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新鴻基地產發展有限公司

Sun Hung Kai Properties Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 16)

(Warrant Code: 1441)

ANNOUNCEMENT

This announcement is made pursuant to the Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules")) under Part XIVA of the Securities and Futures Ordinance (the "SFO") and Rule 13.09 of the Listing Rules.

Reference is made to the announcements of Sun Hung Kai Properties Limited (the "Company") dated 13 July 2012, 8 March 2013 and 13 February 2014 concerning charges that were laid against certain Directors of the Company for alleged offences at common law of conspiracy to commit misconduct in public office, and/or under the Prevention of Bribery Ordinance, and/or of furnishing false information contrary to the Theft Ordinance.

The Company was separately informed by Mr. KWOK Ping-kwong, Thomas ("Mr. Thomas Kwok") and Mr. KWOK Ping-luen, Raymond ("Mr. Raymond Kwok"), the joint Chairmen and Managing Directors of the Company, and Mr. CHAN Kui-yuen, Thomas ("Mr. Thomas Chan"), an Executive Director of the Company, that after trial in the Court of First Instance of the High Court of the Hong Kong Special Administrative Region, the jury on 19 December 2014 delivered the following verdict:-

- (1) Mr. Thomas Kwok was convicted of one offence at common law of conspiracy to commit misconduct in public office, and was acquitted of one alleged offence at common law of conspiracy to commit misconduct in public office and an alleged offence under the Prevention of Bribery Ordinance. He will appeal against his conviction;
- (2) Mr. Raymond Kwok was acquitted of all the charges that have been laid against him in respect of the above alleged offences, i.e. two alleged offences at common law of conspiracy to commit misconduct in public office, an alleged offence under the Prevention of Bribery Ordinance and an alleged offence of furnishing false information contrary to the Theft Ordinance; and
- (3) Mr. Thomas Chan was convicted of an offence at common law of conspiracy to commit misconduct in public office and an offence under the Prevention of Bribery Ordinance. He will appeal against his convictions.

Following the above matters, Mr. Thomas Kwok resigned as Chairman and Managing Director and as an Executive Director of the Company with immediate effect, and Mr. Thomas Chan also resigned as an Executive Director of the Company with immediate effect. Following the above resignations, Mr. KWOK Kai-fai, Adam (“Mr. Adam Kwok”) ceased to be the Alternate Director to Mr. Thomas Kwok.

Each of Mr. Thomas Kwok, Mr. Thomas Chan and Mr. Adam Kwok has confirmed that he has no disagreement with the Board of Directors of the Company (the “Board”) and that he is not aware of any matters, save for those mentioned above, in relation to his resignation or cessation that need to be brought to the attention of the holders of the securities of the Company.

The Company is of the view that the normal daily business and operations of the Company and its subsidiaries (together the “Group”) have not been affected and will not be affected by the above matters. The Executive Committee of the Company continues to be responsible for the day-to-day management and operation of the Group as usual.

APPOINTMENT OF EXECUTIVE DIRECTOR

At a Board meeting of the Company held today (the “Meeting”), the Board has unanimously resolved to appoint Mr. Adam Kwok as an Executive Director of the Company with effect from the close of the Meeting (the “Appointment”).

Mr. Adam Kwok, aged 31, holds a Bachelor of Science degree in Management Science and Engineering from Stanford University and a Master’s degree in Business Administration from Harvard Business School. He worked in an international investment bank prior to joining the Group in November 2008, and has substantial experience in corporate finance. Prior to his appointment as an Executive Director of the Company, he was the project director taking charge of certain key residential and commercial projects of the Group in Hong Kong and the Pearl River Delta region. Since April 2013, he has taken up the overall responsibilities for the property business in Southern China. Also, he had been an Alternate Director to Mr. Thomas Kwok from 13 July 2012 until the resignation of Mr. Thomas Kwok. Following his appointment as an Executive Director of the Company, he became a member of the Executive Committee of the Company.

In addition, Mr. Adam Kwok is a member of Guangdong Provincial Committee of the Chinese People’s Political Consultative Conference, a director of China Overseas Friendship Association and the honorary vice-chairman of Hong Kong United Youth Association.

Mr. Adam Kwok is a son of Mr. Thomas Kwok, and a nephew of Mr. Raymond Kwok. He is also a grandson of Madam KWONG Siu-hing, the elder sister of Mr. KWONG Chun and also a substantial shareholder of the Company within the meaning of Part XV of the SFO, and Mr. KWOK Tak-seng, the late founder of the Company. He is a cousin of Mr. KWOK Ho-lai, Edward (“Mr. Edward Kwok”), who is the Alternate Director to Mr. Raymond Kwok.

Mr. Adam Kwok is entitled to receive a fee of HK\$300,000 per annum for being an Executive Director of the Company and other projected emoluments of approximately HK\$2.18 million per annum.

As at the date of this announcement, for the purpose of Part XV of the SFO, Mr. Adam Kwok was deemed to be interested in 610,929,378 shares and 8,818,369 warrants of the Company by virtue of him being a beneficiary of certain discretionary trusts. Of these shares and warrants, (i) 126,953,415 shares represented the same interests which Mr. Edward Kwok was deemed to be interested in and were therefore duplicated between them; and (ii) 48,756,223

shares represented the same interests which both Mr. Raymond Kwok and Mr. Edward Kwok were deemed to be interested in and were therefore duplicated amongst them. Mr. Adam Kwok also had personal interests in share options to subscribe for 32,000 shares in the Company.

Save as disclosed above, as at the date of this announcement, Mr. Adam Kwok did not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company, and did not hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas.

Mr. Adam Kwok has not entered into any service contract with the Company. He will hold office until the next following general meeting of the Company and shall be eligible for re-election in accordance with the articles of association of the Company (the "Articles of Association"). Thereafter, he will be subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. The Directors' fees are proposed by the Board and approved by the shareholders of the Company at the annual general meeting and their other emoluments are subject to review by the Board from time to time pursuant to the power given to it under the Articles of Association with reference to their contribution in terms of time, efforts and accomplishments.

Save as disclosed above, there are no other matters concerning the Appointment that need to be brought to the attention of the holders of the securities of the Company nor any information required to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.

RESUMPTION OF TRADING

At the request of the Company, trading in the shares (stock code: 16) and warrants (warrant code: 1441) of the Company, and the debt securities issued by a wholly-owned subsidiary of the Company and guaranteed by the Company (stock codes: 6027, 4589, 4534, 4527, 4328 and 1514) (together the "Securities") on the Stock Exchange was halted with effect from 2:45 p.m. on 19 December 2014 and an application has been made for the Securities to resume trading with effect from 9:00 a.m. on 22 December 2014.

By order of the Board
YUNG Sheung-tat, Sandy
Company Secretary

Hong Kong, 19 December 2014

As at the date hereof, the Board comprises eight Executive Directors, being KWOK Ping-luen, Raymond (Chairman and Managing Director)(KWOK Ho-lai, Edward being his Alternate Director), WONG Chik-wing, Mike (Deputy Managing Director), LUI Ting, Victor (Deputy Managing Director), KWONG Chun, CHAN Kwok-wai, Patrick (Chief Financial Officer), TUNG Chi-ho, Eric FUNG Yuk-lun, Allen and KWOK Kai-fai, Adam; four Non-Executive Directors, being LEE Shau-kee (Vice Chairman), WOO Po-shing (WOO Ka-biu, Jackson being his Alternate Director), KWAN Cheuk-yin, William and WONG Yick-kam, Michael; and seven Independent Non-Executive Directors, being YIP Dicky Peter, WONG Yue-chim, Richard, LI Ka-cheung, Eric, FUNG Kwok-lun, William, LEUNG Nai-pang, Norman, LEUNG Kui-king, Donald and LEUNG KO May-ye, Margaret.

This document is made in English and Chinese. In case of any inconsistency, the English version shall prevail.