Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

Neither this announcement nor any copy thereof may be released into or distributed directly or indirectly in the United States or to any persons located or resident in the United States or acting on behalf of a beneficial owner of Bonds located or resident in the United States or acting for the account or benefit of any person located or resident in the United States or any other jurisdiction where such release or distribution might be unlawful.

This announcement is for information purposes only and does not constitute an invitation or offer to sell, dispose of, acquire, purchase or subscribe for any security of Swire Pacific Finance, the Company and Cathay Pacific Airways and neither this announcement, nor anything herein forms the basis for any contract or commitment whatsoever.

*This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The securities mentioned herein will be offered and sold outside the United States in offshore transactions in reliance on Regulation S under the United States Securities Act of 1933 (the "**US Securities Act**"), and have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States or other jurisdiction, and may not be offered or sold into or within the United States unless registered under the US Securities Act or pursuant to an exemption from, or in a transaction not subject to, registration under the US Securities Act. Swire Pacific Finance and the Company have no intention to register under the US Securities Act any of the securities referred to herein or to conduct a public offering of securities in the United States.*

SWIRE PACIFIC LIMITED
太古股份有限公司

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

DISCLOSEABLE TRANSACTION
ACCELERATED EXCHANGE TRADE IN RELATION TO THE BONDS

Reference is made to the Company's announcement dated 1st September 2026 in which the Company mandated the Joint Dealer Managers in relation to a potential Accelerated Exchange Trade in relation to the Bonds.

The Company is pleased to announce that on 2nd September 2026 (prior to trading hours), the Company has successfully executed the Accelerated Exchange Trade.

The Accelerated Exchange Trade comprises the Bond Repurchase and the Share Placement, which involves a repurchase by the Company of HK$4,689 million in aggregate principal amount of the Bonds (representing approximately 99.77% of the aggregate principal amount of the Bonds and at a repurchase price of 109.08% of the principal amount of the Bonds) and the sale by the Company of 362,645,011 Cathay Pacific Shares (at a price of HK$13.20 per Cathay Pacific Share).

Following the cancellation of 90% or more in principal amount of such Bonds originally issued that are exchanged or repurchased under the Accelerated Exchange Trade, Swire Pacific Finance (as the issuer of the Bonds) may exercise the right to redeem all the

Remaining Outstanding Bonds at their principal amount pursuant to the Conditions. Further announcement(s) will be made by the Company as and when appropriate.

The Group is expected to record a gain of approximately HK$1,118 million from the Share Placement, which is calculated with reference to the latest available carrying value of the Group's interest in Cathay Pacific Airways. The overall net gain from the Accelerated Exchange Trade is expected to be approximately HK$704 million (including a fair value loss on the Bond Repurchase but excluding transaction costs).

Further details of the Bond Repurchase and the Share Placement are set out below.

REASONS FOR AND BENEFITS OF THE ACCELERATED EXCHANGE TRADE

The Accelerated Exchange Trade provides the Company with a higher certainty to the exchange outcome of the Bonds and correspondingly provides certainty for its shareholders. The Accelerated Exchange Trade would result in a net disposal of 362,645,011 Cathay Pacific Shares (representing approximately 5.96% of the total issued Cathay Pacific Shares as of the date of this announcement), which represents the equivalent number of Cathay Pacific Shares underlying the Bonds that have been repurchased pursuant to the Accelerated Exchange Trade. The remaining principal amount of the outstanding Bonds amounts to approximately HK$11 million.

Accordingly, the Accelerated Exchange Trade will not result in a further reduction in the Company's shareholding in Cathay Pacific Airways in excess of the reduction that would have been anticipated on the exchange of the Bonds pursuant to the Conditions.

Immediately upon completion of the Accelerated Exchange Trade, the Company's shareholding in Cathay Pacific Airways will be decreased to 2,381,049,078 Cathay Pacific Shares, representing approximately 39.15% of the total issued shares of Cathay Pacific Airways as of the date of this announcement.

The Accelerated Exchange Trade strengthens the Company's balance sheet without reducing the Company's shareholding in Cathay Pacific Airways beyond what was contemplated under the original terms of the Bonds.

The Board considers that the terms and conditions of the Accelerated Exchange Trade are fair and reasonable and in the interests of the Company and its shareholders as a whole.

The Company remains confident in, and committed to, Cathay Pacific Airways and does not intend to propose any material change to the governance and management arrangements of Cathay Pacific Airways. The Company intends to retain a significant long term strategic shareholding in Cathay Pacific Airways.

The Accelerated Exchange Trade comprises two parts, namely the Bond Repurchase and the Share Placement (details of which are set out below).

BOND REPURCHASE

The Dealer Manager Agreement

On 1st September 2026 (after trading hours), the Company entered into the Dealer Manager Agreement with the Joint Dealer Managers pursuant to which the Joint Dealer Managers were appointed to, among other things, assist the Company in collecting indications of interest from the Eligible Bondholders who are willing to sell their Bonds to the Company.

A summary of the principal terms of the Dealer Manager Agreement is set out below.

Date	1st September 2026 (after trading hours)
Parties	(i) The Company as the Offeror (ii) The Joint Dealer Managers
Conditions to the obligations of the Joint Dealer Managers	The obligations of the Joint Dealer Managers to settle the Bond Repurchase under the Dealer Manager Agreement are subject to, amongst others, the following conditions: (i) **Consent:** all relevant consents, approvals or authorisations of, or registrations, filings or declarations with, any court, regulatory authority, governmental agency or stock exchange or any other person required under any applicable laws and regulations to be obtained by the Offeror on or before the date of the Dealer Manager Agreement in connection with the execution or delivery by the Offeror of or performance by the Offeror of its obligations under the Dealer Manager Agreement or in connection with the conduct and consummation of the Bond Repurchase having been obtained by the Offeror prior to the execution of the Dealer Manager Agreement and remaining in full force and effect on the Settlement Date; (ii) **Legal Opinions:** on the date of the Dealer Manager Agreement, there having been delivered to the Joint Dealer Managers certain legal opinions in such form and with such content as the Joint Dealer Managers may reasonably require; and (iii) **Compliance:** the performance by each Joint Dealer Manager of its obligations under the Dealer Manager Agreement or otherwise in respect of the Bond Repurchase are not in violation of any sanctions; and

(iv) **Internal Authorisations of the Offeror:** there being in full force and effect the internal authorisations of the Offeror authorising the Bond Repurchase and the execution of the Dealer Manager Agreement, and the Offeror having delivered to the Joint Dealer Managers certified copies of those internal authorisations.

Termination

The Dealer Manager Agreement shall terminate:

(i) upon completion of settlement on the Settlement Date;

(ii) upon written notice by the Offeror to the Joint Dealer Managers to terminate the Dealer Manager Agreement at any time in the event that it decides not to proceed with the Bond Repurchase;

(iii) upon the Offeror publicly announcing the termination of the Bond Repurchase;

(iv) upon withdrawal by the Joint Dealer Managers as a result of the failure of any of the conditions to the obligations of the Joint Dealer Managers as set out in the Dealer Manager Agreement;

(v) (subject to the right of the Joint Dealer Managers in their sole discretion to waive any such breach) upon breach of any of the Offeror’s representations, warranties, agreements or covenants in the Dealer Manager Agreement; or

(vi) if (a) since the execution of the Dealer Manager Agreement, there has been, in the opinion of the Joint Dealer Managers, an adverse change in national, international, financial, political or economic conditions as would in their view (acting together) be likely to prejudice the success of the Bond Repurchase where such change is not foreseeable at the time of the execution of the Dealer Manager Agreement or (b) since the execution of the Dealer Manager Agreement, there has been, in the opinion of the Joint Dealer Managers, there shall have occurred any material adverse change or any development involving a prospective material adverse change in the consolidated or unconsolidated financial condition, results of operations or business of Swire Pacific Finance or the Offeror which is material in the context of the Bond Repurchase.

Repurchase Price and Cancellation

The repurchase price of the Bonds has been set at 109.08% of the principal amount of the Bonds. As at the date of this announcement, the Company has, through the Joint Dealer Managers, received commitments from Eligible Bondholders to sell approximately HK$4,689 million in aggregate principal amount of the Bonds to the Company (representing approximately 99.77% of the aggregate principal amount of the Bonds), corresponding to approximately 362,645,011 Cathay Pacific Shares (representing approximately 5.96% of the total issued Cathay Pacific Shares as of the date of this announcement) if such repurchased Bonds were to be exchanged at the adjusted exchange price of HK$12.93 per Cathay Pacific Share.

The remaining principal amount of the outstanding Bonds amounts to approximately HK$11 million (the "**Remaining Outstanding Bonds**"). The Bond Repurchase has not and will not be conducted within or offered to the United States or to persons located or resident in the United States, or to persons acting on behalf of a beneficial owner of the Bonds located or resident in the United States or acting for the account or benefit of any person located or resident in the United States.

Following settlement of the Accelerated Exchange Trade, the repurchased Bonds will be cancelled pursuant to the Conditions. Following the cancellation of 90% or more in principal amount of such Bonds originally issued that are exchanged or repurchased under the Accelerated Exchange Trade, Swire Pacific Finance (as the issuer of the Bonds) may exercise the right to redeem all the Remaining Outstanding Bonds at their principal amount pursuant to the Conditions. Further announcement(s) will be made by the Company as and when appropriate.

The Bond Repurchase is expected to be settled on the Settlement Date, which shall be the same as the Placing Closing Date.

SHARE PLACEMENT

The Placing Agreement

On 2nd September 2026 (prior to trading hours), the Company and the Placing Agents entered into the Placing Agreement, the principal terms of which are as follows:

Date	2nd September 2026 (prior to trading hours)
Parties	**Vendor**: the Company
	Placing Agents: J.P. Morgan, Morgan Stanley and HSBC
	It is intended that the Sale Shares shall be disposed to purchaser(s) who and whose ultimate beneficial owners are third party(ies) independent of the Company and its

	connected persons, and may include the Eligible Bondholders.
Share Placement	Pursuant to the Placing Agreement, the Company has agreed to sell, and the Placing Agents have agreed to, on a several basis, procure purchasers to purchase, or failing which themselves to purchase, 362,645,011 Sale Shares (representing approximately 5.96% of the total issued Cathay Pacific Shares as of the date of this announcement) at a price of HK$13.20 per Cathay Pacific Share (the "**Placing Price**").
Payment Terms and Delivery of Sale Shares on the Placing Closing Date	On the Placing Closing Date or such other time and/or date as the Company and the Placing Agents may agree, the Company shall procure that an irrevocable delivery instruction is given for the Sale Shares to be credited to an account or accounts designated by the Placing Agents and the Placing Agents shall pay, or through the settlement agent procure there to be paid an amount equal to the Placing Price multiplied by the number of Sale Shares less fees and expenses, to an account for the purpose of funding the Bond Repurchase. It is expected that the Placing Closing Date and the Settlement Date shall be the same.
Lock Up Period	During the period from the date of the Placing Agreement and ending on the date which is 90 days after the Placing Closing Date, save for the sale of the Sale Shares under the Placing Agreement, the Company will not and will procure that its subsidiaries will not (without the prior written consent of the Placing Agents, such consent not to be unreasonably withheld or delayed) (a) sell or otherwise transfer or dispose of any Cathay Pacific Shares or any interests therein; (b) enter into any swap or similar agreement that transfers the economic risk of ownership of the Cathay Pacific Shares; or (c) agree or announce any intention to enter into or effect any such transaction described in (a) or (b) above.
Conditions precedent to closing	Completion of the Share Placement is conditional upon the following conditions being met:

(a) no breach of the Company's representations, warranties or undertakings;

(b) trading generally not having been suspended or materially limited on the Stock Exchange or the New York Stock Exchange;

(c) trading of the Cathay Pacific Shares not being suspended on the Stock Exchange; and

(d) no material disruption in securities services, moratorium on commercial banking activities, or force majeure or material adverse change event having occurred.

If any of the conditions above has not been satisfied or waived by the Placing Closing Date, the Placing Agents will not be obligated to proceed and the Placing Agreement shall terminate at that time. Despite any of the conditions above not being fulfilled, the Placing Agents may nonetheless agree with one or more purchasers to sell some or all of the Sale Shares to them (on behalf of the Company) as may be determined by the Placing Agents at their discretion in relation to such sales.

The Placing Price represents:

(i) a discount of approximately 7.7% over the closing price of HK$14.30 per Cathay Pacific Share as quoted on the Stock Exchange on the Last Trading Day;

(ii) a discount of approximately 9.5% over the average closing price of HK$14.58 per Cathay Pacific Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day; and

(iii) a discount of approximately 9.3% over the average closing price of HK$14.56 per Cathay Pacific Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days up to and including the Last Trading Day.

The Placing Price was determined through arm's length negotiations between the parties to the Placing Agreement and on normal commercial terms with reference to, among others, (i) the value of the assets and business of Cathay Pacific Airways and (ii) the prevailing share price of Cathay Pacific Airways.

Waiver of the Lock-Up Undertakings

As disclosed in the announcement of the Company dated 13th March 2026, the Company entered into a placing agreement on 12th March 2026 with J.P. Morgan and Morgan Stanley where it undertook that during the period from the date of the placing agreement to 180 days after the placing closing date, it would not dispose of any Cathay Pacific Shares without the prior written consent of J.P. Morgan and Morgan Stanley. The Company has received written consent from J.P. Morgan and Morgan Stanley in relation to the Accelerated Exchange Trade (including any disposal of Cathay Pacific Shares under the Share Placement).

As disclosed in the Bond Issuance Announcement, each of Swire Pacific Finance and the Company undertook that during the period from the date of the subscription agreement of the Bonds to 180 days after the closing date of the subscription of the Bonds, it would not dispose of any Cathay Pacific Shares without the prior written consent of the Joint Dealer Managers. The Company has received written consent from the Joint Dealer Managers in relation to the Accelerated Exchange Trade (including any disposal of Cathay Pacific Shares under the Share Placement).

USE OF PROCEEDS

The aggregate consideration payable by the Company for the Bond Repurchase is approximately HK$5,115 million and the gross proceeds from the Share Placement is approximately HK$4,787 million. The Company intends to fund the Bond Repurchase from: (a) the gross proceeds from the Share Placement; and (b) its internal cash resources.

FINANCIAL IMPACT OF THE ACCELERATED EXCHANGE TRADE

The Group is expected to record a gain of approximately HK$1,118 million from the Share Placement, which is calculated with reference to the latest available carrying value of the Group's interest in Cathay Pacific Airways. The overall net gain from the Accelerated Exchange Trade is expected to be approximately HK$704 million (including a fair value loss on the Bond Repurchase but excluding transaction costs). These figures are subject to an assessment of the accounting treatment under HKFRS Accounting Standards, and the review and final audit by the auditors of the Company.

INFORMATION ON THE COMPANY

The Company is a company incorporated in Hong Kong with limited liability, whose shares are listed on the Stock Exchange, the subsidiaries, associates and joint ventures of which are engaged principally in the property, beverages and aviation businesses, as well as new areas of growth, such as healthcare.

INFORMATION ON CATHAY PACIFIC AIRWAYS

Cathay Pacific Airways is a company incorporated in Hong Kong with limited liability, whose shares are listed on the Stock Exchange. As well as operating scheduled airline services, the Cathay Group is engaged in other related areas including airline catering, ground-handling, cargo terminal operations and loyalty and reward programmes. The airline operations are principally to and from Hong Kong, which is where most of the Cathay Group's other activities are also carried out.

Set out below is the audited consolidated financial information of Cathay Pacific Airways for the two years ended 31st December 2025 and the unaudited consolidated financial information of Cathay Pacific Airways for the six months ended 30th June 2026, which are prepared in accordance with HKFRS Accounting Standards:

	For the year ended 31st December		**For the six months ended 30th June**
	2024	**2025**	**2026**
	HK$M	*HK$M*	*HK$M*
	(audited)	*(audited)*	*(unaudited)*
Profit before taxation	11,203	12,310	6,900
Profit after taxation	9,888	10,828	6,244

As at 30th June 2026, the unaudited consolidated net assets of Cathay Pacific Airways were HK$58,026 million.

INFORMATION ON THE JOINT DEALER MANAGERS AND THE PLACING AGENTS

J.P. Morgan is a registered institution under the SFO, licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 7 (providing automated trading services) regulated activities under the SFO.

Morgan Stanley is part of the Morgan Stanley group, a leading global financial services firm providing a wide range of investment banking, securities, wealth management and investment management services.

HSBC is a registered institution under the SFO, registered to carry on Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO and a licensed bank under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong).

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, J.P. Morgan, Morgan Stanley and HSBC are third parties independent of the Company and connected persons of the Company.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratios (as set out and calculated under Rule 14.07 of the Listing Rules) in respect of the Share Placement exceeds 5%, but all of the applicable percentage ratios are less than 25%, the Share Placement constitutes a discloseable

SWIRE PACIFIC

transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

GENERAL

The Dealer Manager Agreement and the Placing Agreement may be terminated under certain circumstances. Shareholders and potential investors of the Company and Cathay Pacific Airways are advised to exercise caution when dealing in the securities of the Company and Cathay Pacific Airways.

DIRECTORS

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

Executive Directors: Guy Bradley (Chairman), David Cogman, Martin Murray;
Non-Executive Directors: Gordon McCallum, Gordon Orr, Merlin Swire; and
Independent Non-Executive Directors: Anna Cheung, Paul Etchells, Clara Ho, Xu Ying and Bonnie Zhang.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following meanings:

"Accelerated Exchange Trade"	the Bond Repurchase and the Share Placement.
"Board"	the board of directors of the Company.
"Bondholder(s)"	holder(s) of the Bonds.
"Bond Issuance"	the issuance of the Bonds.
"Bond Issuance Announcement"	the announcement of the Company dated 9th June 2026 in relation to the Bond Issuance.
"Bond Repurchase"	the repurchase of the Bonds pursuant to the Dealer Manager Agreement.
"Bonds"	HK$4,700,000,000 zero coupon exchangeable bonds due 2027 issued by Swire Pacific Finance.
"Cathay Group"	Cathay Pacific Airways and its subsidiaries.
"Cathay Pacific Airways"	Cathay Pacific Airways Limited 國泰航空有限公司, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange (stock code: 293).
"Cathay Pacific Shares"	the ordinary shares of Cathay Pacific Airways.

"Company" or **"Offeror"**	Swire Pacific Limited 太古股份有限公司, an investment holding company incorporated in Hong Kong with limited liability whose shares are listed on the Stock Exchange, the subsidiaries, associates and joint ventures of which are engaged principally in the property, beverages and aviation businesses, as well as new areas of growth, such as healthcare.
"Conditions"	terms and conditions of the Bonds.
"connected person"	has the meaning ascribed to it under the Listing Rules.
"Dealer Manager Agreement"	the dealer manager agreement entered into between the Company as the offeror and the Joint Dealer Managers on 1st September 2026 in relation to the Bond Repurchase.
"Directors"	the directors of the Company.
"Eligible Bondholder"	a Bondholder that is not located or resident in the United States of America, as defined in Regulation S under the Securities Act (the "**United States**") and not a person acting on behalf of a beneficial owner of Bonds located or resident in the United States, or acting for the account or benefit of any person located or resident in the United States.
"Group"	the Company and its subsidiaries.
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong.
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China.
"HSBC"	The Hongkong and Shanghai Banking Corporation Limited 香港上海滙豐銀行有限公司.
"J.P. Morgan"	J.P. Morgan Securities (Asia Pacific) Limited 摩根大通證券（亞太）有限公司.
"Joint Dealer Managers"	J.P. Morgan, Morgan Stanley and HSBC.
"Last Trading Day"	1st September 2026, being the last trading day before the date of the Placing Agreement.
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange.
"Morgan Stanley"	Morgan Stanley & Co. International plc 摩根士丹利國際股份有限公司.

"Placing Agents"	J.P. Morgan, Morgan Stanley and HSBC.
"Placing Agreement"	the share placing agreement entered into between the Company and the Placing Agents on 2nd September 2026 in relation to the Share Placement.
"Placing Closing Date"	the second business day after the day on which all conditions to closing are fulfilled or waived, but in any event no later than 4th September 2026, or such later date as the Company and the Placing Agents may agree in writing.
"Placing Price"	has the meaning ascribed to it under the section of this announcement headed "*SHARE PLACEMENT – The Placing Agreement*".
"Remaining Outstanding Bonds"	has the meaning ascribed to it under the section of this announcement headed "*BOND REPURCHASE – Repurchase Price and Cancellation*".
"Sale Shares"	362,645,011 Cathay Pacific Shares held by the Company to be sold pursuant to the Placing Agreement.
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).
"Settlement Date"	4th September 2026.
"Share Placement"	the sale of the Sale Shares by the Company pursuant to the Placing Agreement.
"Stock Exchange"	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司.
"Swire Pacific Finance"	Swire Pacific Finance Limited, a wholly-owned subsidiary of the Company incorporated in the Cayman Islands.
"%"	per cent.

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

Hong Kong, 2nd September 2026