

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



GOLDBOND GROUP HOLDINGS LIMITED

金榜集團控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 00172)

ANNOUNCEMENT PURSUANT TO RULE 13.09 OF THE LISTING RULES

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

On 11 August 2009, the Lender and the Arranger entered into the Agreement with Poly Sanhao and Worldpro (as borrowers), the Investor (as investor) and China-King, Mr. Wu and Mr. Chan (as confirmors) in relation to, among others, the settlement of the Total Amount. As a prerequisite condition for the entering into of the Agreement by the Lender, Worldpro had made the Repayment of RMB14 million to the Lender. Pursuant to the Agreement, Poly Sanhao and Worldpro are obliged to settle the Total Amount (less the Repayment) by way of the Settlement Payments in the aggregate amount of RMB128 million together with the Settlement Interest accrued thereon at the rate of 7.2% per annum based on the aforesaid amount of RMB128 million commencing from 1 July 2009.

Pursuant to the Agreement, within 30 days from the date the First Worldpro Installment is received by the Lender or the date the First Poly Sanhao Installment is received by the Lender (whichever is later, if not on the same day), the equity interest in China-King pledged by Poly Sanhao in favour of the Lender in respect of the First Loan will be reduced from 85% to 50%.

Pursuant to the Agreement, upon all the payment and other obligations set out in the Agreement having been fulfilled by the Covenantors, the Lender will release the mortgage of the equity interest in China-King, the mortgage of the equity interest in Poly Sanhao and the security provided under the other Security Documents in accordance with their respective terms.

Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

BACKGROUND

First Loan Agreement, Second Loan Agreement and Deed of Undertaking as disclosed in the Circular

Reference is made to the announcement of the Company dated 6 September 2007 and the circular of the Company dated 27 September 2007 (the “**Circular**”) in relation to, among others, the entering into of the First Loan Agreement and the Second Loan Agreement by the Lender and the execution of the Deed of Undertaking by Mr. Chan, Mr. Wu and Worldpro in favour of the Lender and the Arranger.

Pursuant to the First Loan Agreement, the Lender has provided a term loan of RMB100 million to Poly Sanhao for financing the development of the Property by China-King on 23 January 2008, which is repayable on 23 January 2011, with total interest of RMB30 million and arrangement fee of RMB10 million, and is secured, inter alia, by a mortgage of the 85% equity interest in China-King owned by Poly Sanhao.

Pursuant to the Second Loan Agreement, the Lender has provided a term loan of RMB15 million to Worldpro for financing the development of the Property by China-King on 23 January 2008, which is secured and repayable on 23 January 2011, with total interest of RMB18 million and arrangement fee of RMB1.5 million.

In consideration of the Lender entering into the First Loan Agreement and making the First Loan available to Poly Sanhao and of the Arranger arranging the First Loan for Poly Sanhao, Mr. Chan, Mr. Wu and Worldpro executed the Deed of Undertaking on 5 September 2007 to pay the Arrangement Fee with aggregate amount of RMB78.1 million to the Lender and the Arranger.

Details of the terms of the First Loan Agreement, the Second Loan Agreement and the Deed of Undertaking have been set out in the Circular.

The entering into of the First Loan Agreement and the Second Loan Agreement and the performance of the transactions contemplated thereunder were duly approved by the independent Shareholders at the extraordinary general meeting of the Company held on 22 October 2007.

Consultancy Agreement

On 23 January 2008, the Arranger entered into the Consultancy Agreement with China-King and Mr. Wu to provide certain consultancy services to China-King for a service fee of RMB8.4 million (the “**Consultancy Fee**”), of which RMB5.6 million has been received by the Arranger as at the date of this announcement with the remaining balance of RMB2.8 million falling to be payable on 23 July 2010.

Summary of outstanding balances

Before the entering into of the Agreement and the receipt of the Repayment (as defined below), the total outstanding amount which shall fall to be payable according to the First Loan Agreement, the Second Loan Agreement, the Deed of Undertaking and the Consultancy Agreement was RMB223 million (the “**Total Amount**”), which comprised: (i) the principal amounts of the First Loan and the Second Loan amounting to RMB115 million; (ii) the interests and arrangement fees under the First Loan Agreement and the Second Loan Agreement amounting to RMB51 million; (iii) the outstanding Arrangement Fee of RMB54.2 million; and (iv) the outstanding balance of the Consultancy Fee of RMB2.8 million. In July 2009, as a pre-requisite condition for the entering into of the Agreement by the Lender, Worldpro had repaid an amount of RMB14 million (the “**Repayment**”) to the Lender in partial settlement of the outstanding Arrangement Fee.

THE AGREEMENT

The Investor, who intends to provide funding to Poly Sanhao, Worldpro and China-King and, via his related company, has provided continuous construction services to China-King in respect of the Property, has initiated and requested for early repayment of the Total Amount. On 11 August 2009, the Lender and the Arranger entered into the Agreement with Poly Sanhao and Worldpro (as borrowers), the Investor (as investor) and China-King, Mr. Wu and Mr. Chan (as confirmors) in relation to, among others, the settlement of the Total Amount.

Date

11 August 2009

Parties

Lender:	Famous Apex Limited, a wholly-owned subsidiary of the Company
Borrowers:	Poly Sanhao and Worldpro
Investor:	霍志偉先生 (Mr. Huo Zhi Wei)
Confirmors:	China-King, Mr. Wu and Mr. Chan
Arranger:	Birdsong Management Limited, a wholly-owned subsidiary of the Company

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, each of Poly Sanhao, Worldpro, the Investor, China-King, Mr. Wu and Mr. Chan is an Independent Third Party.

Principal terms

Payments: Pursuant to the Agreement, the Covenantors are obliged to settle the Total Amount (less the Repayment) by way of payments (the “**Settlement Payments**”) in the aggregate amount of RMB128 million together with interest accrued thereon (the “**Settlement Interest**”) at the rate of 7.2% per annum based on the aforesaid amount of RMB128 million commencing from 1 July 2009 in the following manner:

Due date of payment (or such later date as the Lender may agree in writing)	Payers	Settlement Payments	Settlement Interest	Total of the Settlement Payments and the maximum Settlement Interest (Note) (the "Aggregate Settlement Payments") (Approximately)
On or before 31 December 2009	Poly Sanhao/Worldpro, Mr. Wu and Mr. Chan	(i) HK\$ equivalent amount of RMB28 million (the "First Worldpro Installment") by Worldpro, Mr. Wu and Mr. Chan; and (ii) RMB4 million (the "First Poly Sanhao Installment") by Poly Sanhao	7.2% per annum on RMB128 million from 1 July 2009 to the date of payment of the First Worldpro Installment by Worldpro, Mr. Wu and Mr. Chan	RMB36.6 million
On or before 30 June 2010	Poly Sanhao/Worldpro, Mr. Wu and Mr. Chan	RMB48 million (the "Second Poly Sanhao Installment") by Poly Sanhao	7.2% per annum on RMB96 million from the date of payment of the First Worldpro Installment to the date of payment of the Second Poly Sanhao Installment by Worldpro, Mr. Wu and Mr. Chan	RMB51.5 million
On or before 31 December 2010	Poly Sanhao/Worldpro, Mr. Wu and Mr. Chan	RMB48 million (the "Third Poly Sanhao Installment") by Poly Sanhao	7.2% per annum on RMB48 million from the date of payment of the Second Poly Sanhao Installment to the date of payment of the Third Poly Sanhao Installment by Worldpro, Mr. Wu and Mr. Chan	RMB49.7 million
Total:		<u>RMB128 million</u>		<u>RMB137.8 million</u>

Note: The maximum Settlement Interest is calculated on the basis that the Settlement Payments are settled on 31 December 2009, 30 June 2010 and 31 December 2010 respectively.

Provided that the Covenantors perform their obligations in accordance with the terms of the Agreement, the Lender and the Arranger agree that the dates of repayment as stipulated in the First Loan Agreement, the Second Loan Agreement, the Deed of Undertaking and the Consultancy Agreement respectively will be postponed.

Pursuant to the Agreement, upon all the payment and other obligations set out in the Agreement having been fulfilled by the Covenantors, the Total Amount will be deemed to have been discharged and the Lender will release the mortgage of the equity interest in China-King, the mortgage of the equity interest in Poly Sanhao and the security provided under the other security documents in connection with the First Loan, the Second Loan and the Deed of Undertaking (collectively the “**Security Documents**”) in accordance with their respective terms.

Pursuant to the Agreement, the Covenantors, China-King and the Investor irrevocably and unconditionally undertake to the Lender, among others, that (1) the Investor shall provide funding to Poly Sanhao, Worldpro and/or China-King to enable the Covenantors to pay all the amounts payable to the Lender under the Agreement, and shall be responsible for all the related payment obligations of the Covenantors to the Lender under the Agreement; and (2) they shall be fully responsible and shall compensate the Lender and the Arranger for all losses arising from the failure of the Investor, the Covenantors and/or China-King in performing the terms of the Agreement.

Change in
security for
the First Loan:

Pursuant to the Agreement, within 30 days from the date the First Worldpro Installment is received by the Lender or the date the First Poly Sanhao Installment is received by the Lender (whichever is later, if not on the same day), the Lender, Poly Sanhao and China-King shall enter into a supplemental pledge agreement whereby the equity interest in China-King pledged by Poly Sanhao in favour of the Lender in respect of the First Loan will be reduced from 85% to 50%.

Termination:

In the event that the Covenantors fail to fully perform any of the payment or other obligations under the Agreement, the Lender and the Arranger shall be entitled to immediately terminate the Agreement. Under such circumstances, the Lender shall not be obliged to refund any monies received under the Agreement and shall be entitled to deduct from such monies all costs and expenses incurred by the Lender and the Arranger in relation to the Agreement. The Lender shall have the absolute discretion to determine how the balance thereof shall be used to reduce the outstanding amounts due and payable by the Covenantors and China-King under the First Loan Agreement, the Second Loan Agreement, the Deed of Undertaking, the Security Documents and the Consultancy Agreement. After termination of the Agreement, the Covenantors and China-King shall continue to strictly comply with the payment and other obligations set out in the First Loan Agreement, the Second Loan Agreement, the Deed of Undertaking, the Security Documents and the Consultancy Agreement, and the Lender and the Arranger shall continue to be entitled to have all benefits, rights and interests under such agreements and documents. The termination of the Agreement shall not affect the rights of the Lender and the Arranger to claim for any losses and damages suffered as a result of any breaches of the terms of the Agreement by the Covenantors.

The terms of the Agreement were arrived at after arm's length negotiations between the Lender, Poly Sanhao, Worldpro, the Investor, China-King, Mr. Chan, Mr. Wu and the Arranger.

INFORMATION ON POLY SANHAO, WORLDPRO AND CHINA-KING

Worldpro is principally engaged in the investment holding of 51% interest in Poly Sanhao. As at the date of this announcement, Worldpro is wholly-owned by Mr. Chan.

Poly Sanhao is principally engaged in the investment holding of 85% interest in China-King. As at the date of this announcement, Poly Sanhao is owned as to 51%, 40% and 9% by Worldpro, Zhuhai Sanhao and Guangzhou Poly respectively.

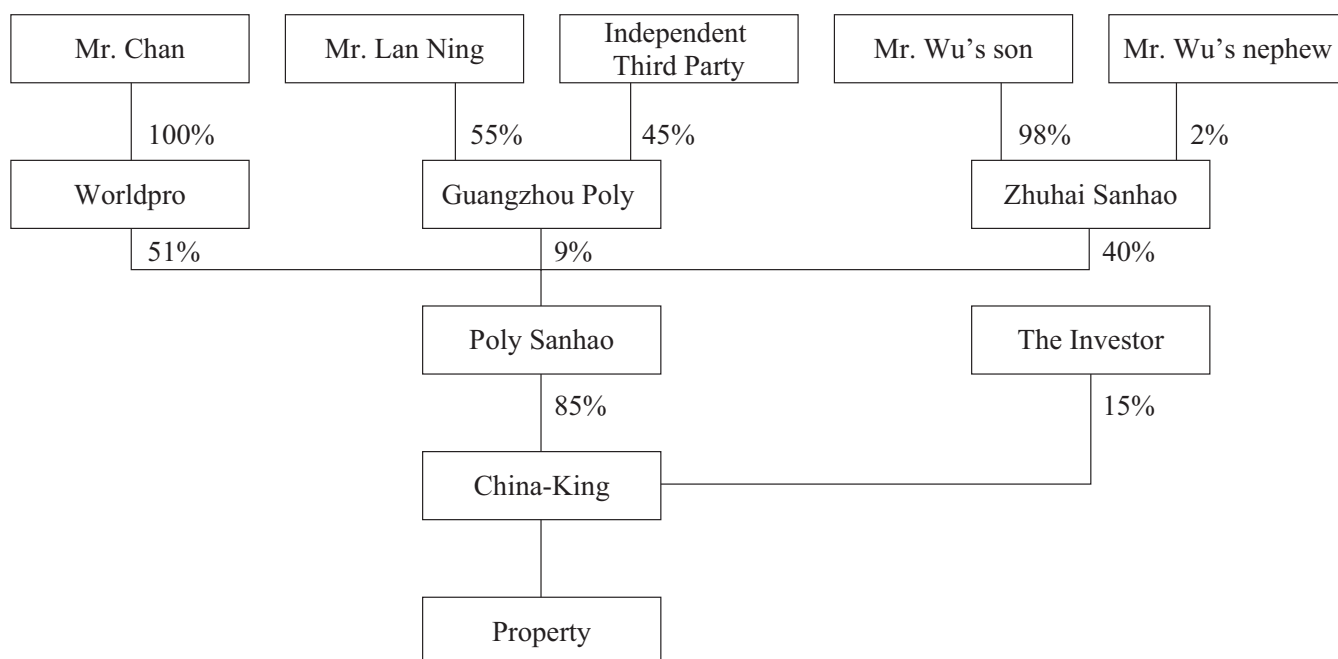
As at the date of this announcement, Zhuhai Sanhao is owned as to 98% and 2% by Mr. Wu's son and Mr. Wu's nephew (both being Independent Third Parties) respectively.

As at the date of this announcement, Guangzhou Poly is owned as to 55% by Mr. Lan Ning, an executive Director, and 45% by an Independent Third Party.

China-King is principally engaged in the development of the Property in the PRC, which occupies a parcel of land with an estimated site area of approximately 83,000 sq.m. to be developed into a large-scale mixed use complex, comprising a residential portion, a retail portion and car parking spaces. As at the date of this announcement, China-King is owned as to 85% and 15% by Poly Sanhao and the Investor respectively.

The related company of the Investor is the constructor responsible for the construction work at the Property. As mentioned in the Agreement, the Investor shall provide funding to Poly Sanhao, Worldpro and China-King and shall procure his related company to provide construction services to China-King for the development of the Property.

The shareholding structure of Poly Sanhao and China-King as at the date of this announcement is set out below:



REASONS FOR ENTERING INTO THE AGREEMENT

The Group is principally engaged in the provision of financial services. Having considered (i) the total payments received and to be received by the Group as a result of the entering into of the Agreement amount to approximately RMB151.8 million (including the Repayment of RMB14 million received by the Lender in July 2009 as a pre-requisite condition for the entering into of the Agreement), representing a reduction of approximately RMB71.2 million as compared to the Total Amount; and (ii) the reduction of the equity interest in China-King pledged by Poly Sanhao in favour of the Lender from 85% to 50% after receipt of the First Worldpro Installment and the First Poly Sanhao Installment, the Directors are of the view that the terms of the Agreement are fair and reasonable and the entering into of the Agreement is in the interests of the Group and the Shareholders as a whole for the following reasons:

(i) Accelerated settlement schedule

The Directors consider that the Repayment and the Aggregate Settlement Payments received and to be received by the Group under the payment schedule as stipulated under the Agreement can (1) reduce the credit risk of the Group's loan portfolio; (2) improve the liquidity position of the Group; (3) enable the Group to apply the funding received from the early payments for other lending in order to generate additional return for the Group; and (4) enable the Group to put more resources to explore new investment opportunities with an aim to provide full spectrum of financial services to customers as mentioned in the annual report of the Company for the year ended 31 March 2009.

(ii) Additional security for lending by the Group

Pursuant to the Agreement, if the Covenantors do not have sufficient fund to fulfill their payment obligations to the Lender under the Agreement, the Investor shall provide sufficient funding to the Covenantors to enable them to fulfill the payment obligations under the Agreement. The Directors consider that such undertaking by the Investor provides additional comfort to the Group.

(iii) Additional financing by Poly Sanhao

Pursuant to the Agreement, after receipt of the First Worldpro Installment and the First Poly Sanhao Installment, the equity interest in China-King pledged by Poly Sanhao in favour of the Lender will be reduced from 85% to 50%, such that the 35% equity interest in China-King can be pledged by Poly Sanhao for additional financing, if required, which can improve the financial and liquidity position of Poly Sanhao and/or China-King and can facilitate the better development of the Property.

(iv) Strong support from the Investor as the constructor of the Property

As mentioned in the Agreement, the Investor shall provide funding to Poly Sanhao, Worldpro and China-King and shall procure his related company, being one of the major constructors responsible for the construction work of the Property, to provide construction services to China-King for the development of the Property. Such strong support from the Investor and his related company is expected to better facilitate the completion of construction work of the Property upon which China-King and Poly Sanhao will be able to generate cash flows and profits from the sale and/or rental income in respect of the Property, which in turn will improve the financial performance and position of China-King and Poly Sanhao and hence can better secure Poly Sanhao and Worldpro to fulfill their respective payment obligations to the Group under the Agreement.

GENERAL

Shareholders and potential investors of the Company should exercise caution when dealing in the Shares.

DEFINITIONS

The following words and phrases used in this announcement have the following meaning:

- “Agreement” : the agreement dated 11 August 2009 entered into among the Lender and the Arranger, Poly Sanhao and Worldpro (as borrowers), the Investor (as investor) and China-King, Mr. Wu and Mr. Chan (as confirmors) in relation to, among others, the settlement of the Total Amount by way of the Repayment, the Settlement Payments and the Settlement Interest
- “Arrangement Fee” : the arrangement fee of RMB78.1 million payable by Mr. Chan, Mr. Wu and Worldpro to the Lender and the Arranger pursuant to the Deed of Undertaking as set out in the Circular
- “Arranger” : Birdsong Management Limited, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by the Company, being the arranger of the First Loan granted by the Lender under the First Loan Agreement
- “Board” : the board of Directors
- “China-King” : 珠海市中廣置業有限公司 (Zhuhai City China-King Real Estate Co., Ltd.#), a company incorporated in the PRC with limited liability, which is an Independent Third Party and is owned as to 85% and 15% by Poly Sanhao and the Investor respectively as at the date of this announcement
- “Company” : Goldbond Group Holdings Limited (Stock code: 172), a company incorporated in Hong Kong with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange
- “connected person” : has the meaning ascribed to it under the Listing Rules

“Consultancy Agreement”	:	the consultancy agreement dated 23 January 2008 entered into between China-King, the Arranger and Mr. Wu (as the guarantor for China-King) in respect of the provision of certain consultancy services by the Arranger to China-King
“Covenantors”	:	Poly Sanhao, Worldpro, Mr. Wu and Mr. Chan
“Deed of Undertaking”	:	the deed of undertaking dated 5 September 2007 executed by Mr. Chan, Mr. Wu and Worldpro in favour of the Lender and the Arranger for the payment of the Arrangement Fee
“Director(s)”	:	director(s) of the Company
“First Loan”	:	a term loan of RMB100 million provided by the Lender to Poly Sanhao pursuant to the terms of the First Loan Agreement
“First Loan Agreement”	:	the loan agreement dated 5 September 2007 entered into, among others, the Lender as lender and Poly Sanhao as borrower in respect of the First Loan
“Group”	:	the Company and its subsidiaries
“Guangzhou Poly”	:	廣州保利倉儲管理有限公司(Guangzhou Poly Warehouse Management Co. Ltd.#), a company incorporated in the PRC with limited liability and which is owned as to 55% by Mr. Lan Ning and 45% by an Independent Third Party as at the date of this announcement
“Hong Kong”	:	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	:	any person(s) or company(ies) who/which to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, is(are) third party(ies) independent of and not connected (as defined under the Listing Rules) with the Company and connected persons of the Company
“Investor”	:	霍志偉先生 (Mr. Huo Zhi Wei#), being an Independent Third Party who owns 15% equity interest in China-King as at the date of this announcement
“Lender”	:	Famous Apex Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company as at the date of this announcement
“Listing Rules”	:	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Chan”	:	Mr. Chan Way Luk, an Independent Third Party and the beneficial owner of the entire equity interest in Worldpro as at the date of this announcement

“Mr. Wu”	:	伍德明先生 (Mr. Wu Deming [#]), an Independent Third Party as at the date of this announcement
“Poly Sanhao”	:	珠海市保利三好有限公司 (Zhuhai Poly Sanhao Company Limited [#]), a company incorporated in the PRC with limited liability and which is owned as to 51%, 40% and 9% by Worldpro, Zhuhai Sanhao and Guangzhou Poly respectively as at the date of this announcement
“PRC”	:	The People’s Republic of China
“Property”	:	Huaxia Zhongguan City at the south of Lanpu Road, Northeast of Qianshan Flyover, north of Jiuzhou Avenue, Qianshan, Zhuhai City, Guangdong Province, the PRC, occupying a parcel of land with an estimated site area of approximately 83,000 sq.m. to be developed into a large-scale mixed use complex.
“Second Loan”	:	a term loan of RMB15 million provided by the Lender to Worldpro pursuant to the terms of the Second Loan Agreement
“Second Loan Agreement”	:	the loan agreement dated 5 September 2007 entered into between the Lender as lender and Worldpro as borrower in respect of the Second Loan
“Share(s)”	:	ordinary share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	:	holder(s) of the Share(s)
“Stock Exchange”	:	The Stock Exchange of Hong Kong Limited
“Worldpro”	:	Worldpro International Investment Limited, a company incorporated in Hong Kong with limited liability, which is an Independent Third Party and is wholly-owned by Mr. Chan as at the date of this announcement
“Zhuhai Sanhao”	:	珠海市三好房地產開發有限公司 (Zhuhai Sanhao Property Development Co. Ltd. [#]), a company incorporated in the PRC with limited liability, which is an Independent Third Party and is owned as to 98% and 2% by the son and nephew of Mr. Wu respectively as at the date of this announcement
“HK\$”	:	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	:	Renminbi, the lawful currency of the PRC
“sq.m.”	:	square meter(s)
“%”	:	per cent.

[#] For English translation only

As at the date of this announcement, the Board comprises seven executive Directors, being Mr. Wang Jun, Mr. Wong Yu Lung, Charles, Mr. Ding Chung Keung, Vincent, Mr. Lan Ning, Mr. Kee Wah Sze, Mr. Xie Xiao Qing and Miss Wong, Michelle Yatyee, and three independent non-executive Directors, being Mr. Ma Ho Fai SBS JP, Mr. Melvin Jitsumi Shiraki and Mr. Cheng Yuk Wo.

By order of the Board
Goldbond Group Holdings Limited
Wong Yu Lung, Charles
Chief Executive Officer

Hong Kong, 11 August 2009