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萬隆控股集團有限公司

Ban Loong Holdings Limited

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 30)**

**DISCLOSEABLE TRANSACTION –  
PROVISION OF FINANCIAL ASSISTANCE  
IN RELATION TO RENEWAL OF LOAN**

The Board wishes to announce that on 8 November 2019, the Lender (a wholly-owned subsidiary of the Company) and the Borrower entered into the Second Loan Renewal Agreement, pursuant to which the Lender agreed to renew the Loan in the aggregate principal amount of HK\$11 million to be repayable on 8 November 2020.

As the percentage ratios under Rule 14.07 of the Listing Rules in respect of the monetary advantage together with the value of the financial assistance pursuant to the renewal of the Loan under the Second Loan Renewal Agreement (under the assets and consideration ratios) and the interest income for the Loan during the period so renewed (under the revenue and profits ratios), when aggregated with the monetary advantage or interest income derived under the Loan prior to such renewal, are more than 5% but less than 25%, the renewal of the Loan under the Second Loan Renewal Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

The Board wishes to announce that on 8 November 2019, the Lender (a wholly-owned subsidiary of the Company) and the Borrower entered into the Second Loan Renewal Agreement, pursuant to which the Lender agreed to renew the Loan in the aggregate principal amount of HK\$11 million to be repayable on 8 November 2020.

## **THE LOAN AGREEMENT AND THE LOAN RENEWAL AGREEMENTS**

The Loan was granted under Loan Agreement dated 7 June 2018. The principal terms of the Loan Agreement and the Loan Renewal Agreements are as follows:

<b>Date:</b>	7 June 2018
<b>Lender:</b>	Ban Loong Finance Company Limited
<b>Borrower:</b>	Wu Man Li
<b>Loan principal:</b>	HK\$11 million
<b>Interest rate:</b>	18.0% per annum
<b>Collateral:</b>	Guarantee was provided by a limited company held by the Borrower. Share charge was provided as collateral during the second renewal of the Loan.
<b>Loan period:</b>	Initially, six months
<b>Drawdown:</b>	9 June 2018
<b>Repayment date:</b>	Initially, 8 December 2018
<b>First renewal:</b>	First renewed for eleven months until 8 November 2019 under the same terms and conditions (including interest rate) pursuant to the First Loan Renewal Agreement dated 7 December 2018
<b>Second renewal:</b>	Further renewed for additional twelve months until 8 November 2020 under the same terms and conditions (including interest rate) pursuant to the Second Loan Renewal Agreement dated 8 November 2019

## **INFORMATION ON THE BORROWER**

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the Borrower is a merchant and a third party independent of the Company and its connected persons.

## **REASONS FOR AND BENEFITS OF THE ENTERING INTO THE SECOND LOAN RENEWAL AGREEMENT**

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in money lending and trading of goods and commodities. The Lender is a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of the Company and a licensed money lender in Hong Kong registered under Money Lenders Ordinance, Chapter 163 of the Laws of Hong Kong. The granting of the Loan to the Borrower pursuant to the Loan Agreement and the renewals of the Loan under the Loan Renewal Agreements are in the ordinary course of business of the Group. The Lender has financed the Loan with the Group's internal cash resources.

The Directors are of the view that the credit assessment procedures for renewing the Loan with the Borrower would be simpler, quicker and more cost-effective as compared to the grant of a new loan to a new customer, since the Lender already has the benefit of the background understanding, established customer relationship and signed legal documentation with the Borrower.

The terms of the Loan Agreement (including the interest rate and the term of loan), the First Loan Renewal Agreement and the Second Loan Renewal Agreement were negotiated on an arm's length basis between the Lender and the Borrower and were on normal commercial terms based on the Company's credit policy. Taking into account the results of the Company's due diligence on the financial background and repayment ability of the Borrower, the stable interest income expected to be generated from the Loan and its renewals and the satisfactory payment records of the Borrower in the past, the Directors consider that the terms of the Loan Agreement (including the interest rate and term of loan), the First Loan Renewal Agreement and the Second Loan Renewal Agreement are fair and reasonable and the entering into of the Loan Agreement, the First Loan Renewal Agreement and the Second Loan Renewal Agreement is in the interests of the Company and its shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As the percentage ratios under Rule 14.07 of the Listing Rules in respect of the monetary advantage together with the value of the financial assistance pursuant to the renewal of the Loan under the Second Loan Renewal Agreement (under the assets and consideration ratios) and the interest income for the Loan during the period so renewed (under the revenue and profits ratios), when aggregated with the monetary advantage or interest income derived under the Loan prior to such renewal, are more than 5% but less than 25%, the renewal of the Loan under the Second Loan Renewal Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

## DEFINITIONS

In this announcement, the following expressions have the following meanings:

“Board”	the board of Directors
“Borrower”	Wu Man Li, the borrower of the Loan, a merchant and a third party independent of the Company and its connected persons
“Company”	Ban Loong Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange with stock code: 30
“connected person(s)”	having the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“First Loan Renewal Agreement”	the loan renewal agreement dated 7 December 2018 entered into between the Lender and the Borrower to extend the repayment date of the Loan from 8 December 2018 to 8 November 2019
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Lender”	Ban Loong Finance Company Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the loan with aggregate principal amount of HK\$11 million granted by the Lender to the Borrower pursuant to the Loan Agreement

“Loan Agreement”	the loan agreement dated 7 June 2018 entered into between the Lender and the Borrower in respect of the Loan
“Loan Renewal Agreements”	collectively, the First Loan Renewal Agreement and the Second Loan Renewal Agreement
“Second Loan Renewal Agreement”	the loan renewal agreement dated 8 November 2019 entered into between the Lender and the Borrower to extend the repayment date of the Loan from 8 November 2019 to 8 November 2020
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board  
**Ban Loong Holdings Limited**  
**Chow Wang**  
*Deputy Chairman & Chief Executive Officer*

Hong Kong, 8 November 2019

*As at the date of this announcement, the Board of the Company comprises:*

*Executive Directors:*

Mr. Wang Minghui (*Chairman*)

Mr. Chow Wang (*Deputy Chairman & Chief Executive Officer*)

Mr. Yin Pinyao

Mr. Chu Ka Wa (*Chief Financial Officer*)

Mr. Wang Zhaoqing (*Chief Operating Officer*)

*Non-executive Director:*

Mr. Fong For

*Independent Non-executive Directors:*

Mr. Jiang Zhi

Mr. Leung Ka Kui, Johnny

Ms. Wong Chui San, Susan