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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)

**APPOINTMENT OF
INDEPENDENT NON-EXECUTIVE DIRECTOR
AND CHAIRMEN OF AUDIT, REMUNERATION AND
NOMINATION COMMITTEES**

The board (the “**Board**”) of directors (the “**Directors**”) of The Hong Kong Building and Loan Agency Limited (the “**Company**”) is pleased to announce that Ms. Yuen Wai Man (“**Ms. Yuen**”) has been appointed as an independent non-executive director and the chairmen of audit, remuneration and nomination committees of the Company with effect from 1 November 2012.

Ms. Yuen, aged 40, graduated from the University of Hong Kong with a degree in Business Administration in 1994. She is the fellow member of The Association of Chartered Certified Accountants, fellow member of The Hong Kong Institute of Certified Public Accountants and overseas member of The Chinese Institute of Certified Public Accountants. Prior to joining the Company, Ms. Yuen worked in accounting and auditing area for over 18 years. She is an independent non-executive director of China Railway Logistics Limited, a company listed on the Growth Enterprise Market of the Stock Exchange, since 4 July 2008. Saved as disclosed above, Ms. Yuen did not hold any other directorship in any public listed companies in the last three years nor has she held any position with the Company and any of its subsidiaries.

On 3 March 2010, Ms. Yuen was reprimanded by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for breaching the Professional Accountants Ordinance (Cap. 50). Ms. Yuen, as the former sole proprietor of a firm of certified public accountants, W. M. Yuen & Company, had failed to express a qualified opinion on a breach of the requirements of the Companies Ordinance that were applicable to the preparation of the financial statements of a company for the period from 16 February 2000 to 31 March 2001 and for the year ended 31 March 2002. Full particulars surrounding this matter are available on the HKICPA’s website. Due to the relatively mild nature of the transgression, the matter was resolved by way of agreement and consent between the HKICPA and Ms. Yuen on 10 February 2010 and the need for written submissions or formal hearings of the complaint were dispensed with. The Consent Order evidencing the same was issued on 3 March 2010, whereby Ms. Yuen was reprimanded and ordered to pay a relatively nominal penalty to the HKICPA together with the costs of the disciplinary proceedings.

Ms. Yuen has entered into a letter of appointment with the Company for a fixed term of three years commencing on 1 November 2012 and is subject to termination by inter alia either party giving not less than three months’ written notice. Her appointment is also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company. Ms. Yuen is entitled to receive a director’s fee of HK\$100,000 per annum which was determined by the Board with reference to her experience, and duties and responsibilities in the Company as well as the market conditions.

Ms. Yuen does not have, and is not deemed to have any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance) and is not connected with any directors, senior management, substantial shareholders or the controlling shareholders of the Company.

Save as disclosed above, in relation to the appointment of Ms. Yuen, the Board is not aware of any information that ought to be disclosed pursuant to the requirements under Rules 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), nor is there any other matters that ought to be brought to the attention of the shareholders of the Company.

Following the appointment of Ms. Yuen as an independent non-executive Director, chairmen of audit, remuneration and nomination committees of the Company, the Company has fully complied with the requirement of Rules 3.10(2) and 3.21 of the Listing Rules.

The Board would like to take this opportunity to welcome Ms. Yuen in joining the Board.

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

Hong Kong, 1 November 2012

As at the date of this announcement, the Board comprises Mr. So Yuen Chun and Mr. Yeung Kwok Leung being executive Directors; Mr. Lam Kwok Hing, Wilfred 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.