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## **HERITAGE INTERNATIONAL HOLDINGS LIMITED**

**漢基控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 412)

### **ANNOUNCEMENT ON CONVERSION OF CONVERTIBLE NOTES**

The Company made this announcement pursuant to paragraph (i)(a) under the heading “Dilution effect on Shareholders” of the Announcement and the Circular.

Reference is made to the Company’s announcements dated 6th April, 2006, 27 June 2006, 28 June 2006, 30 June 2006, 3 July 2006, 4 July 2006, 10 July 2006, 19 July 2006, 1 August 2006, 31 August 2006, 3 October 2006, 31 October 2006, 30 November 2006, 3 January 2007, 1 February 2007, 1 March 2007, 9 March 2007 and 26 March 2007 (the “Announcements”) and the Company’s circular dated 12th May, 2006 (the “Circular”). The Company makes this announcement pursuant to paragraph (i)(a) under the heading “Dilution effect on Shareholders” of the Announcements and the Circular. Unless the context herein otherwise requires, terms used in this announcement shall have the same meanings as in the Announcements and the Circular.

The Company has received a notice for the partial conversion of the Convertible Notes issued and as a result of which the Company has issued a total of 1,200,000,000 Shares to one independent placee at the Conversion Price of HK\$0.025 per Conversion Share on 27 March 2007. The Conversion Shares issued represent approximately 7.22% of the issued share capital of the Company as at the date of this announcement.

The details regarding the status of conversion of the Convertible Notes issued in the month of March 2007 are as follows:–

(a) Conversion of the Convertible Notes issued:

<b>Date of Conversion Notice</b>	<b>No. of Conversion Notice</b>	<b>No. of new shares be issued</b>	<b>Principal amount of Convertible Notes (HK\$) million</b>	<b>Conversion price HK\$</b>
27 March 2007	1	1,200,000,000	30.0	0.025

\* For identification purposes only

(b) Redemption of the Convertible Notes issued:	Nil
(c) The outstanding principal amount of the Convertible Notes after conversion(s) and redemption(s) referred to above:	HK\$50,000,000
(d) The total number of Shares issued during the month other than as a result of the conversion of the Convertible Notes:	713,400,000
(e) The total issued share capital of the Company as at 23 March 2007:	15,413,481,943
(f) The total issued share capital of the Company as at 27 March 2007:	16,613,481,943

This announcement is only released through the web-site of The Stock Exchange of Hong Kong Limited and no publication in the newspapers is made.

By order of the board  
**Heritage International Holdings Limited**  
**Kwong Kai Sing, Benny**  
*Chairman*

Hong Kong, 28 March 2007

As at the date of this announcement, the Directors are as follows:

*Executive Directors*

Mr. Kwong Kai Sing, Benny  
Ms. Lo Ki Yan, Karen  
Mr. Ong Peter  
Ms. Poon Chi Wan  
Mr. Chow Chi Wah, Vincent

*Independent Non-executive Directors*

Mr. Chan Sze Hung  
Mr. To Shing Chuen  
Mr. Ha Kee Choy, Eugene  
Mr. Chung Yuk Lun