

**THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of the Prospectus Documents, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the Prospectus Documents.

**If you are in any doubt** as to any aspect about this prospectus or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Ban Loong Holdings Limited (the “Company”), you should at once hand the Prospectus Documents to the purchaser or the transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

A copy of each of the Prospectus Documents, together with copies of the documents specified in the paragraph headed “Documents delivered to the Registrar of Companies in Hong Kong” in Appendix III to this prospectus, have been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance. The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility as to the contents of any of these documents.

Subject to the granting of listing of, and permission to deal in, the Nil Paid Rights and the Rights Shares on the Stock Exchange, the Nil Paid Rights and the Rights Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Nil Paid Rights and the Rights Shares on the Stock Exchange or, under contingent situation, such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time.

Capitalized terms used in this cover page shall have the same meanings as those defined in the section headed “Definitions” in this prospectus.



**萬隆控股集團有限公司**  
**Ban Loong Holdings Limited**  
*(incorporated in Bermuda with limited liability)*  
**(Stock Code: 30)**

**RIGHTS ISSUE OF 1,335,331,600 RIGHTS SHARES**  
**AT THE SUBSCRIPTION PRICE OF HK\$0.11 PER RIGHTS SHARE**  
**ON THE BASIS OF ONE RIGHTS SHARE FOR EVERY TWO SHARES**  
**HELD ON THE RECORD DATE BY QUALIFYING SHAREHOLDERS**

**Financial Adviser to the Company**  
 **KINGSTON CORPORATE FINANCE**

**Underwriter to the Rights Issue**  
 **KINGSTON SECURITIES**

The latest time for acceptance of, and payment for, the Rights Shares is 4:00 p.m. on Friday, 23 December 2016. The procedure for acceptance and payment or transfer of the Rights Shares is set out on pages 15 to 17 of this prospectus.

The Underwriting Agreement contains provisions regarding conditions precedent as more particularly described in the section headed “Letter from the Board – The Underwriting Agreement – Rescission and termination of the Underwriting Agreement” in this prospectus, and provisions granting the Underwriter the right to terminate prior to the Latest Time for Termination its obligations thereunder on the occurrence of certain events, as more particularly described in the section headed “Letter from the Board – The Underwriting Agreement – Rescission and termination of the Underwriting Agreement” in this prospectus. **Accordingly, if the Underwriting Agreement does not become unconditional or the Underwriter exercises its right to terminate the Underwriting Agreement, the Rights Issue will not proceed.**

The Shares have been dealt in on an ex-rights basis from Friday, 18 November 2016. Dealings in the Nil Paid Rights will take place from Tuesday, 13 December 2016 to Tuesday, 20 December 2016 (both dates inclusive). The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms. Any dealing in the Shares up to the Latest Time for Termination, and any dealing in the Nil Paid Rights from Tuesday, 13 December 2016 to Tuesday, 20 December 2016 (both dates inclusive), will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

9 December 2016

## CONTENTS

	<i>Page</i>
<b>Definitions</b> .....	<b>1</b>
<b>Termination of the Underwriting Agreement</b> .....	<b>6</b>
<b>Expected timetable</b> .....	<b>9</b>
<b>Letter from the Board</b> .....	<b>10</b>
<b>Appendix I – Financial Information of the Group</b> .....	<b>I-1</b>
<b>Appendix II – Unaudited pro forma financial information of the Group</b> .....	<b>II-1</b>
<b>Appendix III – General Information</b> .....	<b>III-1</b>

## DEFINITIONS

*In this Prospectus, unless the context otherwise requires, the following expressions shall have the following meanings:*

“acting in concert”	having the meaning ascribed thereto in the Takeovers Code
“Announcement”	the Company’s announcement dated 14 November 2016 in relation to the terms and conditions of the Rights Issue
“associate(s)”	having the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“business day(s)”	any day(s) (other than a Saturday or Sunday or public holiday or a day on which a typhoon signal no. 8 or above or black rainstorm signal is hoisted in Hong Kong between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Ban Loong Holdings Limited (stock code: 30), a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	having the meaning ascribed thereto in the Listing Rules
“Directors”	the directors of the Company
“EAF(s)”	the excess application form(s) for use by the Qualifying Shareholders who wish to apply for excess Rights Shares
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited

## DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Parties”	persons who themselves (and in the case of any corporate entities, themselves and their ultimate beneficial owners) are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, third parties independent of, not acting in concert and not connected with the Company and its connected persons or any of their respective associates
“Irrevocable Undertaking”	the irrevocable undertaking dated 14 November 2016 given by Mr. Chow Wang to the Company and the Underwriter, whereby Mr. Chow Wang undertook to maintain his current beneficial shareholding in 64,964,000 Shares up to and including the Record Date and to lodge acceptance for all the 32,482,000 Rights Shares provisionally allotted to him with full payment by the Latest Time for Acceptance
“Last Trading Day”	Monday, 14 November 2016, being the date of signing of the Underwriting Agreement
“Latest Lodging Date”	4:30 p.m. on Monday, 21 November 2016 or such other date and/or time as may be agreed between the Company and the Underwriter, being the latest time for lodging transfer of Shares for registration in order to qualify for the Rights Issue
“Latest Practicable Date”	Friday, 2 December 2016, being the latest practicable date for ascertaining certain information for inclusion in this Prospectus
“Latest Time for Acceptance”	4:00 p.m. on Friday, 23 December 2016 or such other date and/or time as may be agreed between the Company and the Underwriter, being the latest time for acceptance of the application and payment for the Rights Shares
“Latest Time for Termination”	4:00 p.m. on the next business day after the Latest Time for Acceptance or such later time or date as may be agreed between the Company and the Underwriter, being the latest time to terminate the Underwriting Agreement

## DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nil Paid Rights”	rights to subscribe for Rights Shares (in the form of Rights Shares in nil-paid form) provisionally allotted to the Qualifying Shareholders before the Subscription Price is paid
“Non-Qualifying Shareholders”	the Overseas Shareholders whom the Board, after making enquiries regarding the legal restrictions under the laws of the relevant places and the requirements of the relevant overseas regulatory bodies or stock exchanges, considers it necessary or expedient to exclude them from the Rights Issue
“Overseas Shareholders”	the Shareholders with registered addresses in the register of members of the Company as at the close of business on the Record Date which are outside Hong Kong
“PAL(s)”	the renounceable provisional allotment letter(s) representing the Rights Shares proposed to be issued to the Qualifying Shareholders under the Rights Issue
“Posting Date”	Friday, 9 December 2016 or such later date as may be agreed between the Company and the Underwriter, being the date for the despatch of the Prospectus Documents
“Prospectus”	a prospectus to be issued by the Company in relation to the Rights Issue
“Prospectus Documents”	collectively, the Prospectus, the PAL and the EAF
“Qualifying Shareholder(s)”	Shareholder(s) whose names appear on the register of members of the Company as at the close of business on the Record Date, other than the Non-Qualifying Shareholders
“Record Date”	Monday, 28 November 2016 or such other date as may be agreed between the Company and the Underwriter, being the date for the determination of the entitlements under the Rights Issue

## DEFINITIONS

“Rights Issue”	the proposed rights issue on the basis of one (1) Rights Share for every two (2) existing Shares at the Subscription Price on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Rights Share(s)”	the new Share(s) to be allotted and issued by the Company under the Rights Issue, after the Subscription Price is paid
“Settlement Date”	the date of despatch of the share certificates for the fully paid Rights Shares under the Rights Issue or such other date as may be agreed between the Company and the Underwriter, being the latest date by which the Underwriter shall pay to the Company the aggregate Subscription Price for the untaken Underwritten Shares
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Registrar”	Computershare Hong Kong Investor Services Limited of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, being the Company’s branch share registrar and transfer office in Hong Kong
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.11 per Rights Share, being the subscription price of the Rights Shares under the Rights Issue
“substantial shareholders”	having the meaning ascribed thereto in the Listing Rules
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers
“Underwriter”	Kingston Securities Limited, a licensed corporation to carry on Type 1 (dealing in securities) regulated activity under the SFO

## DEFINITIONS

“Underwritten Shares”	the 1,302,849,600 Rights Shares underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement, being all the Rights Shares less those which are subject to the Irrevocable Undertaking
“Underwriting Agreement”	the underwriting agreement dated 14 November 2016 and entered into between the Company and the Underwriter in relation to the underwriting of the Underwritten Shares under the Rights Issue by the Underwriter
“%”	per cent.

## TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriting Agreement contains provisions entitling the Underwriter, by notice in writing, to terminate its obligations thereunder on the occurrence of certain events. If any time prior to the Latest Time for Termination (provided that for the purposes of the termination clause of the Underwriting Agreement, if the date of the Latest Time for Termination shall be a business day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is or remains hoisted in Hong Kong between 9:00 a.m. and 5:00 p.m. on that day, the date of the Latest Time for Termination shall be the next business day on which no tropical cyclone warning signal no. 8 or above or no black rainstorm warning signal is or remains hoisted in Hong Kong between 9:00 a.m. and 5:00 p.m. on that day):

- (1) in the absolute opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
  - (a) 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 nature whatsoever which may in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Rights Issue; or
  - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (2) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction on trading in securities) occurs which in the absolute opinion of the Underwriter is likely to materially and adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (3) there is any change in the circumstances of the Company or any member of the Group which in the absolute opinion of the Underwriter will materially and adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any member of the Group or the destruction of any material asset of the Group; or



## TERMINATION OF THE UNDERWRITING AGREEMENT

- (4) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out which, in the absolute opinion of the Underwriter, is likely to materially and adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (5) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or
- (6) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the absolute opinion of the Underwriter, a material omission in the context of the Rights Issue; or
- (7) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive business days, excluding any suspension in connection with the clearance of the Announcement or the Prospectus Documents or other announcements or circulars in connection with the Rights Issue; or
- (8) any moratorium, suspension or material restriction on trading of the Shares on the Stock Exchange due to exceptional financial circumstances or otherwise,

then the Underwriter shall be entitled, by notice in writing to the Company served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

The Underwriter shall be entitled by notice in writing to rescind the Underwriting Agreement if prior to the Latest Time for Termination:

- (1) any material breach of any of the representations, warranties or undertakings by the Company contained in the Underwriting Agreement comes to the knowledge of the Underwriter; or
- (2) any event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination comes to the knowledge of the Underwriter, which if it such event had occurred or arisen before the date of the Underwriting Agreement would have rendered any of the warranties contained in the Underwriting Agreement untrue or incorrect in any material respect.

## TERMINATION OF THE UNDERWRITING AGREEMENT

Any notice of termination shall be served by the Underwriter prior to the Latest Time for Termination.

Upon the giving of notice in accordance with the above, the Underwriting Agreement shall terminate and the obligations of the parties shall forthwith cease and be null and void and none of the parties shall have any right against or liability towards any of the other parties arising out of or in connection with the Underwriting Agreement. If the Underwriter exercises its right to terminate the Underwriting Agreement, the Rights Issue will not proceed.

## EXPECTED TIMETABLE

2016

First day of dealings in Nil Paid Rights .....	9:00 a.m. on Tuesday, 13 December
Latest time for splitting of Nil Paid Rights .....	4:30 p.m. on Thursday, 15 December
Last day of dealings in Nil Paid Rights .....	4:00 p.m. on Tuesday, 20 December
Latest Time for Acceptance and payment for the Rights Shares and the excess Rights Shares .....	4:00 p.m. on Friday, 23 December
Latest Time for Termination of the Underwriting Agreement by the Underwriter .....	4:00 p.m. on Wednesday, 28 December

2017

Announcement of the results of the Rights Issue .....	Wednesday, 4 January
Despatch of share certificates for fully-paid Rights Shares and refund cheques for unsuccessful or partially unsuccessful applications and excess applications .....	Thursday, 5 January
Expected first day of dealings in fully-paid Rights Shares on the Stock Exchange .....	9:00 a.m. on Friday, 6 January

All times and dates stated above refer to Hong Kong local times and dates. The expected timetable for the Rights Issue set out above and all dates and deadlines specified in the Prospectus are indicative only and may be varied. Any changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

### EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE

If there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong on Friday, 23 December 2016, being the date of the Latest Time for Acceptance:

- (i) at any time before 12:00 noon and no longer in force after 12:00 noon, the Latest Time for Acceptance will be postponed to 5:00 p.m. on the same business day; or
- (ii) at any time between 12:00 noon and 4:00 p.m., the Latest Time for Acceptance will be postponed to 4:00 p.m. on the next business day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on Friday, 23 December 2016, the dates mentioned in the expected timetable in the Prospectus may be affected. An announcement will be made by the Company in such event.

## LETTER FROM THE BOARD



萬隆控股集團有限公司

Ban Loong Holdings Limited

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 30)**

*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

*Registered Office:*

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

*Principal Place of Business in Hong Kong:*

Room 2709-10, 27/F.

China Resources Building

No. 26 Harbour Road

Wanchai

Hong Kong

9 December 2016

*To the Qualifying Shareholders and,  
for information only, the Non-Qualifying Shareholders*

Dear Sir or Madam

**RIGHTS ISSUE OF 1,335,331,600 RIGHTS SHARES  
AT THE SUBSCRIPTION PRICE OF HK\$0.11 PER RIGHTS SHARE  
ON THE BASIS OF ONE RIGHTS SHARE FOR EVERY TWO SHARES  
HELD ON THE RECORD DATE BY QUALIFYING SHAREHOLDERS**

**INTRODUCTION**

Reference is made to the Announcement of the Company dated 14 November 2016 relating to the Rights Issue.

On 14 November 2016, the Company announced that it proposed to raise HK\$146,886,476 (before expenses) by way of the Rights Issue involving the issue of 1,335,331,600 Rights Shares at the Subscription Price of HK\$0.11 per Rights Share on the basis of one (1) Rights Share for every two (2) Shares held on the Record Date.

## LETTER FROM THE BOARD

The purpose of this Prospectus is to provide you with, amongst other things, further details of the Rights Issue.

### THE RIGHTS ISSUE

#### Issue statistics

Basis of the Rights Issue	:	One (1) Rights Share in nil-paid form for every two (2) Shares held on the Record Date
Subscription Price	:	HK\$0.11 per Rights Share
Number of Shares in issue as at the Latest Practicable Date	:	2,670,663,200 Shares
Number of Rights Shares	:	1,335,331,600 Rights Shares
Aggregate nominal value of the Rights Shares	:	HK\$13,353,316
Funds to be raised before expenses	:	HK\$146,886,476
Number of Shares in issue immediately after completion of the Rights Issue	:	4,005,994,800 Shares
Underwriter	:	Kingston Securities Limited

As at the Latest Practicable Date, the Company has no outstanding derivatives, options, warrants or securities in issue which confer any right to subscribe for, convert or exchange into Shares.

The number of 1,335,331,600 Rights Shares proposed to be allotted and issued under the Rights Issue represent (a) 50.00% of the Company's issued share capital as at the Latest Practicable Date; and (b) approximately 33.33% of the Company's issued share capital as enlarged by the allotment and issue of the Rights Shares.

The Rights Issue (other than Rights Shares that are subject to the Irrevocable Undertaking) will be fully underwritten by the Underwriter on the terms and subject to the conditions set out in the Underwriting Agreement.

## LETTER FROM THE BOARD

### Subscription Price

The Subscription Price is HK\$0.11 per Rights Share, payable in full when a Qualifying Shareholder accepts his/her/its provisional allotment under the Rights Issue or, where applicable, applies for excess Rights Shares or when a transferee of Nil Paid Rights subscribes for the Rights Shares.

The Subscription Price represents:

- (1) a discount of approximately 25.68% to the closing price of HK\$0.148 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (2) a discount of approximately 22.97% to the average closing price of approximately HK\$0.1428 per Share for the five consecutive trading days up to and including the Last Trading Day;
- (3) a discount of approximately 18.7% to the theoretical ex-rights price of approximately HK\$0.1353 per Share as adjusted for the effects of the Rights Issue, calculated on the basis of the closing price of HK\$0.148 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (4) a discount of approximately 32.89% to the unaudited consolidated net assets per Share of approximately HK\$0.1639 as at 30 September 2016 (based on the Company's unaudited consolidated net asset value of approximately HK\$437,745,447 as at 30 September 2016 and 2,670,663,200 Shares in issue as at 30 September 2016 and the Latest Practicable Date); and
- (5) a discount of approximately 23.07% to the closing price of HK\$0.143 as at the Latest Practicable Date.

The Subscription Price was arrived at by the Directors with reference to the prevailing market price of the Shares. The Directors consider that the Rights Issue will enable all Qualifying Shareholders to subscribe for the Rights Shares at the same Subscription Price in proportion to their shareholdings and also to apply for excess Rights Shares on a fair and equitable and pro rata basis. In addition, the Subscription Price has been set as a modest discount to the recent closing prices of the Shares to encourage existing Shareholders to participate in the Rights Issue and hence the future development of the Company. Accordingly, the Directors (including the independent non-executive Directors) consider the terms of the Rights Issue, including the Subscription Price, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## LETTER FROM THE BOARD

### **Qualifying Shareholders**

The Company will send (i) the Prospectus Documents containing, amongst other things, the Prospectus setting out the details of the Rights Issue, the PAL and the EAF to the Qualifying Shareholders; and (ii) the Prospectus (without the PAL and the EAF), for information only, to the Non-Qualifying Shareholders.

The Rights Issue will not be extended to the Non-Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must at the close of business on the Record Date be registered on the register of members of the Company, and must have as its address on the register of members of the Company on the Record Date an address in Hong Kong or an address which is in a place where, in the Directors' opinion, it would be expedient for the Rights Shares to be offered in that place on account of legal or regulatory requirements in such place.

Shareholders whose Shares are held by nominee companies should note that the Board will regard a nominee company as a single Shareholder according to the register of members of the Company.

### **Overseas Shareholders**

As at the close of business on the Record Date, if a Shareholder's address on the Company's register of members is in a place outside Hong Kong, that Shareholder may or may not be eligible to take part in the Rights Issue. The Company has no intention to register or file the Prospectus Documents under the applicable securities or equivalent legislation of any jurisdiction other than Hong Kong.

Based on the register of members of the Company as at the Latest Lodging Date, there were no Overseas Shareholders whose addresses on the register of members were outside Hong Kong. Given that the register of members of the Company was closed from Tuesday, 22 November 2016 to Monday, 28 November 2016 and no Shares would be transferred during the book closure period, the register of members of the Company on the Record Date was the same as that on the Latest Lodging Date. As at the Record Date, there were no Overseas Shareholders whose addresses on the register of members are outside Hong Kong.

Arrangements will be made for the Nil Paid Rights which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders (had they been Qualifying Shareholders) to be sold in the market as soon as practicable after dealings in the Nil Paid Rights commence and before dealings in the Nil Paid Rights end, if a premium in excess of all expenses of sale can be obtained. The aggregate net proceeds of such sale will be paid by the Company to the Non-Qualifying Shareholders pro-rata to their respective shareholdings on the Record Date. However, if any of such Non-Qualifying Shareholders would be entitled to a sum of HK\$100 or less, such sum will be retained by the Company for its own benefit. Any unsold Nil Paid Rights to which Non-Qualifying Shareholdings would otherwise have been entitled will first be made available for valid excess applications by the Qualifying Shareholders under the EAFs and the balance (if any) will be underwritten by the Underwriter.

## LETTER FROM THE BOARD

No person receiving a copy of this Prospectus and/or the PAL and/or EAF in any territory or jurisdiction outside Hong Kong may treat as an offer or an invitation to apply for the Nil Paid Rights and the Rights Shares, unless in the relevant jurisdiction such an offer or invitation could lawfully be made without compliance with any registration or other legal or regulatory requirements. It is the responsibility of any person outside Hong Kong (including the ultimate beneficial owner(s) of the Qualifying Shareholders) wishing to make an application for the Nil Paid Rights and the Rights Shares to satisfy himself as to the observance of the laws and regulations of all relevant jurisdictions, including obtaining any government or other consents, and payment of any taxes and duties required to be paid in such jurisdiction in connection therewith. Completion and return of the PALs and/or EAFs will constitute a warranty and representation by the relevant applicant(s) to the Company that all registration, legal and regulatory requirements of all relevant territories other than Hong Kong in connection with the acceptance of the Nil Paid Rights and the Rights Shares have been duly complied with by such applicant(s). For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to any of the representations and warranties. If you are in any doubt as to your position, you should consult your professional advisers.

Overseas Shareholders and beneficial owners of Shares who are residing outside Hong Kong should note that they may or may not be eligible to take part in the Rights Issue, subject to the results of the enquiries made by the Company. The Company reserves the right to treat as invalid any acceptances of or applications for the Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Overseas Shareholders and beneficial owners of Shares who are residing outside Hong Kong should exercise caution when dealing in the Shares.

### **Status of the Rights Shares**

The Rights Shares, when allotted, issued and fully paid, shall rank *pari passu* in all respects with the then existing Shares in issue on the date of allotment and issue of the Rights Shares, including the right to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the Rights Shares.

### **Fractional entitlements**

The entitlements of Qualifying Shareholders will be rounded down to the nearest whole number and fractional entitlements to Rights Shares will not be provisionally allotted to the Shareholders. The Nil Paid Rights representing the aggregate of all the fractions of Rights Shares (rounded down to the nearest whole number) will be provisionally allotted to a nominee or nominees appointed by the Company and, if a premium (net of expenses) can be obtained, will be sold by the nominee or nominees on the Company's behalf in the market as soon as practicable after the commencement of dealing in the Nil Paid Rights and the net proceeds of such sale will be retained by the Company for its own benefit. Any Rights Shares in respect of the unsold fractional entitlements will first be made available for valid excess applications by the Qualifying Shareholders and the balance (if any) will be underwritten by the Underwriter.



## LETTER FROM THE BOARD

### Application for the Rights Shares

A PAL is enclosed with the Prospectus which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of the Rights Shares shown thereon. If a Qualifying Shareholder wishes to exercise his right to subscribe for all the Rights Shares provisionally allotted to him as specified in the PAL, he must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Share Registrar, by no later than 4:00 p.m. on Friday, 23 December 2016. All remittances must be made in Hong Kong dollars and cheques must be drawn on a bank account with, or cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "**Ban Loong Holdings Ltd – Rights Issue A/C**" and crossed "**Account Payee Only**".

It should be noted that unless the PAL, together with the appropriate remittance, has been lodged with the Share Registrar by 4:00 p.m. on Friday, 23 December 2016, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled. The Company may, at its discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if not completed in accordance with the relevant instructions in the PAL.

If a Qualifying Shareholder wishes to accept only part of his provisional allotment or transfer a part of his rights to subscribe for the Rights Shares provisionally allotted to him under the PAL or to transfer his rights to more than one person, the entire PAL must be surrendered and lodged for cancellation by no later than 4:30 p.m. on Thursday, 15 December 2016 to the Share Registrar, who will cancel the original PAL and issue new PALs in the denominations required.

All cheques and cashier's orders will be presented for payment following receipt and all interest earned on such monies will be retained for the benefit of the Company. Any PAL in respect of which the cheque or cashier's order is dishonoured on first presentation may be rejected at the Board's discretion, and in that event the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled.

If the Underwriter exercises the right to terminate its obligations under the Underwriting Agreement before the Latest Time for Termination, the monies received in respect of the relevant provisional allotments will be returned to the relevant persons without interest and by means of cheques despatched by ordinary post at the risk of such applicants on or before Thursday, 5 January 2017.

### Excess application for the Rights Shares

Qualifying Shareholders may apply, by way of excess application, for Rights Shares in respect of any unsold entitlements of the Non-Qualifying Shareholders, any unsold fractional entitlements to the Rights Shares and any Rights Shares in respect of the Nil Paid Rights not taken up by the Qualifying Shareholders or otherwise not subscribed for by transferees of the Nil Paid Rights.

## LETTER FROM THE BOARD

Qualifying Shareholders who wish to apply for any Rights Shares in addition to their provisional allotment must complete and sign the enclosed EAF in accordance with the instructions printed thereon and lodge it, together with a separate remittance for the amount payable on application in respect of the excess Rights Shares applied for, with the Share Registrar, by no later than 4:00 p.m. on Friday, 23 December 2016. All remittances must be made in Hong Kong dollars and cheques must be drawn on a bank account with, and cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "**Ban Loong Holdings Ltd – Excess Application A/C**" and crossed "**Account Payee Only**".

All cheques or cashier's orders will be presented for payment immediately following receipt and all interest earned on such monies will be retained for the benefit of the Company. Any EAF in respect of which a cheque or cashier's order is dishonoured on first presentation may be rejected at the Board's discretion. An applicant must pay the exact amount payable upon application for the Rights Shares. Any underpaid application will be rejected. In the event of an overpaid application, a refund cheque will be made out to the applicant only if the overpaid amount is HK\$100 or above.

If (a) no excess Rights Shares are allotted and issued to an applicant for excess Rights Shares, or (b) the number of excess Rights Shares allotted to an applicant is less than the number applied for, or (c) the Underwriter exercises the right to terminate its obligations under the Underwriting Agreement or if the conditions precedent under the Underwriting Agreement are not fulfilled before the Latest Time for Termination and the Rights Issue does not proceed, then the amount tendered on application (or, in the case of a partially successful excess application, the surplus application monies) is expected to be refunded to that applicant without any interest by means of cheque(s) despatched by ordinary post at the risk of such applicant on or about Thursday, 5 January 2017.

The EAF is for use only by the person(s) to whom it is addressed and is not transferable.

The Directors will allocate the excess Rights Shares at their absolute discretion on a fair and equitable basis. Subject to availability of excess Rights Shares, the excess Rights Shares will be allocated to Qualifying Shareholders who have applied for excess Rights Shares on a pro-rata basis based on the number of the excess Rights Shares applied by them, but no reference will be made to the number of Rights Shares applied for under a PAL or the existing number of Shares held by such Qualifying Shareholders. If the aggregate number of Rights Shares not taken up by the Qualifying Shareholders under the PALs is greater than the aggregate number of excess Rights Shares applied for through the EAFs, the Directors will allocate in full to each Qualifying Shareholder the number of excess Rights Shares applied for under the EAFs. No preference will be given to topping up odd lots to whole board lots.

Investors with their Shares held through a nominee (or which are held in CCASS) should note that the Board will regard the nominee (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Accordingly, such beneficial owners should note that the above arrangement in relation to the allocation of the excess Rights Shares will not extend to them individually.

## LETTER FROM THE BOARD

### **Application for listing of the Nil Paid Rights and the Rights Shares**

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Nil Paid Rights and the Rights Shares. The board lot size of the Nil Paid Rights is the same as the existing board lot size of the Shares, i.e. 2,000 Nil Paid Rights. Dealings in the Nil Paid Rights and the Rights Shares on the Stock Exchange will be subject to the payment of stamp duty, Stock Exchange trading fee and any other applicable fees and charges in Hong Kong.

Subject to the granting of the listing of, and permission to deal in, the Nil Paid Rights and the Rights Shares on the Stock Exchange, the Nil Paid Rights and the Rights Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Nil Paid Rights and the Rights Shares on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbroker or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

None of the securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is proposed to be sought.

### **Share certificates and refund cheques**

Subject to the fulfillment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at Shareholders' own risk on or before Thursday, 5 January 2017. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted by ordinary post at Shareholders' own risk on or before Thursday, 5 January 2017. If the Rights Issue is terminated, refund cheques will be despatched on or before Thursday, 5 January 2017 by ordinary post at Shareholders' own risk.

### **Conditions of the Rights Issue**

The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated by the Underwriter prior to the Latest Time for Termination in accordance with its terms. In the event that the Underwriting Agreement does not become unconditional or if it is terminated prior to the Latest Time for Termination in accordance with the terms thereof, the Rights Issue will not proceed.

## LETTER FROM THE BOARD

### THE UNDERWRITING AGREEMENT

The Rights Issue (other than Rights Shares that are subject to the Irrevocable Undertaking) will be fully underwritten by the Underwriter on the terms and subject to the conditions set out in the Underwriting Agreement. Set out below are the principal terms of the Underwriting Agreement:

Date:	14 November 2016 (after trading hours)
Issuer:	The Company
Underwriter:	Kingston Securities Limited
Number of Rights Shares to be underwritten by the Underwriter:	The Rights Issue (other than Rights Shares that are subject to the Irrevocable Undertaking) will be fully underwritten by the Underwriter. Accordingly, 1,302,849,600 Underwritten Shares (being 1,335,331,600 Rights Shares less the 32,482,000 Rights Shares that are subject to the Irrevocable Undertaking) will be underwritten by the Underwriter.
Commission:	2.5% of the aggregate Subscription Price in respect of 1,302,849,600 Underwritten Shares

Subject to the fulfillment of the conditions (or any waiver, as the case may be, by the Underwriter) contained in the Underwriting Agreement and provided that the Underwriting Agreement is not terminated prior to the Latest Time for Termination in accordance with the terms thereof, the Underwriter have agreed to subscribe or procure the subscription for 1,302,849,600 Underwritten Shares (i.e. all the Rights Shares except those which are subject to the Irrevocable Undertaking) which have not been taken up by Qualifying Shareholders or transferees of the Nil Paid Rights.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (a) the Underwriter and its ultimate beneficial owners are Independent Third Parties; (b) as at the Latest Practicable Date, the Underwriter is not interested in any Shares; and (c) the Underwriter is a licensed corporation to carry on Type 1 (dealing in securities) regulated activity under the SFO whose ordinary and usual course of business include the business of underwriting of securities.

## LETTER FROM THE BOARD

Pursuant to the Underwriting Agreement, (1) if the Underwriter is called upon to take up any untaken Underwritten Shares, then (unless the Underwriter itself subscribes for the untaken Underwritten Shares) the Underwriter shall use its best endeavours to ensure that none of these subscribers (together with their respective associates) will be holding 19.99% or more shareholding in the Company as a result of the subscription of the untaken Underwritten Shares; and (2) the Underwriter shall (and shall cause the sub-underwriters to) procure independent subscribers and placees to take up such number of untaken Underwritten Shares as necessary to ensure compliance by the Company of the minimum public float requirement set out under Rule 8.08(1) of the Listing Rules.

The commission rate of 2.5% under the Underwriting Agreement was determined after arm's length negotiations between the Company and the Underwriter by reference to the market rate. Having considered that (i) the commission rate offered by the Underwriter is comparable to that offered by other financial institutions; and (ii) the experience and financial resources of the Underwriter for underwriting securities, the Directors (including the independent non-executive Directors) consider the terms of the Underwriting Agreement (including the commission) to be fair and reasonable, within the range of normal commercial terms to the Company, and in the best interests of the Company and the Shareholders as a whole.

On 14 November 2016, the Board received an irrevocable undertaking from Mr. Chow Wang, whereby Mr. Chow Wang undertook to maintain his current beneficial shareholding in 64,964,000 Shares up to and including the Record Date and to lodge acceptance for all the 32,482,000 Rights Shares provisionally allotted to him with full payment by the Latest Time for Acceptance. As at the Latest Practicable Date, save and except the Irrevocable Undertaking which was given by Mr. Chow Wang, the Board has not received any irrevocable undertakings from any other shareholders of the Company of their intention to take up any or all of the Rights Shares to be provisionally allotted to them under the Rights Issue.

### **Sub-underwriting**

Pursuant to the Underwriting Agreement, the Underwriter may, in its absolute discretion, appoint any of its affiliates or any other person to be sub-underwriter(s) for the purposes of arranging for the sub-underwriting of the Rights Shares provided that all costs and expenses relating to such appointment are borne by the Underwriter. As the possible sub-underwriting arrangements incur no extra costs for the Company, the Board considers the possible sub-underwriting arrangements are fair and reasonable so far as the Company and the Shareholders are concerned.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries with the Underwriter, as at the Latest Practicable Date, no sub-underwriting agreement has been entered into by the Underwriter with any sub-underwriter.

## LETTER FROM THE BOARD

### Rescission and termination of the Underwriting Agreement

The Underwriting Agreement contains provisions entitling the Underwriter, by notice in writing, to terminate its obligations thereunder on the occurrence of certain events. If any time prior to the Latest Time for Termination (provided that for the purposes of the termination clause of the Underwriting Agreement, if the date of the Latest Time for Termination shall be a business day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is or remains hoisted in Hong Kong between 9:00 a.m. and 5:00 p.m. on that day, the date of the Latest Time for Termination shall be the next business day on which no tropical cyclone warning signal no. 8 or above or no black rainstorm warning signal is or remains hoisted in Hong Kong between 9:00 a.m. and 5:00 p.m. on that day):

- (1) in the absolute opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
  - (a) 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 nature whatsoever which may in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Rights Issue; or
  - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (2) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction on trading in securities) occurs which in the absolute opinion of the Underwriter is likely to materially and adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (3) there is any change in the circumstances of the Company or any member of the Group which in the absolute opinion of the Underwriter will materially and adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any member of the Group or the destruction of any material asset of the Group; or

## LETTER FROM THE BOARD

- (4) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out which, in the absolute opinion of the Underwriter, is likely to materially and adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (5) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or
- (6) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the absolute opinion of the Underwriter, a material omission in the context of the Rights Issue; or
- (7) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive business days, excluding any suspension in connection with the clearance of the Announcement or the Prospectus Documents or other announcements or circulars in connection with the Rights Issue; or
- (8) any moratorium, suspension or material restriction on trading of the Shares on the Stock Exchange due to exceptional financial circumstances or otherwise,

then the Underwriter shall be entitled, by notice in writing to the Company served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

The Underwriter shall be entitled by notice in writing to rescind the Underwriting Agreement if prior to the Latest Time for Termination:

- (1) any material breach of any of the representations, warranties or undertakings by the Company contained in the Underwriting Agreement comes to the knowledge of the Underwriter; or
- (2) any event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination comes to the knowledge of the Underwriter, which if such event had occurred or arisen before the date of the Underwriting Agreement would have rendered any of the warranties contained in the Underwriting Agreement untrue or incorrect in any material respect.

Any notice of termination shall be served by the Underwriter prior to the Latest Time for Termination.



## LETTER FROM THE BOARD

Upon the giving of notice in accordance with the above, the Underwriting Agreement shall terminate and the obligations of the parties shall forthwith cease and be null and void and none of the parties shall have any right against or liability towards any of the other parties arising out of or in connection with the Underwriting Agreement. If the Underwriter exercises its right to terminate the Underwriting Agreement, the Rights Issue will not proceed.

### **Conditions of the Underwriting Agreement**

The obligations of the Underwriter under the Underwriting Agreement are conditional upon:

- (1) the delivery of the Prospectus to the Stock Exchange and the issue by the Stock Exchange on or before the Posting Date of a certificate authorizing registration of the Prospectus with Hong Kong Companies Registry;
- (2) a duly certified copy of the Prospectus (and other required documents) having been lodged with Hong Kong Companies Registry and Hong Kong Companies Registry issuing a confirmation of registration on or before the Posting Date;
- (3) following registration, the posting of the Prospectus to the Qualifying Shareholders and the publication of the Prospectus on the website of the Stock Exchange on or before the Posting Date;
- (4) the grant of listing of the Rights Shares by the Stock Exchange (either unconditionally or subject only to the allotment and despatch of the share certificates in respect thereof) and the grant of permission to deal in the Nil Paid Rights and the Rights Shares by the Stock Exchange (and such permission and listing not subsequently having been withdrawn or revoked prior to the Latest Time for Termination);
- (5) the Underwriting Agreement not being terminated by the Underwriter pursuant to the terms thereof at or before the Latest Time for Termination;
- (6) the compliance with and performance by the Company of all the undertakings and obligations under the terms of the Underwriting Agreement;
- (7) the compliance with and performance of all the undertakings and obligations of Mr. Chow Wang, or any of its respective associates, under the Irrevocable Undertaking;
- (8) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus to the Non-Qualifying Shareholders, if any, for information purposes only, on or before the Prospectus Posting Date;



## LETTER FROM THE BOARD

- (9) there being no event occurring or matter arising prior to the Latest Time for Termination which if it had occurred or arisen before the date of the Underwriting Agreement would have rendered any of the warranties contained therein untrue or incorrect in any material respect;
- (10) the Shares remaining listed on the Stock Exchange at all times prior to the Settlement Date and the listing of the Shares not having been withdrawn or the trading of the Shares not having been suspended for a consecutive period of more than 10 trading days at any time prior to the Latest Time for Acceptance; and
- (11) compliance with the requirements under the applicable laws and regulations of Hong Kong and Bermuda.

The above conditions are incapable of being waived. As at the Latest Practicable Date, none of the conditions has been satisfied. If the conditions are not fully satisfied by the Latest Time for Termination (or such other date as the Company and the Underwriter may agree in writing) or if the Underwriting Agreement is rescinded or terminated pursuant to the terms thereof, all obligations and liabilities of the parties under the Underwriting Agreement shall forthwith cease and determine save and except for clauses in the Underwriting Agreement which are specified to survive termination and neither party shall have any claim against the other, and the Rights Issue will not proceed.

### **WARNING OF THE RISKS OF DEALING IN SHARES AND NIL PAID RIGHTS**

The Underwriting Agreement contains provisions granting the Underwriter the right to terminate their obligations under the Underwriting Agreement upon the occurrence of certain events. Please refer to the section headed “Rescission and termination of the Underwriting Agreement” in this Prospectus for further details.

The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms. If this condition is not fulfilled or waived, the Rights Issue will not proceed, in which case a further announcement will be made by the Company.

Shareholders should note that the Shares have been dealt in on an ex-rights basis commencing from Friday, 18 November 2016 and that the dealings in the Nil Paid Rights will take place from Tuesday, 13 December 2016 to Tuesday, 20 December 2016, both dates inclusive. Shareholders and any persons contemplating transferring, selling or purchasing any Shares and/or Nil Paid Rights are advised to exercise caution when dealing in the securities of the Company and consult their professional advisers if they are in any doubt about their positions. Any Shareholder or person dealing in the Shares and/or the Nil Paid Rights up to the date on which all conditions of the Rights Issue are fulfilled (which is expected to be on 4:00 p.m. on Wednesday, 28 December 2016) will bear the risk that the Rights Issue does not become unconditional and does not proceed.

## LETTER FROM THE BOARD

Qualifying Shareholders are advised to consult their professional advisers if they are in any doubt as to the tax implications of the receipt, purchasing, holding, exercising, disposing of or dealing in the Nil Paid Rights or the Rights Shares and, regarding the Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sales of the Nil Paid Rights on their behalf. None of the Company, the Directors, the Underwriter, nor any other parties involved in the Rights Issue accepts responsibility for any tax effects or liabilities of Shareholders resulting from the receipt, purchasing, holding, exercising, disposing of, or dealing in the Nil Paid Rights or the Rights Shares or receipt of such net proceeds.

### SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming that there is no other change in the shareholding structure of the Company from the Latest Practicable Date to immediately before the completion of the Rights Issue, set out below are the shareholding structures of the Company as at the Latest Practicable Date and immediately after the completion of the Rights Issue:

	As at the Latest Practicable Date		Immediately after completion of the Rights Issue			
			Assuming all Rights Shares are fully subscribed for by Qualifying Shareholders		Assuming no Qualifying Shareholders (except Mr. Chow Wang) subscribed for Rights Shares	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Mr. Fong For (Note 1)	331,068,000	12.40	496,602,000	12.40	331,068,000	8.26
Mr. Chow Wang (Note 2)	64,964,000	2.43	97,446,000	2.43	97,446,000	2.43
The Underwriter (Note 3)	-	-	-	-	1,302,849,600	32.53
Other public Shareholders	2,274,631,200	85.17	3,411,946,800	85.17	2,274,631,200	56.78
Total	<u>2,670,663,200</u>	<u>100.00</u>	<u>4,005,994,800</u>	<u>100.00</u>	<u>4,005,994,800</u>	<u>100.00</u>

Note 1: Mr. Fong For is a Non-executive Director.

Note 2: Mr. Chow Wang is the Chairman of the Company and an Executive Director. Mr. Chow Wang has provided the Irrevocable Undertaking to the Company and the Underwriter, whereby Mr. Chow Wang undertook to maintain his current beneficial shareholding in 64,964,000 Shares up to and including the Record Date and to lodge acceptance for all the 32,482,000 Rights Shares provisionally allotted to him with full payment by the Latest Time for Acceptance.

Note 3: The Rights Issue (other than Rights Shares that are subject to the Irrevocable Undertaking) will be fully underwritten by the Underwriter on the terms and subject to the conditions set out in the Underwriting Agreement.

## LETTER FROM THE BOARD

### REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

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

As disclosed in the Company's Annual Report 2015/2016, the revenue of the Group's financial quotation services decreased from HK\$55,808,473 (for the year ended 31 March 2015) to HK\$30,117,589 (for the year ended 31 March 2016). The Group's mining operations has stabilized upon the signing of an operating lease in March 2015, giving rise to segmental revenue in the amount of HK\$6,775,040 for the year ended 31 March 2016 (as compared to HK\$595,450 for the year ended 31 March 2015). The two new business segments of money lending and trading have both achieved outstanding growth and performance last year, with the segmental profit of our money lending business increasing from nil (for the year ended 31 March 2015) to HK\$8,098,597 (for the year ended 31 March 2016) and the segmental revenue of our trading business increasing from nil (for the year ended 31 March 2015) to HK\$100,538,709 (for the year ended 31 March 2016).

For the six months ended 30 September 2016, (a) the revenue of the Group amounted to approximately HK\$120.8 million, representing an increase of 297.2% as compared to approximately HK\$30.4 million in the previous interim period; (b) the loss for the period attributable to owners of the Company from continuing operations amounted to approximately HK\$4.6 million, representing a decrease of approximately HK\$14.9 million as compared to the previous interim period; (c) the revenue of the Group's financial quotation services amounted to approximately HK\$12.5 million, representing a decrease of approximately 23.5% as compared to the previous interim period; (d) the segmental revenue of the Group's mining operations amounted to approximately HK\$3.1 million, which stayed at a similar level as the previous interim period; (e) the Group's money lending business continued to grow, with segmental revenue amounting to approximately HK\$12.0 million; and (f) the Group's trading business continued to grow, with segmental revenue amounting to approximately HK\$93.2 million.

As at 30 September 2016, the loan receivables of the Group's money lending segment amounted to approximately HK\$146.6 million, with gross average interest yield of approximately 19.04% per annum. In addition to regular assessment of requests by debtors to renew loans upon maturity, the Company has also planned for an increase of overall loan portfolio size from currently HK\$146.6 million to approximately HK\$200 million to achieve better economy of scale and efficiency optimization.

## LETTER FROM THE BOARD

The Group's existing business of trading of goods and commodities in the People's Republic of China was conducted through our wholly-owned subsidiary, Wan Long Xing Ye Commercial Trading (Shenzhen) Limited ("**Wan Long Xing Ye**"). Wan Long Xing Ye is mainly engaged in the trading of stainless steel coil and refined edible oil. During the six months ended 30 September 2016, Wan Long Xing Ye completed sales of approximately 17,965 tonnes of refined edible oil. The Company has planned to inject additional HK\$40 million registered capital to Wan Long Xing Ye, with the view to broadening the categories of goods traded, increasing the size of trading volume, achieving economy of scale and improving the gross profit margin. To leverage on our established experience of commodities trading in China, the Company also planned to set aside HK\$10 million to explore the possibility of commencing trading business in Hong Kong

The management of the Company expected that our money lending and trading segments will become the main revenue contributor of the Group in the coming years. As both money lending and trading businesses are capital-intensive in nature, the Board considers that it is important for the Group to replenish its internal financial resources to finance the business development of these two business segments.

The Directors consider that the Rights Issue will allow the Group to strengthen its financial position without having to incur interest expenses as compared to debt financing, and will increase the capital base of the Company to finance the trading and money lending businesses of the Group. In addition, the Rights Issue would provide an opportunity to all Qualifying Shareholders to participate in the future development of the Company in proportion to their shareholdings if they so wish. Therefore, the Directors (including the independent non-executive Directors) consider that fund raising through the Rights Issue is fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

The gross proceeds of the Rights Issue (before expenses) are HK\$146,886,476. The net proceeds of the Rights Issue (after deducting the costs and expenses in relation to the Rights Issue and the underwriting commission fees) are expected to be approximately HK\$142.7 million. The net issue price (after deducting the costs and expenses in relation to the Rights Issue and the underwriting commission fees) under the Rights Issue is expected to be approximately HK\$0.1069 per Rights Share. The Company intends to apply the net proceeds from the Rights Issue: (a) as to approximately HK\$55 million for financing the development of the Group's money lending business; (b) as to approximately HK\$50 million for financing the development of the Group's trading business; and (c) as to approximately HK\$37.7 million for general working capital of the Group. Amongst the approximately HK\$37.7 million set aside for working capital, (i) approximately HK\$18 million is set aside for salaries and directors' emoluments; (ii) approximately HK\$5 million is set aside for office rental payments; (iii) approximately HK\$4 million is set aside for finance costs and bond interests; (iv) approximately HK\$4 million is set aside for legal, professional and audit fees; and (v) approximately HK\$6.7 million is set aside for other expenses (including listing fees, insurance and miscellaneous expenses).

## LETTER FROM THE BOARD

### 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 the Announcement:

Date of announcement	Equity fund raising exercise	Net proceeds raised	Intended use of proceeds	Actual use of proceeds
6 June 2016	Placing of shares, on best effort basis, for a maximum of 190,110,640 shares at a price of HK\$0.09 per Share under the general mandate granted to the Directors at the annual general meeting held on 30 September 2015. The placing was completed on 15 June 2016 whereby a total of 190,110,000 placing shares have been successfully placed.	Approximately HK\$16.60 million	For financing the Group's money lending business	Used as intended
19 February 2016	Placing of convertible bonds, on best effort basis, with a principal amount of up to HK\$52,800,000 carrying rights to convert to Shares at the conversion price of HK\$0.12 per Share 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	Approximately HK\$26 million used for financing the Group's money lending business and approximately HK\$3.35 million used for working capital.

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

<b>LETTER FROM THE BOARD</b>
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**IMPLICATIONS UNDER THE LISTING RULES**

Since the Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50% within the twelve-month period immediately preceding the Announcement, the Rights Issue is not subject to Shareholders' approval under the Listing Rules.

**ADDITIONAL INFORMATION**

Your attention is drawn to the additional information set out in appendices to the Prospectus.

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

**1. FINANCIAL SUMMARY OF THE GROUP**

The published audited consolidated financial statements of the Group for the years ended 31 March 2014, 2015 and 2016 are disclosed in the annual reports of the Company for the years ended 31 March 2014 (pages 37 to 91), 2015 (pages 38 to 99) and 2016 (pages 38 to 121). The unaudited consolidated financial information of the Group for the six months ended 30 September 2016 is disclosed in the interim results announcement of the Company dated 24 November 2016 (pages 1 to 22). The above documents can be accessed on the web site of the Company ([www.0030hk.com](http://www.0030hk.com)) and the web site of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)).

**2. INDEBTEDNESS STATEMENT**

As at the close of business on 31 October 2016, being the latest practicable date for the purpose of this statement of indebtedness prior to printing of the Prospectus, the indebtedness of the Group was as follows:

**(i) Other indebtedness**

The Group had outstanding indebtedness of HK\$4,375,651 due to a non-controlling shareholder of a subsidiary, which was unguaranteed, unsecured, non-interest bearing and repayable on demand.

The Group had outstanding indebtedness of HK\$3,036,145 due to independent third parties, which was unguaranteed, unsecured, non-interest bearing and repayable on demand.

The Group had outstanding unsecured and unguaranteed bonds with aggregate principal amount of HK\$70,000,000 bearing interest at 5.5% per annum and repayable on the seventh anniversary of the date of issue.

**(ii) Contingent liabilities**

As at the close of business on 31 October 2016, the Group had no material contingent liabilities.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities and normal trade payables, the Group did not have any debt securities issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptance or acceptance credits, debentures, mortgages, charges, hire purchase or finance lease commitments, guarantees or other material contingent liabilities.

For the purpose of the above statement of indebtedness, the foreign currency, Renminbi, has been translated into Hong Kong dollars at the approximate rate of 1:1.1447 as at 31 October 2016.

### 3. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position or prospects of the Group since 31 March 2016, being the date to which the latest audited consolidated financial statements of the Group were made up.

### 4. WORKING CAPITAL

The Directors, after due and careful consideration, are of the opinion that, in the absence of unforeseeable circumstances, after taking into account the Group's business prospects, the financial resources available to the Group and the estimated net proceeds from the Right Issue, the working capital available to the Group is sufficient for the Group's requirement for at least the next twelve months from the date of the Prospectus.

### 5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

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

#### **The Financial Quotation Segment**

The business of the financial quotation segment is closely associated with the growth and prosperity of the stock market in Hong Kong. QuotePower International Limited is one of the leading financial quotation service providers in Hong Kong. It has long history in the market and has wide client base. However, it is believed that the market for paid financial quotation services has been fully developed and saturated. The potential for further development is very limited and raise of subscription price would only result in loss of subscribers. The Directors expect that the business environment of the segment remains challenging due to the keen competition, especially from those free stock-quote services providers. The prospect of the segment depends on the management's ability to retain customers by providing quality services and to control costs.

The management expected that customers drain is an inevitable trend in the financial quotation segment, since everyone gets accustomed to free information in the era of internet. The financial performance of the financial quotation segment may keep declining in the coming years.

The Company is in the process of formulating the business strategy for the financial quotation services segment which might involve a possible scaling-down and/or sell-down and/or the introduction of new investors and/or new project partners in light of its difficult business environment.



**The Mining Operations Segment**

The scale of the Group's mining operations is considered small and limited. The Group can only be a market follower, and has no influence on the market price and sales of ores and ores concentrates in the local market. Despite of the Group's solid reserve of mineable resources, the segmental results of the mining operations segment of the Group had not been performing well in the past few years. Upon review on the development of the mining operations segment, the management concluded that the stagnant in the segment was mainly caused by the lack of management expertise, techniques and local workforce in exploiting valuable resources. Moreover, government policies were significant tilted in favour of those local large and stated-owned mining companies. This has further restricted the development of the Group's mining operations segment.

In light of the above obstacles, the management was still endeavours in adjusting the development strategy in the mining operations segment. As stated in the Company's announcement dated 30 March 2015, the Group has entered into an operating lease contract with Henan Heng Yi Mining Company Limited (the "Lessee") since 30 March 2015, being an independent third party, pursuant to which the Mining Assets was leased to the Lessee. Under the terms of the lease contract, the Lessee shall be responsible for all operating expenses in relation to the Mining Assets, any costs of exploration, survey and preparation of technical reports of the Group's mining properties during the tenure of the lease. In addition, the Lessee shall refrain from overexploitation and ensure that there are abundant residual resources in the mining properties.

The Group will extend the operating lease arrangement in foreseeable future with a view to creating stable cash flow and minimizing the possible commitment of the Group.

**Money Lending Segment**

Customers of our money lending business are usually renowned businessmen and professionals with sufficient assets backing. The Group would also request customers to provide adequate guarantees before releasing loan money. The management considered the potential of the segment was high and the segment could help to provide a constant cash inflow to the Group. The Group has planned for an increase of overall loan portfolio size to achieve better economy of scale and efficiency optimization.

The Group is also considering to expand its money lending business into the China market, where opportunities arise from the deleveraging process in the banking system and the difficulty faced by commercial and private sector in obtaining short-term financing.

The management expected the money lending segment will be one of the major revenue and profit contributors of the Group in the coming years.

### **Trading Segment**

To capture opportunities in the rapid growing China market and to help diversifying the revenue base of the Group, the Company has set up a new wholly-owned subsidiary, Wan Loong Xing Ye Commerical Trading (Shenzhen) Limited (萬隆興業商貿(深圳)有限公司) (“Wan Loong Xing Ye”), in China. Wan Loong Xing Ye engages in the domestic trading of goods and commodities in People’s Republic of China. At present, it traded mainly refined edible oil. The Group will further broaden the categories of goods involved in the trading business so as to minimise the concentration risk in trading a particular type of goods.

The management has planned to broaden the categories of goods traded and increase the size of trading volume with a view to achieving economy of scale and improving the gross profit margin. The segment will remain as the main revenue contributor of the Group in the coming years.

### **Other**

The management always believes that it is in the best interest of the Company and the shareholders to diversify the Group’s business portfolio. The Company will continue to identify appropriate potential investment opportunities.

**A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED  
NET TANGIBLE ASSETS OF THE GROUP**

The following is an unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company (the “**Unaudited Pro Forma Financial Information**”) which has been prepared by the directors of the Company in accordance with paragraph 29 of Chapter 4 of the Listing Rules, for the purpose of illustrating the effect of the Rights Issue on the consolidated net tangible assets of the Group attributable to owners of the Company as if the Rights Issue had been completed on 30 September 2016. As it is prepared for illustrative purpose only, and because of its nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company upon completion of the Rights Issue as at 30 September 2016 or at any future date. The Unaudited Pro Forma Financial Information is prepared based on the condensed consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2016 as extracted and derived from the condensed consolidated financial statements for the six months ended 30 September 2016 included in the published interim results announcement of the Company and is adjusted for the effect of the Rights Issue.

Consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2016 HK\$ (Note 1)	Estimated net proceeds from the Rights Issue HK\$ (Note 2)	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2016 HK\$	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per share immediately after the completion of the Rights Issue per share HK\$ (Note 4)
174,184,273	142,699,951	316,884,224	0.08

*Note:*

1. The amount of consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2016 is based on the audited consolidated net assets of the Group attributable to owners of the Company of HK\$333,445,955, as extracted from the published interim results announcement of the Company, adjusted for the intangible assets of HK\$159,261,682 (total intangible assets of HK\$295,033,200 as extracted from the published interim results announcement of the Company, minus the non-controlling interests portion in the intangible assets of HK\$135,771,518) attributable to owners of the Company as extracted from the interim results announcement the Company for the six months ended 30 September 2016.
2. The estimated net proceeds of HK\$142,699,951 from the Proposed Rights Issue are based on the gross proceeds of HK\$146,886,476, being the issuance of 1,335,331,600 ordinary shares at HK\$0.11 per each (the “**Right Shares**”), deducting the estimating underwriting commission and other related expenses of HK\$4,186,525 to be incurred by the Company.
3. The number of shares used in the calculation of unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as adjusted for the Rights Issue per share is as follows:

	<b>Number of shares</b>
Issued and fully paid as at 30 September 2016 (extracted from the published interim results announcement of the Company for the six months ended 30 September 2016)	2,670,663,200
Rights Shares to be issued on the basis of one Rights Share for every two ordinary shares on the record date	<u>1,335,331,600</u>
	<u><b>4,005,994,800</b></u>

4. No adjustments have been made to reflect any trading results or other transactions of the Group entered into subsequent to 30 September 2016.

*The following is the text of an accountant's report, prepared for the sole purpose of inclusion in this Prospectus, received from the independent reporting accountant, SHINEWING (HK) CPA Limited, Certified Public Accountants, Hong Kong, in respect of the unaudited pro forma financial information of the Group.*

**B. ACCOUNTANTS' REPORT ON THE UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP**

9 December 2016

The Board of Directors  
Ban Loong Holdings Limited  
Room 2709-10, 27/F.  
China Resources Building  
No. 26 Harbour Road  
Wanchai, Hong Kong

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Ban Loong Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") by the directors of the Company for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2016, and related notes as set out on pages II-1 to II-2 of the prospectus (the "**Prospectus**") in connection with the proposed rights issue of 1,335,331,600 rights shares at the subscription price of HK\$0.11 per rights share on the basis of one rights share for every two shares held on the record date by qualifying shareholders (the "**Rights Issue**") issued by the Company. The applicable criteria on the basis of which the directors of the Company have compiled the unaudited pro forma financial information are described on pages II-1 and II-2.

The unaudited pro forma financial information has been compiled by the directors of the Company to illustrate the impact of the Rights Issue on the Group's consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2016 as if the Rights Issue had taken place at 30 September 2016. As part of this process, information about the Group's consolidated net tangible assets of the Group attributable to owners of the Company has been extracted by the directors of the Company from the Group's unaudited condensed consolidated interim financial statements for the six months ended 30 September 2016, on which an interim results announcement has been published.

**Directors' Responsibility for the Unaudited Pro Forma Financial Information**

The directors of the Company are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and with reference to Accounting Guideline 7 "Preparation of Unaudited Pro Forma Financial Information for Inclusion in Investment Circulars" ("**AG7**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

**Our Independence and Quality Control**

We have complied with the independence and other ethical requirement of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Hong Kong Standard on Quality Control 1 “Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements” and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Reporting Accountant’s Responsibility**

Our responsibility is to express an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountant plan and perform procedures to obtain reasonable assurance about whether the directors of the Company have compiled the unaudited pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Listing Rules and with reference to AG7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of unaudited pro forma financial information included in the Prospectus is solely to illustrate the impact of the Rights Issue on unadjusted financial information of the Group as if the Rights Issue had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Rights Issue at 30 September 2016 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors of the Company in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgement, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Opinion**

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

**SHINEWING (HK) CPA Limited**

*Certified Public Accountants*

**Wong Hon Kei, Anthony**

Practising Certificate Number: P05591

Hong Kong

## 1. RESPONSIBILITY STATEMENT

The Prospectus Documents, for which the Directors collectively and individually accept full responsibility, include particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in the Prospectus Documents is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or in the Prospectus Documents misleading.

## 2. SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date and immediately upon completion of the Rights Issue are as follows:

*Authorised share capital:*

HK\$

<u>20,000,000,000</u>	Shares	<u>200,000,000.00</u>
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*Issued and fully paid share capital or credited as fully paid:*

2,670,663,200	Shares in issue as at the Latest Practicable Date	26,706,632.00
<u>1,335,331,600</u>	Rights Shares to be issued pursuant to the Rights Issue	<u>13,353,316.00</u>
<u>4,005,994,800</u>	Shares in issue and fully paid immediately upon completion of the Rights Issue	<u>40,059,948.00</u>

All Shares in issue rank *pari passu* in all respects with each other including rights to dividends, voting and return of capital. The Rights Shares to be issued pursuant to the Rights Issue, when allotted, issued and fully-paid or credited as fully-paid, will rank *pari passu* in all respects with the Shares then in issue including as to the right to receive future dividends and distributions which may be declared, made or paid on or after the date of allotment of the Rights Shares.

The issued Shares are listed and traded on the Main Board of the Stock Exchange. No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.



Save as disclosed herein, no share or loan capital of the Company or any of its subsidiaries has been put under option or agreed conditionally or unconditionally to be put under option.

As at the Latest Practicable Date, the Company has no outstanding derivatives, options, warrants or securities in issue which confer any right to subscribe for, convert or exchange into Shares.

### 3. DISCLOSURE OF INTERESTS

#### (i) Directors

##### (a) Directors' interests in the Company

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required pursuant to Section 352 of the SFO to be entered in the register maintained by the Company referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

<b>Names of Directors</b>	<b>Capacity</b>	<b>Number of Shares held (long position)</b>	<b>Percentage of the issued share capital of the Company</b>
Fong For	Beneficial owner	331,068,000	12.40%
Chow Wang (Note)	Beneficial owner	97,446,000	2.43%

*Note:* Mr. Chow Wang, an executive Director, is the legal and beneficial owner of 64,964,000 Shares. Mr. Chow has provided the Irrevocable Undertaking to the Company and the Underwriter, whereby Mr. Chow Wang undertook to maintain his current beneficial shareholding in 64,964,000 Shares up to and including the Record Date and to lodge acceptance for all the 32,482,000 Rights Shares provisionally allotted to him with full payment by the Latest Time for Acceptance.

Save as disclosed herein, as at the Latest Practicable Date, none of the Directors or chief executive of the Company and their associates had any interests or short positions in any Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of

Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required pursuant to Section 352 of the SFO to be entered in the register maintained by the Company referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

*(b) Directors' interests in assets and contracts of the Company*

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to member of the Group since 31 March 2016, being the date to which the latest published audited accounts of the Group were made up. None of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group which was subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group.

*(c) Directors' service contract*

As at the Latest Practicable Date, none of the Directors had entered or was proposing to enter into any service contract with the Company or any other member of the Group which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

*(d) Directors' interests in competing business*

As at the Latest Practicable Date, none of the Directors or their respective associates was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group as required to be disclosed pursuant to the Listing Rules.

## (ii) Substantial Shareholders

As at the Latest Practicable Date, so far as was known to the Directors or chief executive of the Company, the following persons (other than the Directors and chief executive of the Company) had, or were deemed or taken to have interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO:

*Long positions in the Shares*

Name of Shareholder	Nature of interest/capacity	Number of Shares held (long position)	Percentage of the issued share capital of the Company
Ms. Chu Yuet Wah (note)	Interest of a controlled corporation	1,302,849,600	32.52%
Active Dynamic Limited (note)	Interest of a controlled corporation	1,302,849,600	32.52%
Galaxy Sky Investments Limited (note)	Interest of a controlled corporation	1,302,849,600	32.52%
Kingston Capital Asia Limited (note)	Interest of a controlled corporation	1,302,849,600	32.52%
Kingston Financial Group Limited (note)	Interest of a controlled corporation	1,302,849,600	32.52%
Underwriter (note)	Others	1,302,849,600	32.52%

*Note:* The Shares are the Rights Shares which the Underwriter is interested under the Underwriting Agreement on the assumption of no acceptance by the Qualifying Shareholders under the Rights Issue. The Underwriter is a wholly-owned subsidiary of Galaxy Sky Investments Limited, which is wholly owned by Kingston Capital Asia Limited. Kingston Capital Asia Limited is wholly owned by Kingston Financial Group Limited. Active Dynamic Limited owns 49.19% interest in Kingston Financial Group Limited. Mrs. Chu Yuet Wah owns 100% interest in Active Dynamic Limited.

As at the Latest Practicable Date, so far as was known to the Directors, the following persons and companies (other than Directors or chief executive of the Company) were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group (other than the Company):

<b>Name of entity (which is interested in 10% or more interest in any member of the Group)</b>	<b>Name of the member of the Group</b>	<b>Approximate percentage of interest held in the member of the Group</b>
ABC Global Limited	Choudary Limited	49%
Mr. Liu Ziqiang	Jun Qiao Limited	40%
Tong Bai County Yin Di Mining Co. Ltd*	Zhengzhou Jinfuyuan Mining Co. Ltd	10%
Henan Ya Gang Enterprises Co. Ltd*	Tong Bai County Yin Di Mining Co. Ltd*	10%

Save as disclosed above, at the Latest Practicable Date, so far as was known to the Directors or chief executive of the Company, there was no other person (not being a Director or chief executive of the Company) who as had interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, had a direct or indirect interest amounting to 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any members of the Group.

As at the Latest Practicable Date, save and except for information above, no other Director nor any parties acting in concert with any of them was interested in any Shares or any convertible securities, warrants, options or derivative in respect of Shares.

#### 4. CORPORATE INFORMATION

<b>Registered Office</b>	Clarendon House 2 Church Street Hamilton HM 11 Bermuda
<b>Principal Place of Business in Hong Kong</b>	Room 2709-10, 27/F. China Resources Building No. 26 Harbour Road Wanchai Hong Kong

\* For identification purposes only

<b>Executive Directors</b>	Mr. Chow Wang ( <i>Chairman</i> ) Mr. Cheung Wai Shing
<b>Non-executive Director</b>	Mr. Fong For
<b>Independent Non-executive Directors</b>	Mr. Jiang Zhi Mr. Leung Ka Kui, Johnny Ms. Wong Chui San, Susan
<b>Chief Operating Officer</b>	Mr. Wang Zhao Qing, Tiger
<b>Company Secretary</b>	Mr. Cheung Wai Shing
<b>Authorised Representatives</b>	Mr. Chow Wang Mr. Cheung Wai Shing
<b>Audit Committee</b>	Ms. Wong Chui San, Susan ( <i>Chairman</i> ) Mr. Jiang Zhi Mr. Leung Kai Kui, Johnny
<b>Remuneration Committee</b>	Mr. Leung Kai Kui, Johnny ( <i>Chairman</i> ) Mr. Jiang Zhi Ms. Wong Chui San, Susan Mr. Chow Wang Mr. Cheung Wai Shing
<b>Nomination Committee</b>	Mr. Chow Wang ( <i>Chairman</i> ) Mr. Jiang Zhi Mr. Leung Kai Kui, Johnny Ms. Wong Chui San, Susan Mr. Cheung Wai Shing
<b>Principal Share Registrar and Transfer Office</b>	Computershare Investor Services (Bermuda) Limited Corner House Church and Parliament Street Hamilton HM FX Bermuda

<b>Hong Kong Branch Share Registrar and Transfer Office</b>	Computershare Hong Kong Investor Services Limited Shops 1712-1716 17th Floor, Hopewell Centre 183 Queen's Road East Wan Chai Hong Kong
<b>Auditor</b>	SHINEWING (HK) CPA Limited 43/F., Lee Garden One 33 Hysan Avenue Causeway Bay Hong Kong
<b>Legal Advisers</b>	Cheung & Choy Room 417-418, 4/F, Hutchison House 10 Harcourt Road, Central Hong Kong
<b>Principal Bankers</b>	The Bank of East Asia 10 Des Voeux Road Central Central, Hong Kong
<b>Stock Code</b>	30

#### 5. PARTIES INVOLVED IN THE RIGHTS ISSUE

<b>The Company</b>	Ban Loong Holdings Limited Room 2709-10, 27/F. China Resources Building No. 26 Harbour Road Wanchai Hong Kong
<b>The Underwriter</b>	Kingston Securities Limited Suite 2801, 28/F. One International Finance Centre 1 Harbour View Street, Central Hong Kong
<b>Financial adviser to the Company for the Rights Issue</b>	<b>Kingston Corporate Finance Limited</b> Suite 2801, 28/F. One International Finance Centre 1 Harbour View Street Central Hong Kong

**Legal advisers to the Company**

*As to Hong Kong Law:*  
 Cheung & Choy  
 Room 417-418, 4/F, Hutchison House  
 10 Harcourt Road, Central  
 Hong Kong

*As to Bermuda Law:*  
 Conyers Dill & Pearman  
 29th Floor, One Exchange Square  
 8 Connaught Place  
 Central, Hong Kong

**Reporting Accountant**

SHINEWING (HK) CPA Limited  
 43/F., Lee Garden One  
 33 Hysan Avenue  
 Causeway Bay  
 Hong Kong

**Hong Kong Branch Share  
Registrar and Transfer Office**

Computershare Hong Kong Investor  
 Services Limited  
 Shops 1712-1716  
 17th Floor, Hopewell Centre  
 183 Queen's Road East  
 Wan Chai  
 Hong Kong

**6. LITIGATION**

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was involved in any litigation of material importance.

**7. MATERIAL CONTRACTS**

The following contracts (not being contracts in the ordinary course of business) have been entered into by members of the Group within the two years immediately preceding the Latest Practicable Date:

1. the placing agreement dated 4 November 2014 entered into between the Company as issuer and KGI Capital Asia Limited as the placing agent, in relation to the best-effort placing of up to 331,069,440 placing shares at the placing price of HK\$0.114 per placing share;

2. the lease contract dated 30 March 2015 entered into among Yin Di Mining and Xin Jiang Yuan Mining, both of which being non-wholly owned subsidiaries of the Company, as lessors and Henan Heng Yi Mining Company Limited as lessee in relation to the lease of the mining and exploration rights of several mines and the plants and equipment situated therein, for an aggregate rent of RMB5,200,000 payable to the Group during the first year of tenure under the least contract (subject to renewal by the Group for successive one-year periods for up to a maximum of ten years in total, and subject to annual rate of increase of rental imposed by the Group of not less than 100% and not more than 150% as compared with the aggregate rent of the previous year);
3. the sale and purchase agreement dated 24 April 2015 entered into between the Company as purchaser, Mr. Chiu Ngai Hung as vendor and six target companies, in relation to the proposed acquisition of the entire issued share capital and all shareholder's loan of each of the target companies;
4. the placing agreement dated 24 April 2015 (supplemented by a supplemental placing agreement dated 15 July 2015) entered into between the Company as issuer and Asian Capital (Corporate Finance) Limited as the placing agent, in relation to the best-effort placing of 2% per annum coupon convertible bonds proposed to be issued by the Company in the principal amount of up to HK\$150,000,000 due on the second anniversary of the date of issue;
5. the sale and purchase agreement dated 4 June 2015 entered into between the Company as vendor and Shenzhen Demingwang Trading Co. Ltd. as purchaser, pursuant to which the Company agreed to sell 18% of the issued share capital of Sharp Legend Inc. and related shareholders loans to the purchaser for a total cash consideration of HK\$60,000,000;
6. the placing agreement dated 9 September 2015 entered into between the Company as issuer and Convoy Investment Services Limited as placing agent, in relation to the best-effort placing of up to 397,280,000 placing shares at the placing price of HK\$0.189 per placing share;
7. the subscription agreements dated 29 September 2015 entered into between the Company as issuer and two independent subscribers, in relation to the subscription of 30,000,000 subscription shares of the Company at the subscription price of HK\$0.197 per subscription share;
8. the placing agreement dated 19 February 2016 entered into between the Company as issuer and Convoy Investment Services Limited as placing agent, in relation to the best-effort placing of 4% per annum coupon convertible bonds proposed to be issued by the Company in the aggregate principal amount of up to HK\$52,800,000 due on the second anniversary of the date of issue;



9. the sale and purchase agreement dated 24 March 2016 entered into between the Company as vendor and Ms. Chen Chang Ying as purchaser, pursuant to which the Company conditionally agreed to sell, and the Purchaser conditionally agreed to acquire, 60% of the issued share capital of POMP International Limited for the consideration of HK\$4 million;
10. the non-legally binding Memorandum of Understanding dated 21 April 2016 entered into between Wan Long Xing Ye as purchaser and Shenzhen Leading Electronic Technology Company Limited as vendor, pursuant to which vendor proposed to sell 10% equity interest in Guizhou Dushan Rural Commercial Bank Joint Stock Corporation to Wan Long Xing Ye for the total consideration of not exceeding RMB66.8 million (HK\$80 million);
11. the placing agreement dated 6 June 2016 entered into between the Company as the issuer and Supreme China Securities Limited as placing agent, in relation to the best-effort placing of up to 190,110,640 placing shares at the placing price of HK\$0.09 per placing share;
12. the Underwriting Agreement.

## 8. BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

### Executive Directors

**Mr. Chow Wang ("Mr. Chow")**, aged 52, has over more than 20 years of experience in the field of business development, trading and investment. After Mr. Chow finished his secondary education in China in early 80's, he was engaged in trading business in Shenzhen, China. After relocating to Hong Kong in late 80's, Mr. Chow established Ban Loong Shareholding Limited ("**Ban Loong Shareholding**") and acquired Union Shine Technology Limited ("**Union Shine**"). Ban Loong Shareholding is engaged in the investment in private equity projects in Hong Kong and China, while Union Shine is engaged in the production of consumer electronic products, accessories and parts. Mr. Chow has extensive experience in corporate development and management, and has a well-established social network in financial and business sectors in Hong Kong and China. Mr. Chow was appointed as an Executive Director, the Chairman of the Board, the Chairman of the Nomination Committee and a member of the Remuneration Committee of the Company with effect from 9 October 2014.

**Mr. Cheung Wai Shing (“Mr. Cheung”)**, aged 46, holds a Bachelor Degree in Accountancy from City University of Hong Kong, and a Master’s of Science Degree in Finance from University of Michigan-Dearborn. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants, and an associated member of The Institute of Chartered Accountants in England and Wales. Mr. Cheung has extensive experience in accounting, financial management and corporate governance and has worked in “big four” accounting firms and various private and public companies. Mr. Cheung was appointed as the company secretary and authorized representative of the Company with effect from 21 August 2008 and an Executive Director of the Company effective 28 August 2008. Mr. Cheung resigned as authorized representative of the Company on 21 May 2011 and was re-appointed on 28 September 2011. Mr. Cheung was appointed as a member of the Remuneration Committee and the Nomination Committee with effect from 29 March 2012.

#### **Non-Executive Director**

**Mr. Fong For (“Mr. Fong”)**, aged 58, completed his high school education in Lufeng, Guangdong, China. He is currently an Honorary President of the Confederacy of Hong Kong Shanwei Clansmen Limited, and a Vice President of the Standing Committee of the Overseas Friendship Association of Shanwei. Mr. Fong was also previously a member of the Shanwei Committee of the Chinese People’s Political Consultative Conference. Mr. Fong has many years of business and management experience in textile, trading, investments, property development and logistics. Mr. Fong was appointed as a Non-executive Director on 12 December 2014.

On 11 May 2006, Mr. Fong (a) pleaded guilty to one summons relating to his failure to notify the listed issuer of his interests in shares of Zheda Lande Scitech Limited, whose H shares are listed on the Growth Enterprise Market of the Stock Exchange with stock code: 8106, amounting to over 10% of the H shares of that listed company which should be disclosed under Part XV of the SFO; (b) was convicted for contravening Part XV of the SFO; and (c) was fined by The Eastern Magistrates’ Courts of Hong Kong for HK\$6,000 (and investigation costs of the Securities and Futures Commission). Save as disclosed above, Mr. Fong has not been convicted of any other offences.

Despite the conviction disclosed above, both Mr. Fong and the Company consider that it is appropriate for Mr. Fong to act as a director of the Company because the relevant offence has no relevance to his character and integrity and was, according to Mr. Fong, an act of oversight. In particular, although Mr. Fong failed to file the disclosure form to the listed issuer, he did file the disclosure form to the Stock Exchange. The Company has enquired with Mr. Fong about the offence and conviction before his appointment, who confirmed to the Company that he had now gained the relevant knowledge and experience and would be able to comply with the statutory and regulatory requirements imposed on directors of listed companies.

**Independent Non-Executive Directors**

**Mr. Jiang Zhi (“Mr. Jiang”)**, aged 48, obtained a master degree (major in civil and commercial law) from Southwest University of Political Science & Law in Shenzhen, the People’s Republic of China in 2001. Mr. Jiang has been practising in various reputable law firms in Shenzhen since 1989. Mr. Jiang obtained PRC solicitors practising certificate and became a qualified lawyer in China in 1993. Mr. Jiang was previously a founder and currently a partner of Guangdong Jun Yan Law Firm from 2003 to August 2015. Mr. Jiang now is the partner of Guangdong Shenxin Law Firm (廣東深信律師事務所). Mr. Jiang provides legal advice to many clients in different industries in the People’s Republic of China. His practice area includes mainly contract law, real estate law, corporate law and medical law. Mr. Jiang has solid academic foundation and rich practical experience in those areas. Mr. Jiang was appointed as an Independent Non-executive Director, a member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company on 19 January 2015.

**Mr. Leung Ka Kui, Johnny (“Mr. Leung”)**, aged 59, holds a Bachelor of Laws of the University of London. Mr. Leung is a qualified solicitor in Hong Kong, England & Wales and Singapore, and is a Notary Public and China Appointed Attesting Officer. He has over 31 years of experience in legal field and is the senior partner of Messrs. Johnny K.K. Leung & Co., Solicitors & Notaries.

Mr. Leung is currently an independent non-executive director of Celestial Asia Securities Holdings Limited (Stock Code: 1049) which is listed on the Main Board of the Stock Exchange and Phoenitron Holdings Limited (Stock Code: 8066) which is listed on the Growth Enterprise Market of the Stock Exchange. Mr. Leung retired as an independent non-executive director of AMCO United Holdings Limited (Stock Code: 630) on 30 June 2015, which is listed on the Main Board of the Stock Exchange. Mr. Leung was appointed as an Independent Non-executive Director, the Chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee of the Company on 9 October 2014.

**Ms. Wong Chui San, Susan (“Ms. Wong”)**, aged 43, has been a certified practising accountant of the Australian Society of Certified Practising Accountants and a certified public accountant of the Hong Kong Institute of Certified Public Accountants since May 1999 and May 2000, respectively. She is also a member of The Society of Chinese Accountants and Auditors, a fellow and a certified tax adviser of the Taxation Institute of Hong Kong. Ms. Wong has more than 19-year experience in auditing, accounting and taxation. She is also the Director of W. Wong CPA Limited and the founder of Messrs. C.S. Wong & Co. and the Director of Pan-China (H.K.) CPA Limited. Ms. Wong is currently the company secretary of Grand Investment International Limited (Stock Code: 1160) which is listed on the Main Board of the Stock Exchange. Ms. Wong is currently the chief financial officer and company secretary of Astrum Financial Holdings Limited (Stock Code: 8333) which is listed on the Growth Enterprise Market of the Stock Exchange. Ms. Wong resigned as the company secretary of Yin He Holdings Limited (formerly known as Zebra Strategic Holdings Limited) (Stock Code: 8260) on 31 August 2015 which is listed on the

Growth Enterprise Market of the Stock Exchange. Ms. Wong was appointed as an Independent Non-executive Director, the Chairman of the Audit Committee and a member of the Nomination Committee and the Remuneration Committee of the Company on 9 October 2014.

#### **Chief Operating Officer**

**Mr. Wang Zhao Qing, Tiger**, aged 54, has over 25 years of working experience in the business operating sector in China. Mr. Wang studied in Guangzhou Customs District People's Republic of China and Jinan University Economics College from 1985 to 1989. Mr. Wang obtained his master degree of Business Administration Hong Kong Baptist University (MBA). Mr. Wang has been admitted to the degree of Doctor of Business Administration Victoria University Switzerland. From 2007 to 2008, he was a Senior Visiting Scholar in Asia School of Business Singapore completed research on <The Impacts & Implication of Entrepreneurship in China>. Mr. Wang has over 25 years' experience in the business operating sector and is familiar with financial and economic analysis, import and export management, sales etc. Mr. Wang was appointed as a Chief Operating Officer of the Company on 1 December 2013.

#### **9. MISCELLANEOUS**

- (i) The business address of all Directors and senior management is Room 2709-10, 27/F., China Resources Building, No. 26 Harbour Road, Wanchai, Hong Kong.
- (ii) The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and having, its principal place of business at Room 2709-10, 27/F., China Resources Building, No. 26 Harbour Road, Wanchai, Hong Kong.
- (iii) As at the Latest Practicable Date, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside of Hong Kong.
- (iv) On 14 November 2016, the Board received an irrevocable undertaking from Mr. Chow Wang, whereby Mr. Chow Wang undertook to maintain his current beneficial shareholding in 64,964,000 Shares up to and including the Record Date and to lodge acceptance for all the 32,482,000 Rights Shares provisionally allotted to him with full payment by the Latest Time for Acceptance. As at the Latest Practicable Date, save and except the Irrevocable Undertaking which was given by Mr. Chow Wang, the Board has not received any irrevocable undertakings from any other shareholders of the Company of their intention to take up any or all of the Rights Shares to be provisionally allotted to them under the Rights Issue.
- (v) The English text of this Prospectus shall prevail over the Chinese text.

**10. EXPERT AND CONSENT**

The following are the qualification of the expert who has given opinion or advice contained in this Prospectus:

<b>Name</b>	<b>Qualification</b>
SHINEWING (HK) CPA Limited	Certified Public Accountants

SHINEWING (HK) CPA Limited has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion of its report and references to its name in the form and context in which it appear.

SHINEWING (HK) CPA Limited does not has any shareholding in any company in the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any company in the Group.

SHINEWING (HK) CPA Limited does not have or had any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2016, being the date to which the latest published audited accounts of the Group were made up.

**11. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG**

A copy of this Prospectus, together with copies of the PAL and EAF and the written consent referred to in the paragraphs headed “Expert and Consent” in this appendix have been delivered to the Registrar of Companies in Hong Kong for registration as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

**12. LEGAL EFFECT**

The Prospectus Documents and all acceptance of any offer or application contained in such documents are governed by and shall be construed in accordance with the laws of Hong Kong. Where an application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all person concerned bound by the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

**13. EXPENSES**

The expenses in connection with the Rights Issue including financial advisory fees, underwriting commission, printing, registration, translation, legal and accountancy charges, registration and other related expenses, are estimated to amount to approximately HK\$4,186,525 and are payable by the Company.

**14. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the principal place of business of the Company at Room 2709-10, 27/F., China Resources Building, No. 26 Harbour Road, Wanchai, Hong Kong during normal business hours on any weekday other than public holidays from the date of the Prospectus, up to and including the Latest Time for Acceptance:

- (a) the memorandum of association and bye-laws of the Company;
- (b) the material contracts referred to in the paragraph headed “Material Contracts” to this appendix;
- (c) the annual reports of the Company for each of the two financial years ended 31 March 2015 and 2016;
- (d) the accountants’ report on the pro forma financial information of the Group, the text of which is set out in appendix II to the Prospectus;
- (e) the letter from the Board the text of which is set out on pages 10 to 28 to the Prospectus;
- (f) the written consent of the expert referred to in the section headed “Expert and Consent” in this appendix; and
- (g) the Prospectus Documents.