



**HANG FUNG GOLD TECHNOLOGY LIMITED**

**恒豐金業科技有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 870)**

**ISSUE OF GUARANTEED CONVERTIBLE BONDS DUE 2011  
20TH MONTHLY ANNOUNCEMENT  
AND  
ADJUSTMENT OF CONVERSION PRICE**

The Company reports on the status of conversion of the Convertible Bonds in August 2008.

With effect from 29 August 2008, the Conversion Price has been adjusted to HK\$1.035 pursuant to the Terms.

Reference is made to the Company's circular dated 13 December 2006 (the "Circular"). Unless the context herein otherwise requires, terms used in this announcement shall have the same meanings as in the Circular.

**Monthly Report**

The Company reports that no conversion of the Convertible Bonds was made by the Bondholders during the month of August 2008. The principal outstanding amount of the Convertible Bonds as at 31 August 2008 was HK\$60,000,000. Since the total number of shares issued during the month pursuant to other transactions was 60,000, the total issued shares of the Company as at the commencement of the month were 951,742,014 shares and as at the last day of the month were 951,802,014 Shares.

**Adjustment to Conversion Price**

Pursuant to the terms and conditions of the Convertible Bonds (the "Terms"), if the Company pays or makes any Distribution (as defined in the Terms), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such Distribution by the quotient of (a) the Current Market Price (as defined in the Terms) of one Share on the last trading day preceding the date on which the Distribution is publicly announced (the "**Relevant Market Price**") less the amount of cash so distributed attributable to one Share divided by (b) the Relevant Market Price.

As a result of the final dividend of HK\$0.04 for the year ended 31 March 2007, the final dividend of HK\$0.04 and the special dividend of HK\$0.02 for the year ended 31 March 2008, and the interim dividends of HK\$0.015 and HK\$0.028 for the 6 months ended 30 September 2006 and 2007 respectively declared by the Company, the Conversion Price has been adjusted to HK\$1.035 with effect from 29 August 2008. A maximum of 8,478,728 Conversion Shares will fall to be issued (i) in respect of the Convertible Bonds already converted at the original Conversion Price and (ii) upon conversion of the Convertible Bonds outstanding at the adjusted Conversion Price.

This announcement is published on the website of Hong Kong Exchanges and Clearing Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website at [www.hangfung.com](http://www.hangfung.com).

*As at the date of this announcement, the executive directors of the Company are Mr. Lam Sai Wing, Ms. Chan Yam Fai, Jane, Ms. Ng Yee Mei, Mr. Yeung Hon Yuen and Mr. Kuang Hao Kun, Giovanni, the non-executive director is Mr. Wong Kwong Chi and the independent non-executive directors are Mr. Lee Kok Keung, Mr. Liu Ngai Wing, Mr. Lui Sun Wing and Mr. Lou Ping Ho.*

By Order of the Board  
**Lam Sai Wing**  
Chairman

Hong Kong, 5 September 2008

*\* For identification purpose only*