



A) NEW BANK FACILITY OBTAINED BY THE GROUP

B) DISCLOSURE PURSUANT TO RULE 704(31) AND RULE 728 OF THE LISTING MANUAL

The Board of Directors (the “Board”) of Popular Holdings Limited (the “Company” and together with its subsidiaries, the “Group”) wishes to announce that its wholly-owned subsidiary, Smart English Company Limited, has obtained a 4-year term loan facility (the “Facility”) of up to HK\$40,000,000 from Bank of China (Hong Kong) Limited.

The purpose of the Facility is to finance the capital and operating expenditures of the English learning centres in Mainland China.

The Facility is secured by (1) continuing corporate guarantees from the Company, and two of its wholly-owned subsidiaries, Pan Lloyds Publishers Limited and Educational Publishing House Limited and (2) a legal mortgage over the property at 14/F., Tsuen Wan Industrial Centre, Nos.220-248 Texaco Road, Tsuen Wan, New Territories Hong Kong.

Pursuant to Rule 704(31) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”), the Board wishes to announce the following:

- (a) under the terms of the Facility, the Company had undertaken to ensure that World Holdings (Pte) Limited (“WHPL”), a controlling shareholder, holding 60.68% of the issued share capital of the Company and Mr Chou Cheng Ngok, deemed interested in the 60.68% of WHPL and in the shares (0.57%) held by his spouse, shall remain the single largest shareholder of the Company.
- (b) As at the date hereof, the aggregate level of Facility of the Group that may be affected by a breach of the above loan covenant is HK\$25,000,000.

In compliance with Rule 728 of the Listing Manual of the SGX-ST, the Company has obtained an undertaking from its controlling shareholder, Mr Chou Cheng Ngok for him to notify the Company, as soon as he becomes aware, of any share pledging arrangements relating to the shares in the Company and any event which may result in a breach of the loan covenant.

The above transaction is not expected to have any material impact on the consolidated earnings per share and the consolidated net tangible assets per share of the Group for the financial year ending 30 April 2015.

Saved as disclose above, none of the Directors or Controlling Shareholders of the Company has an interest, directly or indirectly, in the above transaction, save through their shareholdings (if any) in the Company.

BY ORDER OF THE BOARD

Chou Cheng Ngok

Executive Director

29 September 2014