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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
IN RELATION TO THE RENEWAL OF LOANS**

The Board wishes to announce that on 8 January 2020, the Lender (a wholly-owned subsidiary of the Company) and the Borrower entered into the Second Renewal Agreement, pursuant to which the Lender agreed to renew the Loans in the aggregate principal amount of HK\$21.1 million to be repayable on 8 January 2021.

As the percentage ratios under Rule 14.07 of the Listing Rules in respect of the monetary advantage together with the value of the financial assistance pursuant to the renewal of the Loans under the Second Renewal Agreement (under the assets and consideration ratios) and the interest income for the Loans during the period so renewed (under the revenue and profits ratios), when aggregated with the monetary advantage or interest income derived under the Loans prior to such renewal, are more than 5% but less than 25%, the renewal of the Loans under the Second Renewal 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.

The Board wishes to announce that on 8 January 2020, the Lender (a wholly-owned subsidiary of the Company) and the Borrower entered into the Second Renewal Agreement, pursuant to which the Lender agreed to renew the Loans in the aggregate principal amount of HK\$21.1 million to be repayable on 8 January 2021.

THE LOAN AGREEMENTS AND THE RENEWAL AGREEMENTS

The Loans were granted under three Loan Agreements dated 7 January 2019, 8 February 2019 and 5 March 2019, respectively. The principal terms of the Loan Agreements and the Renewal Agreements are as follows:

	Loan A Agreement	Loan B Agreement	Loan C Agreement
Date:	7 January 2019	8 February 2019	5 March 2019
Lender:	Ban Loong Finance Company Limited	Ban Loong Finance Company Limited	Ban Loong Finance Company Limited
Borrower:	Wedgwood Trading Limited	Wedgwood Trading Limited	Wedgwood Trading Limited
Loan principal:	HK\$12.9 million	HK\$2.5 million	HK\$5.7 million
Interest rate:	18.0% per annum initially, but re-negotiated and reduced to 12.0% per annum from 9 April 2019 onwards	18.0% per annum initially, but re-negotiated and reduced to 12.0% per annum from 9 April 2019 onwards	18.0% per annum initially, but re-negotiated and reduced to 12.0% per annum from 9 April 2019 onwards
Collateral:	Personal guarantee is provided by the sole director of the Borrower, and share charge was provided as collateral during the first renewal of the loan	Personal guarantee is provided by the sole director of the Borrower, and share charge was provided as collateral during the first renewal of the loan	Personal guarantee is provided by the sole director of the Borrower, and share charge was provided as collateral during the first renewal of the loan

	Loan A Agreement	Loan B Agreement	Loan C Agreement
Loan period:	Initially, Three months	Initially, One month and 30 days	Initially, One month
Drawdown:	9 January 2019	10 February 2019	9 March 2019
Repayment date:	Initially, 8 April 2019	Initially, 8 April 2019	Initially, 8 April 2019
First renewal:	Renewed for nine months until 8 January 2020 under the same terms and conditions (except the reduction of interest rate from 18% per annum to 12% per annum) pursuant to the First Renewal Agreements	Renewed for nine months until 8 January 2020 under the same terms and conditions (except the reduction of interest rate from 18% per annum to 12% per annum) pursuant to the First Renewal Agreements	Renewed for nine months until 8 January 2020 under the same terms and conditions (except the reduction of interest rate from 18% per annum to 12% per annum) pursuant to the First Renewal Agreements
Second renewal:	Renewed for twelve months until 8 January 2021 under the same terms and conditions (with the interest rate being kept at 12% per annum) pursuant to the Second Renewal Agreement	Renewed for twelve months until 8 January 2021 under the same terms and conditions (with the interest rate being kept at 12% per annum) pursuant to the Second Renewal Agreement	Renewed for twelve months until 8 January 2021 under the same terms and conditions (with the interest rate being kept at 12% per annum) pursuant to the Second Renewal Agreement

INFORMATION ON THE BORROWER

The Borrower is company incorporated in Hong Kong with limited liability, which is engaged in the trading of tea, clothing and electronic products. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the entire issued share capital of the Borrower is beneficially owned by Mr. Lin Andong, a merchant and a third party independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE ENTERING INTO THE SECOND RENEWAL AGREEMENT

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in 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 Loans to the Borrower pursuant to the Loan Agreements and the renewal of the Loans under the Second Renewal Agreement are in the ordinary course of business of the Group. The Lender has financed the Loans with the Group's internal cash resources.

The Directors are of the view that the credit assessment procedures for renewing the Loans with the Borrower would be simpler, quicker and more cost-effective as compared to the granting of a new loan to a new customer, since the Lender already has the benefit of the background understanding, established customer relationship and signed legal documentation with the Borrower.

The terms of the Loan Agreements (including the interest rate and the term of loan) and the Renewal Agreements 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 results of the Company's due diligence on the financial background and repayment ability of the Borrower, the stable interest income expected to be generated from the Loans and its renewals and the satisfactory payment records of the Borrower in the past, the Directors consider that the terms of the Loan Agreements (including the interest rate and term of loan) and the Renewal Agreements are fair and reasonable and the entering into of the Loan Agreements and the Renewal Agreements is in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As the percentage ratios under Rule 14.07 of the Listing Rules in respect of the monetary advantage together with the value of the financial assistance pursuant to the renewal of the Loans under the Second Renewal Agreement (under the assets and consideration ratios) and the interest income for the Loans during the period so renewed (under the revenue and profits ratios), when aggregated with the monetary advantage or interest income derived under the Loans prior to such renewal, are more than 5% but less than 25%, the renewal of the Loans under the Second Renewal 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”	Wedgwood Trading Limited, a company incorporated in Hong Kong with limited liability
“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
“connected person(s)”	having the meaning ascribed hereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“First Renewal Agreements”	the three loan renewal agreements all dated 8 April 2019 entered into between the Lender and the Borrower in respect of (i) the renewal of Loan A to be repayable on 8 January 2020, (ii) the renewal of Loan B to be repayable on 8 January 2020 (iii) the renewal of Loan C to be repayable on 8 January 2020, respectively
“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 and a wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan A”	the loan with the principal amount of HK\$12.9 million granted by the Lender to the Borrower pursuant to the Loan A Agreement
“Loan A Agreement”	the loan agreement dated 7 January 2019 entered into between the Lender and the Borrower in respect of Loan A
“Loan Agreements”	collectively, Loan A Agreement, Loan B Agreement and Loan C Agreement
“Loan B”	the loan with the principal amount of HK\$2.5 million granted by the Lender to the Borrower pursuant to the Loan B Agreement
“Loan B Agreement”	the loan agreement dated 8 February 2019 entered into between the Lender and the Borrower in respect of Loan B
“Loan C”	the loan with the principal amount of HK\$5.7 million granted by the Lender to the Borrower pursuant to the Loan C Agreement
“Loan C Agreement”	the loan agreement dated 5 March 2019 entered into between the Lender and the Borrower in respect of Loan C
“Loans”	collectively, Loan A, Loan B and Loan C
“Renewal Agreements”	collectively, the First Renewal Agreements and the Second Renewal Agreement

“Second Renewal Agreement” the loan renewal agreement dated 9 January 2020 entered into between the Lender and the Borrower in respect of the renewal of the Loans to be repayable on 8 January 2021

“Stock Exchange” The Stock Exchange of Hong Kong Limited

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

Hong Kong, 8 January 2020

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

Executive Directors:

Mr. Wang Minghui (*Chairman*)

Mr. Chow Wang (*Deputy Chairman & Chief Executive Officer*)

Mr. Yin Pinyao

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