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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)

### **Announcement**

**Connected Transaction:  
Acquisition of Minority Interests in  
Swire BCD Co., Ltd.,  
Swire Coca-Cola Beverages Hefei Limited and  
Swire Coca-Cola Beverages Zhengzhou Limited**

The Seller and the Purchaser entered into the Equity Transfer Agreements on 21st July 2015 for the Purchaser to acquire the Seller's 15% interest in the registered capital of Swire BCD, 20% interest in the registered capital of Swire Coca-Cola Beverages Hefei and 12.86% interest in the registered capital of Swire Coca-Cola Beverages Zhengzhou for a total cash consideration of RMB1,250 million. On completion of the Transaction, the Company will increase its attributable interests in its subsidiaries, Swire BCD, Swire Coca-Cola Beverages Hefei and Swire Coca-Cola Beverages Zhengzhou through the Purchaser's acquisition of the Sale Interests.

As the Seller is a substantial shareholder of Swire BCD, Swire Coca-Cola Beverages Hefei and Swire Coca-Cola Beverages Zhengzhou and such companies are subsidiaries of the Company, the Seller is a connected person of the Company at the subsidiary level under the Listing Rules. The Equity Transfer Agreements therefore constitute a connected transaction for the Company and are subject to the announcement and reporting requirements, but are exempt from the circular, independent financial advice and shareholders' approval requirements, under Chapter 14A of the Listing Rules.

Completion of the Transaction under the Equity Transfer Agreements is conditional upon, among other things, the Seller and the Purchaser obtaining all necessary approvals of relevant regulatory bodies in the PRC.

**EQUITY TRANSFER AGREEMENTS** dated 21st July 2015

Parties: CITIC Corporation Limited, as Seller  
Swire Beverages Holdings Limited, as Purchaser

Sale Interests: (1) 15% interest in the registered capital of Swire BCD Co., Ltd.;  
(2) 20% interest in the registered capital of Swire Coca-Cola Beverages Hefei Limited; and  
(3) 12.86% interest in the registered capital of Swire Coca-Cola Beverages Zhengzhou Limited

Consideration: RMB1,250 million

**Particulars of the Transaction**

The Seller and the Purchaser entered into the Equity Transfer Agreements on 21st July 2015 for the Purchaser to acquire the Seller's 15% interest in the registered capital of Swire BCD, 20% interest in the registered capital of Swire Coca-Cola Beverages Hefei and 12.86% interest in the registered capital of Swire Coca-Cola Beverages Zhengzhou for a total cash consideration of RMB1,250 million. On completion of the Transaction, the Company will increase its attributable interests in its subsidiaries, Swire BCD (from 74.38% to 89.38%), Swire Coca-Cola Beverages Hefei (from 59.50% to 91.50%) and Swire Coca-Cola Beverages Zhengzhou (from 60.68% to 85.78%) through the Purchaser's acquisition of the Sale Interests.

As the Sale Interests are state-owned assets, the Seller was required, among other things, to go through tender, auction and listing-for-sale procedures for the sale of the Sale Interests. Pursuant to the rules of CBEX and the application requirements specified by the Seller, security deposits totalling RMB375 million were paid into the designated bank account of CBEX and such security deposits will be set off against the consideration under the Equity Transfer Agreements.

Each party will be responsible for its costs and expenses incurred in connection with the Transaction.

Completion of the Transaction under the Equity Transfer Agreements is conditional upon, among other things, the Seller and the Purchaser obtaining all necessary approvals of relevant regulatory bodies in the PRC.

**Financial Matters**

Swire BCD is a Sino-foreign equity joint venture investment holding company established in the PRC in 1987 with registered capital of USD60 million, which is fully paid up and is owned as to 85% by Swire Beverages and as to the remaining 15% by the Seller. Swire BCD holds interests in a number of Sino-foreign equity joint ventures, including Swire Coca-Cola Beverages Hefei and Swire Coca-Cola Beverages Zhengzhou, which engage in the manufacture and sale of non-alcoholic beverages in the PRC.

Swire Coca-Cola Beverages Hefei is a Sino-foreign equity joint venture established in the PRC in 1995 with registered capital of USD12 million, which is fully paid up and is owned as to 80% by Swire BCD and as to the remaining 20% by the Seller. Swire Coca-Cola Beverages Hefei engages in the manufacture and sale of non-alcoholic beverages in Anhui Province, the PRC.

Swire Coca-Cola Beverages Zhengzhou is a Sino-foreign equity joint venture established in the PRC in 1995 with registered capital of USD18 million, which is fully paid up and is owned as to 81.58% by Swire BCD and as to 12.86% by the Seller. Swire Coca-Cola Beverages Zhengzhou engages in the manufacture and sale of non-alcoholic beverages in Henan Province, the PRC.

The Seller's original purchase cost of the Sale Interests was USD13,715,364.

As at 31st December 2014, the audited net asset value attributable to the Sale Interests was approximately RMB153.7 million.

For the year ended 31st December 2014, the audited net profits before and after taxation attributable to the Sale Interests were approximately RMB107.2 million and RMB84.2 million respectively.

For the year ended 31st December 2013, the audited net profits before and after taxation attributable to the Sale Interests were approximately RMB101.1 million and RMB79.1 million respectively.

The consideration represents the aggregate of the listing-for-sale prices specified by the Seller for the Sale Interests under the tender, auction and listing-for-sale procedures effected through CBEX in accordance with the PRC laws and regulations applicable to the sale of state-owned assets. In agreeing to the consideration, the Company took into account the matters referred to under "Financial Matters" above.

### **Reasons for, and benefits of, the Transaction**

Swire Pacific regards its shareholdings in Swire BCD, Swire Coca-Cola Beverages Hefei and Swire Coca-Cola Beverages Zhengzhou as key long term strategic investments. The Transaction enables Swire Pacific to increase in these investments on terms which it regards as appropriate.

### **Connection between the parties**

As the Seller is a substantial shareholder of Swire BCD, Swire Coca-Cola Beverages Hefei and Swire Coca-Cola Beverages Zhengzhou and such companies are subsidiaries of the Company, the Seller is a connected person of the Company at the subsidiary level under the Listing Rules.

### **Compliance with the Listing Rules**

As the highest of the relevant percentage ratios (other than the profits ratio) as defined under Rule 14.07 of the Listing Rules in respect of the Transaction is more than 1% for the Company and the Transaction is a connected transaction between the Company and a connected person at the subsidiary level on normal commercial terms or better, the Transaction is subject to the announcement and reporting requirements under Chapter 14A of the Listing Rules but is exempt under Listing Rule 14A.101 from the circular, independent financial advice and shareholders' approval requirements.

### **Opinion of the Directors**

The Directors (including the independent non-executive Directors) consider that the Transaction is in the ordinary and usual course of business of the Company, on normal commercial terms or better, is fair and reasonable and in the interests of the Company and its shareholders as a whole.

None of the Directors has an interest in the Transaction and none of them has abstained from voting on board resolutions of the Company in respect of the Transaction.

### **Effect of the Transaction**

Upon completion of the Transaction, the Seller will cease to have any interest in Swire BCD, Swire Coca-Cola Beverages Hefei and Swire Coca-Cola Beverages Zhengzhou, which are subsidiaries of the Company. The Seller and its associates will therefore cease to be connected persons of the Company at the subsidiary level and the contemplated transactions referred to in the joint announcement of the Company and Swire Properties Limited (stock code: 1972), a subsidiary of the Company the shares of which are listed on the Stock Exchange, dated 26th January 2014 will not become connected transactions of the Company under Chapter 14A of the Listing Rules.

### **Directors**

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

Executive Directors: J.R. Slosar (Chairman), G.M.C. Bradley, I.K.L. Chu, M. Cubbon, J.B. Rae-Smith, I.S.C. Shiu, A.K.W. Tang;

Non-Executive Directors: P.A. Johansen, M.B. Swire, S.C. Swire; and

Independent Non-Executive Directors: T.G. Freshwater, C. Lee, R.W.M. Lee, M.C.C. Sze and M.M.T. Yang.

**Definitions**

<b>“CBEX”</b>	北京產權交易所 (China Beijing Equity Exchange), an institution authorised by the State-owned Assets Supervision and Administration Commission to arrange transactions in assets and equity of state-owned enterprises under the Central People’s Government of the PRC.
<b>“Company” or “Swire Pacific”</b>	Swire Pacific Limited 太古股份有限公司, an investment holding company incorporated in Hong Kong and listed on the Stock Exchange, the subsidiaries, joint venture companies and associated companies of which are engaged in property, aviation, beverages, marine services and trading and industrial businesses.
<b>“Directors”</b>	The directors of Swire Pacific.
<b>“Equity Transfer Agreements”</b>	The equity transfer agreements dated 21st July 2015 entered into between the Seller and the Purchaser relating to the Sale Interests.
<b>“Listing Rules”</b>	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
<b>“PRC”</b>	The People’s Republic of China, excluding, for the purpose of this announcement only, Hong Kong, Macau and Taiwan.
<b>“Purchaser” or “SBHL”</b>	Swire Beverages Holdings Limited 太古飲料控股有限公司, a company incorporated in Hong Kong and wholly owned by Swire Pacific, whose principal activity is investment holding.
<b>“Sale Interests”</b>	The Seller’s 15% interest in the registered capital of Swire BCD, 20% interest in the registered capital of Swire Coca-Cola Beverages Hefei and 12.86% interest in the registered capital of Swire Coca-Cola Beverages Zhengzhou.
<b>“Seller”</b>	CITIC Corporation Limited 中國中信有限公司, a company incorporated in the PRC and wholly owned by CITIC Limited 中國中信股份有限公司, whose principal activity is investment holding.
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司.
<b>“Swire BCD”</b>	Swire BCD Co., Ltd., a company incorporated in the PRC, whose principal activity is investment holding. Swire Beverages and the Seller hold 85% and 15% interests in Swire BCD respectively.

- “Swire Beverages”** Swire Beverages Limited 太古飲料有限公司, a company incorporated in Hong Kong, whose principal activities are investment holding and sale of non-alcoholic beverages. SBHL holds a 87.5% interest in Swire Beverages.
- “Swire Coca-Cola Beverages Hefei”** Swire Coca-Cola Beverages Hefei Limited, a company incorporated in the PRC, whose principal activities are manufacture and sale of non-alcoholic beverages in Anhui Province, the PRC. Swire BCD and the Seller hold 80% and 20% interests in Swire Coca-Cola Beverages Hefei respectively.
- “Swire Coca-Cola Beverages Zhengzhou”** Swire Coca-Cola Beverages Zhengzhou Limited, a company incorporated in the PRC, whose principal activities are manufacture and sale of non-alcoholic beverages in Henan Province, the PRC. Swire BCD and the Seller hold 81.58% and 12.86% interests in Swire Coca-Cola Beverages Zhengzhou respectively.
- “Transaction”** The purchase and sale of the Sale Interests pursuant to the Equity Transfer Agreements.

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

Hong Kong, 21st July 2015