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SWIRE PACIFIC LIMITED

太古股份有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Codes: 00019 and 00087)

SWIRE PROPERTIES LIMITED

太古地產有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 1972)

Inside Information

Sale of 50% Interest in 625 King's Road

The Disposal

On 21st May 2019, Swire Properties Limited (“**Swire Properties**”), a subsidiary of Swire Pacific Limited (“**Swire Pacific**”), and Jacko Rise Pte. Ltd. (the “**Purchaser**”) entered into an agreement relating to the sale of Swire Properties’ entire 50% interest in Island Land Development Limited (the “**Target Company**”) to the Purchaser for a consideration of HK\$2,375 million, subject to net asset value adjustment (the “**Disposal**”).

The Target Company is the owner of 625 King’s Road, a 26-storey commercial building located in North Point, Hong Kong and registered in the Land Registry as Inland Lot No. 7550.

Swire Properties is expected to record a gain on disposal (disregarding the net asset value adjustment and the expenses of the Disposal) of approximately HK\$965 million (on a statutory basis) or approximately HK\$1,759 million (on an underlying basis), by reference to the respective audited financial statements of the Target Company and Swire Properties as at 31st December 2018. Swire Pacific is expected to record an attributable gain on disposal (disregarding the net asset value adjustment and the expenses of the Disposal) of approximately HK\$791 million (on a statutory basis) or approximately HK\$1,442 million (on an underlying basis) in respect of its 82% interest in Swire Properties.

Completion of the Disposal, and completion of the sale of the remaining 50% interest in the Target Company by Communication Holdings Limited, a wholly-owned subsidiary of China Motor Bus Company, Limited (“**CMB**”), to the Purchaser (the “**CMB Disposal**”), shall take place simultaneously.

Completion of the CMB Disposal is conditional upon CMB having obtained approval from its shareholders by 16th September 2019 (the “**Long Stop Date**”). If such approval is not obtained by the Long Stop Date, the Disposal and the CMB Disposal shall terminate automatically.

The Disposal will enable Swire Properties to realise cash from its investment in the Target Company. The proceeds from the Disposal will be applied towards the general working capital requirements of Swire Properties.

General

The Disposal does not constitute a notifiable transaction or a connected transaction for Swire Pacific or Swire Properties within the meaning of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). However, it is considered that the Disposal may constitute inside information for Swire Pacific and Swire Properties. This announcement is accordingly being made by Swire Pacific and Swire Properties pursuant to Rule 13.09(2) of the Listing Rules and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Shareholders and potential investors are advised to exercise caution in dealing in shares of Swire Pacific and Swire Properties.

As at the date of this announcement, the Directors of Swire Pacific are:

Executive Directors: M.B. Swire (Chairman), I.K.L. Chu, D.P. Cogman, M.M.S. Low;
Non-Executive Directors: M. Cubbon, S.C. Swire; and
Independent Non-Executive Directors: P.K. Etchells, T.G. Freshwater, C. Lee, R.W.M. Lee and G.R.H. Orr.

As at the date of this announcement, the Directors of Swire Properties are:

Executive Directors: M.B. Swire (Chairman), G.M.C. Bradley, F.N.Y. Lung;
Non-Executive Directors: N.A.H. Fenwick, P. Healy, R.S.K. Lim, M.M.S. Low; and
Independent Non-Executive Directors: L.K.L. Cheng, T.T.K. Choi, S.T. Fung and M.Y. Wu.

By Order of the Board
SWIRE PACIFIC LIMITED
太古股份有限公司
David Fu
Company Secretary

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SWIRE PROPERTIES LIMITED
太古地產有限公司
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Hong Kong, 21st May 2019

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