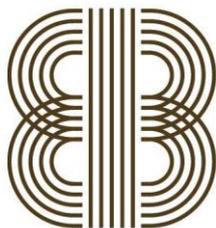


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E. BON HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

怡邦行控股有限公司

(Stock Code: 599)

DISCLOSEABLE TRANSACTION ACQUISITION OF THE PROPERTY

THE ACQUISITION

The Board is pleased to announce that on 1 August 2022 (after trading hours), the Purchaser entered into the Preliminary Agreement with the Vendor, pursuant to which the Purchaser agreed to purchase, and the Vendor agreed to sell, the Property at the Consideration of HK\$45,800,000.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Acquisition is more than 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

THE ACQUISITION

The Board is pleased to announce that on 1 August 2022 (after trading hours), the Purchaser entered into the Preliminary Agreement with the Vendor, pursuant to which the Purchaser agreed to purchase, and the Vendor agreed to sell, the Property.

Principal terms of the Preliminary Agreement are as follows:-

Parties: (a) the Purchaser;
(b) the Vendor; and
(c) the Property Agent

Property: Unit C on 4/F formerly known as B1 Building B and Unit D on 4/F formerly known as B2 Building B of Mercantile Industrial & Warehouse Building, No. 16/24 Ta Chuen Ping Street, Kwai Chung, New Territories and including thereto all the fixture and fittings.

The Property is sold on an “as is” basis.

Consideration and payment terms: The Consideration is in the sum of HK\$45,800,000, which shall be paid in the following manner:-

(a) a sum of HK\$2,186,000, being the initial deposit (the “**Initial Deposit**”), was paid to the Vendor’s solicitor as stakeholder upon signing of the Preliminary Agreement;

(b) a sum of HK\$2,394,000, being the further deposit (the “**Further Deposit**”, together with the Initial Deposit, the “**Deposits**”) shall be paid to the Vendor’s solicitor as stakeholder on or before 31 August 2022; and

(c) a sum of HK\$41,220,000, being the balance of the Consideration, shall be paid upon Completion.

Formal Agreement: The Purchaser and the Vendor shall enter into the Formal Agreement on or before 31 August 2022.

Costs: Ad valorem stamp duties (including Buyer’s Stamp Duty (if applicable) but excluding Special Stamp Duty payable under the Stamp Duty Ordinance (Cap. 117 of the Laws of Hong Kong)) in respect of the Acquisition shall be borne and paid by the Purchaser.

It is estimated that the total transaction costs such as stamp duty and commission to the Property Agent will be approximately HK\$2,405,000.

Completion: Completion shall take place on or before 30 November 2022. The Vendor shall deliver vacant possession of the Property to the Purchaser upon Completion.

If the Purchaser fails to complete the Acquisition in accordance with the terms of the Preliminary Agreement, the Deposits, to the extent already paid by the Purchaser pursuant to the Preliminary Agreement, shall be forfeited to the Vendor and the Vendor shall not sue the Purchaser for any liabilities and/or damages caused by the Purchaser’s default of the Preliminary Agreement.

Additional terms in connection with COVID-19: The Purchaser and the Vendor agree that, should half of the directors of, or the solicitors of, each of them be hospitalised for having or suspected of having contracted COVID-19 or are being detained, quarantined, isolated mandatorily or required to stay indoors, or the business of either of their solicitors is suspended due to government actions against COVID-19, the date of payment of the Further Deposit, signing of the Formal Agreement and/or the Completion (as the case may be) shall be

deferred to the seventh working day after the affected party is discharged from hospital, the detention, quarantine, isolation or the relevant restriction(s) or order(s) is ended or no longer in force, or the business of the solicitors is resumed (whichever is later).

If the date of signing of the Formal Agreement is postponed, the date of Completion shall also be postponed by the same number of days.

BASIS OF DETERMINATION OF CONSIDERATION

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendor having regard or with reference to:

- (a) the location of the Property, which is in proximity to the Group's existing self-owned warehouse in Kwai Chung;
- (b) the suitability of the layout of the Property for use as a warehouse; and
- (c) the prevailing market value of comparable properties available in the vicinity.

The Consideration shall be funded by internal resources and banking facilities available to the Group.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group currently owns a warehouse in Kwai Chung and rents other warehouses for storage of goods in various locations in Hong Kong. Having considered (i) the rental cost of the existing leased warehouses; (ii) the risk of relocation upon expiration or termination of the leases as the Group may not be able to renew the leases with comparable and/or commercially acceptable terms and conditions; (iii) the renovation expenses and time costs that would have incurred by the Group for relocation; and (iv) the increasing efficiency of stock management upon the Acquisition as the Group could consolidate more of its stocks in the Property and the other self-owned warehouse in Kwai Chung where both are in vicinity, the Directors consider that it in the interests of the Group to acquire the Property as its self-owned warehouse in order to secure storage space of the goods of the Company, save rental, goods storage and renovation expenses in the long run, and improve the efficiency of the Group's operations.

The Directors consider that the Acquisition and the terms of the Preliminary Agreement are fair and reasonable and in the interests of the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition is more than 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

GENERAL INFORMATION

The Company

The Company is an investment holding company and its subsidiaries are principally engaged in the importing, wholesale, retail and installation of architectural builders' hardware, bathroom, kitchen collections and furniture, and the provision of interior design services, project and contract management in Hong Kong and the People's Republic of China.

The Purchaser

The Purchaser is a limited company incorporated in Hong Kong and a wholly-owned subsidiary of the Company. It is a property holding company in Hong Kong.

The Vendor

The Vendor is a company incorporated in Hong Kong with limited liability. Based on the information publicly available and to the best knowledge, information and belief of the Directors, the Vendor is owned by Hui Yee Kan Erica and Hui Hung Shing and is principally engaged in investment holding.

The Property Agent

The Property Agent is a company incorporated in Hong Kong with limited liability and is principally engaged in property agency services in Hong Kong.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, each of the Vendor, the Property Agent and their respective ultimate beneficial owner(s) is a third party independent of the Company and its connected person(s).

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the meaning ascribed to them below:-

“Acquisition”	the acquisition of the Property by the Purchaser pursuant to the Preliminary Agreement
“Board”	the board of Directors
“Company”	E. Bon Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange (Stock code: 599)
“Completion”	completion of the Acquisition
“Consideration”	the sum of HK\$45,800,000, being the purchase price of the Property

“COVID-19”	the coronavirus disease 2019
“Director(s)”	the director(s) of the Company
“Formal Agreement”	the formal sale and purchase agreement to be entered into between the Purchaser and the Vendor on or before 31 August 2022 in relation to the Acquisition
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, 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
“Preliminary Agreement”	the preliminary sale & purchase agreement dated 1 August 2022 entered into among the Purchaser, the Vendor and the Property Agent in relation to the Acquisition
“Property”	Unit C on 4/F formerly known as B1 Building B and Unit D on 4/F formerly known as B2 Building B of Mercantile Industrial & Warehouse Building, No. 16/24 Ta Chuen Ping Street, Kwai Chung, New Territories and including thereto all the fixture and fittings
“Property Agent”	Centaline Property Agency Limited (中 原 地 產 代 理 有 限 公 司)
“Purchaser”	Leader New Limited (新 凌 有 限 公 司)
“Shareholder(s)”	registered holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Lucky Star International Industrial Limited (福 星 國 際 實 業 有 限 公 司)
“%”	per cent.

By Order of the Board
E. Bon Holdings Limited
TSE Sun Fat, Henry
Chairman

Hong Kong, 1 August 2022

As at the date of this announcement, the Board of Directors comprises eight Directors, of which five are executive Directors, namely Mr. TSE Sun Fat, Henry, Mr. TSE Sun Wai, Albert, Mr. TSE Sun Po, Tony, Mr. TSE Hon Kit, Kevin and Mr. LAU Shiu Sun and three are independent non-executive Directors, namely Mr. WONG Wah, Dominic, Mr. WAN Sze Chung and Dr. LUK Wang Kwong.