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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)**

**BRIGHT CLEAR LIMITED**

(晴輝有限公司)

*(Incorporated in the British Virgin Islands  
with limited liability)*



**YU MING INVESTMENTS LIMITED**  
禹銘投資有限公司

*(Incorporated in Hong Kong  
with limited liability)*

**(Stock Code: 666)**

## **JOINT ANNOUNCEMENT**

### **MANDATORY UNCONDITIONAL GENERAL CASH OFFERS BY YU MING INVESTMENT MANAGEMENT LIMITED ON BEHALF OF BRIGHT CLEAR LIMITED FOR ALL ISSUED SHARES AND WARRANTS OF YU MING INVESTMENTS LIMITED (OTHER THAN THOSE SHARES AND WARRANTS ALREADY OWNED BY BRIGHT CLEAR LIMITED AND PARTIES ACTING IN CONCERT WITH IT) AND RESUMPTION OF TRADING**

**Financial adviser to Bright Clear Limited**



禹銘投資管理有限公司  
YU MING INVESTMENT MANAGEMENT LIMITED

#### **RIGHTS ISSUE**

Following completion of the Rights Issue on 17<sup>th</sup> April, 2009, the Offeror, an indirect wholly-owned subsidiary of AGL, was allotted 1,541,137,874 Shares, being the sum of (i) the 504,371,800 Rights Shares that it is entitled to under the Rights Issue and (ii) 1,036,766,074 excess Right Shares that had not been taken up by other Shareholders under the Rights Issue.

#### **MANDATORY UNCONDITIONAL GENERAL CASH OFFERS**

The allotment increased the shareholding of the Offeror in the Company to 2,045,509,674 Shares (representing approximately 54.72% of the total issued shares immediately following completion of the Rights Issue) from 504,371,800 Shares (representing approximately 26.98% of the total issued shares immediately before the completion of the Rights Issue).

Accordingly, the Offeror is required to make mandatory unconditional general cash offers for all the issued Shares and Warrants other than those already owned by the Offeror and parties acting in concert with it pursuant to Rules 26.1 and 13.1 of the Takeovers Code.

YMIM will make the Offers on behalf of the Offeror in compliance with the Takeovers Code on the terms as follows:

**For each Share..... HK\$0.1 in cash**  
**For each 2011 Warrant with an exercise price of HK\$0.10 ..... HK\$0.0001 in cash**  
**For each 2009 Warrant with an exercise price of HK\$0.33 ..... HK\$0.00001 in cash**

#### **COMPOSITE OFFER DOCUMENT**

A composite offer document will be despatched to the Independent Shareholders and the Independent Warrantheolders in due course and in compliance with the requirements of the Takeovers Code. The composite offer document will include, among others, full terms of the Offers, the expected timetable, the advice from the independent financial adviser and the recommendation of the Independent Board Committee in respect of the Offers (accompanied by the forms of acceptance and transfer for the Shares and Warrants).

#### **SUSPENSION AND RESUMPTION OF TRADING**

Trading in the Shares was suspended at the request of the Company from 9:30 a.m. on 16<sup>th</sup> April, 2009. Application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 21<sup>st</sup> April, 2009.

#### **RIGHTS ISSUE**

Reference is made to the Rights Issue prospectus of the Company dated 26<sup>th</sup> March, 2009 and the announcement of the Company in relation to the allotment results of the Rights Issue dated 20<sup>th</sup> April, 2009.

Following completion of the Rights Issue on 17<sup>th</sup> April, 2009, the Offeror was allotted 1,541,137,874 Shares, being the sum of (i) the 504,371,800 Rights Shares that it is entitled to under the Rights Issue and (ii) 1,036,766,074 excess Right Shares that had not been taken up by other Shareholders under the Rights Issue.

#### **MANDATORY UNCONDITIONAL GENERAL CASH OFFERS**

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Accordingly, the Offeror is required to make mandatory unconditional general cash offers for all the issued Shares and Warrants other than those already owned by the Offeror and parties acting in concert with it pursuant to Rules 26.1 and 13.1 of the Takeovers Code.

#### **Terms of the Share Offer and Warrant Offers**

YMIM will make the Offers on behalf of the Offeror in compliance with the Takeovers Code on the terms as follows:

**For each Share..... HK\$0.1 in cash**  
**For each 2011 Warrant with an exercise price of HK\$0.10 ..... HK\$0.0001 in cash**  
**For each 2009 Warrant with an exercise price of HK\$0.33 ..... HK\$0.00001 in cash**

The Share Offer price is the same as the subscription price of a Rights Share under the Rights Issue. The Warrant Offers prices are nominal taking into consideration the see-through value of the 2009 Warrants and 2011 Warrants.

The Offer Shares and Offer Warrants to be acquired under the Offers shall be fully paid and free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature together with all rights attached to them as at the date of this announcement or subsequently becoming attached to them (for the Offer Shares, including all dividends and distributions declared, made or paid on or after the date of this announcement).

The Share Offer price of HK\$0.1 represents:

- (i) a premium of approximately 2.0% over the closing price of HK\$0.098 per Share as quoted on the Stock Exchange on 15<sup>th</sup> April, 2009 (being the last trading day prior to the suspension of trading in the Shares);
- (ii) a premium of approximately 7.6% over the average closing price of HK\$0.0929 per Share for the 10 trading days up to and including 15<sup>th</sup> April, 2009;
- (iii) a premium of approximately 12.2% over the average closing price of HK\$0.0891 per Share for the 30 trading days up to and including 15<sup>th</sup> April, 2009; and
- (iv) a discount of approximately 68.8% to the audited consolidated net asset value per Share of approximately HK\$0.32 as at 31<sup>st</sup> December, 2008.

### **Value of the Offers**

As the numbers of the Offer Shares, 2009 Offer Warrants and 2011 Offer Warrants are 1,692,835,360, 272,959,509 and 65,606,929 respectively as at the date of this announcement, the total consideration of the Offers amounts to an aggregate of approximately HK\$169.3 million.

As at the date of this announcement, all Offer Warrants are exercisable. If all 272,959,509 2009 Offer Warrants and all 65,606,929 2011 Offer Warrants are exercised and the 338,566,438 new Offer Shares are tendered under the Share Offer, the total consideration of the Offers will amount to approximately HK\$203.1 million.

### **Confirmation of financial resources**

The Offeror will use shareholder's loan from its holding company, AGL, to implement the Offers. YMIM is satisfied that sufficient financial resources are available to the Offeror for the full implementation of the Offers.

## **Payment**

Payment in cash in respect of the acceptances of the Offers will be made within 10 days of the date on which the relevant documents of title are received by the Offeror to render each such acceptance complete and valid.

## **Stamp Duty**

Seller's ad valorem stamp duty for the Shares and Warrants arising in connection with acceptances of the Share Offer and the Warrant Offers will be payable by the relevant Shareholders or, as the case may be, Warrantholders at the rate of HK\$1 for every HK\$1,000 or part thereof of the consideration payable by the Offeror for such Shareholders' Shares and Warrantholders' Warrants and will be deducted from the cash amount due to such Shareholders and Warrantholders under the Share Offer and Warrant Offers.

## **Other Arrangements**

There have been no arrangement in relation to the shares of the Offeror or the Shares and which might be material to the Offers, and no agreements or arrangements to which the Offeror is party which relate to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offers.

## **HIGHEST AND LOWEST SHARE PRICES**

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the six-month period preceding the last trading day prior to the suspension of trading in the Shares were HK\$0.133 on 9<sup>th</sup> January, 2009 and HK\$0.062 on 20<sup>th</sup> November, 2008 respectively

## **INFORMATION AND SHAREHOLDING STRUCTURE OF THE COMPANY**

The Company is an investment company listed on the Main Board of the Stock Exchange under Chapter 21 of the Listing Rules. Principal activities of the Company are investments in listed and unlisted securities, bonds, direct investments, projects, properties and structured products.

The following table sets out a summary of the audited consolidated financial results of the Group for each of the two years ended 31<sup>st</sup> December, 2008:

<i>(HK\$'000)</i>	<b>31<sup>st</sup> December, 2008</b>	<b>31<sup>st</sup> December, 2007</b>
Revenue	16,546	44,466
Net profit/(loss) before taxation	(376,370)	104,097
Net profit/(loss) after taxation attributable to Shareholders	(376,370)	145,204
Total asset value	621,818	1,018,564
Net asset value	598,172	991,771

As at the date of this announcement, the shareholding structure of the Company is as follows:-

	<b>Shares</b>	<b>Approx. %</b>
Offeror ( <i>Note</i> )	2,045,509,674	54.72
Other Shareholders	<u>1,692,835,360</u>	<u>45.28</u>
Total	<u>3,738,345,034</u>	<u>100.00</u>

*Note:*

As at the date of this announcement, no parties acting in concert with the Offeror held any Shares and Warrants.

As at the date of this announcement, the Company has 373,833,869 2009 Warrants and 373,834,503 2011 Warrants each entitling the respective Warrantholders to subscribe for one Share, representing approximately 16.67% of the enlarged issued share capital of the Company assuming all the Warrants are exercised. The following table sets out all outstanding Warrants and those Warrants held by the Offeror:

	<b>Total outstanding Warrants</b>	<b>Warrants held by the Offeror</b>
2009 Warrants (Exercise price: HK\$0.33)	373,833,869	100,874,360
2011 Warrants (Exercise price: HK\$0.10)	<u>373,834,503</u>	<u>308,227,574</u>
<b>Total</b>	<b>747,668,372</b>	<b>409,101,934</b>

As at the date of this announcement, (i) other than the Shares and the Warrants, the Company does not have other class of securities, outstanding options, derivatives, warrants or other securities which are convertible or exchangeable into Shares, and (ii) the Offeror and the parties acting in concert with it do not own any relevant securities in the Company other than those disclosed above.

## **INFORMATION ABOUT THE OFFEROR AND AGL**

The Offeror is an investment holding company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of AGL. AGL is a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange. Mr. Lee Seng Hui and Ms. Lee Su Hwei, directors of AGL, together with Mr. Lee Seng Huang, are the trustees of Lee and Lee Trust, being a discretionary trust which indirectly holds 44.53% of the total issued shares in AGL as at the date of this announcement.

The principal business activity of AGL is investment holding. The principal business activities of its major subsidiaries are property investment and development, hospitality related activities, health administration, medical scheme administration, the provision of healthcare services and the provision of financial services.

The Offeror and parties acting in concert with it have not (i) dealt in the Shares in the six-month period up to the date of this announcement, (ii) entered into any contracts in relation to the outstanding derivatives in respect of securities in the Company, (iii) received an irrevocable commitment to accept the Offers and (iv) borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

## **OFFEROR'S INTENTION ON THE GROUP**

The Offeror intends that the Group will continue its existing principal activities after the close of the Offers. Furthermore, it has no intention to introduce significant change to the existing management and directorship of the Company (including the continued employment of all employees and any redeployment of the fixed assets of the Group).

## **MAINTAINING THE LISTING STATUS OF THE COMPANY**

The Offeror intends to maintain the listing of the Shares.

## **DEALINGS DISCLOSURE**

The respective associates of the Offeror and the Company are reminded to disclose their dealings in the securities of the Company under Rule 22 of the Takeovers Code.

Stockbrokers, banks and others who deal in the Shares and the Warrants on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rules 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules under the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security (which is in this case the Shares and the Warrants) undertaken for a client during any 7 day period is less than HK\$1 million. This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive under the Takeovers Code in its dealings enquires. Therefore, those who deal in the relevant securities (and in this case, the Shares and the Warrants) should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.

## **GENERAL**

The Company has established the Independent Board Committee, comprising a non-executive director (Mr. Lee Yip Wah, Peter) and all independent non-executive directors of the Company (including Mr. So Shu Fai, Ambrose, Mr. Albert Ho and Ms. Lam Tak Yee) to advise the Independent Shareholders and Independent Warrantholders. An independent financial adviser will be appointed to advise the Independent Board Committee in respect of the Offers. A further announcement will be made upon the appointment of the independent financial adviser.

Mr. Arthur George Dew, a non-executive director of the Company, is also a non-executive director of AGL, a party acting in concert with the Offeror. Therefore, he is not considered sufficiently independent to advise the Independent Shareholders and Independent Warrantholders in respect of the Offers and was not appointed as a member of the Independent Board Committee.

A composite offer document will be despatched to the Independent Shareholders and Independent Warrantheolders in due course and in compliance with the requirements of the Takeovers Code. The composite offer document will include, among others, full terms of the Offers, the expected timetable, the advice from the independent financial adviser and the recommendation of the Independent Board Committee in respect of the Offers (accompanied by the forms of acceptance and transfer for the Shares and Warrants).

## **SUSPENSION AND RESUMPTION OF TRADING**

Trading in the Shares was suspended at the request of the Company from 9:30 a.m. on 16<sup>th</sup> April, 2009. Application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 21<sup>st</sup> April, 2009.

## **DEFINITIONS**

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

- “2009 Offer Warrant(s)”      2009 Warrant(s) not already owned by the Offeror and parties acting in concert with it
- “2009 Warrant(s)”            the warrant(s) issued by the Company on 29<sup>th</sup> May, 2008, each entitling the holders thereof to subscribe for one new Share at an exercise price of HK\$0.33 per Share (subject to adjustments) between 29<sup>th</sup> May, 2008 and 28<sup>th</sup> May, 2009
- “2009 Warrant Offer”        the mandatory unconditional general cash offer made by YMIM on behalf of the Offeror to acquire all the outstanding 2009 Warrants other than those already owned by the Offeror and parties acting in concert with it at HK\$0.00001 per unit of 2009 Warrant
- “2009 Warrantheolder(s)”    holder(s) of the 2009 Warrant(s)
- “2011 Offer Warrant(s)”      2011 Warrant(s) not already owned by the Offeror and parties acting in concert with it
- “2011 Warrant(s)”            the warrant(s) to be issued by the Company on 23<sup>rd</sup> April, 2009, each entitling the holder thereof to subscribe for one new Share at an initial subscription price of HK\$0.10 per Share (subject to adjustments) between 23<sup>rd</sup> April, 2009 and 22<sup>nd</sup> April, 2011
- “2011 Warrant Offer”        the mandatory unconditional general cash offer made by YMIM on behalf of the Offeror to acquire all the outstanding 2011 Warrants other than those already owned by the Offeror and parties acting in concert with it at HK\$0.0001 per unit of 2011 Warrant
- “2011 Warrantheolder(s)”    holder(s) of the 2011 Warrant(s)
- “acting in concert”            shall have the meaning set out in the Takeovers Code

“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
“associate(s)”	shall have the meaning set out in the Takeovers Code
“Board”	the board of directors of the Company, or the executive committee established by the board of directors with the full power of the board of the Company
“Company”	Yu Ming Investments 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
“Executive”	the executive director of the corporate finance division of the Securities and Futures Commission of Hong Kong or any of his delegates
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee of the Company comprising Mr. Lee Yip Wah, Peter, Mr. So Shu Fai, Ambrose, Mr. Albert Ho and Ms. Lam Tak Yee in respect of the Offers
“Independent Shareholders”	holders of the Shares other than those Shares already owned by the Offeror and parties acting in concert with it
“Independent Warrantholders”	holders of Warrants other than those Warrants already owned by the Offeror and parties acting in concert with it
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Offer Share(s)”	issued Shares other than those already owned by the Offeror and parties acting in concert with it
“Offer Warrant(s)”	2009 Offer Warrant(s) and 2011 Offer Warrant(s)
“Offeror”	Bright Clear Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of AGL
“Offers”	the Share Offer, the 2009 Warrant Offer and the 2011 Warrant Offer



“Rights Issue”	the issue for subscription by way of rights of 1,869,172,517 Rights Shares (with 2011 Warrants) at the subscription price of HK\$0.10 on the basis of one Rights Share (with 2011 Warrants) for every one Share held on 24 <sup>th</sup> March, 2009
“Rights Share(s)”	Share(s) issued and allotted under the Rights Issue, being 1,869,172,517 Shares
“Share(s)”	existing ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
“Shareholder(s)”	holders of the Share(s)
“Share Offer”	the mandatory unconditional general cash offer made by YMIM on behalf of the Offeror to acquire all the Shares other than those already owned by the Offeror and parties acting in concert with it
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Warrants”	2009 Warrant(s) and 2011 Warrant(s)
“Warrant Offers”	2009 Warrant Offer and 2011 Warrant Offer
“Warrantholders”	2009 Warrantholder(s) and 2011 Warrantholder(s)
“YMIM”	Yu Ming Investment Management Limited, a corporation licensed under the Securities and Futures Ordinance to carry out regulated activities of type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management), and a company incorporated in Hong Kong with limited liability
“%”	percentage or per cent

*As at the date of this announcement, the Board comprises eight directors of which Mr. Lee Wa Lun, Warren (Chairman), Mr. Lo King Yau, Edwin and Mr. Wong Tai Chun, Mark are executive directors; Mr. Arthur George Dew and Mr. Lee Yip Wah, Peter are non-executive directors; and Mr. So Shu Fai, Ambrose, Mr. Albert Ho and Ms. Lam Tak Yee are independent non-executive directors.*

*As at the date of this announcement, the board of the Offeror comprises two directors, Mr. Lo King Yau, Edwin and Mr. Li Chi Kong.*

*As at the date of this announcement, the board of AGL comprises nine directors of which Mr. Lee Seng Hui (Chief Executive), Mr. Lo King Yau, Edwin and Mr. Mak Pak Hung are executive directors; Mr. Arthur George Dew (Chairman) and Ms. Lee Su Hwei are non-executive directors; and Mr. Wong Po Yan, Mr. David Craig Bartlett, Mr. John Douglas Mackie and Mr. Alan Stephen Jones are independent non-executive directors.*

*The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement relating to the Company and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement by the Company 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 statement in this announcement misleading.*

*The directors of the Offeror and AGL jointly and severally accept full responsibility for the accuracy of information contained in this announcement (other than those relating to the Company) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Company) 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 statement in the announcement misleading.*

By order of the board of  
**ALLIED GROUP LIMITED**

Lo King Yau, Edwin  
*Executive Director*

By order of the board of  
**BRIGHT CLEAR LIMITED**

Li Chi Kong  
*Director*

By order of the board of  
**YU MING INVESTMENTS  
LIMITED**

Lee Wa Lun, Warren  
*Chairman*

Hong Kong, 20<sup>th</sup> April, 2009