

Speech by STL at “Cathay Cargo – We know How” brand launch ceremony (English only)

Following is the speech by the Secretary for Transport and Logistics, Mr Lam Sai-hung, at the "Cathay Cargo – We know How" brand launch ceremony today (June 21):

Ronald (Chief Executive Officer of Cathay Pacific Group, Mr Ronald Lam), Rebecca (Chief Financial Officer of Cathay Pacific Group, Ms Rebecca Sharpe), Tom (Director Cargo of Cathay Pacific, Mr Tom Owen), Victor (Director-General of Civil Aviation, Mr Victor Liu), Fred (Chief Executive Officer of Airport Authority Hong Kong, Mr Fred Lam), distinguished guests, ladies and gentlemen,

Good evening. I am most happy to be with you all this evening to witness this remarkable moment of Cathay Cargo, which is set to embark on an exciting journey to "Move Beyond", as the Cathay's ambition says, by offering more and more leading-edge services to customers under a new brand.

This commitment of Cathay Cargo echoes our ambition to make Hong Kong not only the busiest, but also the best, international air cargo hub that serves shippers and markets around the world.

Action speaks louder than words. While our airport managed to retain the top spot as the world's busiest cargo airport in 2021 and 2022 during the pandemic, we have never slowed down in making continuous enhancements of our airport's infrastructure and systems, with a view to enhancing our capability in handling e-commerce-related and high-value and high-growth cargo.

On this front, Hong Kong International Airport (HKIA) has made remarkable achievements, with our airport community being among the first to have attained the International Air Transport Association's Centre of Excellence certifications for various high-value air cargo, including pharmaceuticals, fresh produce, live animals and lithium batteries. Cathay has been at the forefront of this exciting development. Your world-class capability in handling temperature-controlled cargo was more than recognised, when Cathay Cargo became one of the few preferred airlines to transport vaccines and medicine for COVID-19 during the depth of the pandemic. As this air cargo segment continues to see respectable growth, I am sure Cathay Cargo will maintain your edge as a world leader in handling related shipments.

Looking further ahead, capacity building will be critical for the continual development of air cargo business in Hong Kong, especially in face of land shortage. Apart from the expansion of HKIA into a Three-Runway System, which upon completion and commissioning in 2024 will significantly increase HKIA's handling capacity, we are also introducing a new sea-air

intermodal cargo transshipment mode between HKIA and Dongguan, whereby air cargo that has gone through upstream security screening can be shipped to HKIA by sea for direct transshipment. With the collaborative efforts of stakeholders in the airport community, the pilot scheme has been running smoothly, and we aim to migrate it to a permanent facility from 2025.

We appreciate a lot Cathay's unwavering support for this project, with Cathay Cargo and Cathay's cargo terminal being the first carrier and the first cargo terminal operator respectively to handle cargo shipments under this innovative model. We trust that this additional mode will open up tremendous opportunities for both Cathay Cargo and our airport, helping both to enlarge catchment in the huge market of the Greater Bay Area and reinforcing our strength as the leading air cargo and logistics hub.

As we emerge from the pandemic, it is time for us to "Move Beyond" and seize the numerous opportunities that await us in the air cargo industry. Let us all work hand in hand to make Hong Kong the best air cargo hub in the region and the world.

I would like to once again congratulate Cathay Cargo on this special occasion, and wish your company every success in the years to come. Thank you.