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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 10 January 2020, the Lender (a wholly-owned subsidiary of the Company) and the Borrower entered into the Third Renewal Agreement, pursuant to which the Lender agreed to renew the Loans in the aggregate principal amount of HK\$16 million to be repayable on 12 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 Third 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 Third 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 10 January 2020, the Lender (a wholly-owned subsidiary of the Company) and the Borrower entered into the Third Renewal Agreement, pursuant to which the Lender agreed to renew the Loans in the aggregate principal amount of HK\$16 million to be repayable on 12 January 2021.

THE LOAN AGREEMENTS AND THE RENEWAL AGREEMENTS

The Loans were granted under two Loan Agreements dated 5 September 2017 and 11 September 2017, respectively. The principal terms of the Loan Agreements and the Renewal Agreements are as follows:

	Loan A Agreement	Loan B Agreement
Date:	5 September 2017	11 September 2017
Lender:	Ban Loong Finance Company Limited	Ban Loong Finance Company Limited
Borrower:	PCAP Capital Limited	PCAP Capital Limited
Loan principal:	HK\$12 million	HK\$4 million
Interest rate:	19.2% per annum	19.2% per annum
Collateral:	Personal guarantee is provided by the sole director of the Borrower, and share charge was provided as collateral during the third renewal of the loans	Personal guarantee is provided by the sole director of the Borrower, and share charge was provided as collateral during the third renewal of the loans
Loan period:	Initially, six months	Initially, four months
Drawdown:	7 September 2017	13 September 2017
Repayment date:	Initially, 6 March 2018	Initially, 12 January 2018
First renewal:	Renewed for ten months and six days until 12 January 2019 under the same terms and conditions pursuant to the First Renewal Agreement	Renewed for twelve months until 12 January 2019 under the same terms and conditions pursuant to the First Renewal Agreement

Loan A Agreement

Loan B Agreement

Second renewal:

Renewed for twelve months until 12 January 2020 under the same terms and conditions pursuant to the Second Renewal Agreement

Renewed for twelve months until 12 January 2020 under the same terms and conditions pursuant to the Second Renewal Agreement

Third renewal:

Renewed for twelve months until 12 January 2021 under the same terms and conditions pursuant to the Third Renewal Agreement

Renewed for twelve months until 12 January 2021 under the same terms and conditions pursuant to the Third Renewal Agreement

INFORMATION ON THE BORROWER

The Borrower is company incorporated in Hong Kong with limited liability, which is engaged in provision of consultancy services. 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. Tsao Fai Freddy, a merchant and a third party independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE ENTERING INTO THE THIRD 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 Third 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 Loan 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 Third 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 Third 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”	PCAP Capital 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 thereto under the Listing Rules
“Director(s)”	the director(s) of the Company

“First Renewal Agreement”	the loan renewal agreement dated 11 January 2018 entered into between the Lender and the Borrower in respect of the renewal of the Loans to be repayable on 12 January 2019
“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
“Loans”	collectively, Loan A and Loan B
“Loan A”	the loan with the principal amount of HK\$12 million granted by the Lender to the Borrower pursuant to the Loan A Agreement
“Loan A Agreement”	the loan agreement dated 5 September 2017 entered into between the Lender and the Borrower in respect of Loan A
“Loan Agreements”	collectively, Loan A Agreement and Loan B Agreement
“Loan B”	the loan with the principal amount of HK\$4 million granted by the Lender to the Borrower pursuant to Loan B Agreement
“Loan B Agreement”	the loan agreement dated 11 September 2017 entered into between the Lender and the Borrower in respect of Loan B
“Renewal Agreements”	collectively, the First Renewal Agreement, the Second Renewal Agreement and the Third Renewal Agreement

“Second Renewal Agreement”	the loan renewal agreement dated 7 January 2019 entered into between the Lender and the Borrower in respect of the renewal of the Loans to be repayable on 12 January 2020
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Third Renewal Agreement”	the loan renewal agreement dated 10 January 2020 entered into between the Lender and the Borrower in respect of the renewal of the Loans to be repayable on 12 January 2021

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

Hong Kong, 10 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