

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



ALLIED GROUP LIMITED
(聯合集團有限公司)
(Incorporated in Hong Kong with limited liability)
(Stock Code: 373)



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)

**MAJOR TRANSACTION
AND RESUMPTION OF TRADING**

**DISCLOSEABLE TRANSACTION
AND RESUMPTION OF TRADING**



Quality HealthCare Asia Limited
卓健亞洲有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 593)

**VERY SUBSTANTIAL DISPOSAL,
POSSIBLE CHANGE OF COMPANY NAME
AND
RESUMPTION OF TRADING**

JOINT ANNOUNCEMENT

The QHA Board, and as advised and confirmed by QHA, the AGL Board and the APL Board, are pleased to announce that the Agreement was entered into on 8th October, 2010.

THE AGREEMENT

As advised and confirmed by QHA and pursuant to the Agreement, subject to the Conditions, the Purchaser has agreed to purchase, and QHA and Holdco have agreed to sell, the Portex Shares and the Quality Shares respectively, representing 100% of the issued share capital of each of the Disposal Group companies, for the Purchase Price.

POSSIBLE CHANGE OF QHA'S COMPANY NAME

To comply with the undertakings given by the Sellers in favour of the Purchaser to change the name of QHA to a name not containing the words "Quality" or "卓健" (as stated in the paragraph headed "Undertakings by the Sellers and Other Terms under the Agreement"), QHA will change its name subject to Closing. A separate announcement will be issued by QHA in relation to the change of name.

* For identification purposes only

LISTING RULES IMPLICATIONS

Major transaction for AGL

Pursuant to the Listing Rules, as one or more of the Percentage Ratio(s) of entry into the Transaction by QHA exceed 25% but fall below 75% for AGL, the Transaction constitutes a major transaction for AGL. The Agreement is therefore subject to announcement, reporting and the AGL Shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

As no AGL Shareholder is required to abstain from voting on the Transaction, AGL has obtained a written shareholder's approval from the controlling shareholder of AGL, namely Lee and Lee Trust, which holds 109,896,492 AGL Shares as at the date of this announcement (representing approximately 53.00% of the existing total issued share capital of AGL), for approving the Transaction in lieu of holding general meeting of AGL pursuant to Rule 14.44 of the Listing Rules.

Discloseable transaction for APL

Pursuant to the Listing Rules, as one or more of the Percentage Ratio(s) of entry into the Transaction by QHA exceed 5% but fall below 25% for APL, the Transaction constitutes a discloseable transaction for APL. The Agreement is therefore subject to announcement and reporting requirements pursuant to Chapter 14 of the Listing Rules.

Very substantial disposal for QHA

Pursuant to the Listing Rules, as one or more of the Percentage Ratio(s) of entry into the Transaction by QHA exceed 75% for QHA, the Transaction constitutes a very substantial disposal for QHA. The Agreement is therefore subject to announcement, reporting and the QHA Shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the QHA Board and having made all reasonable enquiries, no QHA Shareholder has any material interest in the Agreement, and therefore none of them is required to abstain from voting in respect of the resolutions to approve the Agreement and the transactions contemplated thereunder at the QHA SGM.

GENERAL

As QHA needs more time to prepare the financial information of the Disposal Group, QHA expects to despatch a circular containing, inter alia, the financial information of the Disposal Group, further details of the Transaction and the notice of QHA SGM to QHA Shareholders on or before 8th November, 2010.

A circular containing, inter alia, further details of the Transaction, will be despatched by AGL to AGL Shareholders on or before 8th November, 2010.

AGL Shareholders, APL Shareholders, QHA Shareholders and potential investors should note that the Transaction may or may not proceed as it is subject to a number of conditions, which may or may not be fulfilled. AGL Shareholders, APL Shareholders, QHA Shareholders and potential investors are reminded to exercise caution when dealing in the shares of AGL, APL and QHA.

SUSPENSION AND RESUMPTION OF TRADING

Trading of AGL Shares, APL Shares and QHA Shares on the Stock Exchange was suspended at the request of AGL, APL and QHA respectively with effect from 2:30 p.m. on 5th October, 2010 pending the release of this announcement. Each of AGL, APL and QHA has applied for resumption of trading in AGL Shares, APL Shares and QHA Shares respectively on the Stock Exchange with effect from 9:30 a.m. on 11th October, 2010.

THE AGREEMENT

As advised and confirmed by QHA, details of the Agreement are as follows:

Date

8th October, 2010

Parties

- Purchaser : Altai Investments Limited, a wholly-owned subsidiary of Fortis Global Healthcare Holdings Pte Ltd. As advised and confirmed by QHA after making all reasonable enquiries, the Purchaser's principal business activity is investment holding
- Sellers : QHA and Holdco
- RHC : As advised and confirmed by QHA after making all reasonable enquiries, RHC Holding Private Limited, the parent company of Fortis Global Healthcare Holdings Pte Ltd, shall procure the due and punctual performance and observance by the Purchaser of all its obligations, commitments, undertakings, warranties and indemnities under the Agreement

As at the date of this announcement, based on the information and confirmation provided by QHA and to the best of the knowledge, information and belief of the AGL Board, APL Board and QHA Board after making all reasonable enquiries respectively, (i) the principal business activity of the Purchaser is investment holding; (ii) the principal business activity of Fortis Global Healthcare Holdings Pte Ltd is investment holding; and (iii) the Purchaser and its ultimate beneficial owner(s) are third parties independent of and not connected with AGL, APL and QHA and their respective connected person(s).

Transaction

Pursuant to the Agreement, subject to the Conditions, the Purchaser has agreed to purchase, and QHA and Holdco have agreed to sell, the Portex Shares and the Quality Shares respectively, representing 100% of the issued share capital of each of the Disposal Group companies, for the Consideration Amount (subject to adjustments as more particularly described in the paragraph headed "Consideration" below).

Consideration

The consideration of the Transaction shall be an amount in cash equal to the aggregate sum of (i) HK\$1,521 million (the “**Bid Value**”); and (ii) the Base Working Capital (i.e. HK\$20 million) (the Bid Value and the Base Working Capital collectively being the “**Consideration Amount**”), subject to the Working Capital Adjustment.

If the Working Capital (as shown in the Closing Statement) exceeds the Base Working Capital, such difference will be added to the Consideration Amount on a dollar to dollar basis, while if the Working Capital (as shown in the Closing Statement) is less than the Base Working Capital, such difference will be deducted from the Consideration Amount on a dollar to dollar basis. In this connection, the Purchaser shall, as soon as practicable and no later than 60 days following Closing, draw up and deliver to the Sellers a draft of the Closing Statement in accordance with the Agreement.

The Base Working Capital was determined with reference to the normalised historical 12 months average working capital level (i.e. HK\$21,117,000) relevant to the Disposal Group for the period from August 2009 to July 2010. In determining the level of working capital, current assets less current liabilities are included, but any cash, debt, intercompany balances and tax related items are excluded. As at 30th June, 2010, the unaudited combined working capital attributable to the Disposal Group amounted to HK\$74,219,000, including cash and bank balances of HK\$58,168,000, intercompany receivables of HK\$4,518,000 and tax related liabilities of HK\$7,082,000.

Basis of the Consideration

The Purchase Price was arrived at based on normal commercial terms after arm’s length negotiations between the Purchaser and the Sellers and by reference to (i) the market leading position of the Disposal Group companies in the healthcare industry; (ii) the Disposal Group may serve as a platform for the Purchaser’s future expansion of healthcare businesses in Hong Kong and the PRC; (iii) the trading value of other healthcare listed companies in the Singapore Stock Exchange; and (iv) the other factors set out in the paragraphs headed “Reasons for and Benefits of the Transaction for QHA” and “Reasons for and Benefits of the Transaction for AGL and APL” below.

Condition to effectiveness of the Agreement

Save as otherwise stated in the Agreement, the Sellers and the Purchaser agreed that the rights and obligations conferred by the Agreement shall have no effect until the earlier of (i) this announcement being released in accordance with Rule 13.52(2) of the Listing Rules; and (ii) the Stock Exchange confirming that it has no further comments on this announcement.

The Sellers shall use their best endeavours to satisfy the condition above as soon as possible after the date of the Agreement and shall use their best endeavours to satisfy the Stock Exchange as to QHA’s suitability for listing post consummation of the Agreement and the transactions contemplated thereunder.

Closing and Conditions

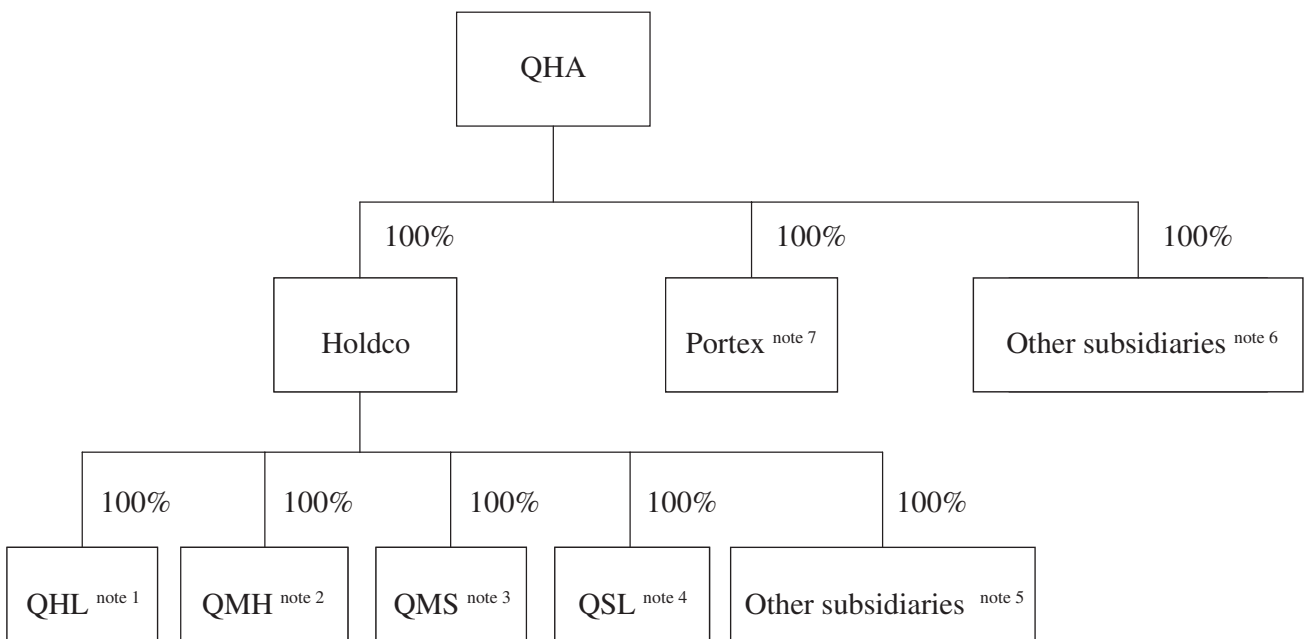
Closing will take place on the Closing Date, subject to fulfillment (or waiver, in case of (d) below) of the following Conditions:

- (a) the passing at a general meeting of QHA of QHA Shareholders’ resolutions to approve entry into the Agreement and the transactions contemplated thereunder (including the change of name of QHA as more particularly set out under the paragraphs headed “Undertakings by the Sellers and Other Terms under the Agreement” and “Possible Change of QHA’s Company Name” below);
- (b) if required, the passing of APL Shareholders’ resolution to approve entry into the Agreement and the transactions contemplated thereunder;
- (c) if required, the passing of AGL Shareholders’ resolution to approve entry into the Agreement and the transactions contemplated thereunder; and
- (d) any shares held by Focal Glory in any of the Disposal Group companies having been transferred to the Sellers or any one of the Disposal Group companies as the Purchaser may nominate.

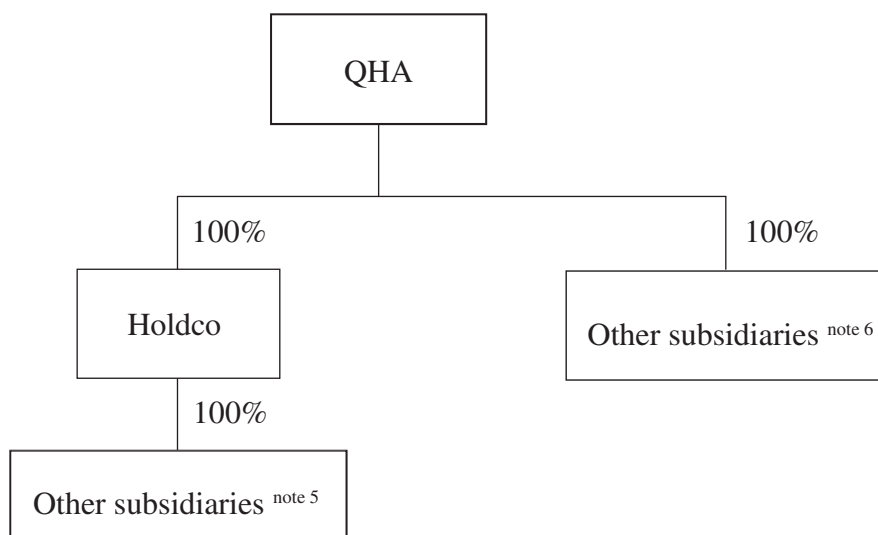
The Purchaser may at any time waive in whole or in part and conditionally or unconditionally the Condition set out in (d) above by notice in writing to the Sellers. If the Conditions set out above are not satisfied and notified to the Purchaser as satisfied or, where applicable, waived on or before the date falling 120 days after the date of the Agreement (or such other day as agreed by the Purchaser and the Sellers in writing), the Agreement shall lapse and be of no effect (save for certain surviving clauses as stated in the Agreement).

CORPORATE STRUCTURE OF QHA BEFORE AND AFTER CLOSING

Immediately before Closing, the abridged corporate structure of QHA is as follow:



Immediately after Closing, the abridged corporate structure of QHA is as follow:



Note 1: The principal business activity of QHL and its subsidiaries is the holding of service marks.

Note 2: The principal business activities of QMH and its subsidiaries are the operation of primary healthcare centres for both private and corporate patients administering Chinese and/or western medicine and ancillary healthcare centres including skincare centres.

Note 3: The principal business activity of QMS is the provision of contract healthcare services.

Note 4: The principal business activities of QSL and its subsidiaries are the provision of nursing agency service and the operation of LASIK facilities and dental, physiotherapy, foot care, ophthalmic, psychological and holistic centres.

Note 5: The principal business activities of other subsidiaries directly under Holdco are investment holding, the Elderly Healthcare Businesses and the provision of management and administrative services.

Note 6: The principal business activities of other subsidiaries directly under QHA are investment holding and the Elderly Healthcare Businesses.

Note 7: The principal business activity of Portex is investment holding in subsidiaries for the provision of psychological services in Macau.

Undertakings by the Sellers and Other Terms under the Agreement

Pursuant to the Agreement:

- (a) Each of the Sellers has undertaken with the Purchaser that, inter alia, it will change its and each of its subsidiaries' (excluding the Disposal Group) corporate names and marks promptly, and in any event, within 90 days immediately following Closing, to names and marks not containing the words "Quality", "卓健" or any abbreviation of or derivation from any such words or otherwise any word or mark which is similar to or resembles any such words and which new names and marks shall not give any impression that the Sellers or any of the Sellers' subsidiaries are connected to the Purchaser or the Disposal Group;
- (b) It is agreed that if, between Closing and the date falling 18 months after Closing, the Purchaser or the Sellers determine that any property, rights or assets forming part of the business of any of the Disposal Group companies as carried on at the date of the Agreement have not been acquired by the Purchaser at Closing (i.e. Wrong Box Assets) (including the

case where such Wrong Box Assets are not in fact held within the Disposal Group) but should properly have been so acquired, any such Wrong Box Assets shall without undue delay be transferred to the Purchaser and, to the extent permitted by law, shall be held on behalf of the Purchaser pending such transfer. To the extent that the Sellers or any of their Affiliates receive any payment from a third party on or after the Closing Date which is attributable to (i) a Wrong Box Asset; or (ii) the period commencing on the Closing Date, the Sellers covenant to procure that such sum is promptly paid to the Purchaser and held on behalf of the Purchaser pending such transfer;

- (c) The Sellers have undertaken with the Purchaser that they will not, and will procure that none of their respective subsidiaries from time to time will, in the 12 months from the date of Closing:
- (i) declare, pay or make any dividend or distribution to any person other than QHA or a wholly-owned subsidiary of QHA. This undertaking does not prevent QHA's intention of declaring and paying a dividend up to HK\$1.00 per QHA Share in the 12 months from the Closing Date;
 - (ii) make any payments or transfer any assets to any person other than QHA or a wholly-owned subsidiary of QHA, other than pursuant to agreements or arrangements on an arm's length basis in the ordinary and usual course of business;
 - (iii) assume or incur any liabilities for the benefit of any person other than QHA or a wholly-owned subsidiary of QHA, other than pursuant to agreements or arrangements on an arm's length basis in the ordinary and usual course of business;
 - (iv) make any payments to any person other than QHA or a wholly-owned subsidiary of QHA in respect of any share capital or other securities being redeemed, purchased or repaid, or any other return of capital;
 - (v) waive any amount owed to it by any person other than QHA or a wholly-owned subsidiary of QHA;
 - (vi) commence any proceedings for voluntary winding up; or
 - (vii) enter into any agreement or arrangement to give effect to any of the matters referred to in (i) to (vi) above.

The purpose of the above undertakings is to ensure that assets will not be disposed of to, or liabilities will not be incurred for the benefit of, any person other than QHA or a wholly-owned subsidiary of QHA for agreements or arrangements which are not on an arm's length basis in the ordinary and usual course of business, as a comfort to the Purchaser that the Sellers will perform their obligations under the Agreement (i.e. for 12 months from the Closing Date in order to ensure that QHA will not deplete its asset base and will retain sufficient assets to satisfy any possible claims under the Sellers' warranties which such claims are to be made within 12 months of Closing). The QHA Board believes that QHA's warranties are true and correct and therefore any claims are unlikely and therefore, the QHA Board is of the view that the provision of the above undertakings would not have any material adverse impact on QHA's business operation and financial position.

(d) Shared Services among the Sellers' Group and the Disposal Group

It is agreed that to the extent that any member of the Disposal Group receive services from any member of the Sellers' Group (other than the Disposal Group) and such services are required by that member of the Disposal Group post Closing, the Sellers shall, and shall procure that any member of the Sellers' Group providing such services shall, continue to provide the relevant member of the Disposal Group with those services for a period of up to three months post Closing or such other period as the Sellers and the Purchaser may agree, the scope of services to be provided to be agreed by the Sellers and the Purchaser and on terms which may include reasonable charges for the services.

(e) Non-competition undertaking by the Sellers

Each of the Sellers has undertaken with the Purchaser that it will not and will procure that none of its subsidiaries will and will use best endeavours to procure that no other Restricted Party will, in any Relevant Capacity during the Restricted Period, directly or indirectly:

- (i) carry on, be engaged in or be economically interested in any business in the Restricted Territory which is of the same or similar type to the business of any Disposal Group company as now carried on and which is or is likely to be in competition with the business of any Disposal Group company as now carried on;
- (ii) in competition with the business of any Disposal Group company as now carried on, canvass or solicit the custom of any person, firm or company who has within three years prior to Closing been a customer of any Disposal Group company in relation to the business of the Disposal Group; or
- (iii) induce or seek to induce any present Restricted Employee to become employed whether as employee, consultant or otherwise by any Restricted Party, whether or not such Restricted Employee would thereby commit a breach of his contract of service,

in each case, without first obtaining the prior written consent of the Purchaser.

The above restrictions shall not operate to prohibit any Restricted Party from:

- (i) carrying on or being engaged in or being economically interested in any medical equipment distribution business or the Elderly Healthcare Businesses; or
- (ii) holding or being interested in up to 5% of any investment or interest in units or shares of any company, investment fund or trust, joint venture or partnership, provided that such interest does not confer on the Restricted Party any right to control the composition of the board of directors, trustees or other management body of such entity or be involved in the management of such entity.

UNDERTAKINGS BY OTHER PARTIES

Irrevocable Undertakings by Wah Cheong

As advised and confirmed by APL, on 8th October, 2010, Wah Cheong entered into a deed of undertaking in favour of the Purchaser, pursuant to which it undertook, inter alia:

- (a) to irrevocably vote in favour of the Transaction at the QHA SGM;
- (b) prior to Closing or the termination of Wah Cheong's obligations under the deed (whichever is earlier):
 - (i) not to sell, transfer, dispose of, charge, pledge or otherwise encumber or grant any option or other right over or otherwise deal with any of the QHA Shares or any interest in them (whether conditionally or unconditionally); and
 - (ii) not to enter into any agreement or arrangement with any person, whether conditionally or unconditionally, to do any of the acts prohibited by the terms in the above paragraph;
- (c) otherwise to support the Transaction; and
- (d) not to compete with the Disposal Group on substantially the same terms as the non-competition undertakings of the Sellers as mentioned in the paragraph headed "Non-competition undertaking by the Sellers".

Undertakings by Lee and Lee Trust, AGL and APL

As advised and confirmed by AGL (for itself and Lee and Lee Trust) and APL (for itself), on 8th October, 2010, each of Lee and Lee Trust, AGL and APL entered into a deed of undertaking in favour of the Purchaser, pursuant to which each of Lee and Lee Trust, AGL and APL undertook, inter alia, to support the Transaction and not to compete with the Disposal Group on substantially the same terms as the non-competition undertakings of the Sellers as mentioned in the paragraph headed "Non-competition undertaking by the Sellers".

EFFECTS OF THE TRANSACTION ON QHA

Immediately after Closing, AGL, APL and QHA will cease to hold any interests in the Disposal Group. QHA will continue to conduct the Elderly Healthcare Businesses.

The unaudited combined revenue and profit before taxation of the Elderly Healthcare Businesses for the year ended 31st December, 2009 were HK\$98,349,000 and HK\$7,783,000 respectively. As at 31st December, 2009, the unaudited combined net assets attributable to the Elderly Healthcare Businesses amounted to HK\$23,342,000 while the unaudited combined net assets attributable to the Elderly Healthcare Businesses as at 30th June, 2010 amounted to HK\$21,405,000.

POSSIBLE CHANGE OF QHA'S COMPANY NAME

To comply with the undertakings given by the Sellers in favour of the Purchaser to change the name of QHA to a name not containing the words "Quality" or "卓健" (as stated in the paragraph headed "Undertakings by the Sellers and Other Terms under the Agreement"), QHA will change its name subject to Closing. A separate announcement will be issued by QHA in relation to the change of name.

REASONS FOR AND BENEFITS OF THE TRANSACTION FOR QHA

The QHA Board takes the view that the Purchase Price represents an attractive opportunity to realise a capital gain on the disposal of the Disposal Group. QHA will be able to continue to operate and develop its Elderly Healthcare Businesses in Hong Kong and to acquire or develop both healthcare businesses and Elderly Healthcare Businesses in the PRC and elsewhere as well as to diversify into other business sectors in Hong Kong, the PRC and elsewhere (provided that such activities do not breach the undertakings of the Sellers mentioned in the paragraph headed “Non-competition undertaking by the Sellers”) as opportunities are identified. The QHA Board will, after completion of the Transaction, consider the declaration of a special interim dividend up to HK\$1.00 per QHA Share. This will enable all QHA Shareholders to enjoy an immediate benefit whilst retaining their stake in the future development of QHA.

QHA will, after the payment of any such special interim dividend (if any), retain sufficient resources to undertake significant acquisitions and the development of the same.

The QHA Board considers that the Transaction is on normal commercial terms, fair and reasonable and in the interests of QHA and the QHA Shareholders as a whole.

FUTURE INTENTIONS

QHA has a firm intention to utilise the proceeds available from the Transaction after payment of any special interim dividend as mentioned aforesaid at the earliest possible date and surplus cash or cash equivalent available after Closing will be of a temporary nature only pending completion of acquisitions.

QHA will as aforesaid improve its existing Elderly Healthcare Businesses and will finalise current evaluations of healthcare related business in the PRC and investments in other sectors. It is currently expected that acquisitions of new investments would be completed within six months of the current date and more than 50% of the proceeds available from the Transaction after payment of any special interim dividend will be applied for such acquisitions.

The QHA Board currently intends to utilise the proceeds available from the Transaction after payment of any special interim dividend for the abovementioned plans. However, the QHA Board has not yet finalised its assessment of and negotiation for the new acquisitions, and thus is not able to detail the plans as at the date of this announcement. Further announcement(s) will be made as soon as the proposals have been finalised.

REASONS FOR AND BENEFITS OF THE TRANSACTION FOR AGL AND APL

Based on the information and the confirmation provided by QHA, each of the AGL Board and the APL Board has accepted the confirmation by QHA and therefore shares the view of the QHA Board that the Purchase Price represents an attractive opportunity to realise a capital gain on the disposal of the Disposal Group.

The AGL Board concurs with the view of the QHA Board and considers that the Transaction is on normal commercial terms, fair and reasonable and in the interests of AGL and the AGL Shareholders as a whole.

The APL Board concurs with the view of the QHA Board and considers that the Transaction is on normal commercial terms, fair and reasonable and in the interests of APL and the APL Shareholders as a whole.

INFORMATION ABOUT THE DISPOSAL GROUP

As advised and confirmed by QHA, the Disposal Group's principal business is that of a health administrative company and also includes the provision of medical services, nursing agency services, physiotherapy, dental care, third party administration, and other healthcare related services.

Set out below is the key unaudited combined financial information of the Disposal Group for the two years ended 31st December, 2009.

	For the year ended	
	31st December	
	2008	2009
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Revenue	882,066	1,002,463
Profit before taxation	66,734	74,619
Profit attributable to QHA Shareholders	55,904	61,889

As at 31st December, 2009, the unaudited combined net assets of the Disposal Group excluding intercompany balances amounted to approximately HK\$134,572,000.

Based on the Consideration Amount (subject to adjustments as more particularly described in the paragraph headed "Consideration") and the unaudited combined net assets attributable to the Disposal Group of approximately HK\$148,052,000 as at 30th June, 2010, the gain to be accrued to QHA will be approximately HK\$1,392,948,000.

The gain attributable to APL is estimated to be approximately HK\$703,076,000, and is derived on the basis of the gain of approximately HK\$1,392,948,000 attributable to QHA and adjusted for the attributable intangible assets, goodwill and non-controlling interests in QHA.

The gain attributable to AGL is estimated to be approximately HK\$508,465,000, and is derived on the basis of the gain of approximately HK\$703,076,000 attributable to APL and adjusted for non-controlling interests in APL.

The QHA Board intends to use the net proceeds from the Transaction to (i) consider the declaration of a special interim dividend up to HK\$1.00 per QHA Share to QHA Shareholders after Closing; and (ii) investigate the further development of Elderly Healthcare Businesses in Hong Kong, investigate the acquisition and/or development of Elderly Healthcare Businesses and healthcare businesses in the PRC and elsewhere as well as opportunities in other business sectors in the PRC and elsewhere (provided that any such activities do not breach the undertakings of the Sellers mentioned in the paragraph headed "Non-competition Undertaking by the Sellers"). The present intention of the QHA Board is to identify, evaluate and undertake an appropriate investment opportunity within six months of the Closing.

QHA will publish a further announcement as to the declaration of a special interim dividend, if any, as soon as practicable after the Closing Date.

INFORMATION ABOUT AGL, APL, QHA AND HOLDCO

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 investment and development, hospitality related activities, the provision of medical and healthcare services, the provision of financial services, and investments in listed and unlisted securities.

APL

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

As at the date of this announcement, APL is beneficially owned as to approximately 72.32% by AGL.

QHA

QHA is a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange.

The principal business activity of QHA is investment holding. The principal business activities of its major subsidiaries are the provision of medical services, nursing agency, physiotherapy, dental and other services and elderly care services.

As at the date of this announcement, QHA is beneficially owned as to approximately 69.76% by APL.

Holdco

Holdco is a company incorporated in BVI with limited liability. The principal business activity of Holdco is investment holding.

As at the date of this announcement, Holdco is a direct wholly-owned subsidiary of QHA.

LISTING RULES IMPLICATIONS

Major transaction for AGL

Pursuant to the Listing Rules, as one or more of the Percentage Ratio(s) of entry into the Transaction by QHA exceed 25% but fall below 75% for AGL, the Transaction constitutes a major transaction for AGL. The Agreement is therefore subject to announcement, reporting and the AGL Shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

As no AGL Shareholder is required to abstain from voting on the Transaction, AGL has obtained a written shareholder's approval from the controlling shareholder of AGL, namely Lee and Lee Trust, which holds 109,896,492 AGL Shares as at the date of this announcement (representing approximately 53.00% of the existing total issued share capital of AGL), for approving the Transaction in lieu of holding general meeting of AGL pursuant to Rule 14.44 of the Listing Rules.

Discloseable transaction for APL

Pursuant to the Listing Rules, as one or more of the Percentage Ratio(s) of entry into the Transaction by QHA exceed 5% but fall below 25% for APL, the Transaction constitutes a discloseable transaction for APL. The Agreement is therefore subject to announcement and reporting requirements pursuant to Chapter 14 of the Listing Rules.

Very substantial disposal for QHA

Pursuant to the Listing Rules, as one or more of the Percentage Ratio(s) of entry into the Transaction by QHA exceed 75% for QHA, the Transaction constitutes a very substantial disposal for QHA. The Agreement is therefore subject to announcement, reporting and the QHA Shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

Mr. Mark Wong Tai Chun is an executive director of APL and QHA and is also a QHA Shareholder holding 119,203 QHA Shares, representing approximately 0.05% of the total issued share capital of QHA, as at the date of this announcement. As APL does not have a material interest in the Transaction and Mr. Mark Wong Tai Chun does not have any interests which are different from that of the other QHA Shareholders, the QHA Board is of the view that he is not required to abstain from voting in respect of the resolutions to approve the Agreement and the transactions contemplated thereunder at the QHA SGM.

To the best of the knowledge, information and belief of the QHA Board and having made all reasonable enquiries, no QHA Shareholder has any material interest in the Agreement, and therefore none of them is required to abstain from voting in respect of the resolutions to approve the Agreement and the transactions contemplated thereunder at the QHA SGM.

GENERAL

As QHA needs more time to prepare the financial information of the Disposal Group, QHA expects to despatch a circular containing, inter alia, the financial information of the Disposal Group, further details of the Transaction and the notice of QHA SGM to QHA Shareholders on or before 8th November, 2010.

A circular containing, inter alia, further details of the Transaction, will be despatched by AGL to AGL Shareholders on or before 8th November, 2010.

AGL Shareholders, APL Shareholders, QHA Shareholders and potential investors should note that the Transaction may or may not proceed as it is subject to a number of conditions, which may or may not be fulfilled. AGL Shareholders, APL Shareholders, QHA Shareholders and potential investors are reminded to exercise caution when dealing in the shares of AGL, APL and QHA.

SUSPENSION AND RESUMPTION OF TRADING

Trading of AGL Shares, APL Shares and QHA Shares on the Stock Exchange was suspended at the request of AGL, APL and QHA respectively with effect from 2:30 p.m. on 5th October, 2010 pending the release of this announcement. Each of AGL, APL and QHA has applied for resumption of trading in AGL Shares, APL Shares and QHA Shares respectively on the Stock Exchange with effect from 9:30 a.m. on 11th October, 2010.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions should have the following meanings when used herein:

“Affiliate(s)”	of a person means any person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, the first person
“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 directors of AGL
“AGL Share(s)”	share(s) of HK\$2.00 each in the share capital of AGL
“AGL Shareholder(s)”	holders of AGL Share(s)
“Agreement”	the share sale agreement entered into among QHA, Holdco, the Purchaser and RHC on 8th October, 2010 relating to the sale and purchase of the Disposal Shares
“APL”	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), and a non wholly-owned subsidiary of AGL
“APL Board”	the board of directors of APL
“APL Share(s)”	share(s) of HK\$0.20 each in the share capital of APL
“APL Shareholder(s)”	holders of APL Share(s)
“Base Working Capital”	in respect of the Disposal Group, HK\$20 million
“Bid Value”	has the meaning set out in the paragraph headed “Consideration” of this announcement
“Business Day”	a day excluding Saturdays, Sundays and public holidays in Hong Kong, Singapore, Mauritius, India and BVI
“BVI”	the British Virgin Islands

“Closing”	completion of the sale and purchase of the Disposal Shares pursuant to the terms of the Agreement
“Closing Date”	the date on which Closing takes place
“Closing Statement”	combined consolidated statement of financial position of the Disposal Group as at the Closing Date, to be prepared in accordance with the Agreement
“Condition(s)”	the condition(s) precedent to Closing, as more particularly set out in the paragraph headed “Closing and Conditions” of this announcement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration Amount”	has the meaning set out in the paragraph headed “Consideration” of this announcement
“control”	a person shall be deemed to “control” another person if such first person possesses, directly or indirectly, the power to direct, or cause the direction of, the management and policies of such other person, whether through the ownership of voting securities, by contract or otherwise, and “controlled” shall be interpreted accordingly
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Disposal Group”	QHL, QMH, QMS, QSL and Portex and their respective subsidiaries
“Disposal Shares”	the Quality Shares and the Portex Shares
“Elderly Healthcare Businesses”	the business of providing healthcare, nursing, physiotherapy, medical and other related services to the elderly carried on by the Sellers’ Group (other than the Disposal Group) excluding for the avoidance of doubt the QMS Business and QSL Business
“Focal Glory”	Focal Glory Inc., a company incorporated in BVI with limited liability and an indirect wholly-owned subsidiary of QHA
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Holdco”	Quality HealthCare Holdings Limited, a company incorporated in BVI with limited liability and a direct wholly-owned subsidiary of QHA
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Lee and Lee Trust”	Lee and Lee Trust, a discretionary trust and is beneficially interested in 109,896,492 AGL Shares, representing approximately 53.00% of the existing total issued share capital of AGL as at the date of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“Macau”	Macau Special Administrative Region of the PRC
“Percentage Ratio(s)”	percentage ratio(s) set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction
“Portex”	Portex Limited, a company incorporated in Hong Kong with limited liability
“Portex Shares”	1,000,000 ordinary shares of HK\$1.00 each in the share capital of Portex
“PRC”	the Peoples’ Republic of China and for the purpose of this announcement, excluding Hong Kong and Macau
“Purchase Price”	the total consideration for the Transaction as more particularly set out in the paragraph headed “Consideration” of this announcement
“Purchaser”	Altai Investments Limited, a company incorporated in BVI with limited liability
“QHA”	Quality HealthCare Asia Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 593)
“QHA Board”	the board of directors of QHA
“QHA SGM”	a special general meeting of QHA to be convened to consider, and if thought fit, to approve the Agreement and the transactions contemplated thereunder
“QHA Share(s)”	share(s) of HK\$0.10 each in the share capital of QHA
“QHA Shareholder(s)”	holders of QHA Share(s)
“QHL”	Quality HealthCare Limited, a company incorporated in BVI with limited liability
“QMH”	Quality HealthCare Medical Holdings Limited, a company incorporated in Hong Kong with limited liability
“QMS”	Quality HealthCare Medical Services Limited, a company incorporated in Hong Kong with limited liability
“QMS Business”	the operation of primary healthcare centres for both private and corporate patients administering Chinese and/or western medicine and ancillary healthcare centres including skincare centres, LASIK facilities, ophthalmic centres and psychological care centres and holistic centres
“QSL”	Quality HealthCare Services Limited, a company incorporated in BVI with limited liability

“QSL Business”	the operation of ancillary healthcare centres including nursing agencies, dental centres, physiotherapy centres and foot care centres
“Quality Shares”	60,000,000 ordinary shares of HK\$0.10 each in the share capital of QHL, 2 ordinary shares of HK\$1.00 each in the share capital of QMH, 2 ordinary shares of HK\$1.00 each in the share capital of QMS and 3 ordinary shares of US\$1.00 each in the share capital of QSL
“Relevant Capacity”	for its own account or for that of any person, firm or company (other than the Purchaser) or in any other manner and whether through the medium of any company controlled by it (for which purpose there shall be aggregated with its shareholding or ability to exercise control the shares held or control exercised by any person connected with the Sellers) or as principal, partner, director, employee, consultant or agent
“Restricted Employee(s)”	any Employee who (a) has access to trade secrets or other confidential information of the Disposal Group; (b) has participated in discussions relating to the Transaction; or (c) is a Senior Employee
“Restricted Party”	means the Sellers and any connected person of the Sellers, controlled, directly or indirectly, by the Sellers or over which the Sellers are able to exercise influence (and for this purpose, “connected person” shall have the meaning given to it in Rule 14A.11 of the Listing Rules, save that any reference to a listed issuer therein shall be read instead as a reference to QHA or Holdco, as the case may be)
“Restricted Period”	three years commencing on Closing or such shorter period of time recognised by applicable laws as being binding on the Sellers
“Restricted Territory”	Hong Kong and Macau
“RHC”	RHC Holding Private Limited, a company incorporated in India with limited liability
“Sellers”	QHA and Holdco
“Sellers’ Group”	QHA and its subsidiaries from time to time
“Senior Employee(s)”	(a) any directors of any member of the Disposal Group and (b) any employee employed or engaged in relation to the Disposal Group with an aggregate annual compensation in excess of HK\$2,000,000 or local equivalent
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction”	the disposal of the Disposal Group held by QHA and Holdco to the Purchaser pursuant to the Agreement
“US\$”	US dollars, the lawful currency of the United States of America

“Wah Cheong”	Wah Cheong Development (B.V.I.) Limited, a company incorporated in BVI with limited liability and is an indirect wholly-owned subsidiary of APL. Wah Cheong is the immediate shareholder of QHA holding 144,385,776 QHA Shares, representing approximately 69.76% of the total issued share capital of QHA, as at the date of this announcement
“Working Capital”	the current assets minus current liabilities of the Disposal Group at the Closing Date as shown in the Closing Statement
“Working Capital Adjustment”	the amount by which the Working Capital exceeds the Base Working Capital (which amount shall be added to the Consideration Amount) or the amount by which the Working Capital is less than the Base Working Capital (which amount shall be deducted from the Consideration Amount)
“%”	per cent

By Order of the AGL Board
Allied Group Limited
Edwin Lo King Yau
Executive Director

By Order of the APL Board
Allied Properties (H.K.) Limited
Li Chi Kong
Executive Director

By Order of the QHA Board
Quality HealthCare Asia Limited
Mark Wong Tai Chun
Executive Director

Hong Kong, 8th October, 2010

As at the date of this announcement, the AGL Board comprises:

Executive Directors:

Messrs. Lee Seng Hui (Chief Executive), Edwin Lo King Yau and Mak Pak Hung

Non-Executive Directors:

Mr. Arthur George Dew (Chairman) and Ms. Lee Su Hwei

Independent Non-Executive Directors:

Messrs. Wong Po Yan, David Craig Bartlett, John Douglas Mackie and Alan Stephen Jones

As at the date of this announcement, the APL Board comprises:

Executive Directors:

Messrs. Lee Seng Hui (Chief Executive), Li Chi Kong and Mark Wong Tai Chun

Non-Executive Director:

Mr. Arthur George Dew (Chairman)

Independent Non-Executive Directors:

Messrs. John Douglas Mackie, Steven Samuel Zoellner and Alan Stephen Jones

As at the date of this announcement, the QHA Board comprises:

Executive Directors:

Dr. Lincoln Chee Wang Jin (Chief Executive Officer) and Mr. Mark Wong Tai Chun

Non-Executive Director:

Mr. Arthur George Dew (Chairman)

Independent Non-Executive Directors

Messrs. Francis J. Chang Chu Fai (Deputy Chairman), Li Chak Hung and Carlisle Caldow Procter