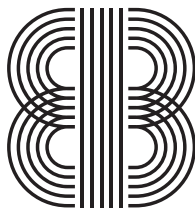


THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in E. Bon Holdings Limited, you should at once hand this circular with the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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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)

**PROPOSALS FOR BONUS ISSUE OF SHARES,
RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO REPURCHASE SHARES AND
TO ISSUE SHARES, AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of E. Bon Holdings Limited to be held at Plaza III, Lower Lobby, Novotel Century Hong Kong Hotel, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 9 September 2010 at 10:00 a.m. is set out on pages 17 to 21 of this circular. A proxy form for your use at the Annual General Meeting is enclosed with this circular. Whether or not you propose to attend the Annual General Meeting, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Tricor Abacus Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding of the Annual General Meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the meeting should you so desire.

Hong Kong, 30 July 2010

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DEFINITIONS

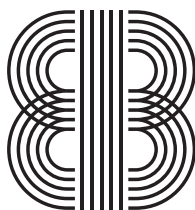
In this circular, the following expressions have the following meanings unless the context requires otherwise:—

“AGM”	the annual general meeting of the Company to be held at Plaza III, Lower Lobby, Novotel Century Hong Kong Hotel, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 9 September 2010 at 10:00 a.m.
“Articles of Association”	the articles of association of the Company as amended, supplemented or modified from time to time
“Bonus Issue”	a bonus issue on the basis of three bonus shares at par for every ten shares of the Company to its Shareholders whose names appear on the register of members of the Company at the close of business on 9 September 2010
“Bonus Share”	the bonus share to be issued under the Bonus Issue to the Shareholders
“Company”	E. Bon Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose Shares listed on the Stock Exchange
“Directors”	the directors of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	27 July 2010 being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase during the period as set out in the Repurchase Resolution, Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing the Repurchase Resolution

DEFINITIONS

“Repurchase Resolution”	the proposed ordinary resolution as referred to in resolution no. 6 of the notice of the Annual General Meeting
“Share(s)”	share(s) of \$0.10 each in the share capital of the Company (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time)
“Shareholder(s)”	registered holder(s) of Shares
“Share Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue and deal with Shares during the period as set out in the proposed ordinary resolution as referred to in resolution no. 7 up to a maximum of 20% of the issued share capital of the Company as at the date of passing of the resolution approving the Share Issue Mandate
“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own securities on the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Codes on Takeovers and Mergers and Share Repurchases
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

LETTER FROM THE CHAIRMAN



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

怡邦行控股有限公司

(Stock Code: 599)

Executive Directors:

Mr. TSE Sun Fat, Henry (*Chairman*)
Mr. TSE Sun Po, Tony (*Managing Director*)
Mr. LAU Shiu Sun
Mr. YICK Kai Chung
Mr. FUNG Cheuk Hang, Jackie
Mr. TSE Hon Kit, Kevin

Independent Non-executive Directors:

Mr. LEUNG Kwong Kin, J.P.
Mr. WONG Wah, Dominic
Mr. WAN Sze Chung

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

*Head Office and Principal Place
of Business in Hong Kong:*

16th-18th Floors
First Commercial Building
33 Leighton Road
Causeway Bay
Hong Kong

Hong Kong, 30 July 2010

To the shareholders,

Dear Sir or Madam,

**PROPOSALS FOR BONUS ISSUE OF SHARES,
RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO REPURCHASE SHARES AND
TO ISSUE SHARES, AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the AGM for (i) the Bonus Issue; (ii) the re-election of the retiring directors; (iii) the granting of the Repurchase Mandate to the Directors; (iv) the granting of the Share Issue Mandate to the Directors; and (v) the extension of the Share Issue Mandate by adding to it the aggregate nominal amount of the Shares repurchased by the Company under the Repurchase Mandate and to seek your approval of the ordinary resolutions relating to these matters at the AGM.

LETTER FROM THE CHAIRMAN

BONUS ISSUE OF SHARES

The Board of Directors has resolved to recommend a bonus issue on the basis of three bonus shares at par for every ten shares of the Company to its Shareholders whose names appear on the principal or branch register of members of the Company in the Cayman Islands or Hong Kong respectively (collectively the "Register of Members") as at the close of business on 9 September 2010. Such proposed Bonus Shares will be issued and credited as fully paid and will rank pari passu with the then issued Shares in all respects with effect from the date of issue, except that they are not entitled to the proposed final dividend for the year ended 31 March 2010.

The exact number of Bonus Shares to be issued under the Bonus Issue is not known and will only be counted at the book close date. Based on 231,000,000 Shares in issue at the date of this circular and assumed that no further Shares will be repurchased or issued prior to the book close date; a total number of 69,300,000 Shares will be issued under the proposed Bonus Issue which represents 30% of the issue share capital of the Company at the date of this Circular. It is proposed that the Directors be authorised to capitalise the sum of HK\$6,930,000 being part of the amount standing to the credit of the share premium account of the Company and apply such sum in paying up in full the Bonus Shares.

The proposed Bonus Issue will not have any effect on the earnings of the Group for the financial year ending 31 March 2010. However, the earnings per Share will be correspondingly diluted as a result of the increase in the Company's issued and paid-up share capital.

The proposed Bonus Issue will not have any effect on the net tangible asset of the Group, on the Company and Group levels, save for the sum and the estimated expenses in implementing the proposed Bonus Issue which will be charged against the Company's share premium account. However, the net tangible asset per Share will be correspondingly diluted as a result of the increase in the Company's issued and paid-up share capital.

The number of Bonus Shares to be issued under the proposed Bonus Issue to each Shareholder will be rounded down to the nearest whole number. No fractional shares (if any) shall be issued and shares representing fractions shall be aggregated and sold for the benefit of the Company under and by virtue of Article 144 of the Memorandum and Articles of the Association of the Company.

In the absence of any specific instruction to the contrary received in writing by the Company's branch share registrar in Hong Kong, Tricor Abacus Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong, certificates in respect of the Bonus Shares will be sent to the persons entitled thereto at their respective addresses shown on the Register of Members or in the case of joint holders to the address of the joint holder whose name stands first in the Register of Members in respect of the joint holding.

It is expected that certificates for the Bonus Shares will be posted to those entitled thereto at their own risk latest on or before Monday, 27 September 2010. Dealings in the Bonus Shares are expected to commence on Thursday, 30 September 2010. The subsequent dealings in the Bonus Shares are subject to stamp duty in pursuance of the Stamp Duty Ordinance (Cap. 117 Laws of Hong Kong).

LETTER FROM THE CHAIRMAN

Reasons for the Bonus Issue

2010 marks the 10th anniversary of the listing of E. Bon becoming a publicly listed group in Hong Kong. This year the Group has attained new records in sales and shareholders' funds. The Board believes that the Bonus Issue is a reward to the continuing support of the Shareholders by allowing them to participate in the business growth of the Company by way of capitalisation of a portion of the share premium account.

Closure of Register of Members

The register of members of the Company will be closed from Friday, 3 September 2010 to Thursday, 9 September 2010, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the Bonus Issue, all transfers forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar in Hong Kong, Tricor Abacus Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 2 September 2010.

EXPECTED TIMETABLE FOR THE IMPLEMENTATION OF THE BONUS ISSUE OF SHARES:

Latest time for the lodging of the transfer forms of Shares to qualify for entitlements to the Bonus Issue	4:30 p.m. Thursday, 2 September 2010
Closure of register of members (both days inclusive)	From Friday, 3 September 2010 to Thursday, 9 September 2010
Record date for determination of entitlements to the Bonus Issue	Thursday, 9 September 2010
Latest time for lodging forms of proxy for the AGM	10:00 a.m. Tuesday, 7 September 2010
The AGM	10:00 a.m. Thursday, 9 September 2010
Register of Members re-opens	Friday, 10 September 2010
Despatch of share certificates for Bonus Shares	On or before Monday, 27 September 2010
First day of trading in Bonus Shares on the Stock Exchange	Thursday, 30 September 2010

The timetable will be changed and the Company will make further announcements if such a change is necessary. The Bonus Issue is subject to fulfillment of all conditions as set out below.

LETTER FROM THE CHAIRMAN

The proposed Bonus Issue is conditional upon:

- (i) Ordinary resolution being passed to approve the Bonus Issue; and
- (ii) Listing of and permission to deal in the Bonus Shares being granted by the Listing Committee of the Stock Exchange.

Listing and Dealing

Listing and Dealing Application will be made to the Listing Committee of the Stock Exchange for listing of and permission to deal in, the Bonus Shares to be issued pursuant to the Proposed Bonus Issue. It is expected the dealings in the Bonus Shares on the Stock Exchange will commence on Thursday, 30 September 2010.

The Shares are listed on and dealt in on the Stock Exchange. There is no equity or debt securities of the Company being listed or dealt in on any other stock exchange nor is listing or permission to deal in such securities on any other stock exchange being or proposed to be sought.

Overseas Shareholders

The Company will make enquiry regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange in pursuance to Rule 13.36(2) of the Listing Rules and upon the enquiry, if the Board is of the view that for overseas Shareholders (the "Overseas Shareholders") who will not be entitled to the Bonus Issue because of the legal restrictions under the laws or statutory regulations or the requirements of the stock exchange in that jurisdiction, arrangements will be made for the Bonus Shares which would otherwise have been issued to the Overseas Shareholders to be sold in the market as soon as practicable after dealings commence, if a premium, net of expenses, can be obtained. Any net proceeds of such sale for each Overseas Shareholder, after deduction of expenses, of HK\$100 or more will be distributed in Hong Kong dollars to the relevant Overseas Shareholder, by ordinary post at their own risk, unless the amount falling to be distributed to any such person is less than HK\$100 in which case it will be retained for the benefit of the Company.

An explanatory statement as required by the Listing Rule to requisite information of the Bonus Issue is set out in Appendix I to this circular. An ordinary resolution will be proposed at the AGM to approve the bonus issue of shares, details of which are set out in Ordinary Resolution no. 5 of the notice of Annual General Meeting.

RE-ELECTION OF THE RETIRING DIRECTORS

The board of directors currently comprises nine Directors, namely Messrs. TSE Sun Fat, Henry, TSE Sun Po, Tony, LAU Shiu Sun, YICK Kai Chung, FUNG Cheuk Hang, Jackie, TSE Hon Kit, Kevin, LEUNG Kwong Kin, *J.P.*, WONG Wah, Dominic and WAN Sze Chung.

Pursuant to Articles 86(3) and 87 of the Articles of Association of the Company, Messrs. TSE Sun Fat, Henry, FUNG Cheuk Hang, Jackie and WONG Wah, Dominic will be

LETTER FROM THE CHAIRMAN

retiring from their respective offices at the Annual General Meeting and, being eligible, offer themselves for re-election at the AGM. Details of the Directors proposed to be re-elected in the AGM are set out in Appendix II to this circular.

GENERAL MANDATE TO REPURCHASE SHARES

The Company had at the annual general meeting held on 9 September 2009 given a general mandate to the Directors to exercise the power of the Company to repurchase its own Shares. Such general mandate will lapse at the conclusion of the AGM.

Therefore, an ordinary resolution will be proposed at the AGM to grant to the Directors the Repurchase Mandate, details of which are set out in Ordinary Resolution no. 6 in the Repurchase Resolution.

As at the Latest Practicable Date, the issued share capital of the Company comprised 231,000,000 Shares. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the date of passing the Repurchase Resolution, the maximum number of Shares representing 10% of the issued share capital of the Company as at the Latest Practicable Date which may be repurchased pursuant to the Repurchase Mandate as at the date of passing the Repurchase Resolution will be 23,100,000 Shares.

An explanatory statement as required under the Share Repurchase Rules to provide the requisite information of the Repurchase Mandate is set out in Appendix III to this circular.

GENERAL MANDATE TO ISSUE SHARES

The Company had at the annual general meeting held on 9 September 2009 given a general mandate to the Directors to exercise the power of the Company to issue Shares. Such general mandate will lapse at the conclusion of the AGM.

It will also be proposed at the AGM the following two ordinary resolutions respectively:- (i) granting to the Directors the Share Issue Mandate, and (ii) authorising an extension of the limit of the Share Issue Mandate so granted by adding to it the number of Shares repurchased by the Company under the Repurchase Mandate, if granted.

As at the Latest Practicable Date, the issued share capital of the Company comprised 231,000,000 Shares. Subject to the passing of the resolution approving the Share Issue Mandate and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the resolution approving the Share Issue Mandate to issue a maximum of 46,200,000 Shares representing 20% of the issued share capital of the Company as at the date of the Latest Practicable date.

Details of the Share Issue Mandate and the extension of the Share Issue Mandate are set out in ordinary resolutions nos. 7 and 8 respectively of the notice of Annual General Meeting.

LETTER FROM THE CHAIRMAN

ANNUAL GENERAL MEETING

At the AGM, ordinary resolutions will be proposed to approve the re-election of directors, the Bonus Issue of Shares, the granting of the Repurchase Mandate, the granting of the Share Issue Mandate and the extension of the Share Issue Mandate. The notice of Annual General Meeting is set out on pages 17 to 21 of this circular.

ACTION TO BE TAKEN

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you propose to attend the AGM, you are requested to complete the form of proxy and return it to the Company's branch registrar in Hong Kong, Tricor Abacus Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjourned meeting if you so desire.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of shareholders at the AGM will be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

The Directors are pleased to recommend the retiring Directors, details of whom are set out in Appendix II to this circular, for re-election in the AGM. The Directors consider that the Bonus Issue of shares, the granting of the Repurchase Mandate, the granting of the Share Issue Mandate and the extension of the Share Issue Mandate are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of the resolutions to be proposed at the AGM to give effect to them.

Yours faithfully,
By Order of the Board
TSE Sun Fat, Henry
Chairman

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the proposal to approve the Bonus Issue.

1. SUBSTANTIAL SHAREHOLDERS

The effects of the proposed Bonus Issue on the shareholdings of substantial shareholders of the Company based on the register of substantial Shareholders as at the Latest Practicable Date are as follows:

Name of Shareholder	Number of ordinary shares beneficial held at the Latest Practicable Date	Number of ordinary shares to be beneficial held after Bonus Issue	Percentage of ordinary shares beneficial held as at the Latest Practicable Date
Universal Star Group Limited	40,034,804	52,045,245	17.33%
Mr. Tse Hon Kit, Kevin	40,034,804	52,045,245	17.33%
Happy Voice Limited	28,300,465	36,790,604	12.25%
New Happy Times Limited	16,467,518	21,407,773	7.13%
Mr. Tse Sun Po, Tony	16,467,518	21,407,773	7.13%
Fast Way Management Limited	13,805,105	17,946,636	5.98%
Mr. Tse Sun Fat, Henry	13,805,105	17,946,636	5.98%

The percentages of their respective shareholdings in the Company remain unchanged before and after the completion of the issue of the Bonus Shares.

2. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

None of the Directors, substantial Shareholders and/or persons connected to the Directors or substantial Shareholders of the Company have any interest, direct or indirect, in the proposed Bonus Issue, apart from their entitlements.

3. MISCELLANEOUS

- (a) The English text of this Circular shall prevail over the Chinese text.
- (b) The secretary of the Company is Mr. IP Fu Wa, Benthony.
- (c) The head office of the Company is at 16th – 18th Floors, First Commercial Building, 33 Leighton Road, Causeway Bay, Hong Kong.
- (d) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Abacus Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong.

4. GENERAL

The principal activity of the Company is investment holding and the Group is principally engaged in importing and sale of architectural builders hardware, bathroom, kitchen collections and furniture.

5. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at office of the Company at 16/F, First Commercial Building, 33 Leighton Road, Causeway Bay Hong Kong during normal business hours on any business day from the date of this circular up to and including the date of the AGM and at the AGM:

- (i) The Memorandum and Articles of Association of the Company;
- (ii) Audited consolidated financial statements of the Company for the past two financial years ended 31 March 2010.

The following are the particulars of the Directors proposed to be re-elected at the AGM in accordance with the Articles of Association:

1. Mr. TSE Sun Fat, Henry, aged 53, is a founding member of the Group. He was appointed as an executive director of the Company on 28 January 2000. He is the Chairman of the Company and a director of four subsidiaries of the Group. Mr. TSE possesses over 25 years of experience in the trading of building materials. He is responsible for the planning of the Group's overall strategies and the overall management of the Group. He is a brother of Mr. TSE Sun Po, Tony, the managing director of the Company. Mr. TSE is also an uncle of Mr. TSE Hon Kit, Kevin, an executive director of the Company. Mr. TSE is a substantial shareholder of the Company. As at the Latest Practicable date, Mr. TSE has a beneficial interest in Fast Way Management Limited which holds 13,805,105 shares of the Company within the meaning of Part XV of the Securities and Future Ordinance ("SFO"), which is 5.98% of the total issued share capital of the Company.

Save as disclosed above, as at the Latest Practicable date, (i) Mr. TSE has not held any other positions with any members of the Group; (ii) is not related to any director, senior management, substantial shareholder or controlling shareholder of the Company; (iii) is not interested in the shares of the Company within the meaning of Part XV of the SFO; and (iv) has not held any other directorships in any other listed public companies in the last three years.

Mr. TSE has entered into a service contract with the Company for a term of three years commencing on 1 March 2000 and continuing thereafter unless terminated by either party with at least three months advance notice in writing. According to the Articles of Association of the Company, Mr. TSE will be subject to retirement by rotation and re-election at annual general meeting at least once every three years. The Director's remuneration of Mr. TSE is determined by the Board of Directors as to be authorised by the shareholders of the Company at annual general meeting and by reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

Mr. TSE is currently entitled to receive the salary of HK\$1,102,000 per annum which is subject to annual review by the Board of Directors. In addition, Mr. TSE is entitled to receive discretionary bonuses or other benefits as may be decided by the Board having regard to his performance and duties, the Company's performance and profitability and the prevailing market conditions. For the year ended 31 March 2010, Mr. TSE received emoluments in a total sum of HK\$1,114,000.

Save as disclosed above, Mr. TSE has confirmed that there are no other matters that need to be brought to the attention of the shareholders in connection with his re-election and there is no information which is required to be disclosed pursuant to any of the requirements of rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

2. Mr. FUNG Cheuk Hang, Jackie, aged 39, joined the Group in 2004, is responsible for the management of project sales in kitchen fittings of the Group. Graduated in 1994 from University of Toronto Canada with a major in business administration, he possesses over 13 years experience in the industry. Mr. FUNG is responsible for the development of the Group's marketing strategies and sales of kitchen fittings.

Save as disclosed above, as at the Latest Practicable date, (i) Mr. FUNG has not held any other positions with any members of the Group; (ii) is not related to any director, senior management, substantial shareholder or controlling shareholder of the Company; (iii) is not interested in the shares of the Company within the meaning of Part XV of the SFO; and (iv) has not held any other directorships in any other listed public companies in the last three years.

Mr. FUNG has entered into a service contract with the Company for a term of three years commencing on 3 October 2007 and continuing thereafter unless terminated by either party with at least three months advance notice in writing. According to the Articles of Association of the Company, Mr. FUNG will be subject to retirement by rotation and re-election at annual general meeting at least once every three years. The Director's remuneration of Mr. FUNG is determined by the Board of Directors as to be authorised by the shareholders of the Company at annual general meeting and by reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

Mr. FUNG is currently entitled to receive the salary of HK\$1,848,000 per annum which is subject to annual review by the board of directors. In addition, Mr. FUNG is entitled to receive discretionary bonuses or other benefits as may be decided by the Board having regard to his performance and duties, the Company's performance and profitability and the prevailing market conditions. For the year ended 31 March 2010, Mr. FUNG received emoluments in a total sum of HK\$1,848,000.

Save as disclosed above, Mr. FUNG has confirmed that there are no other matters that need to be brought to the attention of the shareholders in connection with his re-election and there is no information which is required to be disclosed pursuant to any of the requirements of rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

3. Mr. WONG Wah, Dominic, aged 61, was appointed as an independent non-executive director of the Company on 19 June 2001. He is also the chairman of the remuneration committee and a member of the audit committee of the Company. Mr. WONG graduated from the Chinese University of Hong Kong in 1972 with honours bachelor's degree of Social Science in Economics. He was appointed as the director and general manager of Hongkong Ferry (Holdings) Ltd., formerly The Hongkong & Yaumatei Ferry Co., Ltd. until late 1989. He has been actively involved in China trade and garment industry over the past years.

Save as disclosed herein, Mr. WONG has not held any other positions in other listed public companies in the past three years and any positions with the Company or other members of the Company's group. As at the Latest Practicable Date, Mr. WONG does not have any interests in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. WONG does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

Mr. WONG has entered into a service contract with the Company for an initial fixed term of one year and thereafter shall continue for further successive periods of one year, provided that the Company may terminate the contracts at the end of each one year period by giving the other party at least one month's notice in writing thereof. According to the Articles of Association of the Company, Mr. WONG will be subject to retirement by rotation and re-election at annual general meeting at least once every three years. The Director's remuneration of Mr. WONG is determined by the Board of Directors as to be authorised by the shareholders of the Company at annual general meeting and by reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

Under the service contract, Mr. WONG is entitled to receive Director's fee of HK\$108,000 per annum which is subject to annual review by the Board of Directors. For the year ended 31 March 2010, Mr. WONG received emoluments in a total sum of HK\$108,000.

Save as disclosed above, Mr. WONG has confirmed that there are no other matters that need to be brought to the attention of the shareholders in connection with his re-election and there is no information which is required to be disclosed pursuant to rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

This appendix serves as an explanatory statement, as required by the Share Repurchase Rules, to provide requisite information to you for your consideration of the proposal to permit the repurchase of Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing the Repurchase Resolution.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 231,000,000 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Resolution to repurchase a maximum of 23,100,000 Shares representing 10% of the issued share capital of the Company as at the date of the Latest Practicable date.

2. REASONS FOR REPURCHASE

Although the Directors have no present intention of repurchasing any Shares, the Directors believe that the Repurchase Mandate is in the best interests of the Company and its shareholders. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds entirely from the Company's available cashflow or working capital facilities which will be legally available for such purpose in accordance with its memorandum of association and Articles of Association, the Companies Law of the Cayman Islands and any other applicable law.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the Company's annual report for the year ended 31 March 2010 in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date and for the month of July 2010 up to the Latest Practicable Date were as follows:–

	Shares Traded Price	
	Highest HK\$	Lowest HK\$
2009		
July	0.7900	0.7200
August	0.7800	0.7300
September	0.7600	0.7000
October	0.7500	0.6900
November	0.9900	0.7300
December	0.9800	0.8600
2010		
January	0.9500	0.8900
February	0.9400	0.8900
March	0.9400	0.8500
April	1.1700	0.9000
May	1.1200	0.9900
June	1.3600	1.0500
July (up to the Latest Practicable Date)	1.2800	1.1800

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate and in accordance with the Listing Rules, the memorandum of association and Articles of Association of the Company, the laws of Hong Kong and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company under the Repurchase Mandate if such is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

6. EFFECT OF TAKEOVERS CODE AND PUBLIC FLOAT

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the following interests in the Shares were recorded in the register kept by the Company pursuant to Section 336(1) of the SFO:

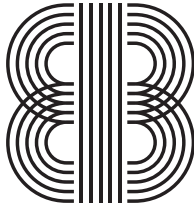
Name of Shareholder	Number of ordinary shares beneficial held at the Latest Practicable Date	Percentage of existing issued share capital of the Company as at the Latest Practicable Date	Percentage of existing issued share capital of the Company if Repurchase Mandate was exercised in full
Universal Star Group Limited	40,034,804	17.33%	19.26%
Mr. Tse Hon Kit, Kevin	40,034,804	17.33%	19.26%
Happy Voice Limited	28,300,465	12.25%	13.61%
New Happy Times Limited	16,467,518	7.13%	7.92%
Mr. Tse Sun Po, Tony	16,467,518	7.13%	7.92%
Fast Way Management Limited	13,805,105	5.98%	6.64%
Mr. Tse Sun Fat, Henry	13,805,105	5.98%	6.64%

The Directors are not aware of any consequences which may arise under the Takeovers Code as a consequence of any purchases made under the Repurchase Mandate. The Directors have no intention to exercise the Repurchase Mandate which may result in possible mandatory offer being made under the Takeovers Code. The Directors will use their best endeavours to ensure that the Repurchase Mandate will not be exercised to the extent that the number of Shares held by the public would be reduced to less than 25% of the issued share capital of the Company.

7. SHARES REPURCHASE MADE BY THE COMPANY

The Company has not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING



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

怡邦行控股有限公司

(Stock Code: 599)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of E. Bon Holdings Limited (“the Company”) will be held at Plaza III, Lower Lobby, Novotel Century Hong Kong Hotel, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 9 September 2010 at 10:00 a.m. for the following purposes:-

1. To receive and consider the audited consolidated financial statements, the report of the directors and the independent auditors’ report for the year ended 31 March 2010;
2. To declare a final dividend;
3. To re-elect Directors and authorise the Board of Directors to fix the Directors’ remuneration;
4. To re-appoint Auditors and to authorise the Board of Directors to fix their remuneration;
5. As special business, to consider and, if thought fit, pass with or without amendments the following resolution as an Ordinary Resolution:

The Ordinary Resolution:

- (1) **“THAT**, subject to the approval of the Listing Committee of the Stock Exchange of Hong Kong Limited, for the listing of and permission to deal in up to 69.3 million new ordinary shares of HK\$0.1 each in the Company to be issued hereunder, a sum of up to HK\$6.93 million (“the Sum”) from the share premium of the Company, which stood at approximately HK\$67.8 million at Company level, based on the audited financial statements of the Company for the financial year ended 31 March 2010, be capitalised;

AND

- (2) **THAT** the Directors of the Company (“Directors”) be and are hereby authorised to:
 - (i) apply the Sum in paying up in full at par up to 69.3 million new ordinary shares (“Bonus Shares”) of the Company’s unissued shares which, upon allotment and issue, the Bonus Shares shall rank pari passu in all respects with the then existing shares, save

NOTICE OF ANNUAL GENERAL MEETING

and except that the Bonus Shares shall not be entitled to any of the proposed final dividend for the year ended 31 March 2010;

- (ii) make the necessary applications and do all things necessary at the appropriate time or times to the Listing Committee of The Stock Exchange of Hong Kong Limited for the listing of and permission to deal in the Bonus Shares in The Stock Exchange of Hong Kong Limited which will be allotted and issued pursuant to the proposed bonus issue of shares;
 - (iii) allot and issue of such Bonus Shares credited as fully paid-up amongst the shareholders of the Company whose names appear in the register of members of the Company as at the close of business on Thursday, 9 September 2010, in the proportion of Three (3) new Bonus Shares for every Ten (10) existing ordinary shares then held and that no fractional shares (if any) shall be issued and shares representing fractions shall be aggregated and sold for the benefit of the Company (in accordance with Article 144 of the Company); and
 - (iv) sign and execute all documents, and do all acts and things as may be required for or in connection with and to give effect to and implement the proposed bonus issue of shares with full power to assent to any modifications, conditions, variations and/or amendments that may be required by the Listing committee of The Hong Kong Stock Exchange Limited.
- (3) **THAT** the Bonus Shares so allotted shall be treated for all purposes as an increase of the capital held by such shareholder and not as income.”
6. To consider and, if thought fit, pass with or without amendments the following resolution as an Ordinary Resolution:-

“THAT:

- (a) subject to paragraph (b) of this Resolution, the exercise by the directors of the Company (“Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares in the capital of the Company (“Shares”) on The Stock Exchange of Hong Kong Limited be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the Shares to be repurchased pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(c) for the purpose of this Resolution:-

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:-

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting; and
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws of the Cayman Islands or the articles of association of the Company to be held.”

7. To consider and, if thought fit, pass with or without amendments the following resolution as an Ordinary Resolution:-

“THAT:

- (a) subject to paragraph (c) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company (“Shares”) or securities convertible into Shares and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power during or after the end of the Relevant Period;
- (c) the aggregate nominal amount of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue; or (ii) the exercise of rights of subscription or conversion under the terms of any warrants or other securities issued by the Company as at the date of this Resolution carrying a right to subscribe for or purchase Shares or otherwise convertible into Shares; or (iii) the exercise of the subscription rights under the share option schemes of the Company; or (iv) any scrip dividend scheme or similar arrangement for the grant or issue of Shares or rights to acquire Shares, shall not exceed 20% of the aggregate nominal amount of the share capital of the

NOTICE OF ANNUAL GENERAL MEETING

Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly;

(d) for the purpose of this Resolution:-

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company following the passing of this Resolution;
- (ii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting; and
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws of the Cayman Islands or the articles of association of the Company to be held.”

“Rights Issue” means an offer of Shares open for a period fixed by the Directors to holders of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

8. To consider and, if thought fit, pass with or without amendments the following resolution as an Ordinary Resolution:

“**THAT** subject to the passing of Ordinary Resolutions numbered 6 and 7 above, the general mandate granted to the Directors pursuant to Ordinary Resolution numbered 7 be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution numbered 6, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution.”

By Order of the Board
IP Fu Wa, Benthony
Company Secretary

Hong Kong, 30 July 2010

NOTICE OF ANNUAL GENERAL MEETING

Registered office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Head office and principal place of business:
16th-18th Floors
First Commercial Building
33 Leighton Road
Causeway Bay, Hong Kong

Notes:

- (a) A Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a Member of the Company.
- (b) To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Abacus Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the Meeting.
- (c) The register of members will be closed from Friday, 3 September 2010 to Thursday, 9 September 2010, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend and bonus shares, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Abacus Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 2 September 2010.
- (d) A circular to shareholders of the Company dated 30 July 2010 containing further details regarding Resolutions numbered 5 to 8 above will be sent to shareholders together with the 2010 Annual Report.
- (e) With regard to Item No. 3 in this notice, details of the retiring Directors, namely TSE Sun Fat, Henry, FUNG Cheuk Hang, Jackie and WONG Wah, Dominic, proposed be re-elected as Directors of the Company are set out in Appendix II to the circular to shareholders of the Company dated 30 July 2010.
- (f) Pursuant to Rule 13.39(4) of the Listing Rules, all votes of shareholders at the Annual General Meeting will be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

As at the date hereof, the Board of Directors comprises nine Directors, of which six are Executive Directors, namely Messrs. TSE Sun Fat, Henry, TSE Sun Po, Tony, LAU Shiu Sun, YICK Kai Chung, FUNG Cheuk Hang, Jackie and TSE Hon Kit, Kevin and three are Independent Non-executive Directors, namely Messrs. LEUNG Kwong Kin, J.P., WONG Wah, Dominic and WAN Sze Chung.