

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this joint announcement.



ALLIED GROUP LIMITED
(聯合集團有限公司)

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

Discloseable 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)

Pursuant to Rule 14.36 of the Listing Rules

JOINT ANNOUNCEMENT

EXTENSION OF LOAN REPAYMENT DATE

As advised and confirmed by SHK, on 12th June, 2015, the Lenders, the Borrowers and the General Partners have entered into the Extension Agreement, pursuant to which, the Lenders and the Borrowers agreed to, among other matters, extend the Termination Date under the Facility Agreements and amend certain terms of the Facility Agreements.

As (i) the Lenders are wholly-owned subsidiaries of SHK which, in turn, is a non wholly-owned subsidiary of APL, and APL is a non wholly-owned subsidiary of AGL; and (ii) the definition of “listed issuer” under Chapter 14 of the Listing Rules shall include the listed issuer’s subsidiaries, the Transaction shall be regarded as a transaction for each of AGL, APL and SHK under Chapter 14 of the Listing Rules.

The Transaction constitutes a discloseable transaction for AGL as the relevant Percentage Ratio(s) exceed 5% but are below 25%.

As all applicable Percentage Ratios for APL fall below 5%, the Transaction does not constitute a notifiable transaction for APL under Chapter 14 of the Listing Rules. However, since the Transaction constitutes a material variation of the terms of the Facility Agreements, APL is subject to announcement requirement pursuant to Rule 14.36 of the Listing Rules.

As advised and confirmed by SHK, the Transaction does not constitute a notifiable transaction for SHK under Chapter 14 of the Listing Rules as none of the applicable Percentage Ratio(s) exceeds 5%.

Reference is made to the 2013 Announcement and 2014 Announcement in relation to, among other matters, the Facility Agreements, the Share Charge Deeds and the Deeds of Amendment.

As advised and confirmed by SHK, on 12th June, 2015, the Lenders, the Borrowers and the General Partners have entered into the Extension Agreement, pursuant to which, the Lenders and the Borrowers agreed to, among other matters, extend the Termination Date under the Facility Agreements and amend certain terms of the Facility Agreements.

EXTENSION AGREEMENT

As advised and confirmed by SHK, the parties to, and the principal terms of the Extension Agreement are as follows:-

Date: 12th June, 2015

Parties:

- (1) SIL, as lenders of Facility Agreement A and Facility Agreement B
- (2) Itso Limited, as lender of Facility Agreement C
- (3) SHK [Brunei], as lender of Facility Agreement D
- (4) Borrower A, as borrower of Facility Agreement A
- (5) General Partner A
- (6) Borrower B, as borrower of Facility Agreement B and Facility Agreement D
- (7) General Partner B
- (8) Borrower C, as borrower of Facility Agreement C

As at the date of this joint announcement, as advised and confirmed by SHK (having made all reasonable enquiries) and based on the confirmation of the Borrowers and the General Partners, and to the best of the knowledge, information and belief of the AGL Directors and the APL Directors (having made all reasonable enquiries), save for Borrower B holding approximately 2.52% shareholding interest in APL, each of the Borrowers and the General Partners, and their respective ultimate beneficial owners do not hold or control any interest (whether directly or indirectly) of 5% or more in any class of voting shares in, and are third parties independent of, AGL, APL and SHK and their respective connected persons.

Change of Termination Date

Pursuant to the Extension Agreement, the Termination Date under the Facility Agreements shall be changed from 29th May, 2015 to 29th May, 2017.

Renewal facility fees and amended annual facility fees

In addition, according to the terms of the Extension Agreement, the renewal facility fees and the amended annual facility fees payable by the Borrower to the Lender are as follows:-

	Renewal facility fees	Amended annual facility fees
Facility Agreement A	Nil	the product of HK\$1,300,000 and the Utilisation Percentage of the Borrower A
Facility Agreement B	HK\$709,410	the product of HK\$1,300,000 and the Utilisation Percentage of the Borrower B
Facility Agreement C	HK\$590,590	the product of HK\$1,300,000 and the Utilisation Percentage of the Borrower C
Facility Agreement D	HK\$300,000	HK\$300,000

The renewal facility fee is payable on or before 17th June, 2015 and the annual facility fee is payable on each anniversary of the 29th May, 2015 prior to but excluding the Termination Date.

As advised and confirmed by SHK, the facility fees charged by the Lenders under the Extension Agreement have been arrived at after arm's length negotiations between the Lenders and the Borrowers having regard to the cost of providing the loan facilities to the Borrowers and the terms of the Facility Agreements and the Share Charge Deeds.

Minimum share security

Each of the Facility Agreements shall be amended to the effect that, at the time of (i) any proposed date of utilization; (ii) disposal of APL Pledged Shares or Tian An Pledged Shares (as the case may be) for mandatory prepayment; or (iii) extension of Termination Date, the number of APL Pledged Shares or Tian An Pledged Shares (as the case may be) deposited as

security in each of the Borrowers' respective share account with the Custodian for the outstanding loan shall not be less than a prescribed level.

Other amendments

According to the terms of the Extension Agreement:-

- (i) the terms of each of Facility Agreement B and Facility Agreement C shall be amended to the effect that each of the Borrower B and Borrower C shall deposit additional Tian An Pledged Shares as security; and
- (ii) the terms of Facility Agreement D shall be amended to the effect that Borrower B shall be entitled to withdraw certain number of APL Pledged Shares from the share account in its name with the Custodian.

Pursuant to the Extension Agreement, save for the amendments made to the Facility Agreements abovementioned, the provisions of the Facility Agreements and other Finance Documents shall remain in full force and effect.

REASONS FOR AND BENEFITS OF THE TRANSACTION

As advised and confirmed by SHK, given the good interest payment record of the Borrowers under the loan facility provided by the Facility Agreements and the sound financial background of the Borrowers, the executive committee of the board of directors of SHK considers that the terms of the Extension Agreement are fair and reasonable and on normal commercial terms and in the interests of SHK and its shareholders as a whole, and has confirmed the same to AGL and APL.

Based on the information and the confirmation provided by SHK and to the best knowledge, information and belief of the AGL Directors and the APL Directors, the AGL Directors and the APL Directors consider that the terms of the Extension Agreement are fair and reasonable and in the interests of AGL and APL and their respective shareholders taken as a whole.

INFORMATION ABOUT AGL, APL, THE LENDERS AND THE BORROWERS

AGL

AGL is a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange.

The principal business activity of AGL is investment holding. The principal business activities of its major subsidiaries are property investment and development, hospitality related activities, the provision of financial services and investments in listed and unlisted securities.

APL

APL is a company incorporated in Hong Kong with limited liability, the securities of which are listed on the main board of the Stock Exchange.

The principal business activity of APL is investment holding. The principal business activities of its major subsidiaries are property investment and development, hospitality related activities, the provision of financial services and investments in listed and unlisted securities.

As at the date of this joint announcement, AGL is beneficially interested in approximately 74.85% of the total number of shares issued by APL.

The Lenders

(1) SIL

As advised and confirmed by SHK, SIL is a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of SHK and is principally engaged in the business of investment holding and provision of loan finance.

(2) Itso Limited

As advised and confirmed by SHK, Itso Limited is a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of SHK and is principally engaged in the investment holding, securities trading and financial services.

(3) SHK [Brunei]

As advised and confirmed by SHK, SHK [Brunei] is a company incorporated under the laws of Brunei with limited liability and is principally engaged in international offshore banking and related services. SHK [Brunei] holds a full international banking licence under Brunei's International Banking Order, 2000.

As at the date of this joint announcement, SHK [Brunei] is a direct wholly-owned subsidiary of SHK, which in turn is beneficially owned as to approximately 54.76% by APL.

The Borrowers

(1) Borrower A

As advised and confirmed by SHK (having made all reasonable enquiries) and based on a written confirmation from Borrower A, Borrower A is an international limited partnership registered in the BVI acted by General Partner A, which is a BVI business company registered in the BVI. The principal business activities of Borrower A are to invest in corporate and real estate securities, commodities and currencies, bonds and other businesses.

(2) Borrower B

As advised and confirmed by SHK (having made all reasonable enquiries) and based on the confirmation from Borrower B, Borrower B is an international limited partnership registered in the BVI acted by the General Partner B, which is a BVI business company registered in the BVI. The principal business activities of Borrower B are to invest in corporate and real estate securities, commodities and currencies, bonds and other businesses.

(3) Borrower C

As advised and confirmed by SHK (having made all reasonable enquiries) and based on a written confirmation from Borrower C, Borrower C is a fund incorporated in the BVI with limited liability. The principal business activities of Borrower C are to invest in corporate and real estate securities, commodities and currencies, bonds and other businesses.

LISTING RULES IMPLICATIONS

As (i) the Lenders are wholly-owned subsidiaries of SHK which, in turn, is a non wholly-owned subsidiary of APL, and APL is a non wholly-owned subsidiary of AGL; and (ii) the definition of “listed issuer” under Chapter 14 of the Listing Rules shall include the listed issuer’s subsidiaries, the Transaction shall be regarded as a transaction for each of AGL, APL and SHK under Chapter 14 of the Listing Rules.

The Transaction constitutes a discloseable transaction for AGL as the relevant Percentage Ratio(s) exceed 5% but are below 25%.

As all applicable Percentage Ratios for APL fall below 5%, the Transaction does not constitute a notifiable transaction for APL under Chapter 14 of the Listing Rules. However,

since the Transaction constitutes a material variation of the terms of the Facility Agreements, APL is subject to announcement requirement pursuant to Rule 14.36 of the Listing Rules.

As advised and confirmed by SHK, the Transaction does not constitute a notifiable transaction for SHK under Chapter 14 of the Listing Rules as none of the applicable Percentage Ratio(s) exceeds 5%.

DEFINITIONS

In this joint announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“2013 Announcement”	joint announcement of AGL and APL dated 28th May, 2013 in relation to the loan transactions under 2013 Facility Agreements;
“2013 Facility Agreements”	Facility Agreement A, Facility Agreement B and Facility Agreement C;
“2014 Announcement”	joint announcement of AGL and APL dated 25th August, 2014 in relation to loan transaction under Facility Agreement D and entering into of the Deeds of Amendment;
“AGL”	Allied Group Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 373);
“AGL Board”	board of AGL Directors;
“AGL Directors”	the directors of AGL;
“APL”	Allied Properties (H.K.) Limited, a company incorporated in Hong Kong with limited liability, the securities of which are listed on the main board of the Stock Exchange (Stock Code: 56 and Warrant Code: 1183) and a non wholly-owned subsidiary of AGL;
“APL Board”	board of APL Directors;
“APL Directors”	the directors of APL;

“APL Pledged Shares”	in relation to Borrower B, such number of ordinary shares held by it in the issued share capital of APL deposited or to be deposited in the share and cash account in its name with the Custodian;
“Borrower A”	the borrower to Facility Agreement A and a party to the Extension Agreement;
“Borrower B”	the borrower to (i) Facility Agreement B and (ii) Facility Agreement D, and a party to the Extension Agreement;
“Borrower C”	the borrower to Facility Agreement C and a party to the Extension Agreement;
“Borrowers”	Borrower A, Borrower B and Borrower C, and each of them a “Borrower”;
“Brunei”	Brunei Darussalam;
“BVI”	the British Virgin Islands;
“connected persons”	having the meaning ascribed to it under the Listing Rules;
“Custodian”	Sun Hung Kai Investment Services Limited, which is a party to the Share Charge Deeds solely to agree to and acknowledge the security created by the Share Charge Deeds;
“Deed of Amendment A”	the deed of amendment and confirmation dated 25th August, 2014 entered into among SIL, Borrower A and General Partner A, pursuant to which SIL and Borrower A agreed to amend certain terms and conditions in Facility Agreement A, details of which were disclosed in the 2014 Announcement;

“Deed of Amendment B”	the deed of amendment and confirmation dated 25th August, 2014 entered into among SIL, Borrower B and General Partner B, pursuant to which SIL and Borrower B agreed to amend certain terms and conditions in Facility Agreement B, details of which were disclosed in the 2014 Announcement;
“Deed of Amendment C”	the deed of amendment and confirmation dated 25th August, 2014 entered into between Itso Limited and Borrower C, pursuant to which Itso Limited and Borrower C agreed to amend certain terms and conditions in Facility Agreement C, details of which were disclosed in the 2014 Announcement;
“Deeds of Amendment”	Deed of Amendment A, Deed of Amendment B and Deed of Amendment C;
“Extension Agreement”	the amendment and confirmation agreement dated 12th June, 2015 entered into among the Lenders, the Borrowers, General Partner A and General Partner B, pursuant to which the parties agree to, among other matters, extend the Termination Date under the Facility Agreements and amend certain terms of the Facility Agreements;
“Facility Agreement A”	the facility agreement dated 28th May, 2013 entered into among SIL as lender, Borrower A as borrower and General Partner A, as amended by Deed of Amendment A (details of which were disclosed in the 2013 Announcement);
“Facility Agreement B”	the facility agreement dated 28th May, 2013 entered into among SIL as lender, Borrower B as borrower and General Partner B, as amended by Deed of Amendment B (details of which were disclosed in the 2013 Announcement);
“Facility Agreement C”	the facility agreement dated 28th May, 2013 entered into between Itso Limited as lender and Borrower C as borrower, as amended by Deed of Amendment C (details of which were disclosed in the 2013 Announcement);

“Facility Agreement D”	HK\$120,000,000 facility agreement dated 25th August, 2014 entered into among Borrower B acting as borrower, General Partner B acting as general partner and SHK [Brunei] acting as lender, details of which were disclosed in the 2014 Announcement;
“Facility Agreements”	Facility Agreement A, Facility Agreement B, Facility Agreement C and Facility Agreement D;
“Finance Documents”	in relation to the Lenders and the Borrowers, the Facility Agreements, the Share Charge Deeds, any utilisation request and any other document designated as such by the Lenders and the Borrowers;
“General Partner A”	a BVI business company registered in the BVI and acting as general partner of Borrower A;
“General Partner B”	a BVI business company registered in the BVI and acting as general partner of Borrower B;
“General Partners”	General Partner A and General Partner B;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Investment Advisor”	the investment advisor to the Borrowers;
“Lenders”	the lenders under the Facility Agreements, including SIL, Itso Limited and SHK [Brunei], and each of them a “Lender”;
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange;
“Percentage Ratio(s)”	percentage ratio(s) as set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction;

“SIL”	Scienter Investments Limited, an indirect wholly-owned subsidiary of SHK and is principally engaged in the business of investment holding and securities trading;
“Share Charge Deeds”	<ol style="list-style-type: none"> <li data-bbox="608 314 1444 463">(1) the share charge dated 28th May, 2013 created by Borrower A as the chargor and the General Partner A in favour of SIL as chargee and the Custodian, details of which were disclosed in 2013 Announcement; <li data-bbox="608 527 1444 676">(2) the share charge dated 28th May, 2013 created by Borrower B as the chargor and the General Partner B in favour of SIL as chargee and the Custodian, details of which were disclosed in 2013 Announcement; <li data-bbox="608 740 1444 889">(3) the share charge dated 28th May, 2013 created by Borrower C as the chargor in favour of Itso Limited as chargee and the Custodian, details of which were disclosed in 2013 Announcement; and <li data-bbox="608 953 1444 1129">(4) the share charge dated 25th August, 2014 created by Borrower B as the chargor and the General Partner B in favour of SHK [Brunei] as chargee and the Custodian, details of which were disclosed in 2014 Announcement.
“SHK”	Sun Hung Kai & Co. Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 86) and a non wholly-owned subsidiary of APL. As at the date of this joint announcement, SHK was beneficially owned as to approximately 54.76% by APL;
“SHK [Brunei]”	Sun Hung Kai International Bank [Brunei] Limited, a direct wholly-owned subsidiary of SHK and is principally engaged in international offshore banking and related service;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“Tian An Pledged Shares”	in relation to the Borrower, such number of ordinary shares held by such Borrower in the issued share capital of Tian An China Investments Company Limited, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 28), deposited or to be deposited in the share and cash account in such Borrower’s name with the Custodian;
“Termination Date”	the date on which the Borrowers shall repay all the loans made or to be made under the Facility Agreements or the principal amount outstanding for the time being of those loans, together with all accrued interest in full;
“Transaction”	the transactions contemplated under the Extension Agreement;
“Utilisation Percentage”	in relation to the Borrower, the outstanding principal amount of all loans drawn by such Borrower under 2013 Facility Agreements measured as a percentage of the aggregate outstanding principal amount of all loans drawn by all Borrowers under 2013 Facility Agreements, as of 1 month prior to the date that the relevant facility fee is payable; and
“%”	per cent.

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

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

Hong Kong, 12th June, 2015

As at the date of this joint announcement, the AGL Board comprises Messrs. Lee Seng Hui (Chief Executive), Edwin Lo King Yau and Mak Pak Hung being the Executive Directors, Mr. Arthur George Dew (Chairman) and Ms. Lee Su Hwei being the Non-Executive Directors, and Mr. David Craig Bartlett, Mr. Alan Stephen Jones and Ms. Lisa Yang Lai Sum being the Independent Non-Executive Directors.

As at the date of this joint announcement, the APL Board comprises Messrs. Lee Seng Hui (Chief Executive), Li Chi Kong and Mark Wong Tai Chun being the Executive Directors; Mr. Arthur George Dew (Chairman) being the Non-Executive Director; and Messrs. Steven Samuel Zoellner, Alan Stephen Jones and David Craig Bartlett being the Independent Non-Executive Directors.