

DATED 17 November 2022

CATHAY PACIFIC AIRWAYS LIMITED

and

HONG KONG AIRCRAFT ENGINEERING COMPANY LIMITED

**FRAMEWORK AGREEMENT
IN RELATION TO
AIRCRAFT MAINTENANCE**

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THIS AGREEMENT is made on 17 November 2022

BETWEEN:

1. **CATHAY PACIFIC AIRWAYS LIMITED**, a company incorporated in Hong Kong whose registered office is at 33rd Floor, One Pacific Place, 88 Queensway, Hong Kong ("**Cathay Pacific**") and whose shares are listed on the main board of The Stock Exchange of Hong Kong Limited (stock code: 293); and
2. **HONG KONG AIRCRAFT ENGINEERING COMPANY LIMITED**, a company incorporated in Hong Kong whose registered office is at 33rd Floor, One Pacific Place, 88 Queensway, Hong Kong ("**HAECO**").

WHEREAS:

- (A) Cathay Pacific, HAECO and HXITM (which is owned as to 70% by HAECO and 30% by Cathay Pacific) are parties to an agreement dated 13th November 2013 (the "**2013 Framework Agreement**") which provides a framework for certain transactions between the Cathay Pacific Group and the HAECO Group (including HXITM) (collectively, the "**Transactions**") for the ten (10) year period from 1st January 2013 to 31st December 2022.
- (B) Cathay Pacific and HAECO wish to enter into this agreement which provides a framework for the Transactions during the Term (as defined below).

IT IS AGREED as follows:

1. DEFINITIONS

In this agreement (including the recitals) the following expressions have the following meanings unless the context requires otherwise:

AHK	AHK Air Hong Kong Limited, a subsidiary of Cathay Pacific.
Business Day	A day (other than a Saturday or Sunday) on which banks are open for business in Hong Kong.
Cathay Pacific Group	Cathay Pacific and its subsidiaries from time to time.
Component	A part or component of an aircraft or engine and includes a component of any such part and a part of any such component.
Existing Agreements	The following agreements (as amended or supplemented from time to time):

- (1) Service Agreement dated 1st March 2019 between Cathay Pacific and HAECO;
- (2) Engineering Service Agreement dated 1st March 2019 between Cathay Pacific and HAECO Xiamen;
- (3) IATA Standard Ground Handling Agreement dated 1st January 2008 between Cathay Pacific and HAECO Xiamen;
- (4) Pooled Components Agreement dated 1st April 2019 between, among others, Cathay Pacific and HXITM;
- (5) Landing Gear Exchange and Overhaul Services Agreement dated 13th September 2016 between Cathay Pacific and Taikoo (Xiamen) Landing Gear Services Company Limited;
- (6) Consignment General Terms Agreement dated 1st April 2020 between Cathay Pacific and HAECO Composite Structures (Jinjiang) Company Limited;
- (7) Aircraft Maintenance Services Agreement for AHK A300-600F aircraft and AHK A330-300F aircraft dated 1st March 2019 between AHK and HAECO;
- (8) Agreement for Inventory Technical Management Programme dated 14th August 2015 between HXITM and AHK;
- (9) Bilateral Agreement for Inventory Support dated 24th January 2022 between, among others, HXITM, Cathay Pacific and Hong Kong Express Airways Limited; and
- (10) Engineering Service Agreement dated 1st November 2020 between AHK and HAECO Xiamen.

HAECO Group	HAECO and its subsidiaries from time to time.
HAECO Xiamen	Taikoo (Xiamen) Aircraft Engineering Company Limited, a subsidiary of HAECO.
Hong Kong	The Hong Kong Special Administrative Region of The People's Republic of China.
HXITM	HAECO ITM Limited, a subsidiary of HAECO.
Listing Rules	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Relevant Agreement	Has the meaning given in Clause 3.1 below.
Services	Maintenance and related services in respect of aircraft and engines and Components, including the loan, sale and purchase of Components for the purposes of, in connection with or arising out of such services and including all transactions under the Existing Agreements.
Term	The ten year period from 1st January 2023 to 31st December 2032, both dates inclusive.
Working Hours	9.30 a.m. to 5.30 p.m. on a Business Day.

2. CONDITIONALITY

This agreement is conditional upon approval being given by the independent shareholders at an extraordinary general meeting of Cathay Pacific. If such condition is satisfied, this agreement will come into effect on 1st January 2023.

3. SERVICES

3.1 Relevant Agreements

The parties agree that, if any member of the HAECO Group agrees to provide any Services to any member of the Cathay Pacific Group, the parties to that agreement shall enter into an agreement (a “**Relevant Agreement**”) on the following terms:

- (A) any party to any Relevant Agreement may terminate that Relevant Agreement with immediate effect by notice to the other party to that Relevant Agreement in the event of any material default by that other party. In the event of termination of any Relevant Agreement, all the rights and obligations of the parties under that Relevant Agreement shall forthwith cease, but any rights, liabilities or remedies arising prior to such termination shall not be affected;
- (B) charges for the Services shall be determined by reference to the respective types of aircraft, aircraft engines and Components and the technical standards required; and
- (C) any amount payable by one party to a Relevant Agreement to another party to that Relevant Agreement shall be paid by the first mentioned party to the other party in cash within 30 days upon receipt by the first mentioned party of the applicable invoice from the other party.

3.2 Existing Agreements

Each of the Existing Agreements is declared to be a Relevant Agreement.

3.3 Term

Any Relevant Agreement may be entered into, renewed or extended for a term or successive terms expiring on or before the last day of the Term.

4. ASSIGNMENT

This agreement shall be binding on and enure for the benefit of each party's successors in title. No party shall assign, or declare any trust in favour of a third party over, all or any part of the benefit of, or its rights or benefits under, this agreement.

5. ENTIRE AGREEMENT

5.1 Whole and only agreement

This agreement (read with the Relevant Agreements) constitute the whole and only agreement between the parties relating to the subject matter of this agreement.

5.2 No reliance on pre-contractual statements

Each party acknowledges that in entering into this agreement it is not relying upon any pre-contractual statement which is not set out in this agreement or any Relevant Agreement to which it is a party.

5.3 Exclusion of other rights of action

Except in the case of fraud, no party shall have any right of action against any other party to this agreement arising out of or in connection with any pre-contractual statement except to the extent that it is repeated in this agreement or any Relevant Agreement to which that other party is a party.

5.4 Meaning of pre-contractual statement

For the purposes of this clause, "pre-contractual statement" means any draft, agreement, undertaking, representation, warranty, promise, assurance or arrangement of any nature whatsoever, whether or not in writing, relating to the subject matter of this agreement made or given by any person at any time prior to the date of this agreement.

5.5 Variation

This agreement may only be varied in writing signed by each of the parties.

5.6 Relevant Agreements

In the case of any inconsistency between the terms of a Relevant Agreement and the terms of this agreement (other than Clause 3 above), the former shall prevail.

6. NOTICES

6.1 Notices to be in writing

A notice under this agreement shall only be effective if it is in writing. Faxes and/or emails are permitted.

6.2 Addresses

Notices under this agreement shall be sent to a party at its address or number and for the attention of the individual set out below:

<u>Party and title of individual</u>	<u>Address</u>	<u>Facsimile No.</u>	<u>Email address</u>
Cathay Pacific Airways Limited Attn: Company Secretary	33rd Floor One Pacific Place 88 Queensway Hong Kong	+852 2845 5445	joanna_lai@cathaypacific.com

<u>Party and title of individual</u>	<u>Address</u>	<u>Facsimile No.</u>	<u>Email address</u>
Hong Kong Aircraft Engineering Company Limited Attn: Company Secretary	33rd Floor One Pacific Place 88 Queensway Hong Kong	+852 2845 5445	commercial@haeco.com

Provided that a party may change its notice details on giving notice to the other parties of the change in accordance with this clause.

6.3 Receipt of Notices

(A) Any notice given under this agreement shall, in the absence of earlier receipt, be deemed to have been duly given as follows:

- (i) if delivered personally, on delivery;
- (ii) if sent by inland post, two clear Business Days after the date of posting;
- (iii) if sent by airmail, six clear Business Days after the date of posting;
- (iv) if sent by facsimile, when despatched with confirmed answerback; and

(v) if sent by email, two hours after the time sent.

(B) Any notice given under this agreement outside Working Hours in the place to which it is addressed shall be deemed not to have been given until the start of the next period of Working Hours in such place.

7. REMEDIES AND WAIVERS

7.1 Delay or omission

No delay or omission by any party to this agreement in exercising any right, power or remedy provided by law or under this agreement shall:

(A) affect that right, power or remedy; or

(B) operate as a waiver of it.

7.2 Single or partial exercise

The single or partial exercise of any right, power or remedy provided by law or under this agreement shall not preclude any other or further exercise of it or the exercise of any other right, power or remedy.

7.3 Cumulative rights

The rights, powers and remedies provided in this agreement are cumulative and not exclusive of any rights, powers and remedies provided by law.

7.4 Damages not an adequate remedy

Notwithstanding any express remedies provided under this agreement and without prejudice to any other right or remedy which any party may have, each party acknowledges and agrees that damages alone may not be an adequate remedy for any breach by it of the provisions of this agreement, so that in the event of a breach or anticipated breach of such provisions, the remedies of injunction and/or an order for specific performance would in appropriate circumstances be available.

8. NO PARTNERSHIP

Nothing in this agreement and no action taken by the parties under this agreement shall constitute a partnership, association or other co-operative entity between any of the parties or constitute any party the agent of the other party for any purpose.

9. COSTS AND EXPENSES

Each party shall pay its own costs and expenses in relation to the negotiation, preparation, execution and carrying into effect of this agreement.

10. COUNTERPARTS

This agreement may be executed in any number of counterparts, and by the parties on separate counterparts, but shall not be effective until each party has executed at least one counterpart. Each counterpart shall constitute an original of this agreement, but all the counterparts shall together constitute but one and the same instrument.

11. INVALIDITY

If at any time any provision of this agreement is or becomes illegal, invalid or unenforceable, in whole or in part, in any respect under the law of any jurisdiction, that shall not affect or impair:

- (A) the legality, validity or enforceability in that jurisdiction of the remainder of and/or any other provision of this agreement; or
- (B) the legality, validity or enforceability under the law of any other jurisdiction of that and/or any other provision of this agreement.

12. CHOICE OF GOVERNING LAW

This agreement is to be governed by and construed in accordance with the laws of Hong Kong.

13. JURISDICTION

13.1 Jurisdiction of Hong Kong courts

Each party agrees that any proceeding, suit or action arising out of or in connection with this agreement ("**Proceedings**") may be brought in the courts of Hong Kong.

13.2 Waiver of objections

Each party waives (and agrees not to raise) any objection, on the ground of *forum non conveniens* or on any other ground, to the taking of Proceedings in any court in accordance with this clause. Each party also agrees that a judgment against it in Proceedings brought in any jurisdiction in accordance with this clause shall be conclusive and binding upon it and may be enforced in any other jurisdiction.

14. THIRD PARTY RIGHTS

The parties to this agreement do not intend that any term of this agreement should be enforceable, by virtue of the Contracts (Rights of Third Parties)

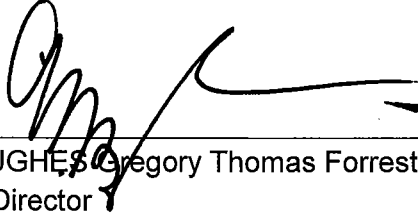
Ordinance (Chapter 623 of the Laws of Hong Kong), by any person who is not a party to this agreement.

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SIGNATURES

CATHAY PACIFIC AIRWAYS LIMITED

By:



A handwritten signature in black ink, appearing to read 'G. Forrest', written over a horizontal line.

Name: HUGHES Gregory Thomas Forrest
Position: Director

**HONG KONG AIRCRAFT ENGINEERING
COMPANY LIMITED**

By:

Name: SHEARER Roy George
Position: Director

SIGNATURES

CATHAY PACIFIC AIRWAYS LIMITED

By:

Name: HUGHES Gregory Thomas Forrest
Position: Director

**HONG KONG AIRCRAFT ENGINEERING
COMPANY LIMITED**

By:

A handwritten signature in black ink, appearing to be 'RGS', written over a horizontal line.

Name: SHEARER Roy George
Position: Director