



ALLIED GROUP LIMITED

(聯合集團有限公司)

(Incorporated in Hong Kong with limited liability) (Stock Code: 373)



ALLIED PROPERTIES (H.K.) LIMITED

(聯合地產(香港)有限公司)

(Incorporated in Hong Kong with limited liability) (Stock Code: 56)

**JOINT ANNOUNCEMENT
PURSUANT TO RULES 13.13 AND 13.14 OF THE LISTING RULES**

This announcement is jointly made by AGL and APL pursuant to Rules 13.13 and 13.14 of the Listing Rules.

Reference is made to a joint announcement issued by AGL, APL and SHK on 8th November, 2005.

This joint announcement is made by AGL and APL pursuant to Rules 13.13 and 13.14 of the Listing Rules in view of the fact that (i) the aggregate advances to Tian An China (the “**Tian An China Advances**”) respectively exceed 8% of the AGL Market Capitalisation and the APL Market Capitalisation; and (ii) the increase in the Tian An China Advances since its last disclosure in a joint announcement issued by AGL and APL on 5th August, 2004 under Rule 13.13 respectively exceeds 3% of the AGL Market Capitalisation and the APL Market Capitalisation.

Reference is made to the joint announcement issued by AGL, APL and SHK on 8th November, 2005 (the “**Joint Announcement**”) in respect of a discloseable transaction regarding the granting of the Original Loan Facility under the Loan Agreement and the Extended Loan Facility under the Supplemental Loan Agreement to Join View. Under the Supplemental Loan Agreement, availability of the Extended Loan Facility is conditional upon, among other things, the obtaining of approval of the transactions contemplated under the Loan Agreement as supplemented by the Supplemental Loan Agreement by the independent shareholders of Tian An China.

It was noted that an extraordinary general meeting of Tian An China was held on 6th December, 2005 and the Supplemental Loan Agreement and the transactions contemplated thereunder were thereby approved by the independent shareholders of Tian An China. It was further noted that, accordingly, an additional amount of HK\$150,000,000 of the Extended Loan Facility was drawn down by Tian An China on 6th December, 2005.

As at the date of this announcement, Tian An China is held as to approximately 48.60% by SHK and SHK is held as to approximately 74.99% by APL which in turn is held as to approximately 74.93% by AGL.

ADVANCES TO AN ENTITY

In accordance with Rules 13.13 and 13.14 of the Listing Rules, each of AGL and APL sets out below in details the Tian An China Advances as at the date of this announcement:

Name of entity	Approximate attributable interest held by APL (%)	Approximate advances as at the date of this announcement (HK\$)	Approximate advances as at 5th August, 2004 (HK\$)	Approximate attributable interest held by AGL (%)	Approximate advances as at the date of this announcement (HK\$)	Approximate advances as at 5th August, 2004 (HK\$)
Tian An China	36.45	323,978,000 (Note 1)	193,479,741 (Note 2)	27.31	325,168,000 (Note 3)	193,479,741 (Note 2)

Notes:

- This amount comprises the following: (i) a loan note issued by Tian An China in the sum of HK\$78,000,000 to SHK on 29th August, 2003 which is unsecured and bears interest at 2.5% per annum payable on an annual basis. The loan note will mature on 29th August, 2008; (ii) a balance of loan in an amount of HK\$95,000,000 drawn down under the Original Loan Facility pursuant to the Loan Agreement and an additional loan of HK\$150,000,000 drawn down under the Extended Loan Facility pursuant to the Supplemental Loan Agreement, bearing interest at the rate of prime rate plus 1% per annum. Repayment of loans thereunder should not be later than 36 months from the date of the Supplemental Loan Agreement and was secured by two share mortgages (as detailed in the Joint Announcement). Liability for repayment under the Loan Agreement, the Supplemental Loan Agreement and the two share mortgages (as detailed in the Joint Announcement) was also guaranteed by Tian An China and its two wholly-owned subsidiaries, being Sky Full Enterprises Limited and Tian An Real Estate Agency (China) Limited; (iii) an insurance premium of HK\$77,000 receivable in the normal course of business and other current account balance of HK\$879,000 as recorded in the books of SHK; and (iv) current account balance of HK\$22,000 as recorded in the books of APL.*
- Details of these advances were disclosed in the joint announcement issued by AGL and APL on 5th August, 2004.*
- This amount comprises the amounts detailed in Note 1 above plus current account balance of HK\$1,190,000 as recorded in the books of AGL.*

GENERAL

Each of AGL and APL respectively confirms that it will comply with the relevant disclosure requirements pursuant to Rules 13.14 and 13.20 of the Listing Rules where the circumstances giving rise to such disclosure obligations continue to exist at its respective interim period end or annual financial year end.

DEFINITIONS

For the purposes of this announcement, capitalised terms appearing herein shall, unless the context otherwise admits, have the meanings set out below:

- “AGL” Allied Group Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 373)
- “AGL Market Capitalisation” the market capitalisation of AGL as at the date of this announcement amounts to approximately HK\$2,773,360,000 based on the total number of 256,555,030 shares of AGL in issue as at the date of this announcement and the average closing price of HK\$10.81 for the five business days immediately preceding the date of this announcement

“APL”	Allied Properties (H.K.) Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 56)
“APL Market Capitalisation”	the market capitalisation of APL as at the date of this announcement amounts to approximately HK\$2,476,270,000 based on the total number of 537,151,901 shares of APL in issue as at the date of this announcement and the average closing price of HK\$4.61 for the five business days immediately preceding the date of this announcement
“Extended Loan Facility”	the increased revolving credit facility from the Original Loan Facility of HK\$100,000,000 to HK\$280,000,000 provided by Ranbridge to Join View subject to and in accordance with the terms and conditions of the Loan Agreement (as supplemented by the Supplemental Loan Agreement)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of PRC
“Join View”	Join View Development Limited, a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of Tian An China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement”	the loan agreement dated 2nd March, 2005 entered into between Ranbridge as lender, Join View as borrower and Tian An China as guarantor
“Original Loan Facility”	the revolving credit facility up to HK\$100,000,000 provided by Ranbridge to Join View subject to and in accordance with the terms and conditions of the Loan Agreement
“PRC”	the People’s Republic of China
“Ranbridge”	Ranbridge Finance Limited, a company incorporated in Hong Kong with limited liability and is a direct wholly-owned subsidiary of SHK
“SHK”	Sun Hung Kai & Co. Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 86)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Loan Agreement”	the supplemental loan agreement dated 7th November, 2005 entered into between Ranbridge as lender, Join View as borrower and Tian An China, Sky Full Enterprises Limited and Tian An Real Estate Agency (China) Limited as guarantors

“Tian An China” Tian An China Investments Company Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 28)

“%” per cent.

On behalf of the Board
Allied Group Limited
Edwin Lo King Yau
Executive director

On behalf of the Board
Allied Properties (H.K.) Limited
Li Chi Kong
Executive director

Hong Kong, 7th December, 2005

As at the date of this announcement, the board of directors of Allied Group Limited comprises Messrs. Lee Seng Hui (Chief Executive) and Edwin Lo King Yau being the executive directors, Ms. Lee Su Hwei and Mr. Arthur George Dew being the non-executive directors, Sir Gordon Macwhinnie (Non-Executive Chairman), Messrs. Wong Po Yan, David Craig Bartlett and John Douglas Mackie being the independent non-executive directors.

As at the date of this announcement, the board of directors of Allied Properties (H.K.) Limited comprises Messrs. Patrick Lee Seng Wei (Chief Executive) and Li Chi Kong being the executive directors, Messrs. Henry Lai Hin Wing and Steven Lee Siu Chung being the non-executive directors, Sir Gordon Macwhinnie (Non-Executive Chairman), John Douglas Mackie and Steven Samuel Zoellner being the independent non-executive directors.