

LCQ6: Administration of estate of late Mrs Nina Wang

Following is a question by the Hon Judy Chan and a reply by the Secretary for Justice, Mr Paul Lam, SC, in the Legislative Council today (February 19):

Question:

The Department of Justice issued a statement last month, formally appointing Nina Wang Charity Management Limited as the trustee of the charitable trust of Mrs Wang's estate. There are views that as it has almost been 10 years since the Court of Final Appeal handed down its judgment on the estate of over \$140 billion, coupled with the high management fees of the charitable trust while yielding no social benefits, the trustee should release the estate for charitable purposes as soon as possible, particularly when the Government is facing a deficit and needs the support of the business sector to promote charitable causes. In this connection, will the Government inform this Council:

(1) whether it knows the relevant expenses incurred in dealing with the management, legal proceedings, etc, of the aforesaid charitable trust since the Court of Final Appeal handed down its judgment in 2015;

(2) when the authorities plan to announce the membership of the trustee's board of governors, the scheme of administration for the estate, and other relevant information; and

(3) how it supports the trustee in fulfilling its responsibilities, including assisting the trustee in manpower deployment and formulation of relevant budgets, so as to facilitate the trustee's vetting and approval of charity projects, conduct of fundraising, and preparation for setting up a "fund and a Chinese prize of worldwide significance similar to that of the Nobel Prize" in accordance with Mrs Wang's testamentary wishes?

Reply:

President,

In relation to the Estate, the Secretary for Justice (SJ) has been actively following up on the blueprint of the scheme for administration of the Estate (Scheme) as laid down in the judgment of the Court of Final Appeal dated May 18, 2015, as well as the subsequent legal proceedings, court orders and directions in the legal capacity of the protector of charities. On May 16, 2024, the court approved the Scheme submitted by the SJ. The SJ then made an application to the court to appoint Nina Wang Charity Management Limited as the Trustee of the charitable trust under Mrs Wang's Estate, with the court's approval granted on November 21, 2024. The SJ has also appointed

three independent individuals, namely Mrs Rita Fan Hsu Lai-tai, Mr Joseph Yam Chi-kwong and Mr Cheng Yan-kee, as members of the supervisory managing organisation (SMO) responsible for supervising the operation of the Trustee.

In relation to the Hon Judy Chan's questions, I reply as follows:

(1) The expenses incurred by the interim administrators in managing the Estate have been prescribed by the Court in the Appointment Order and are subject to the Court's scrutiny. However, according to the court's order, the relevant terms of the order are subject to confidentiality and cannot be disclosed without the court's approval. The SJ in the capacity of the protector of charities will continue to follow up as appropriate so as to ensure that the interim administrators' expenses are maintained at a reasonable level.

Regarding the expenses incurred in the related legal proceedings, we are unable to provide such information at this stage as the relevant legal proceedings are still ongoing, and the legal costs will have to be eventually taxed by the court.

(2) As to when information regarding the composition of the Trustee's board of governors, details of the Scheme and other information will be announced, according to the Scheme approved by the court, the Trustee will pursuant to the terms of the Scheme and its relevant Articles of Association disclose related information at a suitable time later.

(3) The Trustee's main duty is to implement the Court's judgments and the relevant procedures under the Scheme. In view of the significant public interest involved, during the interim period the Department of Justice (DoJ) has been providing suitable support and assistance in respect of the preliminary work, including assisting the Trustee in forming its board of governors, so as to facilitate the Trustee to properly and expeditiously make use of the Estate for charitable purposes pursuant to the Scheme and the late Mrs Nina Wang's wishes. Upon formal commencement of the Trustee's operations, the same will be supervised, as I have mentioned earlier, by the SMO comprising three persons as provided for under the Scheme. The DoJ generally would not be directly involved with its operations unless necessary, but the SJ will, of course, in accordance with general legal principles continue to keep the matter in view in the capacity of the protector of charities, and exercise legal power to take appropriate actions when necessary.

The DoJ firmly believes that once the Trustee's board of governors is established and commences its operations, the Trustee will do its utmost in administering the charitable trust under the supervision of the SMO, including considering to conduct independent auditing of the Trust assets, launching charitable projects, carrying out fundraising and establishing a "fund and a Chinese prize of worldwide significance similar to that of the Nobel Prize", to fulfil Mrs Wang's testamentary wishes and bring benefits to the country, including different sectors of Hong Kong society.

Thank you, President.