

2024

INTERIM RESULTS

ANALYST BRIEFING

8TH AUGUST 2024 | HONG KONG



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AGENDA

- ◆ FINANCIAL HIGHLIGHTS AND GROUP CORPORATE STRATEGY
- ◆ 1H2024 FINANCIAL PERFORMANCE
- ◆ BUSINESS REVIEW
- ◆ SUSTAINABILITY UPDATE
- ◆ OUTLOOK
- ◆ Q&A





FINANCIAL HIGHLIGHTS AND GROUP CORPORATE STRATEGY

GUY BRADLEY, CHAIRMAN

SWIRE PACIFIC – STRATEGIC HIGHLIGHTS

- ▶ Achieved solid results in 1H2024 despite a challenging operating environment and impact from the disposal of Swire Coca-Cola, USA (SCCU) in 2H2023.
- ▶ Aviation Division continued to drive our underlying profit with robust demand for travel.
- ▶ Beverages Division was stable, while Property Division performed well despite increasing headwinds.

PROPERTY



- ▶ 65% committed in HK\$100Bn investment plan
- ▶ Obtained occupancy permit for Six Pacific Place
- ▶ Acquired 50% of the retail portion of the mixed-use development in Liwan district (Julong Wan Project)
- ▶ Acquisition of an additional 14.895% equity interest of INDIGO Phase Two completed
- ▶ Successfully bid for 387 Tianhe Road which will become an addition to Taikoo Hui in Guangzhou

BEVERAGES



- ▶ Conditionally agreed to acquire a majority stake in ThaiNamthip Corporation Ltd. (TNTC) in phases
- ▶ SCC became interested in 39% of the issued share capital of TNTC since February

AVIATION



- ▶ Passenger flights of the Cathay group reached 80% of pre-pandemic levels within Q2 2024
- ▶ Repurchased the remaining 50% of the preference shares from the HKSAR Government at HK\$9.75Bn
- ▶ Committed more than HK\$100Bn in investments over the next 7 years
- ▶ Continuous recovery of line maintenance activity and growth in engine overhaul at the HAECO group



SWIRE PACIFIC – 1H2024 HIGHLIGHTS

↓ 2%

Recurring Underlying Profit

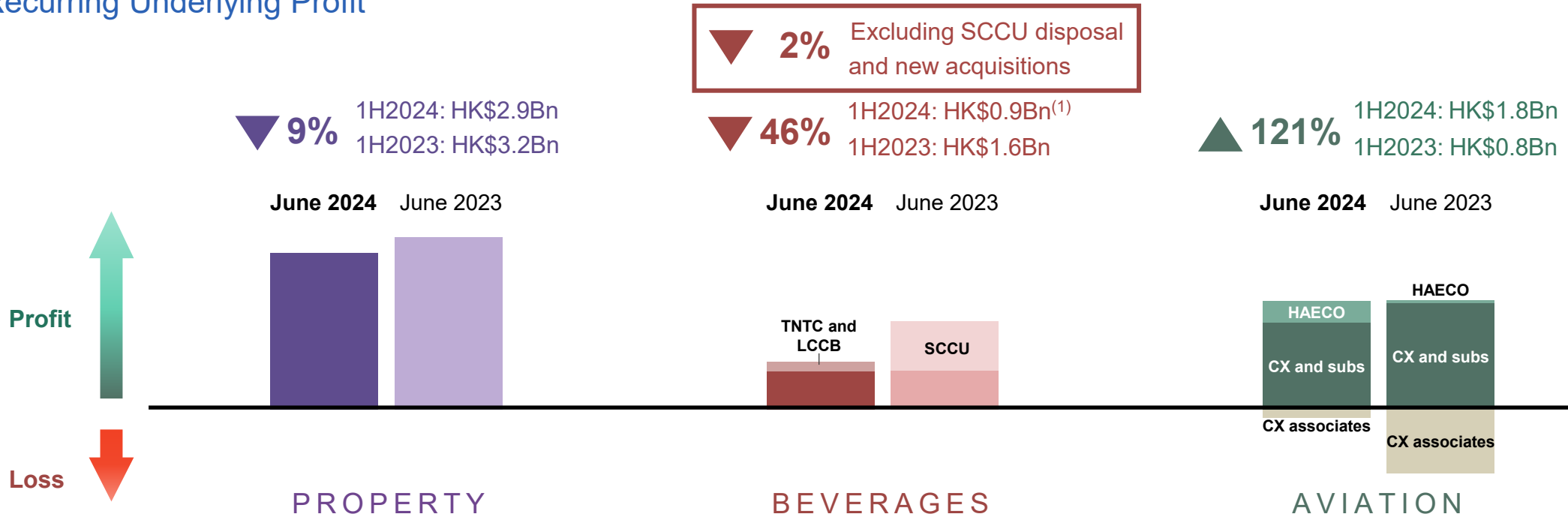


↑ 4%

Dividend per 'A' Share



Recurring Underlying Profit



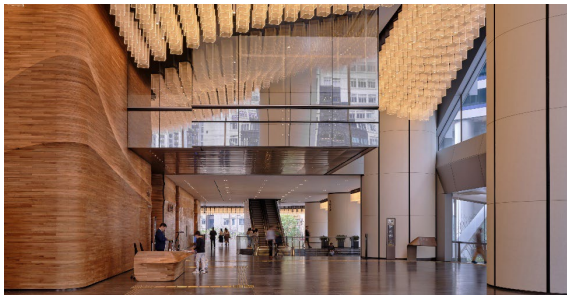
Note: (1) Following the disposal of SCCU on 7th September 2023, SCCU's results are not included in the Swire Coca-Cola total for the six months ended 30th June 2024.



SWIRE PACIFIC – BUSINESS PERFORMANCE

- ▶ Recurring underlying profit of HK\$4.8Bn.
- ▶ Strong results from Aviation Division, offsetting the absence of profit from SCCU.
- ▶ Focus on enhancing returns for shareholders through ordinary dividends and our share buy-back programme.

PROPERTY



- ▶ Higher net finance charges and reduction in office rental income in Hong Kong (partly due to rental loss from OIE)
- ▶ Office market in Hong Kong remained subdued and retail market remained challenging
- ▶ Retail sales normalised in the Chinese Mainland and ahead of pre-pandemic levels
- ▶ Announced a share buy-back programme of up to HK\$1.5Bn in August

BEVERAGES



- ▶ Profit increases were seen in Hong Kong, Taiwan and South East Asia
- ▶ Significant contributions from Thailand and Laos
- ▶ Profit from the Chinese Mainland decreased largely due to currency impact

AVIATION



- ▶ Results driven by the ongoing robust demand for travel and solid cargo business
- ▶ Passenger revenue increased by 20% with 43% increase in passenger flight capacity
- ▶ Cargo capacity increased by 11%
- ▶ HAECO group achieved a growth of 535% in recurring profit

FINANCIAL HEALTH

- ▶ Strong financial position with gearing ratio of 19.8%
- ▶ HK\$46.8Bn of available liquidity

DIVIDENDS AND SHARE BUY-BACK

- ▶ 4% increase of 1st interim dividend to HK\$1.25 per 'A' share
- ▶ Ongoing share buy-back programme of up to HK\$6Bn, which will run through to May 2025





1H2024 FINANCIAL PERFORMANCE

MARTIN MURRAY, FINANCE DIRECTOR

1H2024 FINANCIAL SUMMARY

Statutory Profit

June 2023: HK\$4,221m
June 2024: HK\$3,914m ↓ 7%

Underlying Profit

June 2023: HK\$5,594m
June 2024: HK\$5,576m 0%

Recurring Underlying Profit

June 2023: HK\$4,879m
June 2024: HK\$4,762m ↓ 2%

Revenue

June 2023: HK\$51,544m
June 2024: HK\$39,563m -23%

Equity Attributable to the Company's Shareholders

December 2023: HK\$268,129m
June 2024: HK\$265,246m -1%

Dividends per Share

June 2023:
HK\$1.20 per 'A' Share
HK\$0.24 per 'B' Share
June 2024:
HK\$1.25 per 'A' Share
HK\$0.25 per 'B' Share +4%

Cash Generated From Operations

June 2023: HK\$7,206m
June 2024: HK\$5,307m -26%

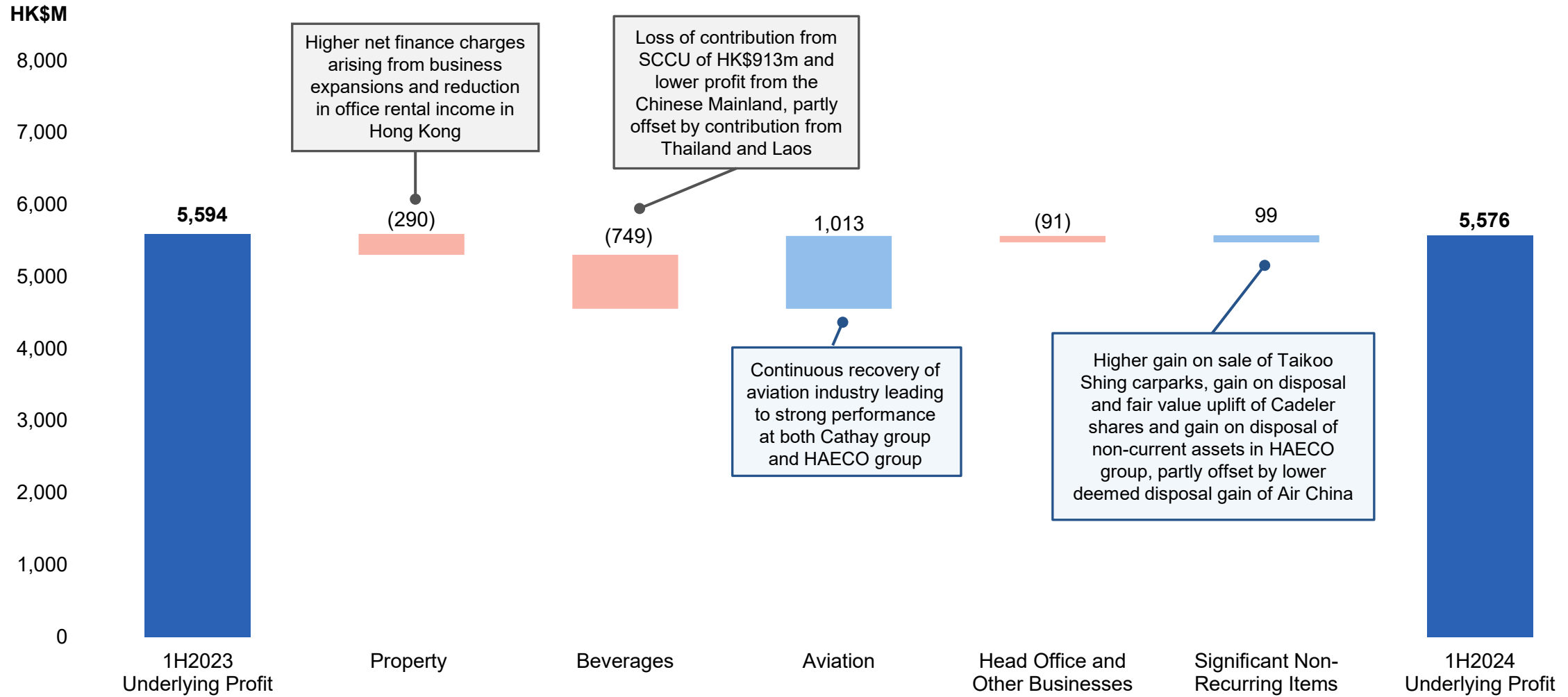


1H2024 FINANCIAL SUMMARY – RECONCILIATION OF PROFITS

| | June 2024 HK\$M | June 2023 HK\$M | |
|---|--------------------|--------------------|---|
| Statutory profit | 3,914 | 4,221 | |
| Adjustments in respect of investment properties | 1,662 | 1,373 | |
| Underlying profit attributable to the Company's shareholders | 5,576 | 5,594 | Sale of Taikoo Shing carparks |
| Significant non-recurring items: | | | Mainly gains on disposals of non-current assets in HAECO group and Cadeler shares, and deemed disposal gain of Air China ⁽¹⁾ |
| Gain on disposal of interests in investment properties and properties for sale | (235) | (7) | |
| Gain on disposal of property, plant and equipment, intangible assets and other investments | (396) | (853) | |
| Fair value gain of an investment | (233) | - | Fair value uplift of Cadeler shares |
| Impairment of property, plant and equipment, right-of-use assets, intangible assets and investments | 50 | 145 | Remeasurement loss at DeltaHealth, partly offset by reversal of impairment charges at Cathay Pacific |
| Recurring underlying profit | 4,762 | 4,879 | |

Note: (1) Cathay Pacific did not participate in the issuance of new shares by Air China in February 2024 and its equity interest in Air China was diluted from 16.26% to 15.87% after the share issuance, resulting in a deemed gain on disposal.

1H2024 MOVEMENT IN UNDERLYING PROFIT



1H2024 FINANCIAL SUMMARY – PROFIT/(LOSS) BY DIVISION

| | Recurring underlying profit/(loss) | | Underlying profit/(loss) | | |
|---|------------------------------------|--------------------|--------------------------|--------------------|--|
| | June 2024 HK\$M | June 2023 HK\$M | June 2024 HK\$M | June 2023 HK\$M | |
| Property | 2,898 | 3,188 | 3,133 | 3,195 | Sale of Taikoo Shing carparks |
| Beverages | 878 | 1,627 | 878 | 1,423 | SCCU contributed HK\$913m in 1H2023 |
| Aviation | | | | | |
| - Cathay group ⁽¹⁾ | 1,455 | 782 | 1,504 | 1,744 | Deemed disposal gain of Air China ⁽²⁾ of HK\$40m and reversal of impairment charges |
| - HAECO group and others ⁽¹⁾ | 392 | 52 | 589 | 52 | Gain on disposal of non-current assets in a joint venture company |
| Trading & Industrial | 152 | 185 | 152 | 185 | |
| Head Office, Healthcare and others | (1,013) | (955) | (680) | (1,005) | Mainly disposal gain and fair value uplift of Cadeler shares of HK\$372m |
| Total | 4,762 | 4,879 | 5,576 | 5,594 | |

Notes: (1) Including consolidation adjustments.

(2) Cathay Pacific did not participate in the issuance of new shares by Air China in February 2024 and its equity interest in Air China was diluted from 16.26% to 15.87% after the share issuance, resulting in a deemed gain on disposal.



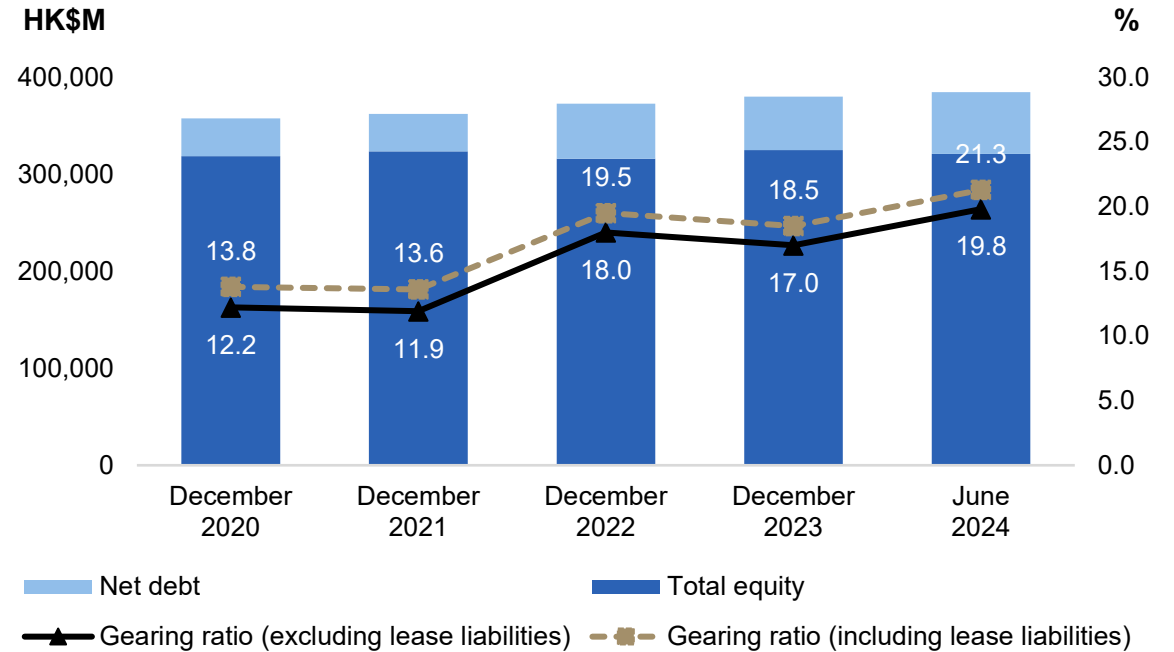
1H2024 FINANCIAL SUMMARY

Net Debt Movements (HK\$Bn)

| | |
|-----------------------------------|-------------|
| Net debt at 1st January 2024 | 55.1 |
| Cash from operations | (5.3) |
| Disposal proceeds | (1.6) |
| Capex and investments | 9.0 |
| Net dividends paid | 2.3 |
| Net interest paid | 1.3 |
| Tax paid | 0.9 |
| Share buy-back | 2.0 |
| Others | (0.2) |
| Net debt at 30th June 2024 | 63.5 |

| HK\$Bn | June 2024 | December 2023 | Change % |
|--|-----------|---------------|----------|
| Net debt | 63.5 | 55.1 | +15% |
| Net debt (including lease liabilities) | 68.4 | 60.2 | +14% |

Gearing Ratio



| | June 2024 | December 2023 |
|---|-----------|---------------|
| Underlying cash interest cover – times | 4.2 | 13.5 |
| Weighted average cost of debt (%) ⁽¹⁾ | 4.0% | 4.0% |
| Gross borrowings on fixed rate basis (%) ⁽¹⁾ | 68% | 76% |

Note: (1) Excluding lease liabilities.

1H2024 FINANCIAL SUMMARY

| | December 2021 HK\$M | December 2022 HK\$M | December 2023 HK\$M | June 2024 HK\$M | Change % (June 24 vs December 23) |
|---------------------------------------|------------------------|------------------------|------------------------|--------------------|---|
| Bank balances and short-term deposits | 22,894 | 11,614 | 14,082 | 16,746 | +19% |
| Total undrawn facilities | | | | | |
| - Committed | 24,219 | 21,510 | 34,850 | 30,046 | -14% |
| Group committed liquidity | 47,113 | 33,124 | 48,932 | 46,792 | -4% |
| - Uncommitted | 8,296 | 7,659 | 10,548 | 9,381 | -11% |
| Group total liquidity | 55,409 | 40,783 | 59,480 | 56,173 | -6% |

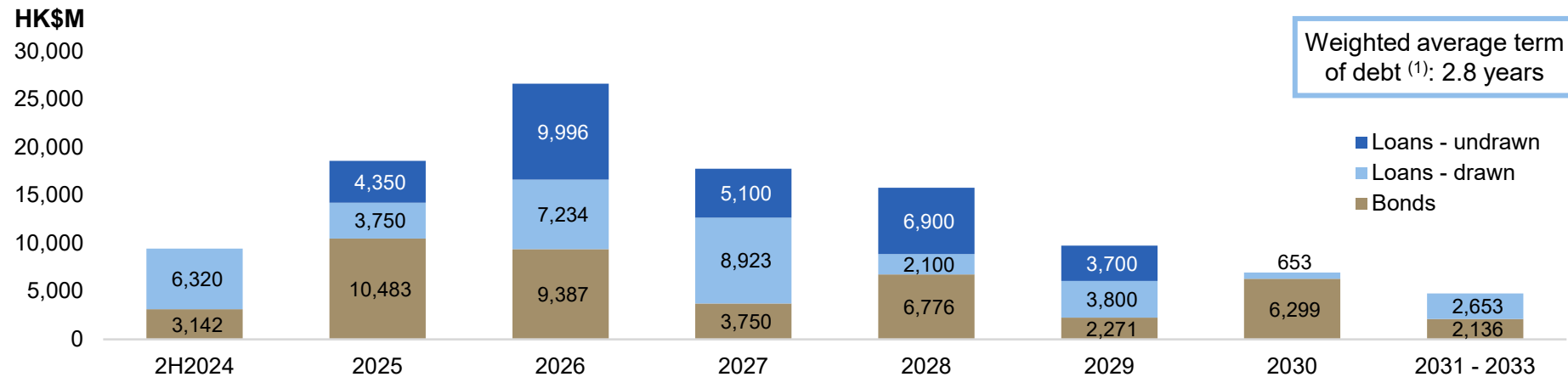
Swire Pacific

- Issued USD500m 5-year public bond in July 2024
- Coupon of 5.125%

Swire Properties

- 9 Dim Sum bonds totalling RMB2.55Bn issued year-to-date

Financing Maturity Profile at 30th June 2024 ⁽¹⁾



Note: (1) Excluding lease liabilities.

Disposal of SCCU

- Net proceeds of HK\$18.2Bn after payment of special dividend
- Interest saving of HK\$0.7Bn per annum



BUSINESS REVIEW

GUY BRADLEY, CHAIRMAN
ADRIAN CHOY, FINANCE DIRECTOR, SWIRE COCA-COLA
MARTIN MURRAY, FINANCE DIRECTOR

PROPERTY – 1H2024 OVERVIEW

- ▶ A slight decrease in underlying profit from HK\$3,897m to HK\$3,821m, mainly reflecting higher net finance charges and lower rental income from Hong Kong (partly due to rental loss from disposals) offset by a higher disposal gain.
- ▶ Developing new pipeline projects and ongoing asset reinforcement.

August 2024



No. 387 Tianhe Road, Guangzhou

Addition of Taikoo Hui
Guangzhou, successfully bid via
public auction

August 2024



INDIGO Phase Two, Beijing

Acquisition of an additional
14.895% equity interest completed

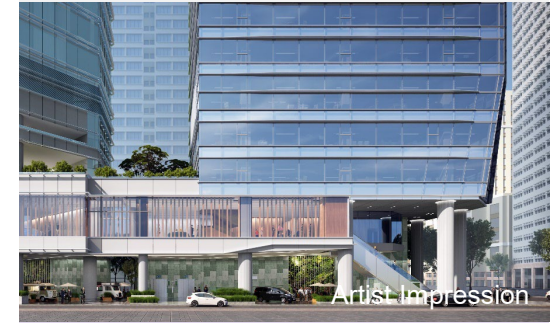
August 2024



Julong Wan Project, Guangzhou

Announced a 50% joint venture to
develop the retail portion of mixed-
use development in Liwan district

February 2024



Six Pacific Place, Hong Kong

Obtained occupation permit

Divestments

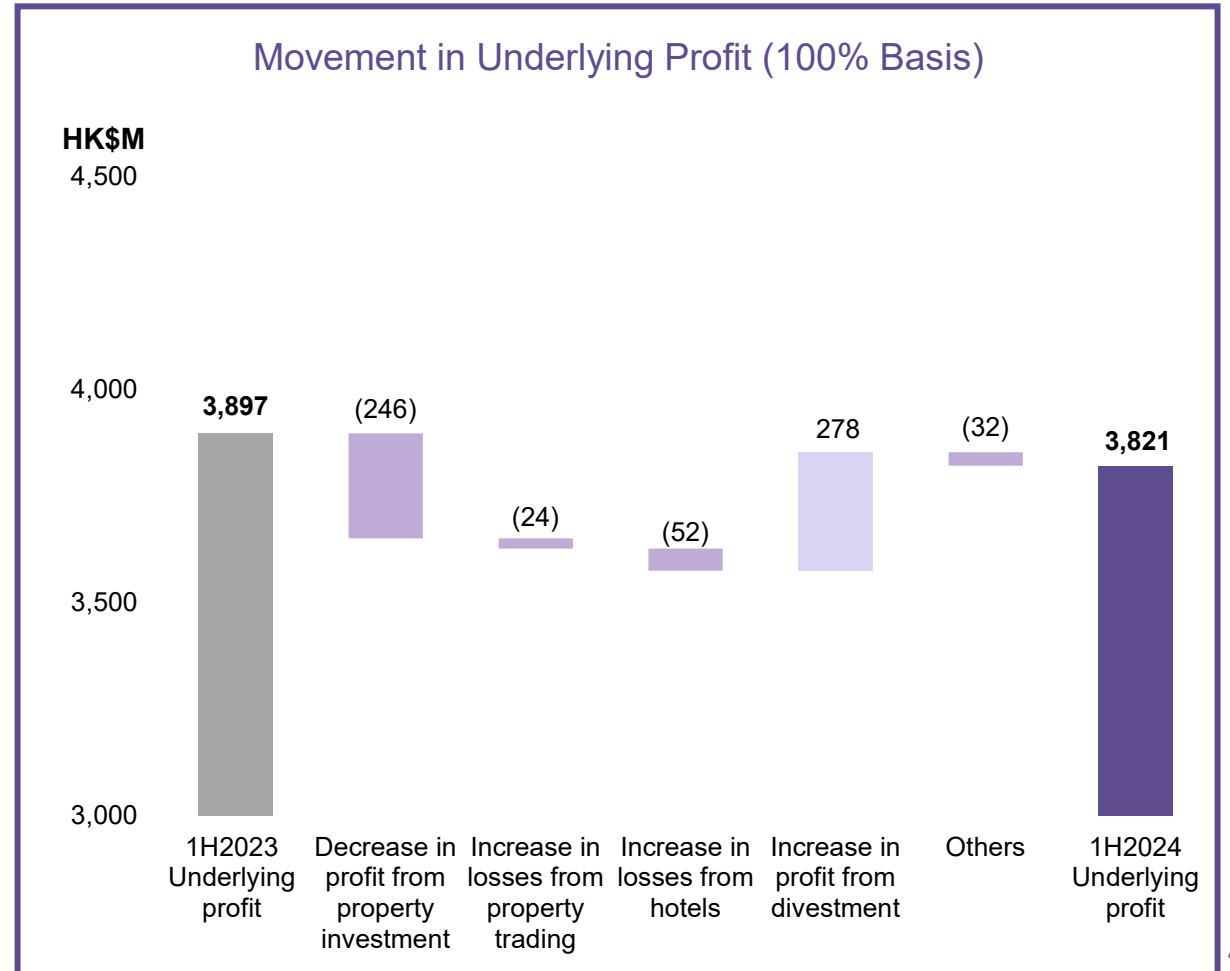
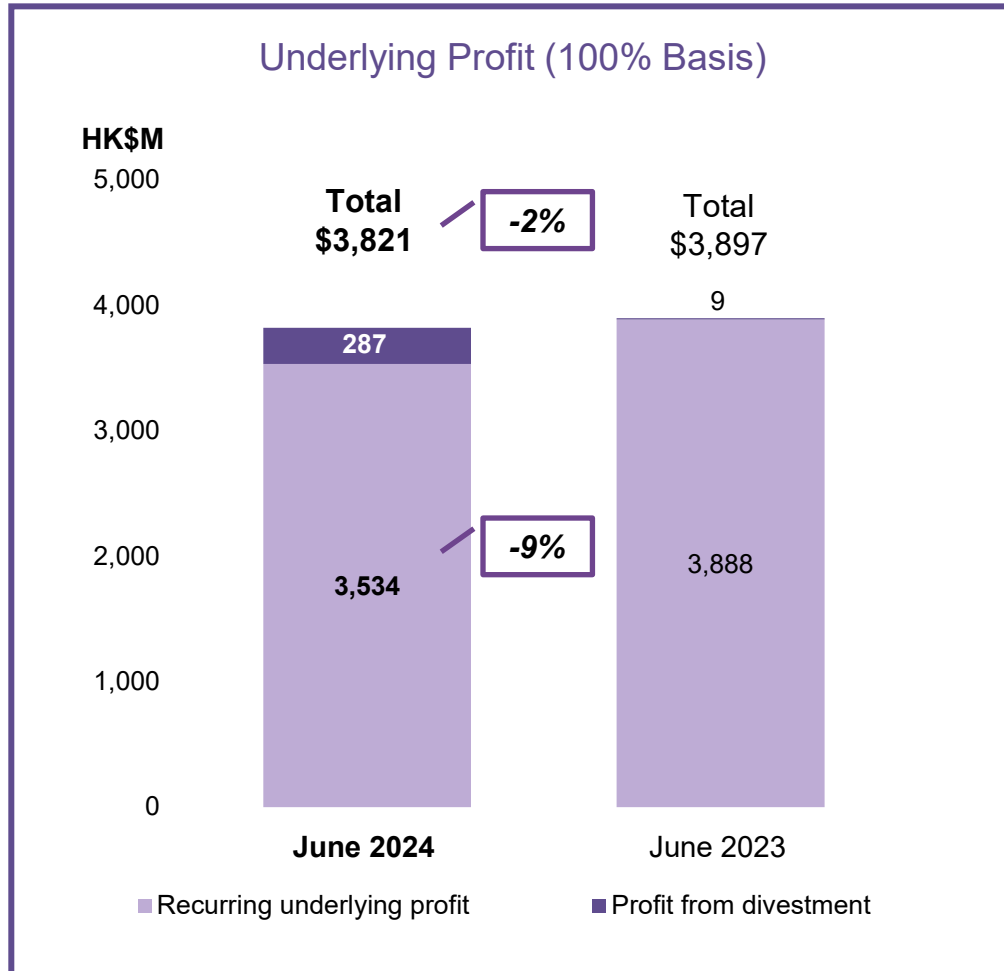
Taikoo Shing Car Parking Spaces

Sales of 377 car parking spaces were recognised in 1H2024



PROPERTY – 1H2024 OVERVIEW

Resilient performance despite market headwinds



PROPERTY – HK\$100 BILLION INVESTMENT PLAN

A clear path for growth over the next decade

Chinese Mainland

- Taikoo Li Xi'an
- Taikoo Li Sanya ⁽²⁾
- Increased stake at Taikoo Li Chengdu
- New Bund Mixed-use Project, Shanghai
- Lujiazui Taikoo Yuan, Shanghai ⁽³⁾
- Julong Wan Project, Guangzhou **New**
- No. 387 Tianhe Road, Guangzhou **New**

HK\$ 44 Bn

Hong Kong

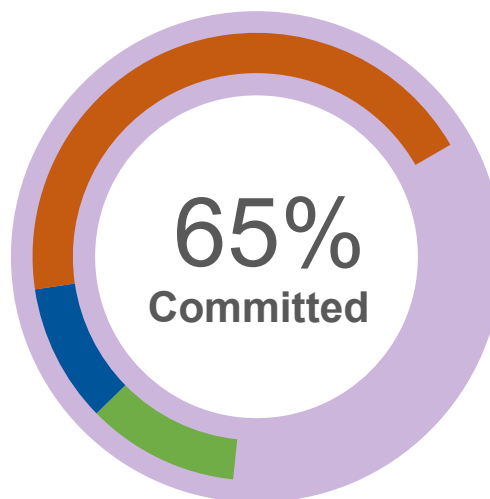
- Increased stake at Citygate
- 100% ownership at Zung Fu and Wah Ha
- Compulsory sale applications at Quarry Bay

HK\$ 11 Bn

Trading / South East Asia

- Chai Wan Inland Lot No. 178, Hong Kong
- 269 Queen's Road East, Hong Kong
- Quarry Bay residential, Hong Kong
- Bangkok residential, Thailand

HK\$ 10 Bn



HK\$ 50 Bn Chinese Mainland



HK\$ 30 Bn Hong Kong



HK\$ 20 Bn Trading / South East Asia

- **Chinese Mainland** – Retail-led mixed-use projects in Tier-1 / emerging Tier-1 cities; doubling of GFA by 2032
- **Hong Kong** – Expansion opportunities at Pacific Place and Taikoo Place
- **Trading** – Development of residential pipelines primarily in Hong Kong, the Chinese Mainland and South East Asia
- **South East Asia** – Building a presence in Vietnam, Indonesia, Singapore and Thailand

Notes: (1) As at 2nd August 2024.

(2) Project name to be confirmed.

(3) Formerly known as Yangjing Mixed-use Project.



PROPERTY – UPCOMING PROJECTS (1)

Strong and diverse pipelines

Expected completion year

2024

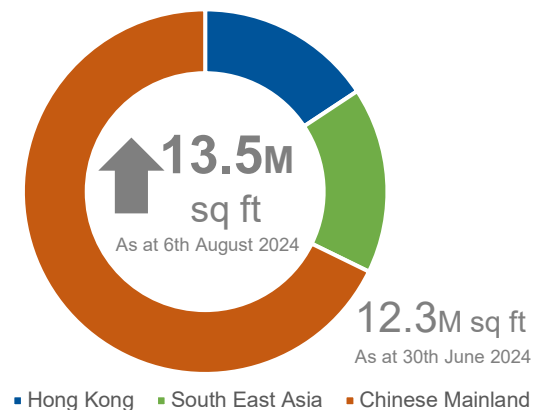
2025

2026

2027 onwards



Expected Attributable GFA to be Completed



| | | | | | |
|------------|--|--|---|---|---|
| HK | <ul style="list-style-type: none"> LA MONTAGNE | <ul style="list-style-type: none"> Residential project in Chai Wan ⁽²⁾ | <ul style="list-style-type: none"> Residential project in Wan Chai ⁽³⁾ | <ul style="list-style-type: none"> Residential and office developments in Quarry Bay ⁽⁴⁾ | <p>↑ 1.9M sq ft Hong Kong</p> |
| CM | | <ul style="list-style-type: none"> Taikoo Li Sanya ^{(5) (6)} INDIGO Phase Two, Beijing ⁽⁵⁾ Shanghai New Bund Mixed-use Project ⁽⁵⁾ | <ul style="list-style-type: none"> Taikoo Li Xi'an ⁽⁵⁾ The Opposite House redevelopment, Beijing No. 387 Tianhe Road, Guangzhou ⁽¹⁰⁾ | <ul style="list-style-type: none"> Lujiazui Taikoo Yuan, Shanghai ^{(5) (7)} Julong Wan Project, Guangzhou ^{(5) (8)} | <p>↑ 8.4M sq ft → 9.6M sq ft Chinese Mainland</p> |
| SEA | <ul style="list-style-type: none"> Savyavasa, Jakarta | | | <ul style="list-style-type: none"> Empire City, Ho Chi Minh City ⁽⁹⁾ Wireless Road, Bangkok | <p>↑ 2.0M sq ft South East Asia</p> |

Notes: (1) As at 6th August 2024. Excluding 9-39 Hoi Wan Street and 33-41 Tong Chong Street in Quarry Bay.

(2) Representing Chai Wan Inland Lot No. 178.

(3) Representing 269 Queen's Road East.

(4) Representing 983-987A King's Road and 16-94 Pan Hoi Street and Wah Ha Factory Building and Zung Fu Industrial Building.

(5) Open in phases.

(6) Project name to be confirmed.

(7) Formerly known as Yangjing Mixed-use Project.

(8) Prior to the first phase's completion, exhibitions, events, pop-up shops and activities will be conducted to activate the area starting from late 2025. The site with a GFA of ~0.4M sq ft was acquired as of 30th June 2024. The GFA will increase to ~1.6M sq ft, subject to further relevant transaction agreements.

(9) To be completed in phases up to 2029.

(10) Subject to completion of the acquisition.

PROPERTY – HONG KONG PORTFOLIO

- ▶ Resilient office performance supported by strong placemaking attributes, with overall occupancy ⁽⁴⁾ at 93%.
- ▶ For retail, the malls were almost fully let throughout 1H2024.



| Pacific Place ⁽⁵⁾ | |
|--|---|
| Occupancy | 97% |
| Rental Reversion | ▼ 16% |
| Latest Rentals (HK\$ psf) | One/Two PP: 90 – 100 Three PP: 85 – 95 |
| One Island East & One Taikoo Place | |
| Occupancy | 94% |
| Rental Reversion | ▼ 9% |
| Latest Rentals (HK\$ psf) | mid 50s – high 60s |
| Two Taikoo Place | |
| Occupancy | 67% ⁽⁷⁾ |
| Rental Reversion | n.a. |
| Latest Rentals (HK\$ psf) | low 50s – mid 60s |
| Other Taikoo Place Office Towers ⁽⁸⁾ | |
| Occupancy | 92% |
| Rental Reversion | ▼ 13% |
| Latest Rentals (HK\$ psf) | low 40s – high 40s |

The Mall, Pacific Place

Occupancy: 100%
Retail sales: ▼ 13.1%

Cityplaza

Occupancy: 100%
Retail sales: ▼ 4.3%

Citygate Outlets

Occupancy: 100%
Retail sales: ▼ 2.6%

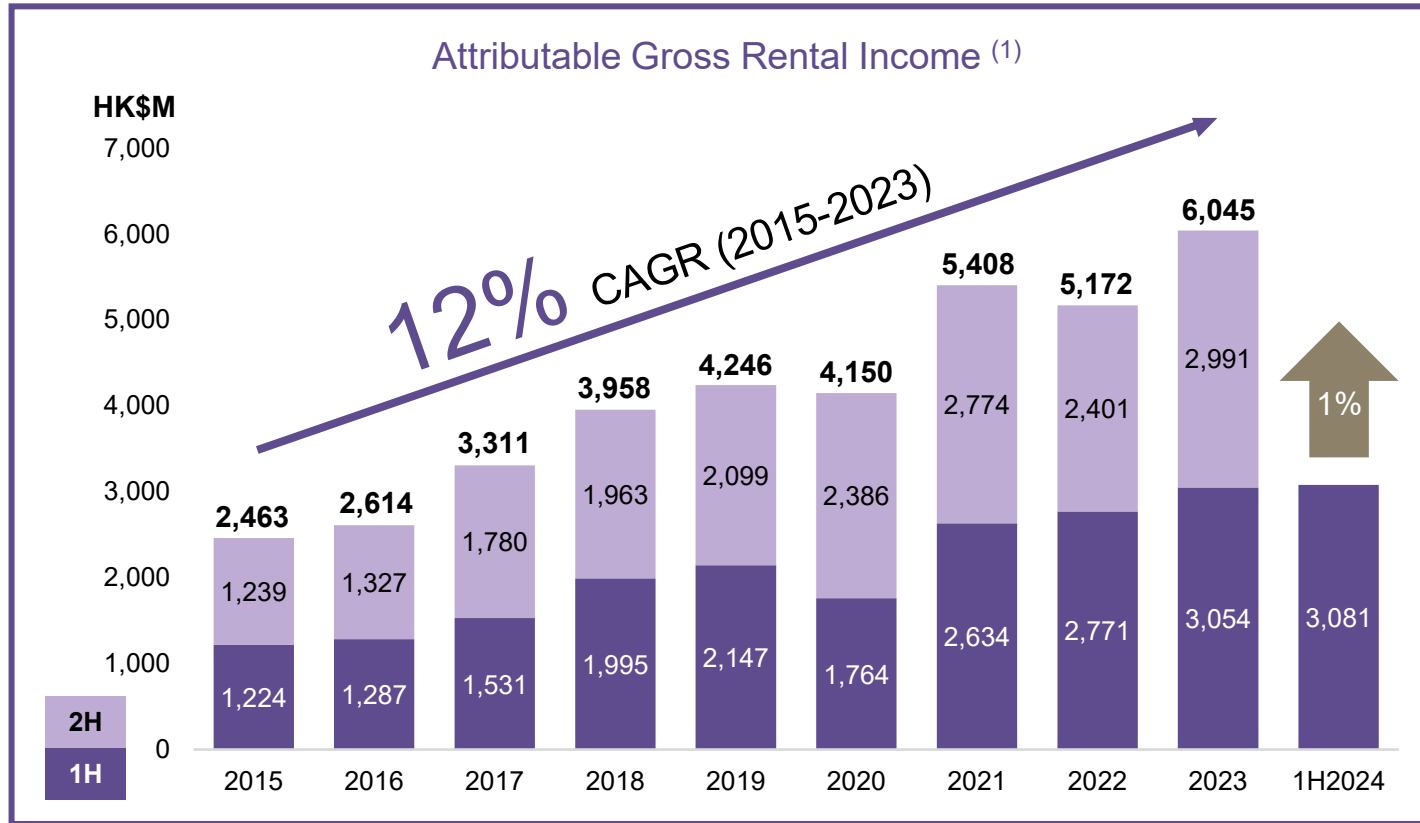
Notes: (1) GFA based on 100% basis.
 (2) Occupancy as at 30th June 2024.
 (3) Reversion is the percentage change in rent on lease renewals, new leases and rent reviews.
 (4) Excluding Two Taikoo Place and Six Pacific Place. Overall occupancy including Two Taikoo Place and Six Pacific Place was 89% at 30th June 2024.

(5) Including One Pacific Place, Two Pacific Place and Three Pacific Place. Excluding Six Pacific Place of which occupancy was 44% as at 30th June 2024.
 (6) Total GFA of One Island East, One Taikoo Place, Two Taikoo Place and other Taikoo Place office towers.
 (7) As at 2nd August 2024. As at 30th June 2024, occupancy at Two Taikoo Place was 62%.
 (8) Including Cambridge House, Devon House, Dorset House, Lincoln House, Oxford House and PCCW Tower, but excluding certain long-term leases.
 (9) Retail sales year-on-year growth.

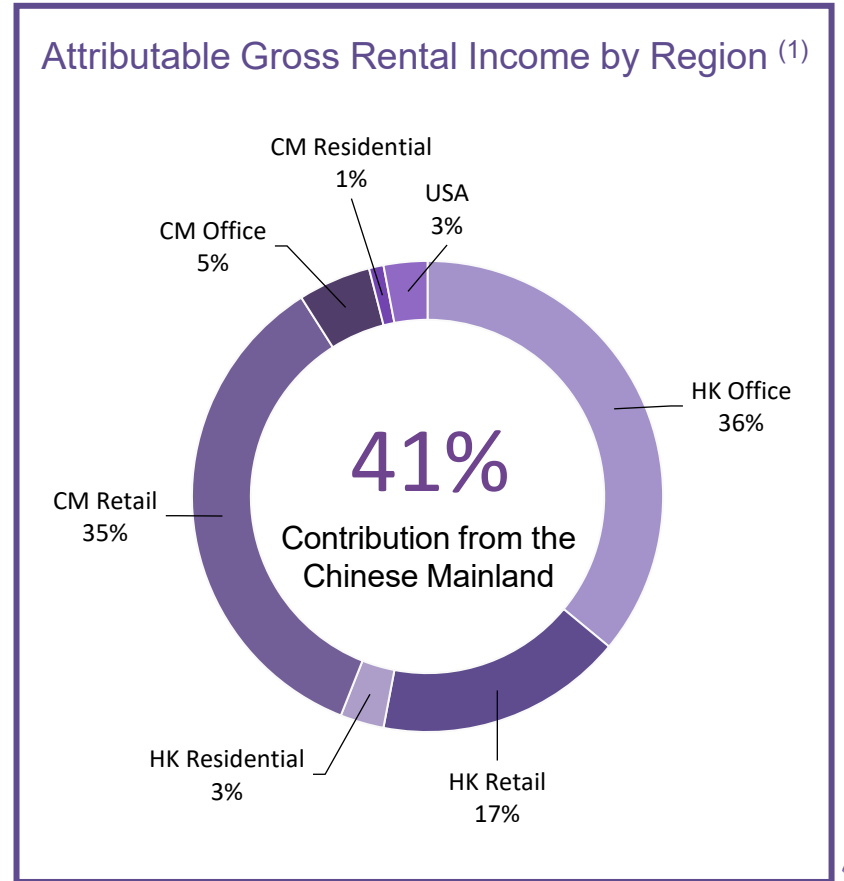


PROPERTY – CHINESE MAINLAND PORTFOLIO

- ▶ An increasingly key contributor to rental income.
- ▶ Chinese Mainland portfolio contributed **41%** attributable gross rental income in 1H2024. ⁽¹⁾
- ▶ Balanced contributions between Chinese Mainland retail and Hong Kong office portfolios.



Note: ⁽¹⁾ After deducting rental concessions.



BEVERAGES – SWIRE COCA-COLA – CONTINUES EXPANSION INTO SOUTH EAST ASIA

Continued investment in the Chinese Mainland and South East Asia expansion to drive long-term growth and profitability



GREATER CHINA

- ▶ Profits increased in Hong Kong and Taiwan, but declined in the Chinese Mainland
- ▶ Broke ground on the Greater Bay Area Intelligent Green Factory in Guangdong in May 2024.



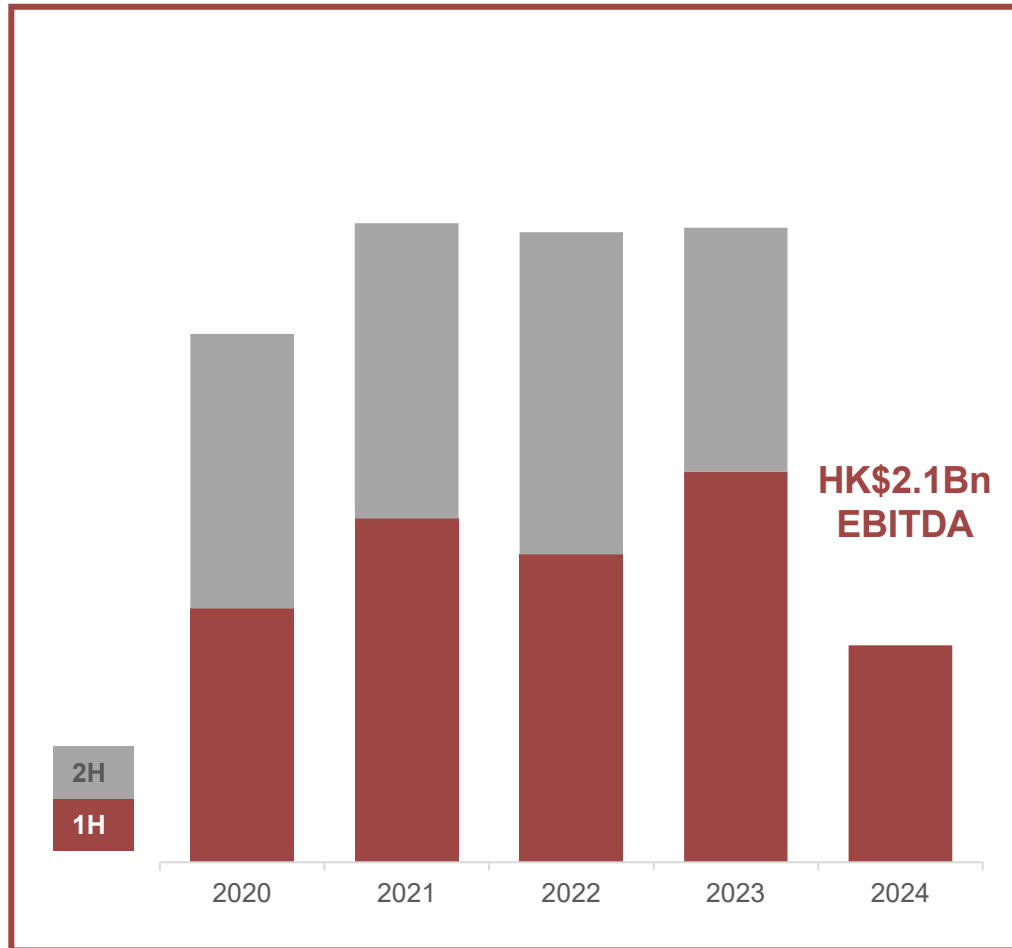
SOUTH EAST ASIA

- ▶ Conditionally agreed to acquire a majority stake of franchise businesses in Thailand and Laos in February 2024.
- ▶ Become interested in 39% of the issued share capital of the franchise businesses in Thailand and Laos since February 2024.
- ▶ SCC anticipates that these investments will continue making a positive impact on the bottom line.



BEVERAGES – SWIRE COCA-COLA – 1H2024 OVERVIEW

EBITDA decreased due to the disposal of SCCU



Chinese Mainland – EBITDA, excluding non-recurring item, was similar to 1H2023 in local currency terms, amid subdued domestic consumer spending.

Hong Kong – EBITDA increased by 15%. The decrease in revenue and volume was more than offset by savings in operating expenses from cost control measures.

Taiwan – EBITDA increased by 26%. Revenue grew strongly but was partly offset by higher operating expenses.

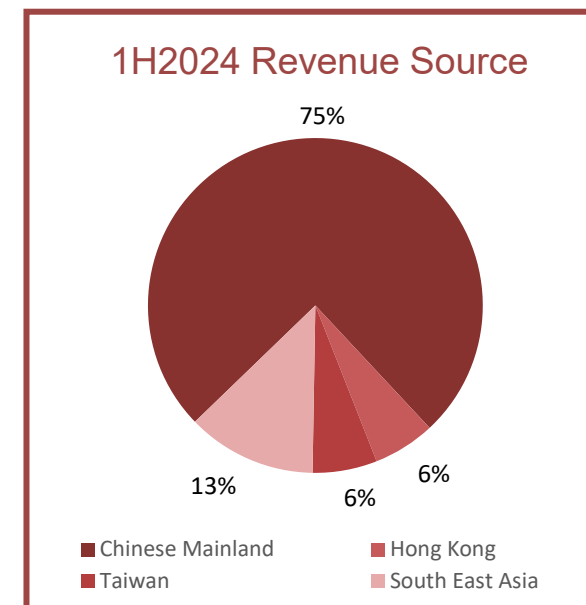
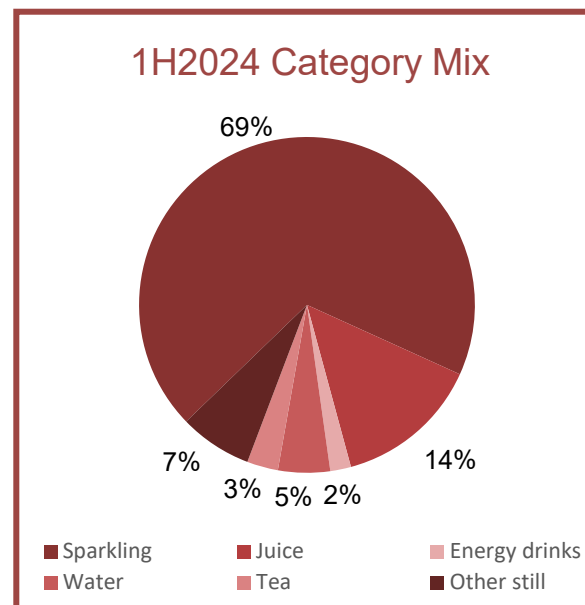
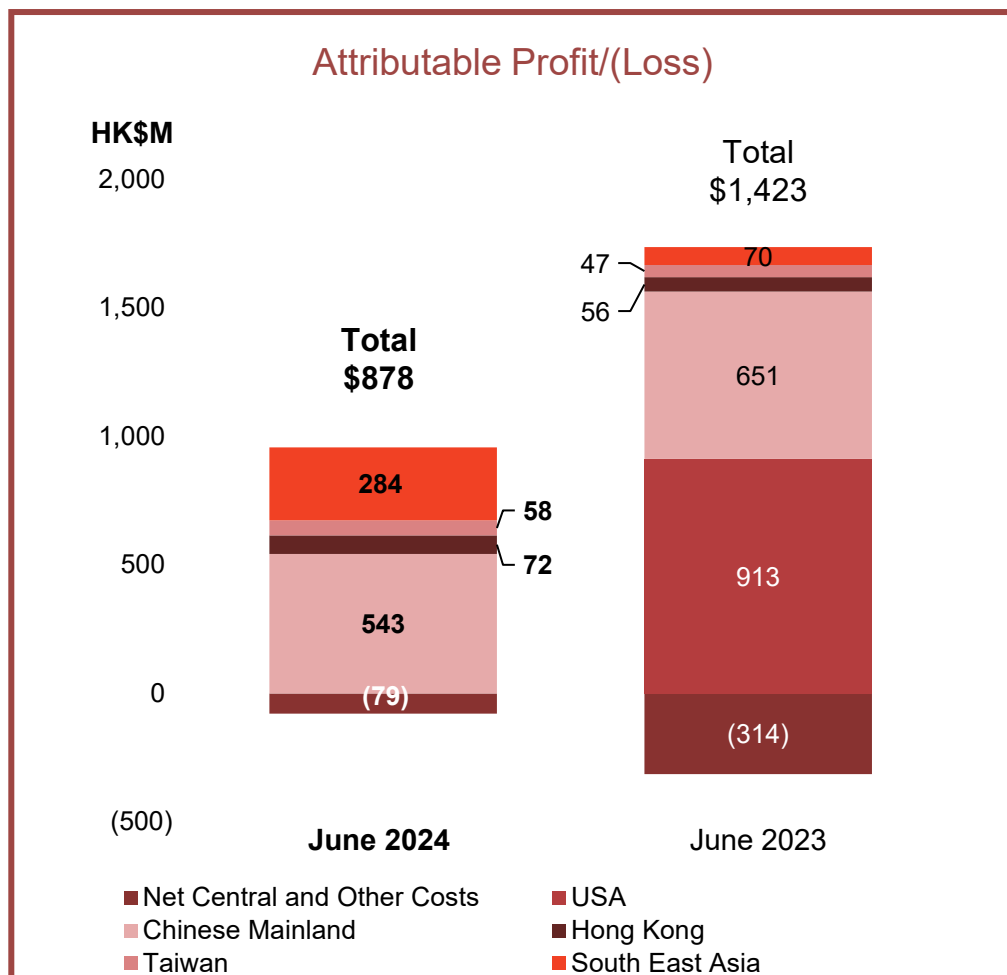
South East Asia – EBITDA, excluding that of TNTC and LCCB, were similar to 1H2023 while volume increased by 1%. Revenue decreased by 4% mainly due to depreciation of Vietnamese Dong against Hong Kong Dollar.

Notes: (1) EBITDA includes that of Shanghai Shen-Mei and excludes TNTC, LCCB, non-recurring items and central and other costs.

(2) Following the disposal of SCCU on 7th September 2023, SCCU's results are not included in the Swire Coca-Cola total for the six months ended 30th June 2024.



BEVERAGES – SWIRE COCA-COLA – 1H2024 OVERVIEW



| KEY FINANCIAL DATA ⁽³⁾ | | | |
|-----------------------------------|-----------|-----------|----------|
| HK\$M | June 2024 | June 2023 | Change % |
| Revenue ⁽¹⁾ | 17,805 | 30,442 | -42% |
| Attributable profit | 878 | 1,423 | -38% |
| Recurring profit | 878 | 1,627 | -46% |
| EBITDA margin ⁽²⁾ | 11.7% | 12.3% | -0.6%pt |

Notes: (1) Revenue includes that of Shanghai Shen-Mei and excludes that of TNTC, LCCB and sales to other bottlers.

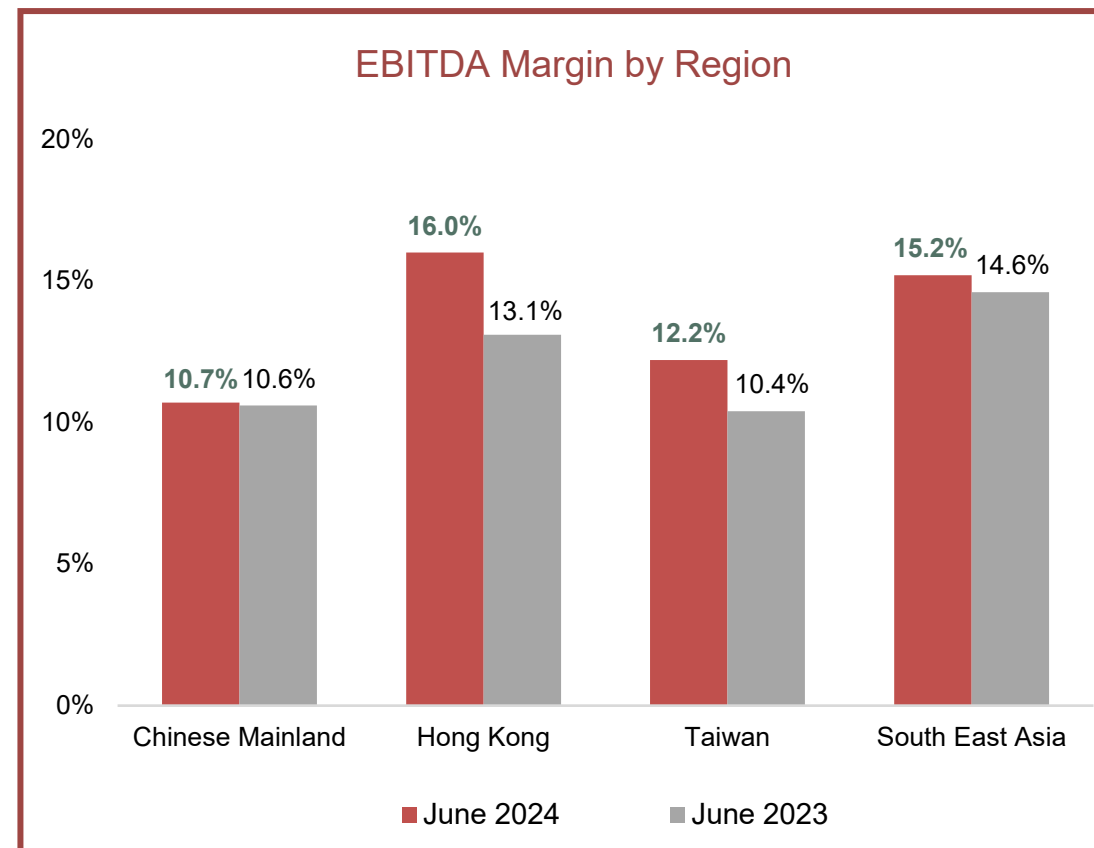
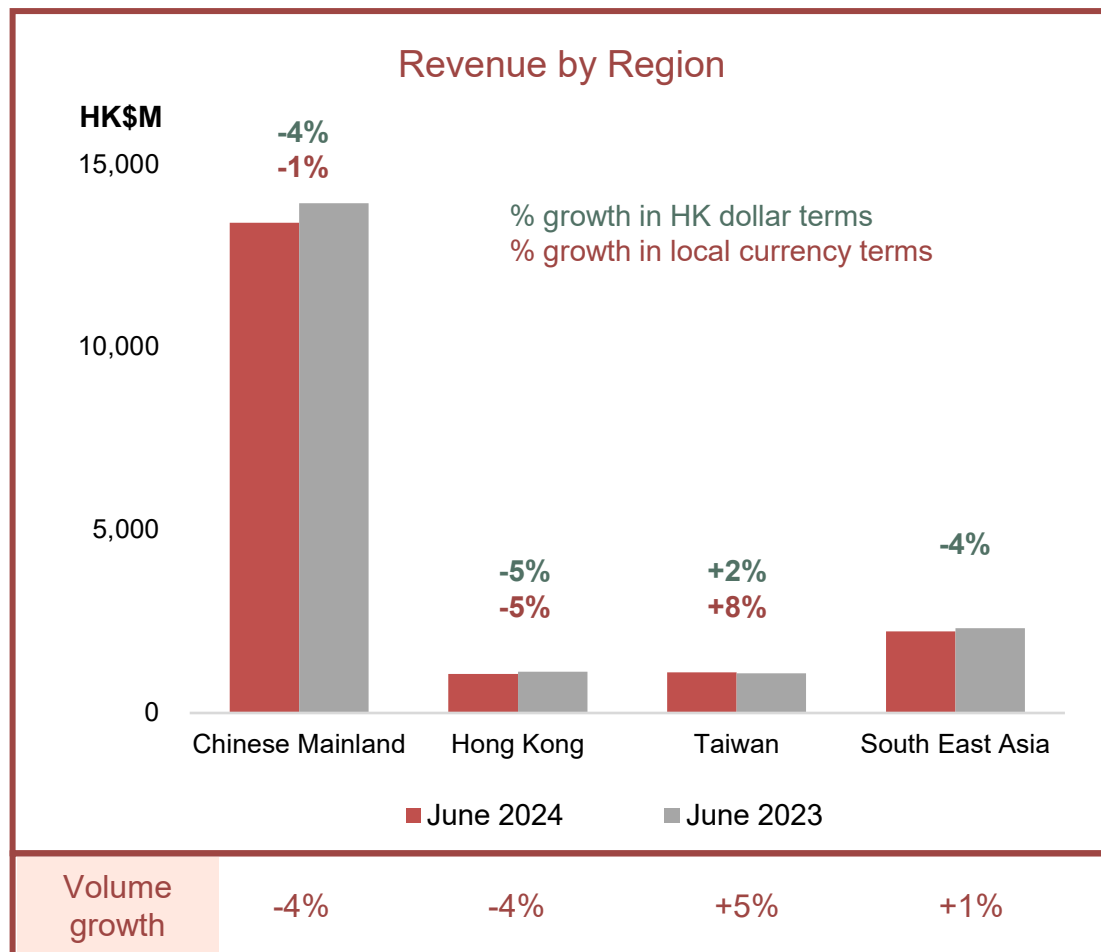
(2) Including that of Shanghai Shen-Mei and excluding that of TNTC, LCCB, non-recurring items and central and other costs.

(3) Following the disposal of SCCU on 7th September 2023, SCCU's results are not included in the Swire Coca-Cola total for the six months ended 30th June 2024.



BEVERAGES – SWIRE COCA-COLA – STABLE BUSINESS IN 1H2024

EBITDA margin decreased to **11.7%** from 12.3% in 1H2023 also due to the disposal of SCCU



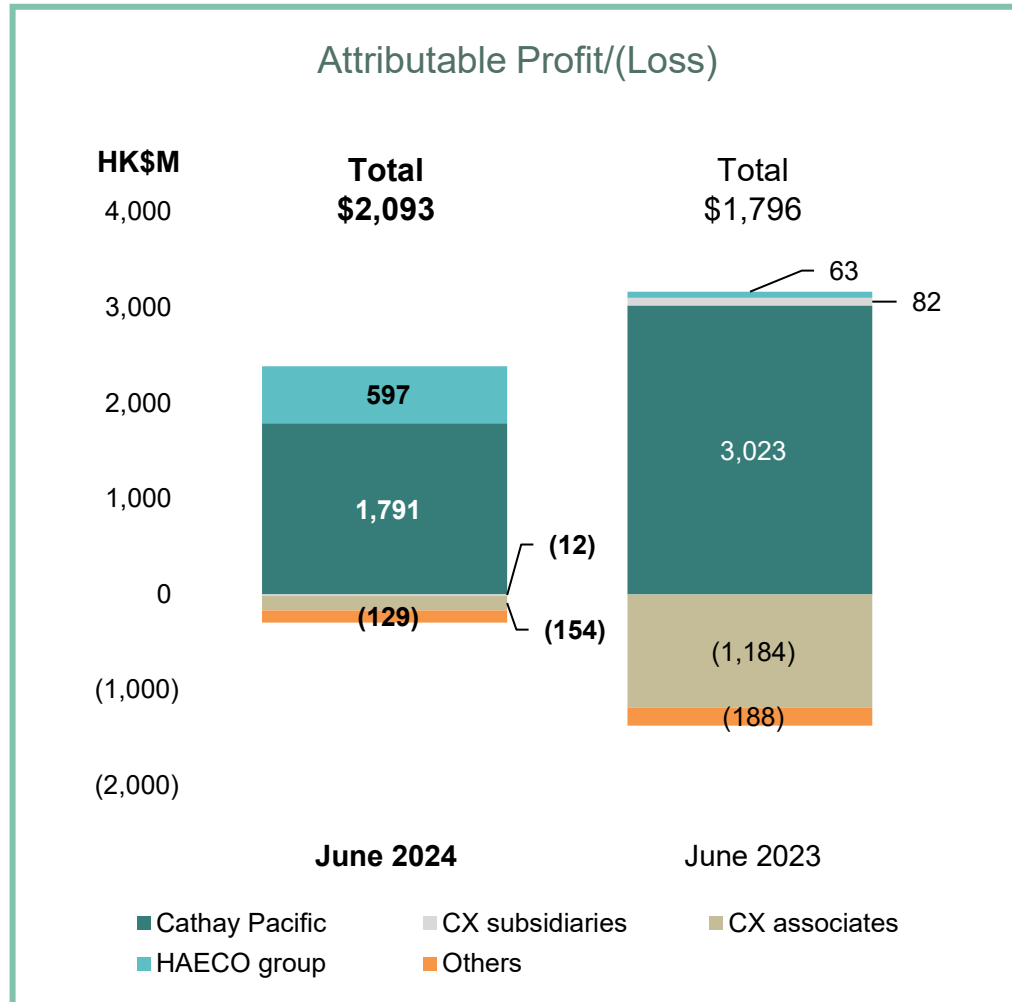
Notes: (1) Revenues and volumes include those of Shanghai Shen-Mei and excludes those of TNTC, LCCB and sales to other bottlers.

(2) EBITDA margin includes that of Shanghai Shen-Mei and excludes that of TNTC, LCCB, non-recurring items and central and other costs.



AVIATION – 1H2024 OVERVIEW

Strong results from both Cathay group and HAECO group driven by ongoing robust demand for travel



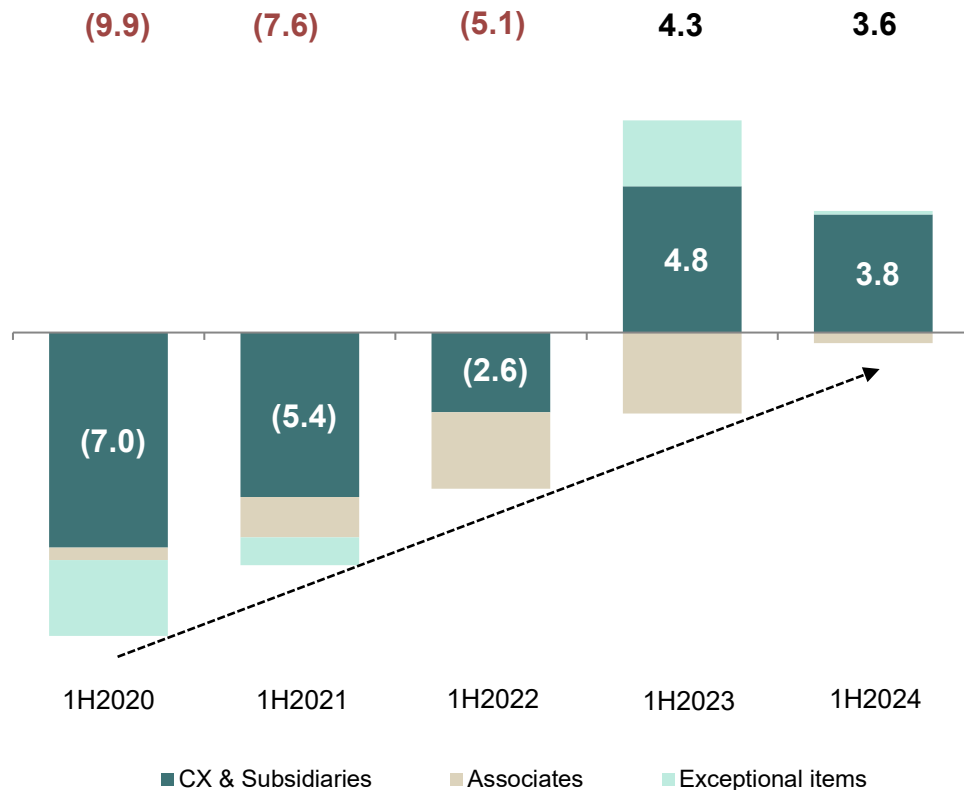
| Key Financial Data | | | |
|---|-----------|-----------|----------|
| HK\$M | June 2024 | June 2023 | Change % |
| HAECO group | | | |
| Revenue | 10,445 | 8,464 | +23% |
| Operating profit | 519 | 192 | +170% |
| Attributable profit | 597 | 63 | +848% |
| Share of post-tax profit from associated companies | | | |
| Cathay group | | | |
| - Cathay Pacific | 1,625 | 1,921 | -15% |
| - CX subsidiaries | (12) | 82 | -115% |
| - CX associates | (154) | (1,184) | +87% |

AVIATION – CATHAY – 1H2024 OVERVIEW

Strong first half performance including some normalisation of yield

Group Profit/(Loss)

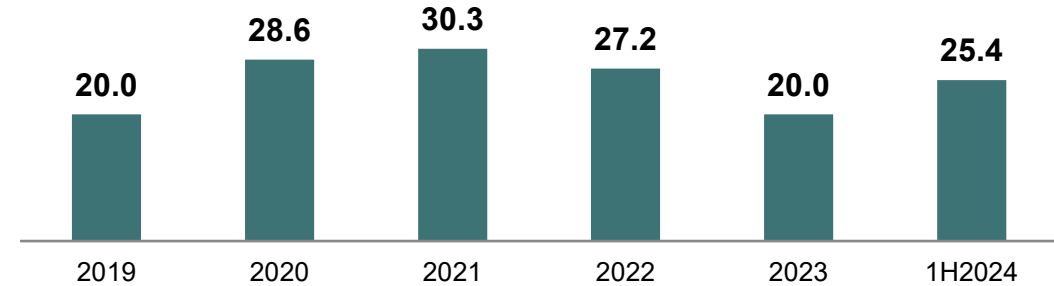
(HK\$Bn)



Liquidity position increased to fund preference shares buy-back

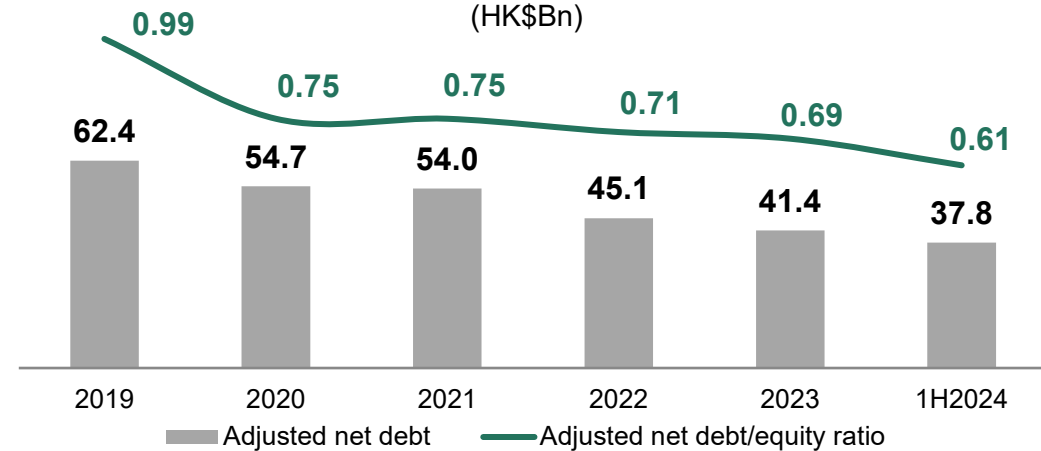
Available Unrestricted Liquidity

(HK\$Bn)



Adjusted Net Debt ⁽¹⁾ and Gearing ⁽²⁾

(HK\$Bn)



AVIATION – CATHAY – 1H2024 OVERVIEW

Investing in our fleet

- ▶ Agreed to purchase 30 Airbus A330-900 aircraft
- ▶ Secured the right to acquire 30 additional Airbus A330-900 aircraft



Financial

- ▶ Bought back the remaining 50% of the preference shares and unpaid preference share dividends totalling HK\$9.98Bn.
- ▶ Interim dividend of HK\$0.20 per ordinary share to be paid.
- ▶ Anticipate maintaining a lower yet healthy level of liquidity going forward, similar to pre-pandemic levels.
- ▶ Committed over HK\$100 billion in investments over the next 7 years.



AVIATION – CATHAY – 1H2024 OVERVIEW



Travel

- ▶ Entire aviation ecosystem, both in Hong Kong and globally, continues to face constraints with resources and supply chain.
- ▶ Will work towards reaching 100% of pre-pandemic passenger flights within Q1 2025.
- ▶ On track with recruitment and training.
- ▶ Some further normalisation of long-haul yields in 2H2024.



Cargo

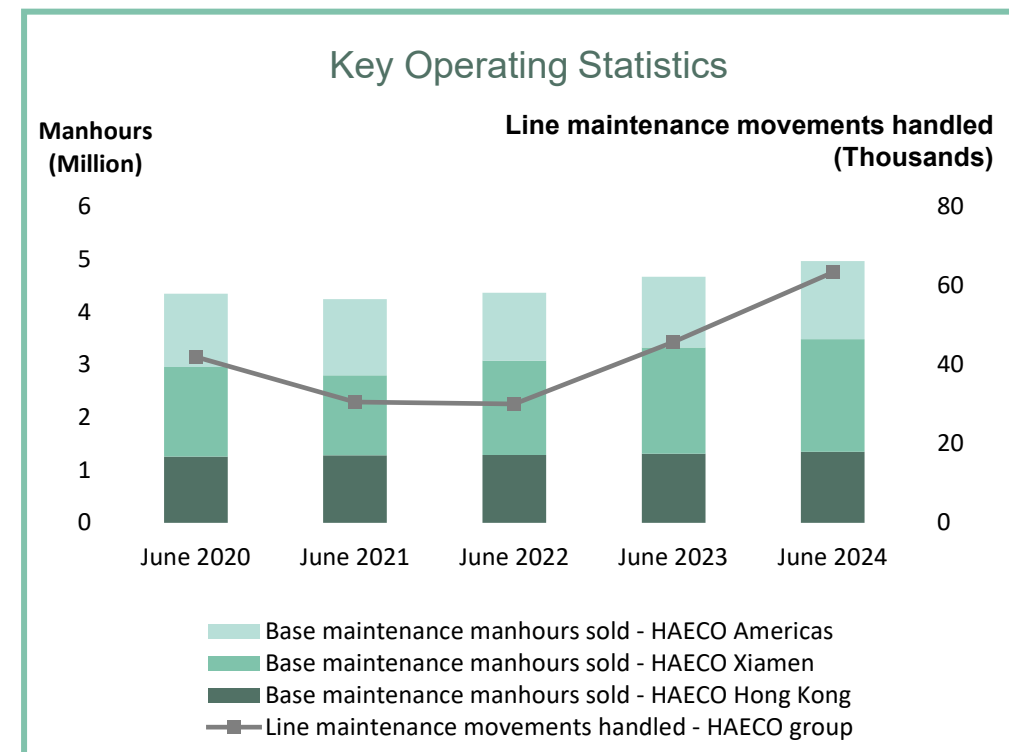
- ▶ The second half of the year is the traditional peak period and expect the healthy demand seen throughout the first half of the year to continue.
- ▶ Continue to adjust the freighter capacity to accommodate customers' needs, including adding more freighter capacity to the Americas.
- ▶ Investing in future capacity with 6 firm orders for A350F freighters, and the right to acquire an additional 20.



AVIATION – HAECO – 1H2024 OVERVIEW

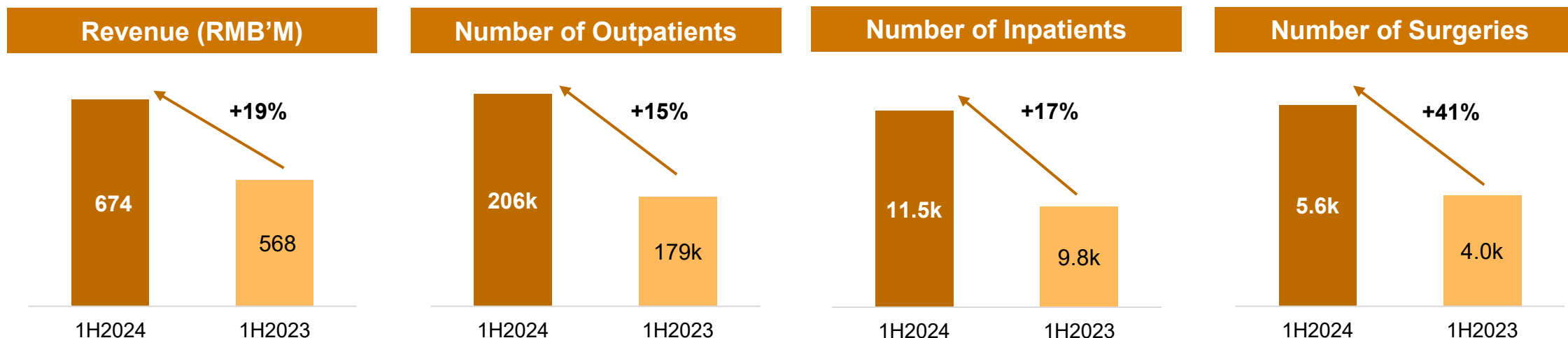
- ▶ Strong growth in recurring profit driven by continuous recovery of line maintenance activity and a growth in the demand for engine overhaul at HAESL and HAECO Engine Services (Xiamen).
- ▶ Absence of loss from the cabin business which was sold in September 2023, but loss incurred at HAECO ITM due to supply chain challenges.
- ▶ The attributable profit includes a share of non-recurring gain on disposal of non-current assets of HK\$197m in a joint venture company in the Chinese Mainland.

| Key Financial Data – Recurring Profit/(Loss) | | | |
|--|------------|-----------|--------------|
| HK\$M | June 2024 | June 2023 | Change % |
| Airframe | 97 | (1) | +9800% |
| Components | 58 | 81 | -28% |
| Engine | 345 | 263 | +31% |
| Cabin | (8) | (214) | +96% |
| Others | (92) | (66) | -39% |
| Total | 400 | 63 | +535% |



HEALTHCARE – 1H2024 OVERVIEW

- ▶ **DeltaHealth:** Completed the control acquisition of DeltaHealth in April 2024.
- ▶ **Columbia China:** Total patient revenue increased by 14% year-on-year due to stable growth at Kaiyuan Orthopedic Hospital, and continued ramp-up of Columbia's Wuxi and Jiaying hospitals.
- ▶ **New Frontier GBA Healthcare:** In May 2024, New Frontier announced the signing of its acquisition of Hong Kong Integrated Oncology Center (HKIOC), a leading cancer treatment provider in Hong Kong.
- ▶ **Indonesia Healthcare Corporation (IHC):** Closed the first tranche of the investment in IHC in July 2024.



Note: (1) Data shown includes all subsidiary and associate investments, excludes IHC.



HEALTHCARE – BUILDING HEALTHCARE PLATFORMS

CHINESE MAINLAND



Strategy

- ▶ Acquire **majority control** of hospitals and clinics which have established centres of excellence
- ▶ Focus remains on **Tier-1** and **emerging Tier-1 cities**
- ▶ Target clinical specialties which serve an ageing population, are undersupplied or have potential for growth from increasing disease incidence rates

Investment in DeltaHealth

- ▶ DeltaHealth is a **leader in cardiovascular care**, with the most cardiac surgeries performed among all private hospitals in Shanghai in 2023
- ▶ **Strong clinical team** led by Professor Sun Lizhong, former Director of Cardiac Surgery at Beijing Anzhen Hospital
- ▶ Opportunity to be a **hub hospital in cardiology**, attracting patients from Yangtze River Delta and nationally

SOUTH EAST ASIA



Strategy

- ▶ Focus on selected emerging markets in South East Asia where Swire has a presence, including **Indonesia, Vietnam** and **Thailand**
- ▶ Target **local hospital platforms** which are scalable and serve the growing healthcare needs of the middle class
- ▶ Acquire control or invest in opportunities with a path to control

Investment in Indonesia Healthcare Corporation (IHC)

- ▶ **One of the largest hospital platforms** in Indonesia, with 36 majority-owned and 4 jointly-owned hospitals
- ▶ **Huge potential for transformation**, particularly in digital, procurement, pricing and patient acquisition, leading to improved efficiency and margins
- ▶ **Development of Bali International Hospital**, a new leading medical tourism destination located in the Sanur Special Economic Zone



SUSTAINABILITY UPDATE

TARGETS



CLIMATE

50% reduction in greenhouse gas emissions ⁽¹⁾ by 2030 and **Net-Zero** by 2050



WASTE

65% waste diversion from landfill ⁽²⁾ by 2030, and **Zero Waste** to landfill by 2050



WATER

30% reduction in water withdrawal ⁽³⁾ by 2030, and **Water Neutrality** by 2050



PEOPLE

30% **women** on Board and in senior leadership roles by **2024**



COMMUNITIES

HK\$57 million in charitable commitments planned by Swire Trust for **2024**

PROGRESS ⁽⁴⁾

We remain on track to meet our 2030 target, having reduced our emission by **30%** against our 2018 baseline. We achieved a CDP Climate score of **A-**

We increased our waste-to-landfill diversion rate to **61%** compared with 59% in 2022

We remain on track to meet our 2030 target, having reduced water consumption by **8%** against our 2018 frozen efficiency baseline. Swire Coca-Cola achieved a CDP Water score of **A-**

Achieved our target of **30% women** on Board. Women filled **28%** of senior leadership roles ⁽⁵⁾

Committed **HK\$34 million** in the first half of 2024, raising Swire Trust's active charitable portfolio to **HK\$154 million**

MSCI
ESG RATINGS



CCC B BB BBB A AA AAA



Hang Seng Corporate
Sustainability Index
Series Member 2023-2024

Member of
**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA



FTSE4Good



**Sustainability
Yearbook Member 2024**
S&P Global ESG Score

**Sustainability
Yearbook (China) Member 2024**
S&P Global ESG Score

Notes: (1) Scope 1 + Scope 2 emissions only. 2018 base year.

(2) Includes non-hazardous waste (where we exercise operational control). 2018 base year.

(3) Compared to a 2018 frozen efficiency baseline. Excludes bottling volume from Swire Coca-Cola.

(4) Performance against existing environment targets covers our 2018-2022 business portfolio only and excludes SCCU after disposal. New targets to cover our current portfolio will be set in 2024.

(5) Performance against diversity and inclusion targets is as of 31st December 2023.

SUSTAINABILITY UPDATE

Across our Group we are making progress on our sustainability priorities



- ▶ Adopter of the **Taskforce on Nature-related Financial Disclosures (TNFD)**
- ▶ Continued the pilot of our **internal carbon pricing mechanism** at Swire Properties, Swire Coca-Cola and HAECO



- ▶ **Number 2 position in the Dow Jones Sustainability Index (DJSI)** – Real Estate Management and Development industry
- ▶ **TNFD early adopter** and the only Hong Kong-based and real estate sector taskforce member
- ▶ Taikoo Place became the first development in Hong Kong to obtain **LEED Communities Gold Certification**



- ▶ 9 sites now use **100% renewable energy**
- ▶ Introduced the first **100% rPET (recycled plastic) Coca-Cola® beverage bottles** to the Hong Kong market



- ▶ Sets a **new target to improve its carbon intensity by 12% from the 2019 level by 2030**
- ▶ Signed a Memorandum of Understanding with Singapore Airlines to collaborate on **advocating for the development and use of sustainable aviation fuel** in the Asia-Pacific region



- ▶ Signed the **Business Environment Council's Net-zero Carbon Charter** in Hong Kong
- ▶ Added **over 50 more electric vehicles** to its fleet





OUTLOOK

GUY BRADLEY, CHAIRMAN

OUTLOOK

- ▶ Remain confident on the medium term outlook for all our core businesses.
- ▶ Well-positioned to cope with any immediate adversity and economic challenges.
- ▶ Continue investing in our core markets.

| PROPERTY | BEVERAGES | AVIATION – CATHAY | AVIATION – HAECO |
|--|---|--|--|
|  |  |  |  |
| <ul style="list-style-type: none"> ▶ Focus on delivering on investment and growth plans ▶ Retail and office markets in Hong Kong will remain soft ▶ Retail demand in the Chinese Mainland is expected to remain solid | <ul style="list-style-type: none"> ▶ Businesses remain challenging in the Chinese Mainland and Hong Kong in the short term ▶ Continuous growth in Taiwan ▶ Steady profits in Vietnam and a moderate growth is expected in Cambodia ▶ Thailand and Laos will continue to positively impact the bottom line results | <ul style="list-style-type: none"> ▶ On track to reach 100% pre-pandemic flights in Q1 2025 ▶ HK\$100Bn investments in fleet, cabin products, lounges, and digital and sustainability leadership ▶ Yields continue to normalise for travel business and cargo is expected to remain solid | <ul style="list-style-type: none"> ▶ Expect a stable demand for base maintenance, continuous recovery of line maintenance work and strong demand for engine overhaul services ▶ Construction at the new Xiamen airport is anticipated to complete by the end of 2025 |



Q & A

8TH AUGUST 2024 | HONG KONG



2024

INTERIM RESULTS

ANALYST BRIEFING

8TH AUGUST 2024 | HONG KONG



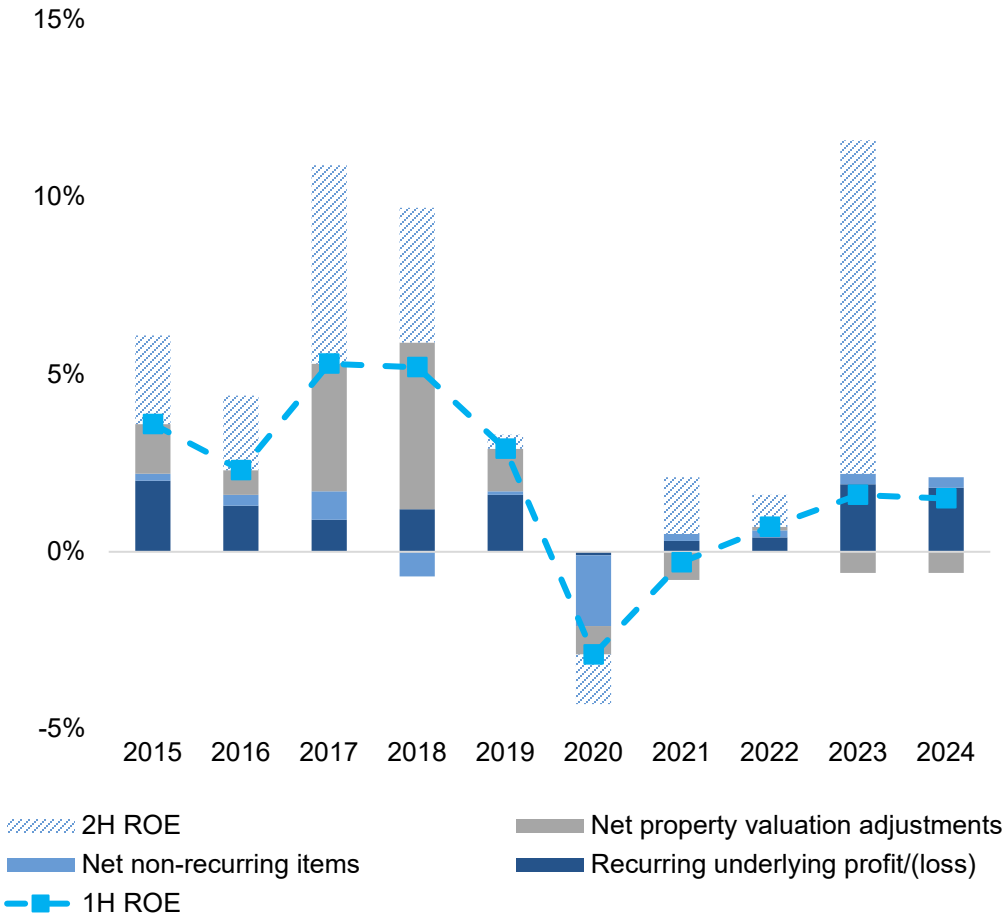


APPENDIX

8TH AUGUST 2024 | HONG KONG

1H2024 FINANCIAL SUMMARY – RETURN ON EQUITY

Return on Equity



Return on Equity

Derived from:

Recurring underlying profit

Net non-recurring items

Net property valuation adjustments

| | 1H2024 | 5-year average |
|------------------------------------|-------------|----------------|
| Return on Equity | 1.5% | 0.1% |
| Recurring underlying profit | 1.8% | 0.9% |
| Net non-recurring items | 0.3% | -0.2% |
| Net property valuation adjustments | -0.6% | -0.6% |

