

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement has been prepared pursuant to, and in compliance with, the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Hong Kong Code on Takeovers and Mergers and Hong Kong Code on Share Repurchases and does not constitute an offer to buy, or a solicitation of an offer to sell or subscribe for, any securities or an invitation to enter into an agreement to do any such things, nor is it calculated to invite any offer to buy, sell or subscribe for any securities.



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)
PRELIMINARY 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 (subject to verification) from the Accepting Shareholders, representing approximately 22.50% of the issued share capital of the Company. Assuming all the aforesaid Forms of Acceptance are valid, the Company will repurchase and cancel 750,000,000 Shares, being the Maximum Number of the Shares to be repurchased pursuant to the Offer.

Upon completion 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 Company will make a more detailed announcement in respect of the results of the Offer, including details of the way in which each Accepting Shareholder's pro rata entitlement in respect of Excess Number of the Shares is calculated, details of the Accepting Shareholders' Assured Entitlement, the aggregate Excess Number of the Shares which has been received, the Excess Number of the Shares which are expected to be accepted, on Monday, 15 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, 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.

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 (subject to verification) from the Accepting Shareholders, representing approximately 22.50% of the issued share capital of the Company. Assuming all the aforesaid Forms of Acceptance are valid, the Company will repurchase and cancel 750,000,000 Shares, being the Maximum Number of the Shares to be repurchased pursuant to the Offer.

INTERESTS OF THE LEE AND LEE TRUST

Upon completion 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. Upon completion of the Offer, the Shares held in public hands will comprise approximately 61.44% of the issued share capital of the Company assuming that no public Shareholders will become Substantial Shareholders (as defined under the Listing Rules) for the reason of the Offer. Further announcement will be made if Shares held in public hands fall below 25% of the issued share capital of the Company.

FURTHER ANNOUNCEMENT

The Company will make a more detailed announcement in respect of the results of the Offer, including details of the way in which each Accepting Shareholder's pro rata entitlement in respect of Excess Number of the Shares is calculated, details of the Accepting Shareholders' Assured Entitlement, the aggregate Excess Number of the Shares which has been received, the Excess Number of the Shares which are expected to be accepted, on Monday, 15 September 2003.

GENERAL

In computing the number of Shares represented by Forms of Acceptance, there may be included or excluded, for the purposes of this announcement acceptance of the Offer which are not in all respects in order or are subject to verification.

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

Hong Kong, 11 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, 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.