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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, 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 **Goldbond Group Holdings Limited**, you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**GOLDBOND GROUP HOLDINGS LIMITED**

**金榜集團控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 172)**

**DISCLOSEABLE TRANSACTION**

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## DEFINITIONS

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

“‘A’ Preference Shares”	the non-interest bearing redeemable convertible preference shares of par value HK\$0.10 each in the existing preference share capital of the Company issued and allotted on 18 September 2001
“affiliated company(ies)”	has the meaning as ascribed to it under the Listing Rules
“‘B’ Preference Shares”	the non-interest bearing redeemable convertible preference shares of par value HK\$0.10 each in the existing preference share capital of the Company issued and allotted on 18 September 2001
“Bank”	the bank who acts as the lender of the Loan and a party to the Guarantee Agreement and the Loan Agreement
“Board”	the board of Directors
“Company”	Goldbond Group Holdings Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the main board of The Stock Exchange of Hong Kong Limited
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Guarantee”	a corporate guarantee, on a pro rata basis with reference to the equity interest of Nanjing City Plaza being held by the Group, in the amount of US\$3,750,000 (equivalent to approximately HK\$29,250,000) provided by the Company on a several basis to the Bank in securing 25% of the Loan
“Guarantee Agreement”	the guarantee agreement dated 9 July 2004 and entered into between the Company and the Bank for the provision of the Guarantee by the Company
“Latest Practicable Date”	23 July 2004, being the latest practicable date prior to printing of this circular for the purpose of ascertaining certain information for inclusion in this circular

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## DEFINITIONS

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“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Loan”	the banking facility of US\$15,000,000 (equivalent to approximately HK\$117,000,000) provided by the Bank to Nanjing City Plaza
“Loan Agreement”	the loan agreement dated 28 June 2004 and entered into between, among others, Nanjing City Plaza and the Bank for the provision of the Loan
“Market Capitalisation”	the market capitalisation of the Company of approximately HK\$202,818,000 based on the average closing price of HK\$0.122 per Share for the five business days including and up to 9 July 2004, being the date of the Guarantee Agreement
“Mr. Wong”	Mr. Wong Yu Lung, Charles, a Director and Vice Chairman of the Company
“Mrs. Wong”	Mrs. Wong Fang Pik Chun, the spouse of Mr. Wong
“Nanjing Circular”	the circular of the Company dated 24 December 2003 in relation to the acquisition of a 25% equity interest in Nanjing City Plaza by the Group
“Nanjing City Plaza”	Nanjing City Plaza Construction Co. Ltd, a sino-foreign equity joint venture established in accordance with the laws of the PRC
“Nanjing Project”	南京國際廣場一期項目 and 南京國際廣場二期項目 (in English, for information purposes only, Nanjing International Plaza Phase I Project and Nanjing International Plaza Phase II Project)
“Percentage Ratios”	the percentage ratios under Rule 14.07 of the Listing Rules, other than the revenue ratio, equity capital ratio and profits ratio
“Preference Shares”	‘A’ Preference Shares and ‘B’ Preference Shares
“PRC”	The People’s Republic of China

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## DEFINITIONS

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“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

*Translation of United States dollars into Hong Kong dollars is based on the exchange rate of US\$1.00 to HK\$7.80.*

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## LETTER FROM THE BOARD

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### **GOLDBOND GROUP HOLDINGS LIMITED**

### **金榜集團控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

*Executive Directors:*

Mr. Wong Yu Lung, Charles  
Mr. Ko Po Ming  
Ms. Loh Jiah Yee, Katherine  
Mr. Lan Ning  
Mr. Kee Wah Sze

*Registered and principal office:*

Unit 3902A, 39th Floor, Tower 1  
Lippo Centre  
89 Queensway  
Hong Kong

*Independent non-executive Directors:*

Mr. Ma Ho Fai  
Mr. Zhang Xiao Shu

28 July 2004

*To the Shareholders*

Dear Sir or Madam,

### **DISCLOSEABLE TRANSACTION**

#### **INTRODUCTION**

On 9 July 2004, the Guarantee Agreement was entered into between the Company and the Bank for the provision of the Guarantee by the Company as a result of the entering of the Loan Agreement. The amount of the Guarantee given for the Loan represented approximately 14.4% of the Market Capitalisation. As a result, the provision of the Guarantee by the Company constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

#### **THE GUARANTEE AGREEMENT**

On 9 July 2004, the Guarantee Agreement was entered into between the Company and the Bank for the provision of the Guarantee as a result of the entering of the Loan Agreement. The Company through its subsidiary is interested in a 25% equity interest of Nanjing City Plaza, which is treated as an affiliated company of the Company. The Loan Agreement was entered into between, among others, the Bank and Nanjing City Plaza for the provision of a banking facility of US\$15,000,000 (equivalent to approximately HK\$117,000,000) by the Bank. A corporate guarantee (i.e. the Guarantee), on a pro rata basis with reference to the equity interest of Nanjing City Plaza being held by the Group, in the amount of US\$3,750,000 (equivalent to approximately HK\$29,250,000) was therefore provided by the Company on a several basis to

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## LETTER FROM THE BOARD

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the Bank in securing 25% of the Loan. The Loan carries an interest rate of 1.9% over London Inter-bank Offered Rate (LIBOR) per annum and can be extended annually for up to five years. Nanjing City Plaza has utilised US\$8,600,000 (equivalent to approximately HK\$67,080,000) of the Loan as at the Latest Practicable Date, of which US\$2,150,000 (equivalent to approximately HK\$16,770,000) is guaranteed by the Company.

The amount of the Guarantee given for the Loan represented approximately 14.4% of the Market Capitalisation. As a result, the provision of the Guarantee by the Company constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

As at the Latest Practicable Date, details of the Guarantee are set out below:

<b>Affiliated company</b>	<b>Attributable interest held by the Group</b>	<b>Total amount of the Loan (HK\$'000)</b>	<b>Amount of the Guarantee given (HK\$'000)</b>	<b>Amount of the Guarantee utilised (HK\$'000)</b>
Nanjing City Plaza	25%	117,000	29,250	16,770

Other than the Guarantee as mentioned above, the Group had made an advance (the "Advance") to Nanjing City Plaza in the amount of HK\$10,000,000 subsequent to the acquisition of a 25% equity interest of Nanjing City Plaza by the Group in February 2004. The Advance, which was funded by internal resources of the Group, is unsecured, repayable in full on 26 February 2005 and bears interest rate of 2% per annum above the best lending rate as quoted by The Hongkong and Shanghai Banking Corporation Limited. The Advance shall be used by Nanjing City Plaza solely for the purpose of subscribing for the New Nanjing International Shares (as defined in the Nanjing Circular). As at the Latest Practicable Date, the outstanding Advance and interest receivable from Nanjing City Plaza amounted to HK\$10,000,000 and approximately HK\$281,000 respectively.

As at the Latest Practicable Date, the Group did not have any committed capital injection to any of its affiliated companies.

### REASONS FOR AND BENEFITS OF THE ENTERING INTO OF THE GUARANTEE AGREEMENT

The Company through its subsidiary, is interested in a 25% equity interest of Nanjing City Plaza. As mentioned in the Nanjing Circular, Phase I of the Nanjing Project is under construction and is expected to be completed in 2006 and Phase II of the Nanjing Project is at a planning stage. As it is stated in the Nanjing Circular, the Directors believe that the acquisition of a 25% equity interest of Nanjing City Plaza would improve the Group's financial performance and broaden its earning bases. Therefore, the Guarantee Agreement was entered into (as a result of the entering into of the Loan Agreement by Nanjing City Plaza) to facilitate the construction of Phase I of the Nanjing Project, in particular as working capital for such construction. The Directors consider that, as a shareholder of Nanjing City Plaza, it is fair and reasonable for the Company to provide the Guarantee to facilitate the construction of the Nanjing Project.

The Directors (including the independent non-executive Directors) consider that the Guarantee Agreement was entered into on normal commercial terms and the terms thereof are fair and reasonable and in the interest of the Company and the shareholders of the Company as a whole.

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## LETTER FROM THE BOARD

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### FINANCIAL EFFECTS OF THE GUARANTEE

The entering into of the Guarantee Agreement will not have any immediate effects on the earnings and assets and liabilities of the Group.

However, the Company will be responsible for up to the amount of the Guarantee if Nanjing City Plaza defaults the Loan, in which case, the amount of the Guarantee will be funded by internal resources of the Group.

### INFORMATION ON NANJING CITY PLAZA

On 3 December 2003, the Company announced the acquisition of a 25% equity interest of Nanjing City Plaza at a consideration of HK\$91,000,000, which has been satisfied as to HK\$90,000,000 in cash and as to HK\$1,000,000 by the issuance of 5,000,000 new Shares. Such acquisition was completed on 27 February 2004.

As at the Latest Practicable Date, Nanjing City Plaza is owned as to 25% by Sino Dynasty Investments Limited, a wholly owned subsidiary of the Company, as to 25% by Wah Link Real Estate Investments Limited (which is beneficially owned as to 51% by a family member of Mr. Wong and 49% by Mrs. Wong) and as to 50% by Bateson Investment Limited (formerly known as Y&W Holdings Limited and an independent third party not connected with the directors, chief executive and substantial shareholders of the Company or any of its subsidiaries and/or their respective associates).

### GENERAL

The Group is principally engaged in property investment and other investments in Hong Kong and the PRC. As set out in the annual report of the Company for the year ended 31 March 2004, with the gradual increasing consuming power in Hong Kong and the PRC, the Board considers that it would now be the opportune time for the Group to seek business diversification.

The amount of the Guarantee represents approximately 14.4% of the Market Capitalisation. As a result, the provision of the Guarantee by the Company constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

The Guarantee provided by the Company constitutes a connected transaction of the Company but is exempted from reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.65 of the Listing Rules.

### ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendix to this circular.

By Order of the Board  
**Goldbond Group Holdings Limited**  
**Li Sang Edward**  
*Company Secretary*



## 1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, opinions expressed in this circular have been arrived at after due and careful consideration and that there are no other facts the omission of which would make any statement contained herein misleading.

## 2. SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date were as follows:

<i>Authorised</i>	<i>HK\$</i>
<u>25,000,000,000</u> Shares of HK\$0.10 each	<u>2,500,000,000</u>
 <i>Issued and fully paid:</i>	
<u>1,662,440,000</u> Shares of HK\$0.10 each	<u>166,244,000</u>

*Note:* As at the Latest Practicable Date, there are 40,000,000 'A' Preference Shares and 28,400,000 'B' Preference Shares in issue.

The Shares in issued are listed on the Stock Exchange. No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or any other securities of the Company to be listed or dealt in on any other stock exchanges.

Save for the aforementioned Preference Shares, as at the Latest Practicable Date, there were no outstanding securities, options or warrants which were convertible into new Shares.

## 3. DISCLOSURE OF INTERESTS

### (i) Directors' interests and short positions in the securities of the Company and its associated corporations

As at the Latest Practicable Date, the interests or short positions of each Director, proposed Director, employee of the Group and the chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part

XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required pursuant to Section 352 of the SFO to be entered in the register referred to therein; or (c) were required pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the “Model Code”) to be notified to the Company and the Stock Exchange, were as follows:

Directors	Nature of interest	Number of Shares	Approximate shareholding percentage
Mr. Wong	Corporate	497,232,000 ( <i>Note 1</i> )	29.91%
Mr. Ko Po Ming	Corporate	65,881,800 ( <i>Note 2</i> )	3.96%
Ms. Loh Jiah Yee, Katherine	Corporate	404,770,143 ( <i>Note 3</i> )	24.35%
Mr. Kee Wah Sze	Corporate	472,589,643 ( <i>Note 4</i> )	28.43%

*Notes:*

1. These Shares are held as to 497,232,000 Shares by Allied Luck Trading Limited (which is owned as to 50% by Mr. Wong and 50% by Mrs. Wong), in which Mr. Wong is deemed to be interested by virtue of his shareholding interests in Allied Luck Trading Limited.
2. These Shares are held by Sparkle Power Technology Limited (which is owned as to 50% by Ms. Loh Jiah Yee, Katherine and 50% by Mr. Ko Po Ming, both being Directors), in which Mr. Ko Po Ming is deemed to be interested by virtue of his shareholding interests in Sparkle Power Technology Limited.
3. These Shares are held as to 65,881,800 Shares by Sparkle Power Technology Limited and as to 338,888,343 Shares by Ace Solomon Investments Limited (which is owned as to 11% by Mr. Wong, 46% by Mr. Kee Wah Sze and 43% by Ms. Loh Jiah Yee, Katherine, all being Directors), in which Ms. Loh Jiah Yee, Katherine is deemed to be interested by virtue of her shareholding interests in Sparkle Power Technology Limited and Ace Solomon Investments Limited respectively.
4. These Shares are held as to 133,701,300 Shares by Canasia Profits Corporation (which is wholly owned by Mr. Kee Wah Sze, a Director) and as to 338,888,343 Shares by Ace Solomon Investments Limited, in which Mr. Kee Wah Sze is deemed to be interested by virtue of his shareholding interests in Canasia Profits Corporation and Ace Solomon Investments Limited respectively.

Save as disclosed in this circular, as at the Latest Practicable Date, none of the Directors, employees of the Group and the chief executive of the Company were interested, or were deemed to be interested in the long and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

**(ii) Persons who have interests or short positions which are discloseable under Divisions 2 and 3 of Part XV of the SFO**

As at the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, the following parties, had, or were deemed or taken to have

interests or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of the Divisions 2 and 3 of Part XV of the SFO, or who were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

<b>Name</b>	<b>Nature of interest</b>	<b>Number of Shares</b>	<b>Approximate shareholding percentage</b>
Allied Luck Trading Limited (Note 1)	Corporate	497,232,000	29.91%
Mr. Wong	Corporate	497,232,000 (Note 4)	29.91%
Mr. Kee Wah Sze	Corporate	472,589,643 (Note 5)	28.43%
Ms. Loh Jiah Yee, Katherine	Corporate	404,770,143 (Note 6)	24.35%
Ace Solomon Investments Limited (Note 2)	Corporate	338,888,343	20.39%
Canasia Profits Corporation (Note 3)	Corporate	133,701,300	8.04%

*Notes:*

- Allied Luck Trading Limited is owned as to 50% by Mr. Wong and 50% by Mrs. Wong.
- Ace Solomon Investments Limited is owned as to 11% by Mr. Wong, 46% by Mr. Kee Wah Sze and 43% by Ms. Loh Jiah Yee, Katherine, all being Directors.
- Canasia Profits Corporation is wholly owned by Mr. Kee Wah Sze.
- Mr. Wong is deemed to be interested by virtue of his shareholding interests in Allied Luck Trading Limited.
- These Shares are held as to 133,701,300 Shares by Canasia Profits Corporation and as to 338,888,343 Shares by Ace Solomon Investments Limited, in which Mr. Kee Wah Sze is deemed to be interested by virtue of his shareholding interests in Canasia Profits Corporation and Ace Solomon Investments Limited respectively.
- These Shares are held as to 65,881,800 Shares by Sparkle Power Technology Limited and as to 338,888,343 Shares by Ace Solomon Investments Limited, in which Ms. Loh Jiah Yee, Katherine is deemed to be interested by virtue of her shareholding interests in Sparkle Power Technology Limited and Ace Solomon Investments Limited respectively.

Save as disclosed in this circular, as at the Latest Practicable Date, so far is known to any Director or chief executive of the Company, no other person has an interest or short position in the shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

As at the Latest Practicable Date, there were no outstanding securities, options or warrants which were convertible into new Shares.

The Company had, between 1 March 2003 and 31 August 2003, leased a property for use as its office. The Company has since moved to and, pursuant to a tenancy agreement dated 30 July 2003, leased its current premise. Both of the above properties are owned by a company that is beneficially owned by Mrs. Wong, the spouse of Mr. Wong, and a close relative of Mr. Wong.

Save as disclosed above, none of the Directors has or has had any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2004, being the date to which the latest published audited accounts of the Company were made up.

#### **4. COMPETING INTERESTS**

None of the Directors or the chief executive of the Company and their respective associates had any interest in a business which competes or may compete with the business of the Group.

#### **5. SERVICE CONTRACT**

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group (other than contracts expiring or determinable by any member of the Group within one year without payment of compensation, other than statutory compensation).

#### **6. LITIGATION**

So far as the Directors are aware, as at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was pending or threatened against the Company or any of its subsidiaries.

#### **7. GENERAL**

- (a) The company secretary of the Company is Mr. Li Sang Edward, LL.B.
- (b) The qualified accountant of the Company is Ms. Lin Fung Yi, AHKSA, FCCA.
- (c) The Company's registered and principal office is at Unit 3902A, 39th Floor, Tower 1, Lippo Centre, 89 Queensway, Hong Kong.
- (d) The English text of this circular shall prevail over the Chinese text.