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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)

April 2021 Traffic Figures

The appended press release contains traffic figures for April 2021 for Cathay Pacific Airways Limited (“**Cathay Pacific**”). The information in the press release may be price sensitive. This announcement containing the press release is accordingly being issued pursuant to Part XIVA of the Securities and Futures Ordinance. The information in the press release has been prepared on the basis of internal management records. It has not been audited or reviewed by external auditors.

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Investors are advised to exercise caution in dealing in shares of Cathay Pacific.

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

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

Non-Executive Directors: Martin Murray, Song Zhiyong, Merlin Swire, Samuel Swire, Xiao Feng, Zhang Zhuo Ping, Zhao Xiaohang;

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

By Order of the Board

Cathay Pacific Airways Limited

Joanna Lai

Company Secretary

Hong Kong, 18th May 2021

18 May 2021

FOR IMMEDIATE RELEASE

**CATHAY PACIFIC RELEASES TRAFFIC FIGURES
FOR APRIL 2021**

Cathay Pacific today released its traffic figures for April 2021 that continued to reflect the airline's substantial capacity reductions in response to significantly reduced demand as well as travel restrictions and quarantine requirements in place in Hong Kong and other markets amid the ongoing global COVID-19 pandemic.

Cathay Pacific carried a total of 22,404 passengers last month, an increase of 63.2% compared to April 2020, but a 99.3% decrease compared to the pre-pandemic level in April 2019. The month's revenue passenger kilometres (RPKs) rose 32.6% year-on-year, but were down 99.1% versus April 2019. Passenger load factor increased by 2.5 percentage points to 24.2%, while capacity, measured in available seat kilometres (ASKs), increased by 18.9%, but remained 96.8% down on April 2019 levels. In the first four months of 2021, the number of passengers carried dropped by 97.9% against a 90.2% decrease in capacity and a 97.7% decrease in RPKs, as compared to the same period for 2020.

The airline carried 73,113 tonnes of cargo and mail last month, a decrease of 13.6% compared to April 2020. The month's revenue freight tonne kilometres (RFTKs) fell 31.3% year-on-year. The cargo and mail load factor increased by 12.5 percentage points to 83%, while capacity, measured in available freight tonne kilometres (AFTKs), was down by 41.7%. In the first four months of 2021, the tonnage fell by 26.7% against a 40% drop in capacity and a 27.5% decrease in RFTKs, as compared to the same period for 2020.

Passenger

Cathay Pacific Group Chief Customer and Commercial Officer Ronald Lam said: "The pace of recovery continues to be slow. In April, passenger demand was still very weak and despite average daily passenger numbers improving slightly to 747, overall passenger numbers remained low at just 22,404. We cautiously reinstated more capacity to our network, including resuming regular services to Chengdu, Xiamen, Kaohsiung, Melbourne and Perth. Overall, we operated 21% more capacity in April than we did in March, though this still represented a 96.8% drop compared with the pre-pandemic level in April 2019. Load factor also improved slightly, but remained low at 24.2%.

"In the first half of April, we added more flights to cater for demand from student travellers heading to London. We also successfully operated two special flights that departed from London on 21 and 28 April to bring Hong Kong residents home. We are very proud that these marked our first flights operated by fully vaccinated pilots and cabin crew, and also our first flights from London since December last year.

Furthermore, with the ban on flights to Hong Kong from the UK having been lifted earlier this month, we are pleased to now be operating regular flights from London Heathrow again.

“We were also encouraged to see more demand towards the end of April for traffic from the Chinese mainland under the Hong Kong SAR Government’s expanded Return2HK scheme, and we will be resuming flights to Fuzhou and Hangzhou at the end of May. However, travel restrictions continue to impact our passenger business, as was the case with the temporary suspension of all flights from the Philippines to Hong Kong by the Hong Kong SAR Government in mid-April.

Cargo

“On the cargo side, while we welcomed the easing of quarantine restrictions for cargo aircrew in Hong Kong in mid-April, the positive impact of the relaxation was not immediately realised due to crew rostering lead time and our overall capacity last month remained significantly affected. The number of freighter and cargo-only passenger flights that we operated was lower than at any point since the Covid-19 pandemic began, limiting our ability to provide more lift to what was a reasonably buoyant cargo market, particularly on long-haul routings. This reduction in capacity together with the firm market led to a high load factor of 83%.

“Our vaccine solution has gathered momentum and we surpassed the milestone of shipping 15 million Covid-19 vaccines around the world in mid-April. We have also seen surges in demand for related medical and healthcare supplies and we are focused on maximising our available capacity to facilitate the movement of these essential shipments.

Outlook

“Looking ahead at the passenger business, we still are not seeing signs of immediate meaningful improvement in overall passenger demand. While we are disappointed with the postponement of the Hong Kong-Singapore Air Travel Bubble flights, we are nevertheless very encouraged by the demand for two-way, all-purpose, quarantine-free air travel flight arrangements among our customers. We look forward to the resumption of our Air Travel Bubble flights.

“The latest relaxation of quarantine requirements for fully vaccinated Hong Kong-based aircrew operating passenger flights as well as those operating cargo services is a welcome development that will progressively reduce our monthly cash burn and have a positive impact on our passenger and cargo business. Already, more than 80% of our pilots and over 40% of our cabin crew in Hong Kong have either booked or received their vaccination. We expect our May cargo schedule to gradually recover as more of our crew are fully vaccinated, and we are grateful for the enduring dedication of all our aircrew, who continue to do their jobs brilliantly during this challenging time.

“We also welcome the easing of quarantine requirements in Hong Kong for fully vaccinated travellers earlier this month, which is a crucial step in the return to normal international air travel.”

The full April figures are on the next page.

AIRLINES COMBINED TRAFFIC	APR 2021	% Change VS APR 2020	Cumulative APR 2021	% Change YTD
RPK (000)				
- Chinese mainland	9,456	418.9%	34,166	-95.4%
- North East Asia	3,308	11.3%	17,359	-99.1%
- South East Asia	16,790	85.3%	63,434	-97.2%
- South Asia, Middle East & Africa	-	-	-	-100.0%
- South West Pacific	6,832	-23.5%	42,110	-98.6%
- North America	36,190	6.8%	197,758	-96.2%
- Europe	33,254	43.8%	74,136	-98.0%
RPK Total (000)	105,830	32.6%	428,963	-97.7%
Passengers carried	22,404	63.2%	92,487	-97.9%
Cargo and mail revenue tonne km (000)	393,333	-31.3%	2,080,874	-27.5%
Cargo and mail carried (000kg)	73,113	-13.6%	347,669	-26.7%
Number of flights	840	-25.0%	4,016	-69.5%

AIRLINES COMBINED CAPACITY	APR 2021	% Change VS APR 2020	Cumulative APR 2021	% Change YTD
ASK (000)				
- Chinese mainland	35,547	52.7%	155,381	-87.0%
- North East Asia	34,056	54.3%	152,096	-94.8%
- South East Asia	61,935	-7.3%	313,231	-91.1%
- South Asia, Middle East & Africa	-	-	-	-100.0%
- South West Pacific	64,778	79.9%	573,271	-86.6%
- North America	181,943	58.2%	1,122,625	-84.6%
- Europe	59,521	-43.4%	307,051	-94.3%
ASK Total (000)	437,780	18.9%	2,623,655	-90.2%
Passenger load factor	24.2%	2.5pt	16.3%	-52.2pt
Available cargo/mail tonne km (000)	474,008	-41.7%	2,546,732	-40.0%
Cargo and mail load factor	83.0%	12.5pt	81.7%	14.1pt
ATK (000)	515,661	-39.2%	2,796,312	-58.9%

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Glossary

Terms:

Available seat kilometres (“ASK”)

Passenger seat capacity, measured in seats available for the carriage of passengers on each sector multiplied by the sector distance.

Available tonne kilometres (“ATK”)

Overall capacity measured in tonnes available for the carriage of passengers, excess baggage, cargo and mail on each sector multiplied by the sector distance.

Available cargo/mail tonne kilometres

Cargo capacity measured in tonnes available for the carriage of cargo and mail on each sector multiplied by the sector distance.

Revenue passenger kilometres (“RPK”)

Number of passengers carried on each sector multiplied by the sector distance.

Cargo and Mail revenue tonne kilometres

Traffic volume, measured in load tonnes from the carriage of cargo and mail on each sector multiplied by the sector distance.

Ratio:

$$\text{Passenger/Cargo and mail load factor} = \frac{\text{Revenue passenger kilometres/} \\ \text{Cargo and mail revenue tonne kilometres}}{\text{Available seat kilometres/} \\ \text{Available cargo and mail tonne kilometres}}$$