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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)**

## **PLACING OF NEW SHARES UNDER GENERAL MANDATE**

**Placing Agent**



**Supreme China Securities Limited**

智華證券有限公司

On 6 June 2016 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Company has conditionally agreed to place, through the Placing Agent on a best efforts basis, a maximum of 190,110,640 Placing Shares to not less than six independent Placees at a price of HK\$0.09 per Placing Share.

The Placing Price of HK\$0.09 per Placing Share represents: (i) a discount of approximately 18.18% to the closing price of HK\$0.11 per Share as quoted on the Stock Exchange on 6 June 2016, being the date of the Placing Agreement; and (ii) a discount of approximately 18.18% to the average closing price of approximately HK\$0.11 per Share as quoted on the Stock Exchange for the last 5 full trading days of the Shares immediately prior to the date of the Placing Agreement.

Assuming the Placing Shares are fully placed, the maximum number of 190,110,640 Placing Shares represents approximately 7.66% of the issued share capital of the Company of 2,480,553,200 Shares as at the date of this announcement, and approximately 7.12% of the issued share capital of the Company as enlarged by the issue of a maximum of 190,110,640 Placing Shares.

Assuming the Placing Shares are fully placed, the gross and net proceeds from the Placing will be approximately HK\$17.11 million and HK\$16.60 million, respectively. It is intended that such net proceeds will be used by the Company for financing the Group's money lending business.

The Placing is not subject to the Shareholders' approval as the Placing Shares will be issued pursuant to the General Mandate.

## **THE PLACING AGREEMENT**

### **Date**

6 June 2016 (after trading hours)

### **Parties**

- (a) the Company; and
- (b) the Placing Agent.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons.

### **Placees**

The Placing Shares will be placed to not less than six Placees who and whose ultimate beneficial owners are not connected persons of the Company and will be third party(ies) independent of the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or any of their respective associates. It is expected that none of the Placees nor their associates will become a substantial shareholder of the Company as a result of the Placing.

## **Number of Placing Shares**

The Company has conditionally agreed to place, through the Placing Agent on a best efforts basis, a maximum of 190,110,640 Placing Shares. Assuming the Placing Shares are fully placed, the maximum number of 190,110,640 Placing Shares represents approximately 7.66% of the issued share capital of the Company of 2,480,553,200 Shares as at the date of this announcement, and approximately 7.12% of the issued share capital of the Company as enlarged by the issue of a maximum of 190,110,640 Placing Shares. The aggregate nominal value of the maximum number of 190,110,640 Placing Shares is HK\$1,901,106.40.

## **Placing Price**

The Placing Price of HK\$0.09 per Placing Share was agreed after arm's length negotiations between the Company and the Placing Agent, with reference to, among other things, the recent trading price of the Shares on the Stock Exchange. The Placing Price represents:

- (i) a discount of approximately 18.18% to the closing price of HK\$0.11 per Share as quoted on the Stock Exchange on 6 June 2016, being the date of the Placing Agreement; and
- (ii) a discount of approximately 18.18% to the average closing price of approximately HK\$0.11 per Share as quoted on the Stock Exchange for the last 5 full trading days of the Shares immediately prior to the date of the Placing Agreement.

## **Placing Commission**

The Placing Agent will receive a placing commission of 3% on the gross proceeds of the Placing Shares which are successfully placed by the Placing Agent. The placing commission was determined after arm's length negotiation between the Company and the Placing Agent with reference to, amongst other things, the prevailing market rate.

## **Condition of the Placing**

Completion of the Placing is conditional upon the Stock Exchange granting or agreeing to grant listing of and permission to deal in the Placing Shares.

If the above condition is not satisfied on or before 30 June 2016 (or such later date as may be agreed between the Placing Agent and the Company) (the "**Long Stop Date**"), the Placing will lapse and all rights, obligations and liabilities of the Placing Agent and the Company in relation to the Placing shall cease and determine and neither party shall have any claim against the other in respect of the Placing save for any antecedent breach and/or any rights or obligations which may accrue under the Placing Agreement prior to such termination.

## **Completion of the Placing**

Completion of the Placing shall take place on the third business day after the fulfillment of the conditions set out in the Placing Agreement (or such other date as the Company and the Placing Agent may agree). If the Long Stop Date is extended so that completion of the Placing takes place more than one month after the date of the Placing Agreement, the Company shall re-comply with the Listing Rules.

## **Rescission of the Placing Agreement**

If any of the following events occur at any time prior to 10:00 a.m. on the date of completion of the Placing (the “**Completion Date**”), the Placing Agent may (after such consultation with the Company and/or its advisers as the circumstances shall admit or be necessary), by giving a written notice to the Company, at any time prior to the Completion Date provided that such notice is received prior to 6:00 p.m. on the day immediately preceding the Completion Date, rescind the Placing Agreement without liability to the other party, and the Placing Agreement shall thereupon cease to have effect and none of the parties shall have any rights or claims by reason thereof save for any rights or obligations which may accrue under the Placing Agreement prior to such termination:

- (i) in the reasonable opinion of the Placing Agent there shall have been since the date of the Placing Agreement such a change in national or international financial, political or economic conditions or taxation or exchange controls as would be likely to prejudice materially the consummation of the Placing; or
- (ii) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any matter whatsoever which may adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (iii) any material breach of any of the representations and warranties set out in the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the Completion Date which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of the representations and warranties contained in the Placing Agreement untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or

- (iv) there is any adverse change in the financial position of the Company which in the reasonable opinion of the Placing Agent is material in the context of the Placing.

### **Ranking of Placing Shares**

The Placing Shares, when issued and fully paid, will rank pari passu among themselves and with Shares in issue at the time of issue and allotment of the Placing Shares.

### **Application for listing**

Application will be made to the Stock Exchange for approval for the listing of and permission to deal in the Placing Shares.

### **GENERAL MANDATE**

The Placing is not subject to the Shareholders' approval as the Placing Shares will be issued under the General Mandate, which was granted to the Directors pursuant to an ordinary resolution passed by the Shareholders at the annual general meeting of the Company held on 30 September 2015.

Pursuant to the General Mandate, the Company was authorized to issue and allot up to 440,110,640 Shares, representing 20% of the aggregate nominal value of the share capital of the Company in issue on the date of passing such resolution. During the placing of convertible bonds which was announced by the Company on 19 February 2016 and completed on 4 March 2016, convertible bonds with an aggregate principal amount of HK\$30,000,000 were issued pursuant to the General Mandate and were subsequently converted into 250,000,000 Shares at conversion price of HK\$0.12. As the number of the Placing Shares to be allotted and issued under the Placing (i.e. 190,110,640 Shares) is within the number of Shares which remained available for issue under the General Mandate as of the date of this announcement (i.e. 190,110,640 Shares), the Placing is not subject to the Shareholders' approval.

## **REASONS FOR ENTERING INTO THE PLACING AGREEMENT**

The Company is an investment holding company. The Group is principally engaged in providing financial quotation services, wireless applications development, mining operations, money lending and trading of goods and commodities.

Assuming the Placing Shares are fully placed, the gross and net proceeds from the Placing will be approximately HK\$17.11 million and HK\$16.60 million, respectively. It is intended that such net proceeds will be used by the Company for financing the Group's money lending business. Assuming the Placing Shares are fully placed, the net placing price will be approximately HK\$0.0873 per Placing Share.

As disclosed in the Company's Annual Report 2014/2015, the Company has diversified into the business of money lending. Ban Loong Finance Company Limited, a wholly-owned subsidiary of the Company, holds a money lender licence under the provisions of the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and was set up to engage in the businesses of financial credit services such as personal loans, commercial loans and mortgages to individuals and corporations. The Directors are of the view that the Placing will be able to finance the money lending business of the Group and also represents a good opportunity to broaden the shareholder base and capital base of the Company.

The terms of the Placing Agreement (including the Placing Price and the placing commission) were determined after arm's length negotiations between the Company and the Placing Agent. The Directors (including the independent non-executive Directors) consider that the terms of the Placing Agreement (including the Placing Price and the placing commission) are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **EQUITY FUND RAISING ACTIVITY DURING THE PAST TWELVE MONTHS**

The Company has conducted the following equity fund raising exercises in the past twelve months immediately preceding the date of this announcement.

<b>Date of announcement</b>	<b>Equity fund raising exercise</b>	<b>Net proceeds raised</b>	<b>Intended use of proceeds</b>	<b>Actual use of proceeds</b>
19 February 2016	Placing of convertible bonds, on best effort basis, with a principal amount of up to HK\$52,800,000 under the general mandate granted to the Directors at the annual general meeting held on 30 September 2015.  The placing was completed on 4 March 2016 whereby convertible bonds with an aggregate principal amount of HK\$30,000,000 have been successfully placed.	Approximately HK\$29.35 million	For financing the Group's money lending business	HK\$26 million used for financing the Group's money lending business and approximately HK\$3 million used for working capital.

<b>Date of announcement</b>	<b>Equity fund raising exercise</b>	<b>Net proceeds raised</b>	<b>Intended use of proceeds</b>	<b>Actual use of proceeds</b>
29 September 2015	Subscription of 30,000,000 shares at a price of HK\$0.197 per share under the refreshed general mandate granted to the Directors at the special general meeting held on 12 August 2015. The subscription was completed on 12 October 2015.	Approximately HK\$5.91 million	For financing the Group's money lending business	Used as intended
9 September 2015	Placing of shares, on best effort basis, for a maximum of 397,280,000 shares at a price of HK\$0.189 per Share under the refreshed general mandate granted to the Directors at the special general meeting held on 12 August 2015.  The placing was completed on 23 September 2015 whereby a total of 214,138,000 placing shares have been successfully placed.	Approximately HK\$40.06 million	For financing the Group's money lending business	Used as intended

Save as disclosed above, the Company has not conducted any other equity fund raising activities in the 12 months immediately prior to the date of this announcement.



## EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The table below illustrates the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the completion of the Placing (assuming the Placing Shares were placed in full):

	As at the date of this announcement		Immediately upon completion of the Placing	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
Mr. Fong For ( <i>Note 1</i> )	331,068,000	13.35%	331,068,000	12.40%
Mr. Chow Wang ( <i>Note 2</i> )	64,964,000	2.62%	64,964,000	2.43%
Public shareholders	2,084,521,200	84.03%	2,084,521,200	78.05%
Placees	—	—	190,110,640	7.12%
Total	<u>2,480,553,200</u>	<u>100.00%</u>	<u>2,670,663,840</u>	<u>100.00%</u>

*Notes:*

1. Mr. Fong For is a non-executive Director of the Company.
2. Mr. Chow Wang is an executive Director of the Company.

**Shareholders and potential investors of the Shares should note that the Placing is subject to the fulfillment or waiver of its conditions precedent and may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## DEFINITIONS

The following terms have the following meanings in this announcement unless the context otherwise requires:

“associate(s)”	having the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Company”	Ban Loong Holdings Limited, a company incorporated in Bermuda with limited liability and whose Shares 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
“Directors”	directors of the Company
“General Mandate”	the general mandate which was granted to the Directors pursuant to an ordinary resolution passed at the Company’s annual general meeting on 30 September 2015 to issue and allot up to 440,110,640 Shares, representing 20% of the aggregate nominal value of the share capital of the Company in issue on the date of passing such resolution
“Group”	the Company and its subsidiaries from time to time
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any person(s) or entity(ies) procured by the Placing Agent or any of its sub-placing agent(s) to subscribe for any of the Placing Shares under the Placing
“Placing”	the best-effort placing of up to 190,110,640 Placing Shares on the terms and subject to the conditions set out in the Placing Agreement
“Placing Agent”	Supreme China Securities Limited, a licensed corporation to carry on business in Type 1 (dealing in securities) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the agreement entered into between the Placing Agent and the Company dated 6 June 2016 in relation to Placing
“Placing Price”	HK\$0.09 per Placing Share

“Placing Shares”	a maximum of 190,110,640 Shares to be placed under the Placing
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	having the meaning ascribed thereto under the Listing Rules
“%”	per cent

By order of the Board  
**Ban Loong Holdings Limited**  
**Chow Wang**  
*Chairman and Executive Director*

Hong Kong, 6 June 2016

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

*Executive Directors:*

Mr. Chow Wang (*Chairman*)

Mr. Cheung Wai Shing

*Non-executive Director:*

Mr. Fong For

*Independent Non-executive Directors:*

Mr. Jiang Zhi

Mr. Leung Ka Kui, Johnny

Ms. Wong Chui San, Susan