

ATLA's response to recent media reports on financial situation of Hong Kong Airlines Limited

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

In response to the recent media reports on the financial situation of the Hong Kong Airlines Limited (HKA), the Air Transport Licensing Authority (ATLA) responded today (December 21) as follows:

"ATLA is an independent statutory body set up under the Air Transport (Licensing of Air Services) Regulations (Cap 448 Subsidiary Legislation A) (the Regulations) and is responsible for considering licence applications to operate scheduled air services.

Under the Regulations, the corporate licensee (including HKA) is required to submit annual audited financial statement for review by ATLA. If necessary, ATLA may also request, under the Regulations, the corporate licensee to submit at any time relevant information for the Authority to assess its financial situation.

ATLA has noted recent media reports on the financial situation of HKA. In accordance with the Regulations, ATLA has been following up on the financial situation of HKA and has, in accordance with the Regulations, requested the airline to explain the situation. ATLA would continue to keep in view the development and take necessary follow-up action(s) on the matter."