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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 PROPERTY

The Board wishes to announce that on 16 December 2015, ARL, a wholly-owned subsidiary of the Company, which is a property holding company, entered into the Agreement with the Vendor, which being an independent third party of the Group and the Company, pursuant to which ARL had agreed to purchase, and the Vendor had agreed to sell, the Property for a consideration of a sum of HK\$28,180,000.00

As some of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition exceed 5%, but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Rule 14.06 (2) of the Listing Rules and is subject to the notification and announcement requirements, but exempted from the shareholders' approval requirement, under Rule 14.33 of the Listing Rules.

THE AGREEMENT

Date:

16 December 2015

Parties:

Vendor: Bensfield Enterprises Limited is an investment holding company in Hong Kong. To the best of the Director's knowledge, information and belief after having made all reasonable enquiries, the Vendor and its ultimate beneficial owner(s) are third parties independent of the Company and its connected parties.

Purchaser: ARL, a wholly-owned subsidiary of the Company.

Property to be acquired:

Offices A and B on 19th Floor of First Commercial Building, Nos. 33-35 Leighton Road, Causeway Bay, Hong Kong. The Property is a commercial property, with a saleable area of approximately 1,646 square feet. The Property is currently leased out with rental agreed at HK\$68,800.00 per month (inclusive of rates, government rent and management fee) for a term up to 28 February 2017.

Based on the information provided by the Vendor, the rental income attributable to the Property for the two financial years ended 31 March 2014 and 31 March 2015 amounted to approximately HK\$728,800.00 and HK\$825,600.00 respectively.

Consideration:

The consideration payable by ARL to the Vendor for the acquisition of the Property is HK\$28,180,000.00. An initial deposit of HK\$2,818,000.00 was paid by ARL to the Vendor upon signing of the Agreement. The remaining balance of HK\$25,362,000.00 will be paid by ARL to the Vendor on Completion. The Directors intend to fund the consideration by internal resources of the Group.

The consideration has been arrived at after arm's length negotiations between the parties with reference to the prevailing market value of commercial properties of similar size and age as the Property in the same vicinity. The Directors consider that the terms of the Agreement are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

Completion:

Completion shall take place on or before 29 February 2016.

REASONS FOR AND BENEFITS OF THE ACQUISITION**A. The Terms and Conditions of the Offer of the Acquisition of the Property**

The Company is an investment holding company and its subsidiaries are principally engaged in the importing, wholesale, retail and/or installation of architectural builders' hardware, bathroom, kitchen collections and furniture in Hong Kong and the People's Republic of China (the 'PRC') and the provision of construction services for property developers in the PRC.

The Group currently occupies the 16th to 18th floors on the same building as the headquarters office in Hong Kong. To cope with the demand for more office space as a result of the recent business growth and development, the Directors consider that additional office space at a location closer to the present office premises would improve the efficiency of the Company's operation and coordination among various departments. The Property will continue to be leased out after Completion until its expiry on 28 February 2017. After the expiry, the Company intends to use as its office.

In the premises, the Group instructed an independent property valuer, Memfus Wong Surveyors Limited to make an independent assessment of the valuation of the Property. Their valuation reports dated 13 November 2015 estimated that the market price for the Property was valued at HK\$29,200,000.00.

Based on the valuation reports, the Company has made an offer of HK\$28,180,000.00 on 1 December 2015, which is about 3.5% off the average market price for the Property, for the purchase of the Property and the Vendor has agreed to sell the Property by entering into a Sale and Purchase Agreement on the following terms and conditions:

Consideration: HK\$28,180,000.00

Completion date: 17 January 2016

Conditions: on an 'as is' basis

Subject to the present lease at a monthly rental in a sum of HK\$68,800.00 which would expire on 28 February 2017.

B. The Board of Directors' Meeting

1. The proposed transaction had been duly considered by the Board of directors meeting on 30 November 2015, **it was reported at the meeting that**
 - (i) the valuation reports submitted by Memfus Wong Surveyors Limited dated 13 November 2015 had been circulated to directors before the meeting;
 - (ii) terms and condition, as listed in paragraph A, to be proposed;
 - (iii) the source of the funding for the acquisition of the Property will be financed by the Group's internal resources; and
 - (iv) The Vendor is not a connected person of the Company within the meaning of Rule 14A.11 of the Listing Rules. Accordingly, the proposed sale and purchase of the Property from the Vendor does not constitute a connected transaction for the Company under the Listing Rules.

2. The Benefit of the Acquisition of the Property

The Directors were of the opinion that if the Group required more office space to cope with business expansion, the Property would be desirable and ideal for such purpose in terms of business operation efficiency as compared to moving to other location further away from the present office premises; let alone higher rental payment over years ahead. Therefore the acquisition of the Property is in the interest of the shareholders and of the

Company as a whole and the offer reflects the market price of the Property and the terms and conditions are fair and reasonable. Under the current rental market, it represents 2.8% yield on the return of investment as estimated by Memfus Wong Surveyors Limited.

3. The Resolutions of the Board of Directors' Meeting

IT WAS UNANIMOUSLY RESOLVED by the Board of Directors that

- (i) The Board of Directors considered that the transaction, including the proposed offer, terms and condition, is fair and reasonable and is on the normal commercial terms and in the ordinary course of business and it would increase the asset portfolios of the Company and recommended that it is in the interest of the shareholders and of the Company as a whole to acquire the Property;
- (ii) As the purchase of the Property from the Vendor is a discloseable transaction of the Company under the Listing Rule, the transaction contemplated must be subject to notification and announcement requirements; and
- (iii) The payment of the purchase price be made to the Vendor would come from the Group's internal resources.

C. The recommendation of Independent Non-executive Directors

On 30 November 2015, Independent Non-executive Directors recommended that, for the reasons as stated in paragraph B above, the terms and conditions for the acquisition of the Property are fair and reasonable and that it is in the interest of the shareholders and the Company as a whole for the Company to acquire the Property. They unanimously passed the resolutions for the acquisition of the Property.

IMPLICATIONS OF THE LISTING RULES

As some of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition exceed 5%, but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Rule 14.06 (2) of the Listing Rules and is subject to the notification and announcement requirements, but exempt from the shareholders' approval requirement, under Rule 14.33 of the Listing Rules.

DEFINITIONS

In this announcement, the following terms shall have the meanings set opposite them unless the context otherwise requires:

‘Acquisition’	the proposed acquisition of the Property by ARL pursuant to the terms of the Agreement;
‘Agreement’	the agreement for sale and purchase dated 16 December 2015 entered into between ARL as the purchaser and the Vendor as the vendor in relation to the sale and purchase of the Property;
‘ARL’	Asia Richly Limited, a wholly-owned subsidiary of the Company;
‘Board’	the Board of Directors;
‘Company’	E. Bon Holdings Limited;
‘Completion’	completion of the sale and purchase of the Property;
‘Directors’	the directors of the Company;
‘Group’	the Company and its subsidiaries;
‘Listing Rules’	the Rules Governing the Listing of Securities on the Stock Exchange;
‘Property’	Offices A and B on 19 th Floor of First Commercial Building, Nos. 33-35 Leighton Road, Causeway Bay, Hong Kong;
‘Stock Exchange’	The Stock Exchange of Hong Kong Limited; and
‘Vendor’	Bensfield Enterprises Limited, a company incorporated in Hong Kong.

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

Hong Kong, 16 December 2015

As at the date hereof, the Board of Directors comprises eight Directors, of which five are Executive Directors, namely Messrs. TSE Sun Fat, Henry, TSE Sun Wai, Albert, TSE Sun Po, Tony, TSE Hon Kit, Kevin and LAU Shiu Sun and three are Independent Non-executive Directors, namely Messrs. LEUNG Kwong Kin, J.P., WONG Wah, Dominic and WAN Sze Chung.