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L A I F U N G H O L D I N G S

Lai Fung Holdings Limited  
(Incorporated in the Cayman Islands with limited liability)  
(Stock Code: 1125)

## APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Shek Lai Him, Abraham has been appointed an Independent Non-executive Director of the Company with effect from 19 December 2012.

The board of directors (the “**Board**”) of Lai Fung Holdings Limited (the “**Company**”) announces that Mr. Shek Lai Him, Abraham (“**Mr. Shek**”) has been appointed an Independent Non-executive Director of the Company (the “**INED**”) with effect from 19 December 2012.

Mr. Shek, *SBS, JP*, aged 67, was appointed in Hong Kong a Justice of the Peace in 1995 and awarded the Silver Bauhinia Star in 2007. He has been a member of the Legislative Council for the Hong Kong Special Administrative Region of the People’s Republic of China (the “**PRC**”), representing the real estate and construction functional constituency since 2000. Mr. Shek acts as an independent non-executive director of a number of companies listed on the Main Board of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”), including Midas International Holdings Limited, Paliburg Holdings Limited, Lifestyle International Holdings Limited, Chuang’s Consortium International Limited, NWS Holdings Limited, Titan Petrochemicals Group Limited (“**Titan**”), ITC Corporation Limited, Country Garden Holdings Company Limited, MTR Corporation Limited, Hsin Chong Construction Group Ltd., Hop Hing Group Holdings Limited, SJM Holdings Limited, Dorsett Hospitality International Limited (formerly known as “Kosmopolito Hotels International Limited”), China Resources Cement Holdings Limited, Eagle Asset Management (CP) Limited acting as the manager of Champion Real Estate Investment Trust and Regal Portfolio Management Limited acting as the manager of Regal Real Estate Investment Trust. Moreover, he is the chairman and an independent non-executive director of Chuang’s China Investments Limited as well as the vice chairman and an independent non-executive director of ITC Properties Group Limited.

Mr. Shek is also a member of the 5th Shenzhen Municipal Committee of the Chinese People's Political Consultative Conference of the PRC, a director of The Hong Kong Mortgage Corporation Limited, the Vice-Chairman of the Independent Police Complaints Council in Hong Kong, a Member of the Court and the Council of The University of Hong Kong and a Member of the Court of The Hong Kong University of Science and Technology. He graduated from the University of Sydney, Australia with a Bachelor of Arts Degree and a Diploma in Education.

The Board has been made aware of the announcements dated 18 March, 12 and 20 July, 2, 7, 15, 17 and 31 August, 5 and 19 September and 12 November 2012, respectively and published by Titan, a company incorporated in Bermuda and listed on the Main Board of the Stock Exchange (collectively, the "**Titan Announcements**"). According to the Titan Announcements, on 9 July 2012 (Bermuda time), Saturn Petrochemical Holdings Limited ("**SPHL**") served on Titan a petition (the "**Petition**") at the Supreme Court of Bermuda for an order, amongst other things, to wind up and to appoint a provisional liquidator against Titan. After several hearings of the Petition, the court, amongst other things, adjourned the hearing of the Petition to 15 February 2013 (Bermuda time). Mr. Shek has been an independent non-executive director of Titan since 27 February 2006.

According to the 2011 Annual Report of Titan, it is a provider of oil logistic and marine services in the Asia Pacific region, in particular, in the PRC and, together with its subsidiaries, operates onshore and offshore storage facilities and a multi-functional ship-repair and shipbuilding yard. As disclosed in the Titan Announcements, the Petition is in relation to a notice to Titan from SPHL to redeem all of the outstanding convertible redeemable preferred shares issued by Titan and held by SPHL at a redeemable amount equal to the notional value of those shares (being HK\$310.8 million) together with any accrued and unpaid dividends. Mr. Shek has confirmed that he is not in a position to indicate the outcome of the Petition. The Board has no information on the abovementioned matter other than those set out in the Titan Announcements.

Mr. Shek has entered into a service contract with the Company with no fixed term. In accordance with the provisions of the Articles of Association of the Company, he is due to retire from office as Director at the next annual general meeting of the Company and is eligible for election thereat. If elected, he will be subject to retirement by rotation once every three years since then and will be eligible for re-election at future annual general meetings of the Company. Mr. Shek will be entitled to receive an annual director's fee of HK\$250,000 and such other remuneration and discretionary bonus as may be determined by the Board from time to time with reference to the performance of the Company, his duties and responsibilities and time allocated to the Company as well as the prevailing market conditions.

Saved as disclosed above, Mr. Shek does not hold any other directorship in listed public companies in the last three years and does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. As at the date of this announcement, Mr. Shek does not have any interests or short positions in the shares, underlying shares and/or debentures of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong.

To the best knowledge of the Board, saved as disclosed above, there are no other matters relating to Mr. Shek's appointment as an INED that need to be brought to the attention of the shareholders of the Company, and there is no information that needs to be disclosed pursuant to the requirement of Rule 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange.

The Board extends its warm welcome to Mr. Shek for joining the Board.

By Order of the Board  
**Lai Fung Holdings Limited**  
**Kwok Siu Man**  
*Company Secretary*

Hong Kong, 19 December 2012

*As at the date of this announcement, the Board comprises seven Executive Directors, namely Mr. Chew Fook Aun (Chairman), Dr. Lam Kin Ming (Deputy Chairman), Mr. Lam Kin Hong, Matthew (Executive Deputy Chairman), Mr. Lam Hau Yin, Lester (Chief Executive Officer), Madam U Po Chu, Mr. Lau Shu Yan, Julius and Mr. Cheng Shin How; two Non-executive Directors, namely Mr. Leow Juan Thong, Jason and Mr. Lucas Ignatius Loh Jen Yuh (also alternate to Mr. Leow Juan Thong, Jason); and five Independent Non-executive Directors, namely Messrs. Lam Bing Kwan, Ku Moon Lun, Law Kin Ho, Mak Wing Sum, Alvin and Shek Lai Him, Abraham.*