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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 FOURTH LOAN RENEWAL AGREEMENT**

The Board announces that on 12 January 2021, the Lender (a wholly-owned subsidiary of the Company) and the Borrower entered into the Fourth Loan Renewal Agreement, pursuant to which the Lender agreed to renew the Loans in the aggregate principal amount of HK\$16 million and extend the repayment date of the Loans to 12 January 2022 in accordance with the terms and conditions of the Fourth 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 Fourth Loan Renewal Agreement are more than 5% but less than 25%, the Fourth 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 5 September 2017 and 11 September 2017, the Lender entered into the Loan A Agreement and 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\$12 million and HK\$4 million, respectively.

The principal terms of the Loan Agreements are as follows:

	<b>Loan A Agreement</b>	<b>Loan B Agreement</b>
<b>Date:</b>	5 September 2017	11 September 2017
<b>Lender:</b>	Ban Loong Finance Company Limited	Ban Loong Finance Company Limited
<b>Borrower:</b>	PCAP Capital Limited	PCAP Capital Limited
<b>Principal amount:</b>	HK\$12 million	HK\$4 million
<b>Interest rate:</b>	19.2% per annum	19.2% per annum
<b>Collateral:</b>	(i) Personal guarantee provided by Mr. Ho; and (ii) share charge provided upon the third renewal of the Loans	(i) Personal guarantee provided by Mr. Ho; and (ii) share charge provided upon the third renewal of the Loans
<b>Term:</b>	Six months	Four months
<b>Drawdown date:</b>	7 September 2017	13 September 2017
<b>Repayment date:</b>	6 March 2018	12 January 2018
<b>First renewal:</b>	Renewal of the Loans and extension of the repayment date of the Loans to 12 January 2019 pursuant to the terms and conditions of the First Loan Renewal Agreement	Renewal of the Loans and extension of the repayment date of the Loans to 12 January 2019 pursuant to the terms and conditions of the First Loan Renewal Agreement

**Loan A Agreement****Loan B Agreement**

<b>Second renewal:</b>	Renewal of the Loans and extension of the repayment date of the Loans to 12 January 2020 pursuant to the terms and conditions of the Second Loan Renewal Agreement	Renewal of the Loans and extension of the repayment date of the Loans to 12 January 2020 pursuant to the terms and conditions of the Second Loan Renewal Agreement
<b>Third renewal:</b>	Renewal of the Loans and extension of the repayment date of the Loans to 12 January 2021 pursuant to the terms and conditions of the Third Loan Renewal Agreement	Renewal of the Loans and extension of the repayment date of the Loans to 12 January 2021 pursuant to the terms and conditions of the Third Loan Renewal Agreement

The Board announces that on 12 January 2021, the Lender and the Borrower entered into the Fourth Loan Renewal Agreement, pursuant to which the Lender agreed to renew the Loans and extend the repayment date of the Loans to 12 January 2022 in accordance with the terms and conditions of the Fourth Loan Renewal Agreement. The principal terms of the Fourth Loan Renewal Agreement are set out below:

**THE FOURTH LOAN RENEWAL AGREEMENT**

<b>Date:</b>	12 January 2021
<b>Lender:</b>	Ban Loong Finance Company Limited
<b>Borrower:</b>	PCAP Capital Limited
<b>Principal amount:</b>	HK\$16 million
<b>Interest rate:</b>	19.2% per annum
<b>Collateral:</b>	(i) Personal guarantee provided by Mr. Ho; and (ii) share charge provided upon the third renewal of the Loans
<b>Term:</b>	12 months
<b>Repayment date:</b>	12 January 2022

## **INFORMATION ON THE BORROWER**

The Borrower is company incorporated in Hong Kong with limited liability, which is engaged in provision of consultancy services. The ultimate beneficial owner of the Borrower is Mr. Tsao. Each of the Borrower and Mr. Tsao 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 FOURTH LOAN RENEWAL AGREEMENT**

The renewal of the Loans under the Fourth 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 Fourth 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 Fourth Loan Renewal Agreement (including the interest rate and term of the Loans) are fair and reasonable and the entering into of the Fourth 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 Fourth Loan Renewal Agreement are more than 5% but less than 25%, the Fourth 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”	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 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 Renewal Agreement”	the first loan renewal agreement dated 11 January 2018 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 12 January 2019
“Fourth Loan Renewal Agreement”	the fourth loan renewal agreement dated 12 January 2021 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 12 January 2022
“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\$12 million
“Loan A Agreement”	the loan agreement dated 5 September 2017 and entered into between the Lender and the Borrower in respect of the provision of Loan A by the Lender to the Borrower
“Loan Agreements”	collectively, Loan A Agreement and Loan B Agreement
“Loan B”	the loan with the principal amount of HK\$4 million
“Loan B Agreement”	the loan agreement dated 11 September 2017 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
“Mr. Ho”	Mr. Ho Man Kei, the director of the Borrower
“Mr. Tsao”	Mr. Tsao Fai Freddy, the ultimate beneficial owner of the Borrower

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Second Loan Renewal Agreement”	the second loan renewal agreement dated 7 January 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 12 January 2020
“Third Loan Renewal Agreement”	the third loan renewal agreement dated 10 January 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 12 January 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, 12 January 2021

*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