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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)

HK\$6 BILLION SHARE BUY-BACK PROGRAMME

This announcement is made by Swire Pacific Limited (the “**Company**” together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The board of directors (the “**Board**”) of the Company announces that it has approved share buy-backs of up to HK\$6 billion to be conducted through a programme to buy back the Company’s ordinary ‘A’ and ‘B’ shares (together, the “**Shares**”) from the open market (the “**Programme**”). The Programme will be funded from the available capital and cash reserves of the Company.

PRINCIPAL TERMS OF THE PROGRAMME

On 5th December 2023, the Company entered into an agreement (the “**Broker Agreement**”) with an independent broker, J.P. Morgan Securities (Asia Pacific) Limited (the “**Broker**”), pursuant to which the Broker and/or its affiliates shall effect buy-backs of Shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Broker Agreement was entered into before the commencement of the Buyback Period and outside the Restricted Period (as defined below).

The principal terms of the Programme are summarised below:

Parties : Swire Pacific Limited

J.P. Morgan Securities (Asia Pacific) Limited

To the best information, knowledge and belief of the Company, the Broker is independent of the Company and its connected persons.

Exclusivity : The Broker will be the exclusive broker of the Programme.

Buyback period : 6th December 2023 to the conclusion of the annual general meeting of the Company to be held in May 2025 (the “**Buyback Period**”).

For the avoidance of doubt, any buy-back of Shares after the conclusion of the next annual general meeting of the Company (which is expected to be held in May 2024) (the “**2024 AGM**”) shall be subject to the approval of the general mandate to buy back Shares at the 2024 AGM.

Taking into account (i) the scale of the Programme of up to HK\$6 billion; (ii) the maximum daily Share buy-back volume of 25% of the average daily trading volume of all Shares over the immediately preceding 20 trading days; and (iii) the buying parameters set for the Programme, the Company takes the view that the Buyback Period represents an appropriate duration based on the terms of the Programme, and that the Programme is not established to avoid the blackout period under the Listing Rules.

Size : A total maximum consideration of HK\$6 billion.

Share buy-backs under the Programme from the commencement of the Buyback Period to the conclusion of the 2024 AGM will be carried out pursuant to the general mandate to buy back Shares granted by the Company’s shareholders at the annual general meeting held on 11th May 2023. Share buy-backs under the Programme from the conclusion of the 2024 AGM until the end of the Buyback Period will be carried out pursuant to the general mandate to buy back Shares to be approved by the Company’s shareholders at the 2024 AGM.

Buying parameters : **Trading volume limit**

The daily volume of Share buy-backs should not exceed 25% of the average daily trading volume of all Shares (comprising both ‘A’ Shares and ‘B’ Shares) over the immediately preceding 20 trading days.

Maximum price (exclusive of expenses)

The Company has fixed the respective price caps for buying back ‘A’ Shares and ‘B’ Shares with the Broker prior to the commencement of the Programme and the Restricted Period and in any event, the buy-back price of any Shares under the Programme will not be higher by 5% or more than the average closing price of the relevant class of Shares on the Stock Exchange for the five trading days preceding the date of buy-back as required under the Listing Rules.

Other dealing restrictions : The Broker Agreement has also set out the dealing restrictions below:

Intra-day limit

No Share buy-back under the Programme will be made during opening and/or closing auctions/periods for trading of shares on the Stock Exchange.

Listing Rules dealing restrictions

Share buy-backs under the Programme will be subject to such other restrictions under the Listing Rules as may be applicable, including but not limited to Rule 10.06.

Amendment, termination and suspension : In the event any amendment of the Programme, including the buying parameters, is deemed necessary and the Company is outside of the Restricted Period, the Company will follow its protocols, which include informing designated personnel nominated by the Broker in writing of the revised buying parameters.

The Broker Agreement shall be terminated at the earliest of any of the following events:

- i. the Buyback Period expires;
- ii. the Shares bought back under the Programme reaches the maximum amount under the buying parameters stipulated thereunder;
- iii. the Broker or the Company requests for the termination of the Broker Agreement (provided that such request is not made within the Restricted Period); or
- iv. the Programme is required to be terminated under applicable laws and regulations.

Notwithstanding that the Company reserves the right to amend or terminate the Programme, the Broker Agreement (and the Programme) would not be modified, amended or terminated by the Company during the Restricted Period, unless required by applicable laws and regulations.

Internal control measures : Both the Broker and the Company have put in place appropriate system and control measures, which include, among others, the following:

- i. the Broker has entered into a non-disclosure agreement pursuant to which the Broker has undertaken to (i) disclose non-public information relating to the

Programme only to a dedicated team of the Broker for execution of the Programme (the “**Broker Execution Team**”); and (ii) implement all reasonable measures (including Chinese Walls) to prevent the Broker Execution Team from (a) disclosing any non-public information to any other persons not in the Broker Execution Team; and (b) receiving any non-public information relating to the Company and/or its connected persons from any personnel of the Broker or its affiliates not in the Broker Execution Team.

- ii. the Company has also adopted a set of protocols to ensure that Share buy-backs under the Programme are made independently from the Company and that no inside information of the Company will be passed directly or indirectly to the Broker Execution Team during the term of the Broker Agreement. For this purpose, the protocols require that, among other things, communications from the Company to the Broker must be directed from a dedicated team in the Company to designated contacts at the Broker, while communications from the Broker to the Company will also be strictly maintained on a one-way basis from the Broker Execution Team to the aforesaid dedicated team in the Company only.

WAIVER FROM STRICT COMPLIANCE WITH RULE 10.06(2)(e) OF THE LISTING RULES AND STOCK EXCHANGE GUIDANCE LETTER GL117-23

Listing Rules requirements

Rule 10.06(2)(e) of the Listing Rules requires an issuer not to purchase its shares on the Stock Exchange at any time after inside information has come to its knowledge until the information is made publicly available. In particular, during the period of one month immediately preceding the earlier of:

- (a) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the issuer’s results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (b) the deadline for the issuer to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement, the issuer may not purchase its shares on the Stock Exchange, unless the circumstances are exceptional (collectively, the “**Restricted Period**”).

Market capitalisation and liquidity of the Shares

Based on the closing price of the Shares on 1st December 2023, the market capitalisation of the Company amounted to approximately HK\$69 billion, and the average daily turnover of the Shares amounted to approximately HK\$78 million for the six months immediately preceding 1st December 2023.

Waiver sought

The Group is an international conglomerate with a diversified portfolio of businesses ranging from property, beverages, aviation, healthcare, trading and industrial. The Group's wide range of commercial activities and business dealings may from time to time give rise to inside information of the Group. Coupled with the blackout periods for the announcement of financial results required under Rule 10.06(2)(e), it may leave the Company with a very limited trading window available for conducting Share buy-backs throughout a year. In the event that the Programme is in place, this would accommodate smoother and more even Share buy-back actions without disruptions during the Restricted Period. Therefore, strict compliance with Rule 10.06(2)(e) of the Listing Rules is unduly burdensome.

On the ground that the Programme is in compliance with the guidance provided in the Stock Exchange Guidance Letter GL117-23 and structured in a manner to mitigate the risk of trading with undisclosed inside information and potential price manipulation, the Company has sought, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 10.06(2)(e) of the Listing Rules in respect of Share buy-backs to be made pursuant to the Broker Agreement during the Restricted Period.

GENERAL

The Company will comply with the Listing Rules, the Codes on Takeovers and Mergers and Share Buy-backs (the "**Takeovers Code**"), the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the SFO and all other applicable laws and regulations for the buy-back of Shares. It is expected that the implementation of the Programme would not trigger any general offer obligation for the Company under the Takeovers Code. The Shares bought back under the Programme will be cancelled.

The Board is of the view that the implementation of the Programme is in the best interests of the Company and the Shareholders as a whole. Share buy-backs in the present conditions will demonstrate the Company's confidence in its business outlook and prospects and would, ultimately, benefit the Company and create value to its Shareholders. The Board believes that the current financial resources of the Company would enable it to implement the Programme while continuing to maintain a solid financial position.

Shareholders and potential investors should note that any buy-back of Shares under the Programme will be subject to prevailing market conditions and the Broker's sole discretion within the predetermined parameters of the Programme. They are advised to exercise caution when dealing in the Shares.



As at the date of this announcement, the Directors of the Company are:

Executive Directors: G.M.C. Bradley (Chairman), D.P. Cogman, P. Healy, M.J. Murray, Z.P. Zhang;

Non-Executive Directors: G.D. McCallum, M.B. Swire; and

Independent Non-Executive Directors: P.K. Etchells, R.W.M. Lee, E.M. Ngan, G.R.H. Orr, Y. Xu and B.Y. Zhang.

By Order of the Board

SWIRE PACIFIC LIMITED

太古股份有限公司

Bernadette M. Lomas

Company Secretary

Hong Kong, 5th December 2023