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**21 Holdings Limited**

**21 控股有限公司\***

*(incorporated in Bermuda with limited liability)*

**(stock code: 1003)**

## **REPURCHASE OF CONVERTIBLE NOTES**

The board of directors of 21 Holdings Limited (the “Company”) announces that the Company has entered into agreements with certain independent third parties and on 2 July 2010 completed repurchase part of the outstanding convertible notes issued by the Company on 23 July 2008 in the principal amount of HK\$60,000,000 (the “Repurchased Notes”) at a discount of 5%. The Repurchased Notes, if they had remained outstanding, would have entitled its holders to convert the Repurchased Notes, at the conversion price of HK\$0.418 per share, into 143,540,669 ordinary shares of HK\$0.01 each in the capital of the Company, representing approximately 6.37% of the existing issued share capital of the Company. After repurchase of the Repurchased Notes, the remaining outstanding aggregate principal amount of the convertible notes was HK\$70,000,000, which is convertible into 167,464,114 ordinary shares at conversion price of HK\$0.418 per share and would have fallen due for repayment upon maturity on 23 July 2011.

The repurchase of the Repurchased Notes has been made by the Company out of the proceeds from the right issue and placing of new shares. The directors of the Company are of the view that it is in the interest of the Company to and its shareholders as a whole to repurchase the Repurchased Notes at a discount of 5% before their maturity date.

By Order of the Board  
**21 Holdings Limited**  
**Ng Kai Man**  
*Chairman*

Hong Kong, 5 July 2010

*As at the date of this announcement, the Board comprises Mr. Ng Kai Man (Chairman), Mr. Cheng Yuk Wo and Mr. Ha Kee Choy, Eugene as executive directors and Mr. Chui Chi Yun, Robert and Mr. Lui Siu Tsuen, Richard as independent non-executive directors.*

*\* for identification purpose only*