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

VOLUNTARY ANNOUNCEMENT – JOINT VENTURE WITH YUNNAN BAIYAO QINGYITANG

This announcement is a voluntary announcement made by Ban Loong Holdings Limited (the "**Company**", and together with its subsidiaries, collectively referred to as the "**Group**") to update our shareholders and the public about the latest business development of the Group.

The board ("**Board**") of directors ("**Directors**") of the Company is pleased to announce that on 23 February 2017, the Company entered into a joint venture agreement (the "**JV Agreement**") with 雲南白藥清逸堂實業有限公司 (Yunnan Baiyao Qingyitang Industry Co., Ltd.) ("**Yunnan Baiyao Qingyitang**") in relation to the establishment of a joint venture company (the "**JV Company**") to cooperate on the market development of Yunnan Baiyao Qingyitang's products and other personal care products in Asean countries.

The JV Company will be owned as to 60% by the Company and 40% by Yunnan Baiyao Qingyitang. The initial size of investment of the JV Company will be RMB2 million (approximately HK$2.3 million).

Yunnan Baiyao Qingyitang is a limited liability company established in the People's Republic of China (the "**PRC**") which is principally engaged in the manufacture and sale of personal care products and other household products. Yunnan Baiyao Qingyitang is a 40% owned subsidiary of 雲南白藥集團股份有限公司 (Yunnan Baiyao Group Co., Ltd.) ("**Yunnan Baiyao Group**"). Yunnan Baiyao Group is a joint stock limited liability company established in the PRC whose A shares are listed on the Shenzhen Stock Exchange with stock code: 000538. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, each of Yunnan Baiyao Qingyitang and its ultimate beneficial owners (including Yunnan Baiyao Group) is a third party independent of and not connected with the Company or its connected persons.

The Board considers the entering into of the JV Agreement is consistent with the Group's strategy to diversify the product range of its trading business. Under China's initiative of "One Belt One Road", the Company is optimistic with the cooperation with Yunnan Baiyao Group in the joint development of the personal care products market in Asean countries. The terms of the JV Agreement were arrived at following arm's length negotiations between the parties and are largely in line with normal commercial terms. Accordingly, the Board considers that the terms of the JV Agreement are fair and reasonable and the entering into of the JV Agreement is in the interests of the Company and its shareholders as a whole.

By order of the Board
Ban Loong Holdings Limited
Chow Wang
Chairman and Chief Executive Officer

Hong Kong, 23 February 2017

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

Executive Directors:
Mr. Chow Wang *(Chairman and Chief Executive Officer)*
Mr. Chu Ka Wa *(Chief Financial Officer)*
Mr. Wang Zhaoqing *(Chief Operating Officer)*

Non-executive Director:
Mr. Fong For

Independent Non-executive Directors:
Mr. Jiang Zhi
Mr. Leung Ka Kui, Johnny
Ms. Wong Chui San, Susan