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Fulbond Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 1041)

ANNOUNCEMENT

**(1) VERY SUBSTANTIAL ACQUISITION –
ACQUISITION OF SHARES IN PROWEALTH HOLDINGS GROUP LIMITED
AND ISSUE OF SPA CONSIDERATION SHARES
AND
SPA CONVERTIBLE NOTES
AND
(2) PROPOSED SHARE CONSOLIDATION AND
CHANGE OF BOARD LOT SIZE
AND
(3) RESUMPTION OF TRADING**

**(1) ACQUISITION OF SHARES IN PROWEALTH HOLDINGS GROUP LIMITED AND
ISSUE OF SPA CONSIDERATION SHARES AND SPA CONVERTIBLE NOTES**

Further to the announcements of the Company dated 28 February 2008 and 8 May 2008, on 28 May 2008, the Company through its wholly-owned subsidiary, the Purchaser, conditionally agreed to acquire further shares in Prowealth by entering into the Agreement with the Vendors. Pursuant to it the Purchaser has conditionally agreed to purchase and the Vendors have conditionally agreed to sell the Sale Shares at the consideration of HK\$484,000,000. The Consideration will be satisfied at Completion by the issue and allotment of the SPA Consideration Shares and by the issue and delivery of the SPA Convertible Notes to the Vendors or their nominee. The Consideration was arrived at after arm's length negotiations between the Company and the Vendors.

Prowealth is an investment holding company incorporated in the BVI on 17 May 2007, which holds 100% of the equity interest in Yield On and through various intermediary subsidiaries holds 100% of the equity interest in Maoming Changxing and Hainan Jiadexin. Prowealth has not conducted any business since its date of incorporation save for its holding of the investment in Yield On, Maoming Changxing and Hainan Jiadexin. Yield On is a company incorporated in Hong Kong with limited liability and is engaged in the 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 assets ratio under Chapter 14 of the Listing Rules in relation to the Acquisition when aggregated with the Previous Acquisition is over 100%. Accordingly, the Acquisition constitutes a very substantial acquisition of the Company for the purpose of Rule 14.06(5) of the Listing Rules and the Acquisition is therefore subject to approval of the Shareholders.

(2) PROPOSED SHARE CONSOLIDATION AND CHANGE OF BOARD LOT SIZE

The Company also intends to put forward for approval by the Shareholders at the SGM a resolution to approve the Share Consolidation pursuant to which every five (5) Shares in the issued and unissued ordinary share capital of the Company will be consolidated into one (1) Consolidated Share of US\$0.005. Upon the Share Consolidation becoming effective, the Company proposes that the board lot of the Consolidated Shares will be changed from 2000 Shares to 5,000 Consolidated Shares.

(3) 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 29 May 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 4 June 2008.

A circular containing amongst other things, further information on the Acquisition, the Share Consolidation and a notice of the SGM required under Rule 14.38 of the Listing Rules will be despatched to the Shareholders as soon as possible.

(1) VERY SUBSTANTIAL ACQUISITION – ACQUISITION OF SHARES IN PROWEALTH AND ISSUE OF SPA CONSIDERATION SHARES AND SPA CONVERTIBLE NOTES

Agreement dated 28 May 2008

Parties:	(1) Vendors:	(a) Sun Boom (b) Wise Virtue
	(2) Purchaser:	Fulbond Investments Limited, a wholly-owned subsidiary of the Company

(3) Issuer of the SPA the Company
Consideration Shares
and SPA Convertible
Notes:

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendors and their ultimate beneficial owners are Independent Third Parties. The Vendors and their ultimate beneficial owners are not related to Mr Zhang Xi, an executive Director. There will be no change in the Board composition as a result of the Acquisition.

Assets to be acquired

The Sale Shares, representing not less than 80% of the entire enlarged issued share capital of Prowealth as at the date of Completion.

Consideration

The total consideration for the Acquisition is HK\$484,000,000 and it is to be satisfied in the following manners:—

1. HK\$323,088,240 is to be satisfied by the issue of SPA Consideration Shares to Wise Virtue at an issue price of HK\$0.086 per SPA Consideration Shares on Completion; and
2. HK\$160,911,760 is to be satisfied by the issue of SPA Convertible Notes to the Vendors on Completion.

The Consideration has been arrived at after arm's length negotiations between the Company and the Vendors with reference to (1) the consolidated audited net profit after tax of Prowealth Group for the year ended 31 December 2007 of approximately HK\$34.3 million (Prowealth Group has adopted acquisition accounting which only takes into account 4 months' results from September to December 2007 for consolidated accounts); (2) the future business prospects of the Prowealth Group and (3) the future prospect of the seafood processing industry.

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 SPA Consideration Shares and the SPA Conversion Shares that may be allotted and issued upon conversion of the SPA Convertible Notes.

Principal term of the SPA Convertible Notes

The SPA Convertible Notes consist of the Sun Boom Convertible Note and the Wise Virtue Convertible Note. Each of them will have substantially the same terms.

Principal amount of each of the SPA Convertible Notes

HK\$80,265,260 for the Wise Virtue Convertible Note and HK\$80,646,500 for the Sun Boom Convertible Note.

Interest

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

Conversion Price

The conversion price of the SPA Convertible Notes will be HK\$0.086 per Share, which is subject to the usual anti-dilution adjustments, on 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 Notes represents:

- (a) a premium of approximately 7.5% to the closing price of HK\$0.08 per Share as quoted on the Stock Exchange on the last trading day immediately prior to the date of the Agreement;
- (b) a premium of approximately 6.2% to the average closing prices of approximately HK\$0.081 per Share as quoted on the Stock Exchange for the last five trading days immediately prior to the date of the Agreement; and
- (c) a premium of approximately 3.6% to the average closing prices of approximately HK\$0.083 per Share as quoted on the Stock Exchange for the period from 15 May 2008 up to the date of the Agreement.

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

Conversion period

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

SPA Conversion Shares

The Sun Boom Convertible Note and the Wise Virtue Convertible Note may be converted in the principal amount of HK\$4,032,325 and HK\$4,013,263 respectively, in both cases representing 5% of the principal amount of the respective SPA Convertible Notes, or its integral multiples.

In addition, the conversion right attaching to the SPA Convertible Notes cannot be exercised and accordingly the Company will not issue SPA Conversion Shares if and to the extent that the total number of SPA Conversion Shares with voting rights held by the holder of the respective SPA Convertible Notes and parties acting in concert with it within the meaning of the Takeovers Code immediately after the issue of the SPA Conversion Shares would be more than 29.9% of the enlarged issued share capital of the Company or such other amount equal to 0.1% below the amount as may at the relevant time be specified in the Takeovers Code as being the level for triggering a mandatory general offer.

The number of SPA Conversion Shares to be issued from the conversion of Sun Boom Convertible Note is 937,750,000, representing approximately 10.20% of the existing issued share capital of the Company and approximately 9.25% of the enlarged issued share capital of the Company assume full conversion of the Sun Boom Convertible Note. The number of SPA Conversion Shares to be issued from the conversion of Wise Virtue Convertible Note is 933,316,976, representing approximately 10.15% of the existing issued share capital of the Company and approximately 9.21% of the enlarged issued share capital of the Company assume full conversion of the Wise Virtue Convertible Note.

The new SPA Conversion Shares falling to be allotted and issued on the conversion of the SPA Convertible Notes, 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 Notes will mature on the date falling 60 months from the date of issue of the SPA Convertible Notes.

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

Transferability

No assignment or transfer of the SPA Convertible Notes will be permitted save with the prior written consent of the Company. It is the intention of the Company that no SPA Convertible Notes shall be assigned or transferred to connected person of the Company. The Company will promptly notify the Stock Exchange upon becoming aware of any assignment or transfer of the SPA Convertible Notes to any connected person of the Company.

Voting

The Vendors will not be entitled to attend or vote at any meetings of the Company by reason only of they being the holders of the SPA Convertible Notes.

Listing

No application will be made for the approval for the listing of, and permission to deal in, the SPA Convertible Notes on the Stock Exchange or other recognised stock exchange.

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 Vendors, being satisfied, at their absolute discretion, with the results of the due diligence review to be conducted by the Vendors 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 matters relating to Prowealth's subsidiaries incorporated in the PRC;
 - (b) by qualified lawyers in Hong Kong covering matters relating to Prowealth's subsidiaries incorporated in Hong Kong; and
 - (c) by qualified lawyers in BVI covering matters relating to Prowealth's subsidiaries incorporated in BVI;
4. the delivery by the Purchaser to the Vendors of legal opinions on matters of Bermuda, BVI and Hong Kong law confirming the validity and enforceability of the documents in relation to the SPA Convertible Notes and the due authorization of the Company to issue the SPA Conversion Shares, such opinions to be addressed to the Vendors and issued by qualified counsels in the relevant jurisdictions acceptable to the Vendors and in form and substance reasonably satisfactory to the Vendors;

5. the passing of the relevant resolutions at the SGM for approving, among others, the Acquisition and the transactions contemplated thereunder including the issue and allotment of securities;
6. the listing of, and permission to deal in, the SPA Consideration Shares, SPA Conversion Shares having been granted by the Listing Committee of the Stock Exchange;
7. 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;
8. 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;
9. 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;
10. 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 Vendors' 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 Vendors' warranties or other provisions of the Agreement by the Vendors 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 Vendors to terminate or rescind the Agreement in accordance with its terms;
11. Completion of the sale and purchase of Previous Sale Shares having occurred in accordance with the terms of the Previous Agreement;

12. In relation to the sale of the Sale Shares by Sun Boom, Prowealth shall have complied with its obligations under the Prowealth Convertible Bond following the exercise by Sun Boom of the conversion rights attaching to the Prowealth Convertible Bond; and
13. All loans and amounts due from all directors of Prowealth to the Prowealth Group being capitalized on terms satisfactory to the Purchaser.

If the above conditions have not all been fulfilled or waived by the Company by 31 October 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 has been fulfilled or waived or such other date as is agreed in writing by the parties.

At Completion, the Company will, among other things, (i) issue to the Vendors the SPA Convertible Notes; (ii) issue and allot to Wise Virtue the SPA Consideration Shares credited as fully paid; and (iii) procure that Wise Virtue is registered on the register of members of the Company as the registered holder of the SPA Consideration Shares.

SPA CONSIDERATION SHARES

The Issue Price of HK\$0.086 per SPA Consideration Share was determined after arm's length negotiations between the parties with reference to the recent market price of the Shares and the net asset value per Share as at 31 December 2007 of HK\$0.6 cents.

The Issue Price represents:

- (i) a premium of approximately 7.5% to the closing price of HK\$0.08 per Share as quoted on the Stock Exchange on the last trading day immediately prior to the date of the Agreement;
- (ii) a premium of approximately 6.2% to the average closing prices of approximately HK\$0.081 per Share as quoted on the Stock Exchange for the last five trading days immediately prior to the date of the Agreement;
- (iii) a premium of approximately 3.6% to the average of the closing prices of approximately HK\$0.083 per Share as quoted on the Stock Exchange for the period from 15 May 2008 up to the date of the Agreement; and
- (iv) a premium of approximately 1333.3% over the net asset value per Share as at 31 December 2007 of HK\$0.6 cents (based on the audited consolidated net assets of approximately US\$6.5 million as at 31 December 2007 and 9,197,779,755 Shares then in issue as shown in the latest annual report of the Company).

The SPA Consideration Shares represent approximately 40.85% of the existing issued share capital of the Company. The SPA Consideration Shares will represent approximately 29% of the issued share capital of the Company as enlarged by the issue of the SPA Consideration Shares. An ordinary resolution will be proposed to the Shareholders at the SGM for the issue of the SPA Consideration Shares.

INFORMATION ON THE VENDORS AND PROWEALTH

Sun Boom and Wise Virtue were incorporated in the BVI on 20 February 2007 and 12 April 2007 respectively. Each of Sun Boom and Wise Virtue is an investment holding company beneficiary holding 1,666 and 6,667 shares of Prowealth (representing approximately 20% and 80% of the entire existing issued share capital of Prowealth respectively).

As announced by the Company on 28 February 2008, the Company had conditionally agreed to purchase and Sun Boom had conditionally agreed to sell the Previous Sale Shares to the Company pursuant to the Previous Agreement, completion of the Previous Agreement took place on 30 May 2008. On 21 February 2008, Prowealth issued the Prowealth Convertible Bond to Sun Boom, which upon full exercise of the conversion rights attaching to the Prowealth Convertible Bond, Sun Boom will be able to sell the SB Sale Shares to the Purchaser. Conversion of the Prowealth Convertible Bond by Sun Boom is a condition precedent to Completion. Upon completion of the Previous Agreement and conversion of the Prowealth Convertible Bond by Sun Boom, each of Sun Boom, Wise Virtue and the Purchaser will hold 1,667, 6,667 and 1,666 shares representing approximately 16.67%, 66.67% and 16.66% of the entire issued shares capital of Prowealth.

Both Sun Boom and Wise Virtue have not conducted any business since their dates of incorporation save for the holding of the investment in Prowealth and no audited accounts of Sun Boom and Wise Virtue have been prepared since then. Sun Boom is wholly owned by Ajia Partners Special Situations Fund I LP who is an Independent Third Party. Wise Virtue is wholly owned by Ms. Lam So Ying who is an Independent Third Party.

Prowealth is an investment holding company incorporated in the BVI on 17 May 2007, which holds 100% of the equity interest in Yield On and through various intermediary subsidiaries holds 100% of the equity interest in Maoming Changxing and Hainan Jiadexin. Prowealth has not conducted any business since its date of incorporation save for its holding of the investment in Yield On, Maoming Changxing and Hainan Jiadexin. Yield On is a company incorporated in Hong Kong with limited liability and is engaged in the 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. Prowealth Group specializes in nursery, processing and export of tilapia fish and shrimp. Prowealth Group is a wholesaler and its customers mainly comprised of US seafood distributors and importers from other countries.

The audited consolidated net asset value of Prowealth Group as at 31 December 2007 was approximately HK\$36.8 million. The audited consolidated net profit before and after tax of Prowealth Group for the year ended 31 December 2007 was approximately HK\$34.3 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 audited financial information of Prowealth and its subsidiaries have been prepared in accordance with HK GAAP. Upon Completion, Prowealth will become a wholly-owned subsidiary of the Company and results of which will be consolidated into the accounts of the Group.

The unaudited net profits before and after tax of Maoming Changxing and Hainan Jiadexin for the financial year ended 31 December 2006 were approximately HK\$5.6 million and HK\$7.4 million respectively whereas their unaudited net profits before and after tax for the year ended 31 December 2007 were approximately HK\$10.3 million and HK\$6.8 million respectively. The unaudited net loss before and after tax of Yield On for the financial year ended 31 December 2006 and 2007 were approximately HK\$0.9 million and HK\$4.3 million respectively. No tax provision was made for Maoming Changxing and Hainan Jiadexin for the years ended 31 December 2006 and 31 December 2007.

The accounting standards adopted by Yield On for preparing its financial information were Hong Kong Financial Reporting Standards while the accounting standards adopted by Maoming Changxing and Hainan Jiadexin were PRC generally accepted accounting principles.

REASONS FOR THE ACQUISITION

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

The Previous Acquisition provided an opportunity for the Group to develop a new line of business in the food processing industry while continuing with its existing business. As stated in the 2007 Annual Report of the Company, the Board believes that the Group will be able to broaden its source of income by diversifying its business into seafood trading and processing food business in the PRC and improve the profitability by broadening its business scope. Further to the Previous Acquisition, as disclosed in the announcement of the Company dated 21 May 2008, the Company, through a wholly owned subsidiary, has acquired the entire equity interests in Maoming Jiaxing Foods Co., Limited which holds the land use right in a piece of land located in the Science & Technology Industrial Zone, Dianbai, Maoming, Guangdong Province with an approximate total site area of 16,500 square metres and the Company intends to use the land for the construction of ice and cold storage facilities to further develop its seafood trading and processing food business. The Acquisition will further expand their development in the seafood and trading and food processing business. The Company will continue its existing business and there is no present intention to change the principal business of the Group.

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.

PROPOSED SHARE CONSOLIDATION AND CHANGE OF BOARD LOT SIZE

Share Consolidation: It is proposed that, subject to the conditions set out below, every five (5) Shares in the issued and unissued ordinary share capital of the Company will be consolidated into one (1) Consolidated Share of US\$0.005.

As at the date of this announcement, there were 9,197,779,755 Shares in issue. On the basis of such issued share capital only, there will be 1,839,555,951 Consolidated Shares in issue following the Share Consolidation (assuming that there are no changes in the share capital of the Company, from the date of this announcement and up to the effective date of the Share Consolidation).

Conditions of the Share Consolidation: The Share Consolidation will be conditional upon:–

- (i) the passing at the SGM of an ordinary resolution approving the Share Consolidation; and
- (ii) the Listing Committee of the Stock Exchange granting listing of, and permission to deal, in the Consolidated Shares and the Consolidated Shares falling to be issued upon exercise of the rights attaching to the Share Options.

Reasons for the Share Consolidation: As the proposed Share Consolidation will increase the nominal value of the shares of the Company and it is expected that the trading price of the shares of the Company will also increase, the Directors consider that the proposed Share Consolidation will make the shares of the Company more attractive to investors and is beneficial to the Company for its future fund-raising activities. The trading costs of the Consolidated Shares of the Company will also be reduced as a result of the Share Consolidation.

The Share Consolidation will not in itself, alter the underlying assets, business, operations, management or financial position of the Company except for the payment of related expenses in connection with the Share Consolidation.

Odd Lots Arrangements: In order to alleviate the difficulties arising from the existence of odd lots of the Consolidated Shares, Sanfull Securities Limited will be appointed by the Company to provide a matching service to those Shareholders who wish to acquire odd lots of Consolidated Shares to make up a full board lot, or to dispose of their holdings of odd lots of Consolidated Shares. Details of the odd lots arrangement will be stated in the circular to be issued by the Company.

Ranking: The Consolidated Shares will rank pari passu in all respects with each other.

Board Lot Size: The board lot of the Consolidated Shares will be changed from 2,000 Shares to 5,000 Consolidated Shares. Based on the closing price of HK\$0.08 per Share as at the last trading day immediately prior to the date of the Agreement, the value of a board lot of Consolidated Share is HK\$2,000.

Reasons for change of board lot size The change of board lot size is proposed after taking into account of the dilution effects of the issue of the Convertible Note, the Previous SPA Convertible Note, SPA Consideration Shares and SPA Convertible Notes.

Expected timetable for the Share Consolidation and change of board lot size

The expected timetable (which may be subject to change) is set out below. If there are any changes to the timetable, a further announcement will be made by the Company.

2008

Despatch of circular in respect of the SGM convened to approve the Acquisition and the Share Consolidation thereunder 30 June

Latest time for lodging forms of proxy for the SGM 10:00 a.m. on 14 July

SGM 10:00 a.m. on 16 July

Effective date of the Share Consolidation 17 July

Existing counter for trading in the Shares in board lots of 2000 Shares closes 9:30 a.m. on 17 July

Temporary counter for trading in the Consolidated Shares in board lots of 400 Consolidated Shares (in the form of existing share certificates) opens 9:30 a.m. on 17 July

First day for free exchange of existing share certificates for new share certificates for the Consolidated Shares. 17 July

First day of provision odd lot matching services 17 July

- Existing counter for trading in the Consolidated Shares
in board lots of 5000 Consolidated Shares
in the form of new share certificates) reopens 9:30 a.m. on 31 July
- Parallel trading in the Consolidated Shares (in the form
of new share certificates and existing share certificates) commences. 9:30 a.m. on 31 July
- Temporary counter for trading in the Consolidated Shares
in board lots of 400 Consolidated Shares (in the form of
existing share certificates) closes. 4:10 p.m. on 21 August
- Parallel trading in the Consolidated Shares
(in the form of new share certificates and
existing share certificates) ends. 4:10 p.m. on 21 August
- Last day of provision of odd lot matching services 21 August
- Last day for free exchange of existing share certificates
for new share certificates for the Consolidated Shares. 4:00 p.m. on 28 August

Free exchange of certificates for Shares and trading arrangement: Subject to the Share Consolidation becoming effective, Shareholders may, during business hours from 17 July 2008 to 28 August 2008 (both dates inclusive), submit their existing red certificates for the Shares to the Company's branch registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, in exchange for new blue certificates for the Consolidated Shares (on the basis of every five (5) Shares for one (1) Consolidated Share) free of charge. Thereafter, existing share certificates for Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) for each new certificate issued for the Consolidated Shares or each old share certificate submitted.

Dealings in the Shares represented by existing certificates will cease after 4:10 p.m. on 21 August 2008. Existing share certificates will only be valid for delivery and settlement in respect of dealings for the period up to 4:10 p.m. on 21 August 2008 and thereafter will not be acceptable for dealing purposes. However, existing certificates for Shares will continue to be evidence of title to the shares held in the Company on the basis of five (5) Shares for one (1) Consolidated Share.

Application for Listing:

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in the Consolidated Shares and the Consolidated Shares falling to be issued upon exercise of the Share Options.

CHANGES OF SHAREHOLDING STRUCTURE

Upon issue and allotment of the SPA Consideration Shares and full conversion of the SPA Convertible Notes or the Convertible Note or the Previous SPA Convertible Notes 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 Convertible Note or the Previous SPA Convertible Notes and there would not be any allotment or issue of new Shares or share repurchase by the Company, the shareholding structure of the Company will be as follows:

Shareholders	As at the date of this announcement		Upon full conversion of the Convertible Note		Upon full conversion of the Previous SPA Convertible Notes		Upon the full exercise of the subscription rights attaching to the Warrants		Upon issue of SPA Consideration Shares		Upon allotment of SPA Consideration Shares and full conversion of the SPA Convertible Notes (to the extent the conversion rights of the SPA Convertible Notes could be exercised)		Upon allotment of the SPA Consideration Shares, full conversion of the SPA Convertible Notes and Previous Convertible Note and the full exercise of the subscription rights attaching to the Warrants		Upon allotment of the SPA Consideration Shares, full conversion of the SPA Convertible Notes and Previous Convertible Note and the full exercise of the subscription rights attaching to the Warrants and immediately after the Share Consolidation	
	Number of Shares held	Approximate shareholding	Number of Shares held	Approximate shareholding	Number of Shares held	Approximate shareholding	Number of Shares held	Approximate shareholding	Number of Shares held	Approximate shareholding	Number of Shares held	Approximate shareholding	Number of Shares held	Approximate shareholding	Consolidated Shares held	Approximate shareholding
Zhang Xi (Note)	2,092,826,000	22.75	2,092,826,000	21.95	2,092,826,000	19.73	2,092,826,000	19.56	2,092,826,000	16.16	2,092,826,000	14.47	2,092,826,000	11.58	418,565,200	11.58
Public Shareholders																
- Vendors																
(i) Sun Boom also subscriber of the Convertible Note	-	-	335,581,395	3.52	1,406,976,744	13.27	-	-	-	-	937,750,000	6.49	2,680,308,139	14.84	536,061,627	14.84
(ii) Wise Virtue									3,756,840,000	29.00	4,323,143,219	29.90	4,690,156,976	25.96	938,031,395	25.96
Placces of Warrants							1,500,000,000	14.02	-	-	-	-	1,500,000,000	8.30	300,000,000	8.30
- Other public Shareholders	7,104,953,755	77.25	7,104,953,755	74.53	7,104,953,755	67.00	7,104,953,755	66.42	7,104,953,755	54.84	7,104,953,755	49.14	7,104,953,755	39.32	1,420,990,751	39.32
Total	9,197,779,755	100.00	9,533,361,150	100.00	10,604,756,499	100.00	10,697,779,755	100.00	12,954,619,755	100.00	14,458,672,974	100.00	18,068,244,870	100.00	3,613,648,973	100.00

Note:

Mr. Zhang Xi, an executive Director, is the beneficial owner of 2,092,826,000 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 activities 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\$1.3 million; An additional amount of HK\$111,000,000 will be raised upon the full exercise of the Warrants	(i) as to approximately HK\$1.3 million towards the general working capital of the Group (ii) as to approximately HK\$111,000,000 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) None of the Warrants have been exercised as at the date hereof
29 February 2008	Issue of Convertible Note	Approximately HK\$26,860,000	Towards the general working capital of the Group/or any suitable investments	Part of the proceed of RMB4.8 million (approximately HK\$5.2 million) used to develop the seafood trading and food processing business by acquiring a company with relevant land use right for the construction of ice and cold storage as announced by the Company on 21 May 2008. The remaining proceeds of HK\$21.66 million has been used for the general working capital of the Group

Save as disclosed above, 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 assets ratio under Chapter 14 of the Listing Rules in relation to the Acquisition when aggregated with the Previous Acquisition is over 100%. Accordingly, the Acquisition constitutes a very substantial acquisition of the Company for the purpose of Rule 14.06(5) of the Listing Rules and the Acquisition is therefore subject to approval of the Shareholders under Chapter 14 of the Listing Rules.

A circular containing, among other things, further details of the Acquisition and the transactions contemplated thereunder, the Share Consolidation and 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 Agreement and the transactions contemplated thereunder.

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 29 May 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 4 June 2008.

DEFINITIONS

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

“Acquisition”	the acquisition of the Sale Shares by the Purchaser pursuant to the Agreement
“Agreement”	the agreement relating to the sale and purchase of the Sale Shares entered into among, the Purchaser, the Company and the Vendors on 28 May 2008
“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
“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)”	the meaning ascribed thereto under the Listing Rules

“Consideration”	the consideration for the Acquisition pursuant to the Agreement
“Consolidated Share(s)”	share(s) of HK\$0.005 each in the capital of the Company immediately following and arising from the Share Consolidation
“Convertible Note”	the convertible note with an aggregate principal amount of US\$3,700,000 due on demand, issued by the Company to the Subscriber pursuant to the Subscription Agreement
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK GAAP”	generally accepted accounting principles in Hong Kong
“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
“Independent Third Party”	third parties independent of the Company and connected persons of the Company
“Issue Price”	HK\$0.086 per Share, being the issue price for the SPA Conversion Shares
“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
“PRC”	the People’s Republic of China
“Previous Acquisition”	the acquisition of the Previous Sale Shares by the Purchaser
“Previous Agreement”	the agreement relating to the sale and purchase of the Previous Sale Shares entered into between the Purchaser, the Company, Sun Boom and Ajia Partners Special Situations Fund I LP on 22 February 2008, and amended and supplemented by the Supplemental Deed

“Previous Sale Shares”	such number of issued ordinary shares of US\$1.00 each in the capital of Prowealth comprising not less than 20 per cent (%) of the entire enlarged issued share capital of Prowealth as at the date of completion of the Previous Agreement
“Previous SPA Convertible Note”	the secured convertible note with an aggregate principal amount of HK\$121,000,000 due on demand, issued by the Company to Sun Boom pursuant to the Previous Agreement
“Prowealth”	Prowealth Holdings Group Limited, a BVI business company limited by shares
“Prowealth Convertible Bond”	the secured convertible bond issued by Prowealth to Sun Boom convertible into the issued ordinary shares of Prowealth.
“Prowealth Group”	Prowealth and its subsidiaries
“Purchaser”	Fulbond Investments Limited, a wholly owned subsidiary of the Company
“Sale Shares”	SB Sale Shares and WV Sale Shares which together comprising not less than 80 per cent (%) of the entire enlarged issued share capital of Prowealth as at the date of Completion
“SB Sale Shares”	such number of issued ordinary shares of US\$1.00 each in the capital of Prowealth beneficially owned by Sun Boom and shall comprise not less than 13.33% of the entire issued share capital of Prowealth as at the time of Completion.
“Share Consolidation”	the consolidation of every five (5) Shares into one (1) Consolidated Share
“Share Options”	the issued and outstanding share options of the Company issued pursuant to the share option scheme adopted by the Company on 19 November 2001
“SPA Convertible Notes”	the Sun Boom Convertible Note and the Wise Virtue Convertible Note
“SPA Conversion Shares”	the Shares to be issued by the Company upon exercise of the conversion rights attaching to the SPA Convertible Notes
“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 Agreement and the Share Consolidation
“Share(s)”	the ordinary shares of US\$0.001 each in the capital of the Company

“Shareholder(s)”	holder(s) of the Share(s)
“SPA Consideration Shares”	3,756,840,000 shares to be issued to Wise Virtue as part of the Consideration for the Sale Shares pursuant to the Agreement on Completion
“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 Sun Boom in respect of the subscription of the Convertible Note with an aggregate principal amount of US\$3,700,000 by Sun Boom
“Sun Boom” or “Subscriber”	Sun Boom Limited, a company incorporated in the British Virgin Islands
“Sun Boom Convertible Note”	the secured convertible note with an aggregate principal amount of HK\$80,646,500 due on demand, to be issued by the Company to Sun Boom to the Agreement
“Supplemental Deed”	the supplemental deed dated 27 February 2008 entered into between the Purchaser, the Company, Sun Boom and the Vendors’ Guarantor supplemental to the Previous Agreement
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“Vendors”	Sun Boom and Wise Virtue
“Warrants”	up to 1,839,000,000 unlisted warrants 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
“WV Sale Shares”	such number of issued ordinary shares of US\$1.00 each in the capital of Prowealth beneficially owned by Wise Virtue and shall comprise not less than 66.67% of the entire issued share capital of Prowealth as at the time of Completion.
“Wise Virtue”	Wise Virtue Holdings Limited, a company incorporated in the British Virgin Islands
“Wise Virtue Convertible Note”	the secured convertible note with an aggregate principal amount of HK\$80,265,260 due on demand, to be issued by the Company to Wise Virtue to the Agreement

“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

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

By Order of the Board
FULBOND HOLDINGS LIMITED
Zhang Xi
Chairman

Hong Kong, 3 June 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.