



# KANTONE HOLDINGS LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

Stock code: 1059

## **ISSUE OF UP TO US\$24,000,000 1 PER CENT. UNLISTED AND UNSECURED CONVERTIBLE BONDS DUE 2008 35<sup>th</sup> MONTHLY ANNOUNCEMENT**

Reference is made to the Company's announcements dated 7 April 2005 and 24 August 2006. The Company made this announcement as per the requirements of the listing approvals granted by the Stock Exchange in respect of the Shares to be issued and allotted upon the conversion of the Original Tranche 1 Bonds and the Additional Tranche 1 Bonds and upon the exercise of their respective subscription rights.

Reference is made to the Company's announcements dated 7 April 2005 and 24 August 2006 (the "Announcements"). The Company made this announcement as per the requirements of the listing approvals granted by the Stock Exchange in respect of the Shares to be issued and allotted upon the conversion of the Original Tranche 1 Bonds and the Additional Tranche 1 Bonds and upon the exercise of their respective subscription rights. Unless the context herein otherwise requires, terms used in this announcement shall have the same meanings as in the Announcements.

The Company would like to report that no conversion was made by the holders of Bonds for the Original Tranche 1 Bonds during the month of February 2008. The outstanding Original Tranche 1 Bonds thus remained at US\$100,000 as at 29 February 2008 and there was no outstanding Additional Tranche 1 Bonds. For the previous monthly announcement made by the Company on 1 February 2008, please refer to the web-site of The Stock Exchange of Hong Kong Limited.

By Order of the Board

**Lai Yat Kwong**

*Executive Director*

Hong Kong, 7 March 2008

*As at the date of this announcement, the executive directors of the Company are Mr Paul Kan Man Lok and Mr Lai Yat Kwong; the non-executive directors are Mr Leo Kan Kin Leung, Ms Shirley Ha Suk Ling and Mr Paul Michael James Kirby; and the independent non-executive directors are Prof Liang Xiong Jian, Prof Ye Pei Da, Mr Frank Bleackley, Prof Julia Tsuei Jo and Ms Miranda Ho Mo Han.*