

For Immediate Release

**HK Express Announces 2015 Financials and 2016 update
Hong Kong's Low-Fare Airline Reports Maiden Profits in 2015 and Strong
Progress First Half of 2016**

Hong Kong, 3 August 2016 HK Express has consistently delivered outstanding performance since its transition to a Low-Cost Carrier (LCC) in October 2013. The success story continued through 2015 and so far in 2016, as the airline ushered in a series of exciting developments and milestones.

In 2015, HK Express following transformation into an LCC starting in 2013, achieved profitability for the first time in its history generating revenue of HKD2.4 billion by 2015 year's end. During 2015, Hong Kong's low-fare airline furthered its reputation as Hong Kong's most on-time and efficient airlines with an annual average On-Time Performance (OTP) of 79.3% and a load factor of 86%. In addition, HK Express also saw exponential passenger growth, flying 2,252,173 Guests in 2015.

The very strong 2015 performance continued into 2016. During the first half of 2016, HK Express has broken several records and achieved stellar performance across the board, with revenues and the company's profits in 2016 to date already exceeding HK Express' profits for the full year in 2015. Not only has HK Express flown 1,403,334 passengers so far this year, but the load factor has shot up to 88.6%, an improvement that reinforces the growing popularity of the airline's low fares business model.

"We are thrilled to see our profitability and efficiency soar in 2016," said Jimmy Ma, Executive Chairman and President of HK Express. "This is a testament to the hard work of the entire HK Express team and our mission to provide safe, efficient and affordable airfares across Asia. The strong demand for our low-fare services has encouraged our ongoing investment in many new destinations, such as Ishigaki, Kagoshima and Takamatsu in Japan"

Andrew Cowen, Director and CEO of HK Express went on to summarise several developments during the first half of 2016 that have contributed to the airline's strong growth:

- a. HK Express launched the world's first LCC alliance, the U-FLY Alliance, which has just added its most recent member, Eastar Jet of South Korea.
- b. Also launched its innovative "reward-U" loyalty programme which recognises Guest loyalty and is growing rapidly.

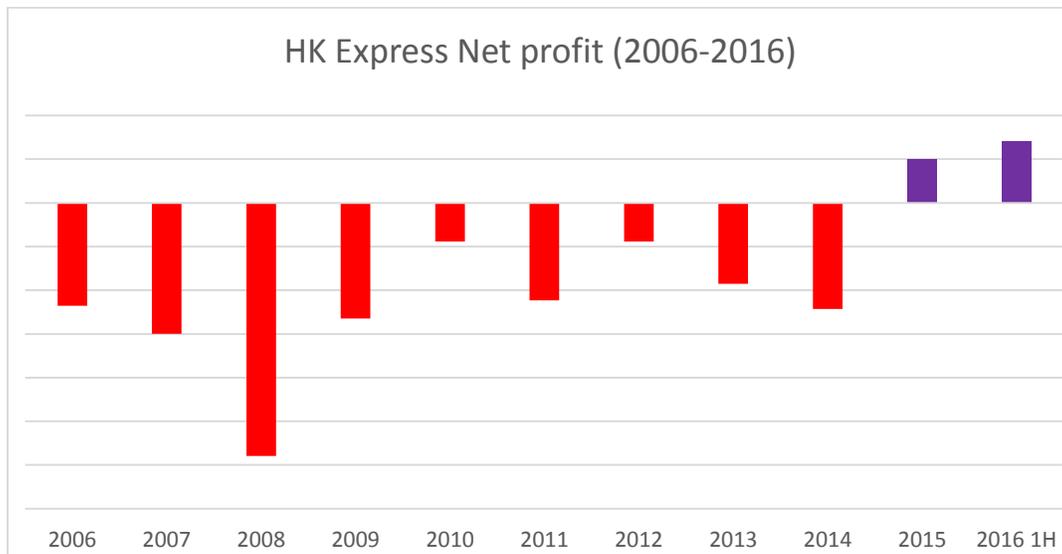


C. HK Express also introduced a variety of customer focused new products and services such as web check-in, Ufly-Pass for priority access to sale fares, and the user-friendly mobile app.

In addition to the strong first half 2016 performance, HK Express reported more noteworthy results in July. The low-fare airline flew 248,370 Guests in July 2016, marking a 31% increase compared with the same time period last year. July also saw an OTP rate of 77.7%, and an OTP of 78.4% year-to-date, according to the independent flight statistic monitoring website www.flightstats.com.

Looking ahead, HK Express expects to further grow its profitability through ongoing cost reduction and business expansion, including the addition of four new aircraft by the end of 2016. In October, an A321ceo will join the fleet, followed by two A320neo deliveries and another A321ceo in November. To keep up with its fleet growth, HK Express will be recruiting extensively and is on track to reach its target of 900 employees by the end of 2016.

These new aircraft will help the airline continue to grow its network, including already announced new destinations: Yangon & Mandalay, Myanmar, Chiang Rai, Thailand, Guam and Saipan in the US Territories, and Luang Prabang, Laos.



HK Express is an IATA Operational Safety Audit (IOSA) registered airline and therefore in compliance with IOSA standards. HK Express is committed to delivering operational safety to its Guests and crews.



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About HK Express

Independent flight statistic monitoring website flightstats.com has already recognized HK Express for its top On-Time Performance (OTP) rate. The airline has become a leader in the Hong Kong aviation industry by concentrating on low fares, best-in-class on-time performance and safety while revolutionizing air travel throughout the Asia market. The airline also received a “7-star safety rating” – the highest ranking possible, as well as a recognition of one of the world’s 10 safest low-fare airlines from airlineratings.com, an independent, industry-respected research group. HK Express flies to 25 of the most popular destinations in Asia. Besides Yangon and Mandalay in Myanmar and Chiang Rai in Thailand commencing in second half 2016, it is also expected to launch Luang Prabang in Laos, Guam and Saipan in 2016. With its fast growing fleet and enticing number of destinations, HK Express has flown 5 million Guests – a major achievement that attests to the popularity of the airline. HK Express is also one of the founder airlines of the world’s first LCC alliance, U-FLY Alliance.