



ALLIED GROUP LIMITED  
聯合集團有限公司

(incorporated in Hong Kong with limited liability)

UNCONDITIONAL OFFER  
BY



SUN HUNG KAI INTERNATIONAL LIMITED

ON BEHALF OF  
ALLIED GROUP LIMITED  
TO REPURCHASE UP TO 750,000,000 SHARES  
AT HK\$0.50 PER SHARE  
(AS TO HK\$0.15 IN CASH AND HK\$0.35 IN THE FORM OF LOAN NOTE)  
RESULTS OF THE OFFER

As at 4:00 p.m. on 11 September 2003, being the time when the Offer was closed, Forms of Acceptance in respect of a total of 767,303,134 Shares were received by the Company from the Accepting Shareholders, representing approximately 22.50% of the issued share capital of the Company.

In accordance with the terms of the Offer, the Company has repurchased a total of 750,000,000 Shares in aggregate at the offer price of HK\$0.50 per Share. The total consideration payable by the Company under the Offer is HK\$375 million (as to HK\$112.5 million in cash and HK\$262.5 million in Loan Notes).

As a result of the Offer, the beneficial interests of the Lee and Lee Trust in the issued share capital of the Company will increase from approximately 29.88% to approximately 38.30% and the aggregate beneficial interests of the Lee and Lee Trust and Mr. Lee Seng Hui, as a party acting in concert with the Lee and Lee Trust, in the issued share capital of the Company will increase from approximately 29.89% to approximately 38.31%. The shareholding of the Lee and Lee Trust and Mr. Lee Seng Hui remains at 1,018,836,926 and 229,216 Shares respectively.

The Registrar will send (by ordinary post, at the relevant Shareholder's risk) a remittance for such total amount as is due to each successful Accepting Shareholder in respect of the Shares accepted under the Offer (after deducting the seller's stamp duty due on the repurchase of the relevant Shares from the amount payable in cash), and return or replace any share certificate(s) representing Shares which were not repurchased by the Company under the Offer on or before Friday, 19 September 2003.

Reference is made to the announcements of the Company dated 16 January 2003, 29 January 2003, 20 February 2003, 13 March 2003, 9 May 2003, 11 June 2003, 16 July 2003, 14 August 2003, 21 August 2003, 11 September 2003, the circular of the Company dated 9 May 2003 and the offer document (the "Offer Document") in relation to the Offer dated 21 August 2003. Unless the context requires otherwise, terms used herein shall have the same meanings as defined in the Offer Document.

This announcement provides additional details to the announcement dated 11 September 2003 in respect of the preliminary results of the Offer made by the Company.

TENDERED SHARES

As at 4:00 p.m. on 11 September 2003, being the time when the Offer was closed, Forms of Acceptance in respect of a total of 767,303,134 Shares were received by the Company from the Accepting Shareholders, representing approximately 22.50% of the issued share capital of the Company. All the aforesaid Forms of Acceptance were valid, 321,125,467 Shares have been repurchased and cancelled under Assured Entitlements and 428,874,533 Shares under aggregate Excess Number of the Shares.

TOTAL CONSIDERATION PAYABLE

In accordance with the terms of the Offer, the Company has repurchased a total of 750,000,000 Shares in aggregate at the offer price of HK\$0.50 per Share. The total consideration payable by the Company under the Offer is HK\$375 million (as to HK\$112.5 million in cash and HK\$262.5 million in Loan Notes).

EXCESS TENDERS

Shares validly submitted for acceptance by Accepting Shareholders under the Offer have been accepted in full to the extent of each Accepting Shareholder's Assured Entitlement, being calculated on the basis of 313 Shares (rounded down to the nearest whole number of the Shares) for every 1,000 Shares registered in the name of the relevant Accepting Shareholder as at the Latest Acceptance Time.

As the total number of Shares submitted to the Company under the Offer exceeds the Maximum Number of the Shares, acceptance of aggregate Excess Number of the Shares has been scaled down in accordance with the formula set out in page 27 of the Offer Document. As such, the Company has repurchased approximately 96.12% of the aggregate Excess Number of the Shares from Accepting Shareholders who submitted Shares in excess of their Assured Entitlement. Out of the total of 446,177,667 Shares in respect of which the aggregate Excess Number of the Shares have been received by the Company, a total of 428,874,533 Shares has been accepted, representing approximately 96.12% (rounded down to the nearest whole Shares) of those aggregate Excess Number of the Shares received.

In accordance with the terms of the Offer, acceptance of Excess Number of the Shares may be rounded up or down by the Company in its absolute discretion with the intention of avoiding (as far as practicable) Shares being held by Shareholders in odd lots or fractional entitlements. The decision of the Company as to any scaling down of Excess Number of the Shares and as to the treatment of fractions will be conclusive and binding on all Shareholders.

The aggregate number of Shares repurchased and cancelled under the Offer is 750,000,000 Shares.

INTERESTS OF THE LEE AND LEE TRUST

In accordance with the irrevocable undertakings given by the Lee and Lee Trust and Mr. Lee Seng Hui, the shareholding of the Lee and Lee Trust and Mr. Lee Seng Hui remains at 1,018,836,926 and 229,216 Shares respectively. As a result of the Offer, the beneficial interests of the Lee and Lee Trust in the issued share capital of the Company will increase from approximately 29.88% to approximately 38.30% and the aggregate beneficial interests of the Lee and Lee Trust and Mr. Lee Seng Hui, as a party acting in concert with the Lee and Lee Trust, in the issued share capital of the Company will increase from approximately 29.89% to approximately 38.31%.

The shareholding structure of the Company before and immediately after the completion of the Offer are as follows:

Share ownership	Shareholding ownership structure before the completion of the repurchase of the Shares under the Offer		Shareholding ownership structure immediately after the completion of the repurchase of the Shares under the Offer	
	No. of Shares	Approximate %	No. of Shares	Approximate %
Lee and Lee Trust	1,018,836,926	29.8791	1,018,836,926	38.3041
Director				
Mr. Lee Seng Hui ( <i>Personal interests</i> )	229,216	0.0067	229,216	0.0086
Aggregate	1,019,066,142	29.8858	1,019,066,142	38.3127
Other non-public Shareholders ( <i>Note</i> )	6,526,000	0.1914	6,526,000	0.2453
Public Shareholders	2,384,274,166	69.9228	1,634,274,166	61.4420
Total:	3,409,866,308	100.00	2,659,866,308	100.00

*Note:* The other non-public Shareholders are:

- the spouse of Ms. Hester Wong Lam Chun (Ms. Wong is a director of certain subsidiaries of the Company);
- the spouse of Mr. Patrick Wong Kwok Hing (Mr. Wong is a director of certain subsidiaries of the Company); and
- Mr. Patrick S. W. Lee (Mr. Lee is a director of certain subsidiaries of the Company).

all of whom are deemed to be connected persons of the Company and hence are not classified as public Shareholders.

DESPATCH OF CHEQUES AND CERTIFICATE OF LOAN NOTES

The Registrar will inform each Accepting Shareholder, by post, of the acceptance of his Shares, including Excess Number of the Shares submitted for repurchase by the Company from that Shareholder, if any; at the same time, the Registrar will send (by ordinary post, at the Shareholder's risk) a remittance for such total amount as is due to that Shareholder and the Loan Note(s) issued in respect of the Shares accepted under the Offer (after deducting the seller's stamp duty due on the repurchase of the relevant Shares from the amount payable in cash) on or before Friday, 19 September 2003.

It is also expected that the Registrar will (as far as practicable), on the same date, return or replace to Accepting Shareholders any share certificate(s) or transfer receipt(s) or other document(s) of title representing Shares which are not repurchased by the Company under the Offer.

In the case of any Accepting Shareholder where the number of Shares represented by the Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title sent in connection with his Form of Acceptance to the Registrar in acceptance of the Offer exceeded 50,000, such Shareholder may contact the Registrar directly to arrange for collection in person at the Registrar's office of the remittance due to him in cash and Loan Note(s) in respect of the Shares repurchased under the Offer (after deducting the seller's stamp duty due on the repurchase of the relevant Shares from the amount payable in cash) and/or any Share certificate(s) representing Shares which were not successfully tendered and/or not accepted under the Offer. However, if no such prior arrangements are made with the Registrar on or before the Latest Acceptance Time, the Registrar will send by ordinary post the remittance, Loan Notes and/or any Share certificate(s) to such Shareholder at his risk.

ODD LOTS ARRANGEMENT

SHKIS (address: Level 12, One Pacific Place, 88 Queensway, Hong Kong; contact person: Miss Connie Cheung Sau Lin; telephone: 2822 5075) has been appointed by the Company as the designated broker to facilitate the sale and purchase of odd lot holdings of Shares in the market during the period from Friday, 12 September 2003 to Friday, 24 October 2003 to enable odd lot Shareholders to dispose of their odd lots or to top up their odd lots to whole board lots of 2,000 Shares.

By Order of the Board of  
Allied Group Limited  
Phoebe Lau Mei Yi  
Company Secretary

Hong Kong, 15 September 2003

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.