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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)

Inside Information Sale of Interests in Paints Business

Swire Industrial and the Purchaser entered into the Sale and Purchase Agreements on 13th December 2018 for the sale of the Sale Interests by Swire Industrial to the Purchaser for a cash consideration. The Sale Interests represent the Company's entire interests in the paints business. The estimated profit on the sale of the Sale Interests (which is expected to be recorded by the Company in 2018) is approximately HK\$2.7 billion.

Swire Pacific would like to thank Akzo Nobel Group for a constructive and strong partnership in the paints business over the years and wishes the business continued success in the future.

Particulars

Swire Industrial and the Purchaser entered into the Sale and Purchase Agreements on 13th December 2018 for the sale of the Sale Interests by Swire Industrial to the Purchaser for a cash consideration. The Sale Interests comprise Swire Industrial's entire 100% interest in SDHL and 40% interest in ANSPL and represent the Company's entire interests in the paints business. The estimated profit on the sale of the Sale Interests (which is expected to be recorded by the Company in 2018) is approximately HK\$2.7 billion.

Swire Pacific would like to thank Akzo Nobel Group for a constructive and strong partnership in the paints business over the years and wishes the business continued success in the future.

As a result of the sale of the Sale Interests, Swire Pacific will no longer have any interests in the paints business. The sale is in line with Swire Pacific's strategy of divesting from businesses which do not contribute to its strategic objectives or have reached their full potential under Swire Pacific's ownership.

General

None of the transactions entered into pursuant to the agreements described above is a notifiable transaction or a connected transaction for the Company within the meaning of the Listing Rules. However, it is considered that such transactions may constitute inside information for the Company. This announcement is accordingly being made by the Company pursuant to Rule 13.09(2) of the Listing Rules and Part XIVA of the SFO.

Shareholders and potential investors are advised to exercise caution in dealing in shares of the Company.

Definitions

“Akzo Nobel Group” or “Purchaser”	Akzo Nobel N.V. and its subsidiaries.
“ANSPL”	Akzo Nobel Swire Paints Limited 阿克蘇諾貝爾太古漆油有限公司, a company incorporated in Hong Kong, which is owned as to 60% by Akzo Nobel Group and as to 40% by Swire Industrial, whose principal activity is sale of paints and provision of related services in Hong Kong.
“Company” or “Swire Pacific”	Swire Pacific Limited 太古股份有限公司, an investment holding company incorporated in Hong Kong with limited liability and listed on the Stock Exchange, the subsidiaries, associates and joint ventures of which are engaged in property, aviation, beverages, marine services and trading and industrial businesses.
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
“Sale and Purchase Agreements”	The sale and purchase agreements dated 13th December 2018 entered into between Swire Industrial and the Purchaser relating to the Sale Interests.
“Sale Interests”	Swire Industrial’s entire 100% interest in SDHL and 40% interest in ANSPL.
“SFO”	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.

“SDHL”

Swire Duro (Holdings) Limited, a company incorporated in Hong Kong and wholly owned by Swire Industrial, whose principal activity is investment holding. The principal assets of SDHL are:

- (a) 30% interest in Akzo Nobel Decorative Coatings (Langfang) Co Ltd. (阿克蘇諾貝爾裝飾塗料（廊坊）有限公司);
- (b) 30% interest in Akzo Nobel Swire Paints (Chengdu) Co., Ltd. (阿克蘇諾貝爾太古漆油（成都）有限公司);
- (c) 36% interest in Akzo Nobel Swire Paints (Guangzhou) Limited (阿克蘇諾貝爾太古漆油（廣州）有限公司); and
- (d) 30% interest in Akzo Nobel Swire Paints (Shanghai) Limited (阿克蘇諾貝爾太古漆油（上海）有限公司),

whose principal activities are manufacturing and distribution of paints in Mainland China.

“Swire Industrial”

Swire Industrial Limited 太古實業有限公司, a company incorporated in Hong Kong and wholly owned by the Company, whose principal activity is investment holding.

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

Executive Directors: M.B. Swire (Chairman), I.K.L. Chu, D.P. Cogman, M.M.S. Low;
Non-Executive Directors: M. Cubbon, S.C. Swire; and
Independent Non-Executive Directors: P.K. Etchells, T.G. Freshwater, C. Lee, R.W.M. Lee and G.R.H. Orr.

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

Hong Kong, 13th December 2018