WHARF

Established 1886

WHARF REAL ESTATE INVESTMENT COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1997

DISCLOSEABLE TRANSACTION

The Board wishes to announce that on 30 July 2026, the Vendor, an indirect wholly-owned subsidiary of the Company, and the Company as the Vendor's Guarantor entered into the Sale and Purchase Agreement with the Purchaser, the Purchaser's Primary Guarantor and the Purchaser's Supplementary Guarantor. Pursuant to the Sale and Purchase Agreement, the Vendor agreed to sell, and the Purchaser agreed to purchase the Sale Shares, being the entire issued share capital in the Target Company, at the Consideration of S$1,111 million (equivalent to approximately HK$6,733 million), subject to and upon the terms and conditions set out in the Sale and Purchase Agreement.

The Target Company is a property owner and developer. Its sole principal asset is the Property, namely, Wheelock Place in Orchard Road, Singapore.

On the basis that at least one of the applicable percentage ratios in respect of the Transaction is greater than the 5% threshold while no such ratio is equal to or greater than the 25% threshold for the purposes of Rule 14.07 of the Listing Rules, the Transaction constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board wishes to announce that on 30 July 2026, Star Attraction Limited (an indirect wholly-owned subsidiary of the Company) as the Vendor and the Company as the Vendor's Guarantor entered into the Sale and Purchase Agreement with the Purchaser, the Purchaser's Primary Guarantor and the Purchaser's Supplementary Guarantor for the sale of the Sale Shares.

THE SALE AND PURCHASE AGREEMENT

Date: 30 July 2026

Parties: Star Attraction Limited (an indirect wholly-owned subsidiary of the Company) as the Vendor

The Company as the Vendor's Guarantor

Orchard Scotts Holdings Limited as the Purchaser

Singapore Central Private Real Estate Limited as the Purchaser's Primary Guarantor

Hongkong Land Holdings Limited as the Purchaser's Supplementary Guarantor

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Purchaser, the Purchaser's Primary Guarantor, the Purchaser's Supplementary Guarantor and their ultimate beneficial owner are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

Subject Matter:

The Purchaser has agreed to acquire, and the Vendor has agreed to sell the Sale Shares, i.e. 160,000,000 ordinary shares of the Target Company, representing all the issued and paid-up shares of the Target Company.

Underlying Assets:

The Target Company is a property owner and developer. Its sole principal asset is the Property, namely, Wheelock Place which is situated at 501 Orchard Road, Singapore 238880. It comprises a 21-storey commercial building and two basement levels incorporating offices, shopping podium and car parks, with a total gross floor area of approximately 43,280 square metres.

Consideration and Payment Terms:

The Consideration for the Transaction is S$1,111 million (equivalent to approximately HK$6,733 million), being an amount in cash equal to the Agreed Property Value, subject to any adjustments to be made as follows:

(i) in the event that the Net Assets as of the Completion Date as specified in the Post-Completion Accounts exceeds the Agreed Property Value, the Purchaser shall pay to the Vendor an amount representing such excess amount ("**Excess**"), and such payment to be made on the date falling ten (10) Business Days after the determination of the Post-Completion Accounts; or

(ii) in the event that the Net Assets as of the Completion Date as specified in the Post-Completion Accounts is less than the Agreed Property Value, the Vendor shall pay to the Purchaser an amount representing such deficit amount, and such payment to be made on the date falling ten (10) Business Days after the determination of the Post-Completion Accounts.

Furthermore, the Balance Amount may be adjusted downward by way of a Material Damage Adjustment for repair and restoration costs for Material Damage (if any) that occurs after signing of the Sale and Purchase Agreement but before Completion, where repair and restoration cannot reasonably be completed prior to Completion.

The Consideration was paid/will be payable by the Purchaser in cash in the following manner:

(i) Approximately S$56 million (equivalent to approximately HK$337 million), being an amount equivalent to 5% of the Agreed Property Value, paid by the Purchaser as a deposit for the tender submission and applied towards the Consideration upon execution of the Sale and Purchase Agreement; and

(ii) the remaining balance i.e. the Balance Amount, shall be paid by the Purchaser on the Completion Date.

Basis of the Consideration:

The Consideration was determined through a competitive bidding process conducted by the Vendor and represents the bid price offered by the Purchaser as the successful bidder.

The Consideration was arrived at on an arm's length basis, based on normal commercial terms which the Directors consider to be fair and reasonable and in the interests of the Company and its shareholders as a whole.

Guarantee:

The Purchaser's Primary Guarantor will irrevocably and unconditionally guarantee to the Vendor the due and punctual payment and performance by the Purchaser of all its obligations under the Sale and Purchase Agreement. The Purchaser's Supplementary Guarantor will guarantee to the Vendor the due and punctual payment and performance by the Purchaser of the Purchaser's obligations in relation to the Completion, including payment of the Balance Amount on the Completion Date and payment of the Excess on a joint and several basis with the Purchaser's Primary Guarantor.

The Company will irrevocably and unconditionally guarantee to the Purchaser the due and punctual payment and performance by the Vendor of its obligations under certain key warranties of the Sale and Purchase Agreement, such guarantee being subject to, *inter alia*: (a) a maximum aggregate liability not exceeding 100% of the Consideration; and (b) contractual time bars requiring notice of claims in relation to the key warranties to be given within three (3) years following the Completion Date.

Completion:

Completion shall take place on 31 August 2026, or such other date as mutually agreed by the parties in writing.

Upon Completion, the Group will cease to hold any interest in the Target Company which shall cease to be a subsidiary of the Company.

INFORMATION OF THE TARGET COMPANY

The Target Company is a company duly incorporated under the laws of Singapore with limited liability and is wholly owned by the Vendor. As at the date of this announcement, it has an issued share capital of S$160,000,000 divided into 160,000,000 ordinary shares, fully paid up, which represents the Sale Shares sold to the Purchaser under the Sale and Purchase Agreement.

The Target Company is a property owner and developer. Its sole principal asset comprises the Property, namely, Wheelock Place which is situated at 501 Orchard Road, Singapore 238880. In accordance with the accounting standard for investment property, the Property's book value as at 30 June 2026 was S$994.4 million (equivalent to approximately HK$6,026 million). The Property is held by the Target Company for rental, mainly to external customers under operating leases.

Key financial information of the Target Company, based on its audited financial statements for each of the two years ended 31 December 2024 and 31 December 2025, is set out below:

	For the year ended 31 December	
	2024	**2025**
	S$' million	*S$' million*
Profit before tax	134.2*	49.0*
Profit after tax	128.2*	42.7*

(*inclusive of investment property revaluation surplus in the respective amounts of S$98.2 million and S$11.5 million for the years ended 31 December 2024 and 2025)

The net asset value of the Target Company as at the Completion Date is expected to be S$1,108.5 million (equivalent to approximately HK$6,718 million), based on the Agreed Property Value of S$1,111 million (equivalent to approximately HK$6,733 million).

FINANCIAL EFFECT AND USE OF PROCEEDS

Upon Completion, the Group is expected to record an unaudited profit (before transaction costs and taxation) of approximately HK$1,007 million which mainly represents the difference between the net sales proceeds and the net asset value of the Target Company together with the cumulative exchange gain attributable to the Target Company. The actual gain or loss arising from the Transaction will be subject to the final audit by the auditors of the Company and may be different from the amount stated above.

The expected net sale proceeds of the Transaction in the amount of S$1,108.5 million (equivalent to approximately HK$6,718 million) will be used to reduce the Group's indebtedness.

REASONS AND BENEFITS FOR THE TRANSACTION

The Board is of the view that the Transaction presents a good opportunity for the Group to realise the investment in the Property so as to utilise the proceeds from the Transaction to reduce indebtedness.

The Board considers that the Transaction is on normal commercial terms with reference to the prevailing market conditions after competitive bidding on an arm's length basis and believes that the terms of the Sale and Purchase Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

REGULATORY ASPECTS

On the basis that at least one of the applicable percentage ratios in respect of the Transaction is greater than the 5% threshold while no such ratio is equal to or greater than the 25% threshold for the purposes of Rule 14.07 of the Listing Rules, the Transaction constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

GENERAL

The principal activities of the Group are development, ownership and operation of properties and hotels in Hong Kong for investment purposes.

The principal activity of the Vendor, an indirect wholly-owned subsidiary of the Company, is investment holding.

The principal activity of the Purchaser is investment holding of real estate assets.

The principal activity of the Purchaser's Primary Guarantor is investment holding of real estate assets in Singapore (within the Singapore Central Private Real Estate Fund).

The principal activity of the Purchaser's Supplementary Guarantor is the development, investment and management of real estate assets in Asia. It is a publicly listed company with primary listing on London Stock Exchange and secondary listings in Singapore and Bermuda.

The ultimate beneficial owner of the interest of the Purchaser's Supplementary Guarantor in the Purchaser and the Purchaser's Primary Guarantor is Jardine Matheson Holdings Limited, a publicly listed Asia Pacific-focused investment company with primary listing on London Stock Exchange and secondary listings in Singapore and Bermuda.

TERMS USED IN THIS ANNOUNCEMENT

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:-

"Agreed Property Value"	S$1,111 million (equivalent to approximately HK$6,733 million), being the agreed value attributable to the Property for the purpose of computing the Net Assets
"Balance Amount"	approximately S$1,055 million (equivalent to approximately HK$6,396 million), being an amount equivalent to the Agreed Property Value less the aforementioned deposit, subject to Material Damage Adjustment (if any)
"Board"	the board of Directors
"Business Day"	a day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore, Hong Kong and Macau
"Company"	Wharf Real Estate Investment Company Limited (stock code: 1997), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
"Completion"	completion of the Sale in accordance with the terms of the Sale and Purchase Agreement
"Completion Date"	the date of Completion
"Consideration"	the consideration for the sale of the Sale Shares
"Director(s)"	the director(s) of the Company for the time being
"Group"	the Company together with its subsidiaries
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange

"Material Damage"	any Relevant Damage such that (a) the Property and/or the plant and equipment located at the Property is rendered structurally unfit for use or occupation or unsafe or inaccessible; or (b) the valuation of the Property following such damage is less than the Agreed Property Value minus 30% of the Agreed Property Value; or (c) the cost of remedying such damage would exceed a sum equals to 30% of the Agreed Property Value
"Material Damage Adjustment"	an adjustment to the Balance Amount arising from Material Damage (if any), that is equivalent to: (1) the aggregate cost required to repair the Relevant Damage or to restore the Property and/or the plant and equipment located at the Property to substantially the state and condition prior to the event of such damage, minus (2) in respect of such repair or restoration works, (A) any such cost which has actually been paid by the Vendor and (B) any insurance proceeds that has actually been received by the Target Company.
"Net Assets"	the amount of the net assets of the Target Company as of the Completion Date as set out in the Post-Completion Accounts, on the basis that the value of the Property is fixed at the Agreed Property Value
"Post-Completion Accounts"	the post-completion accounts of the Target Company setting out the Net Assets of the Target Company in accordance with the terms of the Sale and Purchase Agreement
"Property" or "Wheelock Place"	the entire development known as Wheelock Place comprised in Lot TS24-1547M of Town Subdivision 24, being an investment property comprising offices, shopping podium and car parks in a 21-storey commercial building with two basement levels, which is situated at 501 Orchard Road, Singapore 238880. For details, please see "The Sale and Purchase Agreement – Underlying Assets" in this announcement
"Purchaser"	Orchard Scotts Holdings Limited, a company incorporated in the British Virgin Islands with limited liability

"Purchaser's Primary Guarantor"	Singapore Central Private Real Estate Limited, a company incorporated in the Cayman Islands with limited liability, which is a related company of the Purchaser
"Purchaser's Supplementary Guarantor"	Hongkong Land Holdings Limited, a company incorporated in Bermuda with limited liability
"Relevant Damage"	any damage to the Property and/or the plant and equipment thereof, which occurs after signing of the Sale and Purchase Agreement but before the Completion
"S$"	Singapore dollars, the lawful currency in Singapore
"Sale"	the sale of the Sale Shares by the Vendor to the Purchaser pursuant to the Sale and Purchase Agreement
"Sale Shares"	the entire issued and paid-up share capital of S$160,000,000 comprising 160,000,000 ordinary shares of the Target Company
"Singapore"	the Republic of Singapore
"Sale and Purchase Agreement"	the sale and purchase agreement dated 30 July 2026, entered into between the Vendor, the Vendor's Guarantor, the Purchaser, the Purchaser's Primary Guarantor and the Purchaser's Supplementary Guarantor in relation to the Transaction
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Everbilt Developers Pte Ltd, a company incorporated in Singapore with limited liability, which is an indirect wholly-owned subsidiary of the Company
"Transaction"	the disposal by the Vendor of the Sale Shares to the Purchaser pursuant to the Sale and Purchase Agreement
"Vendor"	Star Attraction Limited, a company incorporated in the British Virgin Islands with limited liability, which is an indirect wholly-owned subsidiary of the Company

"Vendor's Guarantor"	the Company
"%"	per cent.

Unless otherwise specified in this announcement, amounts denominated in Singapore dollar have been converted into Hong Kong dollars at the rate of HK$6.06 = S$1.00. This exchange rate is for the purpose of illustration only and does not constitute a representation that any amount has been, could have been or may be converted at the above rate or any other rates.

By order of the Board
WHARF REAL ESTATE INVESTMENT COMPANY LIMITED
Kevin C. Y. Hui
Company Secretary

Hong Kong, 30 July 2026

As at the date of this announcement, the Board comprises Mr. Stephen T. H. Ng, Mr. Paul Y. C. Tsui, Ms. Y. T. Leng and Mr. Horace W. C. Lee, together with eight Independent Non-executive Directors, namely Mr. Alexander S. K. Au, Ms. Lai Yuen Chiang, Mr. Andrew K. Y. Leung, Mr. Desmond L. P. Liu, Mr. Richard Y. S. Tang, Mr. R. Gareth Williams, Dr. Glenn S. Yee and Professor E. K. Yeoh.