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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)**



**新鴻基有限公司**

**SUN HUNG KAI & CO. LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 86)**

**JOINT ANNOUNCEMENT  
DISCLOSEABLE TRANSACTION  
LOAN TRANSACTION**

**THE TRANSACTION**

On 29 September 2018, Lender A (an indirect wholly-owned subsidiary of AGL), Lender B (an indirect wholly-owned subsidiary of APL), Lender C, Lender D (a non wholly-owned subsidiary of SHK), Lender E (a wholly-owned subsidiary of SHK) and Lender F as the lenders, the Borrower as the borrower, the Agent as the agent and the Security Agent as the security agent entered into the Facility Agreement, pursuant to which, the Lenders agreed, on several basis, to make available to the Borrower the Loan on the terms and subject to the conditions therein.

## **LISTING RULES IMPLICATIONS**

As Lender A is an indirect wholly-owned subsidiary of AGL, the Transaction entered into by Lender A shall be a transaction of AGL under the Listing Rules as the definition of “listed issuer” under the Listing Rules includes the listed issuer’s subsidiaries.

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

As Lender D is a 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 Lender D shall be a transaction of each of SHK, APL and AGL under the Listing Rules as the definition of “listed issuer” under the Listing Rules includes the listed issuer’s subsidiaries.

As Lender E is a 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 Lender E shall be a transaction of each of SHK, APL and AGL under the Listing Rules as the definition of “listed issuer” under the Listing Rules includes the listed issuer’s subsidiaries.

The Transaction, on a stand-alone basis and also when aggregated with the Previous SHK Transaction, constitutes a discloseable transaction for each of SHK, APL and AGL, as the relevant percentage ratio(s) exceeds 5% but is below 25%.

## **THE TRANSACTION**

On 29 September 2018, Lender A (an indirect wholly-owned subsidiary of AGL), Lender B (an indirect wholly-owned subsidiary of APL), Lender C, Lender D (a non wholly-owned subsidiary of SHK), Lender E (a wholly-owned subsidiary of SHK) and Lender F as the lenders, the Borrower as the borrower, the Agent as the agent and the Security Agent as the security agent entered into the Facility Agreement, pursuant to which, the Lenders agreed, on several basis, to make available to the Borrower the Loan on the terms and subject to the conditions therein.

## **THE FACILITY AGREEMENT**

Date: 29 September 2018

Parties:

- (1) the Lenders as the lenders under the Facility Agreement;
- (2) the Borrower as the borrower under the Facility Agreement;
- (3) the Agent as the agent under the Facility Agreement; and
- (4) the Security Agent as the security agent under the Facility Agreement.

Based on the confirmations of the Borrower, BVI Company A, BVI Company C, BVI Company E, HK Company A, HK Company B, HK Company C and SG Company A and to the best knowledge, information and belief of the SHK Directors, APL Directors and AGL Directors, having made all reasonable enquiries, the Borrower, BVI Company A, BVI Company C, BVI Company E, HK Company A, HK Company B, HK Company C and SG Company A and their respective ultimate beneficial owner(s) (where applicable) are all third parties independent of SHK, APL, AGL and their respective connected persons.

## Principal terms of the Facility Agreement

The principal terms of the Facility Agreement are as follows:

Loan limit by Lender A, Lender B, Lender D and Lender E: HK\$1,176,000,000, as severally committed by the Lender A, Lender B, Lender D and Lender E as follows:

- (i) Lender A: HK\$200,000,000
- (ii) Lender B: HK\$476,000,000
- (iii) Lender D: HK\$300,000,000
- (iv) Lender E: HK\$200,000,000

Term: 12 months after the utilisation date of the Loan

Purposes: The Loan shall be applied by the Borrower towards (i) refinancing any outstanding principal amount of external financings of the Borrower and/or its subsidiaries and payment of any other amounts outstanding under such external financings; (ii) refinancing any outstanding principal amount of the notes issued under the Note and payment of any other amounts in relation to such outstanding notes under the Note; (iii) payment of fees, costs and expenses in connection with the entering into of the Facility Agreement and other relevant documents as provided in the Facility Agreement and/or the utilisation of the Loan and other related transaction costs; and (iv) working capital purposes of the Borrower and its subsidiaries

Interest: 8% per annum on the Loan, payable on the last day of each three-month period during the term of the Facility Agreement

Participation fee: 9% per annum on the Loan, payable on the last day of each three-month period during the term of the Facility Agreement pursuant to the Participation Fee Letter

Security for the Loan:

- (1) Debenture (BVI Company A)
- (2) Debenture (HK Company A)

- (3) Debenture (SG Company A)
- (4) Deed of Assignment (BVI Company F)
- (5) Deed of Assignment (Borrower)
- (6) Deed of Assignment (BVI Company B)
- (7) Deed of Assignment (HK Company A and BVI Company A)
- (8) Share Mortgage (BVI Company A)
- (9) Share Mortgage (BVI Company B)
- (10) Share Mortgage (BVI Company D)
- (11) Share Mortgage (BVI Company F)
- (12) Share Mortgage (HK Company A)
- (13) Share Mortgage (SG Company A)
- (14) Share Mortgage (SG Company B)

*Debenture (BVI Company A)*

The Loan is secured by Debenture (BVI Company A) by way of first fixed and floating charge over all the undertakings, property and/or assets of BVI Company A to be created by BVI Company A in favour of the Security Agent. The Debenture (BVI Company A) and all security constituted or pursuant to the Debenture (BVI Company A) shall become immediately enforceable upon the occurrence of an event of default or the occurrence of any event which may lead to a default by the Borrower.

*Debenture (HK Company A)*

The Loan is secured by Debenture (HK Company A) by way of first fixed and floating charge over all the undertakings, property and/or assets of HK Company A to be created by HK Company A in favour of the Security Agent. The Debenture (HK Company A) and all security constituted or pursuant to the Debenture (HK Company A) shall become immediately enforceable upon the occurrence of an event of default or the occurrence of any event which may lead to a default by the Borrower.

*Debenture (SG Company A)*

The Loan is secured by Debenture (SG Company A) by way of first fixed and floating charge over all the undertakings, property and/or assets of SG Company A to be created by SG Company A in favour of the Security Agent. The Debenture (SG Company A) and all security constituted or pursuant to the Debenture (SG Company A) shall become immediately enforceable upon the occurrence of an event of default or the occurrence of any event which may lead to a default by the Borrower.

*Deed of Assignment (BVI Company F)*

The Loan is secured by the Deed of Assignment (BVI Company F) to be created by BVI Company E in favour of the Security Agent in respect of a loan owed by BVI Company F to BVI Company E. The Deed of Assignment (BVI Company F) and all security constituted or pursuant to the Deed of Assignment (BVI Company F) shall become immediately enforceable upon the occurrence of an event of default or the occurrence of any event which may lead to a default by the Borrower.

*Deed of Assignment (Borrower)*

The Loan is secured by the Deed of Assignment (Borrower) to be created by HK Company C in favour of the Security Agent in respect of a loan owed by the Borrower to HK Company C. The Deed of Assignment (Borrower) and all security constituted or pursuant to the Deed of Assignment (Borrower) shall become immediately enforceable upon the occurrence of an event of default or the occurrence of any event which may lead to a default by the Borrower.

*Deed of Assignment (BVI Company B)*

The Loan is secured by the Deed of Assignment (BVI Company B) to be created by HK Company B in favour of the Security Agent in respect of a loan owed by BVI Company B to HK Company B. The Deed of Assignment (BVI Company B) and all security constituted or pursuant to the Deed of Assignment (BVI Company B) shall become immediately enforceable upon the occurrence of an event of default or the occurrence of any event which may lead to a default by the Borrower.

*Deed of Assignment (HK Company A and BVI Company A)*

The Loan is secured by the Deed of Assignment (HK Company A and BVI Company A) to be created by the Borrower in favour of the Security Agent in respect of a loan owed by HK Company A and BVI Company A to the Borrower. The Deed of Assignment (HK Company A and BVI Company A) and all security constituted or pursuant to the Deed of Assignment (HK Company A and BVI Company A) shall become immediately enforceable upon the occurrence of an event of default or the occurrence of any event which may lead to a default by the Borrower.

*Share Mortgage (BVI Company A)*

The Loan is secured by the Share Mortgage (BVI Company A) to be created by HK Company A in favour of the Security Agent by way of first ranking fixed charge over the BVI Company A Shares. The Security Agent, as chargee of the Share Mortgage (BVI Company A), shall have rights, among other things, to dispose of the BVI Company A Shares upon the occurrence of any event of default or the occurrence of any event which may lead to a default by the Borrower.

*Share Mortgage (BVI Company B)*

The Loan is secured by the Share Mortgage (BVI Company B) to be created by HK Company B in favour of the Security Agent by way of first ranking fixed charge over the BVI Company B Shares. The Security Agent, as chargee of the Share Mortgage (BVI Company B), shall have rights, among other things, to dispose of the BVI Company B Shares upon the occurrence of any event of default or the occurrence of any event which may lead to a default by the Borrower.

*Share Mortgage (BVI Company D)*

The Loan is secured by the Share Mortgage (BVI Company D) to be created by BVI Company C in favour of the Security Agent by way of first ranking fixed charge over the BVI Company D Shares. The Security Agent, as chargee of the Share Mortgage (BVI Company D), shall have rights, among other things, to dispose of the BVI Company D Shares upon the occurrence of any event of default or the occurrence of any event which may lead to a default by the Borrower.

*Share Mortgage (BVI Company F)*

The Loan is secured by the Share Mortgage (BVI Company F) to be created by BVI Company E in favour of the Security Agent by way of first ranking fixed charge over the BVI Company F Shares. The Security Agent, as chargee of the Share Mortgage (BVI Company F), shall have rights, among other things, to dispose of the BVI Company F Shares upon the occurrence of any event of default or the occurrence of any event which may lead to a default by the Borrower.

*Share Mortgage (HK Company A)*

The Loan is secured by the Share Mortgage (HK Company A) to be created by the Borrower in favour of the Security Agent by way of first ranking fixed charge over the HK Company A Shares. The Security Agent, as chargee of the Share Mortgage (HK Company A), shall have rights, among other things, to dispose of the HK Company A Shares upon the occurrence of any event of default or the occurrence of any event which may lead to a default by the Borrower.

*Share Mortgage (SG Company A)*

The Loan is secured by the Share Mortgage (SG Company A) to be created by BVI Company A in favour of the Security Agent by way of first ranking fixed charge over the SG Company A Shares. The Security Agent, as chargee of the Share Mortgage (SG Company A), shall have rights, among other things, to dispose of the SG Company A Shares upon the occurrence of any event of default or the occurrence of any event which may lead to a default by the Borrower.



### *Share Mortgage (SG Company B)*

The Loan is secured by the Share Mortgage (SG Company B) to be created by SG Company A in favour of the Security Agent by way of first ranking fixed charge over the SG Company B Shares. The Security Agent, as chargee of the Share Mortgage (SG Company B), shall have rights, among other things, to dispose of the SG Company B Shares upon the occurrence of any event of default or the occurrence of any event which may lead to a default by the Borrower.

### **THE PREVIOUS SHK TRANSACTION**

As advised and confirmed by SHK, on 5 September 2017, SHK Subsidiary (a wholly-owned subsidiary of SHK) as the subscriber entered into the Subscription Agreement with, among others, HK Company A (a wholly-owned subsidiary of the Borrower) as the issuer and other parties, pursuant to which, SHK Subsidiary has agreed to, among other things, subscribe for the Note on the terms and subject to the conditions therein at the issue price equivalent to approximately HK\$353,000,000, with a maturity date falling on the 13th month from the date of the Subscription Agreement and as agreed between HK Company A and the Note Agent.

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

#### **SHK**

As advised and confirmed by SHK, the terms of the Facility Agreement, including the interest rate and the participation fee, were arrived at after arm's length negotiations between each of Lender D and Lender E (acting through the Agent) and the Borrower having taken into account the prevailing market interest rates and practices. Based on the confirmation of SHK, the Facility Agreement was entered into by Lender D and Lender E having regard to (i) the costs of borrowing in providing its commitment under the Loan to the Borrower; (ii) the income of Lender D and Lender E to be generated by the Transaction; and (iii) the underlying securities. In view of the above, the SHK Directors are of the view that the terms of the Facility Agreement are on normal commercial terms and the Transaction entered into by each of Lender D and Lender E is fair and reasonable, and in the interests of SHK and its shareholders taken as a whole.

## **APL**

As advised and confirmed by APL, the terms of the Facility Agreement, including the interest rate and the participation fee, were arrived at after arm's length negotiations between Lender B (acting through the Agent) and the Borrower having taken into account the prevailing market interest rates and practices. Based on the confirmation of APL, the Facility Agreement was entered into by Lender B having regard to (i) the costs of borrowing in providing its commitment under the Loan to the Borrower; (ii) the income of Lender B to be generated by the Transaction; and (iii) the underlying securities. In view of the above, the APL Directors are of the view that the terms of the Facility Agreement are on normal commercial terms and the Transaction entered into by Lender B is fair and reasonable, and in the interests of APL and its shareholders taken as a whole.

In light of the above, based on the information and the confirmation provided by SHK and to the best knowledge, information and belief of the APL Directors, the APL Directors consider that the Transaction entered into by each of Lender B, Lender D and Lender E is fair and reasonable and in the interests of the APL and its shareholders taken as a whole.

## **AGL**

As advised and confirmed by AGL, the terms of the Facility Agreement, including the interest rate and the participation fee, were arrived at after arm's length negotiations between Lender A (acting through the Agent) and the Borrower having taken into account the prevailing market interest rates and practices. Based on the confirmation of AGL, the Facility Agreement was entered into by Lender A having regard to (i) the costs of providing its commitment under the Loan to the Borrower; (ii) the income of Lender A to be generated by the Transaction; and (iii) the underlying securities. In view of the above, the AGL Directors are of the view that the terms of the Facility Agreement are on normal commercial terms and the Transaction entered into by Lender A is fair and reasonable, and in the interests of AGL and its shareholders taken as a whole.

In light of the above, based on the information and the confirmations provided by each of APL and SHK and to the best knowledge, information and belief of the AGL Directors, the AGL Directors consider that the Transaction entered into by each of Lender A, Lender B, Lender D and Lender E is fair and reasonable and in the interests of the AGL and its shareholders taken as a whole.

**INFORMATION ABOUT AGL, APL, SHK, LENDER A, LENDER B, LENDER D, LENDER E, THE BORROWER, BVI COMPANY A, BVI COMPANY B, BVI COMPANY C, BVI COMPANY D, BVI COMPANY E, BVI COMPANY F, HK COMPANY A, HK COMPANY B, HK COMPANY C, SG COMPANY A AND SG COMPANY B**

**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, elderly care services, the provision of finance and investments in listed and unlisted securities.

**APL**

APL 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 APL is investment holding. The principal business activities of its major subsidiaries are property investment and development, hospitality related activities, elderly care services, the provision of finance 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.

## **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 consumer finance, principal investments, mortgage loans and financial services.

As at the date of this joint announcement, SHK is beneficially owned as to approximately 61.43% by APL.

### **Lender A**

As advised and confirmed by AGL, Lender A is a company incorporated in the BVI with limited liability and is an indirect wholly-owned subsidiary of AGL. The principal business activity of Lender A is investment holding.

### **Lender B**

As advised and confirmed by APL, Lender B is a company incorporated in the Cayman Islands with limited liability and is an indirect wholly-owned subsidiary of APL. The principal business activity of Lender B is investment holding.

### **Lender D**

As advised and confirmed by SHK, Lender D is a company incorporated in the BVI with limited liability and is an indirect non wholly-owned subsidiary of SHK. The principal business activity of Lender D is investment holding.

## **Lender E**

As advised and confirmed by SHK, Lender E is a company incorporated in the BVI with limited liability and is an indirect wholly-owned subsidiary of SHK. The principal business activity of Lender E is investment holding.

## **The Borrower**

To the best knowledge, information and belief of the SHK Directors, APL Directors and AGL Directors, having made all reasonable enquiries, the Borrower 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 Borrower is logistics and related services. The principal business activity of its major subsidiaries is logistics and services.

## **BVI Company A**

To the best knowledge, information and belief of the SHK Directors, APL Directors and AGL Directors, having made all reasonable enquiries, BVI Company A is a company incorporated in the BVI with limited liability and is a direct wholly-owned subsidiary of HK Company A and an indirect wholly-owned subsidiary of the Borrower. The principal business activity of BVI Company A is investment holding.

## **BVI Company B**

To the best knowledge, information and belief of the SHK Directors, APL Directors and AGL Directors, having made all reasonable enquiries, BVI Company B is a company incorporated in the BVI with limited liability and is a direct wholly-owned subsidiary of HK Company B and an indirect wholly-owned subsidiary of the Borrower.

## **BVI Company C**

To the best knowledge, information and belief of the SHK Directors, APL Directors and AGL Directors, having made all reasonable enquiries, BVI Company C is a company incorporated in the BVI with limited liability and is an indirect wholly-owned subsidiary of the Borrower. The principal business activity of BVI Company C is investment holding.

### **BVI Company D**

To the best knowledge, information and belief of the SHK Directors, APL Directors and AGL Directors, having made all reasonable enquiries, BVI Company D is a company incorporated in the BVI with limited liability and is a direct wholly-owned subsidiary of BVI Company C and an indirect wholly-owned subsidiary of the Borrower.

### **BVI Company E**

To the best knowledge, information and belief of the SHK Directors, APL Directors and AGL Directors, having made all reasonable enquiries, BVI Company E is a company incorporated in the BVI with limited liability and is an indirect wholly-owned subsidiary of the Borrower. The principal business activity of BVI Company E is investment holding.

### **BVI Company F**

To the best knowledge, information and belief of the SHK Directors, APL Directors and AGL Directors, having made all reasonable enquiries, BVI Company F is a company incorporated in the BVI with limited liability and is a direct wholly-owned subsidiary of BVI Company E and an indirect wholly-owned subsidiary of the Borrower.

### **HK Company A**

To the best knowledge, information and belief of the SHK Directors, APL Directors and AGL Directors, having made all reasonable enquiries, HK Company A is a company incorporated in Hong Kong with limited liability and is a direct wholly-owned subsidiary of the Borrower. The principal business activity of HK Company A is investment holding.

### **HK Company B**

To the best knowledge, information and belief of the SHK Directors, APL Directors and AGL Directors, having made all reasonable enquiries, HK Company B is a company incorporated in Hong Kong with limited liability and is a direct wholly-owned subsidiary of the Borrower. The principal business activity of HK Company B is investment holding.

### **HK Company C**

To the best knowledge, information and belief of the SHK Directors, APL Directors and AGL Directors, having made all reasonable enquiries, HK Company C is a company incorporated in Hong Kong with limited liability. The principal business activity of HK Company C is investment holding.

## **SG Company A**

To the best knowledge, information and belief of the SHK Directors, APL Directors and AGL Directors, having made all reasonable enquiries, SG Company A is a company incorporated in Singapore with limited liability and is a direct wholly-owned subsidiary of BVI Company A and an indirect wholly-owned subsidiary of the Borrower. The principal business activity of SG Company A is investment holding.

## **SG Company B**

To the best knowledge, information and belief of the SHK Directors, APL Directors and AGL Directors, having made all reasonable enquiries, SG Company B is a company incorporated in Singapore with limited liability and is a direct wholly-owned subsidiary of SG Company A and an indirect wholly-owned subsidiary of the Borrower.

## **LISTING RULES IMPLICATIONS**

As Lender A is an indirect wholly-owned subsidiary of AGL, the Transaction entered into by Lender A shall be a transaction of AGL under the Listing Rules as the definition of “listed issuer” under the Listing Rules includes the listed issuer’s subsidiaries.

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

As Lender D is a 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 Lender D shall be a transaction of each of SHK, APL and AGL under the Listing Rules as the definition of “listed issuer” under the Listing Rules includes the listed issuer’s subsidiaries.

As Lender E is a 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 Lender E shall be a transaction of each of SHK, APL and AGL under the Listing Rules as the definition of “listed issuer” under the Listing Rules includes the listed issuer’s subsidiaries.

The Transaction, on a stand-alone basis and when aggregated with the Previous SHK Transaction, constitutes a discloseable transaction for each of SHK, APL and AGL, as the relevant percentage ratio(s) exceeds 5% but is below 25%.

## DEFINITIONS

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

“Agent”	the agent under the Facility Agreement and the Security Agent, which is a licensed trust and company service provider in Hong Kong;
“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 Directors”	directors of AGL;
“APL”	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 (Stock Code: 56) and a non wholly-owned subsidiary of AGL;
“APL Board”	the board of APL Directors;
“APL Directors”	directors of APL;
“Borrower”	the borrower under the Facility Agreement, the chargor under the Share Mortgage (HK Company A) and the assignor under the Deed of Assignment (HK Company A and BVI Company A);
“BVI”	the British Virgin Islands;
“BVI Company A”	one of the security providers under the Facility Agreement, the chargor under the Debenture (BVI Company A) and the Share Mortgage (SG Company A), a direct wholly-owned subsidiary of HK Company A and an indirect wholly-owned subsidiary of the Borrower;
“BVI Company A Shares”	all issued shares in BVI Company A;



“BVI Company B”	a direct wholly-owned subsidiary of HK Company B and an indirect wholly-owned subsidiary of the Borrower;
“BVI Company B Shares”	all issued shares in BVI Company B;
“BVI Company C”	one of the security providers under the Facility Agreement, the chargor under the Share Mortgage (BVI Company D) and an indirect wholly-owned subsidiary of the Borrower;
“BVI Company D”	a direct wholly-owned subsidiary of BVI Company C and an indirect wholly-owned subsidiary of the Borrower;
“BVI Company D Shares”	all issued shares in BVI Company D;
“BVI Company E”	one of the security providers under the Facility Agreement, the assignor under the Deed of Assignment (BVI Company F), the chargor under the Share Mortgage (BVI Company F) and an indirect wholly-owned subsidiary of the Borrower;
“BVI Company F”	a direct wholly-owned subsidiary of BVI Company E and an indirect wholly-owned subsidiary of the Borrower;
“BVI Company F Shares”	all issued shares in BVI Company F;
“connected persons”	having the meaning ascribed to it under the Listing Rules;
“Debenture (BVI Company A)”	the debenture to be created by BVI Company A in favour of the Security Agent by way of first fixed and floating charge over all the undertakings, property and/or assets of BVI Company A;
“Debenture (HK Company A)”	the debenture to be created by HK Company A in favour of the Security Agent by way of first fixed and floating charge over all the undertakings, property and/or assets of HK Company A;
“Debenture (SG Company A)”	the debenture to be created by SG Company A in favour of the Security Agent by way of first fixed and floating charge over all the undertakings, property and/or assets of SG Company A;

“Deed of Assignment (Borrower)”	the assignment to be created by HK Company C in favour of the Security Agent in respect of a loan owed by the Borrower to HK Company C;
“Deed of Assignment (BVI Company B)”	the assignment to be created by HK Company B in favour of the Security Agent in respect of a loan owed by BVI Company B to HK Company B;
“Deed of Assignment (BVI Company F)”	the assignment to be created by BVI Company E in favour of the Security Agent in respect of a loan owed by BVI Company F to BVI Company E;
“Deed of Assignment (HK Company A and BVI Company A)”	the assignment to be created by the Borrower in favour of the Security Agent in respect of a loan owed by HK Company A and BVI Company A to the Borrower;
“Facility Agreement”	the facility agreement entered into between the Lenders as the lenders, the Borrower as the borrower, the Agent as the agent and the Security Agent as the security agent dated 29 September 2018;
“HK Company A”	one of the security providers under the Facility Agreement, the chargor under the Debenture (HK Company A) and the Share Mortgage (BVI Company A) and a direct wholly-owned subsidiary of the Borrower;
“HK Company A Shares”	all issued shares in HK Company A;
“HK Company B”	one of the security providers under the Facility Agreement, the chargor under the Share Mortgage (BVI Company B), the assignor under the Deed of Assignment (BVI Company B) and a direct wholly-owned subsidiary of the Borrower;
“HK Company C”	one of the security providers under the Facility Agreement and the assignor under the Deed of Assignment (Borrower);
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;

“Lender A”	Allied Harbin Link Limited, being one of the Lenders under the Facility Agreement and an indirect wholly-owned subsidiary of AGL;
“Lender B”	Allied Properties Investments (3) Limited, being one of the Lenders under the Facility Agreement and an indirect wholly-owned subsidiary of APL;
“Lender C”	one of the Lenders under the Facility Agreement;
“Lender D”	Onspeed Investments Limited, being one of the Lenders under the Facility Agreement and an indirect non wholly-owned subsidiary of SHK;
“Lender E”	Dagenham Investments Limited, being one of the Lenders under the Facility Agreement and an indirect wholly-owned subsidiary of SHK;
“Lender F”	one of the Lenders under the Facility Agreement;
“Lender(s)”	Lender A, Lender B, Lender C, Lender D, Lender E and Lender F under the Facility Agreement;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Loan”	the loan made or to be made available by the Lenders to the Borrower on the terms and subject to the conditions set out in the Facility Agreement;
“Note”	the 5% USD denominated senior secured notes in the aggregate principal amount equivalent to approximately HK\$353,000,000 issued by HK Company A to the SHK Subsidiary, with a maturity date falling on the 13th month from the date of the Subscription Agreement and as agreed between HK Company A and the Note Agent;
“Note Agent”	the agent under the Note;

“Participation Fee Letter”	the participation fee letter entered into between the Lenders as the lenders, the Borrower as the borrower and the Agent as the agent dated 29 September 2018;
“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;
“Previous SHK Transaction”	the transaction contemplated under the Subscription Agreement;
“Security Agent”	the security agent under the Facility Agreement, the chargee under the Debenture (BVI Company A), the Debenture (HK Company A), Debenture (SG Company A), the Share Mortgage (BVI Company A), the Share Mortgage (BVI Company B), the Share Mortgage (BVI Company D), the Share Mortgage (BVI Company F), the Share Mortgage (HK Company A), the Share Mortgage (SG Company A) and the Share Mortgage (SG Company B), and the assignee under the Deed of Assignment (BVI Company F), the Deed of Assignment (Borrower), Deed of Assignment (BVI Company B) and Deed of Assignment (HK Company A and BVI Company A);
“SG Company A”	one of the security providers under the Facility Agreement, the chargor under the Debenture (SG Company A) and the Share Mortgage (SG Company B), a direct wholly-owned subsidiary of BVI Company A and an indirect wholly-owned subsidiary of the Borrower;
“SG Company A Shares”	all issued shares in SG Company A;
“SG Company B”	a direct wholly-owned subsidiary of SG Company A and an indirect wholly-owned subsidiary of the Borrower;
“SG Company B Shares”	all issued shares in SG Company B;
“SG\$”	Singapore dollars, the lawful currency of Singapore;

“Share Mortgage (BVI Company A)”	the first ranking fixed charge over BVI Company A Shares to be provided by HK Company A in favour of the Security Agent;
“Share Mortgage (BVI Company B)”	the first ranking fixed charge over BVI Company B Shares to be provided by HK Company B in favour of the Security Agent;
“Share Mortgage (BVI Company D)”	the first ranking fixed charge over BVI Company D Shares to be provided by BVI Company C in favour of the Security Agent;
“Share Mortgage (BVI Company F)”	the first ranking fixed charge over BVI Company F Shares to be provided by BVI Company E in favour of the Security Agent;
“Share Mortgage (HK Company A)”	the first ranking fixed charge over HK Company A Shares to be provided by the Borrower in favour of the Security Agent;
“Share Mortgage (SG Company A)”	the first ranking fixed charge over SG Company A Shares to be provided by BVI Company A in favour of the Security Agent;
“Share Mortgage (SG Company B)”	the first ranking fixed charge over SG Company B Shares to be provided by SG Company A in favour of the Security Agent;
“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 (Stock Code: 86) and an indirect non wholly-owned subsidiary of each of APL and AGL;
“SHK Board”	the board of SHK Directors;
“SHK Directors”	directors of SHK;

“SHK Subsidiary”	SHK Commodities Limited, a company incorporated in Hong Kong with limited liability, an indirect wholly-owned subsidiary of SHK and the subscriber under the Subscription Agreement;
“Singapore”	the Republic of Singapore;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Agreement”	the subscription agreement dated 5 September 2017 entered into between, among others, the SHK Subsidiary as the subscriber and HK Company A as the issuer;
“Transaction”	the transaction contemplated under the Facility Agreement;
“USD”	United States dollar(s), the lawful currency of the United States of America; 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**  
**Mark Wong Tai Chun**  
*Executive Director*

On behalf of the SHK Board  
**Sun Hung Kai & Co. Limited**  
**Simon Chow Wing Charn**  
*Executive Director*

Hong Kong, 29 September 2018

*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 Mr. David Craig Bartlett, Mr. Alan Stephen Jones and Ms. Lisa Yang Lai Sum being the Independent Non-Executive Directors.*

*As at the date of this joint announcement, the APL Board comprises Messrs. Lee Seng Hui (Chief Executive) and Mark Wong Tai Chun being the Executive Directors; Messrs. Arthur George Dew (Chairman) and Li Chi Kong being the Non-Executive Directors; 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 SHK Board comprises Messrs. Lee Seng Huang (Group Executive Chairman) and Simon Chow Wing Charn being the Executive Directors; Messrs. Peter Anthony Curry and Jonathan Andrew Cimino being the Non-Executive Directors; and Mr. Evan Au Yang Chi Chun, Mr. David Craig Bartlett, Mr. Alan Stephen Jones, Ms. Jacqueline Alee Leung and Mr. Peter Wong Man Kong being the Independent Non-Executive Directors.*

*For the purpose of this joint announcement, translations of United States dollars into Hong Kong dollars or vice versa have been calculated by using an exchange rate of US\$1.00 equal to HK\$7.85. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were, may have been or will be exchanged at such rate or any other rates or at all.*