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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)**



**新鴻基有限公司**

**SUN HUNG KAI & CO. LIMITED**

*(Incorporated in Hong Kong with limited liability)*  
**(Stock Code: 86)**

## **JOINT ANNOUNCEMENT**

### **DISCLOSEABLE TRANSACTION**

#### **(I) COOPERATION AGREEMENT REGARDING ESTABLISHMENT AND SUBSCRIPTION OF FUND; AND (II) PROVISION OF FINANCIAL ASSISTANCE**

#### **COOPERATION AGREEMENT REGARDING ESTABLISHMENT AND SUBSCRIPTION OF FUND**

As advised and confirmed by SHK, on 5 May 2022, SHKSC (an indirect wholly-owned subsidiary of SHK and an indirect non-wholly owned subsidiary of AGL), SHKCP (an indirect wholly-owned subsidiary of SHK and an indirect non-wholly owned subsidiary of AGL), Mr. Leung, Mr. Jackson, the Manager and the Fund entered into the Cooperation Agreement in relation to, among other things, (i) the establishment and management of the Fund, the Master Fund and the future Investment Vehicles; and (ii) the conditional subscription of the Fund by SHKSC in the total subscription amount of US\$100 million (equivalent to approximately HK\$783.0 million) by way of transfer of existing credit portfolio and cash upon the launch of the Fund and the Master Fund.

The establishment and subscription of the Fund by way of transfer of the existing credit portfolio is consistent with SHK Group's strategy to establish a fund management platform and develop an independent third-party asset management business.

## **PROVISION OF FINANCIAL ASSISTANCE**

As advised and confirmed by SHK, on 5 May 2022, SHKFC (an indirect wholly-owned subsidiary of SHK and an indirect non-wholly owned subsidiary of AGL) and GCO Holdings entered into a loan agreement, pursuant to which, inter alia, SHKFC agreed to make available to GCO Holdings a loan in the sum of US\$4 million (equivalent to approximately HK\$31.3 million) on the terms and subject to the conditions therein.

## **LISTING RULES IMPLICATIONS**

The transactions contemplated under the Cooperation Agreement, the Loan Agreement and the Share Charge have been aggregated pursuant to Rule 14.22 of the Listing Rules.

### **SHK**

As advised and confirmed by SHK, as one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the transactions contemplated under the Cooperation Agreement, the Loan Agreement and the Share Charge, when aggregated, exceeds 5% but is less than 25%, the transactions constitute a discloseable transaction of SHK and is subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

### **AGL**

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the transactions contemplated under the Cooperation Agreement, the Loan Agreement and the Share Charge, when aggregated, exceeds 5% but is less than 25%, the transactions constitute a discloseable transaction of AGL and is subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

## **COOPERATION AGREEMENT REGARDING ESTABLISHMENT AND SUBSCRIPTION OF FUND**

As advised and confirmed by SHK, on 5 May 2022, SHKSC (an indirect wholly-owned subsidiary of SHK and an indirect non-wholly owned subsidiary of AGL), SHKCP (an indirect wholly-owned subsidiary of SHK and an indirect non-wholly owned subsidiary of AGL), Mr. Leung, Mr. Jackson, the Manager and the Fund entered into the Cooperation Agreement in relation to, among other things, (i) the establishment and management of the Fund, the Master Fund and the future Investment Vehicles; and (ii) the conditional subscription of the Fund by SHKSC in the total subscription amount of US\$100 million (equivalent to approximately HK\$783.0 million) by way of transfer of existing credit portfolio and cash upon the launch of the Fund and the Master Fund.

### **The Cooperation Agreement**

The principal terms of the Cooperation Agreement are set out below:

Date : 5 May 2022

Parties : (i) SHKSC;  
(ii) SHKCP;  
(iii) Mr. Leung;  
(iv) Mr. Jackson;  
(v) the Manager; and  
(vi) the Fund

As advised and confirmed by SHK, to the best of knowledge, information and belief of SHK Directors and AGL Directors, after having made all reasonable enquiries, each of Mr. Leung, Mr. Jackson, the Manager, the Fund, and their respective ultimate beneficial owner(s) are third parties independent of SHK and AGL and their respective connected persons.

Subscription amount : SHKSC shall subscribe for the following shares of the Fund in the total amount of US\$100 million:

- (i) Class S Shares, in an amount not more than US\$70 million, which shall be fulfilled in specie by way of transfer of the bond portfolio of SHKGOF that SHKSC shall transfer from SHKGOF to the Fund (the “**Portfolio**”) at the market value on the day before the Closing Date (the “**Portfolio Market Value**”) ; and
- (ii) Class T Shares, in an amount which is the aggregate of:
  - (a) US\$30 million; and
  - (b) in the event the Portfolio Market Value is less than US\$70 million, an amount equal to US\$70 million minus the Portfolio Market Value,which shall be fulfilled by cash on the Closing Date and funded from internal resources of the SHK Group.

The Closing Date shall take place within ten business days after fulfillment of Conditions Precedent (as stipulated below).

The subscription amount and related terms have been determined after arm’s length negotiations between the parties, having considered the expected market value of the Portfolio, the Fund’s relevant investment risks, investment objectives and approach, liquidity and the investment team capability and credentials.

The market value of the Portfolio will be subject to change and may only be ascertained on the Closing Date. SHK and/or AGL will make further announcement(s) with respect to the transfer of the Portfolio as and when appropriate.

- Conditions Precedent : The obligation of SHKSC to make the subscription of the Fund shall be conditional upon Mr. Leung, Mr. Jackson, the Management Entities and the Investment Vehicles satisfying the conditions below on or prior to the Closing Date:
- (a) SHKSC and SHKCP have determined in their sole discretion that the governing documents with respect to the Manager, the Fund, the Master Fund (including but not limited to the Offering Memorandum), and all amendments thereto are complete and satisfactory;
  - (b) the Loan Agreement and the Share Charge have been duly executed by GCO Holdings and Mr. Leung in the agreed form and to the satisfaction of SHKSC and SHKCP (please refer to the section headed “Provision of Financial Assistance” below);
  - (c) Mr. Leung has resigned from his relevant employment position with SHK Group and signed an employment agreement with the Manager;
  - (d) the license agreement in relation to the provision of the office space and certain services by SHK (or its affiliates) has been duly executed by the Manager and the relevant affiliates of the Manager, and the Manager shall have paid the required fees then due to SHKSC (or SHKSC’s affiliates) as set out in such license agreement;
  - (e) Mr. Leung and the Manager have, on or prior to 9 May 2022, located their business premises within certain segregated office space of the SHK Group of a specified area and entered into a license agreement to pay a monthly fee for office space and related services to the SHK Group;
  - (f) Mr. Leung and Mr. Jackson have executed irrevocable subscription agreements to invest into Class M Shares;

- (g) the Management Entities and Investment Vehicles have complied in all material respects with all of their respective obligations under the Cooperation Agreement;
- (h) the Manager has obtained a license to carry out Type 9 (asset management) regulated activity from the SFC;
- (i) the reporting and transparency processes of the Management Entities as set forth in the Cooperation Agreement are established and operational (or will be operational on the Closing Date), and each of SHKSC and SHKCP is reasonably satisfied that the service providers and auditors proposed to be retained by the Investment Vehicles and the Management Entities have been properly appointed;
- (j) any know-your-client and anti-money laundering requirements of Mr. Leung, the Fund, the Master Fund and the Manager have been completed to the satisfaction of SHKSC and SHKCP;
- (k) all the costs and expenses as specified in the Cooperation Agreement have been fully reimbursed by the Manager or Mr. Leung to SHKSC and SHKCP or their designed affiliates;
- (l) the Fund or the Master Fund has entered into a service agreement with at least one prime broker as specified in the Cooperation Agreement;
- (m) Mr. Leung and the other employees transferred from the SHK Group to the Manager remain “fit and proper” as described under SFC’s fit and proper guidelines;
- (n) there is no event of the nature of a force majeure event (as defined in the Cooperation Agreement) which has taken place;

- (o) the net asset value return of the credit portfolio of SHKGOF (excluding the contribution from legacy bonds as defined in the Cooperation Agreement) shall be not less than the sum of an agreed benchmark plus 1.5% per annum from 1 January 2022 through the Closing Date; and
- (p) the transfer plan of the credit portfolio of SHKGOF has been agreed to by SHKSC and SHKCP.

- Cooperation Fee : SHKCP shall be entitled to receive 30% of the Revenue generated from the Investment Vehicles, with the percentage share of the Revenue generated from the portion of the Investment Vehicles funded by third party non-SHK capital reduced if certain conditions are met. Such conditions include (i) an early repayment of the loan granted by SHKFC to GCO Holdings under the Loan Agreement (please refer to the section headed “Provision of Financial Assistance” below); and (ii) a substantial investment of not less than US\$100 million by another investor with a lock up period of not less than 2 years.
- Priority Payment : In addition to the cooperation fee, SHKCP shall be entitled to payment of a percentage of the performance fee received by the Manager, after the payment of the revenue share (see above), that equals to a percentage of the aggregate amount of the net return and the relevant costs and expenses incurred by it in respect of SHKGOF in 2021 and 2022 before launch date.
- Withdrawal : SHKSC may withdraw all or a portion of its investment in the Fund (including any profits thereon) without penalty on demand upon the occurrence of an event of default (as defined under the Cooperation Agreement) or upon ten calendar days’ prior written notice and in the occurrence of any of the circumstances described below:

- (a) if any executive of the Management Entities is the subject of an investigation, detainment or pending or threatened legal action by any governmental body or self-regulatory organisation or any pending lawsuit alleging fraud, misrepresentation, violation of the securities laws or improper conduct) that is reasonably expected to have a material adverse impact on the Fund or the Master Fund;
- (b) there is a material change in (i) the investment strategy of the Fund that substantially deviates to the one as set forth in the Offering Memorandum and/or (ii) valuation policy of any funds or structures established and managed by the Management Entities without prior written consent from SHKSC and SHKCP;
- (c) any event of default under the Loan Agreement or the Share Charge occurs; or
- (d) there is an event giving rise to special or extraordinary withdrawal/redemption rights in any funds or structures established and managed by the Management Entities, without regard to any applicable lock-up period or other restrictions on withdrawals/redemptions, held by any other investor.

Lock-up arrangement of the investment : No.

Purchase of portfolio balance : The Manager undertakes to, within ten business days following the Closing Date, purchase from SHKSC the securities under the credit portfolio of SHKGOF managed by Mr. Leung which does not form part of the Portfolio (if any) at a transfer price which equals to the market value of such portfolio balance on the day before the Closing Date, save that any such securities which are not capable of being transferred shall be purchased within ten business days following the date that such securities become freely transferable.



The market value of the portfolio balance, if any, will be subject to change and may only be ascertained on the Closing Date. SHK and/or AGL will make further announcement(s) as and when appropriate if further disclosure obligations under the Listing Rules arise with respect to the transfer of the such securities.

- Termination : The Cooperation Agreement shall terminate upon:
- (a) the Closing Date not taking place and the Class S Shares and Class T Shares not being issued to SHKSC by 30 September 2022; or
  - (b) the parties to the Cooperation Agreement mutually agreeing to terminate the Cooperation Agreement.

### **Information of the Fund to be established**

As advised and confirmed by SHK, the proposed principal terms of the Fund upon its launch on the Closing Date as detailed in the tentative Offering Memorandum (subject to amendments from time to time) shall be as follows:

- Name of Fund : GCO Global Credit Special Situations Feeder Fund I
- Investment Manager : the Manager
- Investment objective of the Fund : The Fund shall invest all of its assets (to the extent not retained in cash to meet operating expenses) in the participating shares of the Master Fund.

The investment objective of the Master Fund shall be to generate attractive risk-adjusted returns over full market cycles by way of investing in a diversified and uncorrelated portfolio of mainly credit securities and/or instruments in global credit markets.

Investment policy of the Fund : The Master Fund will adopt a macro event-driven credit strategy. The Manager will identify and formulate new investment themes from time to time through analysis of macro, geo-political and/or industry trends and developments. Such investment themes shall be filtered down into the identification of addressable target markets and/or issuers and selection of appropriate credit instruments to implement the investment strategies. In order to achieve the investment objective of the Master Fund, the Manager will adopt a comprehensive approach to portfolio construction covering macro risk analysis, fundamental valuation analysis and market technicals.

It is expected that the Master Fund's portfolio will be comprised primarily of alpha credit opportunities to generate near-to-medium term capital gains driven by the identified investment themes. Excess cash of the Master Fund may be invested in short-dated credit instruments with strong downside protection to generate stable income.

Specifically, the portfolio may consist of various credit instruments including, but not limited to, bonds, loans and legal claims. The Master Fund may utilise derivative instruments, such as credit default swaps, futures and options for purpose of portfolio hedging and/or expressing directional views in its investment strategy. The Master Fund will deploy hedging strategies to mitigate downside risk dynamically depending on the time in the investment cycle.

The Master Fund will not establish long positions in issuers known to be non-compliant with globally accepted environmental, social and governance standards.

A core part of the investment approach of the Manager is implementation of active risk control policies and procedures to protect the Master Fund from possible losses. The policies will include investment limits for countries, industry, sectors, and hybrid instruments to maintain diversification and control draw-down risks. The procedures will include closely monitoring each individual position for changes in fundamentals, taking early action if there is likely deterioration of credit quality, and putting hedges against individual securities as well as against the overall portfolio to mitigate possible losses.

Management Fee : With respect to Class S Shares, the Manager shall be entitled to a management fee in an amount equal to 1.5% per annum of the net asset value of each series of Class S Shares.

No management fee is payable on Class T Shares.

Performance Fee : With respect to Class S Shares, the Manager shall also be entitled to receive a performance fee in an amount equal to 17.5% of the appreciation of the net asset value of each series of Class S Shares with respect to a particular calculation period over the high water mark.

The high water mark for each series of Class S Shares is the greater of (i) net asset value of the relevant series (after deduction of the performance fee) as at the last valuation day in any previous calculation period; or (ii) the net asset value of the relevant series immediately following the issue of such series.

No performance fee is payable on Class T Shares.

Dividend Policy : It is not envisaged that any income or gains will be distributed by the Fund by way of dividend. However, the directors of the Fund and/or the Master Fund may declare a dividend at any time if they consider it appropriate.

Redemption of Fund : Subject to payment of redemption fees:

- (a) Class S Shares may be redeemed on the first business day of January, April, July and October of each calendar year; and
- (b) Class T Shares may be redeemed on the first business day of each calendar week.

Subject to audit, SHKSC's subscription of the Fund will be recognised as a financial asset at fair value through profit or loss of the SHK Group and AGL Group.

## **PROVISION OF FINANCIAL ASSISTANCE**

As advised and confirmed by SHK, on 5 May 2022, SHKFC (an indirect wholly-owned subsidiary of SHK and an indirect non-wholly owned subsidiary of AGL) and GCO Holdings entered into a loan agreement, pursuant to which, inter alia, SHKFC agreed to make available to GCO Holdings a loan in the sum of US\$4 million (equivalent to approximately HK\$31.3 million) on the terms and subject to the conditions therein.

### **Loan Agreement**

As advised and confirmed by SHK, the principal terms of the Loan Agreement are as follows:

Date : 5 May 2022

Parties : (i) SHKFC as the lender; and  
(ii) GCO Holdings as the borrower

As advised and confirmed by SHK, to the best of knowledge, information and belief of SHK Directors and AGL Directors, after having made all reasonable enquiries, GCO Holdings and its ultimate beneficial owner(s) are third parties independent of SHK and AGL and their respective connected persons

Loan Amount : A maximum amount of US\$4 million available for drawdown in three tranches, such drawdowns are subject to certain conditions

Term : 72 months from the first drawdown date

Purpose : The loan shall be applied and used by GCO Holdings to supplement the general working capital of the Manager and to satisfy the capital adequacy requirement of the Manager in connection with the license to carry out Type 9 (asset management) regulated activity granted by the SFC

Interest Rate : HSBC's Hong Kong Dollar Best Lending Rate

Security : Share Charge

#### *Share Charge*

As advised and confirmed by SHK, the loan is secured by the Share Charge created by Mr. Leung in favour of SHKFC by way of a first fixed charge over all issued shares of GCO Holdings.

SHKFC, as mortgagee under the Share Charge, shall have rights, among other things, to dispose of the GCO Holdings shares upon the occurrence of any event of default.

Based on the confirmation of SHK, the terms of the Loan Agreement, including the interest rate applicable, were arrived at after arm's length negotiations between SHKFC and GCO Holdings, having taken into account (i) the prevailing market interest rates and practices; (ii) the costs of borrowing in providing the loan to GCO Holdings; (iii) the interest income to be generated by the loan; (iv) the underlying security; and (v) the expected working capital required by the Manager to meet their operation requirement during the investment period.

#### **REASONS FOR AND BENEFITS OF THE TRANSACTIONS**

As advised and confirmed by SHK, Mr. Leung, Mr. Jackson and a team of 4 employees of SHK Group were previously operating inside SHK Group and managing internal capital, and are now or soon be transferred to the Manager which is independent from SHK Group. The Manager's strategy, which seeks to generate attractive risk-adjusted returns over full market cycles by way of investing in a diversified and uncorrelated portfolio of mainly credit securities and/or instruments in global credit markets, remains unchanged.

As advised and confirmed by SHK, SHK Group is committed to build the infrastructure of fund management platform by strengthening and expanding its professional team. The entering into of the Cooperation Agreement is consistent with SHK Group's strategy to establish long term partnerships with suitably qualified teams across the alternatives spectrum in such structures or relationships to develop and grow an independent third-party asset management business. Upon completion of the transactions contemplated under the Cooperation Agreement, the Manager and the Fund will be one of SHK Group's fund management vehicle specialised in offering long-short credit strategy to the market. Furthermore, the SHK Group will be entitled to receive cooperation fee from the Manager's introduction of new assets under management, while not increasing the SHK Group's global credit exposure by in-specie subscription arrangement under the Cooperation Agreement.

As advised and confirmed by SHK, the entering into of the Loan Agreement serves to build a long-term cooperation relationship between SHK Group and the Manager and to ensure the financial stability of the Manager to run its asset management business during the investment period. In addition, as advised and confirmed by SHK, the provision of the loan is part of the ordinary and usual course of business of SHKFC.

As advised and confirmed by SHK, in view of the above, the SHK Directors are of the view that the terms of the transactions contemplated under the Cooperation Agreement, the Loan Agreement and the Share Charge are on normal commercial terms and the transactions are fair and reasonable, and in the interests of SHK and its shareholders taken as a whole.

Based on the information and the confirmation provided by SHK and to the best knowledge, information and belief of the AGL Directors, the AGL Directors consider that the transactions contemplated under the Cooperation Agreement, the Loan Agreement and the Share Charge are fair and reasonable and in the interests of AGL and its shareholders taken as a whole.

## **LISTING RULES IMPLICATIONS**

The transactions contemplated under the Cooperation Agreement, the Loan Agreement and the Share Charge have been aggregated pursuant to Rule 14.22 of the Listing Rules.

### **SHK**

As advised and confirmed by SHK, as one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the transactions contemplated under the Cooperation Agreement, the Loan Agreement and the Share Charge, when aggregated, exceeds 5% but is less than 25%, the transactions constitute a discloseable transaction of SHK and is subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

## **AGL**

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the transactions contemplated under the Cooperation Agreement, the Loan Agreement and the Share Charge, when aggregated, exceeds 5% but is less than 25%, the transactions constitute a discloseable transaction of AGL and is subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

## **GENERAL INFORMATION ON THE PARTIES**

### **SHKSC**

As advised and confirmed by SHK, SHKSC is a company incorporated in Hong Kong with limited liability, which is an indirect wholly-owned subsidiary of SHK and an indirect non-wholly owned subsidiary of AGL. The principal business activities of SHKSC are investment holding, securities trading and financial services.

### **SHKCP**

As advised and confirmed by SHK, SHKCP is a company incorporated in Hong Kong with limited liability, which is an indirect wholly-owned subsidiary of SHK and an indirect non-wholly owned subsidiary of AGL. SHKCP is licensed for Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities by the SFC and is principally engaged in asset management business.

### **SHKFC**

As advised and confirmed by SHK, SHKFC is a company incorporated in Hong Kong with limited liability, which is an indirect wholly-owned subsidiary of SHK and an indirect non-wholly owned subsidiary of AGL. The principal business activities of SHKFC are investment holding and financial services.

## **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.

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, provision of elderly care services, property management, cleaning and security guarding services, and the provision of finance and investments in listed and unlisted securities.

## **SHK**

SHK is a company incorporated in Hong Kong with limited liability, the securities of which are listed on the main board of the Stock Exchange.

The principal business activity of the Company is investment holding. The principal business activities of its major subsidiaries are financing which includes consumer finance, private credit & mortgage loans, and investment management & funds management.

As at the date of this joint announcement, the Company is beneficially owned as to approximately 73.09% by AGL.

## **Mr. Leung**

As advised and confirmed by SHK, Mr. Leung is the ultimate beneficial owner of all the issued shares of each of the Manager and GCO Holdings. He also serves as the chief investment officer of the Manager. Mr. Leung has more than twenty years of investing experience in global credit markets. Prior to establishing the Manager, Mr. Leung had been the portfolio manager and head of credit investments at SHK Group since August 2015.



## **Mr. Jackson**

As advised and confirmed by SHK, Mr. Jackson serves as the chief operating officer of the Manager. Prior to establishing the Manager, Mr. Jackson has been the chief operating officer of credit investments at SHK Group since July 2021.

## **The Manager**

As advised and confirmed by SHK, the Manager is a company incorporated in Hong Kong with limited liability. The Manager has applied for a license from the SFC to carry out Type 9 (asset management) regulated activity and received an approval in principle from the SFC in February 2022. Upon obtaining the license, the Manager shall be principally engaged in the asset management business.

The Manager has been appointed to be the investment manager of the Fund and the Master Fund upon their launch.

The Manager is wholly-owned by GCO Holdings, which in turn is wholly-owned by Mr. Leung.

## **The Fund**

As advised and confirmed by SHK, the Fund was incorporated in the Cayman Islands as an exempted company with limited liability for an unlimited duration. The Fund is organised as a “feeder fund” and all of the investable assets of the Fund will be invested in the participating shares of the Master Fund.

As at the date of this joint announcement, the management shares of the Fund are wholly-owned by GCO Holdings.

## **GCO Holdings**

As advised and confirmed by SHK, GCO Holdings is a company incorporated in the Cayman Islands with limited liability. The principal business activity of GCO Holdings is investment holding.

GCO Holdings is wholly-owned by Mr. Leung.

## 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
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Class M Shares”	Participating Shares in the capital of the Fund issued and designated as Class M Shares
“Class S Shares”	Participating Shares in the capital of the Fund issued and designated as Class S Shares
“Class T Shares”	Participating Shares in the capital of the Fund issued and designated as Class T Shares
“Closing Date”	the date on which the Fund and the Master Fund are launched and the Fund issues the Class S Shares and Class T Shares to SHKSC, which is expected to be on or around 1 July 2022 (or such other date as agreed between SHKSC, SHKCP and the Management Entities)
“Cooperation Agreement”	the cooperation agreement dated 5 May 2022 entered into among SHKSC, SHKCP, Mr. Leung, Mr. Jackson, the Manager and the Fund
“Fund”	GCO Global Credit Special Situations Feeder Fund I, an exempted company incorporated with limited liability in the Cayman Islands for an unlimited duration

“GCO Holdings”	GCO (Holdings) Limited, a company incorporated with limited liability in the Cayman Islands, being the borrower under the Loan Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Investment Vehicles”	the Fund, the Master Fund, any additional feeder fund vehicle that invests in the Master Fund and additional investment or commingled funds, managed or separate accounts, funds of one, co-investment funds, special purpose vehicles, co-investments, special purpose investments and other revenue producing arrangements that are managed by at least one of the Manager and its affiliates and that are set up for the purpose of generating revenue
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement”	the loan agreement dated 5 May 2022 entered into between SHKFC as the lender and GCO Holdings as the borrower
“Management Entities”	the Manager and any affiliates of the Manager who undertakes investment management or advisory functions in respect of one or more Investment Vehicles
“Manager”	GCO Asset Management Limited, a company incorporated with limited liability in Hong Kong, and the investment manager of the Fund and the Master Fund upon their launch
“Master Fund”	GCO Global Credit Special Situations Master Fund I, an exempted company incorporated with limited liability in the Cayman Islands for an unlimited duration
“Mr. Jackson”	Christopher David Jackson, the chief operating officer of the Manager

“Mr. Leung”	Banny Chi Kong Leung, a Hong Kong resident and the ultimate beneficial owner of all the issued shares of each of the Manager and GCO Holdings
“Offering Memorandum”	the private placement memorandum of the Fund expected to be dated in June 2022, as updated from time to time
“Participating Shares”	the non-voting, participating, redeemable, shares of par value US\$0.001 each in the capital of the Fund
“Revenue”	the management fee, performance fee and any other fees, incentives, compensation or other consideration that are generated by the Management Entities in respect of the Investment Vehicles
“SFC”	the Securities and Futures Commission
“Share Charge”	the share charge dated 5 May 2022 created by Mr. Leung in favour of SHKFC by way of a first fixed charge over all the issued shares of GCO Holdings
“SHK”	Sun Hung Kai & Co. Limited, a company incorporated in Hong Kong with limited liability, the securities of which are listed on the Stock Exchange (Stock Code: 86)
“SHKCP”	Sun Hung Kai Capital Partners Limited, a company incorporated in Hong Kong with limited liability, and an indirect wholly-owned subsidiary of SHK and an indirect non-wholly owned subsidiary of AGL
“SHKFC”	Sun Hung Kai Fintech Capital Limited, a company incorporated in Hong Kong with limited liability, and an indirect wholly-owned subsidiary of SHK and an indirect non-wholly owned subsidiary of AGL
“SHKGOF”	Sun Hung Kai Global Opportunities Fund, an exempted company incorporated with limited liability in the Cayman Islands, and an indirect wholly-owned subsidiary of SHK and an indirect non-wholly owned subsidiary of AGL

“SHKSC”	Sun Hung Kai Strategic Capital Limited, a company incorporated in Hong Kong with limited liability, and an indirect wholly-owned subsidiary of SHK and an indirect non-wholly owned subsidiary of AGL
“SHK Board”	the board of SHK Directors
“SHK Director(s)”	the director(s) of SHK
“SHK Group”	SHK and its subsidiaries
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States Dollar, the lawful currency of the United States of America
“%”	per cent.

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

On behalf of the SHK Board  
**Sun Hung Kai & Co. Limited**  
**Simon Chow Wing Charn**  
*Executive Director*

Hong Kong, 5 May 2022

*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, 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 SHK Board comprises Messrs. Lee Seng Huang (Group Executive Chairman) and Simon Chow Wing Charn being the Executive Directors, Mr. Peter Anthony Curry being the Non-Executive Director and Mr. Evan Au Yang Chi Chun, Mr. David Craig Bartlett, Mr. Alan Stephen Jones, Ms. Vivian Alexa Kao, Ms. Jacqueline Alee Leung and Mr. Wayne Robert Porritt being the Independent Non-Executive Directors.*