total Number of Rights Shares.

Pursuant to the Irrevocable Undertakings, each of Swire Pacific, Air China and Qatar Airways has subscribed for all the 1,126,515,089, 750,756,347 and 250,085,178 Rights Shares provisionally allotted to it (or its subsidiaries) respectively under the Rights Issue, representing approximately 45.00%, 29.99% and 9.99% of the Total Number of Rights Shares respectively.

EXCESS APPLICATION

Given the valid acceptance of provisional allotments under the PALs mentioned above, 62,419,076 Rights Shares, representing approximately 2.5% of the Total Number of Rights Shares, were available for subscription under the EAFs. Such number of excess Rights Shares was insufficient to satisfy all valid applications for a total number of 989,339,474 excess Rights Shares under the EAFs.

In view of the over-subscription of the Rights Shares, the Directors consider that it is fair and reasonable to allocate 62,419,076 Rights Shares to Qualifying Shareholders who applied for excess Rights Shares on a pro-rata basis of approximately 6.3% by reference to the number of excess Rights Shares applied for under each application. No reference has been made to the Rights Shares subscribed through applications by a PAL or the existing number of Shares held by Qualifying Shareholders and no preference has been given to top up odd lots to whole board lots.

RIGHTS ISSUE UNDERWRITING AGREEMENT

As mentioned above, all conditions set out in the Rights Issue Underwriting Agreement have been fulfilled and the Rights Issue Underwriting Agreement had not been terminated by the Underwriters prior to 4:00 p.m. on Thursday, 6 August 2020, being the Latest Termination Time of the Rights Issue Underwriting Agreement. Accordingly, the Rights Issue became unconditional in all respects at 4:00 p.m. on Thursday, 6 August 2020.

Since the Rights Issue was over-subscribed by 926,920,398 Rights Shares, in accordance with the terms of the Rights Issue Underwriting Agreement, the obligations of the Underwriters under the Rights Issue Underwriting Agreement in respect of the Underwritten Rights Shares have been fully discharged.

EFFECT OF THE RIGHTS ISSUE ON THE SHAREHOLDING STRUCTURE OF CATHAY PACIFIC

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the following table sets out the shareholding structure of Cathay Pacific immediately before and after completion of the Rights Issue:

	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Swire Pacific	1,770,238,000	45.00	2,896,753,089	45.00
Air China ⁽¹⁾	1,179,759,987	29.99	1,930,516,334	29.99
Qatar Airways ⁽²⁾	392,991,000	9.99	643,076,178	9.99
Other Shareholders ⁽²⁾	590,855,585	15.02	966,854,602	15.02
Total	3,933,844,572	100.00	6,437,200,203	100.00

Notes:

1. *Immediately before completion of the Rights Issue, 1,179,759,987 Shares were indirectly held by Air China through its subsidiaries, namely 288,596,335 Shares held by Angel Paradise Ltd., 214,851,154 Shares held by Custain Limited, 191,922,273 Shares held by Easerich Investments Inc., 189,976,645 Shares held by Grand Link Investments Holdings Ltd., 207,376,655 Shares held by Motive Link Holdings Inc. and 87,036,925 Shares held by Perfect Match Assets Holdings Ltd. Immediately after completion of the Rights Issue, 1,930,516,334 Shares will be indirectly held by Air China through its subsidiaries, namely 472,248,545 Shares held by Angel Paradise Ltd., 351,574,615 Shares held by Custain Limited, 314,054,626 Shares held by Easerich Investments Inc., 310,870,873 Shares held by Grand Link Investments Holdings Ltd., 339,343,616 Shares held by Motive Link Holdings Inc. and 142,424,059 Shares held by Perfect Match Assets Holdings Ltd.*
2. *Shares held by such Shareholders are and will be counted towards the public float for the purpose of Rule 8.08(1) of the Listing Rules.*
3. *Certain percentage figures included in this table have been subject to rounding adjustments. Accordingly, figures shown as totals or sub-totals may not be an arithmetic aggregation of the figures preceding them.*

DESPATCH OF SHARE CERTIFICATES FOR THE RIGHTS SHARES

It is expected that share certificates for all fully-paid Rights Shares will be posted to those entitled thereto by ordinary post at their own risk by Monday, 10 August 2020. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares are expected to be posted by Monday, 10 August 2020 to the applicants by ordinary post at their own risk.

COMMENCEMENT OF DEALINGS IN FULLY-PAID RIGHTS SHARES

Dealings in Rights Shares in their fully paid form on the Stock Exchange are expected to commence at 9:00 a.m. on Tuesday, 11 August 2020.

UPDATE ON THE PREFERENCE SHARES AND WARRANTS ISSUE

Upon completion of the Rights Issue on Tuesday, 11 August 2020, all conditions precedent as set out in the PS Subscription Agreement (other than those conditions which by their terms are to be satisfied on the date of closing but subject to the satisfaction or waiver of such conditions) will have been satisfied or waived. In accordance with the terms of the PS Subscription Agreement, it is expected that completion of the Preference Shares and Warrants Issue will take place on Wednesday, 12 August 2020. Further announcement will be made by Cathay Pacific in respect of such completion.

As at the date of this announcement, the Directors of Cathay Pacific are:

Executive Directors: Patrick Healy (Chairman), Gregory Hughes, Ronald Lam, Martin Murray, Augustus Tang;

Non-Executive Directors: Cai Jianjiang, Michelle Low, Song Zhiyong, Merlin Swire, Samuel Swire, Xiao Feng, Zhang Zhuo Ping, Zhao Xiaohang; and

Independent Non-Executive Directors: Bernard Chan, John Harrison, Robert Milton and Andrew Tung.

By Order of the Board
CATHAY PACIFIC AIRWAYS LIMITED
國泰航空有限公司
Paul Chow
Company Secretary

Hong Kong, 7 August 2020