

For Immediate Release

## Swire Properties Announces 2024 Annual Results

*Solid performance and focus on shareholder returns*

### Summary of 2024 Annual Results

- Recorded solid recurring underlying profit of HKD6,479 million despite unfavourable market conditions.
- Delivered 5% annual growth in dividends and share buyback programme to enhance shareholders' return.
- Healthy balance sheet and strong financial position to drive HKD100 billion strategic investment plan, with 67% already committed. Gearing ratio at low levels of 15.7%.
- Scaling up investments in the Greater Bay Area, with expansion plans at Taikoo Hui Guangzhou and launch of Taikoo Li Julong Wan Guangzhou, the retail portion of a mixed-use development.
- Debuted Lujiazui Taikoo Yuan Residences in Shanghai, the Company's first residential project in the Chinese Mainland, with 98% of units sold in the first presale launch.
- Achieved the number one ranking in the Dow Jones Best-in-Class World Index 2024 (Real Estate Management & Development Industry Category) – six years ahead of the Company's 2030 sustainability vision.

	Note	2024 HKD'M	2023 HKD'M	Change
<b>Results</b>				
<b>For the year</b>				
Revenue		<b>14,428</b>	14,670	-2%
Profit/(Loss) attributable to the Company's shareholders				
Underlying	(a), (b)	<b>6,768</b>	11,570	-42%
Recurring underlying	(a), (b)	<b>6,479</b>	7,285	-11%
Reported		<b>(766)</b>	2,637	N/A
		<b>HKD</b>	<b>HKD</b>	
Earnings/(Loss) per share				
Underlying	(c)	<b>1.16</b>	1.98	-41%
Recurring underlying	(c)	<b>1.11</b>	1.25	-11%
Reported	(c)	<b>(0.13)</b>	0.45	N/A
Dividend per share				
First interim		<b>0.34</b>	0.33	+3%
Second interim		<b>0.76</b>	0.72	+6%
		<b>HKD</b>	<b>HKD</b>	
<b>Financial Position</b>				
<b>At 31st December</b>				
Equity attributable to the Company's shareholders per share	(a), (d)	<b>47.35</b>	48.73	-3%
Gearing ratio	(a)	<b>15.7%</b>	12.7%	+3.0%pt.

Notes:

- Refer to glossary on page 66 of the announcement of 2024 Final Result of Swire Properties Limited (the "Results Announcement"), dated 13 March 2025, for definition.
- A reconciliation between reported (loss)/profit and underlying profit attributable to the Company's shareholders is provided on page 10 of the Results Announcement.
- Refer to note 9 to the financial statements of the Results Announcement for the weighted average number of shares.
- Refer to note 18 to the financial statements of the Results Announcement for the number of shares at the year end.

**13 March 2025, Hong Kong** – Swire Properties Limited today announced its annual results for 2024. Recurring underlying profit attributable to shareholders was HKD6,479 million in 2024, compared to HKD7,285 million in 2023, which principally reflected higher net finance charges and a reduction in office rental income in Hong Kong.

Underlying profit was HKD6,768 million in 2024, compared to HKD11,570 million in 2023, primarily reflecting the substantial profit arising from the disposal of nine office floors of One Island East in Hong Kong in 2023, and a reduction in profit from the sale of car parking spaces in Hong Kong in 2024.

Swire Properties declared a second interim dividend for 2024 of HKD0.76 per share. This, together with the first interim dividend of HKD0.34 per share paid in October 2024, amounts to a full year dividend of HKD1.10 per share, representing a 5% increase over the dividend per share for 2023.

The Company's policy is to deliver sustainable growth in dividends and to pay out approximately half of the underlying profit in ordinary dividends over time. Riding on the benefit of the planned investments, the Company's aim is to deliver mid-single-digit annual growth in dividends.

Last year, the Board approved a share buy-back programme of up to HKD1.5 billion for the period up to the conclusion of the next annual general meeting to be held in May 2025. During 2024, the Company repurchased 47,778,600 shares for an aggregate cash consideration of HKD750 million at an average price of HKD15.7 per share.

Swire Properties' full year result was impacted by the subdued office market in Hong Kong, with a lack of new demand coupled with continuous new supply coming onstream. Despite the headwinds, Swire Properties' office portfolios have continued to demonstrate resilience, due in large part to the Company's strong placemaking attributes, achievements in sustainability, industry-leading amenities and innovative tenant engagement initiatives.

The completion of the latest phase of the Taikoo Place Redevelopment Project marks a significant milestone for the Company, transforming Taikoo Place into a modern Global Business District and providing a competitive, credible alternative for tenants traditionally based in Central.

Retail in Hong Kong was affected by macro-economic uncertainties in 2024. The ongoing trend of outbound travel and changes in tourist spending habits have negatively impacted the market. Despite these challenging conditions, Swire Properties' retail malls in Hong Kong have remained resilient, with all three maintaining full occupancy.

In the Chinese Mainland, factors such as the weak Japanese yen, increased outbound travel, stock market volatility, and changing consumer behaviours have created an increasingly complex operating environment. Some of the Company's malls have also experienced disruption due to upgrading plans and renovations. In spite of these factors and noting the comparison with the high post-pandemic base of the previous year, retail sales growth in the Chinese Mainland has stabilised. The overall number of visitors has increased.

An underlying loss from property trading activities was recorded in 2024 due to sales and marketing expenses incurred for several residential trading projects, which will be launched over the next few years.

"Swire Properties gave a positive performance despite adverse market conditions last year. We remain on track to deliver our long-term investment strategy. Our successful capital recycling efforts have provided us with healthy liquidity and place us in a strong position to deliver on the next stages of our investment plan," said Guy Bradley, Chairman of Swire Properties.

**Significant progress in HKD100 billion investment plan**

Swire Properties has continued to make significant progress in realising opportunities from its HKD100 billion investment plan, 67% of which has now been committed.

Under the investment plan, HKD30 billion has been allocated for future expansion plans at Taikoo Place and Pacific Place, the Company's core commercial portfolios in Hong Kong.

In the Chinese Mainland, Swire Properties has secured over 90% of the HKD50 billion planned investment in the region. The Company will dedicate the next few years to the completion of new projects. In Shanghai, the Company's portfolio has expanded to four investments, making it the most important market in the Chinese Mainland to date. The Company unveiled Lujiazui Taikoo Yuan, one of two mixed-use developments in Shanghai's Pudong New Area. This project marks the debut of Lujiazui Taikoo Yuan Residences, the Company's first residential project in the Chinese Mainland.

In Beijing, Taikoo Li Sanlitun is being enhanced with new renovations to cater to the growing demand for luxury retail. The North zone is undergoing extensive upgrading, and The Opposite House hotel site is currently being redeveloped as a new retail landmark for global flagship stores. The Company is introducing its Taikoo Place brand to Beijing by renaming the Greater INDIGO development as "Taikoo Place Beijing". Having increased its stake in August 2024, this project now represents Swire Properties' single largest investment in the Chinese Mainland.

Taikoo Li Chengdu is undergoing a second wave of trade-mix upgrading, which is now close to completion. Taikoo Li Xi'an will open its sales gallery in 2025, while the Company's retail development in Sanya is making good progress.

Swire Properties remains focused on expanding its presence in the Greater Bay Area. In Guangzhou, Taikoo Hui Guangzhou will be expanded by the former Cultural Centre at 387 Tianhe Road to meet the growing demand from luxury tenants. Taikoo Li Julong Wan Guangzhou will be launched in phases from the end of 2025.

On the trading front, Swire Properties has spent the past few years building its residential pipeline in Hong Kong, and has five projects in various prime locations on Hong Kong Island. Pre-sale plans are underway for The Headland Residences, the Company's latest project in Chai Wan.

In Shanghai, Lujiazui Taikoo Yuan Residences saw a positive response to the initial sales launch. In South East Asia, the Company remains focused on Jakarta, Singapore, Ho Chi Minh City and Bangkok as its core markets.

**Sustainability leadership**

Swire Properties continues to demonstrate its global leadership in sustainability, achieving the top ranking globally in the Dow Jones Best-in-Class World Index 2024 in the Real Estate Management & Development Industry category.

The Company's journey towards net-zero emissions is on track, driven by digital innovation and the adoption of new technologies. In 2024, the Company increased off-site renewable electricity procurement for its Beijing portfolio to nearly 100%. Consequently, over 60% of electricity consumption in our Chinese Mainland portfolio now comes from renewable energy. In Hong Kong, the opening of Taikoo Square in 2024 marked a major milestone in realising the Company's vision for urban biodiversity, showcasing its ambitious work in biophilic design and nature-based placemaking at Taikoo Place.

**Business prospects**

The Hong Kong office market is expected to remain subdued in 2025, with weak demand and oversupply maintaining downward pressure on rents. Despite signs of a modest recovery in Hong Kong's financial markets, the uncertain economic environment continues to contain new demand for office space. However, the 'flight-to-quality' trend remains strong. As a result, the Company's office portfolios in Pacific Place and Taikoo Place are well-positioned as the preferred choice for office relocations when the market rebounds.

Footfall and retail sales in Hong Kong are expected to continue to face challenges due to outbound travel and changing tourist spending habits. However, the Company remains positive about the resilience of its shopping malls, due to the continued refinement of its trade mix, robust marketing campaigns and innovative loyalty programmes.

In the Chinese Mainland, retail sales growth is expected to pick up, driven by increased domestic demand and the progressive completion of renovation work in several malls. Demand for retail space in 2025 is expected to remain selective. Luxury retailers will adopt a prudent approach to expanding in Beijing, Chengdu, and Shanghai, seeking high-potential, experiential locations. In Guangzhou, demand for suitable locations for luxury brands is expected to be sustained.

On the residential front, although sales in Hong Kong have increased due to interest rate cuts and relaxed mortgage measures, rebuilding confidence and restoring market sentiment will take time. Medium to long-term demand is expected to improve, supported by local buyers and increasing interest from Chinese Mainland buyers. The residential market for high-quality developments in prime locations in Tier-1 cities in the Chinese Mainland is expected to remain strong in the short term. Residential markets are expected to improve in Jakarta, Ho Chi Minh City and Bangkok, thanks to several key factors including urbanisation, a growing middle class and the limited supply of luxury properties.

"We have every confidence that investing in Hong Kong, the Greater Bay Area and the wider Chinese Mainland, as well as South East Asia, continues to be the right thing to do. We remain committed to our key markets and believe we are well-positioned for when conditions improve in the future. Our priority will be executing our growth plans and enhancing the resilience of our existing portfolios for the rest of 2025," said Mr Bradley.

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**About Swire Properties**

Swire Properties develops and manages commercial, retail, hotel, and residential properties, with a particular focus on mixed-use developments in prime locations at major mass transportation intersections. Swire Properties is listed on the Main Board of the Stock Exchange of Hong Kong and its investment portfolio in Hong Kong comprises Taikoo Place, Pacific Place, Cityplaza and Citygate. The Company's completed portfolio in Hong Kong comprises approximately 1.54 million sqm (approximately 16.5 million sq ft) of space.

In the Chinese Mainland, Swire Properties has six completed mixed-use developments. They include Taikoo Li Sanlitun and INDIGO Phase One<sup>^</sup> in Beijing, HKRI Taikoo Hui and Taikoo Li Qiantan in Shanghai, Taikoo Hui Guangzhou and Taikoo Li Chengdu. Taikoo Place Beijing<sup>^</sup>, Taikoo Li Xi'an, Taikoo Li Sanya\*, New Bund Mixed-use Project, Lujiazui Taikoo Yuan in Shanghai and Taikoo Li Julong Wan Guangzhou are currently under development. The Company's completed portfolio in the Chinese Mainland comprises approximately 1.3 million sqm (14 million sq ft) of space.

In addition to Hong Kong and the Chinese Mainland, the Company has a presence in the United States, Indonesia, Vietnam, Singapore and Thailand.

Swire Properties has achieved global leadership in sustainable development with its No. 1 ranking in the Dow Jones Best-in-Class World Index 2024 (formerly known as Dow Jones Sustainability World Index), in the Real Estate Management & Development Industry category.

Visit Swire Properties' website at [www.swireproperties.com](http://www.swireproperties.com)

*^Comprising INDIGO Phases One & Two, the project will be renamed "Taikoo Place Beijing" upon completion of the Phase Two extension.*

*\*Project name to be confirmed.*

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