

**INTERIM FINANCIAL REPORT**

The Board of Directors (the “Directors”) of Hanny Holdings Limited (the “Company”) is pleased to present the unaudited consolidated financial statements of the Company and its subsidiaries (the “Group”) for the six months ended September 30, 2001.

**Condensed Consolidated Income Statement**

For the six months ended September 30, 2001

	<i>Notes</i>	<b>Six months ended</b>	
		<b>September 30,</b>	<b>2000</b>
		<b>2001</b>	<b>2000</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
Turnover	(3)	<b>1,750,154</b>	1,763,289
Cost of sales		<b><u>(1,406,919)</u></b>	<u>(1,447,958)</u>
Gross profit		<b>343,235</b>	315,331
Other revenue	(4)	<b>36,308</b>	72,364
Distribution costs		<b>(191,511)</b>	(146,676)
Administrative expenses		<b><u>(138,782)</u></b>	<u>(124,291)</u>
Profit from operations	(5)	<b>49,250</b>	116,728
Finance costs		<b>(39,174)</b>	(46,488)
Share of results of associates		<b>(3,084)</b>	(12,675)
Net gain on deemed disposal of interests in associates		–	6,006
Net gain on disposal of interests in subsidiaries		<b><u>–</u></b>	<u>1,995</u>
Profit before taxation		<b>6,992</b>	65,566
Taxation	(6)	<b><u>1,698</u></b>	<u>1,130</u>
Profit before minority interests		<b>5,294</b>	64,436
Minority interests		<b><u>(2,361)</u></b>	<u>1,814</u>
Profit attributable to shareholders		<b><u><u>2,933</u></u></b>	<u><u>66,250</u></u>
Dividends	(7)	<b><u><u>9,647</u></u></b>	<u><u>9,886</u></u>
Earnings per share	(8)		
Basic		<b><u><u>0.05 cent</u></u></b>	<u><u>1.62 cents</u></u>
Diluted		<b><u><u>0.05 cent</u></u></b>	<u><u>1.61 cents</u></u>