



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)

JOINT ANNOUNCEMENT PURSUANT TO
RULES 13.13 AND 13.16 OF THE LISTING RULES

This announcement is jointly made by APL and AGL pursuant to Rules 13.13 and 13.16 of the Listing Rules.

This joint announcement is made by APL and AGL pursuant to Rules 13.13 and 13.16 of the Listing Rules in view of the fact that (i) advances to an entity and (ii) the aggregate financial assistance to affiliated companies exceed 8% of the APL Market Capitalisation and the AGL Market Capitalisation respectively.

As at the date of this announcement, SHK is held as to approximately 74.99% by APL and APL is held as to approximately 74.69% by AGL.

Advances to an entity and financial assistance to affiliated companies
In accordance with Rules 13.13 and 13.16 of the Listing Rules, each of APL and AGL set out in details (i) the advances to an entity and (ii) the aggregate financial assistance to affiliated companies which exceed 8% of the APL Market Capitalisation and the AGL Market Capitalisation respectively. No guarantee for facilities have been provided by APL and AGL to any of their respective affiliated companies.

(i) Advances to an entity

Name of entity	Attributable interest held by APL	Attributable interest held by AGL	Advances as at the date of this announcement HK\$
Tian An China Investments Company Limited ("Tian An")	36.12%	26.98%	193,479,741 (Note 1)

(ii) Aggregate financial assistance to affiliated companies

Name of affiliated companies	Attributable interest held by APL	Attributable interest held by AGL	Advances as at the date of this announcement HK\$
Allied Kajima Limited	50.00%	37.35%	1,166,669 (Note 2)
The Redhill Peninsula Club Limited	50.00%	37.35%	19,265 (Note 2)
Tian An	36.12%	26.98%	193,479,741 (Note 1)
Omicron International Limited	32.92%	24.59%	63,872,274 (Note 2)
Tian An Development Company Limited	30.00%	22.41%	72,000 (Note 2)
Silver York Development Limited	30.00%	22.41%	16,738,921 (Note 2)
Start Hold Limited	24.99%	18.67%	470,600 (Note 2)
Quality HealthCare Asia Limited	22.28%	16.64%	567,596 (Note 3)
Fairwood (Macau) Development Limited	18.75%	14.00%	2,125,000 (Note 2)
			<u>278,512,066</u>

Notes:

- This amount comprises the following:– (i) promissory note issued by Tian An of HK\$87,000,000 to a wholly-owned subsidiary of SHK on 28 January 2004 which is unsecured and bears interest at 5% per annum payable on a semi-annual basis together with interest of HK\$2,163,115 due on 29 July 2004. The promissory note will mature on 30 December 2004; (ii) loan note issued by Tian An in the sum of HK\$78,000,000 to SHK on 29 August 2003 which is unsecured and bears interest at 2.5% per annum payable on an annual basis. The loan note will mature on 29 August 2008; (iii) promissory note issued by Tian An in the sum of HK\$25,000,000 to a wholly-owned subsidiary of SHK on 5 August 2004 which is unsecured and bears interest at the rate of 5% per annum payable on a semi-annual basis. The promissory note will mature on 5 August 2005; and (iv) insurance premium receivable and rental receivable from Tian An and its subsidiaries in the normal course of business in the sum of HK\$548,247 and HK\$768,379 respectively.
- These advances to affiliated companies are unsecured, non-interest bearing and have no fixed term of repayment.
- This amount represents insurance premium receivable and trade receivable relating to corporate secretarial service provided by a subsidiary of SHK.

Save as disclosed above, there are no other financial assistance and/or guarantees given by APL or AGL (or any of their respective subsidiaries) to their respective affiliated companies as at the date of this announcement.

GENERAL

Each of APL and AGL respectively confirms that it will comply with the relevant disclosure requirements pursuant to Rules 13.14, 13.20 and 13.22 of the Listing Rules where the circumstances giving rise to such disclosure obligations continue to exist at its respective interim period end or annual financial year end.

DEFINITIONS

For the purposes of this announcement, capitalised terms appearing herein shall, unless the context otherwise admits, have the meanings set out below:

“AGL”	Allied Group Limited, a company incorporated in Hong Kong, the shares of which are listed on the Stock Exchange;
“AGL Market Capitalisation”	the market capitalisation of AGL as at the date of this announcement amounts to approximately HK\$1,704 million based on the total number of 262,940,830 shares of AGL in issue as at the date of this announcement and the average closing price of HK\$6.48 for the five business days immediately preceding the date of this announcement;
“APL”	Allied Properties (H.K.) Limited, a company incorporated in Hong Kong, the securities of which are listed on the Stock Exchange;
“APL Market Capitalisation”	the market capitalisation of APL as at the date of this announcement amounts to approximately HK\$1,429 million based on the total number of 489,402,878 shares of APL in issue as at the date of this announcement and the average closing price of HK\$2.92 for the five business days immediately preceding the date of this announcement;
“HK\$”	Hong Kong Dollars;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“SHK”	Sun Hung Kai & Co. Limited, a company incorporated in Hong Kong, the shares of which are listed on the Stock Exchange;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

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

By Order of the Board
Allied Properties (H.K.) Limited
Phoebe Lau Mei Yi
Company Secretary

Hong Kong, 5 August 2004

As at the date of this announcement, the board of directors of Allied Group Limited comprises Messrs. Lee Seng Hui (Chief Executive) and Edwin Lo King Yau being the executive directors, Ms. Lee Su Hwei and Mr. Arthur George Dew being the non-executive directors, Sir Gordon Macwhinnie (Non-Executive Chairman), Messrs. Wong Po Yan, David Craig Bartlett and John Douglas Mackie being the independent non-executive directors.

As at the date of this announcement, the board of directors of Allied Properties (H.K.) Limited comprises Messrs. Patrick Lee Seng Wei (Chief Executive) and Li Chi Kong being the executive directors, Sir Gordon Macwhinnie (Non-Executive Chairman), Messrs. Henry Lai Hin Wing and John Douglas Mackie being the independent non-executive directors.