

**Special Edition:
HONG KONG**



Unlocking the potential of Hong Kong: Asia's World City

Qatar Airways enhancement of traffic rights is an actual contributor to the economy of the Hong Kong

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QATAR: A TRUSTED TRADING PARTNER FOR HONG KONG SAR

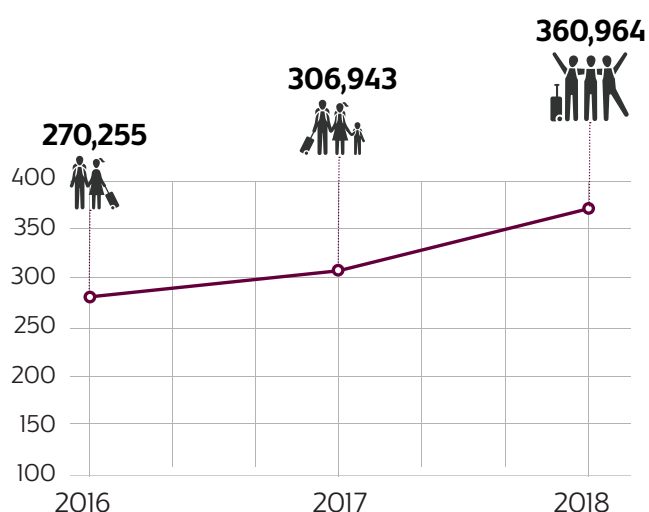


Hong Kong and Qatar have enjoyed strong bilateral relations for 20 years

Hong Kong is one of the most important trade partners of the State of Qatar. Hong Kong and Qatar have enjoyed strong bilateral relations and historical ties for many years.

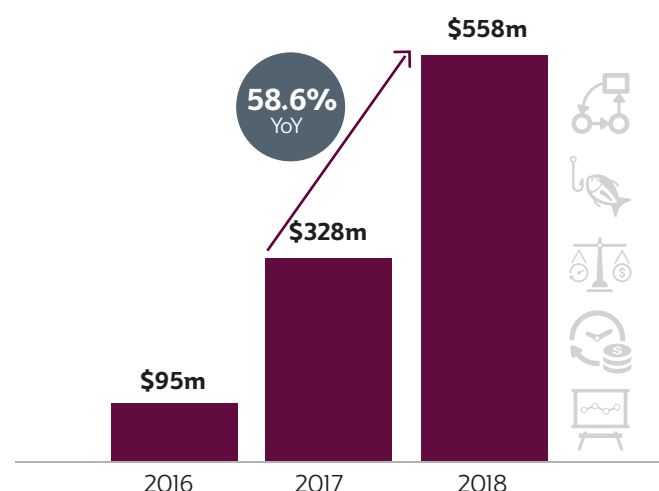
Qatar Airways passengers to/from Hong Kong

As trade relations with Hong Kong grew, Qatar Airways' carried passengers increased. The Middle East is one of the key markets for inbound tourism to Hong Kong.



Source: Qatar Airways

Qatar's growing trade relationship with Hong Kong



In 2016, Qatar's total trade volume was USD\$95 million. This number increased to USD\$328 million in 2017 and reached USD\$558 million in 2018.

Source: <https://comtrade.un.org/data/>

Our commitment to Hong Kong

Qatar Airways is committed to Hong Kong as a leading financial and business center.



This commitment aligns with the principles guiding "Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030" and supports sustainable operations with efficient aircraft and low impact operations for sustainable development.



Increasing global and regional integration calls for better rail, road and air connectivity and infrastructure support. Specific sectors require special facilities to suit their needs."

Hong Kong 2030+



QATAR AIRWAYS' PROPOSAL FOR ADDITIONAL FREQUENCIES TO HONG KONG

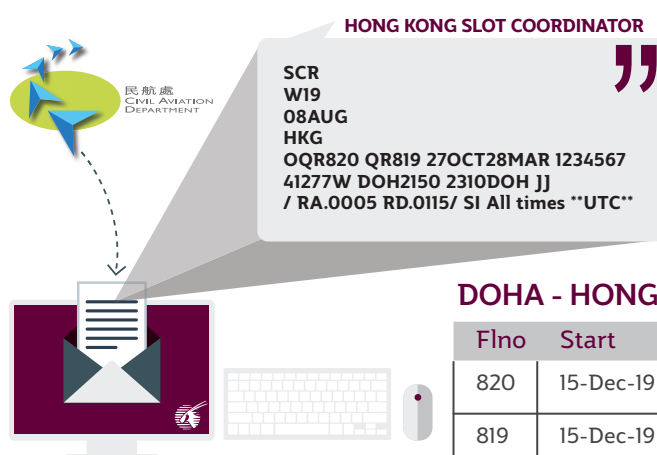


Current operation **14** Weekly PAX frequencies **21** Weekly all-cargo frequencies

Additional Frequency request **105** PAX frequencies

Qatar Airways requests an additional 105 frequencies for passenger/combination services to/from HKSAR on a Temporary Operating Permit (TOP) basis during IATA 2019 Winter Season, from 15 December 2019 to 28 March 2020.

JUSTIFICATION #1 HONG KONG SLOTS COORDINATOR OFFERS ADDITIONAL FLIGHTS



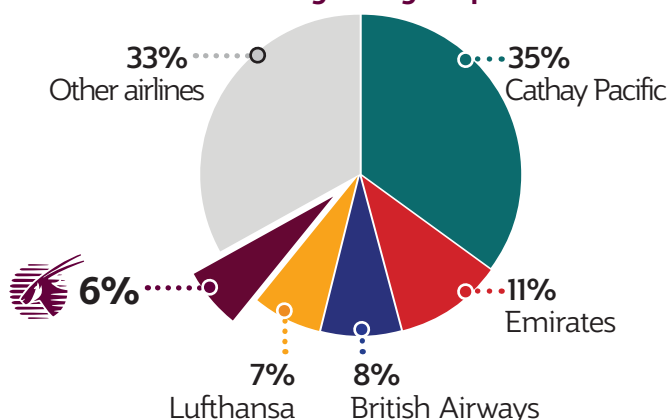
Qatar Airways has already been granted the required slots by Hong Kong Slots Coordinator. Our request is aligned with the current offer from the Slots Coordinator and according to the below schedule.

DOHA - HONG KONG - DOHA

Flno	Start	End	Pattern	Orig	Dest	STD	STA
820	15-Dec-19	28-Mar-20	1234567	DOH	HKG	14:20	21:50
819	15-Dec-19	28-Mar-20	1234567	HKG	DOH	23:10	09:00+1

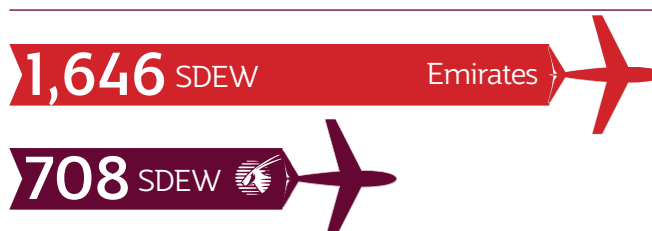
JUSTIFICATION #2 QATAR AIRWAYS STILL LAGS BEHIND MAIN GULF COMPETITOR

Market share - Hong Kong airport



Emirates Airlines currently holds an 11% market share to QR relevant markets at HKIA, while Qatar Airways holds only 6%.

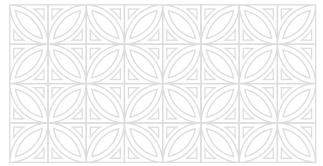
Emirates Airlines' capacity of 1,646 SDEW (seats per day each way) is more than double Qatar Airways' 708 SDEW.



- Emirates Airlines' SDEW is based on
 - 2 daily turnaround flights A380
 - 1 daily turnaround B777
 - 1 daily BKK tag flight A380
- Qatar Airways' SDEW is based on 2 daily turnaround flights B777.

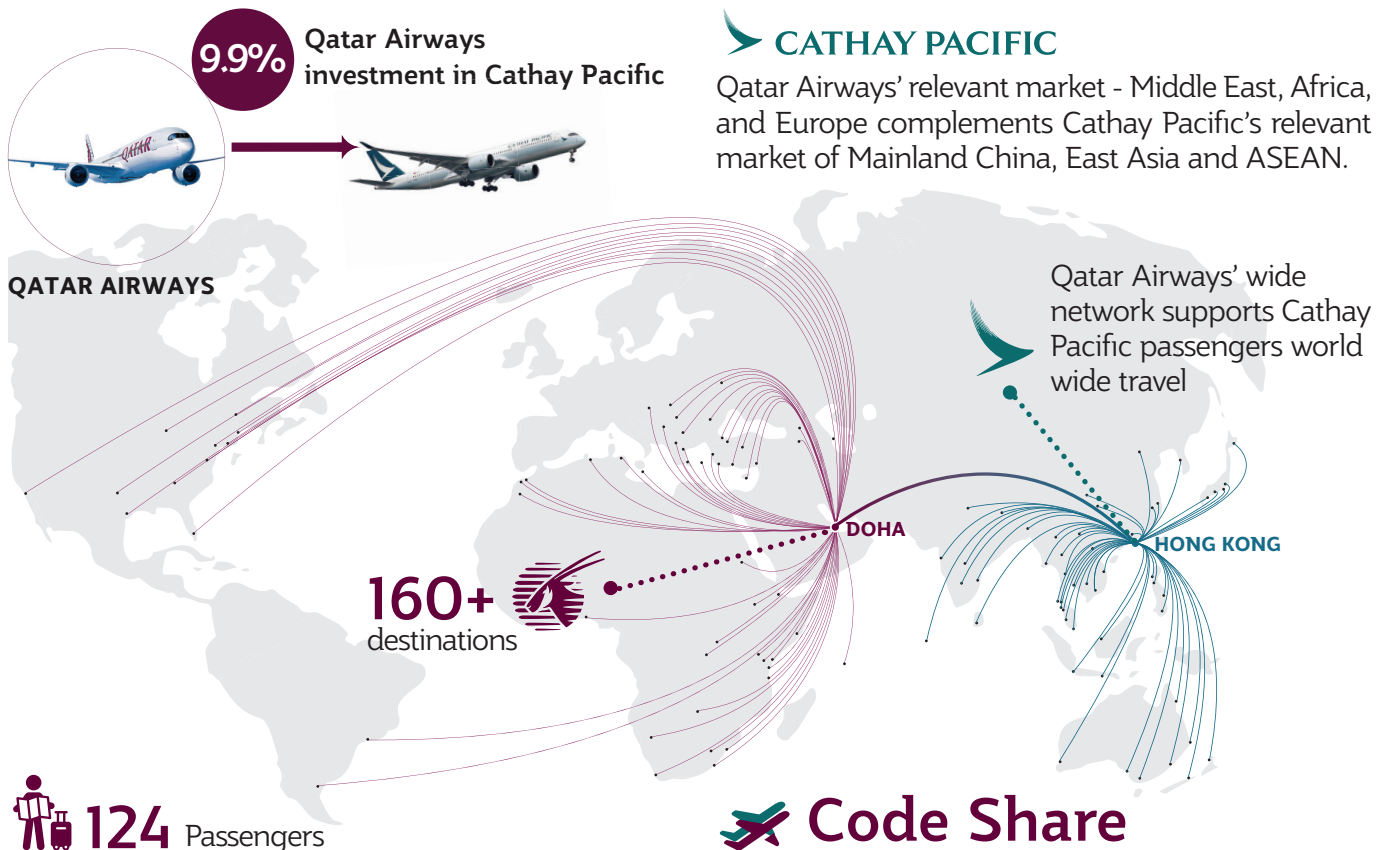


ENHANCE THE STRATEGIC PARTNERSHIP WITH CATHAY PACIFIC



JUSTIFICATION #3 CUSTOMERS BENEFIT FROM CATHAY PACIFIC/QATAR AIRWAYS STRATEGIC PARTNERSHIP

Qatar Airways and Hong Kong carriers are strategic partners rather than competitors as Qatar Airways holds 9.9% of Cathay Pacific.



Daily Each Way generated by Qatar Airways / Cathay Pacific partnership last year, growing at **+41% pace**.

Codeshare relationship creates **+41%**

Bilateral codeshare relationship allows Cathay Pacific to place its code on Qatar Airways' trunk route of **DOH-HKG-DOH** as the Marketing Carrier.

Qatar Airways is the only major Gulf carrier to join a global airline alliance

Qatar Airways and Oneworld alliance offers convenient access to more than 1,100 destinations. In 2017 Oneworld carried almost 528 million passengers on 13 world class airlines with expected expansion to include new airlines.



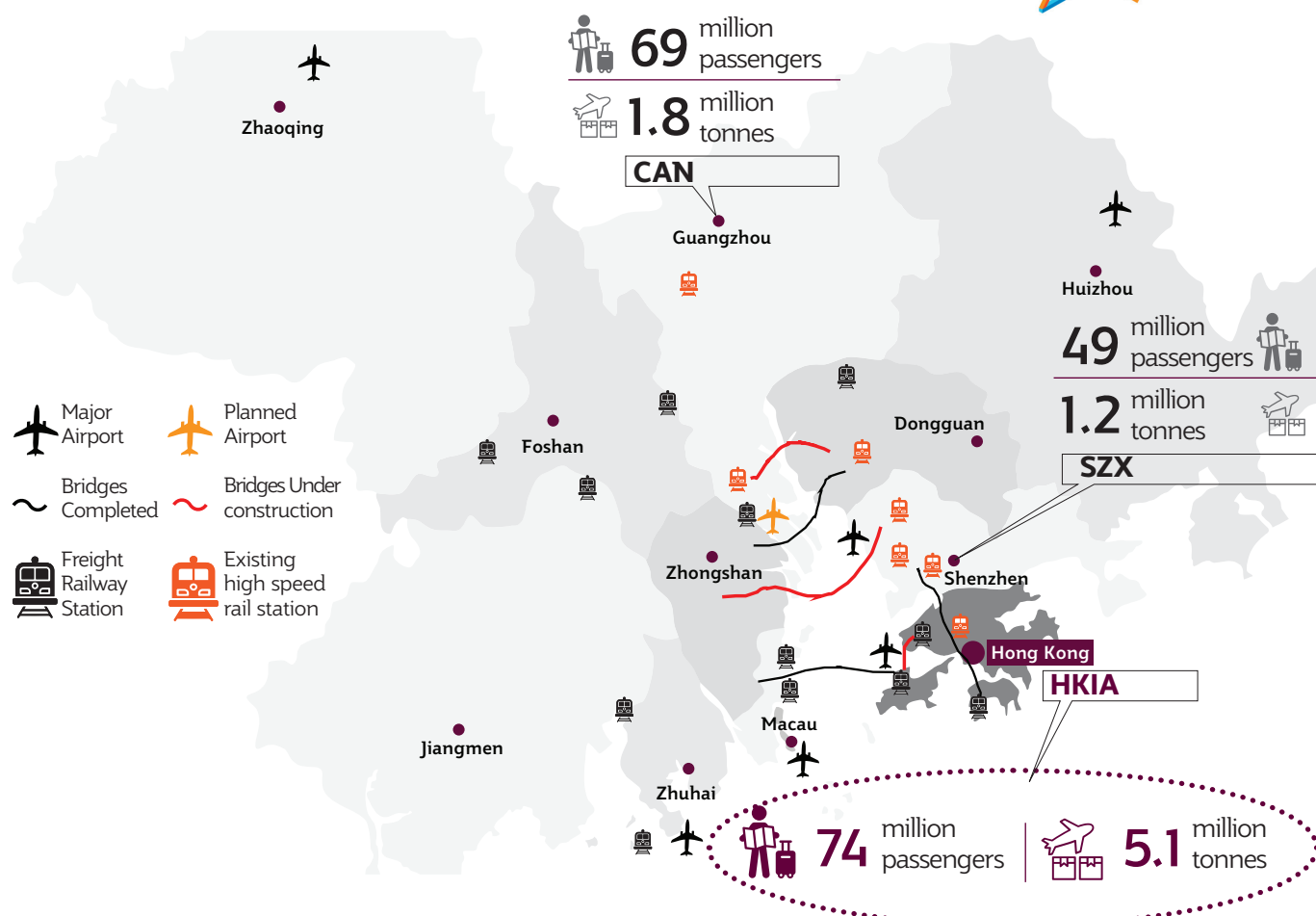
ENHANCEMENT OF HONG KONG'S POSITION IN TERMS OF PASSENGER AND ALL-CARGO FLIGHTS



JUSTIFICATION #4 THE GREATER BAY OF CHINA AIR TRAFFIC DEMANDS



粵港澳大灣區
Greater Bay Area



Additional flights will enhance Hong Kong's competitiveness as an international hub due to the following reasons:

- Fierce competition between Shenzhen - Guangzhou - Zhuhai and Macau Airport (Greater Bay Area)
- Hong Kong as an international hub can offer more frequent international flights.
- The belly-cargo carried by additional flights will also improve HKACTL performance.
- Additional flights increases two-way connectivity to secondary Europe/Americas markets.

Hong Kong International Airport (HKIA)



In 2018, HKIA was recognised as the **"Airport of the Year"** by International Airport Review, at the annual IAR Awards, for the work it does to ensure that the airport runs to the very best of its ability.

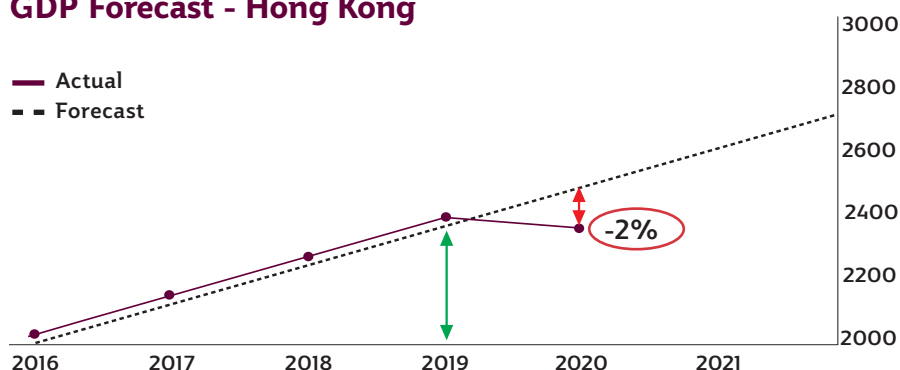


GDP FORECAST IS THE FOUNDATION OF THE ENTIRE TRAFFIC DEMAND FORECAST FOR HKIA



JUSTIFICATION #5 SUPPORTS CONTINUED AIR TRAFFIC GROWTH IN HKIA EVEN AS GDP CONTRACTS

GDP Forecast - Hong Kong



“As an international city with an open market and an externally oriented economy, the correlation between air traffic growth and GDP growth for Hong Kong is even stronger.”

Technical Report
Hong Kong International Airport Master Plan 2030

According to the Hong Kong Financial Secretary, Hong Kong's GDP growth forecast has been downgraded for 2019 from between 2 - 3% to 0 - 1%. **Qatar Airways' request for additional flights supports continued air traffic and tourism growth in Hong Kong even as GDP contracts.**



Impact of 2019 recession

- United Airlines announced that it will halt its daily flights to Hong Kong.
- Qantas Airways is switching to smaller aircraft for its routes from Australia.
- 40% decrease in tourists arrivals for August 2019 YOY.



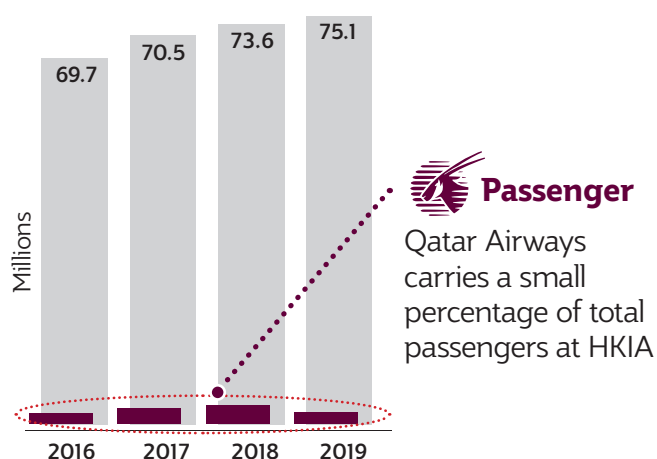
“Traffic into Hong Kong, both business and leisure, has weakened substantially.”

Nikkei Asian Review - Aug 30, 2019

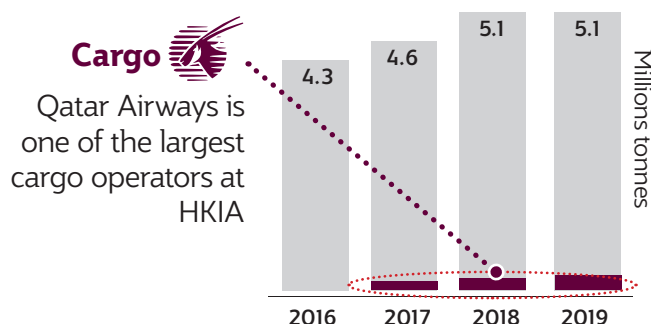
Source: <https://asia.nikkei.com/Spotlight/Hong-Kong-protests/Hong-Kong-tourist-economy-suffers-as-protests-rage-on>

HKIA Passenger demand and cargo growth - 2018

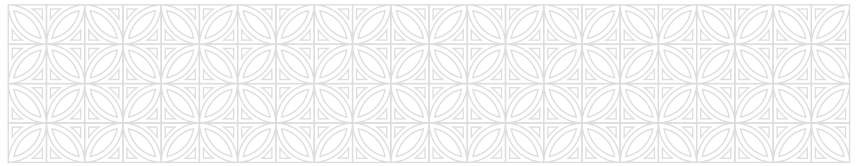
Hong Kong International Airport has seen continuous growth and is now the 8th busiest airport in the world



Hong Kong international airport was the busiest cargo airport for the ninth consecutive year



NO BORDERS, ONLY HORIZONS



On 5 June 2017, Qatar Airways ceased being just a commercial airline and overnight became the only humanitarian bridge connecting the State of Qatar to the world.

Qatar's only land bridge and lifeline was shut down without warning leaving approximately 3.2 million residents without access to new shipments of food, medicines, and other critical supplies. Qatar Airways quickly mobilised to provide the humanitarian care required of its international residents while continuing to deliver our five-star customer service, for which we are renowned.

“

As an airline, we do not believe in boundaries. We believe in bringing people together. The world is better that way.

We believe it is a right of all of us to go where we need to go, to feel the things we want to feel, to see the people we want to see.

That is why we will continue to fly the skies, providing our passengers with everything we can and treating everyone how they deserve to be treated.

We do this because we know that travel goes beyond borders and prejudice...

That travel teaches compassion.

That travel is a necessity.

That travel is a right for all.

There should be no borders in the sky, only horizons.

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CONTACT:

Aeropolitical and Corporate Affairs

Fathi Atti, SVP Aeropolitical and Corporate Affairs
fatti@qatarairways.com.qa

Corporate Communications

qrmedia@qatarairways.com.qa

