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新鴻基有限公司
SUN HUNG KAI & CO. LIMITED

(Incorporated in Hong Kong with limited liability)
(Stock Code: 86)

CONTINUING CONNECTED TRANSACTIONS IN RESPECT OF (I) THE AGL MASTER LEASE AGREEMENT AND (II) THE ART VIEW MASTER LEASE AGREEMENT

THE AGL MASTER LEASE AGREEMENT

The Board announces that the Company (as lessee) and AGL (as lessor) entered into the AGL Master Lease Agreement on 19 December 2025, whereby any member(s) of the Group may enter into, renew or amend any tenancies, sub-tenancies, leases, sub-leases and/or licenses in respect of the AGL Properties from time to time with any member(s) of the AGL Group during the period commencing from 1 January 2026 and expiring on 31 December 2028 (both days inclusive) subject to the AGL Master Lease Annual Caps.

THE ART VIEW MASTER LEASE AGREEMENT

The Board further announces that the Company (as lessee) and Art View (as lessor) entered into the Art View Master Lease Agreement on 19 December 2025, whereby any member(s) of the Group may enter into, renew or amend any tenancies, sub-tenancies, leases, sub-leases and/or licenses in respect of the Art View Properties from time to time with Art View during the period commencing from 1 January 2026 and expiring on 31 December 2028 (both days inclusive) subject to the Art View Master Lease Annual Caps.

LISTING RULES IMPLICATIONS

As at the date of this announcement, the Company is indirectly held as to approximately 73.51% by AGL. Accordingly, AGL is regarded as a connected person of the Company under the Listing Rules, and the transactions contemplated under the AGL Master Lease Agreement constitute continuing connected transactions of the Company.

As at the date of this announcement, AGL also indirectly owns 50% interest in Art View. Accordingly, Art View is regarded as a connected person of the Company under the Listing Rules, and the transactions contemplated under the Art View Master Lease Agreement constitute continuing connected transactions of the Company.

The transactions contemplated under the AGL Master Lease Agreement and the Art View Master Lease Agreement have been aggregated for the Listing Rules purposes on the basis that they all relate to properties leased, subleased or licensed by the AGL Group or its associates to member(s) of the Group.

The transactions contemplated under the AGL Master Lease Agreement and the Art View Master Lease Agreement shall be subject to the announcement, annual reporting and annual review requirements but exempt from the circular, independent financial advice and shareholders' approval requirements under Chapter 14A of the Listing Rules as the applicable percentage ratios exceed 0.1% but all are less than 5%.

Details of the AGL Master Lease Agreement, the Art View Master Lease Agreement and the respective transactions contemplated thereunder will be included in the next published annual report of the Company in accordance with Rule 14A.49 of the Listing Rules.

(I) THE AGL MASTER LEASE AGREEMENT

The Board announces that the Company (as lessee) and AGL (as lessor) entered into the AGL Master Lease Agreement on 19 December 2025, whereby any member(s) of the Group may enter into, renew or amend any tenancies, sub-tenancies, leases, sub-leases and/or licenses in respect of the AGL Properties from time to time with any member(s) of the AGL Group during the period commencing from 1 January 2026 and expiring on 31 December 2028 (both days inclusive) subject to the AGL Master Lease Annual Caps.

Date: 19 December 2025

Parties: (1) the Company (as lessee)

(2) AGL (as lessor)

Term: 3 years commencing from 1 January 2026 and expiring on 31 December 2028 (both days inclusive)

Subject Matter

The AGL Master Lease Agreement sets out a framework of the terms on which any member(s) of the Group may enter into, renew or amend any tenancies, sub-tenancies, leases, sub-leases and licenses in respect of the AGL Properties from time to time with any member(s) of the AGL Group as may be necessary for the business needs of the Group.

Major terms of the AGL Master Lease Agreement

(a) The terms of all Leases contemplated under the AGL Master Lease Agreement shall be negotiated on an arm's length basis and shall be fair and reasonable.

(b) The rent and Management Fees payable by the relevant member(s) of the Group to the relevant member(s) of the AGL Group under the Leases contemplated under the AGL Master Lease Agreement will be determined between the relevant member(s) of the Group and the relevant member(s) of the AGL Group with reference to the prevailing market conditions and the rental level of similar properties in the vicinity of the relevant AGL Properties and the actual Management Fee charged by the property manager. The rent and other charges payable by the relevant member(s) of the Group to the relevant member(s) of the AGL Group shall be no less favourable to the relevant member(s) of the Group than the prevailing market value with reference to the quotations and rental information gathered by the Group of comparable properties in the vicinity of the relevant AGL Properties and are monitored regularly under the Group's internal control procedures. In addition, the rent payable by the relevant member(s) of the Group to the relevant member(s) of the AGL Group shall not be exceeding the market rent.

(c) The rent and Management Fees shall be payable by the relevant member(s) of the Group to the relevant member(s) of the AGL Group in accordance with the AGL Master Lease Agreement and the Leases contemplated under the AGL Master Lease Agreement, subject to the AGL Master Lease Annual Caps.

(d) The terms of the Leases contemplated under the AGL Master Lease Agreement (including options to renew the relevant tenancy, sub-tenancy, lease, sub-lease or licence, if any) shall expire on or before the expiry date of the AGL Master Lease Agreement.

(e) The aggregate amount of the annual total value of the right-of-use assets and annual total short-term rental expenses relating to the Leases contemplated under the AGL Master Lease Agreement and aggregate annual Management Fees payable under all the Leases contemplated under the AGL Master Lease Agreement shall be within the limit of the AGL Master Lease Annual Caps for Rental Payment and the AGL Master Lease Annual Caps for Management Fees, respectively.

(f) In the event that the aggregate amount of the annual total value of the right-of-use assets and the annual total short-term rental expenses relating to the Leases contemplated under the AGL Master Lease Agreement exceed the AGL Master Lease Annual Caps for Rental Payment or the aggregate annual Management Fees payable under all the Leases contemplated under the AGL Master Lease Agreement exceed the AGL Master Lease Annual Caps for Management Fees, AGL and the Company shall enter into a supplemental agreement for the purpose of amending the terms and conditions therein in particular the exceeded annual caps and AGL agrees to provide assistance to the Company in complying with the applicable requirements under the Listing Rules.

Leases contemplated under the AGL Master Lease Agreement

As at the date of this announcement, the relevant member(s) of the Group and the relevant member(s) of the AGL Group are expected to enter into the following Leases contemplated under the AGL Master Lease Agreement:

Leases	**Premises**	**Area** *(sq. feet)*	**Term**	**Monthly Rent** *(HK$)*	**Monthly Management Fees**[1] *(HK$)*
Tenancy agreement[2]	The whole of 23/F and 27/F, United Asia Finance Centre	10,600	1 January 2026 – 31 December 2028	371,000.00	61,480.00
Sub-tenancy agreement	A portion of 24/F, Allied Kajima Building	561	1 January 2026 – 31 March 2027	22,400.00 (inclusive of Management Fees)	–

Notes:

1. The monthly Management Fees are subject to adjustments in accordance with the terms and conditions of the relevant Leases contemplated under the AGL Master Lease Agreement.

2. Pursuant to the tenancy agreement in relation to the whole of 23rd and 27th Floor, United Asia Finance Centre, the relevant member of the Group will agree to pay the relevant member of the AGL Group a nominal fee of HK$10,000.00 per annum for being granted a naming right of the building at which the premises are situate.

Accounting implications and treatment under the Listing Rules in connection with the AGL Master Lease Agreement

The Previous AGL Master Lease Annual Caps and historical amounts under the Previous AGL Master Lease Agreement

The Previous AGL Master Lease Annual Caps are set out below:

	For the years ending 31 December		
	2023	**2024**	**2025**
	(HK$)	*(HK$)*	*(HK$)*
The Previous AGL Master Lease Annual Caps for Rental Payment	22,521,000	8,457,000	9,890,000
The Previous AGL Master Lease Annual Caps for Management Fees	2,589,000	3,589,000	3,827,000
The Previous AGL Master Lease Annual Caps	**25,110,000**	**12,046,000**	**13,717,000**

The historical rental amounts (including value of right-of-use assets and short term rental expenses) and Management Fees paid or payable by the Group to the AGL Group under the Previous AGL Master Lease Agreement are set out as follows:

	For the years ended 31 December		For the nine months ended 30 September
	2023	**2024**	**2025**
	(HK$)	*(HK$)*	*(HK$)*
Rental Payment	12,933,000	–	2,174,000
Management Fees	1,686,000	1,498,000	816,000

AGL Master Lease Annual Caps for Rental Payment:

In accordance with HKFRS 16 "Leases", the rental payment under the AGL Master Lease Agreement will be recognised as right-of-use assets on the consolidated statement of financial position of the Group.

The AGL Master Lease Annual Caps for Rental Payment for the years ending 31 December 2026, 31 December 2027 and 31 December 2028 are HK$37,522,000, HK$17,712,000 and HK$9,205,000 respectively. They are mainly determined with reference to:

(i) the Previous AGL Master Lease Annual Caps for Rental Payment and the historical rental amounts (including value of right-of-use assets and short term rental expenses) paid or payable by the Group to the AGL Group under the Previous AGL Master Lease Agreement;

(ii) the total value of right-of-use assets acquired by the relevant member(s) of the Group under the Leases contemplated under the AGL Master Lease Agreement for the year ending 31 December 2026 in the amount of HK$37,241,000; and

(iii) the estimated rental payment, including the right-of-use assets and short-term rental expenses, taking into consideration the possible new offices and roof top signage spaces at the AGL Properties to be leased, subleased or licensed (as the case may be) by the Group from the AGL Group which are expected to commence during the term of the AGL Master Lease Agreement.

AGL Master Lease Annual Caps for Management Fees:

The Management Fees under the AGL Master Lease Agreement will not be recognised as right-of-use assets but will continue to be recognised as expenses in the consolidated statement of profit or loss of the Group.

The AGL Master Lease Annual Caps for Management Fees for the years ending 31 December 2026, 31 December 2027 and 31 December 2028 are HK$1,757,000, HK$2,921,000 and HK$4,186,000 respectively. They are mainly determined with reference to:

(i) the Previous AGL Master Lease Annual Caps for Management Fees and the historical amounts of Management Fees paid or payable by the Group to the AGL Group under the Previous AGL Master Lease Agreement;

(ii) the estimated total annual Management Fees, taking into account Management Fees in respect of the Leases contemplated under the AGL Master Lease Agreement; and

(iii) the expected adjustments to be made to the Management Fees pursuant to the terms of the Leases contemplated under the AGL Master Lease Agreement.

The AGL Master Lease Annual Caps are set out below:

	For the years ending 31 December		
	2026	**2027**	**2028**
	(HK$)	*(HK$)*	*(HK$)*
The AGL Master Lease Annual Caps for Rental Payment	37,522,000	17,712,000	9,205,000
The AGL Master Lease Annual Caps for Management Fees	1,757,000	2,921,000	4,186,000
The AGL Master Lease Annual Caps	**39,279,000**	**20,633,000**	**13,391,000**

Reasons for and benefits of the transactions under the AGL Master Lease Agreement

The entering into of the AGL Master Lease Agreement is for the continuing business needs of the Group.

The rent and Management Fees payable pursuant to the AGL Master Lease Agreement was and will be determined between the relevant member(s) of the AGL Group and the relevant member(s) of the Group with reference to the prevailing market conditions and the rental level of similar properties in the vicinity of the relevant AGL Properties, where opinion(s) from independent professional valuer(s) have been and will be sought to confirm that the rentals are in the region of the prevailing market rental for the AGL Properties.

In view of the above, the Directors (including the independent non-executive Directors) consider that the transactions contemplated under the AGL Master Lease Agreement have been entered into in the ordinary and usual course of business of the Group and on normal commercial terms after arm's length negotiations between the parties, and the terms of the AGL Master Lease Agreement together with the AGL Master Lease Annual Caps are fair and reasonable and in the interests of the Company and its shareholders as a whole.

(II) THE ART VIEW MASTER LEASE AGREEMENT

The Board further announces that the Company (as lessee) and Art View (as lessor) entered into the Art View Master Lease Agreement on 19 December 2025, whereby any member(s) of the Group may enter into, renew or amend any tenancies, sub-tenancies, leases, sub-leases and/or licenses in respect of the Art View Properties from time to time with Art View during the period commencing from 1 January 2026 and expiring on 31 December 2028 (both days inclusive) subject to the Art View Master Lease Annual Caps.

Date: 19 December 2025

Parties: (1) the Company (as lessee)

(2) Art View (as lessor)

Subject Matter

The Art View Master Lease Agreement sets out a framework of the terms on which any member(s) of the Group may enter into, renew or amend any tenancies, sub-tenancies, leases, sub-leases and licenses in respect of the Art View Properties from time to time with Art View as may be necessary for the business needs of the Group.

Major terms of the Art View Master Lease Agreement

(a) The terms of all Leases contemplated under the Art View Master Lease Agreement shall be negotiated on an arm's length basis and shall be fair and reasonable.

(b) The rent and Management Fees payable by the relevant member(s) of the Group to Art View under the Leases contemplated under the Art View Master Lease Agreement will be determined between the relevant member(s) of the Group and Art View with reference to the prevailing market conditions and the rental level of similar properties in the vicinity of the Art View Properties and the actual Management Fee charged by the property manager. The rent and other charges payable by the relevant member(s) of the Group to Art View and shall be no less favourable to the relevant member(s) of the Group than the prevailing market value with reference to the quotations and rental information gathered by the Group of comparable properties in the vicinity of the Art View Properties and are monitored regularly under the Group's internal control procedures. In addition, the rent payable by the relevant member(s) of the Group to Art View shall not be exceeding market rent.

(c) The rent and Management Fees shall be payable by the relevant member(s) of the Group to Art View in accordance with the Art View Master Lease Agreement and the Leases contemplated under the Art View Master Lease Agreement, subject to the Art View Master Lease Annual Caps.

(d) The terms of the Leases contemplated under the Art View Master Lease Agreement (including options to renew the relevant tenancy, sub-tenancy, lease, sub-lease or licence, if any) shall expire on or before the expiry date of the Art View Master Lease Agreement.

(e) The aggregate amount of the annual total value of the right-of-use assets and annual total short-term rental expenses relating to the Leases contemplated under the Art View Master Lease Agreement and aggregate annual Management Fees payable under all the Leases contemplated under the Art View Master Lease Agreement shall be within the limit of the Art View Master Lease Annual Caps for Rental Payment and the Art View Master Lease Annual Caps for Management Fees, respectively.

(f) In the event that the aggregate amount of the annual total value of the right-of-use assets and the annual total short-term rental expenses relating to the Leases contemplated under the Art View Master Lease Agreement exceed the Art View Master Lease Annual Caps for Rental Payment or the aggregate annual Management Fees payable under all the Leases contemplated under the Art View Master Lease Agreement exceed the Art View Master Lease Annual Caps for Management Fees, Art View and the Company shall enter into a supplemental agreement for the purpose of amending the terms and conditions therein in particular the exceeded annual caps and Art View agrees to provide assistance to the Company in complying with the applicable requirements under the Listing Rules.

Leases contemplated under the Art View Master Lease Agreement

As at the date of this announcement, the relevant member(s) of the Group and Art View are expected to enter into the following Leases contemplated under the Art View Master Lease Agreement:

Leases	Premises	Area *(sq. feet)*	Term	Monthly Rent *(HK$)*	Monthly Management Fees[1] *(HK$)*
Tenancy agreement	The whole of 5/F, Allied Kajima Building	9,506	1 January 2026 – 31 December 2028	337,463.00	65,591.40
Tenancy agreement	The whole of 6/F, Allied Kajima Building	9,506	1 January 2026 – 31 December 2028	337,463.00	65,591.40
Tenancy agreement	The whole of 7/F, Allied Kajima Building	9,506	1 January 2026 – 31 December 2028	337,463.00	65,591.40
Tenancy agreement	Rooms 803-5, 8/F, Allied Kajima Building	5,290	1 January 2026 – 31 December 2027	187,795.00	36,501.00
Tenancy agreement	The whole of 10/F, Allied Kajima Building	9,506	1 January 2026 – 31 December 2028	337,463.00	65,591.40
Tenancy agreement	The whole of 20/F, Allied Kajima Building	9,506	1 January 2026 – 31 December 2028	337,463.00	65,591.40
Tenancy agreement	The whole of 21/F, Allied Kajima Building	9,506	1 January 2026 – 31 December 2028	337,463.00	65,591.40

Note:

1. The monthly Management Fees are subject to adjustments in accordance with the terms and conditions of the relevant Leases contemplated under the Art View Master Lease Agreement.

Accounting implications and treatment under the Listing Rules in connection with the Art View Master Lease Agreement

The Previous Art View Master Lease Annual Caps and historical amounts under the Previous Art View Master Lease Agreement

The Previous Art View Master Lease Annual Caps are set out below:

	For the years ending 31 December		
	2023	**2024**	**2025**
	(HK$)	*(HK$)*	*(HK$)*
The Previous Art View Master Lease Annual Caps for Rental Payment	6,851,000	105,426,000	5,935,000
The Previous Art View Master Lease Annual Caps for Management Fees	8,153,000	8,626,000	10,012,000
The Previous Art View Master Lease Annual Caps	**15,004,000**	**114,052,000**	**15,947,000**

The historical rental amounts (including value of right-of-use assets and short term rental expenses) and Management Fees paid or payable by the Group to Art View under the Previous Art View Master Lease Agreement are set out as follows:

	For the years ended 31 December		For the nine months ended 30 September
	2023	**2024**	**2025**
	(HK$)	*(HK$)*	*(HK$)*
Rental Payment	–	54,375,000	–
Management Fees	5,335,000	5,161,000	3,871,000

Art View Master Lease Annual Caps for Rental Payment:

In accordance with HKFRS 16 "Leases", the rental payment under the Art View Master Lease Agreement will be recognised as right-of-use assets on the consolidated statement of financial position of the Group.

The Art View Master Lease Annual Caps for Rental Payment for the years ending 31 December 2026, 31 December 2027 and 31 December 2028 are HK$96,753,000, HK$10,199,000 and HK$9,568,000 respectively. They are mainly determined with reference to:

(i) the Previous Art View Master Lease Annual Caps for Rental Payment and the historical rental amounts (including value of right-of-use assets and short term rental expenses) paid or payable by the Group to Art View under the Previous Art View Master Lease Agreement;

(ii) the total value of right-of-use assets acquired by the relevant member(s) of the Group under the Leases contemplated under the Art View Master Lease Agreement for the year ending 31 December 2026 in the amount of HK$96,753,000; and

(iii) the estimated rental payment, including the right-of-use assets and short-term rental expenses, taking into consideration the possible new offices at the Art View Properties to be leased, subleased or licensed (as the case may be) by the Group from Art View which are expected to commence during the term of the Art View Master Lease Agreement.

Art View Master Lease Annual Caps for Management Fees:

The Management Fees under the Art View Master Lease Agreement will not be recognised as right-of-use assets but will continue to be recognised as expenses in the consolidated statement of profit or loss of the Group.

The Art View Master Lease Annual Caps for Management Fees for the years ending 31 December 2026, 31 December 2027 and 31 December 2028 are HK$5,948,000, HK$7,409,000 and HK$9,102,000 respectively. They are mainly determined with reference to:

(i) the Previous Art View Master Lease Annual Caps for Management Fees and the historical amounts of Management Fees paid or payable by the Group to Art View under the Previous Art View Master Lease Agreement;

(ii) the estimated total annual Management Fees, taking into account Management Fees in respect of the Leases contemplated under the Art View Master Lease Agreement; and

(iii) the expected adjustments to be made to the Management Fees pursuant to the terms of the Leases contemplated under the Art View Master Lease Agreement.

The Art View Master Lease Annual Caps are set out below:

	For the years ending 31 December		
	2026	**2027**	**2028**
	(HK$)	*(HK$)*	*(HK$)*
The Art View Master Lease Annual Caps for Rental Payment	96,753,000	10,199,000	9,568,000
The Art View Master Lease Annual Caps for Management Fees	5,948,000	7,409,000	9,102,000
The Art View Master Lease Annual Caps	**102,701,000**	**17,608,000**	**18,670,000**

Reasons for and benefits of the transactions under the Art View Master Lease Agreement

The entering into of the Art View Master Lease Agreement is for the continuing business needs of the Group.

The rent and Management Fees payable pursuant to the Art View Master Lease Agreement was and will be determined between Art View and the relevant member(s) of the Group with reference to the prevailing market conditions and the rental level of similar properties in the vicinity of the Art View Properties, where opinion(s) from independent professional valuer(s) have been and will be sought to confirm that the rentals are in the region of the prevailing market rental for the Art View Properties.

In view of the above, the Directors (including the independent non-executive Directors) consider that the transactions contemplated under the Art View Master Lease Agreement have been entered into in the ordinary and usual course of business of the Group and on normal commercial terms after arm's length negotiations between the parties, and the terms of the Art View Master Lease Agreement together with the Art View Master Lease Annual Caps are fair and reasonable and in the interests of the Company and its shareholders as a whole.

AGGREGATED ANNUAL CAPS

As the transactions contemplated under the AGL Master Lease Agreement and the Art View Master Lease Agreement all relate to properties leased, subleased or licensed by the AGL Group or its associates to member(s) of the Group, the AGL Master Lease Annual Caps and the Art View Master Lease Annual Caps have been aggregated for the Listing Rules purposes.

The annual caps with respect to the aggregated transactions for the three years ending 31 December 2028 are set out below:

	For the years ending 31 December		
	2026	**2027**	**2028**
	(HK$)	*(HK$)*	*(HK$)*
AGL Master Lease Annual Caps	39,279,000	20,633,000	13,391,000
Art View Master Lease Annual Caps	102,701,000	17,608,000	18,670,000
Aggregated annual caps	**141,980,000**	**38,241,000**	**32,061,000**

INTERNAL CONTROL MEASURES

In order to safeguard the interests of the Company and its shareholders as a whole, the Group has adopted certain guidelines and principles in monitoring the transactions contemplated under the AGL Master Lease Agreement and the Art View Master Lease Agreement, namely:

(i) the Company's finance department will be responsible for monitoring the transactions contemplated under the AGL Master Lease Agreement and the Art View Master Lease Agreement, carrying out periodic review and ascertaining the remaining balances of the AGL Master Lease Annual Caps and the Art View Master Lease Annual Caps to ensure that the relevant transactions are conducted in accordance with the respective terms of the AGL Master Lease Agreement and the Art View Master Lease Agreement and that the AGL Master Lease Annual Caps and the Art View Master Lease Annual Caps are not exceeded; and, if it considers necessary, the Company's finance department will report any matter relevant to the AGL Master Lease Agreement and/or the Art View Master Lease Agreement to the Board, including without limitation the need to review the AGL Master Lease Annual Caps and/or the Art View Master Lease Annual Caps, to ensure compliance with the applicable requirements under Chapter 14A of the Listing Rules;

(ii) opinion(s) from independent professional valuer(s) will be sought to confirm that the rentals are in the region of the prevailing market rental for the relevant properties;

(iii) Management Fees for similar properties in the vicinity of the relevant AGL Properties and the Art View Properties will be compared to confirm that the Management Fees payable by the relevant member(s) of the Group are in the region of the prevailing market value for the relevant properties;

(iv) the external auditors of the Company will conduct annual review on the pricing in relation to the transactions contemplated under the AGL Master Lease Agreement and the Art View Master Lease Agreement as well as the AGL Master Lease Annual Caps and the Art View Master Lease Annual Caps, and provide annual confirmation in accordance with the Listing Rules;

(v) the independent non-executive Directors will conduct annual review on the transactions contemplated under the AGL Master Lease Agreement and the Art View Master Lease Agreement as well as the AGL Master Lease Annual Caps and the Art View Master Lease Annual Caps, and provide annual confirmation in accordance with the Listing Rules; and

(vi) the Company will conduct annual review on the transactions contemplated under the AGL Master Lease Agreement and the Art View Master Lease Agreement as well as the AGL Master Lease Annual Caps and the Art View Master Lease Annual Caps, and take all necessary measures to address any matter relating to the AGL Master Lease Agreement and/or the Art View Master Lease Agreement.

INFORMATION ABOUT THE COMPANY, AGL, ART VIEW AND KAJIMA CORPORATION

THE COMPANY

The Company is a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange.

The principal business activity of the Company is investment holding. The principal business activities of its major subsidiaries are credit which includes consumer finance and mortgage loans, and investment management & funds management.

As at the date of this announcement, the Company is beneficially owned as to approximately 73.51% by AGL.

AGL

AGL is a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange.

The principal business activity of AGL is investment holding. The principal business activities of its major subsidiaries are development and investment of residential, office and commercial properties, hospitality related activities, investment and operation of hospital, eldercare and health related businesses, provision of property management, cleaning and security guarding services, and the provision of finance, investments in listed and unlisted securities and funds management.

As at the date of this announcement, AGL is beneficially owned as to approximately 74.99% by Lee and Lee Trust (inclusive of Mr. Lee Seng Hui's personal interests), being a discretionary trust.

Art View

Art View is incorporated in Hong Kong with limited liability and is indirectly held by each of AGL and Kajima Corporation as to 50%. The principal business activity of Art View is property holding.

Kajima Corporation

Kajima Corporation is a company incorporated in Japan and is a listed company, whose shares are traded on two leading Japanese stock exchanges and is a constituent of the Nikkei 225 stock index. The principal business activities of Kajima Corporation and its subsidiaries are design, construction, construction material procurement, real estate development and management, and publishing, etc. Based on the information available to the public, as of 31 March 2025, the major stockholders of Kajima Corporation were The Master Trust Bank of Japan, Ltd. (Trust Account), holding 17.14% of its shares, and Custody Bank of, Japan, Ltd. (Trust Account), holding 9.47% of its shares.

LISTING RULES IMPLICATIONS

As at the date of this announcement, the Company is indirectly held as to approximately 73.51% by AGL. Accordingly, AGL is regarded as a connected person of the Company under the Listing Rules, and the transactions contemplated under the AGL Master Lease Agreement constitute continuing connected transactions of the Company.

As at the date of this announcement, AGL also indirectly owns 50% interest in Art View. Accordingly, Art View is regarded as a connected person of the Company under the Listing Rules, and the transactions contemplated under the Art View Master Lease Agreement constitute continuing connected transactions of the Company.

The transactions contemplated under the AGL Master Lease Agreement and the Art View Master Lease Agreement have been aggregated for the Listing Rules purposes on the basis that they all relate to properties leased, subleased or licensed by the AGL Group or its associates to member(s) of the Group.

The transactions contemplated under the AGL Master Lease Agreement and the Art View Master Lease Agreement shall be subject to the announcement, annual reporting and annual review requirements but exempt from the circular, independent financial advice and shareholders' approval requirements under Chapter 14A of the Listing Rules as the applicable percentage ratios exceed 0.1% but all are less than 5%.

Details of the AGL Master Lease Agreement, the Art View Master Lease Agreement and the respective transactions contemplated thereunder will be included in the next published annual report of the Company in accordance with Rule 14A.49 of the Listing Rules.

As at the date of this announcement, Mr. Lee Seng Huang (the Group Executive Chairman and an Executive Director of the Company) is one of the trustees of the Lee and Lee Trust, being a discretionary trust which together with the personal interest of Mr. Lee Seng Hui, controls approximately 74.99% interest in the total number of shares in issue of AGL, which in turn owns indirectly 50% interest in Art View. Accordingly, Mr. Lee Seng Huang is deemed to be interested in the AGL Master Lease Agreement and the Art View Master Lease Agreement and has abstained from voting on the relevant board resolutions of the Company. Apart from the above, none of the Directors has any material interest in the AGL Master Lease Agreement and the Art View Master Lease Agreement and is required to abstain from voting on the board resolutions of the Company approving the AGL Master Lease Agreement, the Art View Master Lease Agreement and the transactions contemplated thereunder.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

"AGL"	Allied Group Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 373)
"AGL Group"	AGL and its subsidiaries from time to time

"AGL Master Lease Agreement"	the master lease agreement dated 19 December 2025 entered into between the Company as lessee and AGL as lessor for a term commencing from 1 January 2026 and expiring on 31 December 2028 (both days inclusive)
"AGL Master Lease Annual Caps"	the aggregate amount of the AGL Master Lease Annual Caps for Rental Payment and AGL Master Lease Annual Caps for Management Fees for each of the three years ending 31 December 2028 under the AGL Master Lease Agreement
"AGL Master Lease Annual Caps for Management Fees"	the annual aggregate maximum amount of Management Fees payable by the Group to the AGL Group for each of the three years ending 31 December 2028 under the AGL Master Lease Agreement
"AGL Master Lease Annual Caps for Rental Payment"	the aggregate maximum amount of the annual total value of right-of-use assets and annual total short-term rental expenses relating to the Leases contemplated under the AGL Master Lease Agreement for each of the three years ending 31 December 2028 under the AGL Master Lease Agreement
"AGL Properties"	any of the properties beneficially owned by the AGL Group and, to the extent permitted by the head leases and any other agreements, arrangements and/or documents as may be entered into between the relevant member(s) of the AGL Group as tenant and the relevant head landlords, any of the properties leased by the AGL Group except those properties beneficially owned by the Group or Tian An China Investments Company Limited or its subsidiaries from time to time
"Allied Kajima Building" or "Art View Properties"	Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong, which is owned by Art View
"Art View"	Art View Properties Limited, a company incorporated in Hong Kong with limited liability, which is indirectly owned as to 50% by AGL

"Art View Master Lease Agreement"	the master lease agreement dated 19 December 2025 entered into between the Company as lessee and Art View as lessor for a term commencing from 1 January 2026 and expiring on 31 December 2028 (both days inclusive)
"Art View Master Lease Annual Caps"	the aggregate amount of the Art View Master Lease Annual Caps for Rental Payment and Art View Master Lease Annual Caps for Management Fees for each of the three years ending 31 December 2028 under the Art View Master Lease Agreement
"Art View Master Lease Annual Caps for Management Fees"	the annual aggregate maximum amount of Management Fees payable by the Group to Art View for each of the three years ending 31 December 2028 under the Art View Master Lease Agreement
"Art View Master Lease Annual Caps for Rental Payment"	the aggregate maximum amount of the annual total value of right-of-use assets and annual total short-term rental expenses relating to the Leases contemplated under the Art View Master Lease Agreement for each of the three years ending 31 December 2028 under the Art View Master Lease Agreement
"associate"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Company"	Sun Hung Kai & Co. Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 86) and an indirect non-wholly owned subsidiary of AGL
"connected persons"	having the meaning ascribed to it under the Listing Rules
"Directors"	the directors of the Company
"Group"	the Company and its subsidiaries from time to time
"HKFRS"	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants

"HK$" or "Hong Kong Dollars"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	Hong Kong Special Administrative Region of the People's Republic of China
"Leases contemplated under the AGL Master Lease Agreement"	the tenancies, sub-tenancies, leases, sub-leases or licences entered or to be entered into, renewed or amended by member(s) of the Group with member(s) of the AGL Group in relation to the AGL Properties under the AGL Master Lease Agreement from time to time, including without limitation such tenancies, sub-tenancies, leases, sub-leases or licences set out under the section headed "(I) THE AGL MASTER LEASE AGREEMENT – Leases contemplated under the AGL Master Lease Agreement" in this announcement
"Leases contemplated under the Art View Master Lease Agreement"	the tenancies, sub-tenancies, leases, sub-leases or licences entered or to be entered into, renewed or amended by member(s) of the Group with Art View in relation to the Art View Properties under the Art View Master Lease Agreement from time to time, including without limitation such tenancies, sub-tenancies, leases, sub-leases or licences set out under the section headed "(II) THE ART VIEW MASTER LEASE AGREEMENT – Leases contemplated under the Art View Master Lease Agreement" in this announcement
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Management Fees"	management fees, including air-conditioning charges, electricity charges, maintenance fees and other utility expenses, etc., payable under the relevant master leases, leases, tenancy agreements, sub-tenancy agreements and/or license agreements
"percentage ratio(s)"	percentage ratio(s) as set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction

"Previous AGL Master Lease Agreement"	master lease agreement dated 30 January 2023 entered into between the Company as lessee and AGL as lessor
"Previous AGL Master Lease Annual Caps"	the aggregate amount of the Previous AGL Master Lease Annual Caps for Rental Payment and Previous AGL Master Lease Annual Caps for Management Fees for each of the three years ending 31 December 2025 under the Previous AGL Master Lease Agreement
"Previous AGL Master Lease Annual Caps for Management Fees"	the annual aggregate maximum amount of Management Fees payable by the Group to the AGL Group for each of the three years ending 31 December 2025 under the Previous AGL Master Lease Agreement
"Previous AGL Master Lease Annual Caps for Rental Payment"	the aggregate maximum amount of the annual total value of right-of-use assets and annual total short-term rental expenses relating to the tenancies, sub-tenancies, leases, sub-leases or licences in relation to the AGL Properties contemplated under the Previous AGL Master Lease Agreement for each of the three years ending 31 December 2025 under the Previous AGL Master Lease Agreement
"Previous Art View Master Lease Agreement"	the master lease agreement dated 1 December 2020 as amended and/or supplemented by a supplemental agreement dated 31 March 2022 and a second supplemental agreement dated 30 January 2023 entered into between the Company as lessee and Art View as lessor
"Previous Art View Master Lease Annual Caps"	the aggregate amount of the Previous Art View Master Lease Annual Caps for Rental Payment and Previous Art View Master Lease Annual Caps for Management Fees for each of the three years ending 31 December 2025 under the Previous Art View Master Lease Agreement
"Previous Art View Master Lease Annual Caps for Management Fees"	the annual aggregate maximum amount of Management Fees payable by the Group to Art View for each of the three years ending 31 December 2025 under the Previous Art View Master Lease Agreement

"Previous Art View Master Lease Annual Caps for Rental Payment"	the aggregate maximum amount of the annual total value of right-of-use assets and annual total short-term rental expenses relating to the tenancies, sub-tenancies, leases, sub-leases or licences in relation to the Art View Properties contemplated under the Previous Art View Master Lease Agreement for each of the three years ending 31 December 2025 under the Previous Art View Master Lease Agreement
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"United Asia Finance Centre"	United Asia Finance Centre, No. 333 Lockhart Road, Wanchai, Hong Kong, which is owned by Jaffe Development Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of AGL
"%"	per cent.

On behalf of the Board
Sun Hung Kai & Co. Limited
Brendan James McGraw
Executive Director

Hong Kong, 19 December 2025

As at the date of this announcement, the Board comprises Messrs. Lee Seng Huang (Group Executive Chairman), Antony James Edwards and Brendan James McGraw being the Executive Directors; Messrs. Simon Chow Wing Charn and Peter Anthony Curry being the Non-Executive Directors; and Mr. Evan Au Yang Chi Chun, Mr. David Craig Bartlett, Mr. Alan Stephen Jones, Ms. Vivian Alexa Kao, Ms. Jacqueline Alee Leung, Mr. Wayne Robert Porritt and Mr. William Thomas Royan being the Independent Non-Executive Directors.