Jade Dynasty Group Limited

玉 皇 朝 集 團 有 限 公 司 *

(*Incorporated in Bermuda with limited liability*)

(Stock Code: 970)

MONTHLY ANNOUNCEMENT IN RESPECT OF THE CONVERTIBLE NOTE

Reference is made to the Company's Announcement and Circular. Completion of the Proposed Acquisition involving issue of the Consideration Shares and Convertible Notes took place on 26 June 2008. As per the conditions of the listing approval granted by the Stock Exchange in respect of the Conversion Shares, the Company is required to disclose by way of monthly announcements on or before the fifth business day following the end of each calendar month to inform the Shareholders and investors of dilution in the shareholding in the Company as a result of the exercise of the conversion rights attached to the Convertible Note during the previous month.

The Directors would like to report that no conversion of the Convertible Note had been made during June 2008.

Reference is made to the circular of Jade Dynasty Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") dated 20 March 2008 (the "**Circular**") in relation to, amongst others, the Acquisition and the issue of the 4% Convertible Note, the announcement dated 6 June 2008 in relation to monthly announcement in respect of the Convertible Note and the announcement dated 26 June 2008 in relation to Completion of Acquisition. Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the Circular.

The Directors wish to state that all conditions of the SP Agreement dated 22 February 2008 have been fully fulfilled on 23 June 2008. Accordingly, Completion of the Acquisition involving the issue of the Consideration Shares and Convertible Notes has taken place and the Company has therefore issued the Convertible Note to the Vendor on 26 June 2008.

Monthly disclosure in relation to conversion of the Convertible Note

As per the conditions of the listing approval granted by the Stock Exchange in respect of the Conversion Shares, the Company is required to disclose by way of monthly announcements on or before the fifth business day following the end of each calendar month to inform the Shareholders and investors of dilution in the shareholding in the Company as a result of the exercise of the conversion rights attached to the Convertible Note during the previous month.

The Directors would like to report that:

(i) no conversion of the Convertible Note had been made during June 2008;
(ii) the amount of the outstanding Convertible Note as at 30 June 2008 was HK$264,000,000;
(iii) 400,000,000 new Shares were issued on 26 June 2008 pursuant to the Completion of Acquisition but no other new Shares were issued for other transactions during June 2008, including new Shares issued pursuant to exercise of options under the Company's share option scheme;
(iv) the total number of issued shares of the Company as at 1 and 30 June 2008 was 1,086,152,850 and 1,486,152,850 respectively; and
(v) the total issued share capital of the Company as at 1 and 30 June 2008 was HK$2,172,305.70 and HK$2,972,305.70 respectively.

By Order of the Board
Jade Dynasty Group Limited
Chan Ka Kit
Company Secretary

Hong Kong, 7 July 2008

As at the date of this announcement, the Company has five executive Directors, one non-executive Director and three independent non-executive Directors. The executive Directors are Mr. Tong Kai Lap, Mr. Zheng Hao Jiang, Mr. Wan Siu Lun, Mr. Wong Chun Keung, and Mr. Kwong Chi Tak. The non-executive Director is Mr. Ko Chi Keung. The independent non-executive Directors are Mr. Choy Sze Chung, Jojo, Mr. Lam Kwok Cheong and Mr. Tsui Pui Hung.

** for identification purpose only*