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Fulbond Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 1041)

ANNOUNCEMENT

(1) ISSUE OF CONVERTIBLE NOTE

AND

(2) DISCLOSEABLE TRANSACTION –

ACQUISITION OF SHARES IN PROWEALTH HOLDINGS GROUP LIMITED

AND ISSUE OF SPA CONVERTIBLE NOTE

AND

(3) SPECIFIC MANDATE TO ISSUE NEW SHARES

AND

(4) RESUMPTION OF TRADING

(1) ISSUE OF CONVERTIBLE NOTE

On 22 February 2008, the Company entered into the Subscription Agreement with the Subscriber in relation to the subscription by the Subscriber of the Convertible Note with an aggregate principal amount of US\$3,700,000 (equivalent to approximately HK\$28,860,000).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Subscriber and its ultimate beneficial owner is an Independent Third Party.

The Convertible Note shall bear interest at the rate of 6.00% per annum and (in the absence of an earlier demand by the holder thereof) will be due on the Maturity Date. The Convertible Note is convertible into Conversion Shares at an initial Conversion Price of HK\$0.086 per Conversion Share.

The net proceeds from the issue of the Convertible Note of approximately HK\$26,860,000 will be applied towards the general working capital of the Group and/or any suitable investment(s).

(2) ACQUISITION OF SHARES IN PROWEALTH HOLDINGS GROUP LIMITED AND ISSUE OF SPA CONVERTIBLE NOTE

On 22 February 2008 and 27 February 2008, the Company entered into the Agreement and the Supplemental Deed with, among others, the Vendor pursuant to which the Company has conditionally agreed to purchase and the Vendor has agreed to sell the Sale Shares at the consideration of HK\$121,000,000. The Consideration will be satisfied at Completion by way of the issue of the SPA Convertible Note to the Vendor. The Consideration has been arrived at after arm's length negotiation between the Company and the Vendor.

Prowealth is an investment holding company incorporated in BVI on 17 May 2007, which holds 100% equity interest in Yield On and through various intermediary subsidiaries holds 100% equity interest in Maoming Changxing and Hainan Jiadexin. Prowealth has not conducted any business save for its investment holding of Yield On, Maoming Changxing and Hainan Jiadexin since its date of incorporation and no audited accounts of Prowealth have been prepared since then. Yield On is a limited company incorporated in Hong Kong and is engaged in seafood trading business. Both Maoming Changxing and Hainan Jiadexin are limited companies established in the PRC and are principally engaged in seafood processing business in the PRC.

The Acquisition constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules. A circular containing further information on, amongst other, the Acquisition required under Rule 14.38 of the Listing Rules will be despatched to the Shareholders as soon as possible.

(3) SPECIFIC MANDATE TO ISSUE NEW SHARES

As the existing general mandate is insufficient to cover Shares which may fall to be allotted and issued upon exercise of the conversion rights attached to the Convertible Note and the SPA Convertible Note, the Company will seek the grant of a specific mandate at the SGM to allot and issue Shares to satisfy the said Shares to be allotted and issued. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder is required to abstain from voting for the approval of the grant of specific mandate.

(4) RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 22 February 2008 pending the release of this announcement at the request of the Company. Application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 3 March 2008.

(1) ISSUE OF CONVERTIBLE NOTE

Subscription Agreement

Date: 22 February 2008

Parties: (1) Issuer: the Company

(2) Subscriber: Sun Boom Limited

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Subscriber and its ultimate beneficial owner is an Independent Third Party.

To the best of the Directors' knowledge, the Subscriber is principally engaged in investment holding.

Principal terms of the Convertible Note

Principal amount of the Convertible Note

US\$3,700,000 (equivalent to approximately HK\$28,860,000)

Interest

The Convertible Note shall bear interest at the rate of 6.00% per annum on the outstanding principal amount of the Convertible Note from its date of issue to the Maturity Date (in the absence of an earlier demand by the holder of the Convertible Note). Interest will be payable semi-annually in arrears.

Conversion Price

The Conversion Price is HK\$0.086 per Conversion Share, which is subject to the usual anti-dilution adjustments, in certain events such as share consolidation, share subdivision, capitalisation issue, capital distribution, rights issue and other equity or equity derivatives issues.

The Conversion Price represents:

- (a) a discount of approximately 19.63% to the closing price of HK\$0.107 per Share as quoted on the Stock Exchange on 21 February 2008, being the last trading day immediately before the entering into the Subscription Agreement; and
- (b) a discount of approximately 6.52% to the average closing prices of HK\$0.092 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including 21 February 2008, being the last trading day immediately before the entering into the Subscription Agreement.

The Conversion Price was arrived at after arm's length negotiations between the Company and the Subscriber with reference to the closing prices as shown above. The Directors consider that the Conversion Price is fair and reasonable.

Conversion period

The Convertible Note may be converted, at the option of the Subscriber, at any time from the date of issue of the Convertible Note up to and including the date immediately prior to the Maturity Date.

Conversion Shares

The Convertible Note may be converted in the principal amount of US\$740,000 (equivalent to HK\$5,772,000 approximately), representing 20% of the principal amount of the Convertible Note or its integral multiples.

Upon the conversion of the Convertible Note in full at the Conversion Price, 335,581,395 Conversion Shares, representing approximately 3.65% of the existing issued share capital of the Company and approximately 3.52% of the enlarged issued share capital of the Company, will be allotted and issued to the Subscriber.

The Conversion Shares falling to be allotted and issued on the conversion of the Convertible Note, when allotted and issued, will rank pari passu in all respects among themselves and with the Shares in issue on the date of allotment and issue of such Shares.

Maturity

The Convertible Note will mature on the date falling 24 months from the date of issue of the Convertible Note.

Unless previously converted or an earlier demand for repayment is made by the holder of the Convertible Note, the Company will repay the principal amount outstanding under the Convertible Note together with all interest accrued thereon up to and including the date of repayment, on the Maturity Date. Demand for early repayment of the Convertible Note can be made by the holder at any time prior to the Maturity Date. The Company shall at any time upon written demand by such holder within one (1) month from the date of receipt of such written demand repay the outstanding principal amount of the Convertible Note together with interests accrued thereon in full to the holder.

Transferability

No assignment or transfer of the Convertible Note shall be permitted save with the prior written consent of the Company.

Voting

The Subscriber will not be entitled to attend or vote at any meetings of the Company by reason only of it being the holder of the Convertible Note.

Security

The obligations of the Company arising under the Convertible Note will be secured by the Note Security Document.

Listing

No application will be made for the approval for the listing of, and permission to deal in, the Convertible Note on the Stock Exchange or other recognised stock exchange. Application will be made by the Company to the Listing Committee of the Stock Exchange for the approval for the listing of, and permission to deal in, the Conversion Shares that may be allotted and issued upon conversion of the Convertible Note.

Other

So long as the Subscriber holds the Convertible Note or any of the Conversion Shares, the Subscriber shall have the right to appoint up to one person as a non-executive Director.

Conditions of the Subscription Agreement

The issue of the Convertible Note is conditional upon the following conditions:

- (a) (if required) the Stock Exchange shall have approved the issue of the Convertible Note; and
- (b) the Listing Committee of the Stock Exchange shall have granted the approval for the listing of, and permission to deal in, the Conversion Shares to be issued upon exercise of the conversion rights attached to the Convertible Note.

The Subscription Agreement contains a warranty that the Board shall have sufficient mandate to issue the Conversion Shares and it is a condition to the Subscription Agreement that all warranties shall remain true and accurate in all material aspects. In the event that the conditions are not fulfilled or Shareholders' approval could not be obtained for the specific mandate on or before 30 April 2008 or such later date as may be agreed between the Subscriber and the Company, the Subscription Agreement will lapse and become null and void and the parties shall be released from all obligations thereunder, save for the liabilities for any antecedent breaches thereof.

The Company will seek the grant of a specific mandate at the SGM for the allotment and issue of the Conversion Shares to be issued upon exercise of the conversion rights attached to the Convertible Note.

Completion of the Subscription Agreement

Completion of the Subscription Agreement will take place on the third Business Day after the conditions of the Subscription Agreement having been fulfilled.

REASONS FOR THE ISSUE OF THE CONVERTIBLE NOTE

The Directors, having considered that (i) the issue of the Convertible Note will provide immediate funding to the Company; (ii) the availability of funds will improve the Group's working capital position; and (iii) there is no immediate dilution effect on the shareholding of the existing Shareholders, are of the view that the issue of the Convertible Note is an appropriate mean to raise additional funds for the Group. The Directors consider that the terms of the Convertible Note are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

The gross proceeds from the issue of the Convertible Note amount to US\$3,700,000 (equivalent to approximately HK\$28,860,000). The net proceeds of approximately HK\$26,860,000 derived from the issue of the Convertible Note will be applied towards the general working capital of the Group and/or any suitable investment(s). As at the date of this announcement, save for the Acquisition, no suitable investment has yet been identified. Based on the estimated net proceeds of approximately HK\$26,860,000, the net price for each Conversion Share will be approximately HK\$0.08.

(2) DISCLOSEABLE TRANSACTION – ACQUISITION OF SHARES IN PROWEALTH AND ISSUE OF SPA CONVERTIBLE NOTE

Agreement dated 22 February 2008 and Supplemental Deed dated 27 February 2008

Parties:	(i) Vendor:	Sun Boom Limited
	(ii) Purchaser:	Fulbond Investments Limited, a wholly-owned subsidiary of the Company
	(iii) Vendor's Guarantor:	Ajia Partners Special Situations Fund I LP
	(iv) Purchaser's Guarantor:	Fulbond Holdings Limited

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and the Vendor's Guarantor and their ultimate beneficial owners are Independent Third Parties.

Assets to be acquired

The Sale Shares, representing 20% of the entire enlarged issued share capital of Prowealth as at the date of Completion.

Consideration

The total consideration for the Acquisition is HK\$121,000,000. The Consideration will be satisfied by the Purchaser by procuring the Company to issue the SPA Convertible Note in such principal amount to the Vendor or its nominee on Completion. The Consideration has been arrived at after arm's length negotiation between the Company and the Vendor with reference to (1) the consolidated unaudited net profit of Prowealth Group for the 4 months ended 31 December 2007 of approximately HK\$14.4 million; (2) the future business prospects of the Prowealth Group, and (3) the future prospect of the seafood processing industry.

Principal term of the SPA Convertible Note

Principal amount of the SPA Convertible Note

HK\$121,000,000

Interest

The SPA Convertible Note shall bear interest at the rate of 6.00% per annum on the outstanding principal amount of the SPA Convertible Note from its date of issue to the date of maturity of the SPA Convertible Note. Interest will be payable semi-annually in arrears.

Conversion Price

The conversion price of the SPA Convertible Note is HK\$0.086 per share to be issued upon conversion of the SPA Convertible Note, which is subject to the usual anti-dilution adjustments, in certain events such as share consolidation, share subdivision, capitalisation issue, capital distribution, rights issue and other equity or equity derivatives issues.

The conversion price of the SPA Convertible Note represents:

- (a) a discount of approximately 19.63% to the closing price of HK\$0.107 per Share as quoted on the Stock Exchange on 21 February 2008, being the last trading day immediately before the entering into the Agreement; and
- (b) a discount of approximately 6.52% to the average closing price of HK\$0.092 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including 21 February 2008, being the last trading day immediately before the entering into the Agreement.

The conversion price of the SPA Convertible Note was determined by the amount of the Consideration and the number of Shares to be issued and allotted to the Vendor when the SPA Convertible Note is converted, and was arrived at after arm's length negotiations between the Purchaser and the Vendor with reference to the closing prices as shown above. The Directors consider that the conversion price of the SPA Convertible Note is fair and reasonable.

Conversion period

The SPA Convertible Note may be converted, at the option of the Vendor, at any time from the date of issue of the SPA Convertible Note up to and including the date which is immediately prior to the date of maturity of the SPA Convertible Note.

Conversion Shares

The SPA Convertible Note may be converted in the principal amount of HK\$24,200,000, representing 20% of the principal amount of the SPA Convertible Note, or its integral multiples.

Upon the conversion of the SPA Convertible Note in full at the conversion price of the SPA Convertible Note, an aggregate of 1,406,976,744 new Shares, representing approximately 15.30% of the existing issued share capital of the Company and approximately 13.21% of the enlarged issued share capital of the Company, will be allotted and issued to the Vendor.

The new Shares falling to be allotted and issued on the conversion of the SPA Convertible Note, when allotted and issued, will rank pari passu in all respects among themselves and with the Shares in issue on the date of allotment and issue of such Shares.

Maturity

The SPA Convertible Note will mature on the date falling 24 months from the date of issue of the SPA Convertible Note.

Unless previously converted or an earlier demand for repayment is made by the holder of the SPA Convertible Note, the Company will repay the principal amount outstanding under the SPA Convertible Note together with all interests accrued thereon up to and including the date of repayment, on the date of maturity of the SPA Convertible Note. Demand for early repayment of the SPA Convertible Note can be made by the holder at any time prior to the maturity date of the SPA Convertible Note. The Company shall at any time upon written demand by such holder within one month from the date of receipt of such written demand repay the outstanding principal amount of the SPA Convertible Note together with interests accrued thereon in full to the holder.

Transferability

No assignment or transfer of the SPA Convertible Note shall be permitted save with the prior written consent of the Company.

Voting

The Vendor will not be entitled to attend or vote at any meetings of the Company by reason only of it being the holder of the SPA Convertible Note.

Security

The obligations of the Company arising under the SPA Convertible Note will be secured by the Sale Shares.

Listing

No application will be made for the approval for the listing of, and permission to deal in, the SPA Convertible Note on the Stock Exchange or other recognised stock exchange. Application will be made by the Company to the Listing Committee of the Stock Exchange for the approval for the listing of, and permission to deal in, the Shares that may be allotted and issued upon conversion of the SPA Convertible Note.

Conditions precedent

Completion of the Agreement is subject to the fulfillment of the following conditions:

1. the Purchaser, being satisfied, at its absolute discretion, with the results of the due diligence review to be conducted by the Purchaser on the Prowealth Group;
2. the Vendor, be satisfied, at its absolute discretion, with the results of the due diligence review to be conducted by the Vendor on the Group;
3. the Purchaser having obtained and being satisfied with legal opinions (in the form and substance reasonably satisfactory to the Purchaser) addressed to the Purchaser:
 - (a) by qualified lawyers in the PRC covering (i) matters relating to Prowealth's subsidiaries incorporated in the PRC (the "**PRC Subsidiaries**") (including but not limited to the due and proper incorporation and good standing of the PRC Subsidiaries under the laws of the PRC); (ii) the power, authority and legal right of Prowealth to indirectly own its equity interests in the PRC Subsidiaries; (iii) the validity of all necessary consents, authorisations, licences and approvals in relation to the PRC Subsidiaries including but not limited to the business licence and approval certificate of the PRC Subsidiaries as a wholly-foreign-owned enterprise of the Prowealth Group; (iv) the good title to and right to occupy the properties owned and leased by any member of the Prowealth Group in the PRC; and (v) any other matter relating to the PRC Subsidiaries as reasonably require by the Purchaser;
 - (b) by qualified lawyers in Hong Kong covering (i) matters relating to Prowealth's subsidiaries incorporated in Hong Kong (the "**HK Subsidiaries**") (including but not limited to the due incorporation and good standing of the HK Subsidiaries; (ii) the power, authority and legal right of Prowealth to own its equity interests in the HK Subsidiaries; (iii) the validity of all necessary consents, authorisations, licences and approvals in relation to the HK Subsidiaries; (iv) the good title to and right to occupy the properties owned and leased by any member of the Prowealth Group in Hong Kong (if any); and (v) any other matter relating to the HK Subsidiaries as reasonably require by the Purchaser; and

- (c) by qualified lawyers in BVI covering (i) matters relating to Prowealth's subsidiaries incorporated in BVI (the "**BVI Subsidiaries**") (including but not limited to the due incorporation and good standing of the BVI Subsidiaries; (ii) the power, authority and legal right of Prowealth to own its equity interests in the BVI Subsidiaries; (iii) the validity of all necessary consents, authorisations, licences and approvals in relation to the BVI Subsidiaries; (iv) the good title to and right to occupy any properties owned and leased by any member of the Prowealth Group in BVI (if any); and (v) any other matter relating to the BVI Subsidiaries as reasonably require by the Purchaser;
4. the delivery by the Purchaser to the Vendor of legal opinions on matters of Bermuda, BVI and Hong Kong law confirming the validity and enforceability of the documents including the note instrument, note certificate and the note security document in relation to the SPA Convertible Note and the due authorization of the Company to issue the SPA Conversion Shares, such opinions to be addressed to the Vendor and issued by qualified counsels in the relevant jurisdictions acceptable to the Vendor and in form and substance reasonably satisfactory to the Vendor;
 5. the delivery by the Vendor to the Purchaser of a copy of the Accounts (certified as a true and complete copy by a director of Prowealth);
 6. the passing of the relevant resolutions at the SGM for approving, among others, the specific mandate to issue and allot securities;
 7. the listing of, and permission to deal in, the SPA Conversion Shares on the main board of the Stock Exchange having been granted by the Listing Committee of the Stock Exchange;
 8. between the date of the Agreement and the date of fulfilment or waiver of the last in time to be fulfilled of the conditions precedents (other than this condition), trading of the Shares on the main board of the Stock Exchange shall not have been suspended and no delisting of the Shares shall be pending or threatened save for (i) temporary suspension for no more than 20 consecutive trading days in relation to the clearance and issue of announcements or the circular of the Company pursuant to the Listing Rules or other regulatory requirements; or (ii) temporary suspension for no more than 10 consecutive trading days for other reasons;
 9. all consents and acts required under the Listing Rules being obtained and completed or, as the case may be, the relevant waiver from compliance with any of such rules and requirements having been obtained by the Company from the Stock Exchange;
 10. all other necessary consents, authorisations, licences and approvals in relation to the Agreement and the transactions contemplated hereunder having been obtained from any relevant governmental or regulatory authorities or other relevant third parties by the relevant parties to the Agreement; and

11. as at the date of fulfilment or waiver of the last in time to be fulfilled of the following conditions (other than this condition):
 - (a) all the Vendor's warranties remain true and accurate in all material respects and not misleading in any material respect and no events or circumstances have occurred that would result in any breach of any of the Vendor's warranties or other provisions of the Agreement by the Vendor or the Vendor's Guarantor in any material respects;
 - (b) no event or circumstance has arisen or is threatening to arise which would entitle the Purchaser to terminate or rescind the Agreement in accordance with its terms;
 - (c) all the Purchaser's warranties remain true and accurate in all material respects and not misleading in any material respect and no event or circumstance has arisen or is threatening to arise that would result in any breach of any of the Purchaser's warranties or other provisions of the Agreement by the Purchaser or the Company in any material respects; and
 - (d) no event or circumstance has arisen or is threatening to arise which would entitle the Vendor to terminate or rescind the Agreement in accordance with its terms;
12. Prowealth shall have complied with its obligations under the convertible bond held by the Vendor issued by Prowealth for the issue, allotment and delivery of new shares in Prowealth to the Vendor following the exercise by the Vendor of the conversion rights attaching to such convertible bond.

If the above conditions have not all been fulfilled or waived by the Company by 30 April 2008 or such other date as may be agreed in writing by the parties, the Company will not be obliged to complete the Acquisition under the Agreement.

Completion

Completion will take place on the third Business Day following the day on which the last of the outstanding conditions have been fulfilled or waived or such other date (being not later than 30 April 2008) or such other date as is agreed in writing by the parties.

INFORMATION ON THE VENDOR AND PROWEALTH

The Vendor is an investment holding company incorporated in BVI holding a convertible bond convertible into issued shares of Prowealth. Under the convertible bond, upon exercise of conversion right attaching thereto, Prowealth is obliged to issue and deliver its new shares, credited as fully paid, to the Vendor within 5 business days. Such new shares in Prowealth will constitute the Sale Shares and at Completion, the Sale Shares will be transferred by the Vendor to the Purchaser in accordance with the terms of the Agreement. There is no other holder of the convertible bond of Prowealth apart from the Vendor. The Vendor's Guarantor, being a private equity fund, is the sole beneficial owner of the Vendor.

Prowealth is wholly owned by Wise Virtue Holdings Limited (“**Wise Virtue**”). Wise Virtue is a company incorporated in BVI on 12 April 2007. Wise Virtue has not conducted any business save for its investment holding of Prowealth since its date of incorporation and no audited accounts of Wise Virtue have been prepared since then. Wise Virtue is wholly owned by Ms. Lam So Ying who is an Independent Third Party and has no relationship with the Vendor.

Prowealth is an investment holding company incorporated in BVI on 17 May 2007, which holds 100% equity interest in Yield On and through various intermediary subsidiaries holds 100% equity interest in Maoming Changxing and Hainan Jiadexin. Prowealth has not conducted any business save for its investment holding of Yield On, Maoming Changxing and Hainan Jiadexin since its date of incorporation and no audited accounts of Prowealth have been prepared since then. Yield On is a limited company incorporated in Hong Kong and is engaged in seafood trading business. Both Maoming Changxing and Hainan Jiadexin are limited companies established in the PRC and are principally engaged in seafood processing business in the PRC.

As at 31 December 2007, the unaudited consolidated net asset value of Prowealth Group was approximately HK\$20.8 million. The unaudited consolidated net profit before tax of Prowealth Group for the 4 months ended 31 December 2007 was approximately HK\$14.4 million. No tax provision was made since the profit making subsidiaries were enjoying tax exemption during the year of 2007. The Prowealth Group has adopted acquisition accounting which only takes into account 4 months’ results from September to December 2007 for consolidated accounts. The unaudited financial information of Prowealth and its subsidiaries have been prepared in accordance with HK GAAP. Upon Completion, Prowealth will be accounted for as an associate of the Company and the results of which will be equity accounted for by the Company.

The unaudited net profits before tax of Maoming Changxing and Hainan Jiadexin for the year ended 31 December 2006 were approximately HK\$5.6 million and HK\$7.4 million respectively. No tax provision was made during the year of 2006. The financial information of Maoming Changxing and Hainan Jiadexin for the year ended 31 December 2007 respectively are not available at this stage as their respective management accounts are still in the process of being finalized. Such relevant financial information will be disclosed in the circular to be issued by the Company containing, among other things, further details of the Acquisition and the transactions contemplated thereunder. In the event that based on the financial information of Maoming Changxing and Hainan Jiadexin for the year ended 31 December 2007, the Acquisition is to be re-categorized as other types of notifiable transaction instead of a discloseable transaction under Chapter 14 of the Listing Rules, the Company will fully comply with the relevant requirements under the Listing Rules accordingly.

REASONS FOR THE ACQUISITION

The Group is principally engaged in the business of manufacturing and sale of wooden products, such as door skin and particle board products.

The Directors concluded that the Acquisition would provide the Group an opportunity to develop a new line of business in the food processing industry while continuing with its existing business.

The Directors (including independent non-executive Directors) believe that the terms of the Acquisition are fair and reasonable and in the interests of the Shareholders and the Company as a whole.

SPECIFIC MANDATE TO ISSUE THE CONVERTIBLE NOTE AND THE SPA CONVERTIBLE NOTE

As the existing general mandate is insufficient to cover Shares which may fall to be allotted and issued upon exercise of the conversion rights attached to the Convertible Note and the SPA Convertible Note, the Company will seek the grant of a specific mandate at the SGM to allot and issue Shares to satisfy the said Shares to be allotted and issued. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder is required to abstain from voting for the approval of the grant of specific mandate.

CHANGES OF SHAREHOLDING STRUCTURE

Upon full conversion of the Convertible Note or the SPA Convertible Note into Shares and the full exercise of the subscription rights attaching to the Warrants, assuming there would not be any adjustments to the Conversion Price or the price of conversion of the SPA Convertible Note and there would not be any allotment or issue of new Shares or share repurchase by the Company, the shareholding structure of the Company would be altered as follows:

Shareholders	As at the date of this announcement		Upon full conversion of the Convertible Note		Upon full conversion of the SPA Convertible Note		Upon the full exercise of the subscription rights attaching to the Warrants		Upon full conversion of the Convertible Note and the SPA Convertible Note and the full exercise of the subscription rights attaching to the Warrants	
	Number of Shares held <i>Shares</i>	Approximate shareholding percentage <i>%</i>	Number of Shares held <i>Shares</i>	Approximate shareholding percentage <i>%</i>	Number of Shares held <i>Shares</i>	Approximate shareholding percentage <i>%</i>	Number of Shares held <i>Shares</i>	Approximate shareholding percentage <i>%</i>	Number of Shares held <i>Shares</i>	Approximate shareholding percentage <i>%</i>
Zhang Xi <i>(Note)</i>	2,792,826,000	30.36	2,792,826,000	29.30	2,792,826,000	26.39	2,792,826,000	25.30	2,792,826,000	21.85
Public Shareholders										
– Subscriber/Vendor	–	–	335,581,395	3.52	1,406,976,744	13.21	–	–	1,742,558,139	13.64
– Places of Warrants	–	–	–	–	–	–	1,839,000,000	16.66	1,839,000,000	14.39
– Other public shareholders	6,404,953,755	69.64	6,404,953,755	67.18	6,404,953,755	60.40	6,404,953,755	58.04	6,404,953,755	50.12
Total	<u>9,197,779,755</u>	<u>100.00</u>	<u>9,533,361,150</u>	<u>100.00</u>	<u>10,604,756,499</u>	<u>100.00</u>	<u>11,036,779,755</u>	<u>100.00</u>	<u>12,779,337,894</u>	<u>100.00</u>

Notes:

Mr. Zhang Xi, an executive Director, is the beneficial owner of 2,792,826,000 Shares. He is deemed to be interested in those Shares which are held by Civil Talent International Limited, the entire issued share capital of which is beneficially owned by him.

FUND RAISING EXERCISE BY THE COMPANY IN THE PAST TWELVE MONTHS

The following table summaries the fund raising activity of the Group for the 12 months immediately preceding the date of this announcement:

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds
27 December 2007	Issue and placing of the Warrants	Approximately HK\$1.6 million; An additional amount of HK\$136,086,000 will be raised upon the full exercise of the Warrants	(i) as to approximately HK\$1.6 million towards the general working capital of the Group (ii) as to approximately HK\$136,086,000 towards the general working capital of the Group and as funds for future development of the existing businesses of the Group and other business when investment opportunities arise	(i) As intended (ii) As intended

Save as disclosed, no other fund raising activity has been carried out by the Group in the 12 months immediately prior to the date of this announcement.

GENERAL

The Subscription Agreement and the Agreement are not inter-conditional on each other.

The Acquisition constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules.

A circular containing, among other things, further details of the Acquisition and the transactions contemplated thereunder, the specific mandate to be sought, a notice of the SGM and other information as required under the Listing Rules will be despatched by the Company to the Shareholders as soon as practicable in accordance with the Listing Rules. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder is required to abstain from voting for the approval of the grant of the specific mandate.

Shareholders and potential investors should note that the Acquisition, which is subject to a number of conditions precedent, may or may not be completed. The release of this announcement does not in any way imply that the Acquisition will be completed or the transactions contemplated therein will be completed. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 22 February 2008 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 3 March 2008.

DEFINITIONS

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

“Accounts”	the audited consolidated accounts of Prowealth Group comprising (inter alia) the audited consolidated balance sheet as at 31 December 2007 and the audited consolidated profit and loss account for the period ended on 31 December 2007, the notes and the reports of the directors and auditors on such accounts
“Acquisition”	the acquisition of the Sale Shares by the Purchaser
“Agreement”	the agreement relating to the sale and purchase of the Sale Shares entered into between the Purchaser, the Company, the Vendor and the Vendor's Guarantor on 22 February 2008, as amended and supplemented by the Supplemental Deed
“associates”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	any day (not being a Saturday, Sunday and public holiday) on which licensed banks in Hong Kong are generally open for business
“BVI”	the British Virgin Islands

“Charged Account”	the US dollars interest bearing account to be opened and maintained by the Company with a deposit of US\$3,700,000, being the subscription money for the Convertible Note
“Company”	Fulbond Holdings Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Agreement
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Consideration”	the consideration for the Acquisition pursuant to the Agreement
“Conversion Price”	HK\$0.086 per Conversion Share subject to adjustments pursuant to the terms and conditions of the Subscription Agreement
“Conversion Shares”	the Shares to be issued by the Company upon exercise of the conversion rights attached to the Convertible Note
“Convertible Note”	the convertible note with an aggregate principal amount of US\$3,700,000 due on demand, to be issued by the Company to the Subscriber pursuant to the Subscription Agreement
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hainan Jiadexin”	海南佳德信食品有限公司 (Hainan Jiadexin Foodstuff Company Limited), a company incorporated with limited liability in the PRC which is 100% owned by Prowealth through its wholly owned subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK GAAP”	generally accepted accounting principles in Hong Kong
“Independent Third Party”	third parties independent of the Company and connected persons (as defined under the Listing Rules) of the Company
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange

“Maoming Changxing”	茂名長興食品有限公司 (Maoming Changxing Foods Company Limited), a company incorporated with limited liability in the PRC which is 100% owned by Prowealth through its wholly owned subsidiaries
“Maturity Date”	the date falling on the second anniversary from the date of issue of the Convertible Note, being the date on which the Convertible Note matures
“Note Security Document”	the deed of charge over the Charged Account to be executed by the Company in favour of the Subscriber as security for the Convertible Note
“PRC”	the People’s Republic of China
“Prowealth”	Prowealth Holdings Group Limited, a BVI business company limited by shares
“Prowealth Group”	Prowealth and its subsidiaries
“Purchaser”	Fulbond Investments Limited, a wholly owned subsidiary of the Company
“Sale Shares”	such number of issued ordinary shares of US\$1.00 each in the capital of Prowealth comprising 20 per cent (%) of the entire enlarged issued share capital of Prowealth as at the date of Completion
“SPA Convertible Note”	the secured convertible note with an aggregate principal amount of HK\$121,000,000 due on demand, to be issued by the Company to the Purchaser pursuant to the Agreement
“SPA Conversion Shares”	the Shares to be issued by the Company upon exercise of the conversion rights attached to the SPA Convertible Note
“SGM”	a special general meeting of the Company to be held to consider the ordinary resolutions to be proposed to approve, among other things, the grant of a special mandate
“Share(s)”	the ordinary shares of US\$0.001 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subscription Agreement”	the conditional subscription agreement dated 22 February 2008 and entered into among the Company and the Subscriber in respect of the subscription of the Convertible Note with an aggregate principal amount of US\$3,700,000 by the Subscriber
“Supplemental Deed”	the supplemental deed dated 27 February 2008 entered into between the Purchaser, the Company, the Vendor and the Vendor’s Guarantor supplemental to the Agreement
“Vendor” or “Subscriber”	Sun Boom Limited, a company incorporated in the British Virgin Islands, the vendor to the Agreement and the subscriber to the Subscription Agreement
“Vendor’s Guarantor”	Ajia Partners Special Situations Fund I LP
“Warrants”	up to 1,839,000,000 unlisted warrants to be issued by the Company at the price of HK\$0.001 per unit, each entitles the holder thereof to subscribe for one Share at the subscription price of HK\$0.074 per Share (subject to adjustment) at any time during a period of 30 months commencing from 21 January 2008, the date of issue of the Warrants
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States of America
“Yield On”	Yield On International Limited (裕安國際有限公司), a company incorporated on 26 April 2006 with limited liability in Hong Kong which is wholly owned by Prowealth
“%”	per cent.

Unless otherwise specified in this announcement, translations of US\$ into HK\$ are made in this announcement, for illustration only, at the rate of US\$1.00 to HK\$7.80.

By Order of the Board
FULBOND HOLDINGS LIMITED
Zhang Xi
Chairman

Hong Kong, 29 February 2008

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Zhang Xi, Ms. Zhang Huafang, Mr. Cai Duanhong and Ms. Catherine Chen and three independent non-executive Directors, namely Mr. Hong Po Kui, Martin, Mr. Yam Tak Fai, Ronald and Mr. Wong Man Hin, Raymond.