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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Sun Hung Kai Properties Limited**, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**PROPOSALS FOR
GENERAL MANDATES TO BUY BACK SHARES AND TO ISSUE SHARES,
RE-ELECTION OF DIRECTORS AND
ADOPTION OF NEW ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting to be held at 53rd Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on Thursday, 12 November 2015 at 12:00 noon is set out on pages 19 to 23 of this circular.

Whether or not you are able to attend the Annual General Meeting, please complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the Annual General Meeting or any adjournment thereof. Completion and delivery of the proxy form will not preclude you from attending and voting at the Annual General Meeting or at any adjournment thereof if you so wish.

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

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DEFINITIONS

In this circular, unless the context requires otherwise, the following expressions have the following meanings:

“Annual General Meeting”	the annual general meeting of the Company to be held at 53rd Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on Thursday, 12 November 2015 at 12:00 noon or any adjournment thereof;
“Articles of Association”	the Existing Articles or the New Articles (as the context requires);
“Board”	the board of Directors;
“Company”	Sun Hung Kai Properties Limited, a company incorporated in Hong Kong with limited liability under the predecessor Companies Ordinance and whose securities are listed on the main board of the Stock Exchange;
“Companies Ordinance”	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong;
“Director(s)”	the director(s) of the Company;
“Existing Articles”	the existing articles of association of the Company;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Issue Mandate”	a general mandate to the Directors to exercise the power of the Company to allot, issue and deal with Shares or to grant options and rights to subscribe for any class of Shares or to convert securities into Shares;
“Latest Practicable Date”	2 October 2015, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as may be amended, supplemented or modified from time to time, which are applicable to companies listed on the main board of the Stock Exchange;
“New Articles”	the new articles of association of the Company to be considered and approved for adoption by the Shareholders at the Annual General Meeting;

DEFINITIONS

“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share Buy-back Mandate”	a general mandate to the Directors to exercise the power of the Company to buy back Shares;
“Share Buy-back Rules”	the Listing Rules and the Takeovers Code;
“Shareholder(s)”	holder(s) of the Share(s);
“Share(s)”	ordinary share(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs;
“Warrant(s)”	the warrant(s) issued by the Company, each of which entitles the holder thereof to subscribe at any time during the period from 23 April 2014 to 22 April 2016 (both days inclusive) for one (1) fully paid new Share at an initial subscription price of HK\$98.60 per new Share (subject to adjustment);
“Warrantholder(s)”	holder(s) of the Warrant(s); and
“%”	per cent.



新鴻基地產發展有限公司

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Executive Directors:

KWOK Ping-luen, Raymond *(Chairman & Managing Director)*
WONG Chik-wing, Mike *(Deputy Managing Director)*
LUI Ting, Victor *(Deputy Managing Director)*
KWOK Kai-fai, Adam
KWONG Chun
CHAN Kwok-wai, Patrick *(Chief Financial Officer)*
TUNG Chi-ho, Eric
FUNG Yuk-lun, Allen
KWOK Ho-lai, Edward *(Alternate Director to KWOK Ping-luen, Raymond)*

Registered Office:

45th Floor
Sun Hung Kai Centre
30 Harbour Road
Hong Kong

Non-Executive Directors:

LEE Shau-kee *(Vice Chairman)*
WOO Po-shing
KWAN Cheuk-yin, William
WONG Yick-kam, Michael
WOO Ka-biu, Jackson *(Alternate Director to WOO Po-shing)*

Independent Non-Executive Directors:

YIP Dicky Peter
WONG Yue-chim, Richard
LI Ka-cheung, Eric
FUNG Kwok-lun, William
LEUNG Nai-pang, Norman
LEUNG Kui-king, Donald
LEUNG KO May-yee, Margaret

Company Secretary:

YUNG Sheung-tat, Sandy

9 October 2015

*To the Shareholders and,
for information only, the Warrantholders*

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO BUY BACK SHARES AND TO ISSUE SHARES,
RE-ELECTION OF DIRECTORS AND
ADOPTION OF NEW ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

At the annual general meeting of the Company held on 15 November 2014, resolutions were passed approving the grant of the Share Buy-back Mandate in accordance with the relevant rules set out in the Share Buy-back Rules and of the Issue Mandate. These general mandates will lapse at the conclusion of the Annual General Meeting unless renewed at that meeting. Ordinary resolutions will therefore be proposed at the Annual General Meeting to renew the Share Buy-back Mandate and the Issue Mandate.

The purpose of this circular is to provide you with information regarding, inter alia, the Share Buy-back Mandate, the Issue Mandate, the extension of the Issue Mandate, the re-election of Directors and the adoption of the New Articles.

1. SHARE BUY-BACK MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, grant the Share Buy-back Mandate. The Shares which may be bought back pursuant to the Share Buy-back Mandate are up to 10% of the total number of Shares in issue on the date of passing the resolution approving the Share Buy-back Mandate.

As at the Latest Practicable Date, the total number of Shares in issue was 2,876,726,075 Shares. Assuming that there is no change in the total number of Shares in issue between the period from the Latest Practicable Date and the date of passing the resolution approving the Share Buy-back Mandate, the maximum number of Shares which may be bought back pursuant to the Share Buy-back Mandate will be 287,672,607 Shares.

An explanatory statement as required under the Share Buy-back Rules, giving certain information regarding the Share Buy-back Mandate together with the details of the buy-backs of Shares made by the Company during the six months preceding the Latest Practicable Date (if any), is set out in Appendix I to this circular. Details of the Share Buy-back Mandate are set out in Resolution No. 5 in the notice of Annual General Meeting set out on pages 19 to 23 of this circular. The Share Buy-back Mandate will expire upon whichever is the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or by the Laws of Hong Kong to be held; and (iii) the date on which the authority given under the ordinary resolution approving the Share Buy-back Mandate is revoked or varied by an ordinary resolution of the Shareholders.

2. ISSUE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, grant the Issue Mandate. The Shares or rights to subscribe for Shares which may be allotted and issued pursuant to the Issue Mandate are up to 10% of the total number of Shares in issue on the date of passing the resolution approving the Issue Mandate. In addition, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, approve the extension of the Issue Mandate by adding the number of Shares bought back under the Share Buy-back Mandate, if granted, to the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Issue Mandate.

LETTER FROM THE BOARD

Details of the Issue Mandate and the extension of the Issue Mandate are respectively set out in Resolution No. 6 and Resolution No. 7 in the notice of Annual General Meeting set out on pages 19 to 23 of this circular. The Issue Mandate will expire upon whichever is the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or by the Laws of Hong Kong to be held; and (iii) the date on which the authority given under the ordinary resolution approving the Issue Mandate is revoked or varied by an ordinary resolution of the Shareholders.

3. RE-ELECTION OF DIRECTORS

In accordance with Article 95 of the Existing Articles, Mr. Kwok Kai-fai, Adam, who was appointed as a Director by the Board to fill a casual vacancy, will hold office until the next following general meeting of the Company and, being eligible, has offered himself for re-election.

Furthermore, in accordance with Article 104(A) of the Existing Articles, Mr. Lui Ting, Victor, Dr. Li Ka-cheung, Eric, Mrs. Leung Ko May-yee, Margaret, Sir Po-shing Woo, Mr. Kwong Chun and Mr. Chan Kwok-wai, Patrick will retire by rotation from office at the Annual General Meeting. As announced by the Company on 7 October 2015, Mr. Chan Kwok-wai, Patrick has recently informed the Company that he will not seek re-election at the Annual General Meeting. The other five retiring Directors, being eligible, have offered themselves for re-election at the Annual General Meeting.

Details of the above six Directors who are proposed to be re-elected are set out in Appendix II to this circular.

Each of Dr. Li Ka-cheung, Eric and Mrs. Leung Ko May-yee, Margaret, both being Independent Non-Executive Directors of the Company eligible for re-election at the Annual General Meeting, has made a confirmation of independence pursuant to the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that these two Independent Non-Executive Directors are independent in accordance with the independence guidelines and considers that they should be re-elected at the Annual General Meeting.

Dr. Li Ka-cheung, Eric has served the Company for more than nine years. The Nomination Committee of the Company considered that his long service would not affect his exercise of independent judgment and was satisfied that Dr. Li Ka-cheung, Eric has the required integrity and experience to continue fulfilling the role of an Independent Non-Executive Director.

Taking into consideration the above, the Board is of the view that Dr. Li Ka-cheung, Eric remains independent notwithstanding the length of his service and should be re-elected at the Annual General Meeting. In accordance with the Corporate Governance Code as set out in the Listing Rules, the re-election of Dr. Li Ka-cheung, Eric will be subject to a separate resolution to be approved at the Annual General Meeting.

LETTER FROM THE BOARD

4. ADOPTION OF NEW ARTICLES

Following the commencement of the Companies Ordinance in March 2014, the Company considers it appropriate and desirable to adopt the New Articles, which incorporate certain key changes under the Companies Ordinance based on the Existing Articles. A special resolution will be proposed at the Annual General Meeting for the Shareholders to consider and, if thought fit, approve the adoption of the New Articles.

A summary of the major areas of amendments, which will be incorporated into the New Articles to replace the Existing Articles, is set out in Appendix III to this circular.

5. ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting to be held at 53rd Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on Thursday, 12 November 2015 at 12:00 noon is set out on pages 19 to 23 of this circular. At the Annual General Meeting, ordinary resolutions will be proposed to approve, inter alia, the Share Buy-back Mandate, the Issue Mandate, the extension of the Issue Mandate and the re-election of Directors and a special resolution will be proposed to approve the adoption of the New Articles.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. The chairman of the Annual General Meeting will exercise his power under Article 75 of the Existing Articles to put each of the resolutions to be proposed at the Annual General Meeting to be voted by way of a poll. The results of the poll will be published on the websites of the Company and Hong Kong Exchanges and Clearing Limited pursuant to Rule 13.39(5) of the Listing Rules.

A proxy form for use at the Annual General Meeting is enclosed. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the Annual General Meeting or any adjournment thereof. Completion and delivery of the proxy form will not preclude you from attending and voting at the Annual General Meeting or at any adjournment thereof if you so wish.

Yours faithfully,

KWOK Ping-luen, Raymond
Chairman & Managing Director

The following is the explanatory statement required to be sent to Shareholders under the Listing Rules in connection with the proposed Share Buy-back Mandate and also constitutes the memorandum under section 239(2) of the Companies Ordinance.

(a) Listing Rules

The Listing Rules permit companies with a primary listing on the Stock Exchange to buy back their fully-paid up shares on the Stock Exchange subject to certain restrictions.

(b) Shareholders' approval

The Listing Rules provide that all on-market share buy-backs made by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by specific approval of a particular transaction or by a general mandate to the directors of the company to make such buy-backs.

(c) Exercise of the Share Buy-back Mandate

As at the Latest Practicable Date, there were 2,876,726,075 Shares in issue. Subject to the passing of the ordinary resolution approving the Share Buy-back Mandate and on the basis that no further Shares are issued or no Shares are bought back prior to the Annual General Meeting, the Company would be allowed under the Share Buy-back Mandate to buy back a maximum of 287,672,607 Shares.

(d) Reasons for the buy-back of Shares

The Directors believe that the Share Buy-back Mandate is in the best interests of the Company and the Shareholders. Buy-backs may, depending on the circumstances, result in an increase in net assets per Share and/or earnings per Share. The Directors are seeking the grant of a general mandate to buy back Shares to give the Company the flexibility to do so if and when appropriate. The timing and the number, the prices and other terms upon which the Shares are bought back will be decided by the Directors at the relevant time having regard to the circumstances then prevailing.

(e) Source of funds

Buy-backs must be made out of funds which are legally available for such purpose in accordance with the Articles of Association and the Laws of Hong Kong. It is envisaged that the funds required for any buy-back would be derived from the distributable profits of the Company.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements for the year ended 30 June 2015 contained in the 2014/15 annual report of the Company) in the event that the proposed share buy-backs were to be carried out in full at

anytime during the proposed buy-back period. However, the Directors do not propose to exercise the Share Buy-back Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or its gearing level.

(f) Share prices

The monthly highest and lowest prices at which the Shares were traded on the Stock Exchange during the twelve months preceding the Latest Practicable Date were as follows:

	Share Prices (per Share)	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2014		
October	115.90	106.30
November	118.00	111.90
December	118.50	110.00
2015		
January	129.40	115.80
February	127.70	121.20
March	123.40	115.00
April	129.40	119.10
May	137.60	128.10
June	134.80	123.70
July	131.80	110.50
August	119.80	94.20
September	106.20	93.25
October (up to the Latest Practicable Date)	102.10	99.80

(g) Undertaking

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Share Buy-back Mandate in accordance with the Listing Rules, the applicable Laws of Hong Kong, and the Articles of Association.

None of the Directors nor, to the best of their knowledge and having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) currently intends to sell Shares to the Company or its subsidiaries in the event that the Share Buy-back Mandate is approved by the Shareholders.

No core connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Company is authorised to buy back the Shares.

(h) The Takeovers Code

If, as a result of a buy-back of Shares by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of shareholding interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at 30 June 2015, according to the register required to be kept by the Company under Section 336 of the SFO, HSBC Trustee (C.I.) Limited ("**HSBC Trustee**") had certain interests in 915,250,313 Shares (excluding Warrants and share options of the Company), in which Madam Kwong Siu-hing was deemed to be interested in 742,304,737 Shares (excluding Warrants and share options of the Company) and such interests were therefore duplicated with the interests of HSBC Trustee. In addition, Messrs. Kwok Ping-luen, Raymond, Kwok Kai-fai, Adam and Kwok Ho-lai, Edward had certain interests in the Shares for the purpose of Part XV of the SFO, of which a total of 558,132,554 Shares (excluding Warrants and share options of the Company) were not duplicated with the abovementioned interests of HSBC Trustee and Madam Kwong Siu-hing. Details of the interests of the above persons and the duplications of their interests as at 30 June 2015 are set out in the 2014/15 annual report of the Company.

After 30 June 2015 and up to the Latest Practicable Date, the abovementioned interests of Madam Kwong Siu-hing increased by 2,577,000 Shares (excluding Warrants and share options of the Company) and Messrs. Kwok Ping-luen, Raymond, Kwok Kai-fai, Adam and Kwok Ho-lai, Edward were deemed to be interested in these 2,577,000 Shares (excluding Warrants and share options of the Company). In addition, the interests of Mr. Kwok Kai-fai, Adam increased by 660,000 Shares (excluding Warrants and share options of the Company).

The abovementioned interests, after taking account of duplications of interests, represented approximately 51.33% of the total number of Shares in issue as at the Latest Practicable Date. In the event that the Directors exercise in full the power to buy back Shares under the Share Buy-back Mandate and assuming that none of the Warrants and share options of the Company is exercised, the abovementioned interests would be increased to approximately 57.03% of the total number of Shares in issue. Such increase will not give rise to any obligation to make a mandatory offer under Rule 26 of the Takeovers Code and the number of Shares held by the public would not fall below 25% of the total number of Shares in issue.

(i) Shares bought back by the Company

The Company did not buy back any Shares in the six months prior to the Latest Practicable Date (whether on the Stock Exchange or otherwise).

The following are the particulars of the six Directors proposed to be re-elected:

KWOK Kai-fai, Adam

MBA, BSc

Executive Director (Age: 32)

Mr. Kwok has been an Executive Director of the Company since December 2014. He is also a member of the Executive Committee of the Company. Mr. Kwok acted as an Alternate Director to Mr. Kwok Ping-kwong, Thomas from July 2012 until the resignation of Mr. Kwok Ping-kwong, Thomas as Chairman and Managing Director of the Company in December 2014. He 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. 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.

In addition, Mr. Kwok is a vice-president of The Real Estate Developers Association of Hong Kong, a member of board of directors of The Community Chest of Hong Kong, a vice-chairman of Hong Kong United Youth Association, a member of the Working Group on Transportation under Economic Development Commission of the Government of the Hong Kong Special Administrative Region and a member of board of directors of the Faculty of Business and Economics of The University of Hong Kong. He is also a member of Guangdong Provincial Committee of the Chinese People's Political Consultative Conference, a member of All-China Youth Federation and a member of Friends of Hong Kong Association Limited.

Mr. Kwok is a nephew of Mr. Kwok Ping-luen, Raymond. He is also a grandson of Madam Kwong Siu-hing, who is the elder sister of Mr. Kwong Chun and also a substantial shareholder of the Company within the meaning of Part XV of the SFO. Mr. Kwok is a cousin of Mr. Kwok Ho-lai, Edward.

As at the Latest Practicable Date, Mr. Kwok had personal interests in 9,000 Shares and share options to subscribe for 23,000 Shares, and other interests in 624,526,747 Shares within the meaning of Part XV of the SFO.

Mr. Kwok is entitled to receive a fee of approximately HK\$159,000 for being a Director and other emoluments of approximately HK\$1.54 million for the period from 19 December 2014 (being the date of his appointment as a Director) to 30 June 2015.

LUI Ting, Victor

BBA

Deputy Managing Director (Age: 61)

Mr. Lui has been an Executive Director and a Deputy Managing Director of the Company since April and July 2012 respectively. He is also a member of the Executive Committee of the Company. He joined the Group in 1977 and is currently responsible for the sales and marketing of a number of large residential developments as well as acquisition and disposal of non-core property investment projects of the Group. He holds a Bachelor of Business Administration degree from The Chinese University of Hong Kong.

As at the Latest Practicable Date, Mr. Lui had personal interests in 60,000 Shares, 5,000 Warrants and share options to subscribe for 100,000 Shares within the meaning of Part XV of the SFO.

For the year ended 30 June 2015, Mr. Lui is entitled to receive a fee of HK\$300,000 for being a Director and other emoluments of approximately HK\$20.61 million.

Dr. LI Ka-cheung, Eric

LLD, DSocSc., B.A., GBS, OBE, JP

Independent Non-Executive Director (Age: 62)

Dr. Li was appointed as a Non-Executive Director of the Company in May 2005. He is currently an Independent Non-Executive Director, the Chairman of the Audit Committee and a member of the Remuneration Committee of the Company. He is also an independent non-executive director and the chairman of the audit committee and the remuneration committee of SmarTone Telecommunications Holdings Limited.

Dr. Li is the senior partner of Li, Tang, Chen & Co., Certified Public Accountants. He is also an independent non-executive director of Transport International Holdings Limited, Wong's International Holdings Limited, Hang Seng Bank Limited, China Resources Enterprise, Limited and RoadShow Holdings Limited. He was an independent non-executive director of Bank of Communications Co., Ltd.

Dr. Li is a member of The 12th National Committee of the Chinese People's Political Consultative Conference. He was a former member of the Legislative Council of Hong Kong, the chairman of its Public Accounts Committee, a past president of the Hong Kong Institute of Certified Public Accountants and a former convenor-cum-member of the Financial Reporting Review Panel.

As at the Latest Practicable Date, Dr. Li had family interests in 4,028 Shares and 335 Warrants within the meaning of Part XV of the SFO.

For the year ended 30 June 2015, Dr. Li is entitled to receive fees of HK\$300,000 for being a Director, HK\$280,000 for being the Chairman of the Audit Committee of the Company and HK\$60,000 for being a member of the Remuneration Committee of the Company. Also, he is entitled to receive other emoluments of a total of HK\$240,000 for being a director and the chairman of the audit committee and the remuneration committee of SmarTone Telecommunications Holdings Limited.

LEUNG KO May-yee, Margaret

SBS, JP

Independent Non-Executive Director (Age: 63)

Mrs. Leung has been an Independent Non-Executive Director of the Company since March 2013. She holds a Bachelor's degree in Economics, Accounting and Business Administration from The University of Hong Kong. She was the vice-chairman and the chief executive of Hang Seng Bank Limited, the chairman of Hang Seng Bank (China) Limited, a director of various subsidiaries of Hang Seng Bank Limited, a director of The Hongkong and Shanghai Banking Corporation Limited and the Group General Manager of HSBC Holdings plc prior to her retirement from the HSBC group in June 2012.

Mrs. Leung is currently the deputy chairman, managing director and an executive director of Chong Hing Bank Limited. She is also an independent non-executive director of First Pacific Company Limited, Li & Fung Limited, Hong Kong Exchanges and Clearing Limited, QBE Insurance Group Limited and China Construction Bank Corporation. She was an independent non-executive director of Swire Pacific Limited and Hutchison Whampoa Limited.

Mrs. Leung is a member of the board of directors and the finance committee of the Hospital Authority, and a Steward of The Hong Kong Jockey Club. She is also a council member, the treasurer and the chairman of the finance committee and a member of the human resources policy committee of The University of Hong Kong. Mrs. Leung was the chairman of the board of governors of Hang Seng Management College and Hang Seng School of Commerce, a court member of the Hong Kong Baptist University, and a member of the advisory board and the chairman of the investment committee of the Hong Kong Export Credit Insurance Corporation from 2005 to 2010. She was also a member of the Greater Pearl River Delta Business Council, the advisory committee of the Securities and Futures Commission, the Banking Review Tribunal, the Independent Commission on Remuneration for Members of the Executive Council and the Legislature, and Officials under the Political Appointment System of the Hong Kong Special Administrative Region, and the chairman of the executive committee of The Community Chest of Hong Kong.

As at the Latest Practicable Date, Mrs. Leung had personal interests in 15,372 Shares and 1,268 Warrants within the meaning of Part XV of the SFO.

For the year ended 30 June 2015, Mrs. Leung is entitled to receive a fee of HK\$300,000 for being a Director.

Sir Po-shing WOO

Hon.LLD., FCIArb, F.I.Mgt., FInstD, FHKMA

Non-Executive Director (Age:86)

Sir Po-shing Woo has been a Non-Executive Director of the Company since August 1972. He was admitted to practise as solicitor in England and Hong Kong and is also a fellow of The Hong Kong Management Association, The Chartered Institute of Arbitrators, The Institute of Management and The Institute of Directors of England. He was awarded an Hon.LLD. by City University of Hong Kong and is a fellow of King's College of London as well as honorary professor of Nankai University of Tianjin. He is also the founder of the Woo Po Shing Medal in Law and the Woo Po Shing Overseas Summer School Travelling Scholarship, both at The University of Hong Kong, and the Woo Po Shing Professor (Chair) of Chinese and Comparative Law at City University of Hong Kong. Sir Po-shing Woo is also a director of Henderson Development Limited. He is the father of Mr. Woo Ka-biu, Jackson.

As at the Latest Practicable Date, Sir Po-shing Woo had personal interests in 1,540,913 Shares within the meaning of Part XV of the SFO.

For the year ended 30 June 2015, Sir Po-shing Woo is entitled to receive a fee of HK\$300,000 for being a Director.

KWONG Chun

Executive Director (Age: 86)

Mr. Kwong has been an Executive Director of the Company since October 1992. He is also a member of the Executive Committee of the Company. He graduated from the Zhong Nan Finance & Economics College of Wuhan in China. He worked for the Guangzhou office of the People's Bank of China before coming to Hong Kong in 1962 to work for Eternal Enterprises Limited. He was transferred to Sun Hung Kai Enterprises Limited in 1963. In 1972, the Company became a listed company and he has worked for it ever since.

Mr. Kwong is the younger brother of Madam Kwong Siu-hing, who is the mother of Mr. Kwok Ping-luen, Raymond and the grandmother of Messrs. Kwok Kai-fai, Adam and Kwok Ho-lai, Edward. Madam Kwong is also a substantial shareholder of the Company within the meaning of Part XV of the SFO.

As at the Latest Practicable Date, Mr. Kwong had personal interests in 762,722 Shares and 63,560 Warrants, and family interests in 339,358 Shares and 28,279 Warrants within the meaning of Part XV of the SFO.

For the year ended 30 June 2015, Mr. Kwong is entitled to receive a fee of HK\$300,000 for being a Director and other emoluments of approximately HK\$5.26 million.

Save as disclosed above, all the above retiring Directors who are proposed to be re-elected (the “**Retiring Directors**”) 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, and do not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

All the Directors of the Company have not entered into any service contract with the Company. In accordance with the Existing Articles, Directors are subject to retirement and shall be eligible for re-election at the general meeting or the annual general meeting of the Company. For the Non-Executive Directors (including the Independent Non-Executive Directors), they will be subject to a term of approximately two years commencing from the date of the annual general meeting at which they are re-elected and expiring at the annual general meeting to be held two years thereafter, and they shall be eligible for re-election for a like term at that annual general meeting upon the expiry of their term of office.

The Directors’ fees are proposed by the Board and approved by the Shareholders 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 Existing Articles with reference to their contribution in terms of time, effort and accomplishments.

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

The New Articles are based on the Existing Articles with changes primarily to be made to incorporate mandatory changes and other relevant changes under the Companies Ordinance. This Appendix summarizes the major areas of amendments to the Existing Articles.

(I) Amendments to incorporate mandatory changes under the Companies Ordinance

(a) Abolition of memorandum of association

Under the Companies Ordinance, the requirement for a Hong Kong incorporated company to have a memorandum of association was abolished. The New Articles shall become the single constitutional document of the Company. Currently, a Hong Kong incorporated company is also not required to have an objects clause to define the scope of its corporate capacity. As such, the objects clause in the memorandum of association of the Company will be eliminated and will not be included in the New Articles.

As a result of the abolition of the memorandum of association of the Company, certain consequential amendments are incorporated into the New Articles, namely, the inclusion of the mandatory provisions in the New Articles to state the Company's name, that members' liability is limited, and information regarding the founder members' capital and initial shareholding in the Company upon incorporation.

(b) No par regime for share capital

The Companies Ordinance adopted a mandatory system of no par for all Hong Kong incorporated companies having a share capital, and retired the concept of par value for all shares.

As a result of the adoption of the no par regime, the New Articles have removed references to par or nominal value of the Shares and modified the provisions concerning the alteration of share capital.

(c) References to authorized share capital, share premium, share premium account and capital redemption reserve becoming redundant

Adoption of the no par regime also leads to the following changes being incorporated into the New Articles: (i) removal of references to authorized share capital; (ii) removal of references to share premium and share premium account as Shares are no longer issued at a premium to par value; and (iii) removal of references to capital redemption reserve as Shares no longer have par value and therefore no transfer is made to a capital redemption reserve when Shares are redeemed or bought back by the Company.

(II) Amendments to incorporate other relevant changes under the Companies Ordinance***(a) Scope of directors' declaration of interests***

The Companies Ordinance has broadened Directors' obligations on declaration of interests. Where a director or his connected entities is interested, directly or indirectly, in a transaction, contract or arrangement with a company that is significant in relation to a company's business, and the director's or the connected entities' interest is material, he will be required to declare the "nature and extent" of the interest of himself and his connected entities in accordance with the timing and procedural requirements under the Companies Ordinance. These changes have been reflected in the New Articles.

(b) Removal of automatic re-appointment of retiring Directors

Under the Companies Ordinance, a provision which provides for the automatic re-appointment of retiring Directors at a general meeting is void. Accordingly, such provision has been removed in the New Articles.

(c) Special business in general meetings

The Companies Ordinance has abolished the distinction between general business and special business in a general meeting. As such, the relevant references have been removed in the New Articles for consistency with the requirements of the Companies Ordinance.

(d) Appointment of, and voting by, proxies

Under the Companies Ordinance, it is provided that each shareholder may appoint separate proxies to represent respectively the number of shares he holds at a general meeting. Accordingly, the New Articles have incorporated provisions to permit multiple proxies. In line with the Companies Ordinance, the New Articles have also incorporated provisions to allow proxies to vote at general meetings on a show of hands (with multiple proxies excepted).

(e) Appointment and termination of proxy by electronic means

Under the Companies Ordinance, so long as a company has provided an electronic address in the instrument of proxy issued by the company, a shareholder may send an instrument appointing a proxy or a notice of termination of a proxy to the company through electronic means. The Company has incorporated electronic means of appointing and terminating a proxy by Shareholders into the New Articles.

(f) Poll

Under the Companies Ordinance, the threshold for demanding a poll was lowered from 10% to 5% of the total voting rights or five members having the right to vote at a general meeting. These changes have been reflected in the New Articles.

(g) Execution of documents under seal

Under the Companies Ordinance, the keeping and use of the common seal of a company has become optional. The New Articles have included provisions to allow the Company to execute a document as a deed without using its common seal as permitted under the Companies Ordinance.

(h) Repeal of power to issue stock and bearer warrants

The Companies Ordinance repealed the powers of a company to issue stock and bearer warrants. Accordingly, the New Articles no longer contain such references.

The New Articles have incorporated other consequential changes which result from the above changes. Certain definitions and the section references to the predecessor ordinance of the Companies Ordinance (namely, the former Companies Ordinance now renamed Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong) in the Existing Articles have been amended to bring them in line with the definitions used and the corresponding section references to the Companies Ordinance. In addition, certain provisions have been updated with reference to the Listing Rules currently in force.

(III) Other matters

The Companies Ordinance shortens the mandatory minimum notice period for convening a general meeting (other than an annual general meeting) for passing special resolution(s) from 21 days to 14 days. Having regard to concerns expressed on the appropriate time that should be allowed for Shareholders, especially those overseas, to consider proposals relating to special resolutions, the Board does not propose, at this stage, that the New Articles should be amended to shorten such notice period from 21 days to 14 days. The Board also does not propose, at this stage, to make any change to the requirement that written resolutions of the Directors or Board committees must be signed by all Directors or members of Board committees present in Hong Kong and who are not unable to act through ill-health or disability.

The full text of the proposed New Articles, in English and Chinese, showing the amendments to the Existing Articles is available on the Company's website at www.shkp.com. It can be accessed by clicking "Corporate Governance" section on the home page, then selecting "Overview". These versions are also available for inspection at the Company's registered office at 45th Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong during normal business hours on any business day (excluding Saturday) from the date hereof up to and including 12 November 2015. The Chinese translation of the New Articles is for reference only. In case of any inconsistency, the English version shall prevail.

NOTICE OF ANNUAL GENERAL MEETING



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)

NOTICE IS HEREBY GIVEN that the Forty-third Annual General Meeting of the shareholders of Sun Hung Kai Properties Limited (the “**Company**”) will be held at 53rd Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on Thursday, 12 November 2015 at 12:00 noon for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the Directors and auditor for the year ended 30 June 2015.
2. To declare the final dividend.
3. To re-elect the retiring Directors and to fix Directors’ fees.
4. To re-appoint Deloitte Touche Tohmatsu as auditor and to authorise the Board of Directors to fix its remuneration.

To consider and, if thought fit, pass the following ordinary resolutions and special resolution:

ORDINARY RESOLUTIONS

5. “**THAT:**
 - (a) the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to buy back shares of the Company be and is hereby generally and unconditionally approved;
 - (b) the aggregate number of shares which may be bought back on The Stock Exchange of Hong Kong Limited or any other stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited under The Codes on Takeovers and Mergers and Share Buy-backs pursuant to the approval in paragraph (a) above shall not exceed ten per cent of the aggregate number of shares of the Company in issue at the date of passing this Resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by its articles of association or by the Laws of Hong Kong to be held; and
- (iii) the revocation or variation of the authority given to the Directors of the Company under this Resolution by the passing of an ordinary resolution by the shareholders in general meeting.”

6. **“THAT:**

- (a) subject to paragraph (c) of this Resolution, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares of the Company and to make or grant offers, agreements, options and rights to subscribe for, or to convert securities into, shares of the Company, which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements, options and rights to subscribe for, or to convert securities into, shares of the Company, which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or a right to convert securities into shares of the Company or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a Rights Issue or (ii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed the aggregate of:
 - (aa) ten per cent of the aggregate number of shares of the Company in issue at the date of passing this Resolution, plus;
 - (bb) (if the Directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the number of shares of the Company bought back by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to ten per cent of the aggregate number of shares of the Company in issue at the date of passing this Resolution), and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by its articles of association or by the Laws of Hong Kong to be held; and
- (iii) the revocation or variation of the authority given to the Directors of the Company under this Resolution by the passing of an ordinary resolution by the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or legal or practical problems having regard to any restrictions or obligations under the Laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

7. “**THAT** the Directors of the Company be and are hereby authorised to exercise the powers of the Company referred to in paragraph (a) of the resolution set out as Resolution No. 6 in the notice convening this Meeting in respect of the number of shares of the Company referred to in sub-paragraph (bb) of paragraph (c) of such resolution.”

SPECIAL RESOLUTION

8. “**THAT** the Company’s new articles of association, which have been produced to this Meeting marked “A” and initialled by the chairman of this Meeting for the purpose of identification be and are hereby approved and adopted as the articles of association of the Company in substitution for, and to the exclusion of, the articles of association of the Company in force immediately before the passing of this Special Resolution and **THAT** any Director or the Company Secretary of the Company be and is hereby authorised to do all things necessary to effect and record the adoption of the Company’s new articles of association.”

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

Hong Kong, 9 October 2015

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Pursuant to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of shareholders at a general meeting must be taken by poll. The chairman of the Annual General Meeting will exercise his power under Article 75 of the Company's existing articles of association (the "**Existing Articles**") to put each of the above resolutions to be proposed to the vote by way of a poll.
2. Any shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a shareholder of the Company. To be valid, a proxy form, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited with the Company's Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time of the Annual General Meeting or any adjournment thereof.
3.
 - (i) For the purpose of ascertaining shareholders' entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Monday, 9 November 2015 to Thursday, 12 November 2015, both days inclusive, during such period no transfer of shares will be registered and no share will be allotted upon exercise of the subscription rights attached to the warrants of the Company. In order to be eligible to attend and vote at the Annual General Meeting,
 - (a) shareholders must lodge all transfer documents accompanied by the relevant share certificates (together the "**Share Transfer Documents**") for registration not later than 4:30 p.m. on Friday, 6 November 2015; and
 - (b) warrant holders must lodge all subscription forms accompanied by the relevant warrant certificates and exercise moneys (together the "**Warrant Exercise Documents**") for registration not later than 4:30 p.m. on Monday, 2 November 2015.
 - (ii) For the purpose of ascertaining shareholders' entitlement to the proposed final dividend, the register of members and the register of warrant holders of the Company will be closed on Wednesday, 18 November 2015, during which no transfer of shares or warrants (including the allotment of shares upon exercise of the subscription rights thereof) will be registered. In order to establish entitlements to the proposed final dividend,
 - (a) shareholders must lodge the Share Transfer Documents for registration not later than 4:30 p.m. on Tuesday, 17 November 2015; and
 - (b) warrant holders must lodge the Warrant Exercise Documents for registration not later than 4:30 p.m. on Wednesday, 11 November 2015.

The Share Transfer Documents and the Warrant Exercise Documents shall be lodged for registration with Computershare Hong Kong Investor Services Limited, which also acts as the registrar maintaining the register of warrant holders of the Company, at Shop Nos. 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

NOTICE OF ANNUAL GENERAL MEETING

4. *With reference to Resolution No. 3 above, Mr. Kwok Kai-fai, Adam, who was appointed as a Director by the Board of Directors of the Company to fill a casual vacancy, will hold office until the next following general meeting of the Company and, being eligible, has offered himself for re-election.*

Mr. Lui Ting, Victor, Dr. Li Ka-cheung, Eric, Mrs. Leung Ko May-yee, Margaret, Sir Po-shing Woo, Mr. Kwong Chun and Mr. Chan Kwok-wai, Patrick will retire by rotation from office at the Annual General Meeting. As announced by the Company on 7 October 2015, Mr. Chan Kwok-wai, Patrick has recently informed the Company that he will not seek re-election at the Annual General Meeting. The other five retiring Directors, being eligible, have offered themselves for re-election at the Annual General Meeting.

The requisite details of the above six retiring Directors seeking re-election are set out in Appendix II to the circular of the Company dated 9 October 2015 (the “Circular”).

All the Directors of the Company have not entered into any service contract with the Company. In accordance with the Existing Articles, Directors are subject to retirement and shall be eligible for re-election at the general meeting or the annual general meeting of the Company. For the Non-Executive Directors (including the Independent Non-Executive Directors), they will be subject to a term of approximately two years commencing from the date of the annual general meeting at which they are re-elected and expiring at the annual general meeting to be held two years thereafter, and they shall be eligible for re-election for a like term at that annual general meeting upon the expiry of their term of office.

5. *With reference to Resolution No. 3 above, the proposed fees payable to the Chairman, the Vice Chairman and each of the other Directors for the year ending 30 June 2016 are HK\$320,000, HK\$310,000 and HK\$300,000 respectively.*
6. *With reference to Resolution Nos. 5, 6 and 7 above, the Directors wish to state that they have no immediate plans to buy back any existing shares or to issue any new shares (other than pursuant to the exercise of share options granted or warrants issued by the Company) or warrants pursuant to the relevant mandates.*
7. *With reference to Resolution No. 8, a summary of major areas of amendments to the Existing Articles is set out in Appendix III to the Circular.*

The full text of the proposed new articles of association of the Company (the “New Articles”), in English and Chinese, showing the amendments to the Existing Articles is available on the Company’s website at www.shkp.com. It can be accessed by clicking “Corporate Governance” section on the home page, then selecting “Overview”. These versions are also available for inspection at the Company’s registered office at 45th Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong during normal business hours on any business day (excluding Saturday) from the date hereof up to and including 12 November 2015. The Chinese translation of the New Articles is for reference only. In case of any inconsistency, the English version shall prevail.

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