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The Hong Kong Building and Loan Agency Limited

香港建屋貸款有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 145)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting of The Hong Kong Building and Loan Agency Limited (the “**Company**”) will be held at LG2, The Empire Hotel, 33 Hennessy Road, Wanchai, Hong Kong on Wednesday, 30 April 2014 at 11:30 a.m. or any adjournment thereof (as the case may be) for the purpose of considering and, if thought fit, passing, with or without amendment or modification, the following resolutions:

ORDINARY RESOLUTION

1. “**THAT:**

- (a) the sale and purchase agreement dated 31 October 2013 entered into among (i) Total Global Holdings Limited, a wholly-owned subsidiary of the Company (the “**Purchaser**”), (ii) CITIC International Assets Management Limited, Ample Richness Investments Limited, Smart Promise Limited, Infinite Soar Limited, Cross Cone Holdings Limited, Newmargin Partners Ltd., Carbon Reserve Investments Limited and Season Best Investments Limited (together, the “**Vendors**”), and (iii) the Company (as Purchaser’s guarantor) (the “**Sale and Purchase Agreement**”, copies of which are tabled at this meeting and marked “A” and initialled by the chairman of this meeting for the purpose of identification), pursuant to which the parties to the Sale and Purchase Agreement agreed that, subject to the satisfaction of the conditions precedent therein, the Vendors will sell and the Purchaser will acquire the entire issued share capital of Weldtech Technology Co. Limited at the aggregate consideration of HK\$2,476,000,010 (the “**Acquisition**”) and the transactions contemplated thereunder be and are hereby approved, ratified and confirmed;
- (b) the creation and issue by the Company of the Convertible Bonds to the Vendors upon completion of the Acquisition in accordance with Sale and Purchase Agreement in an aggregate principal amount of HK\$1,262,500,010 be and are hereby generally and unconditionally approved in all respects;

- (c) the allotment and issue of new shares of the Company upon the exercise of conversion rights attaching to the Convertible Bonds be and are hereby approved;
- (d) the allotment and issue by the Company of the Consideration Shares at the issue price of HK\$0.8 per Consideration Share to the Vendors upon completion of the Acquisition in accordance with Sale and Purchase Agreement be and are hereby generally and unconditionally approved in all respects;
- (e) the specific mandate pursuant to which the Consideration Shares and the Conversion Shares shall be allotted and issued be and is hereby approved; and
- (f) any one director of the Company be and is hereby authorised for and on behalf of the Company to execute all such documents, instruments, agreements and deeds and do all such acts, matters and things as he/she may in his/her absolute discretion consider necessary or desirable for the purpose of and in connection with the implementation of the Sale and Purchase Agreement and the transactions contemplated thereunder and to agree to such variations of the terms of the Sale and Purchase Agreement and the Referral Agreement and the transaction documents contemplated thereunder as he/she may in his/her absolute discretion consider necessary or desirable.

for the purpose of this resolution:

“Convertible Bonds” means convertible bonds in the aggregate principal amount of HK\$1,262,500,010 with nil interest for the first 3 years and interest rate of 3% per annum for the fourth to tenth year from the date of issue, and with the conversion price (being HK\$0.8 per new share of the Company (subject to adjustments)) and the maturity date of 31 December 2023, to be issued by the Company as part of the consideration under the Sale and Purchase Agreement; and

“Consideration Shares” means an aggregate of 170,000,000 new shares of the Company to be allotted and issued by the Company to the Vendors at the issue price (being HK\$0.8) pursuant to the Sale and Purchase Agreement.”

By order of the Board
The Hong Kong Building and Loan Agency Limited
So Yuen Chun
Executive Director

Hong Kong, 11 April 2014

Registered Office:
Unit F, 7/F
China Overseas Building
139 Hennessy Road
Wanchai, Hong Kong

Notes:

- (1) A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, in the event of a poll, vote in his stead. A proxy need not be a member of the Company. In order to be valid, the form of proxy must be deposited at the Company's registered office of Unit F, 7/F., China Overseas Building, 139 Hennessy Road, Wanchai, Hong Kong together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, not less than 48 hours before the time for holding the meeting or adjourned meeting.
- (2) In the case of joint holders of shares in the Company, the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holders, seniority being determined by the order in which names stand in the register of members.
- (3) Completion and return of the form of proxy will not preclude members from attending and voting in person at the extraordinary general meeting or any adjournment.
- (4) If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 8:00 a.m. on the date of the extraordinary general meeting, the meeting will be postponed. The Company will post an announcement on the Company's website <http://www.hkbla.com.hk> and the "Latest Company Announcements" page of the Stock Exchange website to notify Shareholders of the date, time and place of the rescheduled meeting.
- (5) As at the date of this notice, the Board comprises Mr. So Yuen Chun and Mr. Yeung Kwok Leung being executive Directors; Mr. Lam Kwok Hing, Wilfred, J.P. being non-executive Director; and Mr. Yeung Wai Hung, Peter, Mr. Lam Raymond Shiu Cheung and Ms. Yuen Wai Man being independent non-executive Directors.