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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)**

**Discloseable Transaction**



**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**

## **JOINT ANNOUNCEMENT**

### **LOAN TRANSACTION**

Reference is made to the joint announcement of AGL and APL dated 17 October 2012 in relation to a loan transaction between SHKSFL, an indirect wholly-owned subsidiary of SHK, the Borrower and the Guarantor.

As advised and confirmed by SHK, on 30 October 2013, SHKSFL entered into the Supplemental Loan Agreement with the Borrower and the Guarantor, pursuant to which, SHKSFL agreed to, among other things, extend the repayment date under the New Loan Agreement. As at the date of the Supplemental Loan Agreement, the Outstanding Loan is HK\$410,000,000.

As SHKSFL is a 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 SHKSFL shall be a deemed 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.

The Transaction constitutes a discloseable transaction for each of AGL and APL 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 notifiable transaction for SHK on the basis that none of the percentage ratio(s) exceeds 5%.

Reference is made to the joint announcement of AGL and APL dated 17 October 2012 in relation to a loan transaction between SHKSFL, an indirect wholly-owned subsidiary of SHK, the Borrower and the Guarantor.

As advised and confirmed by SHK, on 30 October 2013, SHKSFL entered into the Supplemental Loan Agreement with the Borrower and the Guarantor, pursuant to which, SHKSFL agreed to, among other things, extend the repayment date under the New Loan Agreement. As at the date of the Supplemental Loan Agreement, the Outstanding Loan is HK\$410,000,000.

## **THE SUPPLEMENTAL LOAN AGREEMENT**

Date: 30 October 2013

Parties: (1) SHKSFL as the lender;  
(2) the Borrower as the borrower; and  
(3) the Guarantor as the guarantor.

As at the date of this joint announcement, as advised and confirmed by SHK, which has made all reasonable enquiries and based on the confirmation of the Borrower and the Guarantor, and to the best knowledge, information and belief of the AGL Directors and APL Directors, having made all reasonable enquiries, the Guarantor, the Borrower and its ultimate beneficial owners are third parties independent of AGL, APL and SHK and their respective connected persons.

## **THE TERMS OF THE SUPPLEMENTAL LOAN AGREEMENT, THE SUPPLEMENTAL CONVERTIBLE BONDS MORTGAGE, THE DEBENTURE AND THE SHARE MORTGAGE**

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

- (1) the date of repayment of the Outstanding Loan shall be extended for a further term of four months from 17 October 2013 to 17 February 2014; and
- (2) a non-refundable loan arrangement fee in the amount of HK\$1,708,470 is payable by the Borrower.

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

As advised and confirmed by SHK, pursuant to the Supplemental Convertible Bonds Mortgage, the Borrower acknowledges and confirms that the Convertible Bonds Mortgage remains and continues to remain in full force and effect.

As advised and confirmed by SHK, the Debenture and the Share Mortgage shall remain and continue to remain in full force and effect.

## **REASONS FOR AND BENEFITS OF THE TRANSACTION**

As advised and confirmed by SHK, the terms of the Supplemental Loan Agreement were arrived at after arm's length negotiations between SHKSFL and the Borrower. Based on the confirmation of SHK, the Supplemental Loan Agreement was entered into by SHKSFL having regard to (i) the costs of borrowing in extending the repayment date for the repayment of the Outstanding Loan; (ii) the interest income to be generated by the Transaction; and (iii) the underlying securities. In addition, as advised and confirmed by SHK, the Transaction is part of the ordinary and usual course of business of SHKSFL. In view of the above, the SHK Exco is of the view that the terms of the Supplemental Loan Agreement are on normal commercial terms and the Transaction is fair and reasonable, and in the interests of SHK and its shareholders taken as a whole.

Based on the information and the confirmation provided by SHK and to the best knowledge, information and belief of the AGL Directors and the APL Directors, the AGL Directors and the APL Directors consider that the Transaction is fair and reasonable and in the interests of AGL and APL and their shareholders taken as a whole.

## **INFORMATION ABOUT AGL, APL, SHKSFL, THE BORROWER AND THE GUARANTOR**

### **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, the provision of financial services, the provision of elderly care services, medical and aesthetic equipment distribution and investments in listed and unlisted securities.

### **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, the provision of financial services, the provision of elderly care services, medical and aesthetic equipment distribution and investments in listed and unlisted securities.

As at the date of this joint announcement, APL is beneficially owned as to approximately 74.99% by AGL.

## **SHKSFL**

As advised and confirmed by SHK, SHKSFL is a company incorporated in Hong Kong with limited liability. The principle business activity of SHKSFL is the provision of loan finance. 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 joint announcement, SHKSFL is an indirect wholly-owned subsidiary of SHK, which in turn is beneficially owned as to approximately 55.99% by APL.

### **The Borrower**

As advised and confirmed by SHK, the Borrower is a company incorporated in the British Virgin Islands with limited liability. The principal business activity of the Borrower is investment holding.

### **The Guarantor**

As advised and confirmed by SHK, the Guarantor is an individual.

## **LISTING RULES IMPLICATIONS**

As SHKSFL is a 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 SHKSFL shall be a deemed 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.

The Transaction constitutes a discloseable transaction for each of AGL and APL 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 notifiable transaction for SHK on the basis that none of the percentage ratio(s) exceeds 5%.

## **DEFINITIONS**

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

“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”	board of AGL Directors;
“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 (Stock Code: 56 and Warrant Code: 1183) and a non wholly-owned subsidiary of AGL;

“APL Board”	board of APL Directors;
“APL Directors”	directors of APL;
“Borrower”	the borrower under the New Loan Agreement and the Supplemental Loan Agreement;
“connected persons”	having the meaning ascribed to it under the Listing Rules;
“Convertible Bonds”	the HK\$700,000,000 convertible bonds issued by a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the main board of the Stock Exchange;
“Convertible Bonds Mortgage”	the mortgage dated 22 October 2012 created by the Borrower as mortgagor in favour of SHKSFL as mortgagee over all the Convertible Bonds, pursuant to which the Borrower provided a security to secure the payment obligations of the Borrower under the New Loan Agreement;
“Debenture”	the debenture created by the Borrower as chargor in favour of SHKSFL as chargee over all the undertakings, property and/or assets of the Borrower, being security given in connection with the transaction contemplated under the New Loan Agreement as amended from time to time;
“Guarantor”	the sole shareholder of the Borrower and the guarantor under the New Loan Agreement and the Supplemental Loan Agreement;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange;
“New Loan Agreement”	the loan agreement dated 17 October 2012 entered into between SHKSFL, the Borrower and the Guarantor;
“Outstanding Loan”	the aggregate outstanding balance of the existing loan granted under the New Loan Agreement, which is HK\$410,000,000 as at the date of the Supplemental Loan 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;
“Shares”	the entire issued shares of the Borrower;
“Share Mortgage”	the mortgage created by the Guarantor as mortgagor in favour of SHKSFL as mortgagee over all the Shares, being security given in connection with the transaction contemplated under the New Loan Agreement as amended from time to time;

“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 (Stock Code: 86) and a non wholly-owned subsidiary of each of AGL and APL;
“SHK Exco”	the executive committee of and with powers delegated from the board of directors of SHK;
“SHKSFL”	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 New Loan Agreement and the Supplemental Loan Agreement;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Supplemental Convertible Bonds Mortgage”	the supplemental mortgage to the Convertible Bonds Mortgage dated 30 October 2013 entered into between SHKSFL as lender and the Borrower as mortgagor;
“Supplemental Loan Agreement”	the supplemental loan agreement to the New Loan Agreement dated 30 October 2013 entered into between SHKSFL, the Borrower and the Guarantor for, inter alia, the extension of the repayment date under the New Loan Agreement;
“Transaction”	the transaction contemplated under the Supplemental Loan Agreement; and
“%”	per cent.

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

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

Hong Kong, 30 October 2013

*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. David Craig Bartlett and Alan Stephen Jones being the Independent Non-Executive Directors.*

*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.*