



ALLIED GROUP LIMITED

(聯合集團有限公司)

(Incorporated in Hong Kong with limited liability)

(Stock Code: 373)

MAJOR TRANSACTION



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)



新鴻基有限公司

SUN HUNG KAI & CO. LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 86)

**VERY SUBSTANTIAL ACQUISITION
AND CONNECTED TRANSACTION**

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AND CONNECTED TRANSACTION**

JOINT ANNOUNCEMENT

SALE AND PURCHASE OF THE ENTIRE ISSUED SHARE CAPITAL OF UAF HOLDINGS LIMITED

Reference is made to the joint announcement (the “Joint Announcement”) of Allied Group Limited (“AGL”), Allied Properties (H.K.) Limited (“APL”) and Sun Hung Kai & Co. Limited (“SHK”) dated 19th June, 2006 in connection with the sale and purchase of the entire issued share capital of UAF Holdings Limited (“UAF Holdings”), and the respective circulars of AGL, APL and SHK dated 30th June, 2006. Unless otherwise indicated, terms defined in the Joint Announcement have the same meanings when used in this announcement.

The AGL Directors, the APL Directors and the SHK Directors are pleased to announce that completion of the sale and purchase of the entire issued share capital of UAF Holdings took place on 24th August, 2006 (the “Completion Date”) in accordance with the provisions of the Agreement, other than that, by agreement amongst AGL, AG Capital, SHK and Swan Islands:

- (i) completion was brought forward from the long stop date of 15th September, 2006 set out in the Agreement to the Completion Date; and
- (ii) the payment method of the cash portion of the consideration is now prescribed as follows:
 - (a) HK\$628,000,000 was paid in cash by Swan Islands to AG Capital on completion as required under the Agreement; and
 - (b) for the remaining HK\$900,000,000, which is not immediately required by AGL or AG Capital in cash, payment has been agreed to be extended to any time on or before 31st December, 2006, and interest will accrue on a daily basis on such amount at the rate of one per cent. above HIBOR (being the Hong Kong Interbank Offered Rate, at or about 11:00 a.m. (Hong Kong time) on the Telerate Screen Page 9898 or on the web page of The Hong Kong Association of Banks on the Completion Date, for the offering of deposits in Hong Kong dollars for a period comparable to the relevant period of interest payment in respect of HK\$900,000,000 and for the relevant amount) per annum, calculated from the Completion Date up to the date of actual payment in full.

The AGL Directors, the APL Directors and the SHK Directors consider that both the extension of the time for payment and the interest payment mentioned in (b) above are on normal commercial terms and will benefit AGL, APL and SHK, and the shareholders of each of AGL, APL and SHK taken as a whole.

DIRECTORS

AGL Directors

As at the date of this announcement, the AGL Directors are:

Executive Directors:

Mr. Lee Seng Hui (*Chief Executive*), Mr. Edwin Lo King Yau, Mr. Mak Pak Hung

Non-executive Directors:

Ms. Lee Su Hwei, Mr. Arthur George Dew

Independent non-executive Directors:

Mr. Wong Po Yan, Mr. David Craig Bartlett, Mr. John Douglas Mackie, Mr. Alan Stephen Jones

APL Directors

As at the date of this announcement, the APL Directors are:

Executive Directors:

Mr. Patrick Lee Seng Wei (*Chief Executive*), Mr. Li Chi Kong

Non-executive Directors:

Mr. Henry Lai Hin Wing, Mr. Steven Lee Siu Chung

Independent non-executive Directors:

Mr. John Douglas Mackie, Mr. Steven Samuel Zoellner, Mr. Alan Stephen Jones

SHK Directors

As at the date of this announcement, the SHK Directors are:

Executive Directors:

Mr. Patrick Lee Seng Wei, Mr. Joseph Tong Tang

Non-executive Director:

Mr. Arthur George Dew (*Chairman*)

Independent non-executive Directors:

Mr. David Craig Bartlett, Mr. Alan Stephen Jones, Mr. Carlisle Caldwell Procter, Mr. Peter Wong Man Kong

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

On behalf of the Board
Sun Hung Kai & Co. Limited
Joseph Tong Tang
Executive Director

Hong Kong, 25th August, 2006