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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)

**SWIRE PROPERTIES LIMITED****太古地產有限公司**

(Incorporated in Hong Kong with limited liability)  
(Stock Code: 01972)

**Announcement****Continuing Connected Transactions  
Tenancy Framework Agreement**

Reference is made to the joint announcements of Swire Pacific and Swire Properties dated 14th August 2014, 20th August 2015, 10th May 2018 and 13th May 2021 in connection with the Tenancy Framework Agreement dated 14th August 2014 entered into between JS&SHK, Swire Pacific and Swire Properties to govern existing and future tenancy agreements between members of the JS&SHK Group, members of the Swire Pacific Group and members of the Swire Properties Group.

The Tenancy Framework Agreement will be renewed on 1st October 2024 for a term of three years from 1st January 2025 to 31st December 2027.

As JS&SHK and Swire Pacific are connected persons of Swire Properties and JS&SHK is a connected person of Swire Pacific, the Transactions under the Tenancy Framework Agreement constitute continuing connected transactions for Swire Pacific or Swire Properties (or both of them) under Rule 14A.31 of the Listing Rules and are subject to the announcement, annual review and annual reporting requirements but are exempt from the circular (including independent financial advice) and shareholders' approval requirements under Chapter 14A of the Listing Rules.

**Tenancy Framework Agreement** dated 14th August 2014 and to be renewed on 1st October 2024

**Parties:** (1) JS&SHK  
(2) Swire Pacific  
(3) Swire Properties

### **Particulars**

Members of the JS&SHK Group, members of the Swire Pacific Group and members of the Swire Properties Group from time to time enter into tenancy agreements under which properties are leased (a) by members of the JS&SHK Group from members of the Swire Pacific Limited group (comprising the Swire Pacific Group and Swire Properties Group) and (b) by members of the Swire Pacific Group from members of the Swire Properties Group.

JS&SHK, Swire Pacific and Swire Properties entered into the Tenancy Framework Agreement on 14th August 2014 to govern existing and future tenancy agreements between members of the JS&SHK Group, members of the Swire Pacific Group and members of the Swire Properties Group.

Pursuant to the Tenancy Framework Agreement, members of the JS&SHK Group, members of the Swire Pacific Group and members of the Swire Properties Group will enter into tenancy agreements from time to time on normal commercial terms based on prevailing market rentals.

The Tenancy Framework Agreement will be renewed on 1st October 2024 for the three years from 1st January 2025 and will terminate on 31st December 2027. Under its terms, the Tenancy Framework Agreement will be automatically renewed for successive periods of three years thereafter unless any party to it gives to the others notice of termination of not less than three months expiring on any 31st December.

### **The annual caps**

The annual caps for the Transactions have been determined by reference to the actual amounts of the Transactions in the seven years ended 31st December 2023 (as set out below). A headroom has been added in order to cater for possible increases in the number of tenancies and in the amount of rentals payable under the tenancies. The Swire Pacific Directors and the Swire Properties Directors estimate that the amounts payable under the Tenancy Framework Agreement for the three years ending 31st December 2027 will not exceed the annual caps set out below.

Amounts payable by the JS&SHK Group and the Swire Pacific Group to the Swire Properties Group:

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
(HK\$ million)	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Transactions	215	220	196	153	156	147	148
	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>			
(HK\$ million)	Cap	Cap	Cap	Cap			
Transactions	250	265	265	265			

Amounts payable by the JS&SHK Group to the Swire Pacific Limited group (comprising the Swire Pacific Group and the Swire Properties Group):

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
(HK\$ million)	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Transactions	100	105	109	108	115	117	106
	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>			
(HK\$ million)	Cap	Cap	Cap	Cap			
Transactions	195	205	205	205			

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

Swire Pacific and Swire Properties entered into the Tenancy Framework Agreement with JS&SHK in order to provide a consistent framework for individual tenancy agreements between the JS&SHK Group, the Swire Pacific Group and the Swire Properties Group and consider that such consistency will benefit Swire Pacific and Swire Properties.

### **Connection between the parties**

JS&SHK is a substantial shareholder of Swire Pacific and is therefore a connected person of Swire Pacific under the Listing Rules.

JS&SHK and Swire Pacific are substantial shareholders of Swire Properties and are therefore connected persons of Swire Properties under the Listing Rules.

### **Compliance with Listing Rules**

As the highest of the relevant percentage ratios as defined under Rule 14.07 of the Listing Rules (other than the profits ratio) applicable to the annual caps for the Transactions will, on an annual basis, be more than 0.1% but less than 5% (in the case of each of Swire Pacific and Swire Properties) and the Transactions constitute continuing connected transactions for Swire Pacific and Swire Properties, the

Transactions are subject to the announcement, annual review and annual reporting requirements but are exempt from the circular (including independent financial advice) and shareholders' approval requirements under Chapter 14A of the Listing Rules.

Swire Pacific and Swire Properties will comply with their continuing obligations under Rules 14A.55-60 of the Listing Rules and will re-comply with the relevant Listing Rules if the annual caps are exceeded, when the Tenancy Framework Agreement is renewed and when there is a material change to its terms.

### **Opinion of the directors**

The Swire Pacific Directors, including the independent non-executive directors, consider that the Tenancy Framework Agreement is on normal commercial terms or better, that its terms are fair and reasonable and in the interests of Swire Pacific and its shareholders as a whole and that renewal of the Tenancy Framework Agreement is in the ordinary and usual course of Swire Pacific's business.

The Swire Properties Directors, including the independent non-executive directors, consider that the Tenancy Framework Agreement is on normal commercial terms or better, that its terms are fair and reasonable and in the interests of Swire Properties and its shareholders as a whole and that renewal of the Tenancy Framework Agreement is in the ordinary and usual course of Swire Properties' business.

Guy Bradley, David Cogman, Patrick Healy, Gordon McCallum, Martin Murray, Merlin Swire and Zhang Zhuo Ping, being directors and/or employees (and also shareholders in the case of Gordon McCallum and Merlin Swire) of the Swire Group, which is a substantial shareholder of Swire Pacific, are interested in the Transactions and have abstained from voting on the relevant board resolutions of Swire Pacific in respect of the Transactions.

Guy Bradley, Tim Blackburn, Adam Fenwick, Raymond Lim, Fanny Lung, Martin Murray, Richard Sell and Merlin Swire are directors and/or employees and/or an adviser (and also shareholders in the case of Adam Fenwick and Merlin Swire) of the Swire Group, which is a substantial shareholder of Swire Properties. Guy Bradley, Martin Murray and Merlin Swire are also directors of Swire Pacific. They are interested in the Transactions and have abstained from voting on the relevant board resolutions of Swire Properties in respect of the Transactions.

### **Directors of Swire Pacific**

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

Executive Directors: Guy Bradley (Chairman), David Cogman, Patrick Healy, Martin Murray, Zhang Zhuo Ping;

Non-Executive Directors: Gordon McCallum, Merlin Swire; and

Independent Non-Executive Directors: Paul Etchells, Rose Lee, Edith Ngan, Gordon Orr, Xu Ying and Bonnie Zhang.

## Directors of Swire Properties

As at the date of this announcement, the Directors of Swire Properties are:

Executive Directors: Guy Bradley (Chairman), Tim Blackburn, Fanny Lung, Mabelle Ma;  
Non-Executive Directors: Adam Fenwick, Raymond Lim, Martin Murray, Richard Sell, Merlin Swire; and  
Independent Non-Executive Directors: Thomas Choi, Spencer Fung, May Wu, Yan Yan and Angela Zhu.

## Definitions

<b>“JS&amp;SL”</b>	John Swire & Sons Limited, a private investment holding company incorporated in England.
<b>“JS&amp;SHK”</b>	John Swire & Sons (H.K.) Limited 香港太古集團有限公司, a private investment holding company incorporated in Hong Kong and wholly owned by JS&SL.
<b>“JS&amp;SHK Group”</b>	JS&SHK and its subsidiaries, excluding the Swire Pacific Group and the Swire Properties Group.
<b>“Listing Rules”</b>	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司.
<b>“Swire Group”</b>	JS&SL and its subsidiaries.
<b>“Swire Pacific”</b>	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 in healthcare and sustainable foods.
<b>“Swire Pacific Directors”</b>	The directors of Swire Pacific.
<b>“Swire Pacific Group”</b>	Swire Pacific and its subsidiaries, excluding the Swire Properties Group.
<b>“Swire Properties”</b>	Swire Properties Limited 太古地產有限公司, a company incorporated in Hong Kong with limited liability, the shares of

which are listed on the Stock Exchange. The principal activities of Swire Properties and its subsidiaries are: (i) property investment, that is the development, leasing and management of commercial, retail and some residential properties; (ii) property trading, that is the development and construction of properties, principally residential apartments, for sale; and (iii) investment in and operation of hotels.

<b>“Swire Properties Directors”</b>	The directors of Swire Properties.
<b>“Swire Properties Group”</b>	Swire Properties and its subsidiaries.
<b>“Tenancy Framework Agreement”</b>	The tenancy framework agreement dated 14th August 2014 between JS&SHK, Swire Pacific and Swire Properties governing existing and future tenancy agreements between members of the JS&SHK Group, members of the Swire Pacific Group and members of the Swire Properties Group.
<b>“Transactions”</b>	Tenancy agreements to which the Tenancy Framework Agreement applies.

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

Hong Kong, 9th May 2024

By Order of the Board  
**SWIRE PROPERTIES LIMITED**  
太古地產有限公司  
Bernadette Lomas  
Company Secretary

Hong Kong, 9th May 2024