

**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 2007 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**  
**AND**  
**GENERAL MANDATES TO ISSUE SECURITIES**  
**AND REPURCHASE SHARES**

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A notice convening the annual general meeting of Allied Group Limited to be held at Plaza 4, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 6th June, 2008 at 10:15 a.m., is set out on pages 12 to 16 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 registered office of Allied Group Limited at 22nd Floor, Allied Kajima Building, 138 Gloucester Road, 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 from attending and voting in person at the meeting or any adjournment thereof if they so wish.

29th April, 2008

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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”	the annual general meeting of the Company to be held on Friday, 6th June, 2008 at 10:15 a.m.
“Articles”	the articles of association of the Company
“Board”	the board of Directors
“Company”	Allied Group Limited, a company incorporated in Hong Kong with limited liability, with its shares listed on the Main Board of the Stock Exchange
“Director(s)”	director(s) 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”	23rd April, 2008, 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 104,026,492 Shares, representing approximately 42.60% of the issued capital of the Company as at the Latest Practicable Date and which is a discretionary trust
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Repurchase Code”	Hong Kong Code on Share Repurchases
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of nominal value of HK\$2.00 each in the share capital of the Company
“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
“2007 Annual Report”	annual report of the Company for the year ended 31st December, 2007
“%”	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

*Registered Office:*

22nd Floor

Allied Kajima Building

138 Gloucester Road

Wanchai

Hong Kong

*Non-Executive Directors:*

Arthur George Dew (*Chairman*)

Lee Su Hwei

*Independent Non-Executive Directors:*

Wong Po Yan

David Craig Bartlett

John Douglas Mackie

Alan Stephen Jones

29th April, 2008

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR RE-ELECTION OF DIRECTORS  
AND  
GENERAL MANDATES TO ISSUE SECURITIES  
AND REPURCHASE SHARES**

**INTRODUCTION**

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM relating to (i) the re-election of Directors; and (ii) the granting to the Directors of general mandates to issue securities and repurchase Shares up to 20% and 10% respectively of the aggregate nominal amount of the Company's issued share capital as at the date of passing of such resolutions.

## LETTER FROM THE BOARD

### RE-ELECTION OF DIRECTORS

The Board currently consists of nine Directors, namely Messrs. Arthur George Dew, Lee Seng Hui, Edwin Lo King Yau and Mak Pak Hung, Ms. Lee Su Hwei, Messrs. Wong Po Yan, David Craig Bartlett, John Douglas Mackie and Alan Stephen Jones.

Pursuant to Article 105(A) of the Articles, at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not a multiple of three, 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 years at the annual general meeting, provided always that any Director appointed pursuant to Article 96 of the Articles 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, 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, Messrs. Edwin Lo King Yau, Wong Po Yan and David Craig Bartlett shall retire by rotation and, being eligible, offer themselves for re-election at the AGM. All the retiring Directors are eligible for re-election.

Article 109 of the Articles 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 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 30th May, 2008.

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.

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 Shareholders of the details of the additional candidate proposed.

## LETTER FROM THE BOARD

### GENERAL MANDATES TO ISSUE SECURITIES AND REPURCHASE SHARES

At the annual general meeting of the Company held on 13th June, 2007, ordinary resolutions were passed for the granting of general mandates to the Directors (i) to allot, issue and deal with additional securities of the Company up to 20% of the aggregate nominal amount of the share capital of the Company in issue as at that date (“Existing Issue Mandate”), being 48,936,484 Shares and (ii) to repurchase Shares up to 10% of the aggregate nominal amount of the share capital of the Company in issue as at that date (“Existing Repurchase Mandate”), being 24,468,242 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, 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 aggregate nominal amount of the share capital of the Company in issue as at the date of passing the resolution as set out in Resolution No. 5(A) of the notice of the 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 securities are issued or repurchased before the AGM, the Company will be allowed under such mandate to issue a maximum of 48,832,084 Shares, representing 20% of the issued share capital of the Company as at the Latest Practicable Date. In addition, new general mandate to repurchase Shares up to 10% of the aggregate nominal amount of the share capital of the Company 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 the AGM will also be proposed at the AGM. Resolution authorising the extension of the general mandate to the Directors to issue securities to include the aggregate nominal amount of such Shares repurchased (if any) under the Share Repurchase Mandate is to be proposed as Resolution No. 5(C) of the notice of the 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 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 are set out in Appendix II to this circular.

### AGM

Notice of the AGM to be held at Plaza 4, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 6th June, 2008 at 10:15 a.m. is set out on pages 12 to 16 of this circular. A copy of the 2007 Annual Report of the Company is despatched to the Shareholders together with this circular. Ordinary resolutions in respect of the re-election of the Directors and the general mandates to issue securities and repurchase Shares will be proposed at the AGM.

## LETTER FROM THE BOARD

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 registered office at 22nd Floor, Allied Kajima Building, 138 Gloucester Road, 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 shall not preclude the Shareholders from attending and voting in person at the AGM or any adjournment thereof if they so wish.

### **RIGHT TO DEMAND A POLL**

Pursuant to Article 75 of the Articles, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded: (i) by the chairman of the meeting; or (ii) by at least three Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or (iii) by any Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or (iv) by a Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and holding Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all Shares conferring that right.

### **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 and repurchase Shares, and to add the aggregate nominal amount of Shares that may be repurchased to the aggregate nominal amount of the Shares that may be allotted pursuant to the general mandate to issue securities 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. Edwin Lo King Yau**, aged 47, a chartered company secretary and holder of a Master's Degree in Applied Finance from Macquarie University, Australia, was appointed an Executive Director of the Company in May 2000 and the Company Secretary of the Company in May 2007. He had served various executive roles in several companies in Hong Kong including as company secretary for public listed companies. He is also an executive director of Tian An China Investments Company Limited and Yu Ming Investments Limited. He was an executive director of The Hong Kong Building and Loan Agency Limited for the period from October 2005 to September 2006. Save as disclosed above, Mr. Lo did not hold any other directorship in listed public companies during the past three years.

An employment contract which forms the basis of emoluments has been entered into between the Company and Mr. Lo pursuant to which he is entitled to receive (i) a monthly salary of HK\$110,000; and (ii) a discretionary bonus which is based on the performance of the Company. 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 or any other applicable laws from time to time whereby he shall vacate his office. Save as disclosed above, Mr. Lo 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. Mr. Lo is not aware of any other matters that need to be brought to the attention of the Shareholders.

Pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, there is no other information in relation to Mr. Lo to be disclosed.

**Mr. Wong Po Yan**, *G.B.M., C.B.E., J.P.*, aged 84 and an Independent Non-Executive Director of the Company since March 1993, is one of Hong Kong's leading residents with an outstanding record of business and public service. He was the chairman and managing director of United Oversea Enterprises Ltd. and former vice chairman of the Committee for the Basic Law of the HKSAR under the Standing Committee of the National People's Congress. He is also an independent non-executive director of each of Alco Holdings Limited, China Electronics Corporation Holdings Company Limited, FinTronics Holdings Company Limited, Shenzhen Investment Limited and Sinopec Kantons Holdings Limited. Save as disclosed above, Mr. Wong did not hold any other directorship in listed public companies during the past three years.

A service contract which forms the basis of emoluments has been entered into between the Company and Mr. Wong pursuant to which (i) his term of appointment shall continue until 31st December, 2008, subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles or any other applicable laws from time to time whereby he shall vacate his office; and (ii) he is entitled to a consultancy fee of HK\$150,000 per annum. Save as disclosed above, Mr. Wong 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. Mr. Wong is not aware of any other matters that need to be brought to the attention of the Shareholders.

Pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, there is no other information in relation to Mr. Wong to be disclosed.

**Mr. David Craig Bartlett**, aged 42, was appointed an Independent Non-Executive Director of the Company in December 1999. He graduated with honours in law from Exeter University in the United Kingdom in 1988 and subsequently qualified as a solicitor in England & Wales, The Republic of Ireland and the Hong Kong Special Administrative Region. A former partner of the international law firm Clyde & Co., he regularly acted for and advised the Company and its subsidiaries before leaving private practise for a career in industry. Now based primarily in Luxembourg, Mr. Bartlett is also an independent non-executive director of Sun Hung Kai & Co. Limited. Save as disclosed above, Mr. Bartlett did not hold any other directorship in listed public companies during the past three years.

A service contract which forms the basis of emoluments has been entered into between the Company and Mr. Bartlett pursuant to which (i) his term of appointment shall continue until 31st December, 2008, subject to retirement and re-election at the annual general meetings of the Company in accordance with the Articles or any other applicable laws from time to time whereby he shall vacate his office; and (ii) he is entitled to a consultancy fee of HK\$75,000 per annum. Save as disclosed above, Mr. Bartlett 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. Mr. Bartlett is not aware of any other matters that need to be brought to the attention of the Shareholders.

Pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, there is no other information in relation to Mr. Bartlett to be disclosed.

*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.*

**SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company was HK\$488,320,846 divided into 244,160,423 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 24,416,042 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 assets value of the Company and/or earnings per share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

The Directors have no present intention to repurchase any Shares and they would only 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, 2007, being the date to which the latest published audited financial statements of the Company were made up, the Directors consider that if the general mandate to repurchase Shares were to be exercised in full at the currently prevailing market value, 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 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 the purpose in accordance with the Company's memorandum of association and the Articles 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 REPURCHASE CODE**

Upon the exercise of the power to repurchase Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, 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 Repurchase 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' interest, may become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

Name of Shareholders	Number of Shares held	Approximate % of the issued share capital	Notes	Approximate % of the issued share capital should the Share Repurchase Mandate be exercised in full
Minty Hongkong Limited ("Minty")	75,844,692	31.06%	–	34.51%
Lee and Lee Trust and parties acting in concert with it	104,049,413	42.61%	1, 2 and 3	47.35%

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

As at the Latest Practicable Date, Lee and Lee Trust and parties acting in concert with it were beneficially interested in 104,049,413 Shares, representing approximately 42.61% of the issued share capital of the Company.

Based on such interest 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 interest of Lee and Lee Trust together with the parties acting in concert with it will be increased to approximately 47.35% of the issued share capital of the Company. To the best of the knowledge and belief of the Directors, the increase in the interest of Lee and Lee Trust will give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code. The Directors have no present intention to repurchase Shares to the extent that it will trigger obligations under the Takeovers Code to make a mandatory general offer.

In the event that the Share Repurchase Mandate is exercised in full, the number of Shares held by the public will not fall below 25% of the total number of Shares in issue in compliance with the public float requirement stated by the Listing Rules.

### 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:

	<b>Shares</b>	
	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2007</b>		
April	23.30	20.40
May	24.40	22.00
June	25.10	22.50
July	31.00	24.65
August	30.60	23.20
September	35.00	27.50
October	40.90	30.00
November	46.45	41.00
December	47.00	37.30
<b>2008</b>		
January	43.00	27.50
February	35.50	32.35
March	34.40	29.00
April (up to the Latest Practicable Date)	30.50	29.00

**REPURCHASE OF SHARES**

The Company has purchased a total of 76,000 Shares on the Stock Exchange during the six months immediately preceding the Latest Practicable Date (i.e. from 24th October, 2007 to 23rd April, 2008) and details of which are as follows:

<b>Date of Repurchase</b>	<b>Number of Shares Repurchased</b>	<b>Price per share</b>	
		<b>Highest HK\$</b>	<b>Lowest HK\$</b>
22nd January, 2008	64,000	29.00	27.50
5th March, 2008	<u>12,000</u>	33.10	33.05
Total	<u><u>76,000</u></u>		

**GENERAL**

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

No 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.

## 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 4, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 6th June, 2008 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 Auditors for the year ended 31st December, 2007.
2. To declare a final dividend.
3. To re-elect Directors who are subject to retirement by rotation.
4. To re-appoint Messrs. Deloitte Touche Tohmatsu as Auditors and authorise the Board of Directors to fix their 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 and options which might require the exercise of such powers after the end of the Relevant Period;

## NOTICE OF AGM

- (c) the aggregate nominal amount of share capital 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 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
  - (iii) 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 aggregate nominal amount of the share capital of the Company in issue at the date of 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

## NOTICE OF AGM

“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 Repurchases, subject to and in accordance with all applicable laws and regulations, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount 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 aggregate nominal amount of the share capital of the Company 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.”

## NOTICE OF AGM

- (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 an amount representing the aggregate nominal amount 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 amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this Resolution.”

By Order of the Board  
**Allied Group Limited**  
**Edwin Lo King Yau**  
Company Secretary

Hong Kong, 29th April, 2008

*Registered Office:*  
22nd Floor  
Allied Kajima Building  
138 Gloucester Road  
Wanchai  
Hong Kong

*Notes:*

1. *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.*
2. *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.*
3. *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 registered office at 22nd Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong, not less than 48 hours before the time fixed for the Meeting or any adjournment thereof.*
4. *Where there are joint holders of any Shares, any one of such joint holders may vote at the Meeting either personally or by proxy in respect of such Shares as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the Meeting personally or by proxy, that one of such joint holders so present whose name stands first on the register of members of the Company shall alone be entitled to vote in respect of such Shares.*

## NOTICE OF AGM

5. *The register of members of the Company will be closed from Tuesday, 3rd June, 2008 to Friday, 6th June, 2008 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify for the 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, 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, 2nd June, 2008. Subject to approval by the Shareholders at the Meeting, dividend warrants are expected to be despatched to the Shareholders by post on or around Monday, 11th August, 2008.*
6. *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 Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, 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 issued share capital at the date of the passing of the resolution.*
7. *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 issued share capital of the Company at the date of the passing of the resolution on the Stock Exchange.*