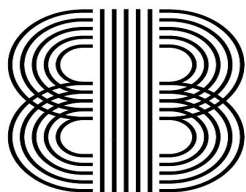


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**E. BON HOLDINGS LIMITED**  
(Incorporated in the Cayman Islands with limited liability)  
**怡邦行控股有限公司**

( Stock Code : 599)

**DISCLOSABLE TRANSACTION  
AND  
CONNECTED TRANSACTION  
ACQUISITION OF PROPERTY**

The Board of Directors of E Bon Holdings Limited, (the "Company") announce that the Company and its subsidiaries (the "Group") has entered into a provisional sales and purchase agreement on 2 January 2008 to purchase the office property currently occupied (the "Property") for a consideration of a sum of HK\$34,200,000 from the Negotiator Consultants Limited. The major shareholders of Negotiator Consultants Limited (the "Vendor") are also major shareholders of the Company.

As the purchase of the Property from the Vendor constitutes a disclosable transaction and connected transaction of the Company under the Listing Rules, the purchase of the Property is subject to the approval of the independent shareholders of the Company at an EGM. The Company will convene an EGM on 31 January 2008 to seek for such the approval.

A circular containing, among other things, (i) details of the transactions contemplated and (ii) the notice of the EGM will be dispatched to the Shareholders as soon as possible in accordance with the Listing Rules.

**The Property :**

Vendor : Negotiator Consultants Limited is an investment company incorporated in the British Virgin Islands. The following directors of the Company are also directors and have the following beneficial interest in the Vendor:

TSE Sun Fat	:	8.538%
TSE Sun Po	:	10.19%
TSE Sun Lung	:	6.05%
YICK Kai Chung	:	4.802%

Intended Purchaser : Asia Bon Company Limited, a wholly owned subsidiary of the Company.

Amount Offer : HK\$34,200,000.00

### **Reasons for the benefits of the Acquisition:**

#### **A The Terms and Conditions of the Conditional Offer of the Acquisition of the Property**

The Group has entered into a provisional sales and purchase agreement on 2 January 2008. The Property is a commercial Property, originally purchased by the Vendor at HK\$26.5 million, situate at 16<sup>th</sup>- 18<sup>th</sup> Floor, First Commercial Building, 33 Leighton Road, Causeway Bay, Hong Kong, It has a total saleable area of 4,860 square feet. The Property is currently occupied by the Group as its Headquarters for over 10 years under a lease which will be expired on 19 March 2009. The Vendor has expressed an interest to sell and the Group has expressed an interest to acquire the Property due to the rapid increase of rental market in the office Property. In pursuance thereof and not otherwise, the Group has instructed two independent valuers, namely A G Wilkinson & Associates and Memfus Wong Surveyors Limited, to make an independent assessment of the valuation of the Property. Their valuation reports dated 21 December, 2007 and 24 December 2007 respectively estimated that the market prices for the Property were valued at HK\$36,000,000 as of 21 December 2007 and HK\$36,300,000 as of 24 December 2007 respectively.

Based on the valuation reports, the Company has made a conditional offer of HK\$34,200,000 on (the date of the Board of Directors Meeting) , which is about 5 % off the average market price for the Property, for the purchase of the Property and the Vendor has agreed to sell the Property on the following terms and conditions:

1. The purchase of the Property by the Company must be subject to and on the condition precedent that such the purchase of the Property must be approved by the Board of Directors and by an Extraordinary General Meeting of the members of the Company in accordance with the listing rules.
2. The completion of the sale and purchase of the Property shall be made within 90 days from the date of the passing of the resolution for approving the purchase of the Property by the members of the Company in the aforesaid Extraordinary General Meeting of the Company.

#### **B The Recommendations of the Board of Directors**

The proposed transaction had been duly considered by the Board of directors meeting on 2 January 2008 At that meeting, Mr TSE Sun Fat took the chair of the meeting and reported that

- 1 the valuation reports had been circulated to directors before the meeting;
- 2 the source of the funding for the acquisition of the Property will be financed by bank loan of 17 million and the balance of 17.2 million will be paid out of E Bon internal resources. A commercial bank has indicated that it would offer a mortgage loan at HIBOR +0.6% on a 13 year term which amounts to a monthly payment of about HK\$141,000; and
- 3 is the Vendor is a company wholly owned by Bache Hill Group Limited, and its the substantial shareholders of Bache Hill Group Limited, are also the substantial shareholders of the Company. Therefore, the Vendor is a connected person of the Company within the meaning of Rule14A.11 of the Listing Rules. Accordingly, the proposed sale and purchase of the Property from the the Vendor constitutes connected transactions for the Company under the Listing Rules.

At the meeting, the attending directors namely Messrs. TSE Sun Fat, TSE Sun Lung, YICK Kai Chung all declared that they had beneficial interests in Negotiator Consultants Limited and therefore had the material interests in the transactions as Mr. YICK Kai Chung were the shareholders of the Negotiator and TSE Sun Fat, TSE Sun Lung were the shareholders and directors of the Negotiator Consultants Limited and all of them abstained from voting at this meeting.

#### **C. Benefit from the Acquisition**

The Directors were of the view that the acquisition of the office property is in the interest of the Group and the shareholders of the Company as a whole and the offer is considered fair and reasonable and reflects the market price of the property. In addition to future saving of the higher rental payment, further relocation and renovation costs would likely to be incurred should the Group be required to move to another office Property upon the expiry of the term of the present lease. Under the current rental market, it represents 4.9% yield on return of investment as estimated by AG Wilkinson.

#### **D. Terms of payment**

The acquisition of the Property will be a cash purchase to be settled in the manner stated in B(2) above..

**IT WAS UNANIMOUSLY RESOLVED** by the Board of Directors that

- (i) the Board of Directors considered that the transaction is on the normal commercial terms and in the ordinary course of business and recommended that it is desirable and is of the interest for the Group and the shareholders as a whole to acquire the Property.
- (ii) As the purchase of the Property from the Vendor is a disclosable transaction and

connected transaction of the Company under the Listing Rule, the transaction contemplated must be subject to the approval of the shareholders of E. Bon Holding Limited at an extraordinary general meeting; and such an extraordinary general meeting of the Company would be convened on January 31, 2008, and if it deems fit, passes the resolution for the approval of and make an offer for the purchase of the Property from the Vendor on 2 January 2008.

A circular containing, among other things, (i) details of the transactions contemplated and (ii) the notice of the EGM will be dispatched to the Shareholders as soon as possible in accordance with the Listing Rules.

**Shareholders' approval at the EGM,**

The above acquisition is subject to the approval of independent shareholders of the Company at EGM and the following shareholders and their associates, of the Company who has beneficial interests in the transaction shall abstain from voting at the EGM:-

LO Wai Man  
YIK Kai Yiu  
CHENG Suet Fan  
Happy Voice Limited  
New Happy Times Limited  
Fast Way Management Limited  
Universal Star Group Limited  
TSE Sun Lung  
YICK Kai Chung

The Company has not acquired any asset from the Vendor, their ultimate beneficial owners and associates ( as defined in the Listing Rules) in the past 12 months and the Company has not acquired any property adjacent to the Property that makes the Acquisition subject to aggregation under Rule 14.22 of the Listing Rule.

**General**

The principal activity of the Company is investment holding and the Group are principally engaged in importing and sale of architectural builders hardware, bathroom and kitchen collections. The principal activity of the Purchaser is property investment for rental income.

By order of the Board  
**E. Bon Holdings Limited**  
LAU Shiu Sun  
Executive Director

Hong Kong, 2 January 2008

As at the date of this announcement, the executive directors of the Company are Mr. TSE Sun Fat, Mr. TSE Sun Po, Mr. TSE Sun Lung, Mr. YICK Kai Chung, Mr. LAU Shiu Sun and Mr. FUNG Cheuk Hang Jackie, and the independent non-executive directors are Mr. LEUNG Kwong Kin J.P., Mr. WONG Wah and Mr. WAN Sze Chung.

*This announcement will also be published on the Company's Web site : [www.ebon.com.hk](http://www.ebon.com.hk)*