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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)

(1) PROPOSED INCREASE IN AUTHORIZED SHARE CAPITAL
(2) PROPOSED ADOPTION OF THE NEW BYE-LAWS
AND
(3) DISPATCH OF AGM CIRCULAR

PROPOSED INCREASE IN AUTHORIZED SHARE CAPITAL

In order to provide the Company with flexibility for fund raising by allotting and issuing new Shares in the future as and when appropriate, the Board proposes to increase the authorized share capital of the Company from HK\$60,000,000.00 divided into 6,000,000,000 Shares to HK\$200,000,000.00 divided into 20,000,000,000 Shares by the creation of additional 14,000,000,000 Shares, which will rank pari passu in all respects with each other. The Increase in Authorized Share Capital is subject to the passing of an ordinary resolution of Shareholders approving the same at the AGM.

PROPOSED ADOPTION OF THE NEW BYE-LAWS

The Existing Bye-laws of the Company have not been amended since August 2006. Instead of carrying out piecemeal modifications on the Existing Bye-laws, the Board proposes to adopt a complete set of New Bye-laws to conform with the latest amendments to the Listing Rules and the Companies Act. The adoption of the New Bye-laws is subject to the approval of Shareholders by way of a special resolution at the AGM.

DISPATCH OF AGM CIRCULAR

The AGM of the Company will be held on 29 September 2016 to consider and, if thought fit, approve (a) the ordinary resolution in respect of the Increase in Authorized Share Capital; (b) the special resolution in respect of the adoption of the New Bye-laws; and (c) other routine matters customarily dealt with in annual general meetings, including the re-election of retiring Directors and the general mandates for the issue and repurchase of Shares. The AGM Circular and the AGM Notice have been dispatched to the Shareholders on 29 August 2016. The AGM Circular contains, inter alia, details of the Increase in Authorized Share Capital, details of the New Bye-laws and other matters relating to the AGM.

PROPOSED INCREASE IN AUTHORIZED SHARE CAPITAL

In order to provide the Company with flexibility for fund raising by allotting and issuing new Shares in the future as and when appropriate, the Board proposes to increase the authorized share capital of the Company from HK\$60,000,000.00 divided into 6,000,000,000 Shares to HK\$200,000,000.00 divided into 20,000,000,000 Shares by the creation of additional 14,000,000,000 Shares, which will rank *pari passu* in all respects with each other.

The Increase in Authorized Share Capital is subject to the passing of an ordinary resolution of Shareholders approving the same at the AGM.

PROPOSED ADOPTION OF THE NEW BYE-LAWS

The Existing Bye-laws of the Company have not been amended since August 2006. The Board considers that it is appropriate to make corresponding amendments to the Existing Bye-laws to bring them in line with the amendments to the Listing Rules and the Companies Act between 2006 and now, including the following major changes:

(a) Voting at general meetings

The Listing Rules have been amended, whereby any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The New Bye-laws will put this into effect.

(b) Voting at board meetings

The Listing Rules have been amended, whereby subject to certain exceptions, a director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his close associates has a material interest, nor shall he be counted in the quorum present at the meeting. The New Bye-laws will put this into effect. The existing provision that a director may vote on such board resolution provided that he or any of his associates are not beneficially interested in more than 5% in the party with which the Company proposes to enter into a contract or arrangement will be removed from the Existing Bye-laws.

(c) Physical board meetings

The Listing Rules have been amended, whereby if a substantial shareholder or a director has a conflict of interest in a matter to be considered by the board which the board has determined to be material, the matter should be dealt with by a physical board meeting rather than a written resolution. The New Bye-laws will put this into effect.

(d) Notices of general meetings

Appendix 14 to the Listing Rules (The Corporate Governance Code) has been amended such that notices to shareholders should be sent in the case of annual general meetings at least 20 clear business days before the meeting and to be sent at least 10 clear business days in the case of all other general meetings. The proposed changes to the Bye-laws will provide that the notice period for annual general meetings must be not less than twenty-one clear days and not less than twenty clear business days, and the notice period for any other general meeting (including a special general meeting) must be not less than fourteen clear days and not less than ten clear business days.

(e) Share transfers

The Companies Act has been amended to allow for transfer of shares of a listed company without a proper instrument of transfer. The New Bye-laws will be in line with this change in law.

(f) Dividends and distributions

The Companies Act has been amended in relation to the solvency test, whereby Bermuda companies are now allowed to declare dividends or distributions when it is, or would after the payment be, unable to pay its liabilities as they become due and the realizable value of its assets would thereby be less than its liabilities. The New Bye-laws will be in line with this change in law.

(g) Register of members

The register and the branch register of members of the Company shall be open for inspection by members of the public without charge at the registered office of the Company or such other place at which the register(s) is/are kept in accordance with the Companies Act. The New Bye-laws will also reflect this.

(h) Financial assistance

The prohibition against a company giving financial assistance for the acquisition of shares in the company has been removed from the Companies Act. The New Bye-laws will be in line with this change in law.

The Board noted that Rule 13.90 of the Listing Rules requires a listed company to publish an updated and consolidated version of its constitutional documents on the websites of both the Company and the Stock Exchange. Therefore, instead of carrying out piecemeal modifications on the Existing Bye-laws, the Board proposes to adopt a complete set of New Bye-laws to conform with the latest amendments to the Listing Rules and the Companies Act.

Shareholders should note that the major changes in the Bye-laws consequential upon the changes in the Listing Rules and the Companies Act described above are not exhaustive. The New Bye-laws also contain other changes which are primarily in line with the standard provisions of the bye-laws of other public listed companies incorporated in Bermuda. Your attention is drawn to the summary of the principal provisions of the New Bye-laws as set out in Appendix III to the AGM Circular. Copies of the Existing Bye-laws and the draft New Bye-laws are also available for inspection at the Company's principal place of business in Hong Kong from now up to the date of the AGM, and at the AGM.

The adoption of the New Bye-laws is subject to the approval of Shareholders by way of a special resolution at the AGM.

The New Bye-laws are available only in English and the Chinese translation is for reference only. In case of any inconsistency, the English version of the New Bye-laws shall prevail.

The Company confirms that there is nothing unusual about the proposed adoption of the New Bye-laws for the Company as a Bermuda company listed on the Stock Exchange.

DISPATCH OF AGM CIRCULAR

The AGM of the Company will be held on 29 September 2016 to consider and, if thought fit, approve (a) the ordinary resolution in respect of the Increase in Authorized Share Capital; (b) the special resolution in respect of the adoption of the New Bye-laws; and (c) other routine matters customarily dealt with in annual general meetings, including the re-election of retiring Directors and the general mandates for the issue and repurchase of Shares. The AGM Circular and the AGM Notice have been dispatched to the Shareholders on 29 August 2016. The AGM Circular contains, inter alia, details of the Increase in Authorized Share Capital, details of the New Bye-laws and other matters relating to the AGM.

DEFINITION

In this announcement, the following expressions shall have the meanings respectively set opposite them below unless the context requires otherwise:

“AGM”	the annual general meeting of the Company to be convened on 29 September 2016;
“AGM Circular”	the circular containing, inter alia, details of the Increase in Authorized Share Capital, details of the New Bye-laws and other matters relating to the AGM, which was dispatched to Shareholders on 29 August 2016;
“AGM Notice”	the notice of the AGM;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Bye-laws”	the bye-laws of the Company in force from time to time, including the Existing Bye-laws or the New Bye-laws where the context so requires;
“close associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Companies Act”	the Companies Act 1981 of Bermuda;
“Company”	Ban Loong Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange with stock code: 30;

“Director(s)”	the director(s) of the Company;
“Existing Bye-laws”	the existing bye-laws of the Company;
“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;
“Increase in Authorized Share Capital”	the proposed increase in the authorized share capital of the Company from HK\$60,000,000.00 divided into 6,000,000,000 Shares to HK\$200,000,000.00 divided into 20,000,000,000 Shares by the creation of additional 14,000,000,000 Shares;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“New Bye-laws”	the new bye-laws of the Company proposed to be adopted at the AGM;
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules; and
“%”	per cent.

By Order of the Board
Ban Long Holdings Limited
Chow Wang
Chairman & Executive Director

Hong Kong, 29 August 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