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ALLIED GROUP LIMITED

(聯合集團有限公司)

(incorporated in Hong Kong with limited liability)

PROPOSED OFFER

by



Sun Hung Kai International Limited

on behalf of the Company

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)

and Whitewash Waiver

DELAY IN DESPATCH OF THE CIRCULAR

The Company has requested the consent of the Executive to the delay in despatch of the Circular to Shareholders for 21 days from 20 February 2003. The Company expects to despatch the Circular on or before Thursday, 13 March 2003.

Reference is made to the announcement of the Company dated 16 January 2003 (the "Announcement"). Unless the context requires otherwise, terms used herein shall have the same meanings as defined in the Announcement.

DELAY IN DESPATCH OF THE CIRCULAR

As set out in the Announcement, the date of the despatch of the Circular under the original timetable is Thursday, 20 February 2003.

As the Company believes that additional time is necessary in order to resolve all outstanding issues, including the need to ascertain (with the consent of the Executive) the Excluded Jurisdictions and the applicability of certain requirements of the Takeovers Code in respect of the Circular, and finalise the Circular, the Company has requested the consent of the Executive to the delay in despatch of the Circular to the Shareholders for 21 days from 20 February 2003.

Unless further extension is granted by the Executive, the Company expects to despatch the Circular on or before Thursday, 13 March 2003. The Company will make an announcement as soon as practicable after the despatch of the Circular and will set out a revised timetable for the Offer in that announcement.

CONDITIONS PRECEDENT OF THE OFFER

As the Offer is subject to the Conditions Precedent being fulfilled, it may or may not be made. Shareholders and potential investors are therefore advised to exercise caution when dealing in the Shares.

GENERAL

Shareholders should read the Circular and the Offer Documents carefully before taking any action in relation to the Offer. If any Shareholder is in any doubt, he should consult professional advisers.

By Order of the Board
Allied Group Limited
Sir Gordon Macwhinnie
Chairman

Hong Kong, 20 February 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.