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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)

**FURTHER EXTENSION OF LONG STOP DATE
IN RELATION TO A VERY SUBSTANTIAL ACQUISITION**

The Company announces that on 6 October 2011, the Purchaser and Vendors have entered into a supplement agreement to extend the VSA Long Stop Date and Time from 6:00 p.m. on 30 September 2011 to 6:00 p.m. on 30 December 2011 (or such other date as the Purchaser and the Vendors may agree). Save for the above, all other terms and conditions of the Sale and Purchase Agreements remain in full force and effect.

Reference is made to the announcements of the Company dated 25 February 2011, 21 April 2011, 19 May 2011, 31 May 2011, 24 June 2011, 20 July 2011 and 30 September 2011 (collectively, the “**Announcements**”) and the circular of the Company dated 31 May 2011 (the “**Circular**”) in relation to, among others, a very substantial acquisition of the Company regarding the acquisition of the entire issued share capital in Weldtech Technology Co. Limited. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcements and Circular.

As previously disclosed, if any of the conditions precedent set out in the Sale and Purchase Agreement (as amended and supplemented by three supplemental agreements dated 21 April 2011, 30 May 2011 and 20 July 2011, respectively) (collectively, the “**Sale and Purchase Agreements**”) shall not have been fulfilled (or waived, as the case may be) on or before the VSA Long Stop Date and Time (being 6 p.m. on 30 September 2011) or such other date as the Vendors and the Purchaser may agree in writing, the Sale and Purchase Agreements shall cease and neither party shall have any obligations and liabilities thereunder save for any antecedent breach of the terms thereof. As at the date of this announcement, there are still outstanding conditions precedent which have yet been fulfilled.

On 30 September 2011, the Purchaser and Vendors have reached the verbal agreement before 6:00 p.m. that the VSA Long Stop Date will be further extended to a date to be determined and the Sales and Purchase Agreements have not lapsed and remain valid and effective until the long stop date has been agreed by the parties or otherwise.

On 6 October 2011, the parties to the Sale and Purchase Agreements entered into a supplemental agreement to record the agreement and intention of the parties thereto to extend the VSA Long Stop Date and Time from 6:00 p.m. on 30 September 2011 to 6:00 p.m. on 30 December 2011 or such other date as the Purchaser and the Vendors may agree in writing. Save for the above, all other terms and conditions of the Sale and Purchase Agreements remain in full force and effect. The Directors consider that the terms of the supplemental agreement dated 6 October 2011 are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As at date of this announcement, the Company is currently in discussion with other potential placing agent(s) for the fund raising in connection with the Acquisition. The Company will make further announcement(s) in respect of the placing should any formal agreement be entered into as and when appropriate in accordance with the Listing Rules.

Completion is still conditional upon, among others, the fulfillment (or waiver, as the case may be) of the conditions precedent set out in the Sale and Purchase Agreements (as amended by the supplemental agreement dated 6 October 2011). Accordingly, the Acquisition may or may not be completed. Shareholders and potential investors are therefore reminded to exercise caution when dealing in securities of the Company.

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

Hong Kong, 6 October 2011

As at the date of this announcement, the Board comprises Mr. So Yuen Chun and Mr. Soong Kok Meng being executive Directors; Mr. Ng Cheuk Fan, Keith, Mr. Lam Kwok Hing, Wilfred and Mr. Yeung Wai Hung, Peter being independent non-executive Directors.