

# 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)**

### PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

At the board meeting of The Hong Kong Building and Loan Agency Limited (the "Company") held on 22nd April, 2005, the board (the "Board") of Directors (the "Directors") of the Company approved, inter alia, to submit a proposal to amend the articles of association of the Company (the "Articles"). The proposed amendments to the Articles are subject to the approval of the shareholders of the Company (the "Shareholders") by way of special resolutions at the forthcoming annual general meeting of the Company (the "AGM").

In order to bring the Articles in line with the Code on Corporate Governance Practices (the "Code"), which came into effect on 1st January, 2005, the Board proposes that the Articles be amended to provide, inter alia, that the chairman of the general meetings of the Company (the "Chairman") must demand a poll in certain circumstances when a poll is required by the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and that every director of the Company shall be subject to retirement by rotation at least once every three years.

A circular containing, inter alia, further details concerning the proposed amendments to the Articles and a notice convening the AGM will be despatched to the Shareholders in due course.

#### INTRODUCTION

The Board announces that at a meeting of the Board on 22nd April, 2005, the Board approved, inter alia, to submit a proposal to amend the Articles. The proposed amendments to the Articles are subject to the approval of the Shareholders by way of special resolutions at the AGM.

#### PROPOSED AMENDMENTS

The Stock Exchange has recently amended the Listing Rules for the purpose of implementing the Code. The Code, which is contained in Appendix 14 of the Listing Rules, came into effect on 1st January, 2005.

Paragraph E.2.1 of the Code provides, inter alia, that the chairman of the general meetings of a listed issuer must demand a poll in the general meetings of the listed issuer whenever voting by way of a poll is required under the Listing Rules. In order to bring the Articles in line with the Code, a special resolution will be proposed at the AGM that Article 86 of the Articles be amended to provide, inter alia, that the Chairman must demand a poll in certain circumstances when a poll is required by the Listing Rules.

Paragraph A.4.2 of the Code provides, inter alia, that every director of a listed issuer, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. In order to bring the Articles in line with the Code, a special resolution will be proposed at the AGM that Article 120 of the Articles be amended to provide, inter alia, that every director of the Company shall be subject to retirement by rotation at least once every three years.

#### GENERAL

A circular containing, inter alia, further details of the proposed amendments to the Articles and a notice of the AGM will be despatched to the Shareholders in due course.

By Order of the Board  
**The Hong Kong Building and Loan Agency Limited**  
**Marisa Mak**  
*Secretary*

Hong Kong, 22nd April, 2005

*As at the date of this announcement, the Board of Directors of the Company comprises eleven Directors, of which Messrs. Ning Gaoning, Leon Nim Leung Chan, Michael Kwok Shung Chan and Wai Lam Chan are non-executive Directors, Messrs. David T. Yeh, Jark Pui Lee, Jonathan Miles Foxall and Tai Chiu Ng are executive Directors and Dr. Nai Kong Leung, Messrs. King Fai Tsui and Victor Ha Kuk Yung are independent non-executive Directors.*