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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  
PURSUANT TO RULE 14.36 OF THE LISTING RULES**

Reference is made to the Previous Announcements in relation to a loan transaction among Lender A (an indirect wholly-owned subsidiary of AGL), Lender B (an indirect wholly-owned subsidiary of APL), Lender C, Lender D (an indirect non wholly-owned subsidiary of SHK), Lender E (an indirect 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.

On 2 August 2019, Lender A (an indirect wholly-owned subsidiary of AGL), Lender B (an indirect wholly-owned subsidiary of APL), Lender C, Lender D (an indirect non wholly-owned subsidiary of SHK), Lender E (an indirect 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 Second Supplemental Facility Agreement, pursuant to which, the Lenders agreed to, among other things, amend certain provisions of the Facility Agreement as amended and/or supplemented by the Amendment Agreement and the Supplemental Facility Agreement.

This joint announcement is made by AGL, APL and SHK pursuant to Rule 14.36 of the Listing Rules, as the entering into of the Second Supplemental Facility Agreement constitutes a variation to the terms of the transaction previously announced under the Previous Announcements.

Reference is made to the Previous Announcements in relation to a loan transaction among Lender A (an indirect wholly-owned subsidiary of AGL), Lender B (an indirect wholly-owned subsidiary of APL), Lender C, Lender D (an indirect non wholly-owned subsidiary of SHK), Lender E (an indirect 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. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Previous Announcements.

On 2 August 2019, Lender A (an indirect wholly-owned subsidiary of AGL), Lender B (an indirect wholly-owned subsidiary of APL), Lender C, Lender D (an indirect non wholly-owned subsidiary of SHK), Lender E (an indirect 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 Second Supplemental Facility Agreement, pursuant to which, the Lenders agreed to, among other things, amend certain provisions of the Facility Agreement as amended and/or supplemented by the Amendment Agreement and the Supplemental Facility Agreement.

## **THE SECOND SUPPLEMENTAL FACILITY AGREEMENT**

The Borrower has requested to substitute the Assignment by the Debenture (Borrower) as an additional security for the Loan. Accordingly, the Borrower, the Lenders, the Agent and the Security Agent have agreed to amend the Facility Agreement and the Supplemental Facility Agreement reflecting the changes of the substitution of the Assignment by the Debenture (Borrower) upon the terms and conditions as set out in the Second Supplemental Facility Agreement.

The Loan is secured by the Debenture (Borrower), being an additional security for the Loan, by way of first fixed and floating charge over the undertakings, property and/or assets of the Borrower to be created by the Borrower in favour of the Security Agent.

The Debenture (Borrower) and all security constituted or pursuant to the Debenture (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.

## **LISTING RULES IMPLICATIONS**

This joint announcement is made by AGL, APL and SHK pursuant to Rule 14.36 of the Listing Rules, as the entering into of the Second Supplemental Facility Agreement constitutes a variation to the terms of the transaction previously announced under the Previous Announcements.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE SECOND SUPPLEMENTAL FACILITY AGREEMENT**

### **SHK**

As advised and confirmed by SHK, the terms of the Second Supplemental Facility Agreement were arrived at after arm's length negotiations between each of Lender D and Lender E (acting through the Agent) and the Borrower. Based on the confirmation of SHK, the Second Supplemental Facility Agreement was entered into by Lender D and Lender E having regard to all underlying securities. In view of the above, the SHK Directors are of the view that the terms of the Second Supplemental Facility Agreement are on normal commercial terms and the Second Supplemental Facility Agreement 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 Second Supplemental Facility Agreement were arrived at after arm's length negotiations between Lender B (acting through the Agent) and the Borrower. Based on the confirmation of APL, the Second Supplemental Facility Agreement was entered into by Lender B having regard to all underlying securities. In view of the above, the APL Directors are of the view that the terms of the Second Supplemental Facility Agreement are on normal commercial terms and the Second Supplemental Facility Agreement 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 Second Supplemental Facility Agreement entered into by each of Lender B, Lender D and Lender E is fair and reasonable and in the interests of APL and its shareholders taken as a whole.

## **AGL**

As advised and confirmed by AGL, the terms of the Second Supplemental Facility Agreement were arrived at after arm's length negotiations between Lender A (acting through the Agent) and the Borrower. Based on the confirmation of AGL, the Second Supplemental Facility Agreement was entered into by Lender A having regard to all underlying securities. In view of the above, the AGL Directors are of the view that the terms of the Second Supplemental Facility Agreement are on normal commercial terms and the Second Supplemental Facility Agreement 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 Second Supplemental Facility Agreement entered into by each of Lender A, Lender B, Lender D and Lender E is fair and reasonable and in the interests of AGL and its shareholders taken as a whole.

## **DEFINITIONS**

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

- “Debenture (Borrower)”            the debenture to be created by the Borrower in favour of the Security Agent by way of first fixed and floating charge over the undertakings, property and/or assets of the Borrower;
- “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 as amended and/or supplemented by the Amendment Agreement, the Supplemental Facility Agreement and the Second Supplemental Facility Agreement;

“Previous Announcements” the joint announcements dated 29 September 2018 and 19 July 2019 of AGL, APL and SHK; and

“Second Supplemental Facility Agreement” the second supplemental facility agreement to the Facility Agreement as amended and/or supplemented by the Amendment Agreement and the Supplemental Facility Agreement entered into among the Lenders as the lenders, the Borrower as the borrower, the Agent as the agent and the Security Agent as the security agent on 2 August 2019.

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, 2 August 2019

*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 and Ms. Jacqueline Aleo Leung being the Independent Non-Executive Directors.*