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*No PRIIPs KID – No packaged retail and insurance-based investment products (“**PRIIPs**”) key information document (“**KID**”) has been prepared as the Bonds will not be available to retail investors in the European Economic Area and the United Kingdom.*

The securities described herein will be sold in accordance with all applicable laws and regulations.

CATHAY PACIFIC AIRWAYS LIMITED

國泰航空有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 293)

COMPLETION OF THE ISSUE OF HK\$6,740,000,000 2.75% GUARANTEED CONVERTIBLE BONDS DUE 2026

Reference is made to the announcement of Cathay Pacific Airways Limited 國泰航空有限公司 (the “**Company**”) dated 28 January 2021 in relation to the proposed issue of the Bonds (the “**Announcement**”). Unless otherwise defined, all terms used herein shall have the same meanings as those defined in the Announcement.

The Board is pleased to announce that all the conditions precedent under the Subscription Agreement have been satisfied and/or waived and the issue of the Bonds in an aggregate principal amount of HK\$6,740,000,000 was completed on 5 February 2021.

Application has been made to The Stock Exchange of Hong Kong Limited for the listing of and permission to deal in the Bonds by way of debt issues to professional investors (as defined in Chapter 37 of the Listing Rules) only, as described in the offering circular relating thereto dated 2 February 2021. Permission for the listing of, and dealing in, the Bonds is expected to become effective on 8 February 2021.

As disclosed in the Announcement, the net proceeds from the completion of the recapitalisation plan implemented by the Company was approximately HK\$38.9 billion. As at the date of this announcement, approximately HK\$21.5 billion of such proceeds has been utilised by the Cathay Pacific Group, of which:

- (i) approximately HK\$6.0 billion has been applied towards the repayment of short-term bridging loans; and
- (ii) approximately HK\$15.5 billion has been applied towards the payment of:
 - (a) operating expenses of the Cathay Pacific Group (including but not limited to staff, inflight services and passenger expenses, landing, parking and route expenses, fuel, fuel hedging, aircraft maintenance, aircraft lease rental payments, other rental payments, commissions, finance charges, loan and lease repayments and tax expenses); and
 - (b) certain cash costs associated with the restructuring of the Cathay Pacific Group, as disclosed in the announcement of the Company dated 21 October 2020.

The Cathay Pacific Group intends to apply the remainder of such proceeds for general corporate purposes.

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

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

Non-Executive Directors: Michelle Low, 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

國泰航空有限公司

Paul Chow

Company Secretary

Hong Kong, 5 February 2021