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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)



天安中國投資有限公司

TIAN AN CHINA INVESTMENTS COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)
(Stock Code: 28)

JOINT ANNOUNCEMENT

**(I) VOLUNTARY CONDITIONAL PARTIAL SHARE EXCHANGE OFFER BY
YU MING INVESTMENT MANAGEMENT LIMITED
ON BEHALF OF
CHINA ELITE HOLDINGS LIMITED, A WHOLLY-OWNED SUBSIDIARY OF
ALLIED PROPERTIES (H.K.) LIMITED
TO ACQUIRE 103,180,000 TIAN AN OFFER SHARES
IN THE ISSUED SHARE CAPITAL OF
TIAN AN CHINA INVESTMENTS COMPANY LIMITED
FROM INDEPENDENT TIAN AN SHAREHOLDERS**

**(II) DISCLOSEABLE TRANSACTION FOR
ALLIED PROPERTIES (H.K.) LIMITED**

**(III) DISCLOSEABLE TRANSACTION AND DEEMED DISPOSAL FOR
ALLIED GROUP LIMITED**

AND

**(IV) RESUMPTION OF TRADING IN THE SHARES OF
ALLIED GROUP LIMITED AND TIAN AN CHINA INVESTMENTS COMPANY LIMITED AND
SHARES AND WARRANTS OF ALLIED PROPERTIES (H.K.) LIMITED**

Financial adviser to the Offeror



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

Independent financial adviser to the Independent Board Committee

Huntington Asia
漢騰亞洲

THE PARTIAL SHARE EXCHANGE OFFER

On 7th September, 2011, the Offeror informed the Tian An Board its firm intention to make a voluntary conditional Partial Share Exchange Offer to acquire from the Independent Tian An Shareholders 103,180,000 Tian An Offer Shares, representing approximately 6.85% of the existing issued share capital of Tian An as at the date of this joint announcement.

As at the date of this joint announcement, the Offeror owns 602,789,096 Tian An Shares, representing approximately 40.00% of the existing issued share capital of Tian An.

If the Partial Share Exchange Offer becomes unconditional in all respects, upon Completion, APL will beneficially own, through the Offeror, 705,969,096 Tian An Shares, representing approximately 46.85% of the existing issued share capital of Tian An.

The Partial Share Exchange Offer will be made by Yu Ming on behalf of the Offeror to the Independent Tian An Shareholders on the basis of four APL Exchange Shares for every Tian An Offer Share tendered for acceptance by Independent Tian An Shareholders. 412,720,000 APL Exchange Shares will be allotted and issued as Consideration, representing approximately 5.94% of the existing issued share capital of APL as at the date of this joint announcement and approximately 5.60% of the enlarged issued share capital of APL immediately following the allotment and issuance of the APL Exchange Shares.

Based on the closing price of HK\$1.29 per APL Share as quoted on the Stock Exchange on the Last Trading Day, the effective price for each Tian An Offer Share under the Partial Share Exchange Offer is valued at HK\$5.16 per Tian An Offer Share. The Offer Price represents a premium of approximately 20.56% to the average closing price of approximately HK\$4.28 per Tian An Share for the last 5 consecutive trading days up to and including the Last Trading Day. The 103,180,000 Tian An Offer Shares held by Independent Tian An Shareholders, which are subject to be acquired under the Partial Share Exchange Offer, are valued at approximately HK\$532.41 million on the Last Trading Day.

The Partial Share Exchange Offer is made on an arm's length basis and the APL Directors (including the independent non-executive APL Directors) believe that the terms of the Partial Share Exchange Offer are fair and reasonable and in the interests of APL and the APL Shareholders as a whole.

DISCLOSEABLE TRANSACTIONS

As applicable Percentage Ratios for APL are more than 5% but less than 25%, the Partial Share Exchange Offer constitutes a discloseable transaction for APL pursuant to Rule 14.06(2) of the Listing Rules and is subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules. APL Exchange Shares will be allotted and issued under the general mandate obtained by the APL Board at the annual general meeting of APL held on 1st June, 2011.

APL is owned as to approximately 72.34% by AGL and therefore a subsidiary of AGL. As applicable Percentage Ratios for AGL are more than 5% but less than 25%, the Partial Share Exchange Offer constitutes a discloseable transaction for AGL pursuant to Rule 14.06(2) of the Listing Rules and is subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules. The issuance of the APL Exchange Shares under the Partial Share Exchange Offer also constitutes a deemed disposal for AGL, which is a discloseable transaction based on applicable Percentage Ratios and is subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules.

Accordingly, no general meeting will be necessary for APL Shareholders or AGL Shareholders to approve the Partial Share Exchange Offer.

GENERAL

A Composite Offer Document containing, among other things, (a) further details of the Partial Share Exchange Offer, (b) further details of the allotment and issuance of APL Exchange Shares, (c) a letter of recommendation from the Independent Board Committee to the Independent Tian An Shareholders, (d) a letter of advice from the independent financial adviser to the Independent Board Committee in respect of the Partial Share Exchange Offer, and (e) financial information of APL Group and Tian An Group, will be despatched to the Tian An Shareholders within 35 days of the date of this joint announcement in accordance with the Takeovers Code.

Pursuant to Rule 2.1 of the Takeovers Code, an Independent Board Committee comprising a non-executive Tian An Director, namely Mr. Lee Shu Yin, and independent non-executive Tian An Directors, namely Messrs. Francis J. Chang Chu Fai, Jin Hui Zhi, Ngai Wah Sang and Ms. Lisa Yang Lai Sum, has been established by Tian An to advise the Independent Tian An Shareholders in respect of the Partial Share Exchange Offer. As Mr. Lee Seng Hui, being the chairman and a non-executive Tian An Director, is also the chief executive and an executive APL Director as well as the chief executive and an executive AGL Director, Mr. Lee Seng Hui will not be a member of the Independent Board Committee and abstained from voting at the board meeting of APL and abstained from voting on the written board resolutions (but signed the relevant written resolutions as a matter of formality) of both AGL and Tian An in respect of the Partial Share Exchange Offer. Dr. Moses Cheng Mo Chi, a non-executive Tian An Director, is also one of the partners of the legal adviser of the Offeror. Although Dr. Moses Cheng Mo Chi is not involved in provision of legal advice to the Offeror in respect of the Partial Share Exchange Offer, to avoid any possible conflict of interest, he will not be a member of the Independent Board Committee and abstained from voting on the written board resolutions (but signed the relevant written resolutions as a matter of formality) of Tian An in respect of the Partial Share Exchange Offer. As Mr. Edwin Lo King Yau, an executive AGL Director, is also an executive Tian An Director, Mr. Edwin Lo King Yau abstained from voting on the written board resolutions (but signed the relevant written resolutions as a matter of formality) of both AGL and Tian An in respect of the Partial Share Exchange Offer to avoid any possible conflict of interest.

Huntington Asia has been appointed as the independent financial adviser to advise the Independent Board Committee in respect of the Partial Share Exchange Offer.

SUSPENSION AND RESUMPTION OF TRADING

Trading in the shares of AGL, APL and Tian An as well as APL Warrants on the Stock Exchange were suspended at the request of AGL, APL and Tian An respectively, with effect from 9:00 a.m. on 8th September, 2011 pending the release of this joint announcement. Application has been made by each of AGL, APL and Tian An to the Stock Exchange for the resumption of trading in their respective shares and APL Warrants with effect from 9:00 a.m. on 15th September, 2011.

Warning: The Partial Share Exchange Offer is subject to the number of acceptances and approvals by the Independent Tian An Shareholders received by the Offeror and therefore may or may not become unconditional and Completion may or may not take place. Shareholders and potential investors of AGL, APL and Tian An and APL Warrant Holders are advised to exercise extreme caution when dealing in the securities of AGL, APL and Tian An, and if they are in any doubt about their position, they should consult their professional advisers.

INTRODUCTION

On 7th September, 2011, the Offeror informed the Tian An Board its firm intention to make a voluntary conditional Partial Share Exchange Offer to acquire from Independent Tian An Shareholders 103,180,000 Tian An Offer Shares, representing approximately 6.85% of the existing issued share capital of Tian An as at the date of this joint announcement.

As at the date of this joint announcement, the total number of Tian An Shares held by the public represents approximately 31.85% of the existing issued share capital of Tian An, and the Offeror owns 602,789,096 Tian An Shares, representing approximately 40.00% of the existing issued share capital of Tian An. Penta Investment Advisers Limited (“Penta”), another substantial Tian An Shareholder not acting in concert with the Offeror, holds approximately 28.14% of the existing issued share capital of Tian An, which is not considered as part of the public float under the Listing Rules.

The number of the Tian An Offer Shares is determined by the Offeror on the basis that upon successful Completion, Tian An would still be able to maintain not less than 25% public float as required by the Listing Rules, whether or not any substantial Tian An Shareholders would accept the Partial Share Exchange Offer. With only approximately 6.85% of the existing issued share capital of Tian An under the Partial Share Exchange Offer, even if Penta does not accept the Partial Share Exchange Offer, the public float of Tian An upon Completion would still remain at above 25%, despite falling from the existing approximately 31.85%. As at the date of this joint announcement, none of the Offeror and parties acting in concert with it, AGL, APL or Tian An has any knowledge as to whether Penta will accept the Partial Share Exchange Offer.

If the Partial Share Exchange Offer becomes unconditional in all respects, upon Completion, APL will beneficially own, through the Offeror, 705,969,096 Tian An Shares, representing approximately 46.85% of the existing issued share capital of Tian An and at least 25% of the existing issued share capital of Tian An will be held by the public.

THE CONDITIONAL PARTIAL SHARE EXCHANGE OFFER

(a) Terms of the Partial Share Exchange Offer

Yu Ming, on behalf of the Offeror, will make the Partial Share Exchange Offer to acquire 103,180,000 Tian An Offer Shares on the following basis:

For each Tian An Offer Share Four APL Exchange Shares

As at the date of this joint announcement, there are no outstanding options, derivatives, warrants or convertible securities which are convertible or exchangeable into Tian An Shares.

(b) Consideration of the Partial Share Exchange Offer

On the basis of four APL Exchange Shares to be issued for every Tian An Offer Share tendered under the Partial Share Exchange Offer, and the closing price of HK\$1.29 per APL Share as quoted on the Stock Exchange on the Last Trading Day, each Tian An Offer Share is valued at HK\$5.16 and the entire Tian An Offer Shares held by the Independent Tian An Shareholders are valued at approximately HK\$532.41 million.

Based on 103,180,000 Tian An Offer Shares under the Partial Share Exchange Offer, a total of 412,720,000 APL Exchange Shares will be allotted and issued as Consideration, representing approximately 5.94% of the existing issued share capital of APL as at the date of this joint announcement and approximately 5.60% of the enlarged issued share capital of APL immediately following the allotment and issuance of the APL Exchange Shares.

The basis of four APL Exchange Shares for every Tian An Offer Share tendered under the Partial Share Exchange Offer was determined with reference to the published financial information of Tian An and the latest closing prices of APL Shares at HK\$1.29 per APL Share and Tian An Shares at HK\$4.27 per Tian An Share.

(c) Conditions of the Partial Share Exchange Offer

Pursuant to Rule 28.5 of the Takeovers Code, the Partial Share Exchange Offer will be conditional upon:

- (i) consent from the Executive in respect of the Partial Share Exchange Offer;
- (ii) valid acceptances of the Partial Share Exchange Offer being received in respect of a minimum of 103,180,000 Tian An Offer Shares by 4:00 p.m. on or prior to the First Closing Date (or such later time and/or date as the Offeror may decide with the approval of the Executive);
- (iii) approval of the Partial Share Exchange Offer, signified by means of a separate box on the Form of Acceptance specifying the number of the Tian An Offer Shares in respect of which the Partial Share Exchange Offer is approved, being given by the Independent Tian An

Shareholders holding over 50% of the voting rights in the register of members of Tian An as at the First Closing Date or, if the Partial Share Exchange Offer has not become unconditional in all respects on the First Closing Date, then the Final Closing Date; and

- (iv) the Stock Exchange granting the listing of, and permission to deal in, the APL Exchange Shares to be allotted and issued to the Accepting Tian An Shareholders in connection with the Partial Share Exchange Offer under the general mandate obtained by the APL Board at the annual general meeting of APL held on 1st June, 2011.

None of the above conditions of the Partial Share Exchange Offer can be waived.

In the event that valid acceptances are received for less than 103,180,000 Tian An Offer Shares on the First Closing Date, unless the First Closing Date is extended in accordance with the Takeovers Code, the Partial Share Exchange Offer will not proceed and will immediately lapse.

In the event that (i) valid acceptances are received for not less than 103,180,000 Tian An Offer Shares on or prior to the First Closing Date; and (ii) approval is obtained from Independent Tian An Shareholders holding over 50% of the voting rights of Tian An as at the First Closing Date, the Offeror will declare the Partial Share Exchange Offer unconditional in all respects on the First Closing Date.

Pursuant to Rule 15.3 of the Takeovers Code, the Final Closing Date would be the 14th day after the First Closing Date or the date on which the Partial Share Exchange Offer is declared unconditional in all respects, whichever is earlier. The Offeror cannot extend the Final Closing Date to a day beyond the 14th day after the First Closing Date pursuant to Rule 28.4 of the Takeovers Code.

Whether or not the Independent Tian An Shareholders accept the Partial Share Exchange Offer, they may approve the Partial Share Exchange Offer AND specify the number of Tian An Shares in respect of which they approve the Partial Share Exchange Offer in the Form of Acceptance. Each Tian An Share shall be entitled to ONE vote only. Multiple votes in respect of the same Tian An Shares will not be taken into account in counting the approval of the Partial Share Exchange Offer.

Warning: The Partial Share Exchange Offer is subject to the number of acceptances and approvals by the Independent Tian An Shareholders received by the Offeror and therefore may or may not become unconditional and Completion may or may not take place. Shareholders and potential investors of AGL, APL and Tian An and APL Warrant Holders are advised to exercise extreme caution when dealing in the securities of AGL, APL and Tian An, and if they are in any doubt about their position, they should consult their professional advisers.

(d) Pro rata entitlement of Independent Tian An Shareholders under the Partial Share Exchange Offer

Independent Tian An Shareholders may accept the Partial Share Exchange Offer in respect of some or all of the Tian An Offer Shares held by them. If total valid acceptances are received for 103,180,000 Tian An Offer Shares, all Tian An Offer Shares validly accepted will be taken up. If valid acceptances are received for more than 103,180,000 Tian An Offer Shares, the number of Tian An Offer Shares to be taken up by the Offeror from each Accepting Tian An Shareholder will be prorated according to the total number of Tian An Offer Shares tendered for acceptance in accordance using the following formula:

$$\frac{A}{B} \times C$$

- A: 103,180,000 Tian An Offer Shares (being the total number of Tian An Offer Shares for which the Partial Share Exchange Offer is made)
- B: the total number of Tian An Offer Shares tendered under the Partial Share Exchange Offer
- C: the number of Tian An Offer Shares tendered by relevant individual Accepting Tian An Shareholder under the Partial Share Exchange Offer

As a result, it is possible that if an Independent Tian An Shareholder tenders all his/her Tian An Offer Shares to the Offeror under the Partial Share Exchange Offer, not all of such Tian An Offer Shares will be taken up.

Fractions of Tian An Offer Shares will not be taken up under the Partial Share Exchange Offer and, accordingly, the number of Tian An Offer Shares that the Offeror will take up from each Independent Tian An Shareholder in accordance with the above formula will be rounded up or down to the nearest whole number at the discretion of the Offeror.

The full terms and conditions of the Partial Share Exchange Offer will be set out in the Composite Offer Document and the accompanying Form of Acceptance. The Partial Share Exchange Offer will be made in compliance with the Takeovers Code.

EFFECT OF ACCEPTING THE PARTIAL SHARE EXCHANGE OFFER

By validly accepting the Partial Share Exchange Offer, the Accepting Tian An Shareholders will sell to the Offeror their tendered Tian An Offer Shares which will be finally taken up by the Offeror in accordance with the above formula free from all encumbrances and together with all rights and benefits at any time accruing thereto including all rights to any dividend or other distributions declared, made or paid on or after the Final Closing Date. Any dividends or other distributions declared, made or paid before the Final Closing Date will be paid by Tian An to the Tian An Shareholders who are qualified for such dividends or distributions.

COMPARISON OF VALUE OF THE PARTIAL SHARE EXCHANGE OFFER

The market capitalisation of Tian An was approximately HK\$6,433.91 million as at the Last Trading Day.

The highest and lowest closing prices of Tian An Shares as quoted on the Stock Exchange during the six-month period from 8th March, 2011, being the date falling six months prior to 7th September, 2011, being the Last Trading Day, up to and including the Last Trading Day, were HK\$5.19 per Tian An Share on 28th April, 2011 and HK\$4.07 per Tian An Share on 26th August, 2011 and 29th August, 2011 respectively.

Based on the closing price of HK\$1.29 per APL Share as quoted on the Stock Exchange on the Last Trading Day, the ascribed value of HK\$5.16 per Tian An Share under the Partial Share Exchange Offer represents:

- (a) a premium of approximately 20.84% over the closing price of HK\$4.27 per Tian An Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a premium of approximately 20.56% over the average closing price of approximately HK\$4.28 per Tian An Share for the last 5 consecutive trading days up to and including the Last Trading Day;
- (c) a premium of approximately 21.70% over the average closing price of approximately HK\$4.24 per Tian An Share for the last 10 consecutive trading days up to and including the Last Trading Day;
- (d) a premium of approximately 16.74% over the average closing price of approximately HK\$4.42 per Tian An Share for the last 30 consecutive trading days up to and including the Last Trading Day; and
- (e) a discount of approximately 41.63% to the unaudited consolidated net asset value of the Tian An Group attributable to the Tian An Shareholders of approximately HK\$8.84 per Tian An Share as at 30th June, 2011.

Based on the closing price of HK\$4.27 per Tian An Share as quoted on the Stock Exchange on the Last Trading Day, the ascribed value of HK\$1.0675 per APL Share under the Partial Share Exchange Offer represents:

- (a) a discount of approximately 17.25% to the closing price of HK\$1.29 per APL Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 17.88% to the average closing price of approximately HK\$1.30 per APL Share for the last 5 consecutive trading days up to and including the Last Trading Day;
- (c) a discount of approximately 17.88% to the average closing price of approximately HK\$1.30 per APL Share for the last 10 consecutive trading days up to and including the Last Trading Day;

- (d) a discount of approximately 21.51% to the average closing price of approximately HK\$1.36 per APL Share for the last 30 consecutive trading days up to and including the Last Trading Day; and
- (e) a discount of approximately 60.17% to the unaudited consolidated net asset value of the APL Group attributable to the APL Shareholders of approximately HK\$2.68 per APL Share as at 30th June, 2011.

Based on the share exchange ratio of 4:1 APL Exchange Shares to Tian An Offer Share under the Partial Share Exchange Offer and the unaudited consolidated net asset value per APL Share of approximately HK\$2.68 as at 30th June, 2011, the net asset value ascribed to Tian An Offer Shares is approximately HK\$10.72 per Tian An Share, representing a premium of approximately 21.27% over the unaudited consolidated net asset value per Tian An Share of approximately HK\$8.84 as at 30th June, 2011.

OVERSEAS TIAN AN SHAREHOLDERS

The Partial Share Exchange Offer will be extended to all Independent Tian An Shareholders. However, the Offeror and Tian An may have to comply with unduly onerous or burdensome regulatory and documentary requirements in order to send the Composite Offer Document to the overseas address of certain Overseas Tian An Shareholders (the Excluded Tian An Shareholders) due to the legal requirements of those countries. As at the date of this joint announcement, Overseas Tian An Shareholders hold a total of 36,278 Tian An Shares, representing approximately 0.002% of the existing issued share capital of Tian An. Nevertheless, the Offeror and Tian An will seek legal advice on the regulatory and documentation requirements of sending the Composite Offer Document to each such overseas address. For those jurisdictions requiring unduly onerous or burdensome regulatory and documentary requirements, the Offeror will apply to the Executive for a waiver pursuant to Note 3 to Rule 8 of the Takeovers Code, so that subject to the consent of the Executive, the Composite Offer Document will not be sent to the overseas address of the Excluded Tian An Shareholders in those jurisdictions.

Whether or not the Composite Offer Document is sent to the Excluded Tian An Shareholders, the Composite Offer Document will be published on the websites of Tian An and the Stock Exchange, and will be available for collection in the office of the share registrar of Tian An in Hong Kong. The acceptance of the Partial Share Exchange Offer by the Excluded Tian An Shareholders may be subject to the laws of the relevant jurisdictions and may or may not be prohibited. It is the sole responsibility of each relevant Excluded Tian An Shareholder who wishes to accept the Partial Share Exchange Offer to satisfy himself/herself as to the full observance of the laws of the relevant jurisdictions in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required in compliance with all necessary formalities or legal requirements and the payment of any transfer or other taxes due in such relevant jurisdictions. Whether or not the Excluded Tian An Shareholders accept the Partial Share Exchange Offer, they are entitled to vote on the Partial Share Exchange Offer by way of returning a signed copy of the Form of Acceptance to the registrar of Tian An. Detailed voting procedures will be set out in the Composite Offer Document.

Any acceptance by any Independent Tian An Shareholder will be deemed to constitute a representation and warranty from such Independent Tian An Shareholder to APL or Tian An that the local laws and requirements have been complied with. Independent Tian An Shareholders should consult their professional advisers if in doubt.

STAMP DUTY

The Offeror will pay both the buyer's and the seller's ad valorem stamp duty each at a rate of HK\$1.00 for every HK\$1,000.00 or a part thereof of the consideration arising from the acceptance of the Partial Share Exchange Offer.

ODD LOTS

Independent Tian An Shareholders should note that acceptance of the Partial Share Exchange Offer may result in their holding odd lots of Tian An Shares. Accordingly, it is intended that a designated broker will be appointed by the Offeror to match sales and purchases of odd lot holdings of Tian An Shares in the market for a reasonable time period following the Completion to enable such Independent Tian An Shareholders to dispose of their odd lots or to top up their odd lots to whole board lots. Details of such arrangement will be disclosed in the Composite Offer Document.

SETTLEMENT

The share certificates of APL will be despatched to the Accepting Tian An Shareholders as soon as possible but in any event within 10 days following the close of the Partial Share Exchange Offer.

DEALINGS IN SECURITIES

As at the date of this joint announcement, APL is interested in an aggregate of 602,789,096 Tian An Shares, representing approximately 40.00% of the existing issued share capital of Tian An:

- (a) save as disclosed in this joint announcement, neither the Offeror nor parties acting in concert with it hold, control or direct any Tian An Shares or rights over any Tian An Shares or any outstanding warrants, options or securities of Tian An which are convertible into new Tian An Shares, nor are there any outstanding derivatives in respect of the securities of Tian An entered into by the Offeror or parties acting in concert with it as at the date of this joint announcement;
- (b) neither the Offeror nor parties acting in concert with it has acquired any voting rights in Tian An during the six-month period from 14th March, 2011, being the six months immediately prior to the date of this joint announcement, up to and including the date of this joint announcement;
- (c) the Offeror has confirmed that it has no arrangement (whether by way of option, indemnity or otherwise) in relation to APL Shares or Tian An Shares and which might be material to the Partial Share Exchange Offer as referred to in Note 8 to Rule 22 of the Takeovers Code;

- (d) the Offeror has confirmed that it has no agreement or arrangement to which the Offeror or parties acting in concert with it is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a condition to the Partial Share Exchange Offer;
- (e) as at the date of this joint announcement, neither the Offeror nor parties acting in concert with it has received any irrevocable commitment to accept the Partial Share Exchange Offer; and
- (f) as at the date of this joint announcement, there are no relevant securities as referred to in Note 4 to Rule 22 of the Takeovers Code in APL or Tian An which APL, the Offeror or parties acting in concert with any of them has borrowed or lent.

INFORMATION ON TIAN AN

Tian An is a company incorporated under the laws of Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange.

The principal business activities of Tian An Group are development of high-end apartments, villas, office buildings and commercial properties, property investment and property management, as well as the manufacture, sale and trading of cement and clinker in the PRC. As at the date of this joint announcement, Tian An is beneficially owned as to approximately 40.00% by the Offeror.

The following is the financial information of Tian An as extracted from its audited consolidated financial statements for the two years ended 31st December, 2010 and unaudited consolidated financial statements for the six months ended 30th June, 2011, which was prepared in accordance with Hong Kong Financial Reporting Standards:

| <i>HK\$'000</i> | For the year ended 31st December, 2009 <i>(Audited)</i> | For the year ended 31st December, 2010 <i>(Audited)</i> | For the six months ended 30th June, 2011 <i>(Unaudited)</i> |
|---|---|---|---|
| Revenue | 1,083,528 | 1,411,986 | 812,659 |
| Net profits before taxation and extraordinary items | 1,367,830 | 1,932,144 | 738,920 |
| Net profits after taxation and extraordinary items | 1,082,993 | 1,621,721 | 570,204 |
| Net assets attributable to owners | 10,884,316 | 12,592,589 | 13,323,045 |

Assuming no additional Tian An Shares will be issued or repurchased by Tian An from the date of this joint announcement up to Completion, the table below illustrates the shareholding structure of Tian An (i) as at the date of this joint announcement, (ii) immediately after Completion assuming all of the Independent Tian An Shareholders accept the Partial Share Exchange Offer (including any Tian An

Director) in full; and (iii) immediately after Completion assuming all of the Independent Tian An Shareholders (including any Tian An Director) except the substantial shareholder of Tian An, Penta, accept the Partial Share Exchange Offer in full:

| Shareholders | As at the date of this joint announcement | | Immediately after Completion assuming all Independent Tian An Shareholders accept the Partial Share Exchange Offer in full | | Immediately after Completion assuming all Independent Tian An Shareholders except Penta accept the Partial Share Exchange Offer in full ⁴ | |
|--|---|----------------------|--|----------------------|--|----------------------|
| | <i>Number of Tian An Shares</i> | | <i>Number of Tian An Shares</i> | | <i>Number of Tian An Shares</i> | |
| | <i>%</i> | <i>%</i> | <i>%</i> | <i>%</i> | <i>%</i> | <i>%</i> |
| The Offeror and parties acting in concert with it ¹ | 602,789,096 | 40.00 | 705,969,096 | 46.85 | 705,969,096 | 46.85 |
| Penta ² | 424,045,476 | 28.14 | 375,645,076 | 24.93 | 424,045,476 | 28.14 |
| Mr. Ma Sun ³ | 62,550 | 0.01 | 55,411 | 0.01 | 49,103 | 0.01 |
| Independent Tian An Shareholders (other than Penta and Mr. Ma Sun) | <u>479,872,369</u> | <u>31.85</u> | <u>425,099,908</u> | <u>28.21</u> | <u>376,705,816</u> | <u>25.00</u> |
| Total | <u>1,506,769,491</u> | <u>100.00</u> | <u>1,506,769,491</u> | <u>100.00</u> | <u>1,506,769,491</u> | <u>100.00</u> |

Notes:

- As at the date of this joint announcement, the Offeror is an indirect wholly-owned subsidiary of APL, which was owned as to approximately 72.34% by AGL, which in turn was owned as to approximately 54.23% by Lee and Lee Trust.
- Pursuant to disclosure of interest forms filed by Penta displayed on the website of the Stock Exchange, Penta has a long position interest in (i) 424,045,476 Tian An Shares; and (ii) unlisted cash settled derivatives equivalent to 13,172,000 underlying Tian An Shares. However such derivatives were not issued by Tian An and none of Tian An Directors, APL Directors or AGL Directors have any information on the convertibility of such derivatives into Tian An Shares or any terms and conditions thereof. As such, no assumption was made to the conversion of such derivatives into Tian An Shares in the above shareholding structure after the Completion. Penta is an Independent Tian An Shareholder in respect of the Partial Share Exchange Offer but not regarded as part of the public float of Tian An.
- Mr. Ma Sun is an executive Tian An Director. Mr. Ma Sun is an Independent Tian An Shareholder in respect of the Partial Share Exchange Offer but not regarded as part of the public float of Tian An.
- This scenario is presented for the purpose of calculation of minimum public float of Tian An upon Completion in order to meet the public float requirement of 25% under the Listing Rules. It does not indicate and should not be taken as any indication of whether or not Penta intends to accept the Partial Share Exchange Offer, in respect of which none of the Tian An Directors, APL Directors or AGL Directors have any information.

To the best knowledge, information and belief of the APL Board and the AGL Board after having made all reasonable enquiries, notwithstanding Penta's shareholding of approximately 28.14% in the existing issued share capital of Tian An and approximately 7.51% in the existing issued share capital of the APL, the Independent Tian An Shareholders and their respective ultimate beneficial owners are independent third parties and not a connected person to any of the APL Group or the AGL Group.

INFORMATION ON APL AND AGL

The Offeror is an indirect wholly-owned subsidiary of APL. APL is a company incorporated under the laws of Hong Kong with limited liability, the securities of which are listed on the Main Board of the Stock Exchange. As at the date of this joint announcement, APL is beneficially owned as to approximately 72.34% by AGL.

The principal business activities of APL Group are property investment and development, hospitality related activities, the provision of financial services and the provision of elderly care services.

The principal business activities of AGL Group are property investment and development, hospitality related activities, the provision of financial services, the provision of elderly care services, and investments in listed and unlisted securities.

The following is the financial information of APL as extracted from its audited consolidated financial statements of APL for the two years ended 31st December, 2010 and unaudited consolidated financial statements of APL for the six months ended 30th June, 2011, which was prepared in accordance with Hong Kong Financial Reporting Standards:

| <i>HK\$'000</i> | For the year ended 31st December, 2009 <i>(Audited)</i> | For the year ended 31st December, 2010 <i>(Audited)</i> | For the six months ended 30th June, 2011 <i>(Unaudited)</i> |
|---|---|---|---|
| Revenue | 3,471,000 | 3,621,800 | 1,960,700 |
| Net profits before taxation and extraordinary items | 2,753,800 | 3,322,300 | 1,894,500 |
| Net profits after taxation and extraordinary items | 2,483,500 | 4,111,800 | 1,666,400 |
| Net assets attributable to owners | 12,641,300 | 17,359,500 | 18,648,700 |

Assuming all Independent Tian An Shareholders accept the Partial Share Exchange Offer, a total of 412,720,000 APL Exchange Shares will be allotted and issued, representing approximately 5.94% of the existing issued share capital of APL as at the date of this joint announcement and approximately 5.60% of the enlarged issued share capital of APL immediately following the allotment and issuance of the APL Exchange Shares.

Assuming no additional APL Shares will be issued or repurchased by APL from the date of this joint announcement up to Completion, the table below illustrates the shareholding structure of APL (i) as at the date of this joint announcement, (ii) immediately after Completion assuming all the Independent

Tian An Shareholders accept the Partial Share Exchange Offer in full; and (iii) immediately after Completion assuming all the Independent Tian An Shareholders except the substantial shareholder of Tian An, Penta, accept the Partial Share Exchange Offer in full:

| Shareholders | As at the date of this joint announcement | | Immediately after Completion assuming all Independent Tian An Shareholders accept the Partial Share Exchange Offer in full | | Immediately after Completion assuming all Independent Tian An Shareholders except Penta accept the Partial Share Exchange Offer in full ³ | |
|-------------------------------|---|----------------------|--|----------------------|--|----------------------|
| | <i>Number of APL Shares</i> | | <i>Number of APL Shares</i> | | <i>Number of APL Shares</i> | |
| | <i>%</i> | <i>%</i> | <i>%</i> | <i>%</i> | <i>%</i> | <i>%</i> |
| AGL ¹ | 5,030,031,045 | 72.34 | 5,030,031,045 | 68.29 | 5,030,031,045 | 68.29 |
| Penta ² | 522,166,637 | 7.51 | 715,768,237 | 9.72 | 522,166,637 | 7.09 |
| Other public APL Shareholders | 1,400,920,686 | 20.15 | 1,620,039,086 | 21.99 | 1,813,640,686 | 24.62 |
| Total | <u>6,953,118,368</u> | <u>100.00</u> | <u>7,365,838,368</u> | <u>100.00</u> | <u>7,365,838,368</u> | <u>100.00</u> |

Notes:

1. Mr. Lee Seng Hui, Ms. Lee Su Hwei and Mr. Lee Seng Huang are the trustees of Lee and Lee Trust, being a discretionary trust. They together owned approximately 54.24% interest in the issued share capital of AGL (inclusive of Mr. Lee Seng Hui's personal interest) and were therefore deemed to have an interest in the APL Shares and the underlying APL Shares in which AGL was interested.
2. Penta has a long position interest in (i) 522,166,637 APL Shares; and (ii) 103,353,321 listed physically settled derivatives and 428,375,953 unlisted cash settled derivatives, equivalent to a total of 531,729,274 underlying APL Shares. APL Directors have no information on the convertibility, terms and conditions of derivatives held by Penta, and thus no assumption was made in the situation where Penta converts such derivatives into APL Shares on or before Completion. Penta is an Independent Tian An Shareholder in respect of the Partial Share Exchange Offer but not regarded as part of the public float of Tian An.
3. This scenario is presented to reflect changes in APL shareholding structure as a result of the corresponding assumptions made to changes in Tian An shareholding structure under the Partial Share Exchange Offer for the purpose of calculation of the public float of Tian An upon Completion. It does not indicate and should not be taken as any indication of whether or not Penta intends to accept the Partial Share Exchange Offer, in respect of which none of the directors of Tian An Directors, APL Directors or AGL Directors have any information.

As at the date of this joint announcement, save for the 6,953,118,368 APL Shares and 1,390,621,534 outstanding units of APL Warrants, giving rise to 1,390,621,534 underlying APL Shares, there are no other class of securities of APL issued and outstanding.

REASONS FOR THE PARTIAL SHARE EXCHANGE OFFER

The APL Board considers that Tian An Group's principal business activities in the development of high-end apartments, villas, office buildings and commercial properties, and property investment in the PRC, supplements APL Group's property investment and development business in Hong Kong.

The APL Board is of the view that the Partial Exchange Share Offer would enable the APL Group to enhance its shareholding in Tian An Group from approximately 40.00% to approximately 46.85% and allow better planning and implementation of overall business strategy of the APL Group in property development and investment market. This is also in line with APL's overall strategy to increase its holdings in Tian An disclosed by APL in its announcement and circular dated 26th April, 2010 and 24th May, 2010 respectively.

The Partial Share Exchange Offer is made on an arm's length basis and the APL Directors (including the independent non-executive APL Directors) believe that the terms of the Partial Share Exchange Offer are fair and reasonable and in the interests of APL and the APL Shareholders as a whole.

Assuming the Partial Share Exchange Offer becomes unconditional, (i) AGL will have approximately 68.29% equity interest in APL and APL will remain as a subsidiary of AGL upon Completion; and (ii) APL will have approximately 46.85% equity interest in Tian An and Tian An will remain as an associated company of APL upon Completion.

INTENTIONS OF THE OFFEROR

The Offeror intends to continue the existing businesses of Tian An and does not intend to introduce any changes to the existing business strategies and operations of Tian An, the employees of Tian An Group or redeployment of assets or financial resources of Tian An.

The Offeror intends to maintain the listing status of Tian An on the Stock Exchange upon Completion. As at the date of this joint announcement, approximately 31.85% of Tian An Shares were held by the public. Assuming full acceptance of the Partial Share Exchange Offer by all the Independent Tian An Shareholders, Tian An will maintain a public float of approximately 28.21% upon Completion. In the event that Penta, as a substantial shareholder of Tian An and its respective concert parties, either accepts or does not accept the Partial Share Exchange Offer, Tian An will still maintain a public float of not less than 25.00% immediately following the Completion and will satisfy the public float requirement under Rule 8.08 of the Listing Rules.

CONSENT FROM THE EXECUTIVE

Pursuant to Rule 28.1 of the Takeovers Code, the Partial Share Exchange Offer is subject to the consent of the Executive. As at the date of this joint announcement, an application has been made to the Executive in accordance with Rule 28.1 of the Takeovers Code for the consent to the Partial Share Exchange Offer.

DISCLOSEABLE TRANSACTIONS

As applicable Percentage Ratios for APL are more than 5% but less than 25%, the Partial Share Exchange Offer constitutes a discloseable transaction for APL pursuant to Rule 14.06(2) of the Listing Rules and is subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules. APL Exchange Shares will be allotted and issued under the general mandate obtained by the APL Board at the annual general meeting of APL held on 1st June, 2011.

APL is owned as to approximately 72.34% by AGL and therefore a subsidiary of AGL. As applicable Percentage Ratios for AGL are more than 5% but less than 25%, the Partial Share Exchange Offer constitutes a discloseable transaction for AGL pursuant to Rule 14.06(2) of the Listing Rules and is subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules. The issuance of the APL Exchange Shares under the Partial Share Exchange Offer also constitutes a deemed disposal for AGL, which is a discloseable transaction based on applicable Percentage Ratios and is subject to the announcement and reporting requirements under Chapter 14 of the Listing Rules.

Accordingly, no general meeting will be necessary for APL Shareholders or AGL Shareholders to approve the Partial Share Exchange Offer.

GENERAL

The APL Exchange Shares to be issued under the Partial Share Exchange Offer shall rank *pari passu* with all other APL Shares in issue as at the date of allotment. An application will be made to the Stock Exchange for the granting of the listing of, and permission to deal in, the APL Exchange Shares to be issued under the Partial Share Exchange Offer.

A Composite Offer Document containing, among other things, (a) further details of the Partial Share Exchange Offer, (b) further details of the allotment and issuance of APL Exchange Shares, (c) a letter of recommendation from the Independent Board Committee to the Independent Tian An Shareholders, (d) a letter of advice from the independent financial adviser to the Independent Board Committee in respect of the Partial Share Exchange Offer, and (e) financial information of APL Group and Tian An Group, will be despatched to the Tian An Shareholders within 35 days of the date of this joint announcement in accordance with the Takeovers Code.

Pursuant to Rule 2.1 of the Takeovers Code, an Independent Board Committee comprising a non-executive Tian An Director, namely Mr. Lee Shu Yin, and independent non-executive Tian An Directors, namely Messrs. Francis J. Chang Chu Fai, Jin Hui Zhi, Ngai Wah Sang and Ms. Lisa Yang Lai Sum, has been established by Tian An to advise the Independent Tian An Shareholders in respect of the Partial Share Exchange Offer. As Mr. Lee Seng Hui, being the chairman and a non-executive Tian An Director, is also the chief executive and an executive APL Director as well as the chief executive and an executive AGL Director, Mr. Lee Seng Hui will not be a member of the Independent Board Committee and abstained from voting at the board meeting of APL and abstained from voting on the written board resolutions (but signed the relevant written resolutions as a matter of formality) of both AGL and Tian An in respect of the Partial Share Exchange Offer. Dr. Moses Cheng Mo Chi, a

non-executive Tian An Director, is also one of the partners of the legal adviser of the Offeror. Although Dr. Moses Cheng Mo Chi is not involved in provision of legal advice to the Offeror in respect of the Partial Share Exchange Offer, to avoid any possible conflict of interest, he will not be a member of the Independent Board Committee and abstained from voting on the written board resolutions (but signed the relevant written resolutions as a matter of formality) of Tian An in respect of the Partial Share Exchange Offer. As Mr. Edwin Lo King Yau, an executive AGL Director is also an executive Tian An Director, Mr. Edwin Lo King Yau abstained from voting on the written board resolutions (but signed the relevant written resolutions as a matter of formality) of both AGL and Tian An in respect of the Partial Share Exchange Offer to avoid any possible conflict of interest.

Huntington Asia has been appointed as the independent financial advisor to advise the Independent Board Committee in respect of the Partial Share Exchange Offer.

Yu Ming has been appointed as the financial adviser to the Offeror in respect of the Partial Share Exchange Offer.

SUSPENSION AND RESUMPTION OF TRADING

Trading in the shares of AGL, APL and Tian An as well as APL Warrants on the Stock Exchange were suspended at the request of AGL, APL and Tian An respectively with effect from 9:00 a.m. on 8th September, 2011 pending the release of this joint announcement. Application has been made by each of AGL, APL and Tian An to the Stock Exchange for the resumption of trading in their respective shares and APL Warrants with effect from 9:00 a.m. on 15th September, 2011.

DEALINGS DISCLOSURE

In accordance with Rule 3.8 of the Takeovers Code, the associates (including persons holding 5% or more of a class or relevant securities) of Tian An and APL are reminded to disclose their dealings in the securities of Tian An and APL pursuant to the Takeovers Code. In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 (of the Takeovers Code) and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules (of the Takeovers Code). However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7-day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

DEFINITIONS

| | |
|------------------------------------|--|
| “Accepting Tian An Shareholder(s)” | the Independent Tian An Shareholder(s) who has/have validly accepted the Partial Share Exchange Offer |
| “acting in concert” | has the meaning ascribed to it under the Takeovers Code |
| “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 (Stock Code: 373) |
| “AGL Board” | the board of AGL Directors |
| “AGL Director(s)” | the director(s) of AGL |
| “AGL Group” | AGL and its subsidiaries |
| “AGL Share(s)” | ordinary share(s) of HK\$2.00 each in the share capital of AGL |
| “AGL Shareholder(s)” | holder(s) of the AGL Share(s) |
| “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 (Stock Code: 56 and Warrant Code: 1183) |
| “APL Board” | the board of APL Directors |
| “APL Director(s)” | the director(s) of APL |
| “APL Exchange Shares” | 412,720,000 APL Shares of HK\$0.20 each in the share capital of APL to be allotted and issued as Consideration to Accepting Tian An Shareholder(s) under the Partial Share Exchange Offer |
| “APL Group” | APL and its subsidiaries |
| “APL Share(s)” | ordinary share(s) of HK\$0.20 each in the share capital of APL |
| “APL Shareholder(s)” | holder(s) of the APL Share(s) |

| | |
|-----------------------------------|--|
| “APL Warrant(s)” | 1,390,623,317 units of listed warrants issued by APL which carry rights to subscribe for up to an aggregate of 1,390,623,317 APL Shares, details of which were disclosed in APL’s announcement dated 8th June, 2011 (Warrant Code: 1183) |
| “APL Warrant Holders” | holders of APL Warrant(s) |
| “associate(s)” | has the meaning ascribed to it under the Listing Rules |
| “Completion” | completion of the Partial Share Exchange Offer |
| “Composite Offer Document” | the composite offer document in respect of the Partial Share Exchange Offer to be jointly despatched by the Offeror and Tian An to the Tian An Shareholders in accordance with the Takeovers Code |
| “Consideration” | the aggregate consideration of 412,720,000 APL Exchange Shares to be allotted and issued to the Accepting Tian An Shareholders under the Partial Share Exchange Offer |
| “Excluded Tian An Shareholder(s)” | Overseas Tian An Shareholder(s), if any, whose address(es) as shown on the register of members of Tian An is/are outside Hong Kong and located in a jurisdiction the laws of which may prohibit the making of the Partial Share Exchange Offer to such Tian An Shareholder(s) or otherwise require Tian An to comply with additional requirements which are (in the opinion of the Tian An Directors, subject to legal advice and the prior consent of the Executive) unduly onerous or burdensome, having regard to the number of Tian An Shareholders involved in that jurisdiction and their shareholdings in Tian An |
| “Executive” | the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director |
| “Final Closing Date” | a date which is (i) the 14th day after the date on which the Partial Share Exchange Offer is declared unconditional as to acceptances or the First Closing Date, whichever is earlier, and (ii) at least 21 days following the date on which the Composite Offer Document is posted |
| “First Closing Date” | the date stated in the Composite Offer Document as the first closing day of the Partial Share Exchange Offer, which shall be at least 21 days following the date on which the Composite Offer Document is posted, or such later date as may be extended by the Offeror in accordance with the Takeovers Code |
| “Form of Acceptance” | the form of acceptance and transfer in respect of the Partial Share Exchange Offer accompanying the Composite Offer Document |

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| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | Hong Kong Special Administrative Region of the PRC |
| “Huntington Asia” | Huntington Asia Limited, a licensed corporation permitted to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being appointed as the independent financial adviser to the Independent Board Committee in respect of the Partial Share Exchange Offer |
| “Independent Board Committee” | the independent board committee of Tian An, comprising a non-executive Tian An Director and all the independent non-executive Tian An Directors, established for the purpose of advising the Independent Tian An Shareholders on the terms of the Partial Share Exchange Offer |
| “Independent Tian An Shareholder(s)” | holders(s) of the Tian An Share(s), other than the Offeror and parties acting in concert with it |
| “Last Trading Day” | 7th September, 2011, being the last trading day prior to the suspension of trading in AGL Shares, Tian An Shares, APL Shares and APL Warrants on the Stock Exchange with effect from 9:00 a.m. on 8th September, 2011 pending the release of this joint announcement |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Main Board” | Main Board of the Stock Exchange (excludes the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM Board of the Stock Exchange |
| “Offeror” | China Elite Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of APL |
| “Offer Price” | the effective offer price ascribed to Tian An Offer Shares under the Partial Share Exchange Offer based on the offer structure of four APL Exchange Shares for every Tian An Offer Share tendered |
| “Overseas Tian An Shareholder(s)” | Independent Tian An Shareholder(s) whose address(es) as stated in the register of members of Tian An is or are outside Hong Kong |
| “Partial Share Exchange Offer” | the voluntary conditional partial share exchange offer made by Yu Ming on behalf of the Offeror to acquire 103,180,000 Tian An Offer Shares from Independent Tian An Shareholders on the basis of four APL Exchange Shares for every Tian An Offer Share tendered |

| | |
|--------------------------|--|
| “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 |
| “PRC” | the People’s Republic of China |
| “SFC” | Securities and Futures Commission of Hong Kong |
| “SFO” | Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | The Hong Kong Code on Takeovers and Mergers |
| “Tian An” | Tian An China Investments Company Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 28) |
| “Tian An Board” | the board of Tian An Directors |
| “Tian An Director(s)” | the director(s) of Tian An |
| “Tian An Group” | Tian An and its subsidiaries |
| “Tian An Offer Share(s)” | the 103,180,000 Tian An Share(s) which are the subject of the Partial Share Exchange Offer |
| “Tian An Share(s)” | ordinary share(s) of HK\$0.20 each in the share capital of Tian An |
| “Tian An Shareholder(s)” | holder(s) of the Tian An Share(s) |
| “Yu Ming” | Yu Ming Investment Management Limited, a licensed corporation permitted to carry out Types 1 (securities trading), 4 (advising on securities), 6 (advising on corporate finance) and 9 (asset management) regulated activities under the SFO |
| “%” | per cent. |

On behalf of AGL Board
Allied Group Limited
Edwin Lo King Yau
Company Secretary

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

On behalf of Tian An Board
Tian An China Investments
Company Limited
Tao Tsan Sang
Executive Director

Hong Kong, 14th September, 2011

As at the date of this joint announcement, the AGL Board comprises Messrs. Lee Seng Hui (Chief Executive), Edwin Lo King Yau and Mak Pak Hung being the Executive Directors; Mr. Arthur George Dew (Chairman) and Ms. Lee Su Hwei being the Non-Executive Directors; and Messrs. Wong Po Yan, David Craig Bartlett and Alan Stephen Jones being the Independent Non-Executive Directors.

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

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

As at the date of this joint announcement, the board of directors of the Offeror comprises Messrs. Li Chi Kong and Mark Wong Tai Chun.

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

As at the date of this joint announcement, the Tian An Board comprises Messrs. Hu Aimin (Deputy Chairman), Song Zengbin (Deputy Chairman), Patrick Lee Seng Wei (Managing Director), Ng Qing Hai (Deputy Managing Director), Ma Sun (Deputy Managing Director), Edwin Lo King Yau and Tao Tsan Sang being the Executive Directors; Mr. Lee Seng Hui (Chairman), Dr. Moses Cheng Mo Chi and Mr. Lee Shu Yin being the Non-Executive Directors; and Messrs. Francis J. Chang Chu Fai, Jin Hui Zhi, Ngai Wah Sang and Ms. Lisa Yang Lai Sum being the Independent Non-Executive Directors.

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