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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **ALLIED PROPERTIES (H.K.) LIMITED** (the "Company"), you should at once hand this circular to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or the transfer was effected for onward transmission to the purchaser(s) or transferee(s).

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All necessary arrangements have been made by the Company to enable the Warrants (hereinafter defined) to be admitted into CCASS (hereinafter defined). Subject to the granting of the listing of, and permission to deal in, the Warrants and any Shares (hereinafter defined) which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants on the Stock Exchange (hereinafter defined) as well as compliance with the stock admission requirements of HKSCC (hereinafter defined), the Warrants and any Shares which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealing in the Warrants on the Stock Exchange (which is expected to be on Wednesday, 15th June, 2011) or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.



ALLIED PROPERTIES (H.K.) LIMITED **(聯合地產(香港)有限公司)**

(Incorporated in Hong Kong with limited liability)

(Stock Code: 56)

PROPOSED BONUS ISSUE OF WARRANTS **UNDER SPECIAL MANDATE** **AND** **NOTICE OF EXTRAORDINARY GENERAL MEETING**

Capitalised terms used on this cover page shall have the same meanings as those defined in this circular. A notice convening the EGM to be held at Plaza 4, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Wednesday, 1st June, 2011 at 10:15 a.m. (or so soon thereafter as the AGM convened at the same place and date at 9:30 a.m. shall have been concluded or adjourned) at which a resolution will be proposed to consider and, if thought fit, approve the Bonus Warrant Issue and the allotment and issue of new Shares falling to be issued upon exercise of the subscription rights attaching to the Warrants is set out on pages 23 to 25 of this circular.

Whether or not you are able to attend the EGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the registered office of the Company at 22nd Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

12th May, 2011

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EXPECTED TIMETABLE

2011

Last day of dealings in Shares cum-entitlements to the Bonus Warrant Issue	Tuesday, 24th May
First day of dealings in Shares ex-entitlements to the Bonus Warrant Issue	Wednesday, 25th May
Latest time for lodging transfers of Shares for entitlements to the Bonus Warrant Issue	4:30 p.m. on Thursday, 26th May
Closure of register of members of the Company	Friday, 27th May to Wednesday, 1st June (both days inclusive)
Latest time for return of proxy form for the EGM	10:15 a.m. on Monday, 30th May
Record Date	Wednesday, 1st June
EGM	10:15 a.m. on Wednesday, 1st June (or so soon thereafter as the AGM convened at the same place and date at 9:30 a.m. shall have been concluded or adjourned)
Despatch of the Warrant Certificates on or before	Monday, 13th June
Commencement of dealings of the Warrants on the Stock Exchange	Wednesday, 15th June

Note: All times and dates in this circular refer to Hong Kong local times.

Dates or deadlines specified in the expected timetable above are indicative only. The timetable for the despatch of the Warrants Certificates and the first day of dealing in the Warrants is subject to the voting results of the EGM. Any changes to the expected timetable will be published or notified to Shareholders as and when appropriate.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable inquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this circular or this circular misleading.

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company to be convened on Wednesday, 1st June, 2011 at 9:30 a.m. at Plaza 4, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong
“Announcements”	the announcements of the Company dated 7th April, 2011 and 5th May, 2011, in relation to, among other things, the proposed Bonus Warrant Issue, closure of register of members and the EGM
“associates”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Bonus Warrant Issue”	bonus issue of Warrant(s) by the Company to the Qualifying Shareholders whose names appear on the register of members of the Company on the Record Date, on the basis of one (1) Warrant for every five (5) existing Shares held on the Record Date
“Business Day”	a day excluding Saturdays, Sundays and public holidays, on which licensed banks in Hong Kong are generally open for business in Hong Kong
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Allied Properties (H.K.) 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: 56)
“Director(s)”	director(s) of the Company

DEFINITIONS

“EGM”	the extraordinary general meeting of the Company to be convened on Wednesday, 1st June, 2011 at 10:15 a.m. (or so soon thereafter as the AGM convened at the same place and date at 9:30 a.m. shall have been concluded or adjourned) to consider and, if thought fit, approve, a resolution in relation to the Bonus Warrant Issue and the allotment and issue of new Shares falling to be issued upon exercise of the subscription rights attaching to the Warrants
“Excluded Shareholder(s)”	the Overseas Shareholder(s) to whom the Directors, having made enquiries regarding the legal restrictions under the laws of the relevant jurisdiction or the requirements of the relevant regulatory body or stock exchange in that jurisdiction, consider that it is onerous or not expedient to offer the Warrants by reason of difficulty, delay, expense or otherwise in complying with the legal and regulatory requirements in that jurisdiction
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$” and “HK cents”	Hong Kong dollars and Hong Kong cents respectively, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Instrument”	the deed poll to be executed by the Company creating and constituting the Warrants
“Latest Practicable Date”	6th May, 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Overseas Shareholder(s)”	the Shareholder(s) whose address(es) as shown on the register of members of the Company as at the close of business on the Latest Practicable Date is/are outside Hong Kong

DEFINITIONS

“Qualifying Shareholder(s)”	the Shareholder(s) whose name(s) appear on the register of members of the Company at the close of business on the Record Date, other than the Excluded Shareholders
“Record Date”	1st June, 2011, being the record date by reference to which entitlements to the Warrants are determined
“Share(s)”	ordinary share(s) of HK\$0.20 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Period”	the period from the date of first issue of the Warrants (which is expected to be on or about Monday, 13th June, 2011) up to and until 4:00 p.m. on the fifth (5th) anniversary of issue, and if that day is not a Business Day, the Business Day immediately preceding that day, both days inclusive
“Subscription Price”	the subscription price for the subscription of one (1) Share, subject to normal capital adjustments, upon the exercise of one (1) Warrant, initially being HK\$2.00 per Share in cash
“Warrant(s)”	warrant(s) to be constituted by the Instrument and to be granted by way of the Bonus Warrant Issue entitling the holder(s) thereof to subscribe at any time during the Subscription Period for fully paid Shares at the Subscription Price and otherwise pursuant to the terms set out in the Instrument, particulars of which are set out in the Appendix to this circular
“Warrantholder(s)”	the holder(s) of the Warrant(s)
“Warrant Certificate(s)”	certificate(s) in registered form to be issued by the Company in respect of the Warrant(s) pursuant to the Instrument
“%”	per cent.

LETTER FROM THE BOARD



ALLIED PROPERTIES (H.K.) LIMITED

(聯合地產(香港)有限公司)

(Incorporated in Hong Kong with limited liability)

(Stock Code: 56)

Executive Directors:

Lee Seng Hui (*Chief Executive*)

Li Chi Kong

Mark Wong Tai Chun

Non-Executive Director:

Arthur George Dew (*Chairman*)

Independent Non-Executive Directors:

John Douglas Mackie

Steven Samuel Zoellner

Alan Stephen Jones

Registered Office:

22nd Floor

Allied Kajima Building

138 Gloucester Road

Wanchai

Hong Kong

12th May, 2011

To the Shareholders and for information only, the Excluded Shareholders

Dear Sir or Madam,

**PROPOSED BONUS ISSUE OF WARRANTS
UNDER SPECIAL MANDATE
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the Announcements in which the Company announced that, subject to the satisfaction of the conditions precedent below, the Directors propose to make the Bonus Warrant Issue to the Qualifying Shareholders. The Warrants will entitle the holders thereof to subscribe for new Shares at an initial Subscription Price of HK\$2.00 per Share in cash, subject to normal capital adjustments set out in the Appendix herein.

The purpose of this circular is to provide you with further information on the Bonus Warrant Issue and to give you notice of the EGM at which an ordinary resolution will be proposed to approve the Bonus Warrant Issue and the allotment and issue of new Shares falling to be issued upon exercise of the subscription rights attaching to the Warrants.

LETTER FROM THE BOARD

BONUS ISSUE OF WARRANTS

A summary of the principal terms of the Warrants is set out in the Appendix to this circular.

Basis of issue of the Warrants

The Board proposes, subject to the terms and conditions set out below, to make the Bonus Warrant Issue on a pro-rata basis of one (1) Warrant for every five (5) existing Shares held by the Qualifying Shareholders on the Record Date.

Number of Warrants to be issued

Based on 6,953,116,585 Shares in issue as at the Latest Practicable Date and the initial Subscription Price of HK\$2.00 per new Share, and assuming that no further Shares are issued or repurchased by the Company from the Latest Practicable Date up to the and including the Record Date, the total number of Warrants to be issued will be 1,390,623,317 Warrants, entitling the Warrantholders to subscribe for 1,390,623,317 Shares, representing approximately 20% of the issued share capital of the Company as at the Latest Practicable Date and approximately 16.67% of the issued share capital of the Company as enlarged by the new Shares to be issued upon full exercise of the subscription rights attaching to the Warrants.

Subject to the compliance with Rule 15.02(1) of the Listing Rules, the new Shares to be issued upon exercise of the subscription rights attaching to the Warrants will be issued pursuant to the special mandate to be approved by the Shareholders at the EGM. The Company announced on 7th April, 2011 that the Warrants and new Shares that may be issued upon exercise of subscription rights attached to the Warrants will be issued under the general mandate granted to the Directors on 18th June, 2010 (“General Mandate”). After taking into account the number of Warrants to be issued and the number of Shares that may be issued under the General Mandate, the Company decided that the Warrants and new Shares falling to be issued upon exercise of the subscription rights attached to the Warrants should be issued under a special mandate to be approved by the Shareholders at the EGM. As at the Latest Practicable Date, the Company has no plan to issue Shares under the General Mandate.

Other than the proposed Bonus Warrant Issue, the Company does not have any other equity securities which are convertible into Shares upon the exercise of the subscription rights attaching thereto. As at the Latest Practicable Date and based on the information currently available, the Company confirms that the new Shares to be issued upon the exercise of the subscription rights attaching to the Warrants will be in compliance with Rule 15.02(1) of the Listing Rules.

Condition of the Bonus Warrant Issue

The Bonus Warrant Issue is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders at the EGM approving the Bonus Warrant Issue and the allotment and issue of new Shares falling to be issued upon exercise of the subscription rights attaching to the Warrants; and

LETTER FROM THE BOARD

- (ii) the Listing Committee granting the listing of, and permission to deal in, the Warrants and any new Shares which may fall to be issued upon exercise of the subscription rights attaching to the Warrants.

If the conditions are not fulfilled, the Bonus Warrant Issue will not proceed.

Subscription Period

The subscription rights attaching to the Warrants will be exercisable for a period of five (5) years at any time between the date of first issue of the Warrants (which is expected to be on or about Monday, 13th June, 2011) up to and until 4:00 p.m. on the fifth (5th) anniversary of issue, and if that day is not a Business Day, the Business Day immediately preceding that day, both days inclusive.

Subscription Price

Each Warrant will entitle the Warrantholder to subscribe for one (1) new Share at an initial Subscription Price of HK\$2.00 per new Share (subject to normal capital adjustments as set out in the Appendix herein) in cash. The Subscription Price represents a premium of approximately 29.0% to the closing price of the Shares of HK\$1.55 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

The Subscription Price has been determined with reference to the recent market price of the Shares. The Directors consider the terms of the Bonus Warrant Issue, including the Subscription Price thereof, to be fair and reasonable and in the interest of the Company and the Shareholders as a whole.

Board Lot of Warrants and Shares

The proposed board lot for trading in the Warrants is 10,000 and the board lot for trading in the Shares is 2,000.

Reasons for the proposed Bonus Warrant Issue

The Board believes that the Bonus Warrant Issue will provide the Shareholders with an opportunity to participate in the future growth and development of the Company and its subsidiaries. The Bonus Warrant Issue will also enlarge the equity base of the Company and increase the working capital of the Company upon exercise of the subscription rights attaching to the Warrants. Therefore, the Board is of the view that the Bonus Warrant Issue is beneficial to the Company and the Shareholders as a whole.

Use of Subscription Proceeds

On the basis of the number of Warrants to be issued being 1,390,623,317 and based on the subscription price of HK\$2.00 per new Share, an amount of approximately HK\$2,781,246,634 will be raised upon full exercise of the subscription rights attaching to the

LETTER FROM THE BOARD

Warrants. The Company does not presently have any specific plan for the use of the subscription proceeds from the exercise of the Warrants but presently intends to apply any such subscription proceeds for future business development and general working capital of the Company.

Ranking of Shares to be issued upon exercise of the Warrants

Shares which are allotted and issued upon exercise of the subscription rights attaching to the Warrants will, subject to the memorandum and articles of association of the Company, rank for any dividends and other distributions and/or offers of further securities made by the Company, the record date for which is on or after the relevant subscription date and subject thereto, *pari passu* in all respects with the then existing issued Shares on the date of such allotment and issue.

Application for Listing

An application has been made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Warrants and any Shares which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants. No part of the equity or debt securities of the Company is listed on or dealt in on any other stock exchange and no such listing of or permission to deal is being or is proposed to be sought.

Application has also been made to HKSCC for the admission of the Warrants into CCASS. Subject to the granting of the listing of, and permission to deal in, the Warrants and the new Shares which may fall to be issued upon exercise of the subscription rights attaching to the Warrants on the Stock Exchange, and subject to the compliance with the stock admission requirements of HKSCC, the Warrants and the new Shares which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants will be accepted as eligible securities by HKSCC for the deposit, clearance and settlement in CCASS with effect from the commencement date of dealing in the Warrants or such other dates as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

The Warrant Certificates are currently expected to be posted to the Qualifying Shareholders at their own risk on or before Monday, 13th June, 2011. Dealings in the Warrants on the Stock Exchange are expected to commence on Wednesday, 15th June, 2011. For the purpose of trading on the Stock Exchange, the Warrants will be traded in board lots of 10,000 units carrying rights to subscribe an amount of HK\$20,000 for 10,000 new Shares at an initial Subscription Price of HK\$2.00 per Share in cash, subject to normal capital adjustments as set out in the Appendix herein. Dealings in the Warrants will be subject to the payment of stamp duty in Hong Kong.

LETTER FROM THE BOARD

Persons who hold the Warrants but have not registered the Warrants in their own names and wish to exercise or transfer the Warrants should note that additional costs and expenses may be incurred in connection with any expedited re-registration of Warrants prior to the transfer or exercise of the Warrants, in particular during the period commencing ten (10) Business Days prior to and including the last day of the Subscription Period.

Overseas Shareholders

The Bonus Warrant Issue will not be registered or filed under any securities legislation in any jurisdiction outside Hong Kong.

Based on the Company's register of members as at the Latest Practicable Date, there were a total of 100 Overseas Shareholders with addresses on the register or domicile in Australia, Canada, India, Macau, Malaysia, New Zealand, the People's Republic of China, Singapore, Spain, Taiwan, Thailand, United Kingdom and the United States of America respectively. The Company has made enquiries as to whether there is any legal restriction under the applicable legislation of the relevant jurisdictions or requirement of any relevant regulatory body or stock exchange with respect to extending the Bonus Warrant Issue to the Overseas Shareholders. Having regard to the relevant legal and/or regulatory restrictions and/or requirements, the number of Overseas Shareholders as at the Latest Practicable Date and the likely costs and time involved if overseas compliance is to be observed, the Board considers that it is unduly onerous or not expedient to issue the Warrants under the Bonus Warrant Issue to the Shareholders with addresses in Australia, Canada, Malaysia, Thailand and the United States of America (collectively the "Excluded Jurisdictions") as shown on the register of members of the Company on the Record Date by reason of difficulty, delay, expense or otherwise in complying with the legal and regulatory requirements in the Excluded Jurisdictions.

This circular is being sent to the Excluded Shareholders for information only and/or for the purpose of voting at the EGM only and should not be copied or distributed or otherwise made available to any other person within the Excluded Jurisdictions. Shareholders with an address on the register in the Excluded Jurisdictions should note that the Warrants are not being offered, sold or made available in the Excluded Jurisdictions. This circular to be sent to them does not and will not constitute an offer or solicitation of an offer or invitation to buy or to subscribe for or to take up Warrants in the Excluded Jurisdictions, and does not and will not constitute an issue of the Warrants in the Excluded Jurisdictions. No person receiving this circular in the Excluded Jurisdictions may treat the same as constituting an invitation or offer to him/her/it. Accordingly, no Warrants will be issued to any Shareholders with addresses in the Excluded Jurisdictions on the register of members of the Company on the Record Date. If there is any new Shareholder who has an address on the register other than Hong Kong, Australia, Canada, India, Macau, Malaysia, New Zealand, the People's Republic of China, Singapore, Spain, Taiwan, Thailand, United Kingdom and the United States of America as shown on the register of members of the Company after the Latest Practicable Date and on or before the Record Date, the Company will seek relevant legal advice as to whether the Bonus Warrant Issue should extend to such new jurisdiction and a further announcement will be issued by the Company, if required.

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Any Warrants which would otherwise have been issued to the Excluded Shareholders will be sold in the market as soon as practicable after dealings in the Warrants commence. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars pro rata to such Excluded Shareholders' respective entitlements by post at their own risk unless the amount falling to be distributed to any such person is less than HK\$100, in which case it will not be distributed but will be retained for the benefit of the Company.

Fractional Entitlements

Fractional entitlements to the Warrants (if any) will not be issued to the Qualifying Shareholders but will be aggregated and sold for the benefit of the Company.

Warrant Certificates

Subject to the conditions precedent of the Bonus Warrant Issue mentioned above being satisfied, the Warrant Certificates are expected to be despatched to the Qualifying Shareholders by post at the risks of the Qualifying Shareholders on or before Monday, 13th June, 2011.

Taxation

The Qualifying Shareholders are recommended to consult their professional advisors if they are in any doubt as to the taxation implications of accepting and dealing in the Warrants. It is emphasised that none of the Company, the Directors or any parties involved in the Bonus Warrant Issue accepts responsibility for any tax effects or liabilities or any other liabilities of the Warrantheolders resulting from accepting and dealing in the Warrants.

General

Based on the register kept by the Company pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as at the Latest Practicable Date, Allied Group Limited ("AGL") and its wholly-owned subsidiaries, Capscore Limited ("Capcore"), Citiwealth Investment Limited ("Citiwealth") and Sunhill Investments Limited ("Sunhill") were interested in approximately 13.92%, 28.37%, 0.66% and 29.37% of the total issued share capital of the Company respectively. AGL, Capcore, Citiwealth and Sunhill have each given an undertaking on 6th May, 2011, pursuant to which, each of AGL, Capcore, Citiwealth and Sunhill undertakes to the Company that they will not exercise and will procure their respective associates not to exercise the subscription rights attaching to any Warrants if the public float requirement as prescribed under the Listing Rules cannot be met by the Company as a result of the exercise of the subscription rights attaching to the Warrants by them and/or their respective associates provided always that AGL, Capcore, Citiwealth and Sunhill and/or their associates is/are shareholder(s) holding an aggregate of more than 50% of the total issued share capital of the Company and is/are interested in the Warrants, as at the date of exercise.

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EGM

An EGM is proposed to be convened to approve the Bonus Warrant Issue and the allotment and issue of new Shares falling to be issued upon exercise of the subscription rights attaching to the Warrants.

A notice convening the EGM to be held at Plaza 4, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Wednesday, 1st June, 2011 at 10:15 a.m. (or so soon thereafter as the AGM convened at the same place and date at 9:30 a.m. shall have been concluded or adjourned) is set out on pages 23 to 25 of this circular. A proxy form for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the registered office of the Company at 22nd Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof should you so wish. The register of members of the Company will be closed from Friday, 27th May, 2011 to Wednesday, 1st June, 2011 (both days inclusive) for the purpose of determining Shareholders who are entitled to attend and vote at the EGM and the entitlements to the Bonus Warrant Issue. In order to qualify for attending and voting at the EGM, all transfer form(s) accompanied by the relevant share certificate(s) must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Thursday, 26th May, 2011.

Voting by Poll

Pursuant to Rule 13.39(4) of the Listing Rules, any votes of the Shareholders at a general meeting must be taken by poll. Accordingly, the chairman of the EGM will demand a poll for the resolution to be proposed at the EGM for approving the Bonus Warrant Issue and the allotment and issue of new Shares falling to be issued upon exercise of the subscription rights attaching to the Warrants.

Recommendation

The Board, including the independent non-executive Directors, considers the terms of the Bonus Warrant Issue to be fair and reasonable and in the interests of the Shareholders and the Company as a whole, and recommend the Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Bonus Warrant Issue and the allotment and issue of new Shares falling to be issued upon exercise of the subscription rights attached to the Warrants.

LETTER FROM THE BOARD

Documents available for inspection

A copy of each of the draft Instrument and the Memorandum and Articles of Association of the Company will be available for inspection during normal business hours from 9:00 a.m. to 5:00 p.m. on any Business Day from the date of this circular up to and including the date of the EGM (except Saturdays and public holidays) at the registered office of the Company at 22nd Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong.

Further Information

Your attention is also drawn to the Appendix to this circular, which sets out a summary of the principal terms of the Warrants.

Yours faithfully,
For and on behalf of the Board of
ALLIED PROPERTIES (H.K.) LIMITED
Li Chi Kong
Executive Director

The Warrants will be issued subject to and with the benefit of the Instrument by way of deed poll to be executed by the Company. The Warrants will be issued in registered form and will form one class and rank *pari passu* in all respects with each other.

The principal terms and conditions of the Warrants (“Conditions”) will be set out in the Warrant Certificates and will include provisions to the effect set out below.

Warrantheolders shall be entitled to the benefit of, be bound by, and be deemed to have notice of the Conditions and all the provisions of the Instrument. Copies of the Instrument, the principal provisions of which are summarised below, will be available at the registered office of the Company or such other place as may be notified to the Warrantheolders from time to time.

References in this Appendix to “Shares” are to the shares of HK\$0.20 each in the authorised share capital of the Company existing on the date of issue of the Warrants and all other shares from time to time and for the time being ranking *pari passu* therewith and all other shares in the capital of the Company resulting from any subdivision, consolidation or re-classification of Shares.

1. Subscription

- (a) Subject to the provisions of the Instrument and to compliance with all applicable regulations, exchange control, fiscal and other laws and regulations applicable thereto, the Warrantheolder shall have the right, which may be exercised in whole or in part but not in respect of a fraction of a Share, at any time during the Subscription Period, to subscribe in cash in Hong Kong dollars, the whole or part in integral multiples of HK\$2.00, of the exercise moneys for fully-paid Shares at the Subscription Price. Any subscription rights which have not been exercised upon the expiration of the Subscription Period shall lapse and thereupon the Warrants and the Warrant Certificates will cease to be valid for any purpose.
- (b) In order to exercise any of the subscription rights represented by the Warrant Certificate, the Warrantheolder must complete and sign the subscription form and deliver the same and the Warrant Certificate to the Company’s share registrar and such delivery shall constitute an irrevocable commitment by such Warrantheolder to exercise such subscription rights, together with a remittance for the relevant portion of exercise moneys, being the Subscription Price for the Shares in respect of which the Warrantheolder is exercising his subscription rights. In each case compliance must also be made with any exchange control, fiscal or other laws or regulations for the time being applicable.
- (c) The number of Shares to be allotted on exercise of the subscription rights shall be calculated by dividing the amount specified in the relevant subscription form and duly remitted as aforesaid by the Subscription Price applicable on the subscription date. No fraction of a Share will be allotted but in the event that the amount (or

aggregate amount) of the remittance(s) delivered by a Warrantholder exceeds the Subscription Price due for the Shares in respect of which he is exercising his subscription rights, any such excess (whether arising from a fraction of a Share or from overpayment) will be refunded by the Company to the Warrantholder, provided always that for the purpose of determining whether any (and if so, what) fraction of a Share arises:

- (i) if the subscription rights represented by the Warrant Certificate and any one or more other Warrant Certificates are exercised on the same subscription date by the same Warrantholder then the subscription rights represented by such Warrant Certificates shall be aggregated; and
 - (ii) regard shall be made, where applicable, to the provisions of the Instrument.
- (d) The Company undertakes in the Instrument that Shares falling to be issued upon the exercise of any of the subscription rights represented by the Warrant Certificate will be issued and allotted not later than twenty-eight (28) days after the relevant subscription date, taking into account of any adjustment which may have been made pursuant to the Instrument, will rank *pari passu* with the fully-paid Shares in issue on the relevant subscription date and will accordingly entitle the holders to participate in full in all dividends or other distributions declared, paid or made after the relevant subscription date and other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be on or before the relevant subscription date and notice of the amount and record date for which shall have been given to the Stock Exchange prior to the relevant subscription date.
- (e) As soon as practicable after the relevant allotment and issue of Shares (and, in any event, not later than twenty-eight (28) days after the relevant subscription date), there will be issued free of charge to the Warrantholder to whom such allotment has been made upon his exercise of any subscription rights:
- (i) a certificate (or certificates) for the relevant Shares in the name(s) of such Warrantholder(s);
 - (ii) (if applicable) a balancing Warrant Certificate in registered form in the name(s) of such Warrantholder(s) in respect of any subscription rights represented by the Warrant Certificate(s) delivered as described in sub-paragraph (b) above and remaining unexercised;
 - (iii) (if applicable) a cheque representing the excess (if any) of the amount (or aggregate amount) remitted over the total amount payable in respect of the subscription rights being exercised as mentioned in sub-paragraph (b) above; and
 - (iv) (if applicable) a Deficiency Certificate (as defined in the Instrument).

The certificate(s) for Shares arising on the exercise of subscription rights, the balancing Warrant Certificate (if any) and the Deficiency Certificate (if any) will be sent by post at the risk of such Warrantholder to the address of such Warrantholder as set out in the register of Warrantholders (or in the case of a joint holding to that one of them whose name stands first in the register of Warrantholders). If the Company agrees, such certificates and cheques may by prior arrangement be retained by the share registrar of the Company to await collection by the relevant Warrantholder(s).

2. Adjustment of Subscription Price

The Instrument contains detailed provisions relating to the adjustment of the Subscription Price. The following is a summary of, and is subject to, the provisions of the Instrument.

- (a) The Subscription Price shall (except as mentioned in sub-paragraphs (b) and (c) below) be adjusted as provided in the Instrument in each of the following cases:
 - (i) an alteration of the nominal amount of the Shares by reason of any consolidation or subdivision;
 - (ii) an issue (other than pursuant to a scrip dividend scheme in lieu of a cash dividend) by the Company of Shares credited as fully-paid by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve fund);
 - (iii) a capital distribution being made by the Company, whether on a reduction of capital or otherwise, to Shareholders (in their capacity as such);
 - (iv) a grant by the Company to the Shareholders (in their capacity as such) of rights to acquire for cash any assets of the Company or any of its subsidiaries;
 - (v) an offer of Shares for subscription by way of rights, or a grant of options or warrants to subscribe new Shares at a price which is less than 90% of the market price (to be calculated in accordance with the terms of the Instrument) being made by the Company to Shareholders (in their capacity as such);
 - (vi) an issue wholly for cash by the Company or any of its subsidiaries of securities convertible into or exchangeable for or carrying rights of subscription for new Shares, if in any case the Total Effective Consideration (as defined in the Instrument) per new Share is less than 90% of the market price (to be calculated in accordance with the terms of the Instrument), or the conversion, exchange or subscription rights of any such issue are altered so that the said Total Effective Consideration is less than 90% of such market price;

- (vii) an issue of Shares being made wholly for cash at a price less than 90% of the market price (to be calculated in accordance with the terms of the Instrument);
and
 - (viii) the purchase or cancellation by the Company of Shares or securities convertible into Shares or any rights to acquire Shares (excluding any such purchase made on the Stock Exchange or any other recognised stock exchange, being a stock exchange recognised for this purpose by the executive director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong and the Stock Exchange) in circumstances where the Directors consider that it may be appropriate to make an adjustment to the Subscription Price.
- (b) Except as mentioned in sub-paragraph (c) below, no adjustment as is referred to in sub-paragraphs (a)(ii) to (vii) above will be made in respect of:
- (i) an issue of fully-paid Shares upon the exercise of any conversion, exchange or subscription rights attaching to securities wholly or partly convertible into Shares or exchangeable for Shares or upon the exercise of any rights (including the Subscription Rights) to acquire Shares;
 - (ii) an issue by the Company of Shares or by the Company or any subsidiary of securities convertible into or exchangeable for or carrying rights to acquire Shares, in any such case in consideration or part consideration for the acquisition of any other securities, assets or business;
 - (iii) an issue of fully-paid Shares by way of capitalisation of all or part of the Subscription Right Reserve (as defined in the Instrument) to be established in certain circumstances pursuant to the terms and conditions contained in the Instrument (or other profits or reserves or any similar reserve which has been or may be established pursuant to the terms of any other securities wholly or partly convertible into or exchangeable for or carrying rights to acquire Shares);
 - (iv) an issue of Shares pursuant to a scrip dividend scheme in lieu of a cash dividend where an amount not less than the nominal amount of the Shares so issued is capitalised and the market value (calculated as provided in the Instrument) of such Shares is not more than 110% of the amount of dividend which holders of Shares could elect to or would otherwise receive in cash; or
 - (v) an issue by the Company of Shares or by the Company or any subsidiary of securities convertible into or exchangeable for or carrying rights of subscription for Shares pursuant to the Share Option Schemes.

- (c) Notwithstanding the provisions referred to in sub-paragraphs (a) and (b) above, in any circumstances where the Directors shall consider that an adjustment to the Subscription Price provided for under the said provisions should not be made or should be calculated on a different basis or that an adjustment to the Subscription Price should be made notwithstanding that no such adjustment is required under the said provisions or that an adjustment should take effect on a different date or with a different time from that provided for under the said provisions, the Company may appoint either an approved merchant bank or an auditor to consider whether for any reason whatever the adjustment to be made (or the absence of adjustment) would give the person affected the same proportion of the equity capital as to which that person was previously entitled and to the extent that a Share would be issued at not less than its nominal value, if such approved merchant bank or auditor (as the case may be) shall consider this to be the case, the adjustment shall be modified or nullified, or an adjustment made instead of no adjustment, in such manner (including, without limitation, making an adjustment calculated on a different basis) and/or the adjustment shall take effect from such other date and/or time as shall be certified by such approved merchant bank or auditor to be in its opinion appropriate.
- (d) Any adjustment to the Subscription Price shall be made to the nearest one cent (HK\$0.005 being rounded up) and in no event shall any adjustment be made to the Subscription Price in any case in which the amount by which the same would be reduced would be less than one cent and any adjustment which would otherwise then be required shall not be carried forward. In no event shall an adjustment be made (otherwise than upon the consolidation of Shares into shares of a larger nominal amount each or upon a repurchase of Shares) which would increase the Subscription Price.
- (e) Every adjustment to the Subscription Price shall be certified by an auditor or an approved merchant bank and notice of each such adjustment (giving the relevant particulars) shall be given to the Warrantheolders. In giving any certificate or making any adjustment hereunder, the auditor or the approved merchant bank shall be deemed to be acting as experts and not as arbitrators and in the absence of manifest errors, their decision shall be conclusive and binding on the Company and the Warrantheolders and all persons claiming through or under them respectively. Any such certificate of the auditor and/or approved merchant bank will be available for inspection by Warrantheolders at the registered office of the Company, where copies may be obtained.

3. Registered Warrants

The Warrants will be issued in registered form. The Company shall be entitled to treat the registered holder(s) of any Warrant as the absolute owner(s) thereof and accordingly shall not, except as ordered by a court of competent jurisdiction or as required by law, be bound to recognise any equitable or other claim to or interest in such Warrant on the part of any other person, whether or not it shall have express or other notice thereof.

4. Transfer, Transmission and Register

The Warrants shall be transferable in integral multiples of HK\$2.00 by instrument of transfer in any usual or common form or such other form as may be approved by the Directors. The Company shall accordingly maintain a register of Warrantholders in the territory where the Stock Exchange for the time being is situate (or in such other place as the Directors consider appropriate, having regard to applicable rules governing the listing of Warrants). The Instrument contains provisions relating to the transfer, transmission and registration of the Warrants. Transfers of Warrants must be executed by both the transferor and the transferee.

Where the transferor or the transferee is HKSCC Nominees Limited or its successors thereto (or such other company as may be approved by the Directors for this purpose), the transfers may be executed under the hands of authorised person(s) or by machine imprinted signature(s) on its behalf or of such person(s), as the case may be.

Since the Warrants will be admitted to CCASS established and operated by HKSCC, so far as applicable laws or regulations of relevant regulatory authorities, terms of the Instrument and circumstances permit, the Company may determine the last trading day of the Warrants to be a date at least three (3) trading days before the last day of the Subscription Period.

Persons who hold the Warrants but have not registered the Warrants in their own names and wish to exercise the Warrants should note that additional costs and expenses may be incurred in connection with any expedited re-registration of the Warrants prior to the transfer or exercise of the Warrants, in particular during the period commencing ten (10) Business Days prior to and including the last day of the Subscription Period.

5. Closure of Register of Warrantholders

The registration of transfers of Warrants may be suspended and the register of Warrantholders may be closed for such period as the Directors may from time to time direct, provided that the same shall not be closed, or registration may not be suspended, for a period, or for periods together, of more than thirty (30) days in any one year. Any transfer, or exercise of the subscription rights attached to the Warrants made while the register of Warrantholders is so closed shall, as between the Company and the person claiming under the relevant transfer of Warrants or, as the case may be, as between the Company and the Warrantholder who has so exercised the subscription rights attached to his Warrants (but not otherwise), be considered as made immediately after the reopening of the register of Warrantholders.

6. Purchase and Cancellation

The Company or any of its subsidiaries may at any time purchase Warrants:

- (i) in the open market or by tender (available to all Warrantholders alike) at any price;
- or

- (ii) by private treaty at a price, exclusive of expenses, not exceeding 110% of the closing price of the Warrants on the Stock Exchange on the date immediately prior to the date of purchase thereof,

but not otherwise. All Warrants purchased as aforesaid shall be cancelled forthwith and may not be reissued or re-sold.

7. Meetings of Warrantholders and Modification of Rights

- (a) The Instrument contains provisions for convening meetings of Warrantholders to consider any matter affecting the interests of Warrantholders, including the modification by special resolution of the provisions of the Instrument and/or of the Conditions. A special resolution duly passed at any such meeting shall be binding on the Warrantholders, whether present or not.
- (b) All or any of the rights for the time being attached to the Warrants (including any of the provisions of the Instrument) may from time to time (whether or not the Company is being wound up) be altered or abrogated (including but without prejudice to that generality by waiving compliance with, or by waiving or authorising any past or proposed breach of, any of the provisions of the Conditions and/or the Instrument) with the prior sanction of a special resolution and may be effected only by deed poll executed by the Company and expressed to be supplemental to the Instrument.
- (c) Where the Warrantholder is a recognised clearing house (within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) or its nominee(s), it may authorise such person or persons as it thinks fit to act as its representative (or representatives) or proxy (or proxies) at any Warrantholders' meeting provided that, if more than one person is so authorised, the authorisation or proxy form must specify the number and class of Warrants in respect of which each such person is so authorised. The person so authorised will be entitled to exercise the same power on behalf of the recognised clearing house as that clearing house or its nominee(s) could exercise as if such person were an individual Warrantholder.

8. Replacement of Warrant Certificates

If a Warrant Certificate is mutilated, defaced, lost or destroyed, it may, at the discretion of the Company, be replaced at the share registrar of the Company (unless the Directors otherwise determine) on payment of such costs as may be incurred in connection therewith and on such terms as to evidence, indemnity and/or security as the Company may require and on payment of such fee not exceeding HK\$2.50 (or such other amount as may from time to time be permitted under the rules prescribed by the Stock Exchange) as the Company may determine. Mutilated or defaced Warrant Certificates must be surrendered before replacements will be issued.

In the case of lost Warrant Certificates, Section 71A subsections (2), (3), (4), (6), (7) and (8) of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) shall apply as if “shares” referred to therein included Warrants.

9. Protection of Subscription Rights

The Instrument contains undertakings by and restrictions on the Company designed to protect the subscription rights represented by the Warrants.

10. Call

If at any time the aggregate amount of exercise moneys attached to the outstanding Warrants is equal to or less than 20% of the amount of moneys payable on exercise of all the Warrants issued under the Instrument, the Company may, on giving not less than three (3) months' notice, require Warranholders either to exercise their subscription rights or to allow them to lapse. On expiry of such notice, all unexercised Warrants will be automatically cancelled without compensation to the Warranholders.

11. Issue of further Warrants

The Company shall be at liberty to issue further warrants to subscribe for Shares in such manner and on such terms as it sees fit.

12. Undertakings by the Company

In addition to the undertakings given by it in relation to the grant and exercise of the subscription rights and the protection thereof, the Company has undertaken in the Instrument that:

- (a) it will send to each Warranholder (or in the case of joint Warranholders, to the Warranholder whose name stands first in the register of the Warranholders in respect of the Warrant held by such joint Warranholders), at the same time as the same are sent to the holders of Shares, its audited accounts and all other notices, reports and communications despatched by it to the Shareholders generally;
- (b) it will pay all Hong Kong stamp and capital duties, registration fees or similar charges, if any, payable in respect of the execution of the Instrument, the creation and initial issue of the Warrants in registered form, the exercise of subscription rights and the issue of Shares upon exercise of subscription rights. If any Warranholder shall take any action or proceedings in any jurisdiction to enforce the obligations of the Company in respect of the Warrants or the Instrument, and for the purposes of such action or proceedings the Instrument or any Warrant is taken into such jurisdiction and any stamp duties or similar duties or taxes become payable thereon or in respect thereof in connection with or as a result of such action

or proceedings, the Company shall not be under any obligation to pay (or reimburse any person making payment of) any such duties or taxes (including, if applicable, any penalties);

- (c) it will keep available for issue sufficient ordinary capital to satisfy in full all rights for the time being outstanding of subscription for and conversion into Shares; and
- (d) it will use its best endeavours to procure that:-
 - (i) at all times during the Subscription Period, the Warrants may be dealt in on the Stock Exchange (save that this obligation will lapse in the event that the listing of the Warrants on the Stock Exchange is withdrawn following an offer for all or any of the Warrants); and
 - (ii) all Shares allotted upon exercise of the subscription rights may, upon allotment or as soon as reasonably practicable thereafter, be dealt in on the Stock Exchange (save that this obligation will lapse in the event that the listing of the Shares on the Stock Exchange is withdrawn following an offer for all or any of the Shares where a like offer is extended to the Warranholders).

13. Notices

The Instrument contains provisions relating to notices to be given to Warranholders and the following provisions shall apply to such notices:

- (a) every Warranholder shall register with the Company an address either in Hong Kong or elsewhere to which notices to be given to such Warranholder are to be sent and if any Warranholder shall fail so to do notice may be given to such Warranholder by sending the same in any of the manners hereinafter mentioned to his last known place of business or residence or, if there be none, by posting the same for three days at the registered office of the Company;
- (b) a notice may be given by delivery, prepaid letter (airmail in the case of an overseas address), cable or telex message or alternatively, a notice may be given by paid advertisement published in English in at least one (1) English language newspaper in Hong Kong and in Chinese in at least one (1) Chinese language newspaper in Hong Kong; and
- (c) all notices with respect to any Warrant standing in the names of joint holders shall be given to whichever of such persons is named first in the register of Warranholders and notice so given shall be sufficient notice to all the joint holders of such Warrant.

14. Overseas Shareholders

If a Warrantholder has an address in any territory (other than Hong Kong) as shown on the register of members of the Company where, in the opinion of the Directors, the allotment of Shares to such Warrantholder upon exercise of any subscription rights would or might, in the absence of compliance with registration or any other special formalities in such territory, be unlawful or impracticable under the laws of such territory, then the Company shall as soon as practicable after exercise by such Warrantholder of any subscription rights either:

- (a) allot the Shares which would otherwise have been allotted to such Warrantholder to one or more third parties selected by the Company; or
- (b) allot such Shares to such Warrantholder and then, on his behalf, sell them to one or more third parties selected by the Company, in each case for the best consideration then reasonably obtainable by the Company.

As soon as reasonably practicable following any such allotment or (as the case may be) allotment and sale, the Company shall pay to the relative Warrantholder an amount equal to the consideration received by the Company therefor.

15. Winding Up of the Company

- (a) If an effective resolution is passed during the Subscription Period for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the Warrantholders, or some person designated by them for such purpose by special resolution, shall be a party or in conjunction with which a proposal is made to the Warrantholders and is approved by special resolution, the terms of such scheme of arrangement or (as the case may be) proposal will be binding on all the Warrantholders; and
- (b) in the event a notice is given by the Company to its Shareholders during the Subscription Period to convene a general meeting for the purposes of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it despatches such notice to each Shareholder give notice thereof to all Warrantholders (together with a notice of the existence of this provision) and thereupon, each Warrantholder shall be entitled to exercise all or any of the subscription rights attaching to his Warrants at any time no later than two (2) Business Days prior to the proposed general meeting of the Company by delivering to the Company the completed subscription forms, accompanied by payment of the relevant exercise monies, whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Warrantholders credited as fully paid.

Subject to the foregoing, if the Company is wound-up, all subscription rights which have not been exercised at the date of the passing of such resolution will lapse and each Warrant Certificate will cease to be valid for any purpose.

16. Governing Law

The Instrument and the Warrants are governed by and will be construed in accordance with the laws of Hong Kong.

NOTICE OF EGM



ALLIED PROPERTIES (H.K.) LIMITED **(聯合地產(香港)有限公司)**

(Incorporated in Hong Kong with limited liability)

(Stock Code: 56)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (“**EGM**”) of Allied Properties (H.K.) Limited (“**Company**”) will be held at Plaza 4, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Wednesday, 1st June, 2011 at 10:15 a.m. (or so soon thereafter as the annual general meeting of the Company convened at the same place and date at 9:30 a.m. shall have been concluded or adjourned) for the purposes of considering and, if thought fit, passing with or without modifications the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT** conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and permission to deal in, the Warrants (as defined below) and the ordinary shares of HK\$0.20 each in the share capital of the Company (“**Shares**”) which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants:

- (a) the creation and issue of up to a maximum of 1,390,623,317 units of warrants (“**Warrants**”) entitling the holders thereof to subscribe a maximum of 1,390,623,317 new Shares (subject to adjustment in accordance with the terms and conditions of the Instrument (as defined below)) at an initial subscription price of HK\$2.00 per Share (subject to adjustment in accordance with the terms and conditions of the Instrument) at any time during a period of five (5) years commencing from the date of first issue of the Warrants up to and until 4:00 p.m. on the fifth (5th) anniversary of the date of first issue of the Warrants, both days inclusive, subject to the terms substantially set out in the instrument constituting the Warrants (a copy of the final draft of which has been produced to this EGM marked “A” and signed by the Chairman of the EGM for the purpose of identification) (“**Instrument**”) to be executed by way of deed poll by the Company, by way of bonus to the holders of the Shares (“**Shareholders**”) whose names appeared on the register of members of the Company on 1st June, 2011 on the basis of one (1) Warrant for every five (5) Shares held on 1st June, 2011 (“**Bonus Warrant Issue**”) be and is hereby approved, provided that no Warrants shall be issued to those Shareholders whose addresses as shown on the register of members of the Company on 1st June, 2011 were in places outside Hong Kong to whom the

NOTICE OF EGM

directors of the Company (“**Directors**”), after making relevant enquiry, considers that it is onerous or not expedient to issue the Warrants on account either of the legal restrictions under the laws of the relevant jurisdiction or any requirements of the relevant regulatory body or stock exchange in that jurisdiction (“**Excluded Shareholders**”);

- (b) (i) the Directors be and are hereby authorised to allot and issue a maximum of 1,390,623,317 Warrants pursuant to the Bonus Warrant Issue and the new Shares which may fall to be issued upon the exercise of the subscription rights attaching to the Warrants in accordance with the terms and conditions of the Bonus Warrant Issue notwithstanding that the same may be offered, allotted or issued otherwise than pro rata to the existing Shareholders; and
- (ii) the Directors be and are hereby authorised to make such exclusions or other arrangements in relation to fractional entitlements or Excluded Shareholders as they may, at their absolute discretion, deem necessary or expedient or appropriate; and
- (c) the Directors be and are hereby authorised to do all such acts and things to sign, seal and execute the Instrument and all such further deeds, documents, instruments, agreements and to take such steps as the Directors may in their absolute discretion consider necessary, appropriate, desirable or expedient to give effect to or in connection with the Bonus Warrant Issue and all transactions contemplated thereunder.”

By Order of the Board
ALLIED PROPERTIES (H.K.) LIMITED
Winnie Lui Mei Yan
Company Secretary

Hong Kong, 12th May, 2011

Registered office:

22nd Floor, Allied Kajima Building
138 Gloucester Road
Wanchai
Hong Kong

NOTICE OF EGM

Notes:

1. A form of proxy for use at the EGM is enclosed herewith.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either executed under its common seal or under the hand of any officer, attorney or other person duly authorised to sign the same.
3. Any shareholder entitled to attend and vote at the EGM is entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A shareholder who is the holder of two or more shares may appoint not more than two proxies (who must be an individual or individuals) to attend and vote instead of him/her on the same occasion. A proxy need not be a shareholder of the Company but must attend the EGM in person to represent him/her.
4. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be lodged with the registered office of the Company at 22nd Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the EGM or any adjourned meeting thereof (as the case may be). Such prescribed form of proxy for use at the EGM is also published on the HKExnews website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and the website of the Company at www.alliedproperties.com.hk.
5. Completion and return of the form of proxy will not preclude any Shareholders from attending and voting in person at the EGM or at any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
6. Where there are joint registered holders of any share(s), any one of such joint holders may attend and vote at the EGM or at any adjourned meeting thereof (as the case may be), either in person or by proxy, in respect of such share(s) as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the EGM or at any adjourned meeting thereof (as the case may be), the most senior shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
7. The register of members of the Company will be closed from Friday, 27th May, 2011 to Wednesday, 1st June, 2011 (both days inclusive) for the purpose of determining Shareholders who are entitled to attend and vote at the EGM and the entitlements to the Bonus Warrant Issue. In order to qualify for attending and voting at the EGM, all transfer form(s) accompanied by the relevant share certificate(s) must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Thursday, 26th May, 2011.