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## **MERCURIUS PARTNERS INVESTMENTS LIMITED**

*(Incorporated in the British Virgin Islands with limited liability)*

### **ANNOUNCEMENT**

#### **AGREEMENT RELATING TO THE SALE AND PURCHASE OF THE ENTIRE ISSUED SHARE CAPITAL OF AND ASSIGNMENT OF SHAREHOLDER'S LOAN TO ISLAND NEW FINANCE LIMITED**

**AND**

#### **MANDATORY UNCONDITIONAL CASH OFFER BY**



**SOMERLEY LIMITED**

**on behalf of**

**MERCURIUS PARTNERS INVESTMENTS LIMITED  
FOR ALL THE ISSUED SHARES IN  
THE HONG KONG BUILDING AND LOAN AGENCY LIMITED  
(OTHER THAN THOSE ALREADY OWNED  
BY MERCURIUS PARTNERS INVESTMENTS LIMITED  
AND PARTIES ACTING IN CONCERT WITH IT)**

All the conditions precedent to Completion have been fulfilled and Completion has taken place on 31 May 2007. Somerley will make the Offer on behalf of the Offeror for all the HKBLA Shares other than those already owned by the Offeror and parties acting in concert with it at an offer price of HK\$1.475 per HKBLA Share.

Copies of the Offer Document will be despatched by the Offeror to the shareholders of HKBLA on 4 June 2007.

The Offer will be open for acceptances from 4 June 2007 until 4:00 p.m. on 3 July 2007 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. A response document in relation to the Offer is required to be despatched by HKBLA within 14 days of the posting of the Offer Document. **Shareholders of HKBLA are advised to read the response document before taking action on the Offer.**

Reference is made to the announcement by Mercurius Partners Investments Limited dated 14 May 2007 relating to the Agreement and the Offer (the "Announcement"). Unless otherwise specified, capitalised terms used herein shall have the same meanings as defined in the Announcement.

#### **Completion of the Agreement**

All the conditions precedent to Completion have been fulfilled and Completion has taken place on 31 May 2007.

## **Mandatory Unconditional Cash Offer**

Somerley will make the Offer on behalf of the Offeror for all the HKBLA Shares other than those already owned by the Offeror and parties acting in concert with it at an offer price of HK\$1.475 per HKBLA Share.

## **Despatch of the Offer Document**

In accordance with Rule 8.2 of the Takeovers Code, copies of the offer document together with form of acceptance and transfer (the "Offer Document") containing further information about the Offeror and details of the terms of the Offer will be despatched by the Offeror to the shareholders of HKBLA on 4 June 2007.

The Offer will be open for acceptances from 4 June 2007 until 4:00 p.m. on 3 July 2007 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. A response document in relation to the Offer is required to be despatched by HKBLA within 14 days of the posting of the Offer Document. **Shareholders of HKBLA are advised to read the response document before taking action on the Offer.**

By Order of the board of directors of  
**Mercurius Partners Investments Limited**  
**John Pridjian**  
*Director*

Hong Kong, 31 May 2007

*As at the date of this announcement, the directors of the Offeror are Mr. John Zwaanstra and Mr. John Pridjian. The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

"Please also refer to the published version of this announcement in The Standard"