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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: 00172)

VOLUNTARY ANNOUNCEMENT LETTER OF INTENT IN RELATION TO A POTENTIAL TRANSACTION

This announcement is made by the Company on a voluntary basis.

THE LETTER OF INTENT

The Board is pleased to announce that as part of the Company's plan of business reform and restructuring, on 24 May 2021, the Company has entered into the non-legally binding Letter of Intent with the Vendor in relation to the Potential Transaction.

The Potential Transaction

Pursuant to the Letter of Intent, the Company intends to acquire from the Vendor, and the Vendor intends to sell, the Properties free from encumbrance. The Properties comprise certain commercial retail properties and residential properties in Hong Kong and are currently leased out to third parties. The Parties shall jointly engage an independent valuer to conduct a valuation on the Properties. The Consideration for the Potential Transaction would be priced at a discount of up to 10% to the market valuation of the Properties as determined by the independent valuer.

The Consideration is expected to be settled by way of (i) the delivery of the non-interest bearing promissory notes to be issued by the Company to the Vendor in the aggregate principal amount, which is equivalent to the amount of the Consideration, due 60 months from the issue date; and/or (ii) issuance and allotment of new Shares by the Company to the Vendor.

Based on the preliminary estimation by the Company, the market value of and the annual rental income generated from the Properties is not less than HK\$750,000,000 and HK\$13,000,000 respectively.

Due diligence review

The Vendor shall provide the Company and/or any professional firms engaged by the Company with information and documents relating to the Properties as may be requested by the Company.

Non-legally binding effect

The Letter of Intent is intended to record the intention of, and the preliminary mutual understanding between, the Parties in relation to the Potential Transaction. The Letter of Intent is not legally binding save for certain provisions including those relating to costs, confidentiality and governing law of the Letter of Intent.

The Potential Transaction is subject to, among other things, (i) the Company being satisfied with the results of the due diligence in respect of the Properties; and (ii) the entering into of definitive legally-binding agreement(s) between the Parties.

INFORMATION ON THE VENDOR AND REASONS FOR AND BENEFITS OF THE POTENTIAL TRANSACTION

The Group is principally engaged in the businesses of the (i) provision of financial services covering finance lease, factoring and small loan financing; (ii) provision of car operating lease services; and (iii) provision of property technology services.

The Vendor is a company incorporated in Hong Kong and is engaged in properties investment. The Vendor is indirectly held by a discretionary trust of which Mr. Wong Yu Lung, Charles (a substantial Shareholder, an executive Director and the Chairman of the Company) is a trustee and Ms. Wong Michelle Yatyee (a substantial Shareholder and an executive Director) and Ms. Wong Jacqueline Yue Yee (a substantial Shareholder) are beneficiaries. Accordingly, the Vendor is a connected person of the Company pursuant to the Listing Rules.

The Potential Transaction demonstrates the long-term commitment and unfailing support of the substantial Shareholders towards the development of the Group. In addition, The Potential Transaction would provide an opportunity for the Group to expand its scope of business into the properties investment in Hong Kong which will (i) strengthen the Group's asset base; (ii) generate stable rental income for the Group; and (iii) complement the existing business of property technology services of the Group.

GENERAL

As at the date of this announcement, the terms and conditions of the Potential Transaction are still under negotiation and no definitive legally-binding agreement in relation to the Potential Transaction has been entered into by the Group. The Potential Transaction, if materialised, may constitute a notifiable and connected transaction for the Company under the Listing Rules. The Company will make further announcement(s) on the Potential Transaction as and when appropriate in accordance with the Listing Rules.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 28 June 2019 and will remain suspended until further notice.

WARNING

There is no assurance that the Potential Transaction will materialise or eventually be consummated. Shareholders and potential investors of the Company should be aware that the terms and conditions of the Potential Transaction are subject to further negotiations between the Company and the Vendor. The Potential Transaction may or may not proceed. Shareholders and potential investors of the Company are advised to exercise extreme caution when dealing in the shares of the Company and if they are in any doubt about their position, they should consult their professional adviser(s).

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Board”	the board of directors of the Company
“Company”	Goldbond Group Holdings Limited, a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 172)
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Letter of Intent”	the non-legally binding letter of intent dated 24 May 2021 and entered into between the Company and the Vendor in relation to the Potential Transaction
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Parties”	the parties to the Letter of Intent, being the Company and the Vendor
“Potential Transaction”	the potential acquisition of the Properties by the Company
“Properties”	certain commercial retail properties and residential properties in Hong Kong currently owned by the Vendor
“PRC”	the People’s Republic of China excluding, for the purpose of this announcement, the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan

“Shareholders”	shareholders of the Company
“Shares”	ordinary shares in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Wah Link Investments Limited, a company incorporated in Hong Kong
“%”	percentage

By order of the Board of
Goldbond Group Holdings Limited
Wong Yu Lung, Charles
Chairman

Hong Kong, 24 May 2021

As at the date of this announcement, the Board comprises Mr. Wong Yu Lung, Charles, Ms. Wong, Michelle Yatyee and Mr. Wong Ming Bun David (all being executive Directors), Mr. Ma Ho Fai GBS JP, Mr. Cheng Yuk Wo and Mr. Yeh Shing Hang Kevin Arthur (all being independent non-executive Directors).