
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Allied Group Limited, you should at once hand this circular, the accompanying form of proxy and the 2014 Annual Report to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**PROPOSALS FOR RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE SECURITIES
AND REPURCHASE SHARES,
PROPOSED ADOPTION OF NEW ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Allied Group Limited (“Company”) to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 4th June, 2015 at 10:15 a.m. is set out on pages 18 to 22 of this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude the shareholders of the Company from attending and voting in person at the meeting or any adjournment thereof if they so wish.

24th April, 2015

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DEFINITIONS

In this circular (other than in the notice of AGM), unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	annual general meeting of the Company to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 4th June, 2015 at 10:15 a.m. or any adjournment thereof
“Articles of Association”	the Existing Articles or the New Articles (as the context requires)
“Board”	board of Directors
“Companies Ordinance”	Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	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
“Director(s)”	director(s) of the Company
“Existing Articles”	the existing articles of association of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	20th April, 2015, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Lee and Lee Trust”	Lee and Lee Trust, a substantial shareholder of the Company, which was interested in 128,703,662 Shares, representing approximately 70.20% of the total number of Shares in issue as at the Latest Practicable Date and which is a discretionary trust
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“New Articles”	the new articles of association of the Company to be considered and approved for adoption by the Shareholders at the AGM

DEFINITIONS

“Predecessor Companies Ordinance”	the Companies Ordinance (Chapter 32 of the laws of Hong Kong) which was in force immediately prior to 3rd March, 2014
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of the Company
“Share Buy-backs Code”	Hong Kong Code on Share Buy-backs
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers
“2014 Annual Report”	annual report of the Company for the year ended 31st December, 2014
“%”	per cent

LETTER FROM THE BOARD



ALLIED GROUP LIMITED
(聯合集團有限公司)

(Incorporated in Hong Kong with limited liability)

(Stock Code: 373)

Executive Directors:

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

Non-Executive Directors:

Arthur George Dew (*Chairman*)
Lee Su Hwei

Independent Non-Executive Directors:

David Craig Bartlett
Alan Stephen Jones
Lisa Yang Lai Sum

Registered Office:

22nd Floor
Allied Kajima Building
138 Gloucester Road
Wanchai
Hong Kong

24th April, 2015

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE SECURITIES
AND REPURCHASE SHARES,
PROPOSED ADOPTION OF NEW ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM relating to, among other things, (i) the re-election of Directors; (ii) the granting to the Directors of general mandates to issue securities of the Company and repurchase Shares up to 20% and 10% respectively of the total number of Shares in issue as at the date of the passing of such resolutions; and (iii) the proposed adoption of the New Articles.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the Board consists of eight (8) Directors, namely Messrs. Arthur George Dew, Lee Seng Hui, Edwin Lo King Yau, Mak Pak Hung, Ms. Lee Su Hwei, Messrs. David Craig Bartlett, Alan Stephen Jones and Ms. Lisa Yang Lai Sum.

Pursuant to Article 105(A) of the Articles of Association, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office such that each Director (including those appointed for a specific term) will be subject to retirement by rotation at least once every three (3) years at the annual general meeting, provided always that any Director appointed pursuant to Article 96 of the Articles of Association shall not be taken into account in determining the Directors who are to retire by rotation at such meeting. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election. Pursuant to Article 96 of the Articles of Association, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board), and shall then be eligible for re-election.

Pursuant to Article 105(A) of the Articles of Association, Mr. Arthur George Dew, Mr. Lee Seng Hui and Ms. Lee Su Hwei shall retire from office by rotation and, being eligible, offer themselves for re-election at the AGM.

Article 109 of the Articles of Association provides that no person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been given to the Company during the period commencing no earlier than the day after the despatch of the notice of the general meeting appointed for such election and ending no later than seven (7) days prior to the date of such general meeting.

Accordingly, if a Shareholder wishes to nominate a person to stand for election as a Director at the AGM, notice in writing of his intention to propose such person for election as a Director and the notice in writing executed by the nominee of his willingness to be elected must be validly served at the registered office of the Company at 22nd Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong on or before 27th May, 2015.

Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any directors proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting.

LETTER FROM THE BOARD

Brief biographical details of the retiring Directors who are proposed to be re-elected at the AGM are set out in Appendix I to this circular. If a valid notice from a Shareholder to propose a person to stand for election as a Director at the AGM is received after the printing of this circular, the Company will issue a supplementary circular to inform the Shareholders of the details of the additional candidate proposed.

GENERAL MANDATES TO ISSUE SECURITIES AND REPURCHASE SHARES

At the annual general meeting of the Company held on 6th June, 2014, ordinary resolutions were passed for the granting of general mandates to the Directors (i) to allot, issue or otherwise deal with additional securities of the Company up to 20% of the total number of Shares in issue of the Company as at that date (“Existing Issue Mandate”), being 36,669,623 Shares; and (ii) to repurchase Shares up to 10% of the total number of Shares in issue of the Company as at that date (“Existing Repurchase Mandate”), being 18,334,811 Shares.

The Existing Issue Mandate and the Existing Repurchase Mandate will expire upon the conclusion of the AGM. The Directors consider that the Existing Issue Mandate and the Existing Repurchase Mandate increase the flexibility in dealing of the Company’s affairs and are in the interests of both the Company and the Shareholders as a whole, and that the same shall continue to be adopted by the Company.

New general mandates to allot, issue or otherwise deal with additional securities of the Company up to 20% of the total number of Shares in issue as at the date of passing the resolution as set out in Resolution No. 5(A) of the notice of AGM will be proposed at the AGM. Subject to the passing of the resolution granting the proposed mandate to issue securities of the Company and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed under such mandate to issue a maximum of 36,666,023 Shares, representing 20% of the total number of Shares in issue as at the Latest Practicable Date. In addition, a new general mandate to repurchase Shares up to 10% of the total number of Shares in issue as at the date of passing the resolution (“Share Repurchase Mandate”) as set out in Resolution No. 5(B) of the notice of AGM will also be proposed at the AGM. A resolution authorising the extension of the general mandate to the Directors to issue securities of the Company to include the total number of such Shares repurchased (if any) under the Share Repurchase Mandate is to be proposed as Resolution No. 5(C) of the notice of AGM at the AGM.

With reference to the proposed new general mandates, the Directors, as at the date hereof, wish to state that they have no immediate plans to issue any new securities of the Company pursuant to the relevant mandates.

An explanatory statement containing the particulars required by the Listing Rules to enable the Shareholders to make an informed view on whether to vote for or against Resolution No. 5(B) to be proposed at the AGM in relation to the proposed Share Repurchase Mandate is set out in Appendix II to this circular.

PROPOSED ADOPTION OF NEW ARTICLES OF ASSOCIATION

In respect of the Companies Ordinance which came into effect on 3rd March, 2014, certain amendments are proposed to be made to the Existing Articles. In view of the substantial number of

LETTER FROM THE BOARD

amendments, the Board proposes that the Company takes this opportunity to adopt a new set of the Articles of Association, consolidating all proposed amendments, to replace the Existing Articles with effect from the date of the passing of the relevant special resolution at the AGM.

A summary of key amendments to the Articles of Association is set out in Appendix III to this circular.

The Directors propose that the amendments to the Articles of Association be adopted and consolidated through the adoption of the New Articles which will replace the Existing Articles. A special resolution (Resolution No. 6, the full text of which is set out in the notice of AGM in this circular) will therefore be proposed at the AGM to adopt the New Articles.

The legal advisers to the Company as to Hong Kong law have confirmed that the proposed amendments to the Articles of Association conform with the requirements of the Listing Rules and applicable laws of Hong Kong. The Company confirms that there is nothing unusual about the proposed amendments for a company listed in Hong Kong.

AGM

The notice of AGM to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 4th June, 2015 at 10:15 a.m. is set out on pages 18 to 22 of this circular. A copy of the 2014 Annual Report is despatched to the Shareholders together with this circular. Ordinary resolutions in respect of, inter alia, the re-election of Directors and the general mandates to issue securities of the Company and repurchase Shares, and a special resolution in respect of the adoption of the New Articles will be proposed at the AGM.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The resolutions to be proposed at the AGM do not relate purely to a procedural or administrative matter. Accordingly, all resolutions set out in the notice of AGM will be put to vote by way of poll at the AGM. An announcement on the results of the vote by poll will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the AGM or any adjournment thereof if they so wish.

LETTER FROM THE BOARD

DOCUMENT AVAILABLE FOR INSPECTION

A copy of the New Articles will be available for inspection at the registered office of the Company at 22nd Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong during normal business hours on any business day (as defined in the Listing Rules) from the date hereof up to and including the date of the AGM.

Shareholders are advised that the New Articles are in English only and that the Chinese translation of the summary of key amendments to the Articles of Association contained in Appendix III to this circular is for reference only. In case of inconsistency, the English version shall prevail.

RECOMMENDATION

The Directors consider that the proposed ordinary resolutions for approval of the re-election of the retiring Directors, the grant of general mandates to issue securities of the Company and repurchase Shares, and to add the total number of Shares that may be repurchased to the total number of Shares that may be allotted pursuant to the general mandate to issue securities of the Company, and the proposed special resolution for approval of the adoption of the New Articles are each in the best interests of the Company and the Shareholders as a whole, and accordingly, recommend all Shareholders to vote in favour of the resolutions to be proposed at the AGM.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular. The English text of this circular shall prevail over the Chinese text.

Yours faithfully,
For and on behalf of the Board
Allied Group Limited
Arthur George Dew
Chairman

The biographical details of the Directors proposed to be re-elected at the forthcoming AGM are set out as follows:

Mr. Arthur George Dew, aged 73, Chairman of the Company since January 2007, was appointed an Independent Non-Executive Director of the Company in December 1995 and re-designated as a Non-Executive Director of the Company in July 2002. He graduated from the Law School of the University of Sydney, Australia, and was admitted as a solicitor and later as a barrister of the Supreme Court of New South Wales, Australia. He is currently a non-practising barrister. He has a broad range of corporate and business experience and has served as a director, and in some instances chairman of the board of directors, of a number of public companies listed in Australia, Hong Kong and elsewhere. He is also the chairman and a non-executive director of each of Allied Properties (H.K.) Limited (“APL”) and Dragon Mining Limited (“Dragon Mining”) and a non-executive director of each of SHK Hong Kong Industries Limited (“SHK HK IND”) and Tanami Gold NL (“Tanami Gold”). Mr. Dew resigned as a non-executive director of Eurogold Limited (“Eurogold”) in November 2014. Mr. Dew was previously the chairman and a non-executive director of SkyOcean International Holdings Limited (formerly known as Allied Overseas Limited). Tanami Gold, Eurogold and Dragon Mining are companies listed on the Australian Securities Exchange. Save as disclosed above, Mr. Dew did not hold any other directorship in listed public companies in Hong Kong or overseas during the past three years. Mr. Dew was previously a non-executive director in approximately 1980 of an Australian agricultural company known as New England Agricultural Corp. Ltd. which company entered into a scheme of arrangement (the “Scheme”) with its creditors and shareholders in approximately 1980 at a time when Mr. Dew was a non-executive director. Insofar as Mr. Dew can recollect, the approximate value involved in the Scheme was approximately AUD\$2 million and the Scheme was completed in approximately 1981.

A service contract which forms the basis of emoluments has been entered into between the Company and Mr. Dew pursuant to which (a) his term of appointment shall continue until 31st December, 2016, subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles of Association or any other applicable laws from time to time whereby he shall vacate his office; and (b) he is entitled to a total package equivalent to HK\$1,722,000 per annum (including the Company’s provision of accommodation to him in Hong Kong) for (i) his positions in the Company and APL, a non wholly-owned subsidiary of the Company; and (ii) his consultancy services in each of Sun Hung Kai & Co. Limited, a non wholly-owned subsidiary of the Company, and Tian An China Investments Company Limited (“Tian An”), an associate of the Company. The remuneration of Mr. Dew was determined with reference to the prevailing market conditions and the terms of the Company’s remuneration policy. A service contract has been entered into between SHK HK IND, a non wholly-owned subsidiary of the Company, and Mr. Dew pursuant to which he is entitled to a remuneration package to be determined by the board of directors of SHK HK IND, approved by shareholders of SHK HK IND and payable by SHK HK IND separately.

Save as disclosed above, Mr. Dew did not have any relationship with any Director, senior management, substantial or controlling shareholder of the Company nor had he any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

There are no other matters or information in relation to Mr. Dew that need to be brought to the attention of the Shareholders or to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

Mr. Lee Seng Hui, aged 46, Chief Executive of the Company since January 1998, was appointed a Non-Executive Director of the Company in July 1992 and became an Executive Director of the Company in December 1993. Save as disclosed herein, Mr. Lee is also director of a subsidiary of the Company. He graduated from the Law School of the University of Sydney with Honours. Previously, he worked with Baker & McKenzie and N M Rothschild & Sons (Hong Kong) Limited. Mr. Lee is the chief executive and an executive director of APL and the chairman and a non-executive director of Tian An . He is a non-executive director of APAC Resources Limited and the non-executive chairman of Mount Gibson Iron Limited (“Mount Gibson”). Mr. Lee was previously a non-executive director of Tanami Gold. Mount Gibson and Tanami Gold are companies listed on the Australian Securities Exchange. He is a brother of Ms. Lee Su Hwei (a Non-Executive Director of the Company). Save as disclosed above, Mr. Lee did not hold any other directorship in listed public companies in Hong Kong or overseas during the past three years.

As at the Latest Practicable Date, Mr. Lee had a personal interests in 22,921 Shares, and Mr. Lee, Ms. Lee Su Hwei (a Non-Executive Director of the Company and the sister of Mr. Lee) and Mr. Lee Seng Huang are the trustees of Lee and Lee Trust, being a discretionary trust, which indirectly held 128,703,662 Shares. They together owned approximately 70.21% interests of the total number of Shares in issue of the Company as at the Latest Practicable Date and were therefore deemed to have interests in the Shares within the meaning of Part XV of the SFO.

An employment contract which forms the basis of emoluments has been entered into between the Company and Mr. Lee, pursuant to which he is entitled to receive (i) a monthly salary of HK\$199,367 together with an accommodation in rental value of HK\$470,000 per month with a management fee of HK\$65,000 per month during the period from 1st January, 2014 to 31st December, 2015; (ii) a discretionary bonus which is based on the performance of the Company; and (iii) a thirteen-month salary payment that is made each December in respect of that year. The remuneration of Mr. Lee was determined with reference to the prevailing market conditions and the terms of the Company’s remuneration policy. He will have no designated length of service with the Company but will be subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles of Association or any other applicable laws from time to time whereby he shall vacate his office.

Save as disclosed above, Mr. Lee did not have any relationship with any Director, senior management, substantial or controlling shareholder of the Company nor had he any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

There are no other matters or information in relation to Mr. Lee that need to be brought to the attention of the Shareholders or to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

Ms. Lee Su Hwei, aged 44, was appointed a Non-Executive Director of the Company in May 2000. She holds a Bachelor of Economics Degree from the University of Sydney and has experience as an investment analyst and in the securities industry generally in Hong Kong and the region. She is the sister of Mr. Lee Seng Hui (the Chief Executive and Executive Director of the Company). Save as disclosed above, Ms. Lee did not hold any other directorship in listed public companies in Hong Kong or overseas during the past three years.

Ms. Lee, Mr. Lee Seng Hui (the Chief Executive and Executive Director of the Company and the brother of Ms. Lee) and Mr. Lee Seng Huang are the trustees of Lee and Lee Trust, being a discretionary trust, which indirectly held 128,703,662 Shares. They together owned approximately 70.21% interests of the total number of Shares in issue of the Company as at the Latest Practicable Date and were therefore deemed to have interests in the Shares within the meaning of Part XV of the SFO.

A service contract has been entered into between the Company and Ms. Lee pursuant to which her term of appointment shall continue until 31st December, 2016, subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles of Association or any other applicable laws from time to time whereby she shall vacate her office.

Save as disclosed above, Ms. Lee did not have any relationship with any Director, senior management, substantial or controlling shareholder of the Company nor had she any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

There are no other matters or information in relation to Ms. Lee that need to be brought to the attention of the Shareholders or to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

This Appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed view on whether to vote for or against the resolution to be proposed at the AGM in relation to the proposed Share Repurchase Mandate.

TOTAL NUMBER OF SHARES IN ISSUE

As at the Latest Practicable Date, the total number of Shares in issue was 183,330,118 Shares.

Subject to the passing of the resolution granting the proposed mandate to repurchase Shares and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase a maximum of 18,333,011 Shares during the period ending on the earlier of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by law or the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per share and/or earnings per share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

The Directors would exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company and in circumstances where they consider that the Shares can be repurchased on the terms favourable to the Company. On the basis of the consolidated financial position of the Company as at 31st December, 2014, being the date to which the latest published audited financial statements of the Company were made up, if the general mandate to repurchase Shares was to be exercised in full at any time during the proposed repurchase period, it may have an adverse impact on the working capital and gearing level of the Company.

The Directors do not propose to exercise the mandate to repurchase Shares to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company as compared with the position disclosed in the latest published audited financial statements of the Company or the gearing level which, in the opinion of the Directors, are from time to time appropriate for the Company.

FUNDING OF REPURCHASES

Repurchases to be made pursuant to the proposed mandate to repurchase Shares would be financed out of funds legally available for such purpose in accordance with the Articles of Association and the applicable laws of Hong Kong and the Listing Rules. Such funds include, but are not limited to, profits available for distribution.

EFFECT OF THE TAKEOVERS CODE AND SHARE BUY-BACKS CODE

Upon the exercise of the power to repurchase Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interests in the voting rights of the Company increases, and such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code and Rule 6 of the Share Buy-backs Code. Accordingly, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and, depending on the level of increase of the Shareholders' interests, may become obliged to make a mandatory general offer in accordance with Rules 26 and 32 of the Takeovers Code.

Name of Shareholders	Number of Shares interested	Approximate % of the total number of Shares in issue	Notes	Approximate % of the total number of Shares in issue should the Share Repurchase Mandate be exercised in full
Minty Hongkong Limited ("Minty")	75,844,692	41.37%	1	45.96%
Lee and Lee Trust and parties acting in concert with it	128,726,583	70.21%	1, 2 and 3	78.01%

Notes:

1. Minty is wholly-owned by the trustees of Lee and Lee Trust, being a discretionary trust.
2. Mr. Lee Seng Hui and Ms. Lee Su Hwei, Directors, together with Mr. Lee Seng Huang, are the trustees of Lee and Lee Trust, being a discretionary trust, and were therefore deemed to have an interest in the Shares in which Minty was interested.
3. This figure includes 75,844,692 Shares held by Minty.

As at the Latest Practicable Date, Lee and Lee Trust and parties acting in concert with it are beneficially interested in 128,726,583 Shares, representing approximately 70.21% of the total number of Shares in issue.

Based on such interests in the Shares and in the event that the Directors exercise in full the power to repurchase Shares under the Share Repurchase Mandate and assuming that no further Shares are issued or repurchased prior to the AGM, the interests of Lee and Lee Trust together with the parties acting in concert with it will be increased to approximately 78.01% of the total number of Shares in issue. To the best of the knowledge and belief of the Directors, such increase in the interests of Lee and Lee Trust together with parties acting in concert with it will not give rise to an obligation to make a mandatory general offer under Rules 26 and 32 of the Takeovers Code, and the total number of Shares held by the public will be reduced to less than 25% of the total number of Shares in issue. The Directors have no present intention to repurchase Shares to the extent that it will result in the total number of Shares held by the public being reduced to less than 25% of the total number of Shares in issue if the Share Repurchase Mandate is approved at the AGM.

PRICE OF THE SHARES

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the last twelve months:

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2014		
April	38.00	33.20
May	35.50	33.00
June	36.90	33.35
July	35.00	34.20
August	34.95	34.00
September	35.20	32.70
October	32.80	31.05
November	32.90	31.00
December	33.00	31.50
2015		
January	33.30	31.50
February	34.20	33.30
March	35.05	33.55
April (up to the Latest Practicable Date)	42.00	34.50

REPURCHASE OF SHARES

The Company has purchased a total of 12,000 Shares on the Stock Exchange during the six months immediately preceding the Latest Practicable Date (i.e. 21st October, 2014 to 20th April, 2015) and details of which are as follows:

Date of Repurchases	Number of Shares Repurchased	Price per Share	
		Highest <i>HK\$</i>	Lowest <i>HK\$</i>
13th January, 2015	6,000	32.00	32.00
8th April, 2015	6,000	35.00	35.00
Total	<u>12,000</u>		

GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company or its subsidiaries.

No core connected persons of the Company (as defined in the Listing Rules) have notified the Company that they have a present intention to sell any Shares to the Company, or have undertaken not to do so in the event that the Company is authorised to make repurchases of the Shares.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Share Repurchase Mandate to repurchase any Shares in accordance with the Listing Rules and the applicable laws of Hong Kong.

This Appendix III contains a summary of key amendments to the Articles of Association as below:

(a) Abolition of memorandum of association

In accordance with the Companies Ordinance, the Company's memorandum of association has been retired and any condition contained in the memorandum of association is regarded as a provision of the Company's Articles of Association.

As it is no longer necessary for Hong Kong incorporated companies to have an objects clause to define the scope of corporate capacity, the objects clause in the memorandum of association of the Company will be eliminated and will not be included in the New Articles.

The memorandum of association of the Company will be removed and the mandatory clauses as required by the Companies Ordinance will be migrated from the memorandum of association (including the Company's name, the limited liability of its shareholders and its initial share capital and shareholdings) to the Articles of Association.

(b) No par regime for share capital

The Companies Ordinance has adopted a mandatory system of no par for all Hong Kong incorporated companies having a share capital, and therefore retires the concept of par value for all shares.

As a result of the adoption of the no par regime, references to "par" or "nominal value" of the Shares have been removed from the Articles of Association and the provisions concerning the alteration of share capital have been modified accordingly.

(c) References to authorised share capital, unissued shares, share premium, share premium account and capital redemption reserve becoming obsolete

As a result of the implementation of the no par regime, all the references in the Articles of Association to authorised share capital and unissued shares have been removed. In addition, since Shares are no longer issued at a premium to par value and no transfer is made to a capital redemption reserve when Shares are redeemed or bought back by the Company, the references to share premium, share premium account and capital redemption reserve have also been removed.

(d) Alteration of share capital

The provisions in the Articles of Association relating to the alteration of share capital have been clarified by stating that the Company's share capital can be altered in any ways as permitted by the Companies Ordinance.

(e) Repeal of powers to convert shares into stock and to issue bearer warrants

The Companies Ordinance has repealed the powers for a company to convert its shares into stock and the powers to issue bearer warrants. Therefore, any references to stock and bearer warrants have been removed from the Articles of Association.

(f) Reasons for refusal to register any transfer of shares

The Companies Ordinance requires a company to state the reasons for refusing to register a transfer of shares upon request by the relevant transferor or transferee. Accordingly, the provisions relating to the refusal to register any transfer of shares in the Articles of Association have been amended to reflect the requirements under the Companies Ordinance.

(g) Timing and notice periods for holding general meetings

Under the Companies Ordinance, the provisions in relation to the timing for holding annual general meetings have been revised and the minimum notice period for convening a general meeting (other than an annual general meeting), whether for passing ordinary resolution(s) or special resolution(s), has been changed from 21 days to 14 days. Accordingly, the changes have been reflected in the New Articles.

(h) Holding general meetings in more than one location

The Companies Ordinance permits a company to hold a general meeting at 2 or more places using any technology that enables the members to listen, speak and vote at the meeting. Accordingly, the changes have been reflected in the New Articles.

(i) Special business in general meetings

The Companies Ordinance has abolished the distinction between general business and special business in a general meeting. As such concept is no longer found in the Companies Ordinance, the New Articles has removed the relevant references for the sake of consistency with the requirements of the Companies Ordinance.

(j) Poll

The Companies Ordinance lowers the required percentage of total voting rights which Shareholders must have in order to demand a poll from 10% to 5%. To align with the Companies Ordinance, such changes have been reflected in the New Articles.

The Companies Ordinance requires a chairman of a general meeting to demand poll if, before the declaration of the result on a show of hands, the chairman knows from the proxies received that the result on a show of hands will be different from that on a poll. As such, the New Articles have included the same to reflect this mandatory requirement.

(k) Directors' service contract

Under the Companies Ordinance, without the prescribed members' approval, a company must not enter into a service contract under which the guaranteed term of the employment of a director of the company exceeds or may exceed 3 years. The New Articles have incorporated the same for the purpose of bringing the Articles of Association in line with the Companies Ordinance.

(l) Permitted indemnity provisions relating to directors' liability

The Companies Ordinance has clarified the rules on indemnification of directors of a company against liabilities to third parties. Accordingly, changes have been made to the Articles of Association.

(m) Changes in Chapter 14A of the Listing Rules

Following the amendments in Chapter 14A of the Listing Rules in July 2014, certain references to “associates” in the Articles of Association have been amended accordingly.

(n) Other consequential changes

For the purpose of consistency, the obsolete terms in the Existing Articles have been replaced with the new terms used in the Companies Ordinance and the section references to the Predecessor Companies Ordinance with the corresponding section references to the Companies Ordinance. In addition, certain miscellaneous amendments have been made to the Articles of Association in order to update, modernise or clarify provisions therein where it is considered desirable.

The Existing Articles (not including the proposed amendments) are available for reference by the Shareholders at the websites of the Stock Exchange and the Company.

Shareholders are advised that the New Articles are in English only and that the Chinese translation of the summary of key amendments to the Articles of Association contained in this Appendix III is for reference only. In case of inconsistency, the English version shall prevail.

NOTICE OF AGM



ALLIED GROUP LIMITED **(聯合集團有限公司)**

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

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“Meeting”) of Allied Group Limited (聯合集團有限公司) (“Company”) will be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 4th June, 2015 at 10:15 a.m. for the following purposes:

1. To receive and adopt the Audited Financial Statements and the Reports of the Directors and Auditor for the year ended 31st December, 2014.
2. To declare a final dividend.
3. (A) To re-elect Mr. Arthur George Dew as a Director.
(B) To re-elect Mr. Lee Seng Hui as a Director.
(C) To re-elect Ms. Lee Su Hwei as a Director.
(D) To authorize the Board of Directors to fix the Directors’ fee.
4. To re-appoint Deloitte Touche Tohmatsu as Auditor and authorise the Board of Directors to fix its remuneration.
5. To consider as special business and, if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolutions:

ORDINARY RESOLUTIONS

- (A) **“THAT:**
 - (a) subject to paragraph (c) of this Resolution, the exercise by the directors of the Company (“Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares of the Company (“Shares”) or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements and options which might require the exercise of such powers, be and is hereby generally and unconditionally approved;
 - (b) the approval given in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements

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and options which might require the exercise of such powers after the end of the Relevant Period;

- (c) the total number of the Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval given in paragraph (a) of this Resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of the rights of subscription or conversion attaching to any warrants issued by the Company or any securities which are convertible into Shares;
 - (iii) the exercise of any options granted under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares; or
 - (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares pursuant to the articles of association of the Company from time to time;

shall not exceed 20% of the total number of Shares in issue at the date of the passing of this Resolution and the said approval shall be limited accordingly;

- (d) subject to the passing of each of the paragraphs (a), (b) and (c) of this Resolution, any prior approvals of the kind referred to in paragraphs (a), (b) and (c) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (e) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

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“Rights Issue” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors to holders of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares at that date (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

(B) **“THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase Shares on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Hong Kong Code on Share Buy-backs, subject to and in accordance with all applicable laws and regulations, be and is hereby generally and unconditionally approved;
- (b) the total number of the Shares which may be repurchased by the Company pursuant to paragraph (a) of this Resolution during the Relevant Period shall not exceed 10% of the total number of Shares in issue at the date of the passing of this Resolution, and the approval granted under paragraph (a) of this Resolution shall be limited accordingly;
- (c) subject to the passing of each of the paragraphs (a) and (b) of this Resolution, any prior approvals of the kind referred to in paragraphs (a) and (b) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (d) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

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- (C) “**THAT** conditional upon the passing of Resolution Nos. 5(A) and 5(B) as set out in the notice convening the Meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue or otherwise deal with additional securities of the Company pursuant to Resolution No. 5(A) as set out in the notice convening the Meeting be and is hereby extended by the addition thereto a number representing the total number of the Shares repurchased by the Company under the authority granted pursuant to Resolution No. 5(B) as set out in the notice convening the Meeting, provided that such number shall not exceed 10% of the total number of Shares in issue at the date of the passing of this Resolution.”
6. As special business, to consider, and if thought fit, to pass the following resolution, with or without modification, as special resolution:

SPECIAL RESOLUTION

“**THAT** the Company’s new articles of association, a copy of which has been produced to the meeting marked “A” and initialled by the Chairman for the purpose of identification, which, among other things, do not include any “objects” clauses, be and are hereby approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the articles of association of the Company in force immediately before the passing of this Special Resolution and **THAT** any Director or the Company Secretary of the Company be and is hereby authorised to do all things necessary to effect and record the adoption of the Company’s new articles of association.”

By Order of the Board
Allied Group Limited
Cho Wing Han
Company Secretary

Hong Kong, 24th April, 2015

Registered Office:

22nd Floor
Allied Kajima Building
138 Gloucester Road
Wanchai
Hong Kong

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Notes:

1. *All resolutions set out in this notice of the Meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and the results of the poll will be published on the websites of the Stock Exchange and the Company in accordance with the Listing Rules.*
2. *A member of the Company entitled to attend and vote at the Meeting will be entitled to appoint one or more proxies to attend and, on a poll, vote in his or her stead. A proxy need not be a member of the Company.*
3. *A form of proxy in respect of the Meeting is enclosed. Whether or not you intend to attend the Meeting in person, you are urged to complete and return the form of proxy in accordance with the instructions printed thereon. Completion and return of the form of proxy will not preclude you from attending the Meeting and voting in person if you so wish. In the event that you attend the Meeting after having lodged the form of proxy, it will be deemed to have been revoked.*
4. *To be valid, the form of proxy, together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority, must be deposited at the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not less than 48 hours before the time fixed for holding the Meeting or any adjournment thereof.*
5. *Where there are joint registered holders of any Share, any one of such persons may vote at the Meeting, either personally or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint registered holders be present at the Meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such Share shall alone be entitled to vote in respect thereof.*
6. *For determining the entitlement to attend and vote at the Meeting, the register of members of the Company will be closed from Tuesday, 2nd June, 2015 to Thursday, 4th June, 2015 (both days inclusive), during which period no transfer of Shares will be registered. In order for a shareholder of the Company to be eligible to attend and vote at the Meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Computershare Hong Kong Investor Services Limited of Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 1st June, 2015.*
7. *For determining the entitlement to the proposed final dividend for the year ended 31st December, 2014, the register of members of the Company will be closed from Tuesday, 16th June, 2015 to Thursday, 18th June, 2015 (both days inclusive), during which period no transfer of Shares will be registered. In order for a shareholder of the Company to qualify for the proposed final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Computershare Hong Kong Investor Services Limited of Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 15th June, 2015. Subject to approval by the shareholders of the Company at the Meeting, dividend warrants are expected to be despatched to the shareholders of the Company by post on or around Friday, 10th July, 2015.*
8. *In respect of Resolution No. 5(A) above, the Directors wish to state that they have no immediate plans to issue any new securities of the Company under this mandate. Approval is being sought from members as a general mandate, in compliance with the Hong Kong Companies Ordinance and the Listing Rules, in order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to issue any securities of the Company up to 20% of the total number of Shares in issue at the date of the passing of the resolution.*
9. *The general purpose of the authority to be conferred on the Directors by Resolution No. 5(B) above is to increase flexibility and to provide discretion to the Directors in the event that it becomes desirable to repurchase Shares representing up to a maximum of 10% of the total number of Shares in issue at the date of the passing of the resolution on the Stock Exchange.*