



HD (AEBOP) Birch And Prestige Investment Group restructure announcement
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Sydney - Thursday - June 05 (RWE) - Birch And Prestige Investment Group Limited (ASX: BOP) has today announced the intention for a number of changes to its future business strategy and structure which may result in a significant change to the nature and scale of the **company**.

The announcement is subject to approval of the director's resolution in the board meeting of BOP held on 30 May 2014.

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The proposed changes are:

1. Repayment of loan from Runx
2. New investment strategy - Pawn Shops
3. New investment strategy - Tea Seed **Oil**
4. Business restructure - **Sale** of **B&P Design Pty Ltd**

Receive and recover the entire loan and advance from Runx A short term loan and advance of \$3,667,000 was made to Runx Trade Co, Ltd via the **company**'s subsidiary **company** in **Hong Kong**, Birch & Prestige Holdings (**Hong Kong**) Ltd.

These funds were for the purpose of business objectives outlined in the prospectus dated 19 July 2013.

The prospectus envisages the **company** setting up its international procurement business and pursuing other business opportunities in **China**, for which BOP (**Hong Kong**) was acquired.

The specific business discussions with Runx were in regards to the supply of cabinet components and materials to two property projects in Henan, **China**.

The progress of discussions and planning were severely hampered however, by local government procedures and policies.

Since the original plan could not be implemented efficiently, the **company** is of the opinion that discussions should be terminated.

The **company** is confident that it is able to receive and recover the entire loan and advance from Runx which then can be allocated to the new proposed business **operations**.

New Investment Strategy - Pawn Shops The Board sees the **Chinese** pawn shop industry as an attractive area for investment and has the intention to invest in pawn shops in **China**.

This will be likely to occur through private **equity** companies as foreign investment restrictions on the **Chinese** pawn industry are significant barriers for entry into this sector.

The **company** intends for this to be a core business activity for the **company** in the future.

NS c11 : Plans/Strategy | ccat : Corporate/Industrial News

RE china : China | austr : Australia | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRIC Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia

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