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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)

VOLUNTARY ANNOUNCEMENT – BUSINESS UPDATE

Reference is made to the circular dated 11 September 2020 (the “**Circular**”) and the interim report dated 14 December 2020 (the “**Interim Report**”) made by Ban Loong Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”). Unless otherwise defined, terms used in this announcement shall have the same meanings as those defined in the Circular and Interim Report.

As disclosed in the Circular and Interim Report, the Group is in the progress of expanding the product portfolio to include cosmetics and personal care products incorporated with Cannabis Sativa Leaf Extract content, the board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to provide on a voluntary basis to keep the shareholders (the “**Shareholders**”) and potential investors of the Company the latest business development of the Group. Details are set out as follow:

- (1) The Group will launch a series of personal care products including shower gel, shampoo, serum and lip mask, which are all incorporated with Cannabis Sativa Leaf Extract content, under its brand “Qingxiangji” (清香集). The third-party foundry holding the “Cosmetics Production Permit” (化妝品生產許可證) completed the formulation research as well as the research and development of certain products, which are currently under the stage of internal testing. Shenzhen Qingxiangji Herbal Technology Limited* (深圳市清香集草本科技有限公司) (the “**Chinese Brand Company**”, a wholly-owned subsidiary of the Group) has initially identified the sales

channels of such products, and is proactively communicating with several e-commerce platforms in the PRC to operate online retail shops for the sales of the aforesaid Cannabis Sativa Leaf Extract products, which are expected to be successively launched to the market in the first quarter of 2021.

- (2) In January 2021, BL Organic Co., Ltd.* (BL Organic 株式會社) (the “**Japanese Operation Company**”, a wholly-owned subsidiary of the Group) entered into a consultancy agreement (the “**Consultancy Agreement**”) with a Japanese pharmaceutical company, pursuant to which the Group has appointed the Japanese pharmaceutical company as the consultant (the “**Consultant**”) to advise the Group in respect of the research and development, production and sales of skin care products and personal care products incorporated with Cannabis Sativa Leaf Extract content. The Consultancy Agreement is for an initial term of nine months and the Japanese Operation Company is expected to enter into an agreement in relation to the production of relevant Cannabis Sativa Leaf Extract products with a third-party manufacturer in March 2021. The Consultant's advice would assist the Group in obtain a thorough understanding of the feasibility and profitability of such potential products, sales strategies (such as the advertising strategy of e-commerce websites) and forms of collaboration (such as choosing production service suppliers and market promotion agencies, etc.). The Group expects that with the relevant expertise and experience of the Consultant, the Group's ability of developing and expanding the business of Cannabis Sativa Leaf Extract products would be significantly enhanced.

This announcement is a voluntary announcement made by the Company to keep the shareholders and potential investors informed of the latest business development of the Group.

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

Hong Kong, 19 January 2021

* *For identification purpose only*

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