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萬隆控股集團有限公司

Ban Loong Holdings Limited

(incorporated in Bermuda with limited liability)

(Stock Code: 30)

DISCLOSEABLE TRANSACTION – PROVISION OF FINANCIAL ASSISTANCE

The Board wishes to announce that on 12 December 2016, the Lender (a wholly-owned subsidiary of the Company), the Borrower and the Borrower Guarantors entered into the Loan Agreement, pursuant to which the Lender conditionally agreed to grant a loan in the principal amount of not more than HK\$80 million to the Borrower for a term of six months (subject to renewal by mutual consent), which shall at the Lender's discretion be secured by the Pledged Assets and whose repayment obligations are guaranteed by the Borrower Guarantors.

As certain applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the amount of financial assistance granted to the Borrower are more than 5% but less than 25%, the Loan granted under the Loan Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

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THE LOAN AGREEMENT

The principal terms of the Loan Agreement are as follows:

Date	:	12 December 2016
Lender	:	Ban Loong Finance Company Limited, a wholly-owned subsidiary of the Company
Borrower	:	Queensway Asia Limited
Loan principal	:	Not more than HK\$80 million (the “ Loan Limit ”)
Interest rate	:	The higher of: (a) 14% per annum, or (b) the prime rate quoted by The Hongkong and Shanghai Banking Corporation Limited, plus 9% per annum
Expected draw down	:	On or before 15 January 2017, the Borrower may, depending on its own funding requirements, serve a written notice to the Lender for the desired amount of the first draw down, and subsequent draw downs may be requested by the Borrower from time to time before the loan maturity, provided that each single draw down should be no less than HK\$5,000,000.
Loan period	:	Six months from the first draw down date (the “ Availability Period ”), subject to further extension by mutual consent of the Lender and the Borrower.
Repayment	:	Interest is payable by the Borrower to the Lender on a monthly basis. The entire principal and any outstanding interest is repayable on the six-month maturity date (unless extended as agreed by the Lender) or on demand by the Lender.

- Prepayment : The Borrower shall have an option at any time, by serving one month's written notice to the Lender, to make early repayment of the whole or part of the Loan and all sum due and payable in accordance with the terms of the Loan Agreement at any time after the first draw down date but before the loan maturity date.
- Revolving : The Borrower may during the Availability Period re-borrow in whole or in part any undrawn or repaid amount of the Loan in accordance with the terms and conditions of the Loan Agreement provided that the aggregate sum of the principal of the Loan does not exceed the Loan Limit.
- Collaterals : The repayment obligations of the Lender are intended to be guaranteed by:
- (a) All-money first legal charge(s) over the Pledged Assets in favour of the Lender; and
 - (b) Joint and several unlimited personal guarantees provided by the ultimate beneficial owners of the Borrower, i.e. the Borrower Guarantors.
- Conditions precedent : Draw down of the Loan is subject to the Lender being satisfied with its due diligence on the Borrower, the Borrower Guarantors and their respective financial positions.
- Definitive documentation : The draw down of the Loan is subject to signing of the definitive loan documentation, including the standard loan agreement, deeds of personal guarantee and charge/pledge documentation in the forms prescribed by the Lender and which are customarily executed by its borrowers.

INFORMATION ON THE BORROWER

The Borrower is a company incorporated in Hong Kong with limited liability which is engaged in garment manufacturing and trading. Based on the information provided by the Borrower, (a) the issued share capital of the Borrower is 70% owned by Mr. Lam Man Kwong and 30% by Mr. Lam Wai Hang; and (b) the audited total and net assets of the Borrower as at 31 December 2015 were HK\$45.2 million and HK\$17.5 million, respectively.

Based on the information provided by the Borrower, Mr. Lam Man Kwong owns 51,312,000 Shares, representing 1.9% of the issued share capital of the Company. Save as disclosed herein, to the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, each of the Borrower and its ultimate beneficial owners (i.e. the Borrower Guarantors) is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

REASONS FOR AND BENEFITS OF THE ENTERING INTO THE LOAN AGREEMENT

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in the provision of financial quotation services and wireless applications development, mining operations, money lending and trading of goods and commodities.

The Lender is a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of the Company and a licensed money lender in Hong Kong registered under Money Lenders Ordinance, Chapter 163 of the Laws of Hong Kong.

The granting of the Loan to the Borrower pursuant to the Loan Agreement is in the ordinary course of business of the Group. The Lender intends to finance the Loan partly with the net proceeds of the rights issue as disclosed in the Company's Prospectus dated 9 December 2016 and partly with the Group's internal cash resources.

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

LISTING RULES IMPLICATIONS

As certain applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the amount of financial assistance granted to the Borrower are more than 5% but less than 25%, the Loan granted under the Loan Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Borrower”	Queensway Asia Limited, a company incorporated in Hong Kong with limited liability and the borrower under the Loan Agreement
“Borrower Guarantors”	collectively, (a) Mr. Lam Man Kwong, 70% shareholder of the Borrower, and (b) Mr. Lam Wai Hang, 30% shareholder of the Borrower
“Company”	Ban Loong Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange with stock code: 30
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Lender”	Ban Loong Finance Company Limited, a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of the Company and the lender under the Loan Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the loan with principal amount of not more than HK\$80 million conditionally agreed to be granted by the Lender to the Borrower pursuant to the Loan Agreement

“Loan Agreement”	the loan agreement dated 12 December 2016 entered into between the Lender, the Borrower and the Borrower Guarantors in respect of the Loan
“Pledged Assets”	any assets held by the Borrower and/or the Borrower Guarantors which are required by the Lender to be pledged in favour of the Lender (or its nominee(s)) by way of collateral to secure the repayment obligations under the Loan Agreement, which may include the Borrower Guarantors’ shareholding in the Borrower and/or the Borrower’s equity holding in any of its subsidiaries
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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

Hong Kong, 12 December 2016

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

Executive Directors:

Mr. Chow Wang (*Chairman*)

Mr. Cheung Wai Shing

Non-executive Director:

Mr. Fong For

Independent Non-executive Directors:

Mr. Jiang Zhi

Mr. Leung Ka Kui, Johnny

Ms. Wong Chui San, Susan