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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

AND

DISCLOSURE PURSUANT TO RULE 13.16 OF THE LISTING RULES

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 Company through its subsidiary, is interested in a 25% equity interest of Nanjing City Plaza, which is treated as an affiliated 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, 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 the Bank in securing 25% of the Loan. 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.

In addition, as the amount of the Guarantee individually exceeds 8% of one of the Percentage Ratios, the Company is also required to disclose details of such Guarantee given by the Group pursuant to Rule 13.16 of the Listing Rules.

A circular containing, among others, further details of the Guarantee Agreement will be despatched to the shareholders of the Company as soon as practicable.

DISCLOSEABLE TRANSACTION AND DISCLOSURE PURSUANT TO RULE 13.16 OF THE LISTING RULES

The Guarantee Agreement

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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 and is also subject to disclosure requirement under Rule 13.16 of the Listing Rules.

As at the date of this announcement, details of financial assistance to and guarantee given for facilities granted to the Company's affiliated company by the Group which individually and/or in aggregate exceeded 8% of the applicable Percentage Ratios are set out below:

Affiliated company	Attributable interest held by the Group	Advance and interest (HK\$'000)	Guarantee given (HK\$'000)	Guaranteed banking facilities utilised (HK\$'000)
Nanjing City Plaza	25%	10,264	29,250	nil

As disclosed in the Nanjing Circular, the Group had made an advance (the "Advance") to Nanjing City Plaza in the amount of HK\$10,000,000 subsequent to completion of the acquisition of a 25% equity interest of Nanjing City Plaza by the Group in February 2004. The Advance 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 Hong Kong 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 date of this announcement, the outstanding Advance and interest receivable from Nanjing City Plaza amounted to HK\$10,000,000 and approximately HK\$264,000 respectively. The Advance was funded by internal resources of the Group. The Advance represented approximately 2.0% and 3.5% of the adjusted total assets of the Group of approximately HK\$509,612,000 as at 30 September 2003 and the market capitalisation of the Company of approximately HK\$287,602,000 based on the average closing price of HK\$0.173 per Share for the five business days immediately preceding 31 March 2004 respectively. Should the Advance exceed 8% under any applicable Percentage Ratios, the Directors will make further disclosure pursuant to Rule 13.13 of the Listing Rules.

Save as disclosed above, there is no other advances provided to any entity of the Group that would exceed 8% of the applicable Percentage Ratios since 31 March 2004. The Directors confirm that Rules 13.13 and 13.14 of the Listing Rules would not be triggered as at the date of this announcement.

As at the date of this announcement, the aggregated financial assistance (including the Advance and interest mentioned above) to and the aggregated guarantee given for the Loan granted to the Company's affiliated company by the Group in aggregate represented approximately 7.8% and 19.5% of the adjusted total assets of the Group of approximately HK\$509,612,000 as at 30 September 2003 and the Market Capitalisation respectively.

As at the date of this announcement, the Group did not have any committed capital injection to any of its affiliated companies.

Save as disclosed in the Nanjing Circular and the abovementioned, there were no other financial assistance and corporate guarantee provided to any of the Company's affiliated companies that would individually and/or in aggregate exceed 8% of the applicable Percentage Ratios.

The Company will fulfil the continuing disclosure obligation under Rule 13.22 of the Listing Rules so long as circumstances giving rise to such disclosure obligation continue to exist.

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. The Guarantee Agreement was entered into as a result of the Loan and to facilitate the construction of Phase I of the Nanjing Project, in particular as working capital for such construction.

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 so far as the Company and the shareholders of the Company as a whole are concerned.

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 date of this announcement, 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, a company 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) who is 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 interim report of the Company for the six months ended 30 September 2003, with the recovery of economic and investment conditions in Hong Kong and the continuing prosperity of the economy in 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.

As at 31 March 2004 and up to the date of this announcement, there were 1,662,440,000 ordinary shares of the Company in issue.

A circular containing, among others, further details of the Guarantee Agreement will be despatched to the shareholders of the Company as soon as practicable.

DEFINITIONS

“affiliated company(ies)”	has the meaning as ascribed to it under the Listing Rules
“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, 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
“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
“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
“PRC”	The People’s Republic of China
“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.

As at the date of this announcement, the Board comprised Mr. Wong Yu Lung, Charles, Mr. Ko Po Ming, Ms. Loh Jiah Yee, Katherine, Mr. Lan Ning, Mr. Kee Wah Sze (executive Directors), Mr. Ma Ho Fai and Mr. Zhang Xiao Shu (independent non-executive Directors).

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

Hong Kong, 14 July 2004

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