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(Incorporated in Hong Kong with limited liability)

(Stock Code: 373)



JOINT ANNOUNCEMENT

MAJOR TRANSACTION FORMATION OF A JOINT VENTURE

FORMATION OF A JOINT VENTURE

As advised and confirmed by TACI, on 19th June, 2025, Shanghai Xinfuli (an indirect wholly-owned subsidiary of TACI, which in turn is an indirect non wholly-owned subsidiary of AGL), the JV Partner and the JV Company entered into the Shareholder's Agreement in respect of the joint venture arrangement of the JV Company, which is owned as to 70% and 30% by Shanghai Xinfuli and the JV Partner respectively immediately before and after the entering into of the Shareholder's Agreement, for participation in the Tender for 50% of the equity interest of the Project Company, which is the sole owner of the land use rights of the Land.

LISTING RULES IMPLICATIONS

TACI

As one of the Percentage Ratios in respect of the Transaction exceeds 25% but is less than 100%, the Transaction constitutes a major transaction for TACI and is subject to reporting, announcement, circular and TACI Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the TACI Directors' knowledge, information and belief, having made all reasonable enquiries, no TACI Shareholder is required to abstain from voting if TACI were to convene a general meeting for the approval of the Transaction. TACI has received an irrevocable and unconditional approval in writing for the Transaction from each of China Elite Holdings Limited (an indirect wholly-owned subsidiary of AGL) and AGL, holding an aggregate of 834,809,096 TACI Shares (representing approximately 56.94% of the total number of issued shares in TACI as at the date of this joint announcement). Accordingly, in accordance with Rule 14.44 of the Listing Rules, the TACI Shareholders' approval requirement in respect of the Transaction under Chapter 14 of the Listing Rules has been satisfied in lieu of a general meeting of TACI.

A circular of TACI containing, among others, details of the Transaction is expected to be despatched to the TACI Shareholders on or before 11th July, 2025.

AGL

As Shanghai Xinfuli is an indirect wholly-owned subsidiary of TACI, which in turn is an indirect non wholly-owned subsidiary of AGL, the entering into of the Shareholder's Agreement by Shanghai Xinfuli 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 Percentage Ratios in respect of the Transaction exceeds 25% but is less than 100%, the Transaction constitutes a major transaction for AGL and is subject to reporting, announcement, circular and AGL Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the AGL Directors' knowledge, information and belief, having made all reasonable enquiries, no AGL Shareholder is required to abstain from voting if AGL were to convene a general meeting for the approval of the Transaction. AGL has received an irrevocable and unconditional approval in writing for the Transaction from a closely allied group of shareholders comprising the companies controlled by the trustees of Lee and Lee Trust, namely Cashplus Management Limited and Minty Hongkong Limited, holding an aggregate of 2,634,646,760 AGL Shares (representing approximately 74.98% of the total number of issued shares in AGL as at the date of this joint announcement). Accordingly, in accordance with Rule 14.44 of the Listing Rules, the AGL Shareholders' approval requirement in respect of the Transaction under Chapter 14 of the Listing Rules has been satisfied in lieu of a general meeting of AGL.

A circular of AGL containing, among others, details of the Transaction is expected to be despatched to the AGL Shareholders on or before 11th July, 2025.

FORMATION OF A JOINT VENTURE

As advised and confirmed by TACI, on 19th June, 2025, Shanghai Xinfuli (an indirect wholly-owned subsidiary of TACI, which in turn is an indirect non wholly-owned subsidiary of AGL), the JV Partner and the JV Company entered into the Shareholder's Agreement in respect of the joint venture arrangement of the JV Company, which is owned as to 70% and 30% by Shanghai Xinfuli and the JV Partner respectively immediately before and after the entering into of the Shareholder's Agreement, for participation in the Tender for 50% of the equity interest of the Project Company, which is the sole owner of the land use rights of the Land.

As advised and confirmed by TACI, the principal terms of the Shareholder's Agreement are as follows:

Date

19th June, 2025

Parties

- (1) Shanghai Xinfuli;
- (2) the JV Partner; and
- (3) the JV Company.

As advised and confirmed by TACI, which has made all reasonable enquiries and based on the confirmation of the JV Partner and Shui On and to the best knowledge, information and belief of the TACI Directors and the AGL Directors, having made all reasonable enquiries, the JV Partner and its ultimate beneficial owner(s) are third parties independent of each of TACI, AGL and their respective connected persons.

Registered capital

As advised and confirmed by TACI, the registered capital of the JV Company is RMB10,000,000 (equivalent to approximately HK\$10,870,000), of which Shanghai Xinfuli shall contribute RMB7,000,000 (equivalent to approximately HK\$7,609,000) and the JV Partner shall contribute RMB3,000,000 (equivalent to approximately HK\$3,261,000) respectively on or before 30th April, 2030.

As advised and confirmed by TACI, the respective contribution to the registered capital of the JV Company by the JV Shareholders is determined after arm's length negotiation between the JV Shareholders with reference to the funding needs of the JV Company required for the development and operation of the JV Company.

Purpose and principal business of the JV Company

As advised and confirmed by TACI, the formation of the JV Company is for the purpose of participating in the Tender and, if successful, carrying out the Project.

The principal business of the JV Company covers, among other things, business and construction consultancy services.

Funding

As advised and confirmed by TACI, Shanghai Xinfuli is expected to contribute the Commitment (inclusive of, among others, such portion of the Consideration to be borne by Shanghai Xinfuli) in the amount not exceeding RMB2,441,784,000 (equivalent to approximately HK\$2,654,113,000), being 70% of the total commitment of RMB3,488,263,000 (equivalent to approximately HK\$3,791,590,000) contributable by the JV Shareholders, which is in proportion to its equity interest in the JV Company and determined after arm's length negotiation between the JV Shareholders with reference to (i) the valuation of the Land; (ii) the net assets value of the Project Company; (iii) the base price of the Tender; and (iv) expected working capital needs for the development of the Land.

As advised and confirmed by TACI, the participation in the Project by the JV Company is subject to, among others, the following conditions, which are included in the Shareholder's Agreement to mirror the Tender requirements:

- (a) in the event that the Existing Banks do not provide their unanimous consent to the Transfer within 40 working days after the notification of Tender results, any part of the Consideration which has been paid by the JV Company shall be refunded and the acquisition as contemplated under the Tender shall be terminated; and
- (b) should the Tender be successful, the JV Shareholders shall jointly procure the Project Company to obtain the land use rights certificate of the Land on or before 31st March, 2026.

As advised and confirmed by TACI, all financing needs of the JV Company will be funded by the JV Shareholders separately in proportion to the respective equity interest of the JV Shareholders in the JV Company by way of capital injection or shareholder's loan. As provided under the Shareholder's Agreement, contribution of any capital commitments to the JV Company shall be settled within 2 days before the deadline as stipulated in the property exchange documents in respect of the Transfer and the shareholder's agreement of the Project Company.

The Commitment shall be financed by the internal resources of the TACI Group.

Management

As advised and confirmed by TACI, the board of directors of the JV Company shall comprise three directors, two of whom shall be nominated by Shanghai Xinfu and one of whom shall be nominated by the JV Partner. The chairman of the JV Company's board of directors shall be nominated by the JV Partner. The quorum for the meeting of the JV Company's board of directors shall be two directors, comprising one director nominated by Shanghai Xinfu and one director nominated by the JV Partner.

As advised and confirmed by TACI, the JV Company may not, without unanimous consent of all directors of the JV Company, decide and conduct various major decisions and actions typical of its kind, which shall include: (a) decisions as to profit and loss sharing arrangements; (b) decisions as to the provision and/or amendment of the bank signatories; (c) changing the registered capital of the JV Company and issuance of JV Company's bonds; (d) merger, division, dissolution or change of its legal form; (e) decisions as to employment or dismissal of its senior officers and their remuneration; (f) entering into any agreement or arrangement with its shareholder(s) and/or their connected party(ies) for a consideration exceeding RMB10,000,000; (g) entering into any transaction which are not in its ordinary course of business or on an arm's length basis; (h) application of the JV Company's fund on any matters other than for the development and operation of the Project; and (i) approving the general management and operation policies of the JV Company.

As advised and confirmed by TACI, as Shanghai Xinfu will not have control over the JV Company and all decisions of the JV Company's board of directors, including the financial and operating policies of the JV Company, will be made collectively, the JV Company will be treated as a joint venture of TACI and of AGL and will be equity accounted for in the financial statements of the TACI Group and the AGL Group, respectively and its financial results will not be consolidated into the financial statements of both the TACI Group and the AGL Group.

Restriction on transfer of equity interests

As advised and confirmed by TACI, each JV Shareholder may not sell or transfer or dispose of all or part of its equity interests in the JV Company without the consent of the other JV Shareholder. Any proposed transfer of equity interests in the JV Company by each JV Shareholder shall be subject to the following customary transfer restrictions:

- (a) right of first refusal: each JV Shareholder shall have a right of first refusal to acquire the equity interests in the JV Company proposed to be sold by the other JV Shareholder under such terms as agreed between such other JV Shareholder and the proposed new purchaser; and
- (b) tag-along right: each JV Shareholder shall have a tag-along right to participate in the proposed sale of equity interests in the JV Company by the other JV Shareholder under such terms as agreed between such other JV Shareholder and the proposed new purchaser.

Profit sharing

As advised and confirmed by TACI, the JV Company shall not make a distribution to the JV Shareholders until the JV Company has made up for the losses incurred during the previous financial years and provided for the statutory surplus reserve. The distributable profits of the JV Company shall be distributed to the JV Shareholders in proportion to their respective equity interests in the JV Company.

Termination

As advised and confirmed by TACI, the Shareholder's Agreement shall be terminated, among other circumstances provided thereunder, in the event that (a) the JV Shareholders agree to terminate the same; (b) the JV Company becomes wholly owned by a JV Shareholder; (c) the JV Company dissolves, ceases to operate or is unable to continue as a separate legal entity; (d) the Tender is not successful; (e) a JV Shareholder delivers a written termination notice to the other JV Shareholder if the JV Shareholders fail to effectuate necessary adjustment to the Shareholder's Agreement in response to the promulgation of new applicable laws and the failure of which would have a material adverse impact on the expected return of such JV Shareholder; or (f) the JV Company does not participate in the Tender due to its failure to satisfy the relevant conditions precedent.

Upon termination of the Shareholder's Agreement, the JV Company shall be wound up and its assets shall be realised and distributed to the JV Shareholders in accordance with the applicable laws.

INFORMATION ON THE PROJECT COMPANY AND THE LAND

As advised and confirmed by TACI, the Project Company is a company established in the PRC with limited liability, and a direct wholly-owned subsidiary of Shanghai Yongye. Upon completion of the Transfer, the JV Company will hold 50% equity interest in the Project Company, being the sole owner of the land use rights of the Land.

As advised and confirmed by TACI, the Land consists of land parcels located at Yuyuan Street, Huangpu District, Shanghai, the PRC, which reaches 西藏南路 (Xizang South Road*) to the West, 方浜中路 (Fangbin Middle Road*) to the South, 人民路 (Renmin Road*) to the East and 桃源路 (Taoyuan Road*) to the North. It is expected that the Land will be mainly for a mixed-use development comprising residential, commercial, and ancillary facilities.

REASONS FOR AND BENEFITS OF THE TRANSACTION

As advised and confirmed by TACI, the Shanghai Municipal People's Government has been vigorously promoting urban renewal and old city transformation, which has fully driven the urbanisation and economic development of Shanghai. It is the common intention of Shanghai Xinfuli and the JV Partner to participate in the business opportunities brought about by the urbanisation of Shanghai. The Project, being a property redevelopment project, will be carried out in Yuyuan Street, Huangpu District, Shanghai.

As advised and confirmed by TACI, the TACI Group is engaged principally in, among other things, property development and investment on the mainland in the PRC. Having considered the location of the Land, the TACI Directors considered that the Transaction is a good opportunity for the TACI Group to further strengthen its property development business in the PRC via its equity interest in the JV Company, and contributes to the long-term business growth of the TACI Group.

As advised and confirmed by TACI, the terms of the Shareholder's Agreement were negotiated on an arm's length basis between Shanghai Xinfuli and the JV Partner. Having considered the above, the TACI Directors are of the view that the Shareholder's Agreement and the Transaction 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 knowledge, information and belief of the AGL Directors, the AGL Directors consider that the Shareholder's Agreement and the Transaction are entered into on normal commercial terms, and are fair and reasonable and in the interests of AGL and the AGL Shareholders as a whole.

INFORMATION ON TACI, SHANGHAI XINFULI, JV PARTNER, JV COMPANY AND AGL

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 (i) the development and investment of residential, office and commercial properties; (ii) property management; (iii) investment and operation of hospital, eldercare and health related businesses on the mainland in the PRC, as well as property investment and property management in Hong Kong.

2. Shanghai Xinfuli

As advised and confirmed by TACI, Shanghai Xinfuli is a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of TACI, which in turn is an indirect non wholly-owned subsidiary of AGL.

The principal business activity of Shanghai Xinfuli is investment holding.

3. JV Partner

As advised and confirmed by TACI, the JV Partner is a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of Shui On.

The principal business activities of the JV Partner are business management, management consulting and investment holding*.

4. JV Company

As advised and confirmed by TACI, the JV Company is a company established in the PRC with limited liability and is owned as to 70% by Shanghai Xinfuli and 30% by the JV Partner.

The principal business activity of the JV Company is investment holding.

5. 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 development and investment of residential, office and commercial properties, hospitality related activities, investment and operation of hospital, eldercare and health related businesses, provision of property management, cleaning and security guarding services, and the provision of finance, investments in listed and unlisted securities and funds management.

LISTING RULES IMPLICATIONS

TACI

As one of the Percentage Ratios in respect of the Transaction exceeds 25% but is less than 100%, the Transaction constitutes a major transaction for TACI and is subject to reporting, announcement, circular and TACI Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the TACI Directors' knowledge, information and belief, having made all reasonable enquiries, no TACI Shareholder is required to abstain from voting if TACI were to convene a general meeting for the approval of the Transaction. TACI has received an irrevocable and unconditional approval in writing for the Transaction from each of China Elite Holdings Limited (an indirect wholly-owned subsidiary of AGL) and AGL, holding an aggregate of 834,809,096 TACI Shares (representing approximately 56.94% of the total number of issued shares in TACI as at the date of this joint announcement). Accordingly, in accordance with Rule 14.44 of the Listing Rules, the TACI Shareholders' approval requirement in respect of the Transaction under Chapter 14 of the Listing Rules has been satisfied in lieu of a general meeting of TACI.

A circular of TACI containing, among others, details of the Transaction is expected to be despatched to the TACI Shareholders on or before 11th July, 2025.

AGL

As Shanghai Xinfuli is an indirect wholly-owned subsidiary of TACI, which in turn is an indirect non wholly-owned subsidiary of AGL, the entering into of the Shareholder's Agreement by Shanghai Xinfuli 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 Percentage Ratios in respect of the Transaction exceeds 25% but is less than 100%, the Transaction constitutes a major transaction for AGL and is subject to reporting, announcement, circular and AGL Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the AGL Directors' knowledge, information and belief, having made all reasonable enquiries, no AGL Shareholder is required to abstain from voting if AGL were to convene a general meeting for the approval of the Transaction. AGL has received an irrevocable and unconditional approval in writing for the Transaction from a closely allied group of shareholders comprising the companies controlled by the trustees of Lee and Lee Trust, namely Cashplus Management Limited and Minty Hongkong Limited, holding an aggregate of 2,634,646,760 AGL Shares (representing approximately 74.98% of the total number of issued shares in AGL as at the date of this joint announcement). Accordingly, in accordance with Rule 14.44 of the Listing Rules, the AGL Shareholders' approval requirement in respect of the Transaction under Chapter 14 of the Listing Rules has been satisfied in lieu of a general meeting of AGL.

A circular of AGL containing, among others, details of the Transaction is expected to be despatched to the AGL Shareholders on or before 11th July, 2025.

DEFINITIONS

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

“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 Group”	AGL and its subsidiaries
“AGL Shareholder(s)”	the shareholder(s) of AGL
“AGL Share(s)”	ordinary share(s) in the share capital of AGL
“Commitment”	the sum of (i) such portion of the Consideration to be borne by Shanghai Xinfuli; and (ii) any capital commitment(s) (whether by way of capital injection or shareholder's loan) to the JV Company by Shanghai Xinfuli, in the aggregate amount of not exceeding RMB2,441,784,000 (equivalent to approximately HK\$2,654,113,000)

“connected persons”	having the meaning ascribed to it under the Listing Rules
“Consideration”	the maximum tender sum for the JV Company to participate in the Tender
“Existing Banks”	a number of banking institutions that have been providing credit facilities to the Project Company for the purpose of the Project
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“JV Company”	上海瑞天里企業管理有限公司 (Shanghai Ruitianli Corporate Management Co., Ltd.*), a company established in the PRC with limited liability, and owned as to 70% by Shanghai Xinfuli and 30% by the JV Partner
“JV Partner”	上海瑞新里企業管理有限公司 (Shanghai Ruixinli Corporate Management Co., Ltd.*), a company established in the PRC with limited liability, and an indirect wholly-owned subsidiary of Shui On
“JV Shareholders”	collectively, Shanghai Xinfuli and the JV Partner, and each, a “JV Shareholder”
“Land”	three parcels of land situated in Yuyuan Street, Huangpu District, Shanghai, the PRC with an aggregate site area of 49,175 m ²
“Listing Rules”	the Rules Governing the Listing of Securities on 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”	the development, construction, sales and operation of the property development project on the Land
“Project Company”	上海永業城市更新建設發展有限公司 (Shanghai Yongye Urban Renewal Construction Development Co., Ltd.*), a company established in the PRC with limited liability, and a direct wholly-owned subsidiary of Shanghai Yongye as at the date of this joint announcement
“RMB”	Renminbi, the lawful currency of the PRC
“Sale and Purchase Agreement”	the sale and purchase agreement relating to 50% of equity interest of the Project Company, which will be entered into between Shanghai Yongye as transferor and the JV Company as transferee should the Tender be successful
“Shanghai Xinfuli”	上海莘賦里商業管理有限公司 (Shanghai Xinfuli Commercial Management Co., Ltd.*), a company established in the PRC with limited liability, and an indirect wholly-owned subsidiary of TACI
“Shanghai Yongye”	上海永業企業(集團)有限公司 (Shanghai Yongye Enterprise (Group) Co., Ltd.*), a company established in the PRC with limited liability, being a state-owned enterprise holding the entire equity interest of the Project Company as at the date of this joint announcement
“Shareholder’s Agreement”	the shareholder’s agreement dated 19th June, 2025 entered into among Shanghai Xinfuli, the JV Partner and the JV Company
“Shui On”	Shui On Land Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 272)
“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
“TACI Share(s)”	ordinary share(s) in the share capital of TACI
“Tender”	the tender for 50% of equity interest of the Project Company through a public auction in 上海聯合產權交易所 (Shanghai United Assets and Equity Exchange*), the base price of which is RMB2,893,650,000
“Transaction”	the transaction contemplated under the Shareholder’s Agreement
“Transfer”	the transfer of 50% of equity interest of the Project Company from Shanghai Yongye to the JV Company should the Tender be successful and all the conditions precedent set out in the Sale and Purchase Agreement be satisfied
“m ² ”	square metres
“%”	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, 19th June, 2025

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 RMB0.92. 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. Jiang Guofang, 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.*