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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)**



**天安中國投資有限公司**

**TIAN AN CHINA INVESTMENTS COMPANY LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 28)**

## **JOINT ANNOUNCEMENT**

### **DISCLOSEABLE TRANSACTION PROVISION OF FINANCIAL ASSISTANCE**

#### **THE 2024 FRAMEWORK MEMORANDUM**

As advised and confirmed by TACI, on 25th March, 2024, TACI and Xiangyu Real Estate entered into the 2024 Framework Memorandum, pursuant to which (i) each of TACI and Xiangyu Real Estate agreed to, by itself or its subsidiary, make available to Tianjin Tianan a shareholder's loan in the amount of RMB210,000,000 (equivalent to approximately HK\$231,278,000); and (ii) each of TACI and Xiangyu Real Estate agreed to provide joint and several liability guarantee(s) in respect of the repayment obligations of Tianjin Tianan (a joint venture whose entire equity interest is indirectly owned as to 50% by each of TACI and Xiangyu Real Estate) of up to RMB250,000,000 (equivalent to approximately HK\$275,330,000) under the Proposed Facility in the total amount of up to RMB500,000,000 (equivalent to approximately HK\$550,661,000).

#### **THE EXISTING GUARANTEES**

As advised and confirmed by TACI, in accordance with the terms of the 2021 Framework Memorandum, subsequently on 1st April, 2021, TACI entered into the 2021 Guarantee Agreement in favour of Lender Bank A, pursuant to which TACI agreed to provide a joint and several liability guarantee in respect of the repayment obligations of Tianjin Tianan of up to RMB322,500,000 (equivalent to approximately HK\$355,176,000) under the 2021 Facility, representing 50% of the 2021 Facility and in proportion to the equity interest in Tianjin Tianan indirectly held by TACI.

As advised and confirmed by TACI, on 29th September, 2023, TACI entered into the 2023 Guarantee Agreement in favour of Lender Bank B, pursuant to which TACI agreed to provide a joint and several liability guarantee in respect of the repayment obligations of Tianjin Tianan of up to RMB75,000,000 (equivalent to approximately HK\$82,599,000) under the 2023 Facility, representing 50% of the 2023 Facility and in proportion to the equity interest in Tianjin Tianan indirectly held by TACI.

## **LISTING RULES IMPLICATIONS**

### **TACI**

As none of the relevant Percentage Ratios in respect of the provision of the 2023 Guarantee on a standalone basis exceeds 5%, the provision of the 2023 Guarantee on a standalone basis does not constitute a notifiable transaction for TACI under Chapter 14 of the Listing Rules.

As one of the relevant Percentage Ratios in respect of the Transactions, (i) on a standalone basis; (ii) when aggregated with the 2023 Guarantee in accordance with Rule 14.22 of the Listing Rules; and (iii) when aggregated with the Existing Guarantees in accordance with Rule 14.22 of the Listing Rules, exceeds 5% but is less than 25%, the Transactions and the Existing Guarantees constitute a discloseable transaction for TACI and are subject to the notification and announcement requirements but exempt from TACI Shareholders' approval requirement under Chapter 14 of the Listing Rules.

### **AGL**

As TACI has become an indirect non wholly-owned subsidiary of AGL on 22nd October, 2021, the entering into of the 2024 Framework Memorandum by TACI and the provision of the 2023 Guarantee shall be a transaction for AGL under the Listing Rules as the definition of "listed issuer" under Chapter 14 of the Listing Rules shall include the listed issuer's subsidiaries.

As one of the relevant Percentage Ratios in respect of the Transactions, both on a standalone basis and when aggregated with the 2023 Guarantee in accordance with Rule 14.22 of the Listing Rules, exceeds 5% but is less than 25%, the Transactions and the 2023 Guarantee constitute a discloseable transaction for AGL and are subject to the notification and announcement requirements but exempt from AGL Shareholders' approval requirement under Chapter 14 of the Listing Rules.

## **THE 2024 FRAMEWORK MEMORANDUM**

As advised and confirmed by TACI, on 25th March, 2024, TACI and Xiangyu Real Estate entered into the 2024 Framework Memorandum, pursuant to which (i) each of TACI and Xiangyu Real Estate agreed to, by itself or its subsidiary, make available to Tianjin Tianan a shareholder's loan in the amount of RMB210,000,000 (equivalent to approximately HK\$231,278,000); and (ii) each of TACI and Xiangyu Real Estate agreed to provide joint and several liability guarantee(s) in respect of the repayment obligations of Tianjin Tianan (a joint venture whose entire equity interest is indirectly owned as to 50% by each of TACI and Xiangyu Real Estate) of up to RMB250,000,000 (equivalent to approximately HK\$275,330,000) under the Proposed Facility in the total amount of up to RMB500,000,000 (equivalent to approximately HK\$550,661,000). The proceeds of the Proposed Facility will be used to refinance the shareholders' loans of Tianjin Tianan (including the Shareholder's Loan), which will be used by Tianjin Tianan to repay the borrowings under the 2021 Facility.

## **The Shareholder's Loan**

As advised and confirmed by TACI, the details of the Shareholder's Loan are as follows:

Parties	:	(1) TACI or its subsidiary, as lender; and (2) Tianjin Tianan, as borrower
Loan amount	:	RMB210,000,000 (equivalent to approximately HK\$231,278,000)
Purpose	:	repayment of bank borrowings under the 2021 Facility
Term	:	three years
Interest rate	:	9% per annum

As advised and confirmed by TACI, the terms of the Shareholder's Loan and the shareholder's loan to be provided by Xiangyu Real Estate or its subsidiary, including the interest rate, have been determined after arm's length negotiation among TACI, Xiangyu Real Estate and Tianjin Tianan having taken into account the prevailing market interest rates and the tenor of the Shareholder's Loan, and the respective effective interest of the TACI Group and Xiangyu Real Estate in Tianjin Tianan. The Shareholder's Loan will be funded by the internal resources of the TACI Group.

## **The Guarantee**

As advised and confirmed by TACI, the terms of the Guarantee and the guarantee(s) to be provided by Xiangyu Real Estate have been determined after arm's length negotiation among TACI, Xiangyu Real Estate and Tianjin Tianan having taken into account the prevailing loan facilities of similar terms with that of the Proposed Facility and the respective effective interest of the TACI Group and Xiangyu Real Estate in Tianjin Tianan.

## **THE EXISTING GUARANTEES**

As advised and confirmed by TACI, in accordance with the terms of the 2021 Framework Memorandum, subsequently on 1st April, 2021, TACI entered into the 2021 Guarantee Agreement in favour of Lender Bank A, pursuant to which TACI agreed to provide a joint and several liability guarantee in respect of the repayment obligations of Tianjin Tianan of up to RMB322,500,000 (equivalent to approximately HK\$355,176,000) under the 2021 Facility, representing 50% of the 2021 Facility and in proportion to the equity interest in Tianjin Tianan indirectly held by TACI.

As advised and confirmed by TACI, on 29th September, 2023, TACI entered into the 2023 Guarantee Agreement in favour of Lender Bank B, pursuant to which TACI agreed to provide a joint and several liability guarantee in respect of the repayment obligations of Tianjin Tianan of up to RMB75,000,000 (equivalent to approximately HK\$82,599,000) under the 2023 Facility, representing 50% of the 2023 Facility and in proportion to the equity interest in Tianjin Tianan indirectly held by TACI.

In proportion to its 50% indirect equity interest in Tianjin Tianan, Xiangyu Real Estate also provided joint and several liability guarantees in respect of the repayment obligations of Tianjin Tianan of up to (i) RMB322,500,000 (equivalent to approximately HK\$355,176,000) under the 2021 Facility; and (ii) RMB75,000,000 (equivalent to approximately HK\$82,599,000) under the 2023 Facility, respectively.

As advised and confirmed by TACI, the terms of the Existing Guarantees and the guarantees provided by Xiangyu Real Estate have been determined after arm's length negotiation among the TACI Group, Xiangyu Real Estate and Tianjin Tianan having taken into account the then prevailing loan facilities of similar terms with that of the 2021 Facility or the 2023 Facility (as the case may be), and the respective effective interest of the TACI Group and Xiangyu Real Estate in Tianjin Tianan.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE 2024 FRAMEWORK MEMORANDUM AND THE PROVISION OF THE EXISTING GUARANTEES**

As advised and confirmed by TACI, the TACI Directors consider that the provision of the Shareholder's Loan will allow Tianjin Tianan to make repayment of its bank borrowings under the 2021 Facility. The responsibility of meeting the financial needs of Tianjin Tianan has been shared equally by Xiangyu Real Estate. It is also the view of the TACI Directors that the provision of the Shareholder's Loan will bring additional interest income to TACI.

As advised and confirmed by TACI, the TACI Directors are also of the view that the provision of the Guarantee, which is incidental to the provision of the Proposed Facility, will improve the liquidity of Tianjin Tianan in which TACI has a 50% equity interest. Also, part of the proceeds of the Proposed Facility will be used to settle the outstanding Shareholder's Loan due to the TACI Group by Tianjin Tianan. Similarly, the provision of the Existing Guarantees, which were incidental to the provision of the 2021 Facility or the 2023 Facility (as the case may be), facilitated Tianjin Tianan's business development by meeting its then financial needs relating to the Project.

Furthermore, the provision of the Guarantee and the Existing Guarantees are in proportion to the TACI Group's effective interest in Tianjin Tianan, and Xiangyu Real Estate, indirectly holding the other 50% effective interest in Tianjin Tianan, shall also provide, or provided, joint and several liability guarantee(s) for the performance by Tianjin Tianan of its repayment obligations under the Proposed Facility, the 2021 Facility or the 2023 Facility (as the case may be).

In light of the aforesaid, the TACI Directors are of the view that the terms of the 2024 Framework Memorandum and the provision of the Existing Guarantees are entered into on normal commercial terms, and are fair and reasonable and in the interests of TACI and the TACI Shareholders as a whole.

Based on the information and confirmation provided by TACI and to the best of the knowledge, information and belief of the AGL Directors, the AGL Directors consider that the terms of the 2024 Framework Memorandum and the provision of the Existing Guarantees (save for the 2021 Guarantee which is not a transaction for AGL) are fair and reasonable and in the interests of AGL and the AGL Shareholders as a whole.

## **INFORMATION RELATING TO TACI, XIANGYU REAL ESTATE, TIANJIN TIANAN, AGL AND THE LENDER BANKS**

### **1. TACI**

TACI is a company incorporated in Hong Kong with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange.

The principal business activity of TACI is investment holding. The TACI Group is engaged principally in the development of apartments, villas, office buildings and commercial properties, property investment, property management, investment and operation of healthcare, hospital, eldercare and related businesses on the mainland in the PRC, as well as property investment and property management in Hong Kong.

### **2. Xiangyu Real Estate**

As advised and confirmed by TACI, Xiangyu Real Estate is a company established in the PRC with limited liability and is a state-owned enterprise.

The principal business activity of Xiangyu Real Estate is property development and investment and investment holding.

### **3. Tianjin Tianan**

As advised and confirmed by TACI, Tianjin Tianan is a company established in the PRC with limited liability and is indirectly owned as to 50% by each of TACI and Xiangyu Real Estate.

The principal business activity of Tianjin Tianan is property development and investment.

### **4. AGL**

AGL is a company incorporated in Hong Kong with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange.

The principal business activity of AGL is investment holding. The principal business activities of its major subsidiaries are property development mainly comprising apartments, villas, office buildings and commercial properties, property investment, hospitality related activities, investment and operation of healthcare, hospital, eldercare and related businesses, provision of property management, cleaning and security guarding services, logistics services, and the provision of finance, investments in listed and unlisted securities and funds management.

## **5. The Lender Banks**

### **(i) Bank A**

As advised and confirmed by TACI, Bank A is a company established in the PRC with limited liability and the shares of which are listed on the Shanghai Stock Exchange (Stock Code: 601166).

The principal business activity of Bank A is commercial banking.

### **(ii) Bank B**

As advised and confirmed by TACI, Bank B is a company established in the PRC with limited liability and is a wholly-owned subsidiary of The Bank of East Asia, Limited whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 23).

The principal business activity of Bank B is banking and related financial services.

As advised and confirmed by TACI, to the best of the knowledge, information and belief of the TACI Directors and the AGL Directors having made all reasonable enquiries, save for the 50% equity interest Xiangyu Real Estate indirectly holds in Tianjin Tianan, Xiangyu Real Estate, the Lender Banks and their respective ultimate beneficial owner(s) are all third parties independent of each of TACI, AGL and their respective connected persons.

## **LISTING RULES IMPLICATIONS**

### **TACI**

As none of the relevant Percentage Ratios in respect of the provision of the 2023 Guarantee on a standalone basis exceeds 5%, the provision of the 2023 Guarantee on a standalone basis does not constitute a notifiable transaction for TACI under Chapter 14 of the Listing Rules.

As one of the relevant Percentage Ratios in respect of the Transactions, (i) on a standalone basis; (ii) when aggregated with the 2023 Guarantee in accordance with Rule 14.22 of the Listing Rules; and (iii) when aggregated with the Existing Guarantees in accordance with Rule 14.22 of the Listing Rules, exceeds 5% but is less than 25%, the Transactions and the Existing Guarantees constitute a discloseable transaction for TACI and are subject to the notification and announcement requirements but exempt from TACI Shareholders' approval requirement under Chapter 14 of the Listing Rules.

## **AGL**

As TACI has become an indirect non wholly-owned subsidiary of AGL on 22nd October, 2021, the entering into of the 2024 Framework Memorandum by TACI and the provision of the 2023 Guarantee shall be a transaction for AGL under the Listing Rules as the definition of “listed issuer” under Chapter 14 of the Listing Rules shall include the listed issuer’s subsidiaries.

As one of the relevant Percentage Ratios in respect of the Transactions, both on a standalone basis and when aggregated with the 2023 Guarantee in accordance with Rule 14.22 of the Listing Rules, exceeds 5% but is less than 25%, the Transactions and the 2023 Guarantee constitute a discloseable transaction for AGL and are subject to the notification and announcement requirements but exempt from AGL Shareholders’ approval requirement under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

“2021 Facility”	the facility granted by Lender Bank A to Tianjin Tianan pursuant to a facility agreement dated 1st April, 2021 entered into between Lender Bank A and Tianjin Tianan, comprising a loan in the amount of up to RMB645,000,000 (equivalent to approximately HK\$710,352,000)
“2021 Framework Memorandum”	the framework memorandum dated 26th March, 2021 entered into by, among others, Tian An Cyberpark, details of which were disclosed in the announcement of TACI dated 26th March, 2021
“2021 Guarantee”	the joint and several liability guarantee provided by TACI for the repayment obligations of Tianjin Tianan of up to RMB322,500,000 (equivalent to approximately HK\$355,176,000) under the 2021 Facility
“2021 Guarantee Agreement”	the guarantee agreement dated 1st April, 2021 entered into by TACI in favour of Lender Bank A in relation to the provision of the 2021 Guarantee
“2023 Facility”	the facility granted by Lender Bank B to Tianjin Tianan pursuant to a facility agreement dated 28th September, 2023 entered into between Lender Bank B and Tianjin Tianan, comprising a loan in the amount of up to RMB150,000,000 (equivalent to approximately HK\$165,198,000)
“2023 Guarantee”	the joint and several liability guarantee provided by TACI for the repayment obligations of Tianjin Tianan of up to RMB75,000,000 (equivalent to approximately HK\$82,599,000) under the 2023 Facility
“2023 Guarantee Agreement”	the guarantee agreement dated 29th September, 2023 entered into by TACI in favour of Lender Bank B in relation to the provision of the 2023 Guarantee
“2024 Framework Memorandum”	the framework memorandum dated 25th March, 2024 entered into between TACI and Xiangyu Real Estate in relation to the provision of the Shareholder’s Loan and the Guarantee

“AGL”	Allied Group Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 373)
“AGL Board”	the board of AGL Directors
“AGL Director(s)”	the director(s) of AGL
“AGL Shareholder(s)”	the shareholder(s) of AGL
“Bank A”	興業銀行股份有限公司(Industrial Bank Co., Ltd.*), a company established in the PRC with limited liability and the shares of which are listed on the Shanghai Stock Exchange (Stock Code: 601166)
“Bank B”	東亞銀行(中國)有限公司(The Bank of East Asia (China) Limited), a company established in the PRC with limited liability
“BVI”	the British Virgin Islands
“connected persons”	having the meaning ascribed to it under the Listing Rules
“Existing Guarantees”	the 2021 Guarantee and the 2023 Guarantee
“Guarantee”	the joint and several liability guarantee(s) to be provided by TACI for the repayment obligations of Tianjin Tianan of up to RMB250,000,000 (equivalent to approximately HK\$275,330,000) under the Proposed Facility
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Lender Bank A”	天津分行(Tianjin branch*) of Bank A, being the lender under the 2021 Facility
“Lender Bank B”	天津分行(Tianjin branch*) of Bank B, being the lender under the 2023 Facility
“Lender Banks”	Lender Bank A and Lender Bank B
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	Main Board of the Stock Exchange (excludes the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange
“Percentage Ratio(s)”	percentage ratio(s) as set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction

“PRC”	the People’s Republic of China, for the purpose of this joint announcement only, excludes Taiwan, Hong Kong and the Macau Special Administrative Region of the People’s Republic of China
“Project”	Tianjin Tian An Xiangyu Smart City, a property development project undertaken by Tianjin Tianan and located in Dongli District, Tianjin, the PRC
“Proposed Facility”	the proposed facility(ies) to be granted by licensed commercial bank(s) in the PRC to Tianjin Tianan comprising loan(s) in the total amount of up to RMB500,000,000 (equivalent to approximately HK\$550,661,000)
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder’s Loan”	the shareholder’s loan in the amount of RMB210,000,000 (equivalent to approximately HK\$231,278,000) to be made available by TACI or its subsidiary to Tianjin Tianan
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TACI”	Tian An China Investments Company Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 28), being an indirect non wholly-owned subsidiary of AGL
“TACI Board”	the board of TACI Directors
“TACI Director(s)”	the director(s) of TACI
“TACI Group”	TACI and its subsidiaries
“TACI Shareholder(s)”	the shareholder(s) of TACI
“Tian An Cyberpark”	Tian An Cyberpark (China) Company Limited, a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of TACI, which indirectly owns 50% equity interest in Tianjin Tianan
“Tianjin Tianan”	天津天安泛科技園開發有限公司(Tianjin Tian An Science Parks Development Limited*), a company which is established in the PRC with limited liability and is indirectly owned as to 50% by each of TACI (via Tian An Cyberpark) and Xiangyu Real Estate

“Transactions”	the provision of the Shareholder’s Loan and the Guarantee contemplated under the 2024 Framework Memorandum
“Xiangyu Real Estate”	象嶼地產集團有限公司(Xiangyu Real Estate Group Co., Ltd.*), a company which is established in the PRC with limited liability
“%”	per cent.

On behalf of the AGL Board  
**Allied Group Limited**  
**Edwin Lo King Yau**  
*Executive Director*

On behalf of the TACI Board  
**Tian An China Investments Company Limited**  
**Tao Tsan Sang**  
*Executive Director*

Hong Kong, 25th March, 2024

*For the purpose of this joint announcement, translations of Renminbi into Hong Kong dollars or vice versa have been calculated by using an exchange rate of HK\$1.00 equal to RMB0.908. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were, may have been or will be exchanged at such rate or any other rates or at all.*

*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), Mr. Akihiro Nagahara (Vice Chairman) and Ms. Lee Su Hwei being the Non-Executive Directors; and Mr. David Craig Bartlett, Mr. Alan Stephen Jones, Ms. Lisa Yang Lai Sum and Mr. Kelvin Chau Kwok Wing being the Independent Non-Executive Directors.*

*As at the date of this joint announcement, the TACI Board comprises Mr. Song Zengbin (Deputy Chairman), Mr. Patrick Lee Seng Wei (Managing Director), Mr. Edwin Lo King Yau and Mr. Tao Tsan Sang being the Executive Directors; Mr. Lee Seng Hui (Chairman) and Dr. Moses Cheng Mo Chi being the Non-Executive Directors; and Mr. Francis J. Chang Chu Fai, Mr. Jiang Guofang, Mr. Jin Hui Zhi, Mr. Ngai Wah Sang and Ms. Lisa Yang Lai Sum being the Independent Non-Executive Directors.*

\* *The English translation of the Chinese name of the relevant entity included in this joint announcement is for identification and reference only, and such translation may not be accurate and such entity may not have an official English translation/version of its Chinese name.*