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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 RENEWAL OF LOAN**

The Board wishes to announce that on 22 January 2020, the Lender (a wholly-owned subsidiary of the Company) and the Borrower entered into the Fourth Renewal Agreement, pursuant to which the Lender agreed to renew the Loan in the principal amount of HK\$15.0 million to be repayable on 24 January 2021.

As the percentage ratios under Rule 14.07 of the Listing Rules in respect of the principal amount and annual interest income under the Loan are more than 5% but less than 25%, the renewal of the Loan under the Fourth 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.

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## THE LOAN AGREEMENT AND THE RENEWAL AGREEMENTS

The Loan was granted under the Loan Agreement dated 23 August 2017. The principal terms of the Loan Agreement and the Renewal Agreements are as follows:

### **Loan Agreement**

<b>Date:</b>	23 August 2017
<b>Lender:</b>	Ban Loong Finance Company Limited
<b>Borrower:</b>	Zonhon (Hong Kong) Limited
<b>Loan principal:</b>	HK\$15.0 million
<b>Interest rate:</b>	19.2% per annum
<b>Collateral:</b>	Personal guarantee is provided by the one of the directors of the Borrower, and share charge was provided as collateral during the fourth renewal of the loan
<b>Loan period:</b>	Initially, three months
<b>Drawdown:</b>	25 August 2017
<b>Repayment date:</b>	Initially, 24 November 2017
<b>First renewal:</b>	Renewed for two months until 24 January 2018 under the same terms and conditions pursuant to the First Renewal Agreement
<b>Second renewal:</b>	Renewed for twelve months until 24 January 2019 under the same terms and conditions pursuant to the Second Renewal Agreement
<b>Third renewal:</b>	Renewed for twelve months until 24 January 2020 under the same terms and conditions pursuant to the Third Renewal Agreement
<b>Fourth renewal:</b>	Renewed for twelve months until 24 January 2021 under the same terms and conditions pursuant to the Fourth Renewal Agreement

## **INFORMATION ON THE BORROWER**

The Borrower is a company incorporated in Hong Kong with limited liability, which is engaged in the trading of clothing, electronic products and building materials. 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. Li Changming, Mr. Li Shenger and Mr. Wu Rongcan, merchants and third parties independent of the Company and its connected persons.

## **REASONS FOR AND BENEFITS OF THE ENTERING INTO THE FOURTH 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 Loan to the Borrower pursuant to the Loan Agreement and the renewal of the Loan under the Fourth Renewal Agreement are in the ordinary course of business of the Group. The Lender has financed the Loan with the Group's internal cash resources.

The Directors are of the view that the credit assessment procedures for renewing the Loan 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 Agreement (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 Agreement (including the interest rate and term of loan) and the Renewal Agreements are fair and reasonable and the entering into of the Loan Agreement 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 principal amount and annual interest income under the Loan are more than 5% but less than 25%, the renewal of the Loan under the Fourth 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”	Zonhon (Hong Kong) 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 14 November 2017 entered into between the Lender and the Borrower in respect of the renewal of the Loan to be repayable on 24 January 2018
“Fourth Renewal Agreement”	the loan renewal agreement dated 22 January 2020 entered into between the Lender and the Borrower in respect of the renewal of the Loan to be repayable on 24 January 2021
“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”	the loan with the principal amount of HK\$15.0 million granted by the Lender to the Borrower pursuant to the Loan Agreement
“Loan Agreement”	the loan agreement dated 23 August 2017 entered into between the Lender and the Borrower in respect of the Loan
“Renewal Agreements”	collectively, the First Renewal Agreement, the Second Renewal Agreement, the Third Renewal Agreement and the Fourth Renewal Agreement
“Second Renewal Agreement”	the loan renewal agreement dated 22 January 2018 entered into between the Lender and the Borrower in respect of the renewal of the Loan to be repayable on 24 January 2019
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Third Renewal Agreement”	the loan renewal agreement dated 18 January 2019 entered into between the Lender and the Borrower in respect of the renewal of the Loan to be repayable on 24 January 2020

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

Hong Kong, 22 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