



HANNY HOLDINGS LIMITED
 錦興集團有限公司
 (Incorporated in Bermuda with limited liability)

088-03638

Date: 31 July 2006

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OFFICE OF INTERNATIONAL
 CORPORATE FINANCE
 BY COURIER

Office of International Corporate Finance
 Securities & Exchange Commission
 Room 3628
 100F Street North East
 Washington DC 20549
 U.S.A.



SUPPL

Dear Sirs,

HANNY HOLDINGS LIMITED (the "Company")
- ISIN US 41068T2087

We enclose herewith the following documents of the Company for filing under the ISIN US 41068T2087:

- (1) Annual Report 2005-2006;
- (2) Circular regarding proposed re-election of directors, proposed general mandates to issue and repurchase shares and notice of annual general meeting;
- (3) copy of Announcement of Results for the year ended 31 March 2006 dated 28 July 2006 published in The Standard (English version) and Hong Kong Economic Times (Chinese version) respectively on 31 July 2006; and
- (4) copy of Notice of Annual General Meeting dated 31 July 2006 published in The Standard (English version) and Hong Kong Economic Times (Chinese version) respectively on 31 July 2006.

Thank you for your kind attention.

Yours faithfully
 For and on behalf of
 HANNY HOLDINGS LIMITED


 Florence Kam
 Company Secretary

Encls.

PROCESSED

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THE CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your securities in Hanny Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

HANNY 
VISIONS AHEAD
HANNY HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 275)

**PROPOSED RE-ELECTION OF DIRECTORS,
PROPOSED GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

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OFFICE OF THE REGISTRAR OF
CORPORATE FINANCIAL

A notice convening the annual general meeting of Hanny Holdings Limited to be held at Conference Room, 11th Floor, Paul Y. Centre, 51 Hung To Road, Kwun Tong, Kowloon, Hong Kong on Friday, 1 September 2006 at 10:30 a.m. is set out in Appendix III to this circular. Whether or not the shareholders of the Company intend to attend such meeting, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding such meeting. Completion and return of the form of proxy will not preclude the shareholders from attending and voting at the meeting or any adjourned meeting if they so wish.

31 July 2006

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“AGM”	the annual general meeting of the Company to be convened and held at Conference Room, 11th Floor, Paul Y. Centre, 51 Hung To Road, Kwun Tong, Kowloon, Hong Kong on Friday, 1 September 2006 at 10:30 a.m. or any adjournment thereof (or as the case may be);
“associates”	the same definition as described under the Listing Rules;
“Board”	the board of Directors;
“Bye-Laws”	the bye-laws of the Company;
“Company”	Hanny Holdings Limited, a company incorporated in Bermuda with limited liability, and the shares of which are listed on the main board of the Stock Exchange;
“Convertible Bonds”	convertible bonds of the Company which is convertible into Shares at a conversion price of HK\$9 per Share (subject to adjustment);
“Director(s)”	the director(s) of the Company;
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong Special Administrative Region of the People’s Republic of China;
“ITC”	ITC Corporation Limited, a company incorporated in Bermuda with limited liability, and the ordinary shares and preference shares of which are listed on the main board of the Stock Exchange;
“Latest Practicable Date”	26 July 2006, being the latest practicable date prior to the printing of this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“New Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise the power of the Company to issue new Shares on the terms set out in the Notice of AGM;
“Notice”	the notice convening the AGM;
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase Shares on the terms set out in the Notice of AGM;
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong);
“Share(s)”	share(s) of par value of HK\$0.01 each in the capital of the Company;
“Shareholders”	the shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Code on Takeovers and Mergers;
“%”	per cent.



VISIONS AHEAD

HANNY HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 275)

Executive Directors:

Dr. Chan Kwok Keung, Charles (*Chairman*)
Dr. Yap, Allan (*Managing Director*)
Mr. Lui Siu Tsuen, Richard (*Deputy Managing Director*)

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent Non-Executive Directors:

Mr. Yuen Tin Fan, Francis
Mr. Kwok Ka Lap, Alva
Mr. Wong King Lam, Joseph
Mr. Sin Chi Fai

*Head office and principal place of
business in Hong Kong:*

8th Floor, Paul Y. Centre
51 Hung To Road
Kwun Tong
Kowloon
Hong Kong

31 July 2006

*To the Shareholders and, for information only,
to the holders of the Convertible Bonds and
the holders of share options granted under
the Company's share option scheme*

Dear Sir or Madam,

**PROPOSED RE-ELECTION OF DIRECTORS,
PROPOSED GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

At the forthcoming AGM of the Company to be held on Friday, 1 September 2006, the following resolutions will be proposed, among other things:

- (a) to re-elect Dr. Yap, Allan and Mr. Sin Chi Fai, who will retire at the AGM in accordance with the Bye-Laws, as directors of the Company;
- (b) to grant to the Directors a general mandate to repurchase Shares not exceeding 10% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing such resolution;

LETTER FROM THE BOARD

- (c) to grant to the Directors a general mandate to allot, issue and deal with additional Shares and to make or grant offers, agreements, options and warrants not exceeding 20% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing such resolution; and
- (d) to add to the general mandate for issuing Shares set out in (c) above the number of Shares repurchased by the Company pursuant to the Repurchase Mandate set out in (b) above.

PROPOSED RE-ELECTION OF DIRECTORS

In accordance with bye-laws 87(2) and 87(3) of the Bye-Laws, Dr. Yap, Allan will retire from office by rotation and, being eligible, offer himself for re-election at the forthcoming AGM.

In accordance with bye-law 86(2) of the Bye-Laws, Mr. Sin Chi Fai who was appointed during the period from the last AGM to the date of this circular, will retire and, being eligible, offer himself for re-election at the forthcoming AGM.

Information as required to be disclosed under the Listing Rules is set out in Appendix I to this circular.

PROPOSED GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, it will be proposed, by way of an ordinary resolution, that the Directors be given a general and unconditional mandate to exercise all powers of the Company to repurchase Shares on the Stock Exchange up to a maximum of 10% of the share capital of the Company in issue at the date of passing the ordinary resolution.

An explanatory statement containing information relating to the Repurchase Mandate as required pursuant to the Listing Rules, is set out in Appendix II to this circular.

PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES

At the AGM, it will also be proposed, by way of an ordinary resolution, that the Directors be given a general and unconditional mandate to exercise all powers of the Company to issue new Shares up to a maximum of 20% of the share capital of the Company in issue at the date of passing the ordinary resolution. In addition, it is further proposed, by way of a separate ordinary resolution, that the New Issue Mandate be extended so that the Directors be given a general mandate to issue further Shares with an aggregate nominal value equal to the aggregate nominal value of the share capital of the Company repurchased under the Repurchase Mandate.

AGM

A notice convening the AGM with the resolutions, among other matters, is appended hereto as Appendix III to this circular. Whether or not the Shareholders are able to attend the meeting, they are requested to complete the enclosed form of proxy and return it to the Company's branch share registrar in Hong Kong, Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time of the meeting. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting at the meeting should they wish to do so.

LETTER FROM THE BOARD

PROCEDURES FOR DEMANDING A POLL

A resolution put to the vote of a meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (a) by the Chairman; or
- (b) by at least three members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) by a member or members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting; or
- (d) by a member or members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

A demand by a person as proxy for a member shall be deemed to be the same as a demand by the member.

RECOMMENDATION

The Directors are of the opinion that (i) the re-election of the retiring Directors and (ii) the grant of the Repurchase Mandate and the New Issue Mandate are in the best interests of the Company and its Shareholders as a whole and accordingly recommend all the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

GENERAL

Copies of the Company's memorandum of association and Bye-Laws will be available for inspection at the principal place of business of the Company in Hong Kong at 8th Floor, Paul Y. Centre, 51 Hung To Road, Kwun Tong, Kowloon, Hong Kong during normal business hours from the date of this circular up to and including the date of the AGM.

Yours faithfully,
For and on behalf of the Board of
Hanny Holdings Limited
Dr. Chan Kwok Keung, Charles
Chairman

PARTICULARS CONCERNING DIRECTORS SEEKING RE-ELECTION AT THE AGM

Dr. Yap, Allan, aged 50, joined the Company in 1995 and was appointed as Deputy Managing Director in December 1997. In November 2000, he was appointed as Managing Director of the Company. He obtained the Honorary degree of Doctor of Laws and has over 24 years' experience in finance, investment and banking.

Dr. Yap is an executive director of Wing On Travel (Holdings) Limited, a company whose shares are listed on the main board of the Stock Exchange. He is the chairman and chief executive officer of China Enterprises Limited, a company whose shares are traded on the OTC Bulletin Board in the United States of America as well as Burcon NutraScience Corporation, a company whose shares are listed on the TSX Venture Exchange in Canada and the Frankfurt Stock Exchange in Germany. Dr. Yap is an executive chairman of PSC Corporation Ltd, Intraco Limited and Tat Seng Packaging Group Ltd., all of which are public listed companies in Singapore. He is also the chairman of MRI Holdings Limited, a company whose shares are listed on the Australian Stock Exchange.

Dr. Yap previously held directorships as vice chairman of China Strategic Holdings Limited (October 2000 to June 2006) and director of Dong Fang Gas Holdings Limited (now known as Pacific Century Premium Developments Limited) (September 2002 to May 2004). Save as disclosed above, Dr. Yap has not held any directorships in other listed public companies in the last three years.

As at the Latest Practicable Date, Dr. Yap has personal interest in 1,600,000 Shares, representing approximately 0.65% of the issued share capital of the Company and an interest in 3,250,000 underlying shares of equity derivatives of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Dr. Yap does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company.

Dr. Yap has not entered into any service contract with the Company, nor is he appointed for a specific term, but he is subject to retirement by rotation and is eligible for re-election at the AGM in accordance with the Bye-Laws. Dr. Yap is entitled to receive an emolument of HK\$2,412,000 (inclusive of salary, bonus payment and MPF contributions) from the Company for the financial year ended 31 March 2006 for the performance of acting as an Executive Director of the Company. Such emolument is determined and reviewed by the Board from time to time with reference to the performance and profitability of the Company as well as remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there is no information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, and there is no other matters that need to be brought to the attention of the Shareholders in relation to the re-election of Dr. Yap.

Mr. Sin Chi Fai, aged 46, was appointed as Independent Non-Executive Director of the Company in December 2005. He is also a Member of the Audit Committee of the Company. He obtained a diploma in Banking from The Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University). He has over 11 years' experiences in banking field and has 11 years' sales and marketing experiences in information technology industries. Mr. Sin is a director and a shareholder of a Singapore company engaging in distribution of data storage media and computer related products in Asian countries.

Mr. Sin is currently an independent non-executive director of China Strategic Holdings Limited and Wing On Travel (Holdings) Limited. Mr. Sin had been an independent non-executive director of Capital Estate Limited. The shares of all these companies are listed on the main board of the Stock Exchange. Save as disclosed above, Mr. Sin has not held any directorships in other public listed companies in the past three years.

As at the Latest Practicable Date, Mr. Sin does not have any interest in Shares within the meaning of Part XV of the SFO.

Mr. Sin was previously a director of a subsidiary in Singapore of the Company (the "Subsidiary") from 27 March 2002 to 12 January 2003 and was re-designated as an independent non-executive director from 13 January 2003 (on which date the shareholders of the Subsidiary had approved the Subsidiary to be deregistered) to 14 January 2004 (on which date the Subsidiary was struck off). Mr. Sin does not have any relationships with any Directors, senior management or substantial or controlling shareholders of the Company.

Mr. Sin has not entered into any service contract with the Company, but there is an appointment letter which has been signed between Mr. Sin and the Company. Mr. Sin is subject to retirement by rotation and is eligible for re-election at the AGM in accordance with the Bye-Laws. Mr. Sin is entitled to receive director's fee of Singapore dollars of 10,000 per annum (without bonus payments and other benefits) for the performance of acting as an Independent Non-Executive Director and a Member of the Audit Committee of the Company. Such emolument is determined and reviewed by the Board from time to time with reference to the performance and profitability of the Company as well as remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there is no information that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, and there is no other matters that need to be brought to the attention of the Shareholders in relation to the re-election of Mr. Sin.

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide all the information in relation to the Repurchase Mandate for your consideration.

SHARE CAPITAL

As at the Latest Practicable Date, there were 247,179,630 Shares in issue and the Convertible Bonds with the outstanding principal amount of HK\$770,973,210 which is convertible into 85,663,690 Shares.

Subject to the passing of the relevant ordinary resolution and on the assumption that there will be no variation in the issued Shares and the Convertible Bonds prior to the date of the AGM, the Company would be allowed to repurchase up to a maximum of 24,717,963 Shares.

REASONS FOR THE REPURCHASES

The Directors believe that it is in the best interests of the Company and its Shareholders to have general authority from the Shareholders to enable the Directors to repurchase Shares on the Stock Exchange. Such repurchase may, depending on marketing conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share of the Company and/or its earnings per Share and will only be made when the Directors believe that such repurchase will benefit the Company and its Shareholders.

FUNDING OF THE REPURCHASES

It is proposed that the repurchases of Shares under the Repurchase Mandate would be financed from available cash flow or working capital facilities of the Company and its subsidiaries. In repurchasing the Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Bye-Laws and the laws of Bermuda. The laws of Bermuda provide that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant Shares, or funds of the Company which would otherwise be available for dividend or distribution or the proceeds of a new issue of Shares made for the purpose of the repurchase. The amount of premium payable on the repurchase may only be paid out of either funds of the Company which would otherwise be available for dividend or distribution or out of the share premium account before the Shares are repurchased.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the latest published audited accounts of the Company for the year ended 31 March 2006), in the event that the proposed Repurchase Mandate was to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the previous twelve months prior to the printing of this circular were as follows:

	Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2005		
August	3.550	3.125
September	4.100	3.325
October	4.550	3.725
November	4.200	3.550
December	4.000	3.650
2006		
January	5.300	3.700
February	5.600	4.450
March	5.050	4.475
April	4.900	4.650
May	4.850	4.000
June	4.575	3.600
July (up to the Latest Practicable Date)	3.650	2.500

DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their associates has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell any of the Shares to the Company.

No connected person (as defined in the Listing Rules) has notified that he/she has a present intention to sell any of the Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchase pursuant to the proposed resolution in accordance with the Listing Rules and the laws of Bermuda.

EFFECT OF THE TAKEOVERS CODE

If a shareholder's proportionate interest in the voting rights of the Company increases as a result of the Directors exercising the powers of the Company to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition of voting rights for the purpose of Rule 32 of the Takeovers Code. Accordingly, a shareholder or group of shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge of the Company and as at the Latest Practicable Date, ITC beneficially interested in 57,614,951 Shares, representing approximately 23.31% of the issued share capital of the Company and the Convertible Bonds with the outstanding principal amount of HK\$95,966,280 (“ITC Convertible Bonds”) which is convertible into 10,662,920 Shares. Dr. Chan Kwok Keung, Charles, through companies wholly-owned by him, controls more than one-third of the voting rights of ITC.

Assuming that none of the outstanding share options and the Convertible Bonds are exercised prior to the AGM and there are no alteration to the existing shareholdings of ITC, exercise of the Repurchase Mandate in full in accordance with the terms of the ordinary resolution to be proposed at the AGM, the shareholding of ITC in the Company would be increased to approximately 25.90% of the issued share capital of the Company. It will not give rise to an obligation for ITC to make a mandatory offer under Rule 26 of the Takeovers Code.

Assuming that the conversion rights attached to ITC Convertible Bonds are exercised in full and none of the outstanding share options are exercised prior to the AGM, ITC will then be beneficially interested in 68,277,871 Shares, representing approximately 26.48% of the then issued share capital of the Company. In the event that the exercise of the Repurchase Mandate in full in accordance with the terms of the ordinary resolution to be proposed at the AGM, the shareholding of ITC in the Company would be increased to approximately 29.29% of the issued share capital of the Company. It will not give rise to an obligation for ITC to make a mandatory offer under Rule 26 of the Takeovers Code.

Assuming that there is no further issue of Shares between the Latest Practicable Date and date of repurchase, the exercise of Repurchase Mandate whether in whole or in part will not result in the number of shares being reduced to less than 25% of the issued share capital of the Company being held by the public as required by Rule 8.08 of the Listing Rules. The Directors have no intention to exercise the Repurchase Mandate to an extent as may result in a public shareholding of less than such prescribed percentage.

SHARE REPURCHASES MADE BY THE COMPANY

No repurchase of the Shares (whether on the Stock Exchange or otherwise) has been made by the Company during the six months preceding the date of this circular.



HANNY
VISIONS AHEAD
HANNY HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 275)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Hanny Holdings Limited (the "Company") will be held at Conference Room, 11th Floor, Paul Y. Centre, 51 Hung To Road, Kwun Tong, Kowloon, Hong Kong on Friday, 1 September 2006 at 10:30 a.m. for the following purposes:

1. To receive, consider and adopt the audited financial statements for the year ended 31 March 2006 and the Reports of the Directors and the Auditors thereon.
2. To declare a final dividend for the year ended 31 March 2006.
3. To re-elect Directors and to authorise the Board of Directors to fix the Directors' remuneration for the ensuing year.
4. To re-appoint auditors and authorise the Board of Directors to fix their remuneration.
5. As special business, to consider and, if thought fit, pass the following resolution as an Ordinary Resolution:

"THAT:

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors of the Company ("Directors") during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.01 each in the capital of the Company ("Shares") on The Stock Exchange of Hong Kong Limited ("Stock Exchange") or any other stock exchange on which the Shares may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose ("Recognized Stock Exchange"), subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or those of any other Recognized Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the share capital of the Company which the Company is authorised to repurchase pursuant to the approval in paragraph (a) of this resolution shall not exceed 10% of the Shares in issue as at the date of the passing of this resolution and the authority pursuant to this resolution shall be limited accordingly; and
- (c) for the purpose of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the laws of Bermuda or the bye-laws of the Company ("Bye-Laws") to be held; or

- (iii) the date upon which the authority given under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

6. As special business, to consider and, if thought fit, pass the following resolution as an Ordinary Resolution:

“THAT:

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional Shares and to make or grant offers, agreements or options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements or options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted, whether pursuant to an option or otherwise, and issued by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) any issue of Shares under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of Shares or rights to subscribe for Shares; (iii) any issue of Shares as scrip dividend or any similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend pursuant to the Bye-Laws from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any shares which are convertible into Shares, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the laws of Bermuda or the Bye-Laws to be held; or
 - (iii) the date upon which the authority given under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of Shares open for a period fixed by the Directors to the holders of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company.”

7. As special business, to consider and, if thought fit, pass the following resolution as an Ordinary Resolution:

“**THAT** conditional upon Ordinary Resolutions numbered 5 and 6 set out in the notice convening the annual general meeting of the Company dated 31 July 2006 (the “Notice”) being duly passed, the general mandate granted to the Directors pursuant to Ordinary Resolution numbered 6 set out in the Notice be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution numbered 5 set out in the Notice, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution.”

By the Order of the Board
Hanny Holdings Limited
Kam Yiu Sai, Florence
Company Secretary

Hong Kong, 31 July 2006

As at the date hereof, the Board comprises:

Executive Directors:

Dr. Chan Kwok Keung, Charles (*Chairman*)
 Dr. Yap, Allan (*Managing Director*)
 Mr. Lui Siu Tsuen, Richard (*Deputy Managing Director*)

Independent Non-Executive Directors:

Mr. Yuen Tin Fan, Francis
 Mr. Kwok Ka Lap, Alva
 Mr. Wong King Lam, Joseph
 Mr. Sin Chi Fai

Registered office:

Clarendon House
 2 Church Street
 Hamilton HM 11
 Bermuda

Head office and principal

place of business in Hong Kong:
 8th Floor, Paul Y. Centre
 51 Hung To Road
 Kwun Tong
 Kowloon
 Hong Kong

Notes:

1. A member entitled to attend and vote at the annual general meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company. A member may appoint a proxy in respect of part only of his holding of Shares in the Company. Completion and return of an instrument appointing a proxy will not preclude a member from attending and voting in person at the annual general meeting.
2. In order to be valid, the proxy form and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority shall be deposited with the Company's branch share registrar in Hong Kong, Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the annual general meeting (or any adjourned meeting).
3. The Register of Members of the Company will be closed from Tuesday, 29 August 2006 to Friday, 1 September 2006, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all share transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m. on Monday, 28 August 2006.
4. Regarding Resolution No. 3 above, Dr. Yap, Allan will retire by rotation and, being eligible, offer himself for re-election at the annual general meeting pursuant to bye-laws 87(2) and 87(3) of the Bye-Laws. Mr. Sin Chi Fai who was appointed during the year ended 31 March 2006 will hold office until the annual general meeting and will then retire and, being eligible, offer himself for re-election at the annual general meeting pursuant to bye-law 86(2) of the Bye-Laws.

7. 作為特別事項，考慮及酌情通過下列決議案為普通決議案：

「動議待日期為二零零六年七月三十一日召開本公司股東週年大會通告（「通告」）所載之第5及6項普通決議案獲正式通過後，擴大根據通告第6項普通決議案授予董事之一般授權，加入相等於本公司根據通告第5項普通決議案授出之授權購回之本公司股本總面值之數額，惟該數額須不得超過於本決議案獲通過當日本公司已發行股本面值總額之10%。」

承董事會命
錦興集團有限公司
公司秘書
甘瑤斯

香港，二零零六年七月三十一日

於本通告日期，董事會成員包括：

執行董事：
陳國強博士（主席）
Yap, Allan博士（董事總經理）
呂兆泉先生（副董事總經理）

獨立非執行董事：
袁天凡先生
郭嘉立先生
黃景霖先生
冼志輝先生

註冊辦事處：
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及香港主要營業地點：
香港
九龍
觀塘
鴻圖道51號
保華企業中心8樓

附註：

1. 凡有權出席股東週年大會及在會上投票之股東，均有權委任一位或以上受委代表代其出席及投票。受委代表毋須為本公司股東。股東可就其所持部份之本公司股份委任受委代表。股東填妥及交回代表委任表格後，屆時仍可親身出席股東週年大會及在會上投票。
2. 代表委任表格連同經簽署之授權書或其他授權文件（如有）或經已核實簽署證明之該等授權書或授權文件之副本，最遲須於股東週年大會（或任何續會）指定舉行時間48小時前送達本公司之香港股份過戶登記分處秘書商業服務有限公司，地址為香港灣仔皇后大道東28號金鐘匯中心26樓，方為有效。
3. 本公司將於二零零六年八月二十九日星期二至二零零六年九月一日星期五（首尾兩日包括在內）止期間暫停辦理股份過戶登記手續。股東如欲領取擬派發之末期股息，務請將所有過戶文件連同有關之股票，最遲須於二零零六年八月二十八日星期一下午四時前交回本公司之香港股份過戶登記分處秘書商業服務有限公司，地址為香港灣仔皇后大道東28號金鐘匯中心26樓。
4. 就上文第3項決議案而言，按照公司細則第87(2)及87(3)條，Yap, Allan博士將於股東週年大會上輪值退任，並符合資格願膺選連任。按照公司細則第86(2)條，截至二零零六年三月三十一日止年度期間獲委任之冼志輝先生，將於股東週年大會舉行前繼續任職，並將於大會上退任及符合資格願膺選連任。

(iii) 本公司股東於股東大會上通過普通決議案撤銷或修訂本決議案之授權之日。」

6. 作為特別事項，考慮及酌情通過下列決議案為普通決議案：

「動議：

- (a) 在本決議案(c)段之規限下，一般及無條件批准董事根據及按照所有適用法例於有關期間（定義見下文）行使本公司一切權力，以配發、發行及處理額外股份，以及作出或授出行使該等權力所必要或可能需要之售股建議、協議或購股權（包括認股權證、債券及可兌換為股份之債券）；
- (b) 本決議案(a)段之批准將授權董事於有關期間內作出或授出於有關期間結束後行使該等權力所必要或可能需要之售股建議、協議或購股權（包括認股權證、債券及可兌換為股份之債券）；
- (c) 董事根據本決議案(a)段之批准而配發或同意有條件或無條件配發（不論是否根據購股權或其他原因配發）發行之本公司股本面值總額（惟不包括根據(i)供股（定義見下文）；(ii)為向本公司及／或其任何附屬公司之行政人員及／或僱員授出或發行股份或認購股份權利而於當時採納之任何購股權計劃或類似安排所發行之任何股份；(iii)發行股份作為以股代息或根據當時之公司細則，配發股份以代替全部或部份股息之任何類似安排；或(iv)在根據本公司任何認股權證或任何可兌換為本公司股份之股份之條款行使認購或兌換權時所發行任何股份）不得超過本決議案獲通過當日本公司已發行股本面值總額之20%，而上文之批准亦須以此為限；及
- (d) 就本決議案而言，「有關期間」指由本決議案獲通過之日起至下列三者中之較早之日期止之期間：
 - (i) 本公司下屆股東週年大會結束時；
 - (ii) 依照百慕達法例或公司細則規定本公司下屆股東週年大會須予舉行之期限屆滿之時；或
 - (iii) 本公司股東於股東大會上通過普通決議案撤銷或修訂本決議案之授權之日。

「供股」乃指董事於指定之期間內向於某一指定記錄日期登記在本公司股東名冊內之股東按彼等當時持有之該等股份之比例而提出之供股建議，惟董事有權就零碎股權或任何適用於本公司之地區之法律或任何獲認可之監管機構或任何證券交易所規定下之限制或責任，作出其認為必要或權宜之豁免或其他安排。」



HANNY HOLDINGS LIMITED

錦興集團有限公司*

(於百慕達註冊成立之有限公司)

(股份代號: 275)

茲通告錦興集團有限公司(「本公司」)謹訂於二零零六年九月一日星期五上午十時三十分假座香港九龍觀塘鴻圖道51號保華企業中心11樓會議室舉行股東週年大會,藉以討論下列事項:

1. 省覽、考慮及採納截至二零零六年三月三十一日止年度之經審核財務報表、董事會報告及核數師報告。
2. 宣派截至二零零六年三月三十一日止年度之末期股息。
3. 重選董事並授權董事釐定董事來年之酬金。
4. 重聘核數師並授權董事釐定其酬金。
5. 作為特別事項,考慮及酌情通過下列決議案為普通決議案:

「動議:

- (a) 在本決議案(b)段之規限下,一般及無條件批准本公司董事(「董事」),依據及按照所有適用法例及聯交所證券上市規則之規定,或任何其他本公司股份可能上市而就此獲證券及期貨事務監察委員會及聯交所認可之任何其他證券交易所(「認可交易所」)不時修訂之規定,於有關期間(定義見下文)內行使本公司一切權力,在聯交所或任何其他認可交易所購回本公司股本中每股面值0.01港元之股份(「股份」);
- (b) 本公司根據本決議案(a)段之批准獲授權購回之本公司股份總面值,將不得超過於本決議案獲通過當日之已發行股份之10%,而根據本決議案授出之授權因而受此數額限制;及
- (c) 就本決議案而言,「有關期間」指由本決議案獲通過之日起至下列三者中之較早之日期止之期間:
 - (i) 本公司下屆股東週年大會結束時;
 - (ii) 依照百慕達法例或本公司之公司細則(「公司細則」)規定本公司下屆股東週年大會須予舉行之期限屆滿之時;或

* 僅供識別

就本公司所深知，於最後實際可行日期，德祥企業實益擁有57,614,951股股份，佔本公司已發行股本約23.31%；及未償還本金額95,966,280港元之可兌換債券（「德祥可兌換債券」），其可兌換為10,662,920股股份。陳國強博士透過其全資擁有之公司控制德祥企業三分之一投票權。

假設並無尚未行使之購股權及可兌換債券於股東週年大會舉行前獲行使，以及德祥企業之現有持股量並無任何變動，而購回授權將根據於股東週年大會上提呈之普通決議案之條款獲全面行使，則德祥企業於本公司之持股量將增至本公司已發行股本約25.90%。德祥企業將不會因此而須根據收購守則第26條規定提出強制性收購建議。

假設隨附於德祥可兌換債券之兌換權獲全面行使及並無尚未行使之購股權於股東週年大會舉行前獲行使，德祥企業將實益擁有68,277,871股股份，佔本公司已發行股本約26.48%。倘購回授權將根據於股東週年大會上提呈之普通決議案之條款獲全面行使，則德祥企業於本公司之持股量將增至本公司已發行股本約29.29%。德祥企業將不會因此而須根據收購守則第26條規定提出強制性收購建議。

假設於最後實際可行日期至購回日期期間並無進一步發行股份，則行使購回授權（不論全部或部份）將不可導致股份數目按上市規則第8.08條所規定公眾持有本公司已發行股本減至少於25%。董事無意行使購回授權以導致公眾持股量可能低於所規定之百分比。

本公司進行之股份購回

於本通函刊發日期前六個月內，本公司並無於聯交所或其他地方購回任何股份。

股份價格

在本通函付印前十二個月，股份每月在聯交所之最高及最低成交價如下：

	每股股份	
	最高價 港元	最低價 港元
二零零五年		
八月	3.550	3.125
九月	4.100	3.325
十月	4.550	3.725
十一月	4.200	3.550
十二月	4.000	3.650
二零零六年		
一月	5.300	3.700
二月	5.600	4.450
三月	5.050	4.475
四月	4.900	4.650
五月	4.850	4.000
六月	4.575	3.600
七月(截至最後實際可行日期)	3.650	2.500

權益披露

董事或(據彼等作出一切合理查詢後所深知及確信)彼等之任何聯繫人目前無意在股東批准購回授權後出售任何股份予本公司。

本公司並無接獲任何關連人士(定義見上市規則)知會,表示其目前有意在股東批准購回授權後出售任何股份予本公司,或已承諾不會出售股份予本公司。

董事承諾

董事已向聯交所作出承諾,在有關規定適用情況下,彼等將按照上市規則及百慕達法例行使本公司之權力購回股份。

收購守則之影響

倘董事因根據購回授權行使本公司權力購回股份而導致某一股東於本公司之表決權所佔權益比例有所增加,則有關增加將被視作就收購守則第32條而言所指之表決權收購事項處理。因此,某一股東或採取一致行動之股東可取得或鞏固對本公司之控制權,從而須根據收購守則第26條規定提出強制性收購建議。

本附錄乃按上市規則規定所載之說明函件，旨在提供有關購回授權之一切資料，以供閣下考慮。

股本

於最後實際可行日期，共有247,179,630股股份及未償還本金額770,973,210港元之可兌換債券，其可兌換為85,663,690股股份。

待有關普通決議案獲通過後，並假設於股東週年大會日期前已發行股份及可兌換債券並無任何變動，本公司可獲授權購回最多可達24,717,963股股份。

購回股份之理由

董事相信，股東授予董事一般權力使其可在聯交所購回股份乃符合本公司及其股東之最佳利益。在視乎當時市況及融資安排而定，該項購回可提高本公司每股股份資產淨值及／或其每股盈利，並只在董事認為購回股份將有利於本公司及其股東時方會進行。

用以購回股份之資金

根據購回授權，購回股份所需之款項將藉可用現金流量或營運資金融資。在購回股份時，本公司僅可動用根據本公司組織章程大綱及公司細則以及百慕達法例可合法及可作此用途之款項撥支。百慕達法例規定，就購回股份而歸還之股本款項，僅可從有關股份之已繳足股本或原供派發股息或分派之本公司資金或就購回股份而發行新股份所得款項中撥支。就購回股份應付之溢價，只可從股份購回前原可供派發股息或分派之本公司資金或股份溢價賬中撥付。

於建議之購回期間內任何時間，倘全面行使建議之購回授權，將可能對本公司之營運資金或資本負債水平（對照本公司最新刊發之截至二零零六年三月三十一日止年度經審核賬目所披露之情況而言）構成重大不利影響。然而，倘董事認為購回股份將對本公司之營運資金需求或資本負債比率構成重大不利影響時，則不會建議行使購回授權。

於最後實際可行日期，冼先生於股份中並無擁有按證券及期貨條例第XV部所指之任何權益。

冼先生曾於二零零二年三月二十七日至二零零三年一月十二日出任本公司新加坡附屬公司（「該附屬公司」）之董事，並於二零零三年一月十三日（為該附屬公司之股東批准該附屬公司撤銷之日）至二零零四年一月十四日（為該附屬公司被除名之日）被調任為獨立非執行董事。冼先生與本公司任何董事、高級管理人員或主要股東或控股股東並無任何關係。

冼先生與本公司並無訂立任何服務合約，惟冼先生已與本公司簽訂委任書。根據公司細則，冼先生須於股東週年大會上輪值退任，並符合資格膺選連任。冼先生有權就其履行本公司獨立非執行董事及審核委員會成員職務而收取董事袍金每年10,000新加坡幣（不包括花紅及其他利益）。該筆酬金乃由董事會不時作出檢討，並參考本公司之業績及盈利水平，以及業內之薪酬基準及當時市況而釐定。

除上文所披露者外，概無其他資料須根據上市規則第13.51(2)(h)至(v)條的規定而作出披露，亦無其他須知會股東有關重選冼先生之其他事宜。

於股東週年大會膺選連任之董事詳情

Yap, Allan 博士，50歲，於一九九五年加入本公司，並於一九九七年十二月獲委任為副董事總經理。彼於二零零零年十一月獲委任為本公司董事總經理。彼持有法律榮譽博士學位，並於金融、投資及銀行業務方面積逾二十四年經驗。

Yap博士為永安旅遊（控股）有限公司之執行董事，其股份於聯交所主板上市。彼為China Enterprises Limited（其股份於美國場外交易議價板買賣）及Burcon NutraScience Corporation（其股份於加拿大TSX Venture Exchange及德國法蘭克福證券交易所上市）之主席兼行政總裁。Yap博士為新加坡上市公司普威集團有限公司、新加坡國際貿易有限公司及達成包裝集團有限公司之執行主席。彼亦為MRI Holdings Limited之主席，其股份於澳洲證券交易所上市。

Yap博士曾獲委任為中策集團有限公司之副主席（由二零零零年十月至二零零六年六月）及東方燃氣集團有限公司（現稱「盈科大衍地產發展有限公司」）之董事（由二零零二年九月至二零零四年五月）。除上文所披露者外，Yap博士於過往三年並無於其他上市公司擔任任何董事職務。

於最後實際可行日期，按證券及期貨條例第XV部之定義，Yap博士擁有1,600,000股股份（佔本公司已發行股本約0.65%）之個人權益及藉本公司股本衍生工具而持有3,250,000股相關股份之權益。除上文所披露者外，Yap博士與本公司任何董事、高級管理人員或主要股東或控股股東並無任何關係。

Yap博士與本公司並無訂立任何服務合約，彼亦非按指定任期委任，惟根據公司細則，彼須於股東週年大會上輪值退任，並符合資格膺選連任。於截至二零零六年三月三十一日止之財政年度，Yap博士有權就其履行本公司執行董事職務而收取酬金2,412,000港元（包括薪金、花紅及強積金供款）。該筆酬金乃由董事會不時作出檢討，並參考本公司之業績及盈利水平，以及業內之薪酬基準及當時市況而釐定。

除上文所披露者外，概無其他資料須根據上市規則第13.51(2)(h)至(v)條的規定而作出披露，亦無其他須知會股東有關重選Yap博士之其他事宜。

冼志輝先生，46歲，於二零零五年十二月獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會成員。彼於香港理工學院（現稱「香港理工大學」）獲取銀行系之文憑。彼於銀行業積逾十一年經驗，並於資訊科技業擁有十一年銷售及推廣之經驗。冼先生為一間於亞洲國家從事分銷數據儲存媒體及與電腦相關產品的新加坡公司之董事及股東。

冼先生目前為中策集團有限公司及永安旅遊（控股）有限公司獨立非執行董事。冼先生曾任冠中地產有限公司獨立非執行董事。該等公司之股份均於聯交所主板上市。除上文所披露者外，冼先生於過往三年並無於其他上市公司擔任任何董事職務。

要求以數票方式表決之程序

於大會上提呈進行投票之決議案將以舉手方式表決，除非（在宣佈舉手投票結果之前或之時；或撤回任何其他數票方式表決之要求之時）下列人士要求以數票方式表決：

- (a) 大會主席；或
- (b) 至少三名親身出席大會並於當時有權在大會上投票之股東（或倘股東為法人團體，則為其正式授權代表）或其受委代表；或
- (c) 一名或多名親身出席之股東（或倘股東為法人團體，則為其正式授權代表）或其受委代表，並佔不少於所有有權於大會投票之股東總投票權十分之一；或
- (d) 一名或多名親身出席之股東（或倘股東為法人團體，則為其正式授權代表）或其受委代表，並持有獲賦予其權利於大會上投票之本公司股份之實繳股款總額不少於獲賦予該權利之所有股份實繳股款總額十分之一。

股東受委代表提出之要求，應被視為與股東所提出者無異。

推薦意見

董事認為(i)重選退任董事；及(ii)授出購回授權及新發行授權均符合本公司及其股東整體之最佳利益。故此，建議所有股東投票贊成於股東週年大會上將予提呈之有關決議案。

一般資料

本公司組織章程大綱及公司細則之副本於本通函日期起至股東週年大會日期（包括該日）止期間之一般辦公時間內，在本公司之香港主要營業地點，地址為香港九龍觀塘鴻圖道51號保華企業中心8樓，可供查閱。

此 致

列位股東 台照

及可兌換債券持有人及

根據本公司購股權計劃授出之購股權持有人 參照

代表董事會
錦興集團有限公司
主席
陳國強博士
謹啓

二零零六年七月三十一日

- (c) 授予董事一般授權配發、發行及處理額外股份，及作出或授出之售股建議、協議、購股權及認購權證，惟不可超過在有關決議案獲通過當日本公司已發行股本之總面值20%；及
- (d) 在上文(c)項所載發行股份之一般授權之上，增加本公司根據上文(b)項之購回授權購回之股份數目。

建議重選董事

按照公司細則第87(2)及87(3)條規定，Yap, Allan博士將於應屆股東週年大會上輪值退任，並符合資格願膺選連任。

按照公司細則第86(2)條規定，於上屆股東週年大會至本通函日期期間獲委任之冼志輝先生，將於應屆股東週年大會上退任，並符合資格願膺選連任。

根據上市規則規定須予披露之資料載於本通函附錄一。

建議一般授權購回股份

於股東週年大會上，將以普通決議案方式建議授予董事一般及無條件授權，以行使本公司所有權力於聯交所購回股份，購回最高限額為在普通決議案獲通過當日本公司已發行股本之10%。

按上市規則規定載有購回授權有關資料之說明函件載於本通函附錄二。

建議一般授權發行新股

於股東週年大會上，亦將以普通決議案方式建議授予董事一般及無條件授權，以行使本公司所有權力發行新股，發行最高限額為在普通決議案獲通過當日本公司已發行股本之20%。此外，亦以另一項普通決議案進一步建議擴大新發行授權，授予董事一般授權另行發行股份，其總面值相等於根據購回授權購回之本公司股本總面值。

股東週年大會

召開股東週年大會通告連同(其中包括)決議案隨附於本通函附錄三。無論股東能否出席大會，務請填妥隨附之代表委任表格，並盡快交回本公司之香港股份過戶登記分處秘書商業服務有限公司，地址為香港灣仔皇后大道東28號金鐘匯中心26樓，惟無論如何，最遲須於大會舉行時間48小時前送達。填妥及交回代表委任表格後，股東仍可出席大會，並在會上投票。



VISIONS AHEAD

HANNY HOLDINGS LIMITED

錦興集團有限公司*

(於百慕達註冊成立之有限公司)

(股份代號:275)

執行董事:

陳國強博士(主席)

Yap, Allan博士(董事總經理)

呂兆泉先生(副董事總經理)

註冊辦事處:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

獨立非執行董事:

袁天凡先生

郭嘉立先生

黃景霖先生

冼志輝先生

總辦事處及香港主要營業地點:

香港

九龍

觀塘

鴻圖道51號

保華企業中心8樓

敬啟者:

建議重選董事 建議一般授權發行及購回股份 及 股東週年大會通告

緒言

於二零零六年九月一日星期五舉行之本公司應屆股東週年大會上將予提呈下列決議案(其中包括):

- (a) 重選將於股東週年大會上根據公司細則退任之Yap, Allan博士及冼志輝先生為本公司董事;
- (b) 授予董事一般授權購回股份,惟不可超過在有關決議案獲通過當日本公司已發行股本之總面值10%;

* 僅供識別

釋 義

於本通函內，除非文義另有所指，否則下列詞彙具有以下涵義：

「股東週年大會」	指 本公司謹訂於二零零六年九月一日星期五上午十時三十分假座香港九龍觀塘鴻圖道51號保華企業中心11樓會議室召開及舉行之股東週年大會或其任何續會（或視乎情況而定）；
「聯繫人」	指 按上市規則所賦予之相同涵義；
「董事會」	指 董事會；
「公司細則」	指 本公司之公司細則；
「本公司」	指 錦興集團有限公司，於百慕達註冊成立之有限公司，其股份在聯交所主板上市；
「可兌換債券」	指 本公司之可兌換債券，按每股股份9.0港元（可予調整）之兌換價兌換為股份；
「董事」	指 本公司董事；
「港元」	指 港元，中華人民共和國香港特別行政區法定貨幣；
「德祥企業」	指 德祥企業集團有限公司，於百慕達註冊成立之有限公司，其普通股及優先股股份均在聯交所主板上市；
「最後實際可行日期」	指 二零零六年七月二十六日，即本通函付印前之最後實際可行日期；
「上市規則」	指 聯交所證券上市規則；
「新發行授權」	指 建議授予董事之一般授權，以行使本公司權力，根據股東週年大會通告所載條款發行新股份；
「通告」	指 召開股東週年大會之通告；
「購回授權」	指 建議授予董事之一般授權，以行使本公司權力，根據股東週年大會通告所載條款購回股份；
「證券及期貨條例」	指 證券及期貨條例（香港法例第571章）；
「股份」	指 本公司股本中每股面值0.01港元之股份；
「股東」	指 本公司股東；
「聯交所」	指 香港聯合交易所有限公司；
「收購守則」	指 收購及合併守則；
「%」	指 百分比。

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閣下如對本通函之任何方面或將予採取之行動有任何疑問，應諮詢閣下之持牌證券交易商或其他註冊證券交易商、銀行經理、律師、專業會計師或其他專業顧問。

閣下如已將名下所有錦興集團有限公司證券出售或轉讓，應立即將本通函及隨附代表委任表格交予買主或承讓人，或經手買賣或轉讓之銀行、證券經紀或其他代理商，以便轉交買主或承讓人。

香港聯合交易所有限公司對本通函之內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因本通函全部或任何部分內容而產生或因倚賴該等內容而引致之任何損失承擔任何責任。


HANNY
VISIONS AHEAD
HANNY HOLDINGS LIMITED
錦興集團有限公司*
(於百慕達註冊成立之有限公司)
(股份代號: 275)

建議重選董事
建議一般授權發行及購回股份
及
股東週年大會通告

錦興集團有限公司謹訂於二零零六年九月一日星期五上午十時三十分假座香港九龍觀塘鴻圖道51號保華企業中心11樓會議室舉行股東週年大會，大會通告載於本通函附錄三。無論本公司股東是否出席大會，務請按照隨附之代表委任表格按其列印之指示填妥並盡快交回本公司之香港股份過戶登記分處秘書商業服務有限公司，地址為香港灣仔皇后大道東28號金鐘匯中心26樓，惟無論如何，最遲須於該大會指定舉行時間48小時前送達。填妥及交回代表委任表格後，股東仍可親身出席大會或任何續會，並在會上投票。

二零零六年七月三十一日

HANNY

VISIONS AHEAD

HANNY HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)
(Stock Code: 275)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Hanny Holdings Limited (the "Company") will be held at Conference Room, 11th Floor, Paul Y. Centre, 51 Hung To Road, Kwun Tong, Kowloon, Hong Kong on Friday, 1 September 2006 at 10:30 a.m. for the following purposes:

1. To receive, consider and adopt the audited financial statements for the year ended 31 March 2006 and the Reports of the Directors and the Auditors thereon.
2. To declare a final dividend for the year ended 31 March 2006.
3. To re-elect Directors and to authorise the Board of Directors to fix the Directors' remuneration for the ensuing year.
4. To re-appoint auditors and authorise the Board of Directors to fix their remuneration.
5. As special business, to consider and, if thought fit, pass the following resolution as an Ordinary Resolution:

"THAT:

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors of the Company ("Directors") during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.01 each in the capital of the Company ("Shares") on The Stock Exchange of Hong Kong Limited ("Stock Exchange") or any other stock exchange on which the Shares may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose ("Recognized Stock Exchange"), subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or those of any other Recognized Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;
 - (b) the aggregate nominal amount of the share capital of the Company which the Company is authorised to repurchase pursuant to the approval in paragraph (a) of this resolution shall not exceed 10% of the Shares in issue as at the date of the passing of this resolution and the authority pursuant to this resolution shall be limited accordingly; and
 - (c) for the purpose of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the laws of Bermuda or the bye-laws of the Company ("Bye-Laws") to be held; or
 - (iii) the date upon which the authority given under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting."
6. As special business, to consider and, if thought fit, pass the following resolution as an Ordinary Resolution:

"THAT:

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional Shares and to make or grant offers, agreements or options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements or options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted, whether pursuant to an option or otherwise, and issued by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) any issue of Shares under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of Shares or rights to subscribe for Shares; (iii) any issue of Shares as scrip dividend or any similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend pursuant to the Bye-Laws from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any shares which are convertible into Shares, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the said approval shall be limited accordingly; and

- (d) for the purpose of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the laws of Bermuda or the Bye-Laws to be held; or
 - (iii) the date upon which the authority given under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

"Rights Issue" means an offer of Shares open for a period fixed by the Directors to the holders of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company."

7. As special business, to consider and, if thought fit, pass the following resolution as an Ordinary Resolution:

"THAT conditional upon Ordinary Resolutions numbered 5 and 6 set out in the notice convening the annual general meeting of the Company dated 31 July 2006 (the "Notice") being duly passed, the general mandate granted to the Directors pursuant to Ordinary Resolution numbered 6 set out in the Notice be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution numbered 5 set out in the Notice, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution."

By the Order of the Board
Hanny Holdings Limited
Kam Yiu Sai, Florence
Company Secretary

Hong Kong, 31 July 2006

As at the date hereof,
the Board comprises:

Executive Directors:
Dr. Chan Kwok Keung, Charles (Chairman)
Dr. Yap, Allan (Managing Director)
Mr. Lui Siu Tsuen, Richard
(Deputy Managing Director)

Independent Non-Executive Directors:

Mr. Yuen Tin Fan, Francis
Mr. Kwok Ka Lap, Alva
Mr. Wong King Lam, Joseph
Mr. Sin Chi Fai

Notes:

1. A member entitled to attend and vote at the annual general meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company. A member may appoint a proxy in respect of part only of his holding of Shares in the Company. Completion and return of an instrument appointing a proxy will not preclude a member from attending and voting in person at the annual general meeting.
2. In order to be valid, the proxy form and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority shall be deposited with the Company's branch share registrar in Hong Kong, Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the annual general meeting (or any adjourned meeting).
3. The Register of Members of the Company will be closed from Tuesday, 29 August 2006 to Friday, 1 September 2006, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all share transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m. on Monday, 28 August 2006.
4. Regarding Resolution No. 3 above, Dr. Yap, Allan will retire by rotation and, being eligible, offer himself for re-election at the annual general meeting pursuant to bye-laws 87(2) and 87(3) of the Bye-Laws. Mr. Sin Chi Fai who was appointed during the year ended 31 March 2006 will hold office until the annual general meeting and will then retire and, being eligible, offer himself for re-election at the annual general meeting pursuant to bye-law 86(2) of the Bye-Laws.

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OFFICE OF INTERNATIONAL CORPORATE FINANCE

HANNY

VISIONS AHEAD

HANNY HOLDINGS LIMITED

錦興集團有限公司*

(於百慕達註冊成立之有限公司)
(股份代號: 275)

股東週年大會通告

茲通告錦興集團有限公司(「本公司」)謹訂於二零零六年九月一日星期五上午十時三十分假座香港九龍觀塘鴻圖道51號保華企業中心11樓會議室舉行股東週年大會,藉以討論下列事項:

1. 省覽、考慮及採納截至二零零六年三月三十一日止年度之經審核財務報表、董事會報告及核數師報告。
2. 宣派截至二零零六年三月三十一日止年度之末期股息。
3. 重選董事並授權董事釐定董事來年之酬金。
4. 重聘核數師並授權董事釐定其酬金。
5. 作為特別事項,考慮及酌情通過下列決議案為普通決議案:

「動議:

- (a) 在本決議案(b)段之規限下,一般及無條件批准本公司董事(「董事」),依據及按照所有適用法例及聯交所證券上市規則之規定,或任何其他本公司股份可能上市而就此獲證券及期貨事務監察委員會及聯交所認可之任何其他證券交易所(「認可交易所」)不時修訂之規定,於有關期間(定義見下文)內行使本公司一切權力,在聯交所或任何其他認可交易所購回本公司股本中每股面值0.01港元之股份(「股份」);
- (b) 本公司根據本決議案(a)段之批准獲授權購回之本公司股份總面值,將不得超過於本決議案獲通過當日之已發行股份之10%,而根據本決議案授出之授權因而受此數額限制;及
- (c) 就本決議案而言,「有關期間」指由本決議案獲通過之日至下列三者中之較早之日期止之期間:
 - (i) 本公司下屆股東週年大會結束時;
 - (ii) 依照百慕達法例或本公司之公司細則(「公司細則」)規定本公司下屆股東週年大會須予舉行之期限屆滿之時;或
 - (iii) 本公司股東於股東大會上通過普通決議案撤銷或修訂本決議案之授權之日。

6. 作為特別事項,考慮及酌情通過下列決議案為普通決議案:

「動議:

- (a) 在本決議案(c)段之規限下,一般及無條件批准董事根據及按照所有適用法例於有關期間(定義見下文)行使本公司一切權力,以配發、發行及處理額外股份,以及作出或授出行使該等權力所必要或可能需要之售股建議、協議或購股權(包括認股權證、債券及可兌換為股份之債券);
- (b) 本決議案(a)段之批准將授權董事於有關期間內作出或授出於有關期間結束後行使該等權力所必要或可能需要之售股建議、協議或購股權(包括認股權證、債券及可兌換為股份之債券);
- (c) 董事根據本決議案(a)段之批准而配發或同意有條件或無條件配發(不論是否根據購股權或其他原因配發)發行之本公司股本面值總額(惟不包括根據(i)供股(定義見下文);(ii)為向本公司及/或其任何附屬公司之行政人員及/或僱員授出或發行股份或認購股份權利而於當時採納之任何購股權計劃或類似安排所發行之任何股份;(iii)發行股份作為以股代息或根據當時之公司細則,配發股份以代替全部或部份股息之任何類似安排;或(iv)在根據本公司任何認股權證或任何可兌換為本公司股份之股份之條款行使認購或兌換權時所發行任何股份)不得超過本決議案獲通過當日本公司已發行股本面值總額之20%,而上文之批准亦須以此為限;及
- (d) 就本決議案而言,「有關期間」指由本決議案獲通過之日至下列三者中之較早之日期止之期間:
 - (i) 本公司下屆股東週年大會結束時;
 - (ii) 依照百慕達法例或公司細則規定本公司下屆股東週年大會須予舉行之期限屆滿之時;或
 - (iii) 本公司股東於股東大會上通過普通決議案撤銷或修訂本決議案之授權之日。

「供股」乃指董事於指定之期間內向於某指定日期登記在本公司股東名冊內之股東按彼等當時持有之該等股份之比例而提出之供股建議,惟董事有權就零碎股權或任何適用於本公司之地區之法律或任何獲認可之監管機構或任何證券交易所規定之限制或責任,作出其認為必要或權宜之豁免或其他安排。

7. 作為特別事項,考慮及酌情通過下列決議案為普通決議案:

「動議待日期為二零零六年七月三十一日召開本公司股東週年大會通告(「通告」)所載之第5及6項普通決議案獲正式通過後,擴大根據通告第6項普通決議案授予董事之一般授權,加入相等於本公司根據通告第5項普通決議案授出之授權購回之本公司股本總面值之數額,惟該數額須不得超過於本決議案獲通過當日本公司已發行股本面值總額之10%。」

承董事會命
錦興集團有限公司
公司秘書
甘瑞斯

香港,二零零六年七月三十一日

於本通告日期,董事會成員包括:

執行董事:

陳國強博士(主席)

Yap, Allan博士(董事總經理)

呂兆泉先生(副董事總經理)

獨立非執行董事:

袁天凡先生

郭嘉立先生

黃景霖先生

沈志輝先生

註冊辦事處:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

總辦事處及香港主要營業地點:

香港

九龍

觀塘

鴻圖道51號

保華企業中心8樓

附註:

1. 凡有權出席股東週年大會及在會上投票之股東,均有權委任一位或以上受委代表代其出席及投票,受委代表毋須為本公司股東。股東可就其所持部份之本公司股份委任受委代表。股東填妥及交回代表委任表格後,屆時仍可親身出席股東週年大會及在會上投票。
2. 代表委任表格連同經簽署之授權書或其他授權文件(如有)或經已核實簽署證明之該等授權書或授權文件之副本,最遲須於股東週年大會(或任何續會)指定舉行時間48小時前送達本公司之香港股份過戶登記分處秘書商業服務有限公司,地址為香港灣仔皇后大道東28號金鐘中心26樓,方為有效。
3. 本公司將於二零零六年八月二十九日星期二至二零零六年九月一日星期五(首尾兩日包括在內)止期間暫停辦理股份過戶登記手續。股東如欲領取派發之末期股息,務請將所有過戶文件連同有關之股票,最遲須於二零零六年八月二十八日星期一下午四時前交回本公司之香港股份過戶登記分處秘書商業服務有限公司,地址為香港灣仔皇后大道東28號金鐘中心26樓。
4. 就上文第3項決議案而言,按照公司細則第87(2)及87(3)條, YAP, Allan博士將於股東週年大會上輪值退任,並符合資格願膺連任。按照公司細則第86(2)條,截至二零零六年三月三十一日止年度期間獲委任之沈志輝先生,將於股東週年大會舉行前繼續任職,並將於大會上退任及符合資格願膺連任。

* 僅供識別



HANNY
VISIONS AHEAD
HANNY HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 273)

**ANNOUNCEMENT OF RESULTS
FOR THE YEAR ENDED 31 MARCH 2006**

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SUMMARY OF RESULTS

The board of directors (the "Board") of Hanny Holdings Limited (the "Company") announces the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2006 together with comparative figures as follows:

Consolidated Income Statement
For the year ended 31 March 2006

	Notes	Year ended 31 March	
		2006 HK\$'000	2005 HK\$'000 (Restated)
Continuing Operations			
Revenue	2, 3	316,638	257,656
Cost of sales		(278,353)	(145,060)
Gross profit		38,285	112,596
Other income	4	116,585	102,646
Distribution and selling expenses		(2,339)	(12,432)
Administrative expenses		(111,342)	(122,317)
Other expenses	5	(50,623)	(29,712)
Impairment loss on trademark licenses		(164,667)	-
Realization of negative goodwill arising on acquisition of additional interest in an associate		-	2,057
Change in fair value of conversion options embedded in convertible notes		114,048	-
Finance costs	6	(63,466)	(15,155)
Share of results of associates		(21,494)	(64,909)
Impairment loss on goodwill arising on acquisition of an associate		-	(177,446)
Amortization of goodwill arising on acquisition of associates		-	(28,089)
Net gain (loss) on disposal of subsidiaries and associates		921	(15,747)
Loss before income tax		(144,092)	(248,508)
Income tax expense	7	(4,331)	(4,282)
Loss for the year from continuing operations		(148,423)	(252,790)
Discontinued Operations			
Profit for the year from discontinued operations		52,419	152,552
Loss for the year	8	(96,004)	(100,238)
Attributable to:			
Equity holders of the Company		8,915	(161,862)
Minority interests		(104,919)	61,624
		(96,004)	(100,238)
Distributions	9	22,463	11,193
Earnings (loss) per share			
From continuing and discontinued operations	10		
- Basic		HK\$0.04	HK\$(0.82)
- Diluted		HK\$0.04	N/A
From continuing operations			
- Basic		HK\$(0.08)	HK\$(1.16)
- Diluted		HK\$(0.08)	N/A

Consolidated Balance Sheet
At 31 March 2006

	2006 HK\$'000	2005 HK\$'000 (Restated)
NON-CURRENT ASSETS		
Property, plant and equipment	38,567	70,557
Investment properties	133,000	-
Intangible assets	-	233,475
Goodwill	6,621	167,908
Interests in associates	616,871	632,201
Amount due from an associate	-	2,197
Loan to an associate	1,331	1,331
Investments in securities	-	123,534
Available-for-sale investments	534,045	-
Deposits for acquisition of long-term investments	190,175	35,000
Deferred tax assets	-	18,418
Club debentures	3,595	4,373
	1,524,205	1,288,994

Notes	2006 HK\$'000	2005 HK\$'000 (Restated)
CURRENT ASSETS		
Other asset	-	108,000
Inventories	8,553	587,078
Trade and other receivables	59,730	761,904
Available-for-sale investments	73,500	-
Investments held for trading	421,997	-
Conversion options embedded in convertible notes	231,509	-
Investments in securities	-	144,435
Short-term loan receivables	20,162	111,851
Short-term loan receivables from related companies	159,559	224,233
Margin loan receivables	18,680	30,586
Amounts due from associates	2,623	-
Tax recoverable	923	19,855
Pledged bank deposit	19,966	20,014
Bank balances and cash	6,514	359,603
	1,023,716	2,367,559
Assets classified as held for sale	1,645,259	-
	2,668,975	2,367,559
CURRENT LIABILITIES		
Trade and other payables	358,856	1,011,814
Margin loan payables	153	253
Bills payable	422	3,644
Tax payable	33,264	91,420
Borrowings - due within one year	591,629	85,881
Obligations under finance leases	-	462
- due within one year	-	46,978
Bank overdrafts	33,187	46,978
	1,017,511	1,240,452
Liabilities directly associated with assets classified as held for sale	854,328	-
	1,871,839	1,240,452
	797,136	1,127,107
	2,321,341	2,416,101
NET CURRENT ASSETS		
	797,136	1,127,107
TOTAL ASSETS LESS CURRENT LIABILITIES		
	2,321,341	2,416,101
NON-CURRENT LIABILITIES		
Borrowings - due after one year	95,693	157,470
Amount due to a minority shareholder	-	2,526
Deferred tax liabilities	6,325	114
	102,018	160,110
	2,219,323	2,255,991
CAPITAL AND RESERVES		
Share capital	2,372	2,236
Reserves	1,866,517	1,804,138
Equity attributable to equity holders of the Company	1,868,889	1,806,374
Minority interests	350,434	449,617
	2,219,323	2,255,991

Notes:

1. ACCOUNTING POLICIES

In the current year, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations (hereinafter collectively referred to as "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") that are effective for accounting periods beginning on or after 1 January 2005. The application of the new HKFRSs has resulted in a change in the presentation of the income statement, balance sheet and the statement of changes in equity. In particular, the presentation of minority interests and share of tax of associates and discontinued operations have been changed under HKAS 1 "Presentation of Financial Statements". The changes in presentation have been applied retrospectively. The adoption of the new HKFRSs has resulted in changes to the Group's accounting policies in the following areas that have an effect on how the results for the current and prior accounting years are prepared and presented.

Business Combinations

In the prior year, the Group has applied HKFRS 3 "Business Combinations" which is effective for business combinations for which the agreement date is on or after 1 January 2005. As a result of this change in accounting policy, no amortization of goodwill has been charged for the year ended 31 March 2006. In accordance with the relevant transitional provision in HKFRS 3 (the "Transitional Provision"), the Group has transferred goodwill previously held in capital reserves and other reserves of approximately HK\$22,566,000 and HK\$11,947,000 respectively to retained profits as at 1 April 2005. In accordance with the Transitional Provision, the Group has derecognized all discount on acquisition as at 1 April 2005 of which negative goodwill of approximately HK\$429,000 previously recorded in capital reserve, and approximately HK\$225,000 previously presented as a deduction from interests in associates.

Intangible Assets

In accordance with the transitional provisions in HKAS 38 "Intangible Assets", the Group reassessed the useful lives of its intangible assets on 1 April 2005 and concluded that certain trademark licenses with a total carrying amount of HK\$226,687,000 recognized under the predecessor accounting standard have indefinite useful lives. The Group has applied the revised useful lives prospectively and discontinued amortizing intangible assets with indefinite useful lives from 1 April 2005. No amortization has been charged in relation to intangible assets with indefinite useful lives for the year ended 31 March 2006. As a result of this change in accounting estimate, amortization charge for the year ended 31 March 2006 has decreased by approximately HK\$4,566,000. Comparative figures have not been restated.

For continuing and discontinued operations

The calculation of the basic and diluted earnings (loss) per share attributable to the ordinary equity holders of the Company is based on the following data:

Earnings:	2006 HK\$'000	2005 HK\$'000
Profit (loss) for the year attributable to equity holders of the Company	8,915	(161,862)
Number of shares:		
Weighted average number of ordinary shares for the purposes of basic earnings per share (in thousands)	226,164	198,244
Effect of dilutive potential ordinary shares:		
Options (in thousands)	2,806	N/A
Weighted average number of ordinary shares for the purposes of diluted earnings per share (in thousands)	228,970	N/A

During the year ended 31 March 2005, no diluted loss per share in respect of both the continuing and discontinued operations is presented as the exercise of the Company's share options would result in a decrease in loss per share.

11. TRADE AND OTHER RECEIVABLES

	2006 HK\$'000	2005 HK\$'000
Trade receivables	729,983	653,637
Less: accumulated allowances	(73,313)	(61,854)
Other receivables	656,670	591,783
Reclassified as held for sale	49,006	170,121
	(645,946)	—
	59,730	761,904

The Group allows an average credit-period of one to two months to its trade customers. The following is an aged analysis of trade receivable net of impairment losses at the respective balance sheet date:

	2006 HK\$'000	2005 HK\$'000
Not yet due	573,862	548,407
Overdue within one month	66,333	25,996
Overdue between one and two months	2,265	4,351
Overdue more than two months	14,209	12,819
	656,670	591,783

The fair value of the Group's trade receivables at respective balance sheet date was approximate to the corresponding carrying amount.

12. TRADE AND OTHER PAYABLES

Included within trade and other payables is a trade creditor balance of HK\$71,535,000 and HK\$564,154,000 at 31 March 2006 and 2005, respectively.

During the year, trade creditor balance of HK\$405,439,000 was reclassified as liabilities directly associated with assets held for sale.

The following is an aged analysis of trade creditors at respective balance sheet date:

	2006 HK\$'000	2005 HK\$'000
Not yet due	380,210	417,919
Overdue within one month	75,260	74,518
Overdue between one and two months	11,467	27,951
Overdue more than two months	10,037	43,766
	476,974	564,154

The fair value of the Group's trade and other payables at respective balance sheet date approximates to the corresponding carrying amount.

FINAL DIVIDEND

The Board has recommended the payment of a final dividend of HK6 cents per share in cash with scrip option (2005: HK6 cents, with scrip option) for the year ended 31 March 2006 subject to the approval of the shareholders of the Company at the forthcoming annual general meeting ("AGM") of the Company. An interim dividend of HK4 cents per share with scrip option (2004: Nil) was paid by the Company during the year.

Subject to the shareholders' approval at the AGM, the dividend warrants will be paid on or around Friday, 29 September 2006 in cash, with shareholders being given an option to receive shares of HK\$0.01 each ("New Shares") in the Company in lieu of cash in respect of part or all of such dividend ("Scrip Dividend Scheme"). The number of New Shares will be calculated on the basis of the average of the closing prices per share of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") for the five consecutive trading days ending 31 August 2006. A circular giving full details of the Scrip Dividend Scheme and a form of election will be sent to the shareholders after the AGM. The Scrip Dividend Scheme is conditional upon the Stock Exchange granting the listing of and permission to deal in the New Shares to be allotted and issued.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Tuesday, 29 August 2006 to Friday, 1 September 2006, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the final dividend, all completed share transfers forms, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Secretaries Limited at 26th Floor, Testube Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:00 p.m. on Monday, 28 August 2006.

MANAGEMENT DISCUSSION AND ANALYSIS**Results and financial review****Results**

For the year ended 31 March 2006, the Group's audited consolidated loss before minority interests was HK\$96.0 million (2005: loss of HK\$100.2 million, as restated), which comprised of loss after operating income and expenses from continuing operations of HK\$9.5 million (2005: profit of HK\$30.8 million), impairment loss on trademark licenses of HK\$164.6 million (2005: Nil), favorable change in fair value of conversion option embedded in convertible notes of HK\$114.0 million (2005: Nil), finance costs from continuing operations of HK\$363.5 million (2005: HK\$15.2 million), share of net losses of associates of HK\$21.5 million (2005: net losses of HK\$65.0 million, as restated), net gain on disposal of subsidiaries and associates of HK\$1.0 million (2005: loss of HK\$15.7 million), income tax expense from continuing operations of HK\$4.3 million (2005: HK\$4.3 million), and profit from discontinued operations of HK\$52.4 million (2005: HK\$152.6 million). In addition, there were realization of negative goodwill arising on acquisition of an additional interest in an associate, impairment loss on goodwill arising on acquisition of an associate and amortization of goodwill arising on acquisition of associates of HK\$2.1 million, HK\$177.4 million and HK\$28.1 million, respectively, for the year ended 31 March 2005, there were no such items for the year ended 31 March 2006 as a result of the change in accounting policy as set out in Note 1.

Segment results

For trading of computer related products, segment turnover amounted to HK\$4,262.0 million, increasing by HK\$284.3 million (7.1%) from fiscal year 2005 and segment result recorded HK\$62.7 million, decreasing by HK\$193.9 million (75.6%).

For trading of consumer electronic products, segment turnover amounted to HK\$1,174.6 million, decreasing by HK\$390.1 million (25.0%) from fiscal year 2005 and segment result recorded HK\$22.0 million, decreasing by HK\$2.8 million (11.3%).

For trading of securities, segment turnover amounted to HK\$146.4 million, increasing by HK\$52.5 million (55.9%) from fiscal year 2005 and segment result recorded HK\$175.7 million, increasing by HK\$98.4 million (127.3%).

For property development and trading, segment turnover amounted to HK\$118.8 million, increasing by HK\$79.2 million (200%) and segment result recorded HK\$11.9 million, increased by HK\$9.8 million (466.7%).

This year, although the Group experienced steady growth, gross profit margin declined. This sales growth was due to our persistent efforts to control cost on inventory pricing, our strong and extensive business network worldwide and promotional efforts made. Nevertheless, allowances for slow-moving and obsolete inventories and bad and doubtful debts of HK\$75.7 million and HK\$14.3 million resulted in a lowered gross margin for the year.

The results of the Group was critically increased from a loss of HK\$100.2 million (as restated) for the year ended 31 March 2005 to a loss of HK\$96.0 million for the year by reduction of amortization of goodwill and realization of negative goodwill arising on acquisition of associates during the year totaled HK\$26.0 million as compared to the year ended 31 March 2005 as a result of the change in accounting policy as set out in Note 1. Furthermore, the Group suffered less net losses under "Share of results of associates" during the year of HK\$21.5 million, representing a decrease of HK\$43.4 million (66.9%) from the previous fiscal year. In addition, the Group has a favorable change in fair value of conversion option embedded in convertible notes of HK\$114.0 million (2005: Nil). The Group also disposed of its subsidiaries and associates during the year with a net gain of HK\$1.0 million while a net loss of HK\$15.7 million was resulted from disposals during the year ended 31 March 2005. Impairment loss on intangible assets decreased by HK\$12.8 million to HK\$164.6 million as compared to the year ended 31 March 2005 of HK\$177.4 million. However, finance costs incurred increased by HK\$348.5 million during the year owing to the increase in other borrowings as compared to the year ended 31 March 2005. Operating income from continuing operations and profit from discontinued operations dropped significantly from HK\$50.8 million and HK\$152.5 million for the year ended 31 March 2005, respectively, to an operating loss of HK\$9.5 million and profit of HK\$52.4 million for the year, respectively.

Investment in Convertible Notes

During the year, the Group acquired three unlisted convertible notes issued by companies listed on the Stock Exchange for an aggregate consideration of HK\$650.0 million. The aggregate fair value increase of HK\$114.0 million in respect of the conversion option element and decrease of HK\$18.2 million in respect of the debt element were recognized in profit and loss and reserves, respectively.

Liquidity

Bank and cash balances at 31 March 2006 decreased significantly to HK\$26.5 million (2005: HK\$379.6 million), accounting for 1.4% (2005: 27%) of the net tangible asset value of the Group. Such dramatic decrease was mainly attributable to the reclassification of bank and cash balances of HK\$26.0 million to "assets classified as held for sale" pursuant to the very substantial disposal as set out in the Company's circular dated 10 April 2006 (the "Memorex Disposal"). The cash was mainly used for daily operations and investments in financial instruments during the year. The current ratio of the Group at 31 March 2006 was 1.43 (2005: 1.91).

Financial Review

The current assets of the Group at 31 March 2006 increased by HK\$301.5 million (12.7%) to HK\$2,669.0 million (2005: HK\$2,367.5 million, as restated).

Such increase was mainly attributable to the decrease in trade and other receivables, inventories, bank balances and cash, other asset, short-term loan receivables, short-term loan receivables from related companies, tax recoverable and margin loan receivables by HK\$702.2 million, HK\$578.5 million, HK\$353.1 million, HK\$108.0 million, HK\$91.7 million, HK\$64.7 million, HK\$18.9 million, and HK\$11.9 million, respectively, at year end as compared to the last year, and offset by the increase in investments and amounts due from associates by HK\$582.6 million and HK\$2.7 million, respectively. In addition, there was an increase in "assets classified as held for sale" of HK\$1,645.2 million at year end pursuant to the Memorex Disposal.

Other asset valued at HK\$108.0 million as at 31 March 2005 was fully disposed of at a consideration of HK\$118.8 million during the year, with a profit of HK\$10.8 million.

Inventories decreased from HK\$587.1 million as at 31 March 2005 to HK\$38.6 million as at 31 March 2006. Such decrease was mainly attributable to the reclassification of HK\$616.1 million to "assets classified as held for sale" pursuant to the Memorex Disposal. The increase of HK\$37.6 million before the reclassification was attributable to the increase in inventory levels of the subsidiaries in the United States and United Kingdom at year end due to the increase in sales and the increase in supply on hand primarily in DVD inventory.

Trade and other receivables decreased from HK\$761.9 million (as restated) as at 31 March 2005 to HK\$59.7 million as at 31 March 2006. Such decrease was mainly attributable to the reclassification of HK\$645.9 million to "assets classified as held for sale" pursuant to the Memorex Disposal. The number of days for debtors turnover before the reclassification increased slightly from 38 days last year to 39 days in the current year.

Trade and other payables decreased from HK\$1,011.8 million as at 31 March 2005 to HK\$358.8 million as at 31 March 2006. Such decrease was mainly attributable to the reclassification of HK\$669.8 million to "liabilities directly associated with assets classified as held for sale" pursuant to the Memorex Disposal. The number of day for creditors turnover decreased from 54 days last year to 44 days in current year. Such decrease was mainly attributable to the early settlement of trade payables in lieu of cash discount on goods purchased during the year.

At 31 March 2006, total borrowings of the Group amounted to HK\$720.5 million (2005: HK\$293.3 million), of which HK\$95.7 million (2005: HK\$160.0 million) were not repayable within one year. The borrowings included bank borrowings of HK\$125.3 million (2005: HK\$82.0 million), other loans of HK\$562.0 million (2005: HK\$161.3 million), and overdrafts of HK\$33.2 million (2005: HK\$47.0 million). In addition, there were obligations under finance leases and an amount due to a minority shareholder of HK\$0.5 million and HK\$2.5 million, respectively, as at 31 March 2005. The increase in borrowings was mainly due to new borrowings totaling of HK\$1,762.5 million obtained during the year for the purposes of investment and daily operation, but with the total repayment of only HK\$1,240.8 million. In addition, bank borrowing of HK\$93.0 million was recorded as a liability of the Group through the acquisition of a subsidiary in March 2006.

Interest in associates

The decrease in balance from HK\$632.2 million as at 31 March 2005 to HK\$616.9 million as at 31 March 2006 was mainly due to the acquisition of an additional equity interest in an associate of HK\$24.1 million, disposal of interests in certain associates of HK\$4.4 million, currency translation loss of HK\$3.4 million, and share of associates' increase in other reserves and losses, of HK\$35.1 million and HK\$21.5 million, respectively, during the year. Furthermore, goodwill arising on acquisition of an associate was disposed of with a loss of HK\$14.4 million during the year. An equity interest of 15.3% in China Strategic Holdings Limited of HK\$30.8 million was reclassified to "assets classified as held for sale" pursuant to the Circular dated 26 May, 2006 issued by the Company.

Pledge of assets

At 31 March 2006, certain assets of the Group amounting to HK\$1,430.0 million (2005: HK\$240.2 million) were pledged to banks and financial institutions for loan facilities granted to the Group.

Gearing ratio

The gearing ratio (borrowings/shareholders' funds) at 31 March 2006 significantly increased to 38.6% (2005: 16.2%) owing to the additions of bank and other borrowings during the year to finance the Group's investments.

Exchange rate and interest rate risks exposure

Most of the Group's business transactions, assets and liabilities are denominated in Hong Kong Dollars and United States Dollars. However, the Group will consider entering into hedging contracts to eliminate any exposures to downside risks, whenever the Group and the concerned foreign subsidiaries think fit.

Contingent liabilities

As at 31 March 2006, the Group had no contingent liabilities in relation to guarantees given to banks and other financial institutions for facilities granted to an outsider (2005: Nil). However, the Group had a share of contingent liabilities from its associates in relation to guarantees given to banks and third parties of HK\$11.5 million (2005: HK\$13.7 million).

Employees and remuneration policies

As at 31 March 2006, there were approximately 500 staff (2005: 500) employed by the Group. The remuneration policies are formulated on the basis of performance of individual employees and the prevailing salaries' trends in the various regions. They are subject to be reviewed every year. The Group also provided employee training programs, mandatory provident fund scheme, medical insurance and discretionary bonus. Share options are awarded to employees on merit basis. However, no share options were granted during the year.

BUSINESS AND OPERATIONS REVIEW

The financial year of 2005/2006 was an eventful year for the Group, the highlight of which was the disposal of the Memorex* business in April 2006. Pursuant to the agreement, the transaction included the disposal of the Memorex* intellectual property portfolio and trade names, the entire equity interest in all companies of the Memorex* business involved with the marketing and sale of hardware, media and accessories used for the storage of electronic data, and the licensing business of Memorex* trademarks and trade names of Memorex* in connection with the marketing and sale of other products.

Given the intense competition and the uncertain economic environment encountered by the Memorex* business, the Company considered it an opportune time to exit the business on favorable terms. The disposal of the Memorex* business completed in April 2006 was a very significant disposal to the Group and should give rise to a fruitful gain and substantial cash inflow to the Group in the first half of financial year 2006/2007. If achieved, further payout payments contemplated in the agreement will enable the Group to enjoy the benefits of the future performance of the Memorex* Business up to year 2009.

Trading Operations**North America**

In North America, Memorex* recorded record revenues in fiscal year 2006. Growth in USB Flash revenues was the primary driver of the record revenues achieved during the year. USB Flash unit sales and revenues increase nearly 150% year over year. Memorex* was able to substantially increase its USB Flash Drive market share through increased penetration of key retailers. North American USB Flash Drive market share increased from 14% to 19% and Memorex* became the number two player. The DVD media business experienced an over 40% unit growth and a continued number one position with a 28% market share in the North American market according to industry trade publications. However, DVD revenue growth was stalled as a result of declining Average Selling Prices ("ASP"), as a result of an over supply of DVDs in the global market. DVD revenues declined approximately 2% year over year. Operating margins in North America declined year over year primarily as a result of depressed DVD media margins due to the global over supply and marketing investment required to expand the USB Flash Drive business.

Europe

The European market remained challenging during the fiscal year. European revenues declined nearly 20% year over year largely as a result of sharp declines in the DVD and CDR media business categories. Fierce price competition among competitors within the European market resulted in unit, ASP and revenue declines in both media categories. Overall revenue declines were buoyed by strong increases in USB Flash Drive unit and revenues.

Although the Memorex* brand captured a strong presence within top European retailers the market became much more fragmented than the North American market causing fluctuating demand for its products. The Group was able to substantially decrease inventories during the year to reduce inventory exposure and improve gross margins in a dynamic market environment.

Investment

During the year, the Group subscribed for the convertible notes issued by Macau Prime Properties Holdings Limited (formerly known as Cheung Tai Hong Holdings Limited) ("MPP"). See Corporation Limited ("SCL") and Wo Kee Hong (Holdings) Limited ("WKH") respectively. The subscription of notes enables the Group to diversify our investment portfolio into the entertainment and pay TV industries, and property developments in Macau and electronic products respectively, should we assess the performance of the note issuers is outstanding. The convertible notes provide the Group with a stable return on investment. The conversion rights attached to the convertible notes give the Group flexibility to acquire marketable equity shares and an opportunity to enjoy any potential capital gain in the value of the marketable equity shares.

SUBSEQUENT EVENTS**Disposal of the assets of Memorex International Inc. ("MI")**

On 19 January 2006, MI entered into a sale and purchase agreement with Imation Corp.. Details of the Memorex Disposal are set out in the Company's circular dated 10 April 2006. This disposal was completed on 28 April 2006.

The underwriting agreement of SCL

On 22 April 2006, the Company, Success Securities Limited and SCL entered into an underwriting agreement in relation to the rights issue of SCL. Pursuant to which, the Company agreed to subscribe the untaken rights shares up to its commitment of 329,037,330 rights shares at a subscription price of HK\$0.014 per rights share. On the same date, the Company executed an undertaking to SCL that it would take up its entitlement under the rights issue of SCL in full. On 30 June 2006, the Company subscribed 1,991,487,330 rights shares of SCL at HK\$0.014 per rights share. Details of the transaction are set out in the Company's circular dated 17 May 2006.

Subscription of convertible note of MPP

On 27 April 2006, the Company entered into a subscription agreement with MPP to subscribe for the 1% convertible note of MPP with a principal amount of HK\$270 million for a total cash consideration of HK\$270 million. The subscription was completed on 15 June 2006. Details of the subscription are set out in the Company's circular dated 26 May 2006.

Disposal of 15.3% interests in China Strategic Holdings Limited ("CSHL") and acquisition of interests in Group Dragon Investments Limited ("GDI")

On 10 March 2005, the Company and FYI Corporation Limited (formerly known as Paul Y.-ITC Construction Holdings Limited) entered into a share sale agreement (the "Share Sale Agreement") with Nation Field Limited for the disposal of an approximately 15.3% interests in CSHL at the consideration of approximately HK\$26 million. The Share Sale Agreement was completed on 24 May 2005. On 26 May 2006, Somerley Limited, on behalf of Well Orient Limited ("Well Orient") made a voluntary offer to the shareholders of GDI to acquire the GDI shares, other than those owned or agreed to be acquired by Well Orient, its associates and parties acting in concert with it ("GDI Offer"). The GDI Offer closed at 4:00 p.m. on 16 June 2006. As a result, Well Orient was interested in approximately 98.92% of the issued share capital of GDI.

Issue of convertible exchangeable notes and proposed subscription of convertible note in China Enterprises Limited ("CEL")

On 27 June 2006, the Company entered into five subscription agreements with each of five subscribers (the "Subscription Agreements"), four of them are fund subscribers who are funds managed by global asset management firms, with the remaining subscriber being ITC Corporation Limited ("ITC"). Pursuant to the Subscription Agreements, the fund subscribers and ITC have in aggregate conditionally agreed to subscribe by cash for the US\$150 million 1% convertible exchangeable notes with principal amount of

US\$75 million each (the "Hanny Notes") (the "ITC Subscription"). Under the Subscription Agreement, the Company is required as soon as practicable after the signing of the Subscription Agreements to enter into a contract with CEL to subscribe the 1% convertible note of CEL with principal amount of US\$100 million with the proceeds from the issue of the Hanny Notes (the "CEL Subscription"). Details of the ITC Subscription and CEL Subscription are set out in the Company's announcement dated 6 July 2006.

Subscription of convertible note of Mei Ah Entertainment Group Limited ("Mei Ah")

On 28 June 2006, the Company entered into a subscription agreement with Mei Ah ("Mei Ah Subscription Agreement") to subscribe for the 4% convertible note of Mei Ah with a principal amount of HK\$50 million for total cash consideration of HK\$50 million. As at the date of this annual results announcement, the Mei Ah Subscription Agreement had not yet completed. Details of the subscription are set out in the Company's circular dated 21 July 2006.

Subscription of convertible note of Golden Harvest Entertainment (Holdings) Limited ("GH")

On 10 July 2006, the Group entered into a subscription agreement with GH (the "GH Subscription Agreement") to subscribe for the 4% convertible note of GH with a principal amount of HK\$50 million for total cash consideration of HK\$50 million. As at the date of this annual results announcement, the GH Subscription Agreement had not yet completed. Details of the subscription are set out in the Company's circular dated 28 July 2006.

OUTLOOK

Following the closing of the disposal of the Memorex* business in April 2006, the Group has, on the one hand, been concentrating on the businesses carried out by the remaining businesses, which comprise the trading of securities, property investment and trading and other strategic investments including investments in associated companies listed on the various stock exchanges and long-term convertible notes issued by listed companies, while continuing to actively explore other investment opportunities on the other hand.

In June 2006, the Company acquired a 98.92% stake in Group Dragon Investments Ltd. ("GDI") which serves as an investment vehicle for the Company in projects in Asia and mainland China. The diverse business coverage of the Group and its associates includes property development and trading, manufacturing and marketing of tires and package material, sand mining, business of providing tour, travel, hotel business, health care business, entertainment and pay TV, trading and distribution of household consumer products, and investment holding.

During the year under review, the Group subscribed for three convertible notes issued by MPP, SCL and WKH respectively. There are also upcoming subscriptions of convertible notes issued by Mei Ah and GH. Going forward, the Group will look for further strategic investments that will both strengthen and bring diversity to the present portfolio.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

During the year ended 31 March 2006, there were no purchases, sales or redemptions by the Company, or any of its subsidiaries, of the Company's listed shares.

CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles and complied with all the code provisions on the Code on Corporate Governance Practices (the "CG Code") (with the exception of code provision C.2 on internal control which is effective for accounting periods commencing on or after 1 July 2005) throughout the year ended 31 March 2006, except for the following deviations:-

Code Provision A.2.1 of the CG Code

Under the code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company does not at present have any officer with the title of "chief executive officer" ("CEO") but instead the duties of a CEO are performed by Dr. Yap, Allan, the Managing Director of the Company, in the same capacity as the CEO of the Company.

Code Provision A.4.1 of the CG Code

Under the code provision A.4.1 of the CG Code, non-executive directors should be appointed for a specific term, subject to re-election. The current independent non-executive directors are not appointed for a specific term. However, all directors (including executive and non-executive) are subject to retirement by rotation at annual general meeting of the Company in accordance with bye-law 87(2) of the Bye-Laws of the Company.

As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the CG Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") as its own code of conduct regarding directors' securities transactions (the "Model Code"). Having made specific enquiry by the Company, all directors have confirmed the compliance with the required standard set out in the Model Code during the year ended 31 March 2006.

AUDIT COMMITTEE

The Audit Committee of the Company has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing and financial reporting matters including the review of the audited financial statements of the Company for the year ended 31 March 2006. The Audit Committee currently comprises three independent non-executive directors, namely, Messrs. Wong King Lam, Joseph, Kwok Ka Lap, Alva, and Sin Chi Fai.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT ON THE STOCK EXCHANGE'S WEBSITE

All the information of the annual results of the Group for the year ended 31 March 2006 required by paragraphs 45(1) to 45(8) of Appendix 16 of the Listing Rules will be published on the Stock Exchange's website in due course.

APPRECIATION

I would like to take this opportunity to express my gratitude to my fellow board members, the management and employees for their hard work and contribution to the Group in the past year.

By the Order of the Board
Hanny Holdings Limited
Dr. Chan Kwok Keung, Charles
Chairman

Hong Kong, 28 July 2006

As at the date hereof, the Board comprises:

Executive Directors:-
Dr. Chan Kwok Keung, Charles (Chairman)
Dr. Yap, Allan (Managing Director)
Mr. Lui Siu Tuen, Richard
(Deputy Managing Director)

Independent Non-Executive Directors:-

Mr. Yuen Tin Fan, Francis
Mr. Kwok Ka Lap, Alva
Mr. Wong King Lam, Joseph
Mr. Sin Chi Fai

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