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**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**

**ANNOUNCEMENT**

**LOAN TRANSACTION**

As advised and confirmed by SHK that on 10th February, 2010, SHKSFL (an indirect wholly-owned subsidiary of SHK) as lender entered into the Supplemental Agreement with the Borrower, pursuant to which SHKSFL agreed to, among other things, reduce the amount of loan facility and extend the repayment date under the Loan Agreement.

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

The Transaction constitutes a discloseable transaction for the Company on the basis that the relevant Percentage Ratio(s) exceeds 5% but is below 25%. As advised and confirmed by SHK, the Transaction does not constitute a discloseable transaction for SHK on the basis that none of the Percentage Ratio(s) exceeds 5%.

**THE SUPPLEMENTAL AGREEMENT**

**Date:** 10th February, 2010

**Parties:** (1) SHKSFL as the lender  
(2) the Borrower

As advised and confirmed by SHK, which has made all reasonable enquiry and relied on the confirmation of the Borrower, and to the best knowledge, information and belief of the Directors, having made all reasonable enquiry, the Borrower, who is an individual, is a third party independent of SHK, the Company and their respective connected persons.

## **CONDITIONS PRECEDENT**

As advised and confirmed by SHK, it is one of the conditions of the Supplemental Agreement that the Borrower shall sign and provide a letter of undertaking in favour of the Lender that, without prejudice to the Lender's rights under the Loan Agreement, all stocks, shares or any other securities held in all accounts maintained in the name of the Borrower with SHKISL or its nominee(s) shall not be sold, transferred or otherwise disposed of by the Borrower until all the obligations and liabilities of the Borrower are discharged.

## **THE BACKGROUND TO THE SUPPLEMENTAL AGREEMENT**

As advised and confirmed by SHK, pursuant to the Loan Agreement, the Lender had agreed to make available a term loan of HK\$150,000,000 to the Borrower with interest payable every six months. As at 10th February, 2010, the outstanding principal payable by the Borrower was in the sum of HK\$102,410,400. The Indebtedness was to be repaid by the Borrower on or before 11th February, 2010.

## **THE TERMS OF THE SUPPLEMENTAL AGREEMENT**

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

- (1) the loan facility shall be reduced from HK\$150,000,000 to an amount up to the limit of HK\$102,410,400;
- (2) the date of repayment of the Indebtedness shall be extended for a further term of 12 months from 11th February, 2010 to 11th February, 2011 or such other date as agreed in writing between the Lender and the Borrower; and
- (3) the Lender shall have the right at any time during the term of the Loan Agreement to require the Borrower to provide and execute, immediately upon demand by the Lender and entirely at the Borrower's own cost and expenses, such security documents, including but not limited to debentures and/or share mortgages or such other security documents in such form and substance as the Lender shall in its sole and absolute discretion from time to time determine.

Save for the amendment in the Supplemental Agreement, the provisions of the Loan Agreement and the rights and obligations thereunder shall remain in full force and effect.

## **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 SHKSFL which is a licensed money lender. The reduction of the amount of loan facility and the extension of the repayment date of the Indebtedness have been agreed after arm's length negotiations between the Lender and the Borrower having considered (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 reduction of the amount of loan facility and the extension of the repayment date of the Indebtedness are normal commercial arrangements between a lender and a borrower. SHK Exco is of the view that the Transaction is on normal commercial terms and the terms of the Supplemental Agreement which include the reduction of the amount of loan facility and the extension of the repayment date of the Indebtedness are fair and reasonable, and are in the interest of SHK and its shareholders taken as a whole.

Based on the information and the confirmation provided by SHK, the Directors have accepted the confirmation by SHK and therefore concur with the view of SHK Exco and consider that the terms of the Supplemental Agreement are in the interest of the Company and its shareholders taken as a whole.

## **INFORMATION ABOUT THE COMPANY, SHKSFL AND THE BORROWER**

### **The Company**

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

### **SHKSFL**

As advised and confirmed by SHK, SHKSFL is a company incorporated in Hong Kong with limited liability. The principal business activities of SHKSFL are provision of loan finance and investment holding. SHKSFL 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, SHKSFL is an indirect wholly-owned subsidiary of SHK, which in turn is beneficially owned as to approximately 62.31% by the Company.

### **The Borrower**

As advised and confirmed by SHK, which has made all reasonable enquiry and relied on the confirmation of the Borrower, the Borrower is an individual who is a third party independent of SHK, the Company and their respective connected persons.

## **LISTING RULES IMPLICATIONS**

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

The Transaction constitutes a discloseable transaction for the Company on the basis that the relevant Percentage Ratio(s) exceeds 5% but is below 25%. As advised and confirmed by SHK, the Transaction does not constitute a discloseable transaction for SHK on the basis that none of the Percentage Ratio(s) exceeds 5%.

## DEFINITIONS

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

“Borrower”	the borrower, who is an individual, under the Loan Agreement and the Supplemental Agreement;
“Company”	Allied Properties (H.K.) Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“connected persons”	having the meaning ascribed to it under the Listing Rules;
“Directors”	directors of the Company;
“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 becomes payable by the Borrower to the Lender under 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 Agreement”	the loan agreement dated 11th February, 2009 entered into between the Lender and the Borrower pursuant to which a term loan of HK\$150,000,000 was granted by the Lender to the Borrower on the terms and subject to the conditions set out therein and as supplemented and amended from time to time;
“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;
“SHK”	Sun Hung Kai & Co. Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange and an indirect non wholly-owned subsidiary of the Company;

“SHK Exco”	the executive committee of, and with powers delegated from, the board of directors of SHK;
“SHKISL”	Sun Hung Kai Investment Services Limited, a company incorporated in Hong Kong with limited liability, a licensed corporation for carrying out Types 1 and 4 regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and an indirect wholly-owned subsidiary of SHK;
“SHKSFL” or “Lender”	Sun Hung Kai Structured Finance Limited, a company incorporated in Hong Kong with limited liability, a licensed money lender under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and an indirect wholly-owned subsidiary of SHK, being the lender under the Loan Agreement and the Supplemental Agreement;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Supplemental Agreement”	the supplemental agreement to the Loan Agreement dated 10th February, 2010 entered into between the Lender and the Borrower for, inter alia, the reduction of the amount of loan facility and the extension of the repayment date under the Loan Agreement;
“Transaction”	the transaction contemplated under the Supplemental Agreement; and
“%”	per cent.

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

Hong Kong, 11th February, 2010

*As at the date of this announcement, the Board comprises Messrs. Patrick Lee Seng Wei (Chief Executive) and Li Chi Kong being the Executive Directors; and Messrs. Arthur George Dew (Chairman), Henry Lai Hin Wing and Steven Lee Siu Chung being the Non-Executive Directors; and Messrs. John Douglas Mackie, Steven Samuel Zoellner and Alan Stephen Jones being the Independent Non-Executive Directors.*