

Press Release

Everbright Signs Strategic MOU with Inner Mongolia

On 11 June, Everbright entered into a memorandum of understanding (MOU) with the Government of Inner Mongolia Autonomous Region (IMAR), initiating their cooperation in small-loan companies and other financial areas in Inner Mongolia. The MOU was signed by Mr. Chen Shuang, CEO of Everbright and Mr. Song Liang, Director of Finance Office of the Government of IMAR. Also present at the ceremony were Mr. Tang Shuangning, Chairman of Everbright Group, Mr. Guo You, President of Everbright Bank, Mr. Yu Longwen, Director of General Office of Everbright Group, Mr. Li Ziqing, Vice-President of Everbright Bank, Mr. Xu Haoming, President of Everbright Securities, Mr. Zhang Yukuan, General Manager of Everbright Sun Life Insurance, Mr. Hu Chunhua, Secretary of CPC Party Committee of IMAR, Mr. Bate'er, Deputy Secretary of CPC Party Committee and Chairman of IMAR, Mr. Ren Yaping, Deputy Secretary of CPC Party Committee and Vice-Chairman of IMAR, Mr. Fu Taizeng, member of CPC Standing Committee and Secretary-General of IMAR, and Ms. Bu Xiaolin, Vice-Chairperson of IMAR.

Inner Mongolia is one of the first five provinces in China to conduct trial in small-loan companies. Small loans, characterized by high risk and interest rate, are for borrowers who have difficulty securing financing from commercial banks. Small-loan companies in Inner Mongolia have leveraged industry chain, relationship with shareholders and other resources to achieve significant credit risk reduction. They have earned the trust of customers with internal control and efficiency, ensuring reasonably high revenue. Rich resources and buoyant economy (fastest GDP growth in China for the 8th consecutive year in 2009) of Inner Mongolia provide a good economic environment for small-loan companies.

Inner Mongolia already has a sizable small-loan sector. This promising industry has contributed to the region's economic development by creating significant economic and social benefits. However, funding is a major bottleneck. By investing in well-established small-loan companies in Inner Mongolia, Everbright not only solves their funding difficulties but also plays an active role in promoting the economic development of Inner Mongolia.

Everbright and IMAR will also cooperate in the following three areas. Everbright will, through the IMAR Finance Office, provide financial products to corporations and individuals in Inner Mongolia. Everbright will assist Inner Mongolian companies to list their shares in Hong Kong. Everbright will also explore investment opportunities in energy and resource sectors in Inner Mongolia, thus bringing its integrated advantage into play.

Mr. Chen Shuang, CEO of Everbright, said the MOU is a milestone of their cooperation. Small-loan company is a first step that paves way for future collaboration between Everbright and IMAR in energy, resources, private equity, corporate investment and financing services.