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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 –
DISPOSAL OF 51% OF THE ISSUED SHARE CAPITAL OF
CHOUDARY LIMITED**

The Board wishes to announce that on 24 January 2017 (after trading hours), the Company and the Purchaser entered into the Disposal Agreement pursuant to which the Company agreed to sell, and the Purchaser agreed to purchase, the Disposal Interests for a total cash consideration of HK\$1,750,000.

As certain applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the consideration for the Disposal are more than 5% but less than 25%, the Disposal 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 DISPOSAL AGREEMENT

The principal terms of the Disposal Agreement are as follows:

Date

24 January 2017 (after trading hours)

Parties

- (1) The Company (as vendor); and
- (2) The Purchaser (as purchaser).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser is a third party independent of the Company and its connected persons.

Subject matter

Prior to the entering into of the Disposal Agreement, 51% of the issued share capital of the Target Company were owned by the Company, and no amount is owed by the Vendor to the Target Company and vice versa.

Completion

Completion of the Disposal Agreement is not subject to any conditions precedent. Upon Completion of the Disposal, which has already taken place simultaneously with the signing of the Disposal Agreement, the Target Company has ceased to be a subsidiary of the Company.

Consideration

The consideration for the Disposal amounts to HK\$1,750,000, which was already fully paid by the Purchaser to the Company in cash on Completion which took place on 24 January 2017.

REASONS FOR THE DISPOSAL

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in the provision of financial quotation services and wireless applications development, mining operations, money lending and trading of goods and commodities.

The Target Company is the holding company of the business segments of the Group in relation to the provision of financial quotation services and wireless applications development, which have performed unsatisfactorily since around 2012. Despite the efforts of the Company's management, no improvement was seen in the business performance of the Target Group. The Board recently reviewed the business performance of the Target Group and resolved that it was in the Company's best interest to seek to dispose of the Disposal Interests to minimize our ongoing loss.

The consideration for the Disposal was determined after arm's length negotiation between the Company and the Purchaser with reference to, amongst other things, the decreasing turnover, continuing net losses, existing cash level and the historical burn rate of cash of the Target Group. As a condition of the Disposal Agreement, the Purchaser undertook to continue the operation of the Target Group for at least 24 months after Completion. The Directors (including the independent non-executive Directors) are of the view that the terms and conditions of the Disposal (including the consideration) are fair and reasonable and that the entering into of the Disposal Agreement is in the best interests of the Company and its shareholders as a whole.

The Company currently expects to record a loss on disposal as a result of the Disposal, being the difference between the consideration for the Disposal and the carrying value of the Disposal Interests in the approximate amount of HK\$12,000,000. The Company intends to utilize the cash consideration as general working capital of the Group. The Directors considered that the Disposal will not cause any material adverse impact to the business, operations and financial position of the Group.

INFORMATION ON THE TARGET GROUP

The Target Company is a company incorporated in the British Virgin Islands with limited liability, and the holding company of the business segments of the Group in relation to the provision of financial quotation services and wireless applications development. As at 30 September 2016, the unaudited total and net assets of the Target Group were HK\$19,442,751 and HK\$15,036,233 respectively. For the financial year ended 31 March 2016, the Target Group recorded revenue and segment loss (before tax) of HK\$30,117,589 and HK\$5,449,082, respectively. For the financial year ended 31 March 2015, the Target Group recorded revenue and segment loss (before tax) of HK\$55,808,473 and HK\$2,673,707, respectively.

LISTING RULES IMPLICATIONS

As certain applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the consideration for the Disposal are more than 5% but less than 25%, the Disposal 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
“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 to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Disposal Interests by the Company to the Purchaser pursuant to the Disposal Agreement

“Disposal Agreement”	a sale and purchase agreement entered into between the Company and the Purchaser on 24 January 2017 in relation to the Disposal
“Disposal Interests”	51% of the issued share capital of the Target Company sold by the Company to the Purchaser under the Disposal
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Purchaser”	Mr. Zhou Zhichang (周志昌)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Choudary Limited, a company incorporated in the British Virgin Islands with limited liability and the issued share capital of which was owned as to 51% by the Company prior to the entering into of the Disposal Agreement
“Target Group”	the Target Company and its subsidiaries

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

Hong Kong, 24 January 2017

As at the date of this announcement, the Board of the Company comprises:

Executive Directors:

Mr. Chow Wang (*Chairman and Chief Executive Officer*)

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