新鴻基有限公司

SUN HUNG KAI & CO. LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 86)

POSITIVE PROFIT ALERT

This announcement is made by Sun Hung Kai & Co. Limited (the "Company", together with its subsidiaries, the "Group") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the "Board") of the Company wishes to inform the shareholders of the Company (the "Shareholders") and potential investors that, based on the information currently available to management of the Company and a preliminary review and assessment of the Group's latest unaudited consolidated management accounts for the four months ended 30 April 2021 (the "Management Accounts"), the unaudited consolidated profit attributable to the owners of the Company for the four months ended 30 April 2021 is approximately HK$1.1 billion as compared to that for the four months ended 30 April 2020 where the results attributable to the owners of the Company showed a small loss. The primary reasons for the loss for the four months ended 30 April 2020 were mark-to-market losses in financial instruments in the Company's Investment Management business as a result of significant market volatility, as well as lower interest income and higher provisions for expected credit losses for the Group's Lending business during the onset of COVID-19. The primary reasons for the profit for the four months ended 30 April 2021 were mark-to-market and realised gains in financial instruments in the Company's Investment Management business, as well as higher interest income and lower provisions for expected credit losses for the Group's Lending business due to improved business conditions.

As the Company has not started preparing interim results of the Group for the six months ended 30 June 2021, the information contained in this announcement is only based on management's preliminary review and assessment of the Management Accounts which have not been reviewed by the Company's auditor or the Audit Committee of the Company and therefore, may be subject to adjustment. The Company expects to announce its unaudited interim results for the six months ended 30 June 2021 in August 2021.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

On behalf of the Board
Sun Hung Kai & Co. Limited
Simon Chow Wing Charn
Executive Director

Hong Kong, 28 May 2021

As at the date of this announcement, the Board comprises:

Executive Directors:
Messrs. Lee Seng Huang *(Group Executive Chairman)* and Simon Chow Wing Charn

Non-Executive Director:
Mr. Peter Anthony Curry

Independent Non-Executive Directors:
Mr. Evan Au Yang Chi Chun, Mr. David Craig Bartlett, Mr. Alan Stephen Jones, Ms. Vivian Alexa Kao, Ms. Jacqueline Alee Leung and Mr. Wayne Robert Porritt