

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

CATHAY PACIFIC AIRWAYS LIMITED

國泰航空有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 293)

January 2021 Traffic Figures

The appended press release contains traffic figures for January 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.

This announcement is issued by Cathay Pacific pursuant to Part XIVA of the Securities and Futures Ordinance.

The information in this announcement has been prepared on the basis of internal management records. It has not been audited or reviewed by external auditors.

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: 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

Paul Chow

Company Secretary

Hong Kong, 17th February 2021

17 February 2021

FOR IMMEDIATE RELEASE

**CATHAY PACIFIC RELEASES COMBINED TRAFFIC FIGURES
FOR JANUARY 2021**

Cathay Pacific today released its traffic figures for January 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 30,410 passengers last month, a decrease of 99% compared to January 2020. The month's revenue passenger kilometres (RPKs) fell 98.7% year-on-year. Passenger load factor dropped by 71.4 percentage points to 13.3%, while capacity, measured in available seat kilometres (ASKs), decreased by 91.8%.

Cathay Pacific carried 108,930 tonnes of cargo and mail last month, a decrease of 28.3% compared to January 2020. The month's revenue freight tonne kilometres (RFTKs) fell 21.7% year-on-year. The cargo and mail load factor increased by 19.3 percentage points to 79.4%, while capacity, measured in available freight tonne kilometres (AFTKs), was down by 40.7%.

Passenger

Cathay Pacific Group Chief Customer and Commercial Officer Ronald Lam said: "2021 has already got off to a difficult start. Many of the challenges of 2020 continued into January while a number of new ones have also emerged, most notably new COVID-19 strains and more severe lockdowns in some of our key markets.

"Our January capacity decreased about 6% compared to December 2020. This was largely due to the Hong Kong SAR Government's ongoing ban on flights arriving from the UK. We only resumed flying passengers from Hong Kong to London in mid-January, operating just five such flights over the remainder of the month.

"Aside from a few pockets of intra-Asia demand, overall demand remained very weak. We carried an average of just 981 passengers per day in January, the first time this number has dipped below 1,000 since June last year, while load factor was the lowest on record at just 13.3%.

Cargo

“Cargo demand from Hong Kong and the Chinese mainland slowed down somewhat in the first two weeks of January, but started to strengthen in the second half as we approached the Chinese New Year holiday. The slowdown in our core markets provided an opportunity to increase capacity elsewhere in our network, most notably Southwest Pacific and Northeast Asia. Perishables, live seafood, and automotive and electronic products provided substantial growth in priority and special cargo volumes. Our newly launched seasonal freighter service to Hobart, which has now enjoyed a full month of operation, has been well received and contributed significantly to Southwest Pacific’s positive performance.

“We continued to provide additional capacity to the market in the form of 489 pairs of cargo-only passenger flights and more charter flights from our all-cargo subsidiary, Air Hong Kong.”

Outlook

Effective 20 February 2021, the Hong Kong SAR Government is implementing new, stricter quarantine measures for our Hong Kong-based pilots and cabin crew when they return to Hong Kong after being on duty. Cathay Pacific is actively managing its crew resources to plan for its flight services moving forward in light of these new requirements.

Lam said: “As the home carrier of Hong Kong, we will do everything we can to maintain vital connections for passengers and cargo into and out of Hong Kong. We thank the many pilots and cabin crew who have volunteered to undertake the ‘closed loop’ flying and quarantine arrangement. Their professionalism and commitment are deeply appreciated.

“Looking ahead, we are seeing healthy cargo demand in February up until the Chinese New Year holiday before slowing down in the latter half of the month. Overall, we expect our strong cargo performance in 2020 to continue in 2021.

“Nevertheless, as long as stringent quarantine measures continue to be in place in Hong Kong and elsewhere, the coming months will be extremely challenging. Our ability to adapt quickly will be key to our business and we will remain agile in adjusting our network plan in accordance with market demand.”

The full January figures are on the next page.

CATHAY PACIFIC / CATHAY DRAGON COMBINED TRAFFIC	JAN	% Change	Cumulative	% Change
	2021	VS JAN 2020	JAN 2021	YTD
RPK (000)				
- Chinese mainland	8,663	-98.6%	8,663	-98.6%
- North East Asia	7,014	-99.5%	7,014	-99.5%
- South East Asia	19,217	-98.7%	19,217	-98.7%
- South Asia, Middle East & Africa	-	-100.0%	-	-100.0%
- South West Pacific	21,550	-98.8%	21,550	-98.8%
- North America	80,888	-97.5%	80,888	-97.5%
- Europe	14,723	-99.4%	14,723	-99.4%
RPK Total (000)	152,055	-98.7%	152,055	-98.7%
Passengers carried	30,410	-99.0%	30,410	-99.0%
Cargo and mail revenue tonne km (000)	669,496	-21.7%	669,496	-21.7%
Cargo and mail carried (000kg)	108,930	-28.3%	108,930	-28.3%
Number of flights	1,258	-81.1%	1,258	-81.1%

CATHAY PACIFIC / CATHAY DRAGON COMBINED CAPACITY	JAN	% Change	Cumulative	% Change
	2021	VS JAN 2020	JAN 2021	YTD
ASK (000)				
- Chinese mainland	46,728	-94.8%	46,728	-94.8%
- North East Asia	48,914	-97.2%	48,914	-97.2%
- South East Asia	107,555	-94.2%	107,555	-94.2%
- South Asia, Middle East & Africa	-	-100.0%	-	-100.0%
- South West Pacific	308,123	-84.7%	308,123	-84.7%
- North America	484,291	-86.4%	484,291	-86.4%
- Europe	149,003	-94.4%	149,003	-94.4%
ASK Total (000)	1,144,614	-91.8%	1,144,614	-91.8%
Passenger load factor	13.3%	-71.4pt	13.3%	-71.4pt
Available cargo/mail tonne km (000)	842,806	-40.7%	842,806	-40.7%
Cargo and mail load factor	79.4%	19.3pt	79.4%	19.3pt
ATK (000)	951,676	-65.4%	951,676	-65.4%

Media Contact:

Email: press@cathaypacific.com Tel: +852 2747 5393

Cathay Pacific website: www.cathaypacific.com

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:

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