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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)**

## **PROPOSED REFRESHMENT OF THE EXISTING SHARE ISSUE MANDATE**

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In order to allow the flexibility to raise further equity capital for general working capital and/or to finance future investments or business development, the Board proposed to refresh the Existing Share Issue Mandate for the Directors to issue and allot new Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of such resolution.

#### **GENERAL**

The refreshment of the Existing Share Issue Mandate will be subject to the approval of the Independent Shareholders by way of an ordinary resolution at the SGM.

The Circular containing, among other things, information in relation to the proposed refreshment of the Existing Share Issue Mandate, the recommendation from the Independent Board Committee, the opinion of the Independent Financial Adviser and a notice convening the SGM, will be dispatched to Shareholders on or around 28 April 2017.

## PROPOSED REFRESHMENT OF THE EXISTING SHARE ISSUE MANDATE

At the Last AGM of the Company which was held on 29 September 2016, among other things, ordinary resolution(s) were passed by Shareholders to grant to the Directors the Existing Share Issue Mandate which enabled the Directors to allot, issue and deal with Shares not exceeding 20% of aggregate nominal amount of the issued shares of the Company as at the date of the Last AGM (i.e. not exceeding 534,132,640 Shares).

Since the Last AGM of the Company and up to the date of this announcement, the Company has conducted a placing as announced in the Company's announcement dated 19 January 2017 (the “**January Placing**”), whereby 534,132,000 Shares were issued under the Existing Share Issue Mandate on completion of the January Placing on 1 February 2017. As disclosed in the announcement of the Company dated 19 January 2017, it was intended that the net proceeds from the January Placing, in the amount of HK\$57.14 million, would be utilized by the Company for the repayment of the outstanding unsecured 5.5% per-annum 7-years (i.e. due between January and July 2021) corporate bonds (the “**Bonds**”) with aggregate principal sum of HK\$70,000,000, if and when required to do so.

The Existing Share Issue Mandate had almost been fully utilized after the completion of the January Placing. If the Existing Share Issue Mandate is not refreshed, the Directors would only be allowed to allot and issue up to 640 Shares, representing only 0.000014% of the issued share capital of the Company as at the date of this announcement. The Existing Share Issue Mandate has not been refreshed since it was granted at the Last AGM.

In order to allow the flexibility to raise further equity capital for general working capital and/or to finance future investments or business development, the Board proposed to refresh the Existing Share Issue Mandate for the Directors to issue and allot new Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of such resolution.

Subject to the passing of the ordinary resolution for the approval of the refreshment of the Existing Share Issue Mandate and based on the total number of 4,540,126,800 issued Shares as at the date of this announcement and assuming that the Company does not issue or repurchase any Shares prior to the SGM, the refreshment of the Existing Share Issue Mandate will allow the Directors to issue and allot up to 908,025,360 new Shares, being 20% of the Shares in issue as at the date of this announcement.

Given that the next annual general meeting of the Company is expected to be held on or before 30 September 2017, the Directors consider that it is important for the Company to obtain the Refreshed Share Issue Mandate in order to allow the flexibility to raise further equity capital for general working capital and/or to finance future investments or business development, given that equity financing through utilizing general mandate (i) does not incur any interest expenses on the Group as compared with debt financing; (ii) is less costly and time-consuming than raising funds by way of rights issue or open offer; (iii) has more certainty and is less time consuming than specific mandate which would require Shareholders' approval in a general meeting; and (iv) enables the Company to capture any capital raising and/or prospective investment opportunities which may arise from time to time in an efficient manner. In the light of the above, the Directors consider that the Refreshed Share Issue Mandate is fair and reasonable and in the best interests of the Company and its Shareholders as a whole.

## **GENERAL**

As the proposed refreshment of the Existing Share Issue Mandate is being made before the next annual general meeting of the Company, pursuant to Rule 13.36(4) of the Listing Rules, the refreshment of the Existing Share Issue Mandate will be subject to the approval of the Independent Shareholders by way of an ordinary resolution at the SGM at which any controlling shareholders of the Company and their associates or, where there are no controlling shareholders, the Directors (excluding independent non-executive Directors) and the chief executives and their respective associates shall abstain from voting in favour of the resolution approving the refreshment of the Existing Share Issue Mandate.

The Board has established the Independent Board Committee comprising all independent non-executive Directors to consider and, if appropriate, make a recommendation to the Independent Shareholders as to whether the proposed refreshment of the Existing Share Issue Mandate is fair and reasonable and in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders on how to vote, taking into account the recommendations of the Independent Financial Adviser.

The Company has appointed Red Sun Capital Limited as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the proposed refreshment of the Existing Share Issue Mandate.

The Circular containing, among other things, information in relation to the proposed refreshment of the Existing Share Issue Mandate, the recommendation from the Independent Board Committee, the opinion of the Independent Financial Adviser and a notice convening the SGM, will be dispatched to Shareholders on or around 28 April 2017.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Monday, 15 May 2017 to Thursday, 18 May 2017, both days inclusive, for the purpose of determining shareholders' entitlements to attend and vote at the SGM to be held on 18 May 2017. No transfer of shares will be registered during this book closure period. In order to qualify for shareholder's entitlements to attend and vote at the SGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 12 May 2017.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, capitalized terms used shall have the following meanings:

“associate(s)”	having the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Circular”	the circular to be issued by the Company in relation to, among other things, the proposed refreshment of the Existing Share Issue Mandate
“Company”	Ban Loong Holdings Limited (Stock code: 30), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	having the meaning ascribed thereto under the Listing Rules
“controlling shareholder(s)”	having the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company

“Existing Share Issue Mandate”	the general mandate granted at the Last AGM to the Directors by the Shareholders to allot, issue and deal with up to 534,132,640 Shares
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee consisting of all the independent non-executive Directors established by the Board to advise the Independent Shareholders in respect of the proposed refreshment of the Existing Share Issue Mandate
“Independent Financial Adviser”	Red Sun Capital Limited, a company licensed to carry on type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the proposed refreshment of the Existing Share Issue Mandate
“Independent Shareholders”	any Shareholders other than controlling shareholders of the Company and their associates or, where there are no controlling shareholders, any Shareholders other than the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates
“Last AGM”	the last annual general meeting of the Company which was held on 29 September 2016
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SGM”	the special general meeting of the Company to be convened to consider and, if thought fit, approve the resolutions in respect of, among other things, the proposed refreshment of the Existing Share Issue Mandate

“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	having the meaning ascribed thereto under the Listing Rules
“%”	per cent

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

Hong Kong, 24 April 2017

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

*Executive Directors:*

Mr. Chow Wang (*Chairman & 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