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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)

**(I) RESULTS OF THE RIGHTS ISSUE ON THE BASIS OF  
ONE (1) RIGHTS SHARE FOR EVERY THREE (3) EXISTING SHARES  
HELD ON THE RECORD DATE AT THE SUBSCRIPTION PRICE OF  
HK\$0.18 PER RIGHTS SHARE; AND  
(II) ADJUSTMENTS IN RELATION TO  
THE OUTSTANDING SHARE OPTIONS**

**Financial Adviser and Sole Underwriter to the Rights Issue**



**PLATINUM**  
Securities

**Platinum Securities Company Limited**

**RESULTS OF THE RIGHTS ISSUE**

The Board is pleased to announce that all the conditions set out in the Underwriting Agreement had been fulfilled and the Underwriting Agreement had not been terminated by the Underwriter prior to the Latest time for Termination. Accordingly, the Underwriting Agreement and the Rights Issue became unconditional at 4:00 p.m. on Monday, 7 December 2020.

At 4:00 p.m. on Friday, 4 December 2020, being the Latest Time for Acceptance, (i) a total of 15 valid acceptances of provisional allotments under the PALs had been received for a total of 55,149,437 Rights Shares, representing approximately 42.15% of the total number of Rights Shares available for subscription under the Rights Issue; and (ii) a total of 11 valid applications for Excess Rights Shares under the EAFs had been received for a total of 8,733,069 Rights Shares, representing approximately 6.67% of the total number of Rights Shares available for subscription under the Rights Issue.

In aggregate, 26 valid acceptances and applications in respect of a total of 63,882,506 Rights Shares had been received, representing approximately 48.83% of the total number of 130,832,727 Rights Shares available for subscription under the Rights Issue.

Accordingly, the Rights Issue was under-subscribed by 66,950,221 Rights Shares, representing (i) approximately 51.17% of the total number of 130,832,727 Rights Shares available for subscription under the Rights Issue; and (ii) approximately 12.79% of the issued share capital of the Company of 523,330,908 Shares as enlarged by the allotment and issue of the Rights Shares.

#### **UNDERWRITING ARRANGEMENTS**

As a result of the under-subscription of the Rights Issue and in accordance with the terms of the Underwriting Agreement, the Underwriter will subscribe for and has procured subscribers to subscribe for 66,950,221 Rights Shares, representing approximately 51.17% of the total number of 130,832,727 Rights Shares available for subscription under the Rights Issue. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, all subscribers procured by the Underwriter are Independent Third Parties and each of the subscribers is not a party acting in concert with each other. None of the subscribers procured by the Underwriter (including the Sub-underwriter) has become a substantial shareholder of the Company upon completion of the Rights Issue.

#### **EXCESS RIGHTS SHARES**

As the Rights Shares were under-subscribed, all 11 valid excess applications have been accepted and a total of 8,733,069 Excess Rights Shares will be allotted and issued to the relevant Qualifying Shareholders in full. Accordingly, no refund cheques for wholly and partially unsuccessful applications for Excess Rights Shares will be posted.

## **DESPATCH OF SHARE CERTIFICATES**

Share certificates for all fully-paid Rights Shares will be despatched to the relevant Qualifying Shareholders by ordinary post to their registered addresses at their own risk on Monday, 14 December 2020.

## **COMMENCEMENT OF DEALINGS IN THE FULLY-PAID RIGHTS SHARES**

Dealings in the fully-paid Rights Shares are expected to commence on the Stock Exchange at 9:00 a.m. on Tuesday, 15 December 2020.

## **ADJUSTMENTS IN RELATION TO THE OUTSTANDING SHARE OPTIONS**

As a result of the Rights Issue, adjustments to the exercise price and the number of Shares to be issued upon exercise of the outstanding Share Options will become effective from Monday, 14 December 2020 upon the allotment and issue of the Rights Shares pursuant to the Rights Issue. Details are set out in the paragraph headed “ADJUSTMENTS IN RELATION TO THE OUTSTANDING SHARE OPTIONS” in this announcement.

Reference is made to the prospectus of The Hong Kong Building and Loan Agency Limited (the “**Company**”) dated 20 November 2020 (the “**Prospectus**”) in connection with the Rights Issue. Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as those defined in the Prospectus.

## **RESULTS OF THE RIGHTS SHARES**

The Board is pleased to announce that all the conditions set out in the Underwriting Agreement had been fulfilled and the Underwriting Agreement had not been terminated by the Underwriter prior to the Latest time for Termination. Accordingly, the Underwriting Agreement and the Rights Issue became unconditional at 4:00 p.m. on Monday, 7 December 2020.

At 4:00 p.m. on Friday, 4 December 2020, being the Latest Time for Acceptance, (i) a total of 15 valid acceptances of provisional allotments under the PALs had been received for a total of 55,149,437 Rights Shares, representing approximately 42.15% of the total number of Rights Shares available for subscription under the Rights Issue; and (ii) a total of 11 valid applications for Excess Rights Shares under the EAFs had been received for a total of 8,733,069 Rights Shares, representing approximately 6.67% of the total number of Rights Shares available for subscription under the Rights Issue.

In aggregate, 26 valid acceptances and applications in respect of a total of 63,882,506 Rights Shares had been received, representing approximately 48.83% of the total number of 130,832,727 Rights Shares available for subscription under the Rights Issue.

Based on the above results, the Rights Issue was under-subscribed by 66,950,221 Rights Shares, representing (i) approximately 51.17% of the total number of 130,832,727 Rights Shares available for subscription under the Rights Issue; and (ii) approximately 12.79% of the issued share capital of the Company of 523,330,908 Shares as enlarged by the allotment and issue of the Rights Shares.

## **UNDERWRITING ARRANGEMENTS**

As a result of the under-subscription of the Rights Issue and in accordance with the terms of the Underwriting Agreement, the Underwriter has procured subscribers including the Sub-underwriter to subscribe for 66,950,221 Rights Shares, representing approximately 51.17% of the total number of 130,832,727 Rights Shares available for subscription under the Rights Issue. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, all subscribers procured by the Underwriter are Independent Third Parties and each of the subscribers is not a party acting in concert with each other. None of the subscribers procured by the Underwriter (including the Sub-underwriter) has become a substantial shareholder of the Company upon completion of the Rights Issue.

## **EXCESS RIGHTS SHARES**

As the Rights Shares were under-subscribed, all 11 valid excess applications have been accepted and a total of 8,733,069 Excess Rights Shares will be allotted and issued to the relevant Qualifying Shareholders in full. Accordingly, no refund cheques for wholly and partially unsuccessful applications for Excess Rights Shares will be posted.

## SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company immediately before and after completion of the Rights Issue is set out below:

Shareholders	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
<i>Substantial Shareholder:</i>				
CITIC International Assets Management Limited ( <i>Note 1</i> )	106,447,008	27.12	106,447,008	20.34
The Underwriter and/or subscriber(s) procured by it/or sub-underwriter ( <i>Note 2</i> )	–	–	104,040,557	19.88
Public Shareholders	286,051,173	72.88	312,843,343	59.78
<b>Total</b>	392,498,181	100	523,330,908	100

*Notes:*

1. CITIC International Assets Management Limited is owned as to 46% by CITIC International Financial Holdings Limited, a wholly-owned subsidiary of China CITIC Bank Corporation Limited, which is over 60% indirectly owned by CITIC Limited, which is indirectly owned as to 58.13% by CITIC Group Corporation. By virtue of the SFO, each of CITIC International Financial Holdings Limited, China CITIC Bank Corporation Limited, CITIC Limited and CITIC Group Corporation is deemed to be interested in the shares held by CITIC International Assets Management Limited.
2. Pursuant to the Underwriting Agreement, the Underwriter shall not enter into binding agreements with certain placees and/or sub-underwriters, which shall be independent third parties, for placing and/or sub-underwriting the Rights Shares, such that neither the Underwriter together with such parties acting in concert (if any) with the Underwriter (having the meaning as set out in the Takeovers Code) nor any of the placees and/or sub-underwriters and their respective parties acting in concert (having the meaning as set out in the Takeovers Code) shall be interested in 10% or more of the issued share capital of the Company as enlarged by the Rights Issue.

## **DESPATCH OF SHARE CERTIFICATES**

Share certificates for all fully-paid Rights Shares will be despatched to the relevant Qualifying Shareholders by ordinary post to their registered addresses at their own risk on Monday, 14 December 2020.

## **COMMENCEMENT OF DEALINGS IN THE FULLY-PAID RIGHTS SHARES**

Dealings in the fully-paid Rights Shares are expected to commence on the Stock Exchange at 9:00 a.m. on Tuesday, 15 December 2020.

## **ARRANGEMENT ON ODD LOT TRADING**

In order to facilitate the trading of odd lots of the Shares arising from the Rights Issue, the Company has appointed One China Securities Limited to stand in the market to match the purchase and sale of odd lots of the Shares at the relevant market price, on a best efforts basis.

Holders of odd lots of the Shares who wish to take advantage of this facility either to dispose of their odd lots of the Shares or to top up to a full board lot may contact Ms. Carmen Wong at (852) 31882676, 2/F., Cheong K. Building, 86 Des Voeux Road Central, Central, Hong Kong during the period from Tuesday, 15 December 2020 at 9:00 a.m. to Wednesday, 6 January 2021 at 4:00 p.m., both days inclusive. Holders of the odd lots of the Shares should note that the matching of the sale and purchase of odd lots of the Shares is not guaranteed. Any Shareholder, who is in any doubt about the odd lot facility, is recommended to consult his/her/its own professional advisers.

## **ADJUSTMENTS IN RELATION TO THE OUTSTANDING SHARE OPTIONS**

Immediately before completion of the Rights Issue, there are 11,620,350 outstanding share options under the Share Option Scheme. Pursuant to the terms and conditions of the Share Option Scheme and the Listing Rules, the exercise price and/or the number of the outstanding share options granted under the Share Option Scheme will be adjusted.

As a result of the Rights Issue, adjustments to the exercise price and the number of Shares to be issued upon exercise of the outstanding Share Options pursuant to the terms and conditions of the Share Option Scheme, Rule 17.03(13) of the Listing Rules (“**LR 17.03(13)**”) and the supplementary guidance issued by the Stock Exchange on 5 September 2005 regarding the interpretation of LR 17.03(13) are as follows and will become effective from Monday, 14 December 2020 upon the allotment and issue of the Rights Shares pursuant to the Rights Issue:

Date of grant	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	<i>Exercise price per Share (HK\$)</i>	<i>Number of Shares to be issued upon exercise of the Share Options</i>	<i>Adjusted exercise price per Share (HK\$)</i>	<i>Adjusted number of Shares to be issued upon exercise of the Share Options</i>
19 June 2020	0.66	11,620,350	0.656	11,683,849

Save for the above adjustments, all other terms and conditions of the outstanding Share Options remain unchanged.

Halcyon Capital Limited, the Company’s independent financial adviser, has reviewed and certified in writing that the adjustments to the outstanding Share Options are in compliance with the requirements as set out in LR 17.03(13) and the supplementary guideline regarding the adjustments to share options issued by the Stock Exchange on 5 September 2005.

By order of the Board  
**The Hong Kong Building and Loan Agency Limited**  
**Chong Kok Leong**  
*Executive Director*

Hong Kong, 11 December 2020

*As at the date of this announcement, the Board comprises Mr. Chong Kok Leong and Mr. Zhuang Miao Zhong being the executive Directors; and Mr. Choy Hiu Fai, Eric, Mr. Huang Lizhi and Mr. Lam Yau Fung, Curt being the independent non-executive Directors.*