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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)

Discloseable Transaction

Discloseable Transaction



新鴻基有限公司

SUN HUNG KAI & CO. LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 86)

Discloseable Transaction

JOINT ANNOUNCEMENT

LOAN TRANSACTIONS

As advised and confirmed by SHK, on 8th April, 2009, SHKF (an indirect non wholly-owned subsidiary of SHK) as lender, entered into the Fifth Supplemental Agreement with the Borrower and the Securing Party, both are independent third parties of SHK, APL and AGL and their respective connected persons, pursuant to which SHKF has agreed to, among other things, extend the date of repayment of the Indebtedness for a further term of 12 months from 6th July, 2009 to 7th July, 2010.

As SHKF is an indirect non wholly-owned subsidiary of SHK, which is an indirect non wholly-owned subsidiary of APL, which in turn is a non wholly-owned subsidiary of AGL, the Transaction entered into by SHKF shall also be deemed a transaction of each of SHK, APL and AGL under the Listing Rules as the definition of “listed issuer” under the Listing Rules shall include the listed issuer’s subsidiaries.

As the Aggregated Transaction was entered into within a 12-month period from the date of the Transaction, the Transaction and the Aggregated Transaction will be aggregated as a series of transactions as if they were one transaction of AGL pursuant to Rule 14.22 of the Listing Rules.

The Transaction constitutes a discloseable transaction for each of SHK and APL respectively on the basis that the relevant Percentage Ratio(s) for each of SHK and APL exceeds 5% but under 25%. The Transaction, on a stand alone basis or when aggregated with the Aggregated Transaction, constitutes a discloseable transaction for AGL on the basis that the relevant Percentage Ratio(s) for AGL exceeds 5% but under 25%.

THE FIFTH SUPPLEMENTAL AGREEMENT

Date: 8th April, 2009

Parties: (1) SHKF as lender
(2) the Borrower
(3) the Securing Party

Based on the information and confirmation provided by SHK, and to the best knowledge, information and belief of the AGL Directors, APL Directors and the SHK Board, the Borrower, the Second Borrower and the Securing Party, and the ultimate beneficial owner of the substantial shareholder of the Borrower are independent third parties not connected with either AGL, APL or SHK and connected persons of AGL, APL and SHK.

Save for the Aggregated Transaction disclosed in this announcement and based on the information and confirmation provided by SHK and so far as is known to AGL Directors, APL Directors and the SHK Board, there are no prior lending/borrowing transactions entered into among AGL, APL, SHK, SHKF and the Borrower, the Securing Party and the Second Borrower within a 12-month period before 8th April, 2009.

THE BACKGROUND OF THE FIFTH SUPPLEMENTAL AGREEMENT

As advised and confirmed by SHK, pursuant to the Loan Agreement, SHKF had agreed to make available to the Borrower the Loan with interest payable quarterly. The Indebtedness shall be repaid by the Borrower on or before 6th July, 2009.

THE TERMS OF THE FIFTH SUPPLEMENTAL AGREEMENT

As advised and confirmed by SHK, pursuant to the Fifth Supplemental Agreement, the Loan Agreement has now been amended and supplemented as follows:

- (1) the date of repayment of the Indebtedness shall be extended for a further term of 12 months from 6th July, 2009 to 7th July, 2010;
- (2) the interest rate shall be expressed as a rate per annum and payable quarterly;
- (3) the Borrower shall pay the Arrangement Fee; and
- (4) SHKF shall have the right at any time during the term of the Loan Agreement to require the Borrower and/or the Securing Party to provide, and the Borrower and/or the Securing Party shall immediately upon demand by SHKF and entirely at their own cost and expenses to execute such security documents, including but not limited to debentures, and/or share mortgages or such other documents in such form and substance as SHKF in its sole absolute discretion shall from time to time determine.

The Arrangement Fee charged by SHKF pursuant to the Fifth Supplemental Agreement is arrived at on normal commercial terms with reference to the arrangement fee charged by SHKF to other customers who are independent third parties.

THE AGGREGATED TRANSACTION

As confirmed by AGL, pursuant to the AG Loan Agreement dated 13th November, 2007, AG Capital, being an indirect wholly-owned subsidiary of AGL, had agreed to make available to the Second Borrower, being a wholly-owned subsidiary of the Borrower, a loan facility of HK\$30,000,000. The date of repayment of the total indebtedness under the AG Loan Agreement shall be 30th June, 2009.

REASONS FOR AND BENEFITS OF THE TRANSACTION

As advised and confirmed by SHK, the Transaction is carried out as part of the ordinary and usual course of business of SHKF, which is a licensed money lender. The extension of the repayment date for the repayment of the Indebtedness is agreed after considering (i) information provided by the Borrower; (ii) overall terms and conditions of the Transaction; (iii) the current market situation; and (iv) the fact that the extension of the repayment date of the Indebtedness is a normal commercial arrangement between a lender and a borrower, the SHK Board is of the view that the terms of the Fifth Supplemental Agreement are on normal commercial terms and are fair and reasonable and the extension of the repayment date of the Indebtedness is in the interest of the shareholders of SHK taken as a whole. Based on the information provided and confirmation made by the SHK Board, the APL Directors have accepted the confirmation and therefore concur with the view of the SHK Board and consider that the Fifth Supplemental Agreement is in the interest of APL and its shareholders taken as a whole. The AGL Directors have also accepted the confirmation and therefore concur with the view of the SHK Board and consider that the Fifth Supplemental Agreement is in the interest of AGL and its shareholders taken as a whole.

INFORMATION ABOUT AGL, AG CAPITAL, APL, SHK, SHKF, THE BORROWER, THE SECOND BORROWER AND THE SECURING PARTY

AGL

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

The principal business activity of AGL is investment holding. The principal business activities of its major subsidiaries are property investment and development, hospitality related activities, health administration, medical scheme administration, the provision of healthcare services and the provision of financial services.

AG Capital

AG Capital is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of AGL.

The principal activities of AG Capital are money lending, securities trading and business of consultancy. AG Capital holds a money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).

APL

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

The principal business activity of APL is investment holding. The principal business activities of its major subsidiaries are property investment and development, hospitality related activities, health administration, medical scheme administration, the provision of healthcare services and the provision of financial services.

As at the date of this announcement, APL is beneficially owned as to approximately 73.93% by AGL.

SHK

SHK is a company incorporated in Hong Kong with limited liability, the securities of which are listed on the Main Board of the Stock Exchange.

The principal business activity of SHK is investment holding. The principal business activities of its major subsidiaries are wealth management and brokerage, asset management, corporate finance, consumer finance as well as principal investments.

As at the date of this announcement, SHK is beneficially owned as to approximately 63.45% by APL.

SHKF

SHKF is a company incorporated in Hong Kong with limited liability. The principal business activity of SHKF is money lending. SHKF holds a money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).

As at the date of this announcement, SHKF is an indirect non wholly-owned subsidiary of SHK.

THE BORROWER

As advised and confirmed by SHK, the Borrower is a company incorporated in Bermuda with limited liability, the securities of which are listed on the Main Board of the Stock Exchange.

The principal business activity of the Borrower is investment holding. The Borrower is an independent third party of SHK, APL and AGL.

THE SECURING PARTY

As confirmed by SHK, the Securing Party is a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of the Borrower.

The principal business activity of the Securing Party is investment holding. The Securing Party is an independent third party of SHK, APL and AGL.

THE SECOND BORROWER

As confirmed by AGL, the Second Borrower is a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of the Borrower. The Second Borrower is an independent third party of SHK, APL and AGL.

The principal business activity of the Second Borrower is provision of financing services to group companies.

LISTING RULES IMPLICATIONS

As SHKF is an indirect non wholly-owned subsidiary of SHK, which is an indirect non wholly-owned subsidiary of APL, which in turn is a non wholly-owned subsidiary of AGL, the Transaction entered into by SHKF shall be deemed a transaction of each of SHK, APL and AGL under the Listing Rules as the definition of “listed issuer” under the Listing Rules shall include the listed issuer’s subsidiaries.

As the Aggregated Transaction was entered into between an indirect wholly-owned subsidiary of AGL as the lender and a wholly-owned subsidiary of the Borrower as the borrower within a 12-month period from the date of the Transaction, therefore the Transaction and the Aggregated Transaction will be aggregated as a series of transactions as if they were one transaction of AGL completed within a 12-month period pursuant to Rule 14.22 of the Listing Rules.

The Transaction constitutes a discloseable transaction for each of SHK and APL respectively on the basis that the relevant Percentage Ratio(s) for each of SHK and APL exceeds 5% but under 25%. The Transaction, on a stand alone basis or when aggregated with the Aggregated Transaction, constitutes a discloseable transaction for AGL on the basis that the relevant Percentage Ratio(s) for AGL exceeds 5% but under 25%.

DEFINITIONS

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

“AG Capital”	AG Capital Limited, a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of AGL;
“AG Loan Agreement”	the loan agreement dated 13th November, 2007, which was supplemented by a supplemental loan agreement dated 31st January, 2008 and a second supplemental loan agreement dated 30th June, 2008 in respect of a loan facility amount of HK\$30,000,000 all entered into between AG Capital as lender, the Second Borrower as borrower and the Borrower as guarantor;
“Aggregated Transaction”	the transaction contemplated under the AG Loan Agreement;
“AGL”	Allied Group Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“AGL Directors”	directors of AGL;

“APL”	Allied Properties (H.K.) Limited, a company incorporated in Hong Kong with limited liability, the securities of which are listed on the Main Board of the Stock Exchange and a non wholly-owned subsidiary of AGL;
“APL Directors”	directors of APL;
“Arrangement Fee”	a non-refundable arrangement fee payable by the Borrower to SHKF, which is to be included as part of the outstanding principal pursuant to the Loan Agreement;
“Borrower”	the borrower under the Loan Agreement;
“connected persons”	having the meaning ascribed to it under the Listing Rules;
“Fifth Supplemental Agreement”	the fifth supplemental agreement dated 8th April, 2009 entered into between SHKF as lender, the Borrower and the Securing Party;
“Fourth Supplemental Agreement”	the fourth supplemental agreement dated 7th July, 2008 entered into between SHKF as lender, the Borrower and the Securing Party;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Indebtedness”	the outstanding principal under the Loan Agreement, all interest accrued thereon and all other moneys which may at any time during the existence of the Loan Agreement become payable by the Borrower to SHKF under the Loan Agreement or pursuant to or in connection with or otherwise related to the Loan Agreement;
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Loan”	the loan facility of up to HK\$262,500,000 which SHKF had made available to the Borrower pursuant to the Loan Agreement;
“Loan Agreement”	the loan agreement dated 3rd August, 2007 entered into between SHKF as lender, the Borrower and the Securing Party as amended and supplemented by the Supplemental Agreement, the Second Supplemental Agreement, the Third Supplemental Agreement and the Fourth Supplemental Agreement;
“Percentage Ratio(s)”	percentage ratio(s) as set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction;
“Second Borrower”	the borrower under the AG Loan Agreement;
“Second Supplemental Agreement”	the second supplemental agreement dated 21st September, 2007 entered into between SHKF as lender, the Borrower and the Securing Party;

“Securing Party”	the securing party under the Loan Agreement;
“SHK”	Sun Hung Kai & Co. Limited, a company incorporated in Hong Kong with limited liability, the securities of which are listed on the Main Board of the Stock Exchange;
“SHK Board”	the board of directors of SHK;
“SHKF”	SHK Finance Limited, a company incorporated in Hong Kong with limited liability;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Supplemental Agreement”	the supplemental agreement dated 6th August, 2007 entered into between SHKF as lender, the Borrower and the Securing Party;
“Third Supplemental Agreement”	the third supplemental agreement dated 6th February, 2008 entered into between SHKF as lender, the Borrower and the Securing Party;
“Transaction”	the transaction contemplated under the Fifth Supplemental Agreement; and
“%”	per cent.

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

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

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

Hong Kong, 9th April, 2009

As at the date of this announcement, the AGL Directors are:

Executive Directors:

Messrs. Lee Seng Hui (Chief Executive), Edwin Lo King Yau and Mak Pak Hung

Non-Executive Directors:

Mr. Arthur George Dew (Chairman) and Ms. Lee Su Hwei

Independent Non-Executive Directors:

Messrs. Wong Po Yan, David Craig Bartlett, John Douglas Mackie and Alan Stephen Jones

As at the date of this announcement, the APL Directors are:

Executive Directors:

Messrs. Patrick Lee Seng Wei (Chief Executive) and Li Chi Kong

Non-Executive Directors:

Messrs. Arthur George Dew (Chairman), Henry Lai Hin Wing and Steven Lee Siu Chung

Independent Non-Executive Directors:

Messrs. John Douglas Mackie, Steven Samuel Zoellner and Alan Stephen Jones

As at the date of this announcement, the SHK Directors are:

Executive Directors:

Messrs. Lee Seng Huang (Chairman) and Joseph Tong Tang

Non-Executive Directors:

Messrs. Abdulhakeem Abdulhussain Ali Kamkar, Fevzi Timucin Engin (also as alternate to Mr. Abdulhakeem Abdulhussain Ali Kamkar), Joseph Kamal Eskandar (alternate to Mr. Fevzi Timucin Engin) and Patrick Lee Seng Wei

Independent Non-Executive Directors:

Messrs. David Craig Bartlett, Alan Stephen Jones, Carlisle Caldw Procter and Peter Wong Man Kong