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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

Cathay Pacific Airways Limited (“Cathay Pacific”)

On 21st June 2021, Cathay Pacific made an announcement which included the following statement.

“The first half of 2021 has seen the tightening of travel restrictions and quarantine requirements as Hong Kong and our major markets continued the fight against COVID-19. These measures and the resulting increased quarantine for our aircrew have restricted our ability to operate passenger services beyond a single-digit percentage of our passenger capacity and have reduced our effective freighter capacity. However, with the cost-saving measures implemented in 2020 (which are continuing) and a strong underlying cargo performance, our losses in the first half of 2021, while still very substantial, are expected to be somewhat lower than the losses reported in both the first and second halves of 2020.

With the easing of passenger and crew quarantine measures, the roll-out of the community vaccination programme in Hong Kong and the high vaccination rate of our aircrew, we are cautiously adding more passenger flights and flying to more destinations. Our current plan is that by the fourth quarter of 2021 we will be operating approximately 30% of our pre-COVID-19 passenger capacity.”

Swire Pacific Limited (“Swire Pacific”) holds 45% of the ordinary shares in Cathay Pacific.

Results of Swire Pacific for the first half of 2021

The announcement by Swire Pacific of its results for 2020 included the following statement about prospects.

“We continue to face significant challenges and uncertainties in 2021 as a result of COVID-19. The effect on the Aviation Division, particularly Cathay Pacific, is severe. We expect to incur a recurring loss in the first half of 2021.”

As indicated by this statement, Swire Pacific is continuing to face significant challenges and uncertainties in 2021 as a result of COVID-19. As indicated both by this statement and by the statement by Cathay Pacific referred to above, the effect on the Aviation Division, particularly Cathay Pacific, is severe. However, the performances of Swire Pacific's businesses in the first half of 2021 are now expected to be somewhat better than was the case when the 2020 results were announced. As a result, Swire Pacific no longer expects to incur a recurring loss in the first half of 2021.

General

It is considered that the information in this announcement may constitute inside information. This announcement is accordingly being made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Shareholders and potential investors are advised to exercise caution in dealing in shares of Swire Pacific.

As at the date of this announcement, the directors of Swire Pacific are:

Executive Directors: M.B. Swire (Chairman), D.P. Cogman, M.J. Murray, Z.P. Zhang;
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
St.John Flaherty
Company Secretary

Hong Kong, 18th June 2021