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Honbridge Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 8137)

**DELAY IN DESPATCH OF CIRCULAR IN RELATION TO
VERY SUBSTANTIAL ACQUISITION
AND
POSSIBLE ISSUE OF REMUNERATION SHARES
UNDER GENERAL MANDATE**

Delay in despatch

The Company has applied to the Stock Exchange for an extension of the deadline for despatch of the circular in relation to the Acquisition to 7 November 2010.

Possible issue of Remuneration Shares

Pursuant to the service agreement dated 7 May 2010 entered into between the Company and CIMB, the Company has conditionally agreed to allot and issue the Remuneration Shares to CIMB to settle part of the advisory fees payable to CIMB in connection with the Acquisition.

Reference is made to the announcement (the “Announcement”) of Honbridge Holdings Limited (the “Company”) dated 16 April 2010 in relation to the Acquisition. Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

DELAY IN DESPATCH OF THE CIRCULAR

Pursuant to Rules 19.38 and 19.48 of the GEM Listing Rules, the Company is required to despatch a circular (the “Circular”) containing, amongst other things, details of the Acquisition and a notice of EGM to the Shareholders within 21 days after the publication of the Announcement, which shall be on or before 7 May 2010.

As additional time is required to engage suitable experts and compile the information to be disclosed in the Circular including, amongst all, the technical report on the estimated resource duly prepared by an independent technical adviser; valuation reports duly prepared by an independent valuer; the accountant’s report of the Target; the pro forma financial information on the enlarged group and the statement of indebtedness for the enlarged group, the Company has applied to the Stock Exchange for an extension of time for despatch of the Circular to no later than 7 November 2010.

POSSIBLE ISSUE OF REMUNERATION SHARES UNDER GENERAL MANDATE

Pursuant to the service agreement dated 7 May 2010 entered into between the Company and CIMB Securities (HK) Ltd. (“CIMB”), the Company has conditionally agreed to allot and issue to CIMB 2,000,000 new Shares (the “Remuneration Shares”) at an issue price of HK\$2.50 per Share to settle part of the advisory fees payable to CIMB in connection with the Acquisition (the “Issue”). To the best of the Directors’ knowledge, information and belief, CIMB and their ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the GEM Listing Rules).

The Remuneration Shares

The Remuneration Shares, which shall be allotted and issued to CIMB immediately after the EGM, represent approximately 0.03% of the existing issued share capital of the Company as at the date of this announcement and approximately 0.03% of the issued share capital of the Company as enlarged by the Issue. The issue price is HK\$2.50 per Remuneration Share, representing a premium of approximately 29% of the closing price of Shares as at the date of this announcement, and a premium of approximately 9% of the closing price of Shares for the last five trading days up to and including the date of this announcement.

The Remuneration Shares, when issued and fully paid, will rank pari passu in all respects with the existing issued Shares as at the date of allotment and issue of such Remuneration Shares.

The Remuneration Shares will be issued under the General Mandate. As such, no separate approval from the Shareholders is required. Under the General Mandate, the Directors are authorized to allot and issue Shares up to 20% of the number of Shares as at the date of the annual general meeting, i.e. up to 1,222,776,743 Shares. Up to the date of this announcement, no Share has been issued under the General Mandate.

The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Remuneration Shares.

Condition

The issue of Remuneration Shares is subject to the despatch of the Circular and is conditional upon the Listing Committee of Stock Exchange granting listing of and permission to deal in all of the Remuneration Shares.

Lock Up

CIMB undertakes not to dispose of the Remuneration Shares for a period of 6 months from the date of EGM.

Reasons for the possible issue of Remuneration Shares

As disclosed in the Announcement, the Company has entered into the Acquisition. CIMB has been engaged by the Company as its financial adviser in respect of the Acquisition. The purpose of the issue of Remuneration Shares is to settle part of the advisory fees payable to CIMB for its advisory service in connection with the Acquisition. The Directors consider the terms the Issue, which are determined after arm’s length negotiation between the parties, fair and reasonable and in the interest of the Company and Shareholders as a whole.

SHAREHOLDING STRUCTURE

The table below shows the existing shareholding structure of the Company and the shareholding structure after the completion of the possible issue of Remuneration Shares:

	As at the date of this announcement		After the completion of the Issue	
	No of Shares	%	No of Shares	%
Hong Bridge (Note)	4,095,000,000	66.98%	4,095,000,000	66.96%
Public:				
CIMB	-	-	2,000,000	0.03%
Other public Shareholders	2,018,883,716	33.02%	2,048,883,716	33.01%
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	6,113,883,716	100.00%	6,115,883,716	100.00%

Note: Hong Bridge is wholly-owned by Mr. He Xuechu, the chairman and a Director of the Company.

FUND RAISING ACTIVITIES

Save for (i) the proposed issue of 30,000,000 consideration Shares at HK\$2.87 per share and 300,000,000 options at exercise price of HK\$3.15 per share to subscribe for the option Shares to Xinwen as announced by the Company on 30 March 2010; (ii) the issue of 600,000,000 consideration Shares at HK\$0.80 per share and the zero coupon HK\$400,000,000 irredeemable convertible note due 2014 by the Company as announced by the Company on 12 November 2009, and (iii) the conversion of the convertible notes and share options issued on 16 October 2007 and 22 November 2007 respectively, the Company has not conducted any equity fund raising exercise in the past 12-month period immediately before the date of this announcement.

On behalf of the Board
Honbridge Holdings Limited
LIU Wei, William
Director and Chief Executive Officer

Hong Kong, 7 May 2010

As at the date of this announcement, the Board comprises Mr. He Xuechu, Mr. Liu Wei, William and Mr. Shi Li Xin as executive directors; Mr. Yan Weimin and Mr. Ang Siu Lun, Lawrence as non-executive directors and Mr. Chan Chun Wai, Tony, Mr. Fok Hon and Mr. Ma Gang as independent non-executive directors.

This announcement, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the "GEM Listing Rules" for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of its posting and on the Company's website www.8137.hk.