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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)

The Offeror

SUNHILL INVESTMENTS LIMITED
(陽山投資有限公司)

(Incorporated in Hong Kong with limited liability)

JOINT ANNOUNCEMENT

**(1) PROPOSED PRIVATISATION OF APL
BY THE OFFEROR
BY WAY OF A SCHEME OF ARRANGEMENT
(UNDER SECTION 673 OF THE COMPANIES ORDINANCE)**
**(2) PROPOSED DECLARATION OF SPECIAL DIVIDEND
AND
(3) PROPOSED WITHDRAWAL OF LISTING OF APL**

DESPATCH OF THE SCHEME DOCUMENT

Financial Adviser to the Offeror



YU MING INVESTMENT MANAGEMENT LIMITED
禹銘投資管理有限公司

Independent Financial Adviser to APL



PELICAN FINANCIAL
百利勤金融

INTRODUCTION

References are made to (i) the joint announcement dated 20th April, 2020 jointly issued by Allied Properties (H.K.) Limited (“**APL**”), Allied Group Limited (“**AGL**”) and Sunhill Investments Limited (the “**Offeror**”) in relation to, among other things, the proposed privatisation of APL by way of a scheme of arrangement under section 673 of the Companies Ordinance (the “**Privatisation**”); (ii) the joint announcement dated 11th May, 2020 jointly issued by APL, AGL and the Offeror in relation to the extension of time for despatch of the Scheme Document; (iii) the joint announcement dated 10th June, 2020 jointly issued by APL, AGL and the Offeror in relation to the monthly update on the status and progress in connection with the Proposal and the Scheme; and (iv) the scheme document jointly issued by APL, AGL and the Offeror on 19th June, 2020 in relation to, among other things, the Privatisation (the “**Scheme Document**”). Capitalised terms used herein shall have the same meaning as they were defined in the Scheme Document unless the context otherwise specified.

DESPATCH OF THE SCHEME DOCUMENT

The Scheme Document, together with the notices of the Court Meeting and the APL General Meeting and forms of proxy for use at the Court Meeting and APL General Meeting will be despatched to the APL Shareholders on Friday, 19th June, 2020.

The Scheme Document contains, among other things, further details of the Proposal (including the Scheme and the Special Dividend), an explanatory statement, the expected timetable relating to the Proposal (including the Scheme and the Special Dividend), the letters from the APL Board, the Independent APL Board Committee and the Independent APL Financial Adviser, financial information of APL Group, the property valuation report on APL Group’s property interests and notices of the Court Meeting and the APL General Meeting.

RECOMMENDATIONS OF THE INDEPENDENT APL BOARD COMMITTEE AND THE INDEPENDENT APL FINANCIAL ADVISER

The Independent APL Board Committee comprising Mr. Steven Samuel Zoellner only has been formed to advise the Disinterested Scheme Shareholders on the Proposal (including the Scheme and the Special Dividend). Pelican Financial Limited has been appointed to advise the Independent APL Board Committee and the Disinterested Scheme Shareholders on the Proposal (including the Scheme and the Special Dividend), and such appointment has been approved by the Independent APL Board Committee pursuant to Rule 2.1 of the Takeovers Code.

The Independent APL Financial Adviser has advised the Independent APL Board Committee that the terms of the Proposal (including the Scheme and the Special Dividend) are fair and reasonable so far as the Disinterested Scheme Shareholders are concerned. Accordingly, it recommends the Independent APL Board Committee to advise the Disinterested Scheme Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the APL General Meeting to approve and implement the Proposal (including the Scheme and the Special Dividend).

The Independent APL Board Committee, having considered the terms of the Proposal (including the Scheme and the Special Dividend), and having taken into account the advice of the Independent APL Financial Adviser, considers that the terms of the Proposal (including the Scheme and the Special Dividend) are fair and reasonable so far as the Disinterested Scheme Shareholders are concerned. Accordingly, the Independent APL Board Committee recommends the Disinterested Scheme Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the APL General Meeting to approve and implement the Proposal (including the Scheme and the Special Dividend).

APL Shareholders are urged to read and consider carefully the recommendations of the Independent APL Board Committee and the advice of the Independent APL Financial Adviser set out in the letter from the Independent APL Board Committee and the letter from the Independent APL Financial Adviser contained in the Scheme Document.

COURT MEETING AND APL GENERAL MEETING

The Court Meeting and the APL General Meeting are scheduled to be held at 10:00 a.m. and 10:30 a.m. (or, if later, immediately after the conclusion or adjournment of the Court Meeting) respectively, on Wednesday, 15th July, 2020 at Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong.

The High Court has directed that the Court Meeting be convened for the purpose of considering and, if thought fit, approving the Scheme (with or without modification).

Immediately following the conclusion of the Court Meeting, the APL General Meeting will be held for the purpose of considering and, if thought fit, passing (i) the special resolution to approve and give effect to the Scheme; and (ii) the ordinary resolution to approve the declaration and payment of the Special Dividend.

Notices of the Court Meeting and the APL General Meeting are contained in the Scheme Document.

An announcement will be made by APL, AGL and the Offeror in relation to the results of the Court Meeting and the APL General Meeting on Wednesday, 15th July, 2020.

CLOSURE OF REGISTER OF MEMBERS FOR DETERMINATION OF ENTITLEMENTS TO VOTE

For the purpose of determining the entitlements of the holders of Scheme Shares to attend and vote at the Court Meeting and the entitlements of the APL Shareholders to attend and vote at the APL General Meeting, the register of members of APL will be closed from Thursday, 9th July, 2020 to Wednesday, 15th July, 2020 (both days inclusive) and during such period, no transfer of APL Shares will be effected. In order to qualify to attend and vote at the Court Meeting and the APL General Meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the APL Share Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Wednesday, 8th July, 2020.

CONDITIONS OF THE PROPOSAL AND THE SCHEME

APL Shareholders and potential investors of APL should be aware that the implementation of the Proposal (including the Scheme and the Special Dividend) is subject to the fulfilment or waiver, as applicable, of the conditions as described in the section headed "Conditions of the Proposal" in the Explanatory Statement of the Scheme Document, and therefore the Proposal and the Scheme may or may not be implemented. All of the Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Proposal will lapse.

Assuming that the Conditions are satisfied or validly waived (as applicable) on or before the Long Stop Date, it is currently expected that the Scheme will become binding and effective on the Effective Date, which is expected to be Friday, 28th August, 2020, and the listing of APL Shares on the Stock Exchange is expected to be withdrawn at 9:00 a.m. on Monday, 31st August, 2020, being one business day following the Effective Date, pursuant to Rule 6.15(2) of the Listing Rules.

If all the resolutions are passed at the Court Meeting and the APL General Meeting, further announcements will be made in relation to, among other things, the results of the hearing of the petition for the sanction of the Scheme by the High Court, the Effective Date, and the date of withdrawal of listing of APL Shares from the Stock Exchange in accordance with the requirements of the Takeovers Code and the Listing Rules.

EXPECTED TIMETABLE

The timetable set out below is indicative only and is subject to change. Any changes to the timetable will be jointly announced by the Offeror, AGL and APL. Unless otherwise specified, all times and dates refer to Hong Kong local times and dates.

Latest time for lodging transfers of APL Shares in order
to qualify for entitlement to attend and vote at
the Court Meeting and/or the APL General Meeting 4:30 p.m. on
Wednesday, 8th July, 2020

Register of members of APL closed for determining
entitlement to attend and vote at the Court Meeting
and the APL General Meeting (*Note 1*) Thursday, 9th July, 2020 to
Wednesday, 15th July, 2020
(both days inclusive)

Latest time for lodging forms of proxy and sending request
to attend by telephone conference in respect of:

- the Court Meeting (*Note 2*) 10:00 a.m. on
Monday, 13th July, 2020
- the APL General Meeting (*Note 2*) 10:30 a.m. on
Monday, 13th July, 2020

Meeting Record Date Wednesday, 15th July, 2020

Court Meeting (*Notes 2 and 3*) 10:00 a.m. on
Wednesday, 15th July, 2020

APL General Meeting (*Notes 2 and 3*) 10:30 a.m. on
Wednesday, 15th July, 2020
(or immediately after the conclusion or
adjournment of the Court Meeting)

Announcement of the results of the Court Meeting and
the APL General Meeting posted on the website of
the Stock Exchange no later than 7:00 p.m. on
Wednesday, 15th July, 2020

Expected latest time for trading of
APL Shares on the Stock Exchange 4:10 p.m. on
Friday, 14th August, 2020

Latest time for lodging transfers of APL Shares
in order to qualify for entitlements under the Scheme 4:30 p.m. on
Friday, 21st August, 2020

Register of members of APL closed for determining
entitlement to qualify under the Scheme (*Note 4*) from Monday, 24th August, 2020
onwards

High Court hearing of the petition for the sanction of
the Scheme (*Note 5*) 10:00 a.m. on
Wednesday, 26th August, 2020

Scheme Record Date Wednesday, 26th August, 2020

Announcement of

- (1) the results of the High Court hearing for the petition
for the sanction of the Scheme;
- (2) the expected Effective Date; and
- (3) the expected date of withdrawal of listing of
the APL Shares on the Stock Exchange posted
on the website of the Stock Exchange no later than 7:00 p.m. on
Wednesday, 26th August, 2020

Announcement of

- (1) the Effective Date and
- (2) the withdrawal of listing of the APL Shares
on the Stock Exchange posted on the website of
the Stock Exchange before 8:30 a.m. on
Friday, 28th August, 2020

Effective Date (*Note 5*) Friday, 28th August, 2020

Withdrawal of listing of the APL Shares on

the Stock Exchange becomes effective 9:00 a.m. on
Monday, 31st August, 2020

Cheques for the cash payment under the Proposal

to be despatched (*Note 6*) on or before
Tuesday, 8th September, 2020

Notes:

1. The register of members of APL will be closed during such period for the purpose of determining entitlements of the holders of Scheme Shares to attend and vote at the Court Meeting and of the APL Shareholders to attend and vote at the APL General Meeting. For the avoidance of doubt, this period of closure is not for determining entitlements under the Scheme.
2. The **pink** form of proxy in respect of the Court Meeting and the **white** form of proxy in respect of the APL General Meeting should be completed and signed in accordance with the instructions respectively printed thereon and should be lodged with the APL Share Registrar at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by the times and dates stated above. The **pink** form of proxy for use at the Court Meeting and the **white** form of proxy for use at the APL General Meeting must be lodged no later than the time and date stated above in order for them to be valid. The completion and return of a form of proxy for the Court Meeting and/or the APL General Meeting will not preclude a member from attending and voting in person at the relevant meeting or any adjournment thereof if he so wishes. In the event that the member attends and votes at the relevant meeting or any adjournment thereof after having lodged his/her/its form of proxy, the returned form of proxy shall be deemed to have been revoked by operation of law.

APL Shareholders with their own name registered in the register of members of APL, i.e. holding physical share certificate in their own name, who wish to attend the Court Meeting and/or APL General Meeting by telephone conference are requested to register their interest and provide the following details by email at attendmeeting@aphk.com during the period from the date of the Scheme Document (i.e. Friday, 19th June, 2020) to Monday, 13th July, 2020 at 10:00 a.m. (for Court Meeting) or Monday, 13th July, 2020 at 10:30 a.m. (for APL General Meeting):

1. full name and address (as shown on the mailing label on the envelope of the Scheme Document to APL Shareholders); and
2. contact phone number (for better co-ordination).

APL Shareholders are further reminded that the deadline to submit completed forms of proxy is Monday, 13th July, 2020 at 10:00 a.m. (for Court Meeting) or Monday, 13th July, 2020 at 10:30 a.m. (for APL General Meeting). For APL Shareholders who wish to attend the Court Meeting and/or APL General Meeting by telephone conference and vote, the completed forms of proxy are subject to the same deadline and format, and shall be lodged with the APL Share Registrar at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

3. If a tropical cyclone warning signal No.8 or above is or is expected to be hoisted or a black rainstorm warning signal is or is expected to be in force at any time after 8:00 a.m. on the date of the Court Meeting and the APL General Meeting, the Court Meeting and the APL General Meeting will be postponed. APL will post an announcement on the respective websites of the Stock Exchange and APL to notify the members of the date, time and venue of the rescheduled meetings.
4. The register of members of APL will be closed during such period for the purpose of determining the Scheme Shareholders, who are qualified for entitlements under the Scheme.
5. The High Court hearing will be held at the High Court at the High Court Building, 38 Queensway, Hong Kong. The Scheme shall become effective when an office copy of the order of the High Court sanctioning the Scheme (with or without modification) and confirming the reduction of the share capital of APL involved in the Scheme is registered by the Registrar of Companies under Part 2 of the Companies Ordinance.
6. Cheques for entitlements of Scheme Shareholders (including the Scheme Consideration and the Special Dividend) will be despatched by ordinary post in postage pre-paid envelopes addressed to Scheme Shareholders at their respective addresses as appearing in the register of members of APL as at the Scheme Record Date or, in the case of joint holders, at the address appearing in the register of members of APL as at the Scheme Record Date of the joint holder whose name then stands first in the register of members of APL in respect of the relevant joint holding as soon as possible but in any event within 7 business days (as defined in the Takeovers Code) following the Effective Date. Cheques shall be posted at the risk of the addressees and none of the Offeror, AGL, APL, Yu Ming, the Independent APL Financial Adviser and the APL Share Registrar and their respective directors, employees, officers, agents, advisers, associates and affiliates and any other persons involved in the Proposal shall be responsible for any loss or delay in transmission.

AGL Shareholders and potential investors of AGL should be aware that the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented and the Scheme may or may not become effective. AGL Shareholders and potential investors of AGL should therefore exercise caution when dealing in securities of AGL. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

APL Shareholders and potential investors of APL should be aware that the Scheme and the Special Dividend are inter-conditional, and the payment of the Special Dividend is subject to, among others, approval of the Disinterested Scheme Shareholders at the APL General Meeting and the Scheme having become binding and effective in accordance with its terms and conditions. The Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented and the Scheme may or may not become effective. Accordingly, the Special Dividend may or may not materialise. APL Shareholders and potential investors of APL should therefore exercise caution when dealing in securities of APL. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

On behalf of the board
Sunhill Investments Limited
Edwin Lo King Yau
Director

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
Mark Wong Tai Chun
Executive Director

Hong Kong, 19th June, 2020

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.

The AGL Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the APL Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the directors of APL) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the directors of the Offeror are Messrs. Edwin Lo King Yau and Kelvin Lam Kam Wing.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the APL Group and AGL) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the respective directors of APL and AGL) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

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

The APL Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to AGL and the Offeror) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the respective directors of AGL and the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.