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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)

INSIDE INFORMATION AND PROFIT WARNING

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

Reference is made to the profit warning announcement made by the Company’s indirect non wholly-owned subsidiary, Sun Hung Kai & Co. Limited (“**SHK**”) on 22nd July, 2016. The board of directors of the Company (“**Board**”) wishes to inform the shareholders of the Company (“**Shareholders**”) and potential investors that, based on the information currently available to the Company and the preliminary review of the Group’s unaudited consolidated management accounts for the six months ended 30th June, 2016 (“**Management Accounts**”), the unaudited consolidated profit for the six months ended 30th June, 2016 will show a significant decrease as compared to the unaudited consolidated profit for the corresponding period in 2015. Such decrease is primarily due to lower earnings of SHK and lower revaluation gains from investment properties of the Group during the period. The primary reasons for decrease in profit of SHK are as follows: (1) during the six months ended 30th June, 2015 there was a non-recurring profit of HK\$3,033 million from the sale of 70% of the Sun Hung Kai Financial Group Limited (“**SHKFGL**”) business to Everbright Securities Financial Holdings Limited; (2) as a result of this sale, SHK’s share of the profit from the SHKFGL business reduced from 100% to 30%. In addition, the profit for the period from continuing operations of SHK has decreased by approximately 50% as a result mainly of (3) net mark-to-market losses from financial investments in SHK’s principal investments segment in the context of weaker financial markets during the period and (4) the continuing difficult operating environment for SHK’s consumer finance business in Mainland China.

The Company has yet to finalise the interim results of the Group for the six months ended 30th June, 2016. The information contained in this announcement is only based on a preliminary review of the Management Accounts which have not been reviewed or audited by the Company’s auditor and the actual results of the Group for the six months ended 30th June, 2016 may be different from what is disclosed herein. Shareholders and potential investors are advised to read carefully the unaudited interim results announcement of the Company for the six months ended 30th June, 2016 which is expected to be issued before end of August 2016.

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

On behalf of the Board
Allied Properties (H.K.) Limited
Arthur George Dew
Chairman

Hong Kong, 29th July, 2016

As at the date of this announcement, the Board comprises Messrs. Lee Seng Hui (Chief Executive), Li Chi Kong and Mark Wong Tai Chun being the Executive Directors; Mr. Arthur George Dew (Chairman) being the Non-Executive Director; and Messrs. Steven Samuel Zoellner, Alan Stephen Jones and David Craig Bartlett being the Independent Non-Executive Directors.