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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)**

### **PROFIT WARNING AND BUSINESS UPDATE**

This announcement is made by Allied Group Limited (“**Company**”, together with its subsidiaries, “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

#### **PROFIT WARNING**

Reference is made to (i) the announcement of positive profit alert made by the Company’s listed subsidiary, Sun Hung Kai & Co. Limited (“**SHK**”) on 13th March, 2025; and (ii) the announcement of profit warning and business update made by another listed subsidiary of the Company, Tian An China Investments Company Limited (“**TACI**”) on 13th March, 2025 (“**TACI Announcement**”). The board of directors of the Company (“**Board**”) wishes to inform the shareholders of the Company (“**Shareholders**”) and potential investors that, based on the information currently available to the management of the Company and a preliminary review and assessment of the latest unaudited consolidated management accounts of the Group for the year ended 31st December, 2024 (“**FY2024**”), the Group is expected to record a consolidated loss attributable to owners of the Company ranging from approximately HK\$0.7 billion to HK\$0.9 billion for FY2024 as compared to the audited consolidated loss attributable to owners of the Company for the year ended 31st December, 2023 (“**FY2023**”) of approximately HK\$0.1 billion. The reasons for the decline in the financial performance were mainly attributable to the net effect of:

- the loss attributable to TACI for FY2024 instead of an attributable profit for FY2023. This is due to (i) a decrease in revenue of sales of completed properties by TACI; (ii) a decrease in the fair value of investment properties held by TACI group instead of an increase for FY2023 when TACI group enjoyed a fair value gain from revaluations of investment properties held by a subsidiary acquired by TACI group; and (iii) the absence of the one-off gain of bargain purchase of HK\$495.1 million as recorded by TACI for FY2023 arising from acquisition of a subsidiary by TACI;

- a higher net decrease in fair value of investment properties of the Group for FY2024 as compared with FY2023;
- an attributable loss on share of results of the Company's listed associate, APAC Resources Limited for FY2024 instead of an attributable profit for FY2023; and
- the profit attributable to SHK for FY2024 instead of an attributable loss for FY2023. This is mainly due to the net gain on the financial instruments held under the SHK's investment management business as compared to net loss on such financial instruments for FY2023 but partly offset by the reduced profit from the SHK's credit business as a result of the impacts of weak local economy and high interest rates.

As the Company is in the process of preparing the annual results of the Group for FY2024, the information contained in this announcement is only based on a preliminary review and assessment of the unaudited consolidated management accounts of the Group for FY2024 which have not been audited or reviewed by the auditor or the audit committee of the Company and therefore, may be subject to adjustment. The annual results of the Group for FY2024 will be published by the Company within the timeframe stipulated under the Listing Rules.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

## **BUSINESS UPDATE**

The Board would like to further provide the Shareholders and potential investors with an update on the business of the Group on a voluntary basis based on the latest information available. With reference to the business update of the TACI Announcement, while there was no major property development projects handed over to customers by TACI group during FY2024, the development of Phase 2C of The One Tian An Place, a residential project in Shanghai, China, has been completed by the end of 2024 after the successful pre-sales during the 4th quarter of 2022 and most of the sold units were handed over to customers in early 2025 (“**Handover**”). The Handover is expected to contribute to the revenue of the Group in 2025 and have a positive impact on the results of the Group. The Board wishes to state that no forecast or prediction of profits of the Group has been made with regards to the Handover.

On behalf of the Board  
**Allied Group Limited**  
**Arthur George Dew**  
*Chairman*

Hong Kong, 18th March, 2025

*As at the date of this announcement, the 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.*