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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 IN RELATION TO THE RENEWAL OF LOANS

THE THIRD LOAN RENEWAL AGREEMENT

The Board announces that on 9 July 2020, the Lender (a wholly-owned subsidiary of the Company) and the Borrower entered into the Third Loan Renewal Agreement, pursuant to which the Lender agreed to renew the Loans in the aggregate principal amount of HK\$20.6 million and extend the repayment date of the Loans to 9 July 2021 in accordance with the terms and conditions of the Third Loan Renewal Agreement.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Third Loan Renewal Agreement are more than 5% but less than 25%, the Third Loan Renewal Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

BACKGROUND

On 8 October 2018 and 14 December 2018, the Lender entered into the Loan A Agreement and the Loan B Agreement with the Borrower, pursuant to which the Lender agreed to advance to the Borrower a loan in the principal amount of HK\$13.6 million and HK\$7 million, respectively.

The principal terms of the Loan A Agreement and the Loan B Agreement are as follows:

	Loan A Agreement	Loan B Agreement
Date:	8 October 2018	14 December 2018
Lender:	Ban Loong Finance Company Limited	Ban Loong Finance Company Limited
Borrower:	Xin Sheung	Xin Sheung
Principal amount:	HK\$13.6 million	HK\$7 million
Interest rate:	18% per annum	18% per annum
Collateral:	Personal guarantee provided by Ms. Tsoi and share charge was provided as collateral during the first renewal of Loan A	Personal guarantee provided by Ms. Tsoi and share charge was provided as collateral during the first renewal of Loan B
Term:	Six months	Three months and 25 days
Drawdown date:	10 October 2018	16 December 2018
Repayment date:	9 April 2019	9 April 2019
First renewal:	Renewal of Loan A and extension of the repayment date of Loan A to 9 July 2019 pursuant to the terms and conditions of the First Loan A Renewal Agreement	Renewal of Loan B and extension of the repayment date of Loan B to 9 July 2019 pursuant to the terms and conditions of the First Loan B Renewal Agreement

Loan A Agreement**Loan B Agreement**

Second renewal:	Renewal of the Loans and extension the repayment date of the Loans to 9 July 2020 pursuant to the terms and conditions of the Second Loan Renewal Agreement	Renewal of the Loans and extension the repayment date of the Loans to 9 July 2020 pursuant to the terms and conditions of the Second Loan Renewal Agreement
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The Board announces that on 9 July 2020, the Lender and the Borrower entered into the Third Loan Renewal Agreement, pursuant to which the Lender agreed to renew the Loans and extend the repayment date of the Loans to 9 July 2021 in accordance with the terms and conditions of the Third Loan Renewal Agreement. The principal terms of the Third Loan Renewal Agreement are set out below:

THE THIRD LOAN RENEWAL AGREEMENT

Date:	9 July 2020
Lender:	Ban Loong Finance Company Limited
Borrower:	Xin Sheung
Principal amount:	HK\$20.6 million
Interest rate:	18% per annum
Collateral:	Personal guarantee provided by Ms. Tsoi and share charge was provided as collateral during the first renewal of the Loans
Term:	12 months
Repayment date:	9 July 2021

INFORMATION ON THE BORROWER

The Borrower is a sole proprietorship in Hong Kong established by Ms. Tsoi, which is engaged in trading of clothing and shoes. The ultimate beneficial owner of the Borrower is Ms. Tsoi. Each of the Borrower and Ms. Tsoi is an Independent Third Party.

INFORMATION ON THE GROUP AND THE LENDER

The principal activity of the Company is investment holding. The Group is principally engaged in money lending and trading of goods and commodities.

The Lender is a wholly-owned subsidiary of the Company and is licensed to conduct money lending business in Hong Kong under the provisions of the Money Lenders Ordinance.

REASONS FOR AND BENEFITS OF THE ENTERING INTO THE THIRD LOAN RENEWAL AGREEMENT

The renewal of the Loans under the Third Loan Renewal Agreement is in the ordinary course of business of the Group. The Lender has financed the Loans with the Group's internal resources.

As the Lender has already conducted credit assessment procedures for renewing the Loans with the Borrower, has an understanding of the background of the Borrower and has established a good customer relationship with the Borrower, the Directors are of the view that the renewal of 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.

The terms of the Third Loan Renewal Agreement (including the interest rate and the term of the Loans) were negotiated on an arm's length basis between the Lender and the Borrower and are on normal commercial terms based on the Group's credit policy. Taking into account the results of (i) the Group's due diligence on the financial background, the satisfactory payment records in the past and repayment ability of the Borrower; and (ii) the stable interest income expected to be generated from the renewal of the Loans, the Directors consider that the terms of the Third Loan Renewal Agreement (including the interest rate and term of the Loans) are fair and reasonable and the entering into of the Third Loan Renewal Agreement is in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Third Loan Renewal Agreement are more than 5% but less than 25%, the Third Loan Renewal Agreement constitutes a discloseable transaction of 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 shall have the following meanings:

“Board”	the board of Directors
“Borrower”	Xin Sheung, a sole proprietorship in Hong Kong established by Ms. Tsoi and an Independent Third Party
“Company”	Ban Loong Holdings Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 30)
“connected person(s)”	has the meaning ascribed hereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“First Loan A Renewal Agreement”	the first loan renewal agreement dated 9 April 2019 and entered into between the Lender and the Borrower in respect of the renewal of Loan A and the extension of the repayment date to 9 July 2019
“First Loan B Renewal Agreement”	the first loan renewal agreement dated 9 April 2019 and entered into between the Lender and the Borrower in respect of the renewal of Loan B and the extension of the repayment date to 9 July 2019
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons

“Lender”	Ban Loong Finance Company Limited, a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of the Company and holds a money lender’s licence under the Money Lenders Ordinance
“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\$13.6 million
“Loan A Agreement”	the loan agreement dated 8 October 2018 and entered into between the Lender and the Borrower in respect of the provision of Loan A by the Lender to the Borrower
“Loan B”	the loan with the principal amount of HK\$7 million
“Loan B Agreement”	the loan agreement dated 14 December 2018 and entered into between the Lender and the Borrower in respect of the provision of Loan B by the Lender to the Borrower
“Money Lenders Ordinance”	the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Ms. Tsoi”	Ms. Tsoi Lai Ching, the sole proprietor of the Borrower
“Second Loan Renewal Agreement”	the second loan renewal agreement dated 5 July 2019 and entered into between the Lender and the Borrower in respect of the renewal of the Loans and the extension of the repayment date to 9 July 2020
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Third Loan Renewal Agreement”	the third loan renewal agreement dated 9 July 2020 and entered into between the Lender and the Borrower in respect of the renewal of the Loans and the extension of the repayment date to 9 July 2021

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“%” per cent.

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

Hong Kong, 9 July 2020

As at the date of this announcement, the Board 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