



New Heritage Issues 6% HK\$75 Million Convertible Notes

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Further Enhances Financial Position and Flexibility for Business Development in Future

(Hong Kong, 16 September 2011) — At the extraordinary general meeting held today, **New Heritage Holdings Ltd.** (“New Heritage” or the “Group”) (Stock code: 95), a Hong Kong based developer of middle to high-end property projects in Suzhou, Jiangsu Province and an investor in commercial properties in Beijing, the PRC, has secured approval from shareholders to issue convertible notes with an aggregate principal amount of HK\$75 million due in 2014.

Pursuant to the subscription agreement dated 5 July 2011, the Group will issue notes to Asia Financial Holdings Limited and Asia Insurance Company, Limited convertible into shares at a conversion price of HK\$1.10 per share. The maximum number of the Conversion Shares to be issued is 68,181,818 shares, representing approximately 5.06% of the issued share capital as enlarged by the Conversion Shares. Interest rate of the Convertible Notes is 6% per annum. After deducting relevant expenses, the net proceeds are expected to be approximately HK\$74 million, allowing the Group to refinance its debts under the 2007 Convertible Notes and have a long term duration for three years to 2014.

Mr. Richard Tao, Vice Chairman of New Heritage, said, “We are very pleased to have shareholders’ support for the issue of convertible notes. Given the current unstable capital market due to various sovereign debt crisis in Europe and continuous credit tightening in the PRC, we are pleased to receive shareholders’ consent on our proposal to issue this convertible note at an acceptable interest rate.”

Mr. Paul Tao, Managing Director of New Heritage, said, “Issuing these convertible notes would enhance the Group’s financial position and flexibility for further business development in the near future. Looking ahead, we will continue to focus on second-tier cities that possess great growth potential and actively explore good development prospects.”

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About New Heritage Holdings Ltd.

New Heritage is principally engaged in developing and investing in well received property projects in the PRC – primarily focusing on Jiangsu Province and Beijing. Renowned as a reputable Hong Kong-owned developer operating in Suzhou, its major property development projects include Suzhou Garden Villa, Suzhou Garden Court, Suzhou Garden Place, Suzhou Garden Towers, SGV Plaza, Garden Court Plaza, Wuzhong Garden Court, Taihu Garden Court and Lakeside Garden Court, most of which have earned the Group numerous awards and industry recognition. New Heritage is a major investor in the Beijing Landmark Towers complex in the prime Chaoyang District in the nation’s capital.

For more information:

Strategic Financial Relations Limited

Vicky Lee / Angelus Lau / Samantha Yeung

Tel: (852) 2864 4834 / 2864 4805 / 2114 4953

Fax: (852) 2527 1196

Email: vicky.lee@sprg.com.hk / angelus.lau@sprg.com.hk / samantha.yeung@sprg.com.hk