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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)

POSSIBLE OFF-MARKET SHARE BUY-BACK

(1) UPDATE ON IRREVOCABLE UNDERTAKINGS

(2) CHANGE IN INDEPENDENT BOARD COMMITTEE COMPOSITION

**Independent Financial Adviser to the Independent Board Committee and the
Independent Shareholders**



Reference is made to (i) the announcement dated 5th November 2025 issued by Cathay Pacific Airways Limited (the “**Company**”) in relation to, among other things, the Share Buy-Back (the “**Announcement**”); (ii) the announcement dated 26th November 2025 issued by the Company in relation to the delay in despatch of the circular; and (iii) the monthly update announcement dated 24th December 2025 issued by the Company. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

(1) UPDATE ON IRREVOCABLE UNDERTAKINGS

On 5th January 2026 (after trading hours):

- (a) Air China has informed the Company that it has entered into a share placing agreement with a placing agent to dispose 108,080,000 Shares (the “**Disposal**”) and the Disposal is expected to be completed prior to the EGM; and
- (b) Air China and the Company have executed a deed of amendment and restatement that amended and restated the Irrevocable Undertaking executed by Air China in favour of the Company to reflect Air China’s shareholding after the Disposal (the “**Amended Air China Irrevocable Undertaking**”).

The number of Shares subject to the Amended Air China Irrevocable Undertaking will be revised to 1,822,436,334 Shares indirectly held by Air China, representing approximately 27.11% of the issued Shares as at the date of this announcement (the “**Amended Air China IU Shares**”), and any other Shares acquired after the date of the Amended Air China Irrevocable Undertaking by Air China and the Air China Subsidiaries (including any Shares derived from any Amended Air China IU Shares). The number of Shares subject to the Irrevocable Undertaking executed by Swire Pacific remains the same (i.e. 2,751,915,439 Shares directly held by Swire Pacific, and together with the Amended Air China IU Shares, the “**Amended IU Shares**”). Accordingly, the total number of Amended IU Shares represents approximately 75.24% of the Shares held by Independent Shareholders as at the date of this announcement.

All other material terms of the original Irrevocable Undertaking executed by Air China remain the same. For completeness, the key terms of the Amended Air China Irrevocable Undertaking are summarised below.

Subject to the granting of the MGO Waiver (to the extent required under the Takeovers Code), Air China has irrevocably undertaken to the Company to, and procure the Air China Subsidiaries and its and their respective nominees (if any) to, cast all votes in respect of the Amended Air China IU Shares held by it or them in favour of any resolution(s) put to the Shareholders at any general meeting to be convened in connection with the Share Buy-back to approve the Share Buy-back and the entry into the Buy-back Deed.

Air China has also undertaken that, during the term of the Amended Air China Irrevocable Undertaking, the Air China Subsidiaries and its and their respective nominees (if any) will not sell, transfer, dispose of, charge, pledge or otherwise encumber or grant any option or other right over or otherwise deal with any of the Amended Air China IU Shares or any interest in the Amended Air China IU Shares (whether conditionally or unconditionally), or otherwise enter into any agreement or arrangement with any person, whether conditionally or unconditionally, to do any of such acts.

The Amended Air China Irrevocable Undertaking shall terminate at the earlier of (i) immediately following the conclusion of the EGM, and (ii) such other date as may be agreed between the Air China and the Company.

Upon completion of the Disposal and the Share Buy-back, assuming that there is no other change in the issued share capital of the Company, (i) the shareholding of Swire Pacific will increase from approximately 43.09% as at the date of this announcement to approximately 47.65% (i.e. an increase exceeding the 2% “creeper” threshold under Rule 26.1 of the Takeovers Code), and (ii) the shareholding of Air China will increase from approximately 27.11% (being the shareholding immediately after the Disposal) to approximately 29.98% (i.e. below the 30% “trigger” threshold under Rule 26.1 of the Takeovers Code). As at the date of this announcement, Swire Pacific (for itself and on behalf of parties acting in concert with it) has made an application to the Executive for the MGO Waiver.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below for illustrative purposes is the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after the completion of the Disposal; and (iii) immediately after completion of the Disposal and the Share Buy-back, assuming that there is no other change in the shareholdings of the Company:

	As at the date of this announcement		Immediately after the completion of the Disposal		Immediately after the completion of the Disposal and the Share Buy-back (excluding treasury Shares)	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Qatar Airways ⁽¹⁾	643,076,181	9.57	643,076,181	9.57	-	-
IU Shareholders						
– Swire Pacific ⁽²⁾⁽³⁾	2,896,753,089	43.09	2,896,753,089	43.09	2,896,753,089	47.65
– Air China ⁽²⁾	1,930,516,334	28.72	1,822,436,334	27.11	1,822,436,334	29.98
Other Independent Shareholders	1,252,510,907	18.63	1,360,590,907	20.24	1,360,590,907	22.38
Total	6,722,856,511	100	6,722,856,511	100	6,079,780,330	100

Notes: As at the date of this announcement:

- (1) Qatar Airways owns a total of 643,076,181 Shares as beneficial owner.
- (2) Under Section 317 of the SFO, each of Air China, China National Aviation Company Limited and Swire Pacific, being a party to the shareholders' agreement in relation to the Company dated 8 June 2006, is deemed to be interested in a total of 4,827,269,423 Shares, comprising:
 - a. 2,896,753,089 Shares directly held by Swire Pacific;
 - b. 1,930,516,334 Shares indirectly held by Air China and its subsidiaries, China National Aviation Company Limited, Most Known Investments Limited, Super Supreme Company Limited and Total Transform Group Limited, comprising the following Shares held by their wholly-owned subsidiaries: 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.
- (3) 144,837,650 Shares are subject to the Securities Lending Agreement, which will not be part of the Amended IU Shares.
- (4) HSBC is the financial adviser to Qatar Airways in respect of the Share Buy-back. Accordingly, HSBC and members of the HSBC Group (other than those which are exempt principal traders and/or exempt fund

managers in their capacity as such, in each case recognised by the Executive as such for the purpose of the Takeovers Code and the Share Buy-back Code) are presumed to be acting in concert with Qatar Airways in relation to the Company, in accordance with class (5) of the definition of “acting in concert” under the Takeovers Code and the Share Buy-back Code (and accordingly except in respect of Shares (or options, warrants or derivatives in respect of them) held by exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purpose of the Takeovers Code and the Share Buy-back Code, and excluding Shares (or options, warrants or derivatives in respect of them) held on behalf of non-discretionary investment clients of the HSBC Group). The statements in this announcement as to the holdings, borrowings or lendings of, or dealings in, Shares (or options, warrants or derivatives in respect of them) by parties acting in concert with Qatar Airways are accordingly subject to the holdings, borrowings, lendings or dealings (if any) of members of the HSBC Group without exempt status.

(5) *All percentages in the above table are approximations and subject to rounding.*

(2) CHANGE IN INDEPENDENT BOARD COMMITTEE COMPOSITION

Following consultation with the Executive in connection with the Amended Air China Irrevocable Undertaking, the Independent Board Committee will now comprise all the independent non-executive Directors, namely Bernard Chan, Lily Cheng, Christoph Mueller and Wang Xiao Bin, all of whom do not have any direct or indirect interest in the Share Buy-back. Each of the non-executive Directors, who has been nominated by either Swire Pacific or Air China (each an IU Shareholder), will not form part of the Independent Board Committee.

The Independent Board Committee will advise the Independent Shareholders on the Share Buy-back and the Buy-back Deed and the Circular will contain, among other things, a letter of recommendation from the Independent Board Committee to the Independent Shareholders on the Share Buy-back and the Buy-back Deed.

Shareholders and potential investors in the Company should be aware that the proposed Share Buy-back is subject to the conditions set out in the Announcement, and consequently the proposed Share Buy-back may or may not proceed. Accordingly, Shareholders and potential investors in the Company are advised to exercise caution when dealing in the Shares and the other securities of the Company.

In case of any discrepancy between the English version and the Chinese version of this announcement, the English version shall prevail.

As at the date of this announcement, the Directors of the Company are:

Executive Directors: Patrick Healy (Chair), Ronald Lam, Lavinia Lau, Alexander McGowan, Rebecca Sharpe;

Non-Executive Directors: Liu Tiexiang (Deputy Chair), Guy Bradley, Gordon McCallum, Sun Yuquan, Merlin Swire, Augustus Tang, Wang Mingyuan, Xiao Feng; and

Independent Non-Executive Directors: Bernard Chan, Lily Cheng, Christoph Mueller and Wang Xiao Bin.

All the Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

By Order of the Board

CATHAY PACIFIC AIRWAYS LIMITED

國泰航空有限公司

Joanna Lai

Company Secretary

Hong Kong, 6th January 2026