

Cathay Pacific expects narrower 'substantial' loss in Q1'22

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Dhaka: Hong Kong's Cathay Pacific Airways Ltd expects a lower first-half loss than 2021, driven by strong cargo performance and cost-cutting, the airline said on Tuesday, while warning that this year's loss would still be "substantial".

Last year's first-half loss at the major Asian carrier was HKD 7.57 billion (USD 964.34 million), though it managed a surprise profit in the second half, thanks to strong cargo demand.

Cathay said it had added capacity in the second quarter after Hong Kong eased some crew quarantine norms, but its May capacity figures had still amounted to just about 4 per cent of the passengers and 34 per cent of the cargo it carried before the pandemic.

Hong Kong, like mainland China, is one of only a few places in the world that still requires hotel quarantine for arriving passengers in its fight to hold

down COVID-19 infections. In May, Cathay's passenger numbers were 98 per cent below 2019 levels.

"Our consolidated losses in the first half of 2022, while substantial, are expected to be lower than ... in the first half of 2021," said Ronald Lam, the airline's chief customer and commercial officer.

Cathay would increase passenger capacity over the coming months as much as practicable within the confines of curbs as demand continues to improve, he added in a statement.

"Cathay Pacific started the year operating flights to 29 destinations and we target to double that by the end of the year," Lam said.

Cathay said the outlook for its cargo business is positive in the short term due to supply chain disruptions in China's commercial hub of Shanghai and elsewhere globally.

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