

# ATLA's follow-up on financial situation of Hong Kong Airlines Limited

The following is issued on behalf of the Air Transport Licensing Authority:

In the light of the ongoing financial problems of Hong Kong Airlines Limited (HKA), the Air Transport Licensing Authority (ATLA) has been closely monitoring the situation of the airline over a long period of time, and has repeatedly asked HKA to submit financial improvement plans in accordance with the Air Transport (Licensing of Air Services) Regulations (Cap. 448 Subsidiary Legislation A).

Having considered the information recently submitted by HKA, ATLA is of the view that HKA's financial situation has shown no sign of improvement, and that the situation is a matter of concern. After its meeting today (October 25), ATLA decided to ask HKA to take immediate and concrete steps with a view to effectively improving the financial situation shortly. Otherwise, ATLA will consider taking appropriate action in accordance with the Regulations in the light of the circumstances.