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**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)**



**新鴻基有限公司**  
**SUN HUNG KAI & CO. LIMITED**

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

**JOINT ANNOUNCEMENT**  
**DISCLOSEABLE TRANSACTION**  
**GRANTING OF LOAN FACILITY**

On 2 March 2005, Ranbridge, a wholly-owned subsidiary of SHK, which is in turn a subsidiary of both APL and AGL, entered into the Loan Agreement with Join View and Tian An China, pursuant to which Ranbridge agreed to make available to Join View the Original Loan Facility up to HK\$100,000,000 for the general working capital of Join View, with Tian An China agreeing to guarantee the repayment of the Indebtedness (as defined in the Loan Agreement) due by Join View under the Original Loan Facility. The Loan Agreement and the Original Loan Facility were approved by the independent shareholders of Tian An China on 20 April 2005.

On 7 November 2005, Ranbridge, Join View, Tian An China, Sky Full and Tian An Real Estate Agency entered into the Supplemental Loan Agreement, pursuant to which Ranbridge agreed to extend the Original Loan Facility available to Join View under the Loan Agreement from HK\$100,000,000 to the Extended Loan Facility of HK\$280,000,000 with Tian An China, Sky Full and Tian An Real Estate Agency agreeing to jointly and severally guarantee and indemnify Ranbridge against all of Join View's liability for repayment of the Indebtedness under the Loan Agreement, the Supplemental Loan Agreement, the Sky Full Share Mortgage and the Tian An Share Mortgage.

The Supplemental Loan Agreement and the Extended Loan Facility are conditional upon, among other things: (i) the obtaining of approval of the transactions contemplated under the Supplemental Loan Agreement by the independent shareholders of Tian An China; (ii) the due execution of the Sky Full Share Mortgage by Oxwell and Tian An China Hotel in favour of Ranbridge in respect of the Sky Full Mortgaged Shares; and (iii) the due execution of the Tian An Share Mortgage by Tian An Real Estate Dalian in favour of Ranbridge in respect of the Tian An Mortgaged Shares.

As the applicable ratios under Rule 14.06 of the Listing Rules in respect of the Extended Loan Facility for each of AGL, APL and SHK exceed 5% but are less than 25%, the Transaction constitutes a discloseable transaction for each of AGL, APL and SHK under the Listing Rules. A circular containing details of the Transaction will be despatched to the Shareholders as soon as possible pursuant to the requirements of the Listing Rules.

## THE LOAN AGREEMENT

The principal terms of the Loan Agreement are as follows:

**Date:** 2 March 2005

**Parties:** *Lender* Ranbridge

*Borrower* Join View

*Guarantor* Tian An China

**Loan Facility:** a revolving credit facility up to HK\$100,000,000 (the “**Original Loan Facility**”) subject to and in accordance with the terms and conditions of a loan agreement dated 2 March 2005 made between Ranbridge, Join View and Tian An China (the “**Loan Agreement**”)

**Purpose of the Loan Facility:** for Join View’s general working capital

**Terms of the Loan Facility:** the Original Loan Facility is available to Join View for a term of 36 months from the date of the Loan Agreement. The Repayment Date (as defined in the Loan Agreement) will be specified in each of the Drawdown Notice (as defined in the Loan Agreement and modified by the Supplemental Loan Agreement) by Join View but, in any event, it shall not be later than 36 months from the date of the Loan Agreement (and subsequently amended by the Supplemental Loan Agreement as not be later than 36 months from the date of the Supplemental Loan Agreement in respect of the Drawdown Notice or Drawing (as defined in the Loan Agreement) made subsequent to the date of the Supplemental Loan Agreement). Join View shall pay interest on the Advances (as defined in the Loan Agreement) in arrears on each Interest Payment Date (as defined in the Loan Agreement) at the rate of prime rate plus 1% per annum. The repayment of the Indebtedness (as defined in the Loan Agreement) due by Join View under the Loan Agreement is guaranteed by Tian An China

**Condition Precedent:** among other things, the Loan Agreement and the Original Loan Facility were conditional upon (and were subsequently approved) by the independent shareholders of Tian An China on 20 April 2005

## THE SUPPLEMENTAL LOAN AGREEMENT

On 7 November 2005, Ranbridge, Join View, Tian An China, Sky Full and Tian An Real Estate Agency entered into a supplemental loan agreement (the “**Supplemental Loan Agreement**”), pursuant to which Ranbridge agreed to extend the Original Loan Facility available to Join View under the Loan Agreement from HK\$100,000,000 to HK\$280,000,000 (the “**Extended Loan Facility**”) with Tian An China, Sky Full and Tian An Real Estate Agency agreeing to jointly and severally guarantee and indemnify Ranbridge against all of Join View’s liability for repayment of the Indebtedness under the Loan Agreement, the Supplemental Loan Agreement, the Sky Full Share Mortgage and the Tian An Share Mortgage. The availability of the Extended Loan Facility is conditional upon, among other things: (i) the obtaining of approval of the transactions contemplated under the Supplemental Loan Agreement by the independent

shareholders of Tian An China; (ii) the due execution of the share mortgage (the “**Sky Full Share Mortgage**”) by Oxwell and Tian An China Hotel in favour of Ranbridge in respect of all the issued shares of Sky Full (the “**Sky Full Mortgaged Shares**”); and (iii) the due execution of the share mortgage (the “**Tian An Share Mortgage**”) by Tian An Real Estate Dalian in favour of Ranbridge in respect of all the issued shares of Tian An Real Estate Agency (the “**Tian An Mortgaged Shares**”).

Save as amended or modified by the Supplemental Loan Agreement, the Loan Agreement shall remain in full force and effect and are enforceable with its terms and binding upon the relevant contracting parties. The Supplemental Loan Agreement shall be read and construed as a supplement to, and shall form part of, the Loan Agreement.

## **THE SHARE MORTGAGES**

As a condition precedent to Ranbridge agreeing to extend the Original Loan Facility pursuant to the terms of the Supplemental Loan Agreement, Oxwell and Tian An China Hotel shall execute the Sky Full Share Mortgage in favour of Ranbridge in respect of the Sky Full Mortgaged Shares; and Tian An Real Estate Dalian shall execute the Tian An Share Mortgage in favour of Ranbridge in respect of the Tian An Mortgaged Shares.

Pursuant to the terms of the Sky Full Share Mortgage, Oxwell and Tian An China Hotel as the registered and beneficial owners of the Sky Full Mortgaged Shares mortgage, charge and assign by way of first fixed mortgage the Sky Full Mortgaged Shares to Ranbridge as a continuing security for the due and punctual payment of the Indebtedness and the due and punctual performance of all the obligations of Join View contained in the Loan Agreement and the Supplemental Loan Agreement.

Pursuant to the terms of the Tian An Share Mortgage, Tian An Real Estate Dalian as the registered and beneficial owner of the Tian An Mortgaged Shares mortgages, charges and assigns by way of first fixed mortgage the Tian An Mortgaged Shares to Ranbridge as a continuing security for the due and punctual payment of the Indebtedness and the due and punctual performance of all the obligations of Join View contained in the Loan Agreement and the Supplemental Loan Agreement.

## **REASONS FOR AND BENEFITS OF THE TRANSACTION**

One of the core businesses of SHK’s major subsidiaries (including Ranbridge) is money lending. The provision of the Extended Loan Facility is a transaction carried out as part of the ordinary business activities of Ranbridge. The Extended Loan Facility will provide a satisfactory interest spread earning and arrangement fee income to the SHK Group.

The directors of each of SHK, APL and AGL, including the independent non-executive directors, consider that the Loan Agreement, the Supplemental Loan Agreement, the Sky Full Share Mortgage and the Tian An Share Mortgage are being entered into on normal commercial terms and are fair and reasonable as far as the Shareholders as a whole are concerned.

## **GENERAL INFORMATION**

### **The Tian An Group**

Tian An China acts as an investment holding company. Tian An Group is principally engaged in the development of high-end apartments, villas, office buildings and commercial properties, manufacture and sale of building materials, property management and hotel operation. As at the date of this announcement, Tian An China is held as to approximately 48.6% directly and indirectly by SHK.

Join View is principally engaged in the money lending business and holds a money lenders licence under the Money Lenders Ordinance.

The principal activity of each of Oxwell, Tian An China Hotel, Sky Full, Tian An Real Estate Dalian and Tian An Real Estate Agency is investment holding.

Sky Full is the legal and beneficial owner of 50% equity interest in Shanghai New Union Building Co., Ltd. (上海新聯誼大廈有限公司), a company incorporated under the laws of PRC, which holds a piece of property situated in Shanghai with a site area of approximately 5,158 square meters.

Tian An Real Estate Agency indirectly holds 100% equity interest in Dalian Tian An Tower Co., Ltd. (大連天安國際大廈有限公司), a company incorporated under the laws of PRC, which holds the property known as Dalian Tian An International Tower (大連天安國際大廈) in Dalian City.

### **The AGL Group**

The principal activity of AGL is investment holding. The principal activities of AGL's major subsidiaries are property investment and development, hospitality related activities and the provision of financial services.

### **The APL Group**

The principal activity of APL is investment holding. The principal activities of APL's major subsidiaries are property investment and development, hospitality related activities and the provision of financial services.

### **The SHK Group**

The principal activity of SHK is investment holding. The principal activities of SHK's major subsidiaries are securities, leverage forex, bullion, commodities and futures broking, provision of online financial services and online financial information distribution, money lending including the provision of term loans, share margin financing, financial planning and wealth management, fund management, corporate finance, property investment and insurance broking.

Ranbridge is principally engaged in the money lending business and holds a money lenders licence under the Money Lenders Ordinance.

## **LISTING RULES IMPLICATION**

As at the date of this announcement, SHK is held as to approximately 74.99% by APL which in turn is held as to approximately 74.82% by AGL.

As the applicable ratios under Rule 14.06 of the Listing Rules in respect of the Extended Loan Facility for each of AGL, APL and SHK exceed 5% but are less than 25%, the Transaction constitutes a discloseable transaction for each of AGL, APL and SHK under the Listing Rules. A circular containing details of the Transaction will be despatched to the Shareholders as soon as possible pursuant to the requirements of the Listing Rules.

## 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 Stock Exchange (Stock Code: 373)
“AGL Group”	AGL and its subsidiaries
“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 Group”	APL and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“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
“Oxwell”	Oxwell Holdings Limited, a company incorporated in Hong Kong with limited liability and is a direct wholly-owned subsidiary of Tian An China Hotel
“PRC”	the Peoples’ 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)
“SHK Group”	SHK and its subsidiaries
“Shareholders”	the shareholders of each of AGL, APL and SHK, as the case may be
“Sky Full”	Sky Full Enterprises Limited, a company incorporated in Hong Kong with limited liability and is owned as to 80% by Oxwell and 20% by Tian An China Hotel
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tian An China Hotel”	Tian An China Hotel and Property Investments Company Limited, a company incorporated in Hong Kong with limited liability and is a direct wholly-owned subsidiary of Tian An China

“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)
“Tian An Group”	Tian An China and its subsidiaries
“Tian An Real Estate Agency”	Tian An Real Estate Agency (China) Limited, a company incorporated in Hong Kong with limited liability and is a direct wholly-owned subsidiary of Tian An Real Estate Dalian
“Tian An Real Estate Dalian”	Tian An Real Estate (Dalian) Company Limited, a company incorporated in the British Virgin Islands with limited liability and is a direct wholly-owned subsidiary of Tian An China Hotel
“Transaction”	the granting of the Original Loan Facility and the Extended Loan Facility under the Loan Agreement and the Supplemental Loan Agreement respectively
“%”	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*

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

Hong Kong, 8 November 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, and 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, and Sir Gordon Macwhinnie (non-executive Chairman), John Douglas Mackie and Steven Samuel Zoellner being the independent non-executive directors.*

*As at the date of this announcement, the board of directors of Sun Hung Kai & Co. Limited comprises Messrs. Patrick Lee Seng Wei and Joseph Tong Tang being the executive directors, Mr. Arthur George Dew (Chairman) being a non-executive director, and Sir Gordon Macwhinnie, Messrs. David Craig Bartlett, Carlisle Caldwell Procter and Peter Wong Man Kong being the independent non-executive directors.*