

**DATED THE 17<sup>TH</sup> DAY OF AUGUST 2006**

**MA HO MAN, HOFFMAN**

**and**

**FAMEX INVESTMENT LIMITED**

---

**A G R E E M E N T**  
**for the sale and purchase of shares in**  
**Hanny Holdings Limited**

---

**IU, LAI & LI,**  
**Solicitors & Notaries**  
**20<sup>th</sup> Floor, Gloucester Tower,**  
**The Landmark, 11 Pedder Street,**  
**Central, Hong Kong**

**AC:NNK:fh 46994**

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**THIS AGREEMENT** is made on the 17<sup>th</sup> day of August 2006

**BETWEEN :-**

- (1) **MA HO MAN, HOFFMAN**, holder of Hong Kong Identity Card No.K146126(5), of Flat B, 10/F, Belvue Heights, 8 Tai Hang Drive, Hong Kong (the "**Vendor**"); and
- (2) **FAMEX INVESTMENT LIMITED**, a company incorporated in Hong Kong with limited liability, whose registered office is situated at 30<sup>th</sup> Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong (the "**Purchaser**").

**WHEREAS :-**

- (A) **HANNY HOLDINGS LIMITED** (the "**Company**") is a public company incorporated under the laws of Bermuda and has an authorised share capital of HK\$200,000,000 divided into 20,000,000,000 shares of HK\$0.01 each. 247,204,216 Shares have been issued and are fully paid or credited as fully paid as at the date hereof. The entire issued share capital of the Company is listed on the Stock Exchange.
- (B) The Vendor is the beneficial owner of 22,812,359 Shares, representing approximately 9.23% of the entire issued share capital of the Company as at the date hereof.
- (C) The Vendor has agreed to sell to the Purchaser the Sale Shares beneficially owned by it upon the terms and conditions set out in this Agreement.
- (D) The Purchaser has agreed to purchase the Sale Shares in reliance upon the representations, undertakings, warranties and indemnities given by the Vendor in this Agreement in accordance with the terms and subject to the conditions set out in this Agreement.

**AND NOW IT IS HEREBY AGREED** as follows :-

**1. DEFINITIONS AND INTERPRETATION**

- 1.1 In this Agreement, unless otherwise expressed or required by context, the following expressions shall have the respective meanings set opposite thereto, as follows :-

<u>Expression</u>	<u>Meaning</u>
"Agreement"	this agreement as originally executed or as it may from time to time be amended, varied, supplemented, substituted, novated or assigned
"associate"	the same meaning ascribed thereto in the Listing Rules

<b>"Business Day"</b>	a day (excluding Saturday and other general holidays in Hong Kong and any day on which a tropical cyclone warning no.8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a "black" rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business
<b>"CCASS"</b>	the Central Clearing and Settlement System established and operated by HKSCC
<b>"Code"</b>	the Hong Kong Code on Takeovers and Mergers
<b>"Completion"</b>	completion of the sale and purchase of the Sale Shares in accordance with the provisions of this Agreement
<b>"Completion Date"</b>	the Business Day immediately after the date on which all the Conditions (save and except Clause 3.1(b) which shall be fulfilled immediately prior to Completion) are fulfilled, or such other date as the Parties may agree in writing prior to Completion, on which the transactions set out in Clause 5.1 shall take place
<b>"Conditions"</b>	the conditions precedent set out in Clause 3.1
<b>"Deposit"</b>	has the meaning as defined in Clause 4.1(a)
<b>"Encumbrance"</b>	any interest or equity of any person (including any right to acquire, option or right of pre-emption), voting arrangement, mortgage, charge, pledge, bill of sale, lien, deposit, hypothecation, assignment or any other encumbrance, priority or security interest or arrangement or interest under any contract or trust or any other third party interest of whatsoever nature over or in the relevant shares, assets or property
<b>"General Rules"</b>	the General Rules of CCASS issued by HKSCC from time to time
<b>"HKSCC"</b>	Hong Kong Securities Clearing Company Limited
<b>"Hong Kong"</b>	the Hong Kong Special Administrative Region of the People's Republic of China

<b>"ITC"</b>	ITC Corporation Limited, a public company incorporated in Bermuda whose securities are listed on the Stock Exchange and indirectly owns the entire issued share capital of the Purchaser
<b>"Listing Rules"</b>	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
<b>"Offer"</b>	the conditional offer to be made by or on behalf of the Purchaser for the issued Shares in accordance with the Code
<b>"Parties"</b>	the parties to this Agreement and a "Party" shall mean any one of them
<b>"Purchase Price"</b>	the purchase price payable by the Purchaser for the Sale Shares as specified in Clause 4.1
<b>"Purchaser's Solicitors"</b>	Iu, Lai & Li of 20 <sup>th</sup> Floor, Gloucester Tower, The Landmark, 11 Pedder Street, Central, Hong Kong
<b>"Sale Shares"</b>	22,812,359 Shares in the issued share capital of the Company beneficially owned by the Vendor, representing approximately 9.23% of the issued share capital of the Company as at the date hereof
<b>"Shares"</b>	ordinary shares of HK\$0.01 each in the capital of the Company
<b>"SFC"</b>	the Securities and Futures Commission
<b>"Stock Exchange"</b>	The Stock Exchange of Hong Kong Limited
<b>"Tax" and "Taxation"</b>	any form of taxation, levy, duty, charge, contribution or imposition of whatever nature (including any fine, penalty, surcharge or interest in relation thereto) imposed by a local, municipal, governmental, state, federal or other body or authority in Hong Kong or elsewhere
<b>"Transfer Documents"</b>	has the meaning as defined in Clause 4.5
<b>"Vendor's Participant"</b>	Success Securities Limited, being the Vendor's designated Participant (as defined in the General Rules)
<b>"Warranties"</b>	the representations, warranties, undertakings or indemnities made or given by the Vendor to the

Purchaser in this Agreement and "Warranty" shall be construed accordingly

"HK\$" Hong Kong Dollars

- 1.2 Reference to Ordinances, statutes, legislations or enactments shall be construed as a reference to such Ordinances, statutes, legislations or enactments as may be amended or re-enacted from time to time and for the time being in force.
- 1.3 References herein to Clauses and Schedule are to clauses of and schedules to this Agreement (unless the context requires otherwise). The Recitals and Schedule to this Agreement shall form part of this Agreement.
- 1.4 The expressions "Vendor" and "Purchaser", shall, where the context permits, include their respective successors and personal representatives and permitted assigns.
- 1.5 The headings are inserted for convenience only and shall not affect the construction of this Agreement.
- 1.6 Unless the context requires otherwise, words importing the singular include the plural and vice versa and words importing a gender include every gender.
- 1.7 References to "persons" shall include bodies corporate, unincorporated associations and partnerships (whether or not having separate legal personality).

## **2. SALE AND PURCHASE OF THE SALE SHARES**

Subject to the terms and conditions of this Agreement, the Vendor shall as beneficial owner sell, and the Purchaser shall purchase, free from all Encumbrances and together with all rights now or hereafter attaching to them, including all rights to any dividend or other distribution declared, made or paid on or after the date of this Agreement (except for the final dividend for the year ended 31 March 2006 proposed in July 2006), the Sale Shares at the Purchase Price on Completion.

## **3. CONDITIONS PRECEDENT**

- 3.1 Completion shall be conditional upon :-
  - (a) the passing of an ordinary resolution by the holders of ordinary shares of ITC (other than those who are required to abstain from voting under the Listing Rules and the Code) at a general meeting of ITC approving the entering into this Agreement by the Purchaser, the making of the Offer and the performance of the transactions contemplated hereunder;
  - (b) the Shares remaining listed and are capable of traded on the Stock Exchange at all times prior to and on Completion and the current listing of the Shares not having been withdrawn and no indication being received on or before the

Completion Date from the Stock Exchange or the SFC to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to as a result of Completion or in connection with the terms of this Agreement or for any other reason;

- (c) the clearance by the Stock Exchange (and the SFC if required) of the announcement(s) of the Company and ITC in respect of the transactions contemplated under this Agreement and the Offer;
  - (d) all governmental, regulatory (including the Stock Exchange and the SFC) and shareholder consents and approvals necessary to give effect to the terms of this Agreement and the Offer having been obtained; and
  - (e) all third party consents and waivers for the transfer and acquisition of the Shares under this Agreement having been obtained and continuing in force.
- 3.2 In the event all the Conditions are not fulfilled by 31 October 2006 (or such other date as may be agreed by the Parties in writing), either Party may by notice in writing terminate this Agreement and the Vendor shall refund the Deposit without interest to the Purchaser within seven days from the date of such notice whereupon the provisions of this Agreement shall terminate and cease to be of further force and effect (other than Clauses 10, 12, 16 and this Clause 3.2) and no Party shall have any further liability under or pursuant to the provisions of this Agreement provided that such termination shall be without prejudice to the rights of the Parties accruing prior to such termination.
- 3.3 In the event the Vendor has failed to refund the Deposit to the Purchaser in accordance with Clause 3.2, the Vendor shall, and shall procure the Vendor's Participant to, sell the Sale Shares or any part thereof as directed by the Purchaser from time to time to the extent that the proceeds thereof are sufficient to cover the Deposit and pay to the Purchaser an amount equivalent to the Deposit out of such proceeds as soon as such sale has been completed and in any event within seven days after such sale.

#### 4. PURCHASE PRICE

- 4.1 The total consideration payable for the Sale Shares shall be HK\$86,686,964.2, representing HK\$3.8 per Sale Share, which shall be paid in the following manner :-
- (a) a refundable deposit in the sum of HK\$43,343,484.00 ("**Deposit**") shall be paid upon the signing of this Agreement by the Purchaser to the Vendor by cheque in favour of the Vendor; and
  - (b) HK\$43,343,480.20, being the balance of the Purchaser Price shall be paid by the Purchaser on Completion.

- 4.2 Upon the signing of this Agreement, the Vendor shall forthwith issue the direction in the form annexed hereto as Schedule 2 to the Vendor's Participant and procure the Vendor's Participant to acknowledge and confirm such direction to the Parties.
- 4.3 In the event that the Vendor shall fail to complete this Agreement in the manner provided herein other than by reason of the default of the Purchaser, the Purchaser shall have the right to sue for specific performance in respect of such breach or be entitled to rescind and/or terminate this Agreement by notice in writing to the Vendor, the Vendor's Participant and the Purchaser's Solicitors. In the event that the Purchaser elects to give notice to rescind and/or terminate this Agreement, the Purchaser's Solicitors shall, upon receipt of written notice from the Purchaser, release the Transfer Documents to the Vendor's Participant and the Vendor shall pay a sum of HK\$2,167,174.10 to the Purchaser as and for agreed liquidated damages within seven days from the date of such notice, whereupon the provisions of this Agreement shall terminate and cease to be of further force and effect (other than Clauses 10, 12, 16 and this Clause 4.3) and no Party shall have further liability under or pursuant to the provisions of this Agreement provided that such termination shall be without prejudice to the rights of the Parties accruing prior to such termination.
- 4.4 In the event that all the Condition Precedents have been fulfilled but the Purchaser fails to complete this Agreement in the manner provided herein other than by reason of the default of the Vendor, the Vendor shall be entitled to rescind and/or terminate this Agreement by notice in writing to the Purchaser, the Purchaser's Solicitors and the Vendor's Participant, in which event the Purchaser's Solicitors shall, upon receipt of written notice from the Vendor, release the Transfer Documents to the Vendor's Participant and the Purchaser is required to pay a sum of HK\$2,167,174.10 to the Vendor as and for agreed liquidated damages within seven days from the date of such notice, whereupon the provisions of this Agreement shall terminate and cease to be of further force and effect (other than Clauses 10, 12, 16 and this Clause 4.4) and no Party shall have further liability under or pursuant to the provisions of this Agreement provided that such termination shall be without prejudice to the rights of the Parties accruing prior to such termination.
- 4.5 Simultaneously with the signing of this Agreement, the Parties shall execute the bought and sold notes and instrument of transfer in respect of 11,406,180 Sale Shares (the "Transfer Documents") and deposit the same with the Purchaser's Solicitors who shall release the same in accordance with the provisions of Clause 4.3 or Clause 4.4, as the case may be. Upon release of the Transfer Documents to the Vendor's Participant, all the obligations of the Purchaser's Solicitors under Clause 4 shall be absolutely discharged.
- 4.6 The Parties hereby agree and undertake to do and execute and perform such further acts, deeds, documents and things to carry into effect the provisions of Clause 4.3 or Clause 4.4.

## 5. COMPLETION



5.1 Subject to the fulfillment of the Conditions, Completion shall take place on the Completion Date at the office of the Purchaser's Solicitors or elsewhere as may be mutually agreed by the Parties when all (but not part of) the following business shall be simultaneously transacted:-

- (a) unless the Parties agree otherwise, the Vendor shall procure that its designated Participant(s) (as defined in the General Rules of CCASS issued by HKSCC from time to time ("General Rules")) shall give irrevocable delivery instruction(s) to effect a book-entry settlement of the Sale Shares on DVP (delivery-versus-payment) basis in accordance with the General Rules and the CCASS Operational Procedures issued by HKSCC from time to time to the credit of such stock account(s) and in accordance with such details as the Purchaser shall provide to the Vendor one Business Day prior to the Completion Date and deliver to the Purchaser evidence of the giving of such delivery instruction(s) in respect of the Sale Shares duly executed by the Vendor;
- (b) the Vendor shall deliver to the Purchaser or the Purchaser's Solicitors such other documents (if any) as may be required to give a good and effective transfer of title to the Sale Shares to the Purchaser and/or its nominee(s) and to enable it/them to become the registered holder(s) thereof; and
- (c) against compliance of the provisions set out in Sub-clauses (a) and (b) above, the Purchaser shall effect payment of the balance of the Purchase Price on the due settlement date in accordance with the General Rules.

5.2 The transactions described in Clause 5.1 shall take place at the same time so that in default of the performance of any such transactions, Completion shall not be regarded as duly having taken place and the other Party shall not be obliged to complete the sale and purchase aforesaid (without prejudice to any further legal remedies).

## **6. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS**

- 6.1 The Vendor hereby represents and warrants to and undertakes with the Purchaser (for itself and for the benefit of its successors and assigns in title) that each of the matters set out in Schedule 1 is as at the date hereof and will be for all times up to and including the Completion Date, true and correct in all respects.
- 6.2 Each of the Warranties contained in this Agreement (including Schedule 1) will survive Completion.
- 6.3 The Warranties shall be separate and independent and, save as expressly provided, shall not be limited by reference to any other Clause or anything in this Agreement.
- 6.4 The Vendor acknowledges that in entering into this Agreement, the Purchaser has relied upon the Warranties. In the event that any of the Warranties or any of other

terms of this Agreement is incorrect or breached on or before Completion, the Purchaser may rescind this Agreement by notice in writing to the Vendor.

- 6.5 The Vendor shall immediately disclose to the Purchaser any matter or thing which becomes known to it after the date of this Agreement which is inconsistent with any of the Warranties or which might render any of them misleading.
- 6.6 The Purchaser shall be entitled to claim both before and after Completion that any of the Warranties is or was untrue or misleading or has or had been breached even if the Purchaser discovered or could have discovered on or before Completion that the Warranty in question was untrue misleading or had been breached and Completion shall not in any way constitute a waiver of any of the Purchaser's rights.
- 6.7 The Vendor undertakes to indemnify and keep indemnified the Purchaser from and against all reasonable claims, liabilities, losses, costs and expenses which the Purchaser may suffer or incur or which may be made against the Vendor either before or after the commencement of and arising out of, or in respect of, any action in connection with :-
- (a) the settlement of any claim that any of the Warranties is untrue or misleading or has been breached;
  - (b) any legal proceedings taken by the Purchaser claiming that any of the Warranties is untrue or misleading or has been breached and in which judgment is given for the Purchaser; and
  - (c) the enforcement of any such settlement or judgment.
- 6.8 The Vendor hereby agrees and undertakes to do and execute and perform such further acts deeds documents and things as the Purchaser may require effectively to vest the beneficial ownership of the Sale Shares in the Purchaser or such person as nominated by the Purchaser in writing.
- 6.9 If any sum payable by the Vendor under this Agreement shall be subject to Tax (whether by way of deduction or withholding or direct assessment of the person entitled thereto) such payment shall be increased by such an amount as shall ensure that after deduction, withholding or payment of such Tax the recipient shall have received a net amount equal to the payment otherwise required hereby to be made.
- 6.10 The rights and remedies of the Purchaser in respect of a breach of any of the Warranties shall not be affected by Completion, the giving of any time or other indulgence by the Purchaser to any person, by the Purchaser rescinding or not rescinding this Agreement, or by any other cause whatsoever.
- 6.11 The rights, including rights of rescission, conferred on the Purchaser by this Agreement are in addition and without prejudice to all other rights and remedies available to the Purchaser; and no exercise or failure to exercise a right under this

Agreement or otherwise or to invoke a remedy shall constitute a waiver of that right or remedy by the Purchaser.

**7. SEVERABILITY**

If at any time any one or more provisions hereof is or becomes invalid, illegal, unenforceable or incapable of performance in any respect, the validity, legality, enforceability or performance of the remaining provisions hereof shall not thereby in any way be affected or impaired.

**8. ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement and understanding between the Parties in connection with the subject-matter of this Agreement and supersedes all previous proposals, representations, warranties, agreements or undertakings relating thereto whether oral, written or otherwise and neither Party has relied on any such proposals, representations, warranties, agreements or undertakings.

**9. TIME**

- (a) Time shall be of the essence of this Agreement.
- (b) No time or indulgence given by any Party to the other shall be deemed or in any way be construed as a waiver of any of its rights and remedies hereunder.

**10. CONFIDENTIALITY**

Save for the press announcements dated 8 August 2006 and any other announcements of ITC in relation to this Agreement and the Offer and such disclosure as may be required by the Stock Exchange, the SFC, the Committee on Takeovers and Mergers or other regulatory bodies or as may be required to comply with the Listing Rules, the Code, other rules, regulations or laws, neither of the Parties shall make any announcement or release or disclose any information concerning this Agreement or the transactions herein referred to or disclose the identity of the other Party (save disclosure to their respective professional advisers under a duty of confidentiality) without the prior written consent of the other Party.

**11. ASSIGNMENT**

This Agreement shall be binding on and shall enure for the benefits of the successors and assigns of the Parties but shall not be assigned by any Party without the prior written consent of the other Party.

**12. NOTICES AND OTHER COMMUNICATION**

- 12.1 Any notice required or permitted to be given hereunder shall be given in writing in the English language delivered personally or sent by post (airmail if overseas) or by telex

or facsimile message to the Party due to receive such notice at its address as set out below (or such other address as it may have notified to the other Party in accordance with this Clause).

12.2 A notice delivered personally shall be deemed to be received when delivered and any notice sent by pre-paid recorded delivery post shall be deemed (in the absence of evidence of earlier receipt) to be received two Business Days after posting and in proving the time of despatch it shall be sufficient to show that the envelope containing such notice was properly addressed, stamped and posted or that the facsimile message was properly addressed and despatched as the case may be. A notice sent by facsimile message shall be deemed to have been received at the expiration of two hours after the time of despatch, if despatched before 3:00 p.m. on any Business Day and, in any other case, at 10:00 a.m. on the Business Day following the date of despatch.

12.3 (a) For the purpose of delivery of notices under this Agreement, the address and facsimile number of the Vendor is:-

Address : Room 903-5, 9/F, West Tower, Shun Tak Centre,  
200 Connaught Road, Hong Kong

Facsimile : (852) 2559 7118  
Attention : Ma Ho Man, Hoffman

(b) For the purpose of delivery of notices under this Agreement, the address and facsimile number of the Purchaser is:-

Address : 30<sup>th</sup> Floor, Bank of America Tower,  
12 Harcourt Road, Central, Hong Kong

Facsimile : (852) 2973 0939  
Attention : Company Secretary

### 13. COSTS AND EXPENSES

Each Party shall bear its own legal and professional fees, costs and expenses incurred in the negotiation, preparation and execution of this Agreement.

### 14. STAMP DUTY

Stamp duty arising out of the sale and purchase of the Sale Shares shall be borne by the Vendor and the Purchaser in equal shares.

### 15. COUNTERPARTS

This Agreement may be entered into in any number of counterparts and by the Parties to it on separate counterparts, each of which when so executed and delivered shall be

the original, but all the counterparts shall together constitute one and the same instrument.

**16. GOVERNING LAW & JURISDICTION**

This Agreement and the rights and obligations of the Parties hereunder shall be governed by and construed and interpreted in all respects in accordance with the laws of Hong Kong, and the Parties hereby irrevocably submit to the non-exclusive jurisdiction of the Hong Kong Courts.

**17. LEGAL REPRESENTATION**

The Vendor hereby acknowledges and confirms that Messrs. Iu, Lai & Li only act for the Purchaser in relation to the transactions contemplated hereunder and that it has been expressly advised to seek separate independent legal advice and representation.

IN WITNESS whereof the Parties have executed this Agreement the day and year first above written.

SIGNED by )  
MA HO MAN, HOFFMAN, holder of )  
Hong Kong Identity Card No. K146126(5) )  
in the presence of :- LEE SIU CHEUNG )



SIGNED by )  
a director, for and on behalf of )  
**FAMEX INVESTMENT LIMITED** )  
in the presence of :- )

IN WITNESS whereof the Parties have executed this Agreement the day and year first above written.

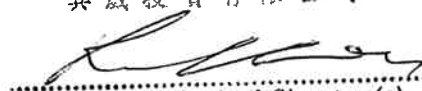
SIGNED by )  
MA HO MAN, HOFFMAN, holder of )  
Hong Kong Identity Card No. K146126(5) )  
in the presence of :- )

SIGNED by Chau Mei Wah, Rosanna )  
a director, for and on behalf of )  
FAMEX INVESTMENT LIMITED )  
in the presence of :- )



William Law

For and on behalf of  
FAMEX INVESTMENT LIMITED  
其威投資有限公司

  
Authorized Signature(s)

## SCHEDULE 1

### WARRANTIES

- (A) The Sale Shares have been validly issued and fully paid up.
- (B) There is no, nor is there any agreement or arrangement to create any Encumbrance of any nature whatsoever on, over or affecting any of the Sale Shares and no claim has been made by any person to be entitled to any of the foregoing.
- (C) The Vendor is the sole beneficial owner of the Sale Shares and has full legal right, power and authority to enter into this Agreement, and to perform all its obligations hereunder and has taken or will take all necessary shareholder and other action to authorise the execution, delivery and performance of, and to make admissible in evidence in the Courts of Hong Kong, this Agreement and this Agreement constitutes legally valid and binding obligations of the Vendor enforceable against it in accordance with the terms of this Agreement.
- (D) The Sale Shares represent approximately 9.23% of the issued share capital of the Company as at the date hereof and rank pari passu with the other existing Shares in all respects.
- (E) Subject to fulfillment of the Conditions, no consent of any third party is required for the sale of any of the Sale Shares and the performance of the transactions contemplated in this Agreement by the Vendor.



**SCHEDULE 2**

**FORM OF DIRECTION**

MA HO MAN, HOFFMAN  
Flat B, 10/F, Belvue Heights,  
8 Tai Hang Drive, Hong Kong.

Date:

To: Success Securities Limited

Re: Account No. [●] (the "Account")  
22,812,359 shares of Hanny Holdings Limited (the "Relevant Shares")

As you are aware, I am the sole beneficial owner of the Relevant Shares which are being held by you under the Account. Please be informed that I have entered into an agreement for sale and purchase with Famex Investment Limited ("Famex") for the sale of the Relevant Shares to Famex (the "Agreement") today whereby I agree to give these irrevocable instructions and directions to you.

Upon the deposit of HK\$43,343,484.00 (the "Deposit") by Famex with you for the Account, I hereby irrevocably instruct and direct you not to transfer the Relevant Shares to any person except in accordance with the provisions of this letter and to hold the Relevant Shares in the following manner:-

- (1) upon completion of the Agreement and upon receipt of the balance of the purchase price in the sum of HK\$43,343,480.20 from Famex or its designated Participant, to transfer the Relevant Shares to such stock account(s) as Famex may direct; or
- (2) upon receipt the bought and sold notes and instrument of transfer in respect of 11,406,180 shares of Hanny Holdings Limited duly executed by me, to transfer 11,406,180 shares of Hanny Holdings Limited held by me in the Account to Famex or its nominee within three days from the date of such notice; or
- (3) upon receipt of a notice from Famex that I have failed to refund the Deposit to Famex in accordance with the terms of the Agreement, to sell, within 12 months from the date of such notice, the Relevant Shares or any part thereof as directed by Famex from time to time to the extent that the proceeds thereof are sufficient to cover the Deposit and pay to Famex an amount equivalent to the Deposit out from such proceeds as soon as such sale has been completed and in any event within seven days after such sale; or
- (4) upon receipt of a notice from Famex that I have refunded the Deposit to Famex in accordance with the terms of the Agreement, to hold the Relevant Shares to my order,

whichever is earlier.

These instructions and directions shall not be altered or revoked by me without the prior written consent of Famex.

Kindly acknowledge and confirm that you will act in accordance with the above instructions and directions by signing and returning the attached to Famex and me.

Yours faithfully,

---

MA HO MAN, HOFFMAN

Acknowledgement and Confirmation

To: Famex Investment Limited  
30<sup>th</sup> Floor, Bank of America Tower,  
12 Harcourt Road, Central,  
Hong Kong.

and

Ma Ho Man, Hoffman  
Flat B, 10/F, Believue Heights,  
8 Tai Hang Drive,  
Hong Kong.

Re: Account No. [●] (the "Account")  
22,812,359 shares of Hanny Holdings Limited (the "Relevant Shares")

We, Success Securities Limited, hereby acknowledge and confirm the above instructions and directions given by Ma Ho Man, Hoffman, the holder of the Account, and agree that we shall act in accordance with such instructions and directions.

Despite the above, we will not be liable to Famex Investment Limited for any loss and damages that it may suffer under the said instructions and directions save and except for any negligence or wilful default on our part.

Yours faithfully,

---

Success Securities Limited

Date:

DATED THE 28 DAY OF AUGUST 2006

**MA HO MAN, HOFFMAN**  
(as Vendor)

and

**FAMEX INVESTMENT LIMITED**  
(as Purchaser)

---

**SUPPLEMENTAL AGREEMENT**  
to the agreement for sale and purchase of  
shares in Hanny Holdings Limited

---

IU, LAI & LI  
Solicitors & Notaries  
20<sup>th</sup> Floor, Gloucester Tower,  
The Landmark, 11 Pedder Street,  
Central, Hong Kong.

Ref. : AC:NNK:fh 46994

**THIS SUPPLEMENTAL AGREEMENT** is made the 28 day of August 2006

**BETWEEN**

- (1) **MA HO MAN, HOFFMAN**, holder of Hong Kong Identity Card No.K146126(5), of Flat B, 10/F, Believue Heights, 8 Tai Hang Drive, Hong Kong (the "**Vendor**"); and
- (2) **FAMEX INVESTMENT LIMITED**, a company incorporated in Hong Kong with limited liability, whose registered office is situated at 30<sup>th</sup> Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong (the "**Purchaser**").

**WHEREAS:-**

- (A) By an agreement for sale and purchase dated 17 August 2006 made between the parties hereto (the "**Original Agreement**"), the Vendor has agreed to sell the Sale Shares (as defined in the Original Agreement) to the Purchaser upon the terms and conditions set out therein.
- (B) The parties hereto have agreed to amend the Original Agreement in the manner hereinafter appearing.

**NOW IT IS HEREBY AGREED** as follows:-

**1. DEFINITIONS AND INTERPRETATION**

Words and expressions defined in the Original Agreement shall, unless the context requires otherwise, have the same meanings when used herein. The rules of interpretation set out in Clause 1 of the Original Agreement shall apply mutatis mutandis to this Supplemental Agreement.

**2. AMENDED PROVISIONS**

2.1 Clause 4.3 of the Original Agreement shall henceforth be amended and substituted with the following:-

"4.3 In the event that the Vendor shall fail to complete this Agreement in the manner provided herein other than by reason of the default of the Purchaser, the Purchaser shall, without prejudice to its rights including the right to sue for specific performance and/or damages and/or other rights which the Purchaser may have in respect of such breach, be entitled to rescind this Agreement by notice in writing to the Vendor, the Vendor's Participant and the Purchaser's Solicitors whereupon the Purchaser's Solicitors shall, upon receipt of written notice from the Purchaser, release the Transfer Documents to the Vendor's Participant."

2.2 Clause 4.4 of the Original Agreement shall henceforth be amended and substituted with the following:-

"4.4 In the event that all the Condition Precedents have been fulfilled but the Purchaser fails to complete this Agreement in the manner provided herein other than by reason of the default of the Vendor, the Vendor shall, without prejudice to his rights including the right to sue for damages and/or other rights which the Vendor may have in respect of such breach, be entitled to rescind this Agreement by notice in writing to the Purchaser, the Purchaser's Solicitors and the Vendor's Participant whereupon the Purchaser's Solicitors shall, upon receipt of written notice from the Vendor, release the Transfer Documents to the Vendor's Participant."

3. **INCORPORATION**

Save as otherwise provided herein, all the terms and conditions contained in the Original Agreement shall remain unchanged and continue in full force and effect and be operative and binding on the parties hereto and the Original Agreement and this Supplemental Agreement shall hereafter be read and construed as one agreement.

4. **COSTS AND EXPENSES**

Each party shall bear its own legal costs and disbursements and all other expenses of and incidental to the preparation and execution of this Supplemental Agreement.

5. **COUNTERPARTS**

This Agreement may be executed in any number of counterparts and by the parties to it on separate counterparts, each of which is an original but all of which together constitute one and the same instrument.

6. **GOVERNING LAW**

This Supplemental Agreement is governed by and shall be construed in accordance with the laws of Hong Kong.

IN WITNESS whereof the parties hereto have signed this Supplemental Agreement the day and year first above written.

SIGNED by )  
MA HO MAN, HOFFMAN, holder of )  
Hong Kong Identity Card No. K146126(5) )  
in the presence of :- LEE SIU CHEUNG )



SIGNED by )  
a director, for and on behalf of )  
**FAMEX INVESTMENT LIMITED** )  
in the presence of :- )

IN WITNESS whereof the parties hereto have signed this Supplemental Agreement the day and year first above written.

SIGNED by )  
MA HO MAN, HOFFMAN, holder of )  
Hong Kong Identity Card No. K146126(5) )  
in the presence of :- )

SIGNED by Chau Mei Wah, Rosanna )  
a director, for and on behalf of )  
FAMEX INVESTMENT LIMITED )  
in the presence of :- )

For and on behalf of  
FAMEX INVESTMENT LIMITED  
其威投資有限公司

  
Authorized Signature(s)



William Law



**Re: Agreement for the sale and purchase of shares in Hanny Holdings dated 17 August 2006 as supplemented by a supplemental agreement dated 28 August 2006 (collectively, the "Agreement") entered into between Ma Ho Man, Hoffman and Famex Investment Limited**

This letter is to supplement the Agreement and the terms used in this letter shall, unless otherwise re-defined, have the same meanings as defined in the Agreement.

We agree that the date for fulfilment of all the Conditions as referred to in Clause 3.2 of the Agreement be extended to 30 November 2006 (or such other date as may be agreed by the Parties in writing).

Save and except the aforesaid amendment and/or variation, all terms and conditions of the Agreement shall remain in full force and effect. The Agreement and this letter shall be read and construed as a single integrated document.

For and on behalf of  
Famex Investment Limited



Chau Mei Wah, Rosanna  
Director

Date: 4 October 2006

Ma Ho Man, Hoffman  
(Holder of Hong Kong Identity  
Card No. K146126(5))

Date:

**Re: Agreement for the sale and purchase of shares in Hanny Holdings dated 17 August 2006 as supplemented by a supplemental agreement dated 28 August 2006 (collectively, the "Agreement") entered into between Ma Ho Man, Hoffman and Famex Investment Limited**

This letter is to supplement the Agreement and the terms used in this letter shall, unless otherwise re-defined, have the same meanings as defined in the Agreement.

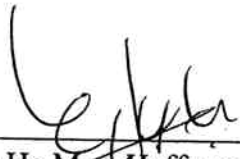
We agree that the date for fulfilment of all the Conditions as referred to in Clause 3.2 of the Agreement be extended to 30 November 2006 (or such other date as may be agreed by the Parties in writing).

Save and except the aforesaid amendment and/or variation, all terms and conditions of the Agreement shall remain in full force and effect. The Agreement and this letter shall be read and construed as a single integrated document.

For and on behalf of  
Famex Investment Limited

\_\_\_\_\_  
Chau Mei Wah, Rosanna  
Director

Date:

  
\_\_\_\_\_  
Ma Ho Man, Hoffman  
(Holder of Hong Kong Identity  
Card No. K146126(5))  
Date: 29.09.2006