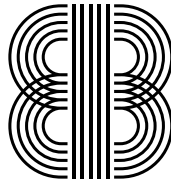


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**E. BON HOLDINGS LIMITED**  
(Incorporated in the Cayman Islands with limited liability)

怡邦行控股有限公司

(Stock code: 599)

## ANNOUNCEMENT

### WAIVER GRANTED TO TSE BROTHERS ASSET MANAGEMENT LIMITED FROM OBLIGATION TO MAKE A GENERAL OFFER FOR THE ISSUED SHARES IN E. BON HOLDINGS LIMITED

On 24 April 2006, one of the substantial shareholders of E. Bon Holdings Limited (the "Company"), Bache Hill Group Limited ("BHGL") which holds 70% of the total issued share capital of the Company (the "Shares"), has duly passed a special resolution at an extraordinary general meeting approving that it shall distribute the Shares held by it to all of its shareholders in accordance with their respective shareholdings in it by way of dividend on 8 May 2006 (the "Transaction").

#### 1. Background

##### **Bache Hill Group Limited ("BHGL")**

BHGL was incorporated in the British Virgin Islands (the "BVI") on 8 December 1999 which had held 140,000,000 shares, representing 70% of the shareholdings, in the Company since 12 April 2000, the date on which the Company was listed on the Hong Kong Stock Exchange. It has an issued share capital of 50,000 shares of which Mr. Tse Sun Lung, Alan, Mr. Wong Tin Cheung, Ricky and Mr. Yick Kai Chung hold 3,025, 1,265 and 2,401 shares respectively, all are directors of the Company and therefore considered as "connected person" under Chapter 14A of the Rules Governing the Listing of the Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules").

##### **Tse Brothers Asset Management Limited ("TBAML")**

TBAML holds 30,491 shares (approximately 60.98% of the total share capital) of BHGL. TBAML is a company incorporated in the BVI, which is the trustee of The Tse Brothers Unit Trust (which is in turn held by a discretionary trust, The Tse's Family Trust), thus, the entire issued share capital of TBAML is in turn held by Messrs. Kelvin K.W. Cheung & Chu Hei Chun (who are the trustees of the Tse's Family Trust).

Mr. Tse Sun Fat, Henry, one of the directors of the Company, and his spouse are objects of The Tse's Family Trust.

In addition, the spouse and other family members of Mr. Tse Sun Po, Tony, one of the directors of the Company, are objects of The Tse's Family Trust.

##### **Special Resolution of BHGL**

On 24 April 2006, the majority of the shareholders which hold in aggregate 93.67% of BHGL including TBAML (the "Proposing Shareholders") have duly convened and passed a special resolution at an extraordinary general meeting approving that BHGL shall distribute the Shares held by it to all of its shareholders in accordance with their respective shareholdings in BHGL by way of dividend on 8 May 2006. In pursuant thereof, BHGL has on 8 May 2006 distributed the Shares to its shareholders.

#### 2. Reason for the Transaction

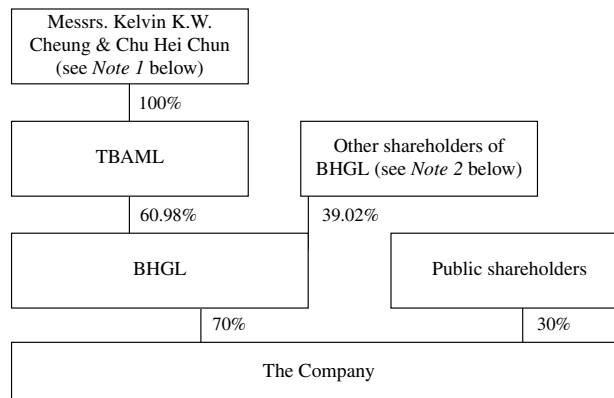
The Proposing Shareholders have stated a preference to hold the Shares directly, rather than indirectly via BHGL.

#### 3. Waiver

Immediately following the Transaction, TBAML will hold approximately 42.69% of the total issued share capital of the Company. As TBAML will first become interested in 42.69% shareholdings of the Company, TBAML is required, under Rule 26.1 of the Code on Takeovers and Mergers (the "Code"), to make a mandatory general offer for all the issued shares, unless a waiver is obtained. In this regard, TBAML has on 10 April 2006 obtained such a waiver from the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong pursuant to Note 6 to Rule 26.1 of the Code.

#### 4. Structure of the Company before and after the Transaction

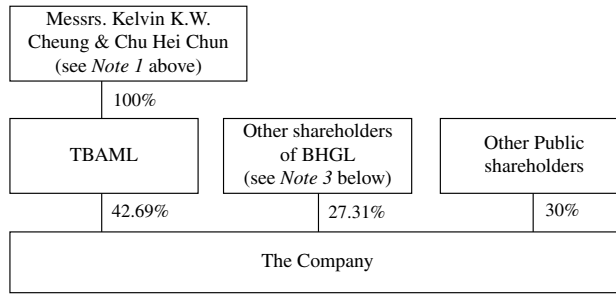
##### **Before the Transaction**



*Note 1* – Messrs. Kelvin K.W. Cheung & Chu Hei Chun are trustees of The Tse's Family Trust (for details, please see the section headed "Tse Brothers Asset Management Limited" above).

*Note 2* – Other shareholders of BHGL include Mr. Tse Sun Lung, Alan, Mr. Wong Tin Cheung, Ricky and Mr. Yick Kai Chung, all are directors of the Company, holding 13.38% shareholdings of BHGL all together (for details, please see the section headed "Bache Hill Group Limited" above), senior management of the Company's and its subsidiaries (holding 13.01% shareholdings of BHGL all together) and former employees of the Company and other parties who are not connected with the Company other than by virtue of their interests in BHGL (holding 12.63% shareholdings of BHGL all together).

*After the Transaction*



Note 3 – Other shareholders of BHGL include the following connected persons, namely, Mr. Tse Sun Lung, Alan, Mr. Wong Tin Cheung, Ricky and Mr. Yick Kai Chung, all are directors of the Company, holding 9.36% shareholdings of the Company all together (for details, please see the section headed “Bache Hill Group Limited” above) and other persons (including but not limited to the senior management of the Company and its subsidiaries and former employees of the Company who are shareholders of BHGL) who are not regarded as connected persons of the Company (holding 17.95% of the Company all together).

*As at the date hereof, the Board of Directors comprises Mr. Tse Sun Fat Henry, Mr. Tse Sun Po Tony, Mr. Tse Sun Lung Alan, Mr. Wong Tin Cheung Ricky, Mr. Lau Shiu Sun and Mr. Yick Kai Chung Donald as Executive Directors; Mr. Mak So as Non-executive Director and Mr. Leung Kwong Kin J.P., Mr. Wong Wah Dominic and Mr. Wan Sze Chung as Independent Non-executive Directors.*

By order of the Board of Directors  
**Lau Shiu Sun**  
*Executive Director*

Hong Kong, 8 May, 2006

“Please also refer to the published version of this announcement in The Standard.”