SWIRE PACIFIC

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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)

DISCLOSEABLE TRANSACTION

PLACING OF CERTAIN CATHAY PACIFIC SHARES HELD BY THE COMPANY

THE PLACING

The Board announces that on 12th March 2026, the Company entered into the Placing Agreement with the Placing Agents pursuant to which the Company has agreed to sell through the Placing Agents, the Sale Shares at the Placing Price of HK$11.74 per Cathay Pacific Share. The Sale Shares represent approximately 2.52% of the total issued Cathay Pacific Shares (excluding Cathay Pacific Shares held in treasury) as at the date of this announcement.

IMPLICATIONS UNDER THE LISTING RULES

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

Completion of the Placing under the Placing Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the Placing Agreement may be terminated under certain circumstances. Accordingly, the Placing may or may not proceed. 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.

THE PLACING AGREEMENT

The Board announces that on 12th March 2026, the Company and the Placing Agents entered into the Placing Agreement, the principal terms of which are as follows:

Date	12th March 2026
Parties	**Vendor**: the Company **Placing Agents**: J.P. Morgan and Morgan Stanley As at the date of this announcement, the Company is not aware of the identity of the purchaser(s) of the Sale Shares under the Placing Agreement. 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.
The Placing	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, 153,059,000 Sale Shares at a price of HK$11.74 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.
Lock Up Period	During the period from the date of the Placing Agreement and ending on the date which is 180 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 Placing 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 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 9.6% over the closing price of HK$12.99 per Cathay Pacific Share as quoted on the Stock Exchange on 12th March 2026, being the date of the Placing Agreement;

(i) a discount of approximately 8.0% over the average closing price of HK$12.76 per Cathay Pacific Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the date of the Placing Agreement; and

(ii) a discount of approximately 9.8% over the average closing price of HK$13.01 per Cathay Pacific Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days up to and including the date of the Placing Agreement.

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.

PROPOSED USE OF NET PROCEEDS

The net proceeds (after deducting related fees and expenses) to be received by the Company from the Placing is expected to be approximately HK$1,789 million.

The Company intends to use the net proceeds from the Placing for general working capital purposes.

FINANCIAL IMPACT OF THE PLACING

The Group is expected to record a gain of approximately HK$365 million from the Placing, which is calculated with reference to the latest available carrying value of the Group's interest in Cathay Pacific Airways. The actual amount of gain or loss as a result of the Placing to be recorded by the Group will be 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, which is prepared in accordance with HKFRS Accounting Standards:

	For the year ended 31st December	
	2024	**2025**
	HK$M	*HK$M*
Profit before taxation	11,203	12,310
Profit after taxation	9,888	10,828

As at 31st December 2025, the audited consolidated net assets of Cathay Pacific Airways were HK$60,117 million.

INFORMATION ON 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.

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

REASONS FOR AND BENEFITS OF THE PLACING

The Board considers that the terms and conditions of the Placing Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole. The Company believes that the raising of funds by the Placing is beneficial to the Company and will enhance its working capital and further strengthen its balance sheet and enhance its financial flexibility.

The Placing returns the Company to its historical shareholding in Cathay Pacific Airways prior to the completion of the off-market share buyback by Cathay Pacific Airways from Qatar Airways Group Q.C.S.C. As at the date of this announcement, the Company is interested in approximately 47.64% of the total issued Cathay Pacific Shares (excluding Cathay Pacific Shares held in treasury). Assuming no changes to the number of total issued Cathay Pacific Shares, upon completion of the Placing, the Company will be interested in approximately 45.12% of the total issued Cathay Pacific Shares (excluding Cathay Pacific Shares held in treasury).

The Company remains confident in, and committed to, Cathay Pacific Airways.

IMPLICATIONS UNDER THE LISTING RULES

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

Completion of the Placing under the Placing Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the Placing Agreement may be terminated under certain circumstances. Accordingly, the Placing may or may not proceed. 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, Patrick Healy, Martin Murray;
Non-Executive Directors: Gordon McCallum, Merlin Swire; and
Independent Non-Executive Directors: Paul Etchells, Edith Ngan, Gordon Orr, Xu Ying and Bonnie Zhang.

DEFINITIONS

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

"Board"	the board of directors of the Company.
"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"	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.
"connected person"	has the meaning ascribed to it under the Listing Rules.
"Directors"	the directors of the Company.
"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.
"J.P. Morgan"	J.P. Morgan Securities (Asia Pacific) Limited 摩根大通證券（亞太）有限公司.
"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"	the sale of the Sale Shares by the Company pursuant to the Placing Agreement.
"Placing Agents"	J.P. Morgan and Morgan Stanley.
"Placing Agreement"	the share placing agreement entered into between the Company and the Placing Agents on 12th March 2026 in relation to the Placing.
"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 17th March 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 "*The Placing Agreement*".
"Sale Shares"	153,059,000 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).
"Stock Exchange"	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司.

"%"	per cent.

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

Hong Kong, 13th March 2026