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KANHANA TECHNOLOGIES GROUP LIMITED

看漢科技集團有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8175)

**ANNOUNCEMENT
IN RESPECT OF CONCENTRATION OF PUBLIC FLOAT**

This announcement is made at the request of the Stock Exchange of Hong Kong Limited in respect of the high concentration of the Shares of the Company held by a limited number of holders as at 24th February 2004.

Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares.

This announcement is made in respect of the high concentration of the Shares of the Company (“the Shares”) held by a limited number of holders as at 24th February 2004.

The Board was informed by the Stock Exchange on 30th March 2004 that on the basis of the information provided by the Securities and Futures Commission, at the close of business on 24th February 2004, the holding in the Company by its directors accounts for 55.39% (269,456,000 Shares) of its total issued share capital of 486,432,000 Shares. Such holding, together with the 38.22% (185.9 million Shares) held by 15 other shareholders, represented 93.62% of the total issued share capital of the Company, leaving 6.38% in the hands of other small investors.

The price of the Shares experienced an increase of approximately of 248% from HK\$0.25 on 3rd September 2003 to HK\$0.87 on 16th October 2003. The price of the Shares then traded at between approximately HK\$0.74 and approximately HK\$1.00 and closed at HK\$0.99 on 3rd December 2003.

* For identification purpose only

As at 24th February 2004, the following interests of the Company were noted

	Number of Shares held as Personal Interest	Number of Shares held as Corporate Interest	Percentage of total number of issued share capital of the Company
Mo Wai Ming, Lawrence (<i>note 1</i>)	180,008,000	–	37.01%
Wai Lai Yung (<i>note 1</i>)	2,512,000	84,072,000 (<i>note 2</i>)	17.80%
Lee Chi Ming (<i>note 1</i>)	1,432,000	–	0.29%
Yuen Ka Lok Ernest (<i>note 1</i>)	1,432,000	–	0.29%
15 other shareholders			38.22%
Other public shareholders			6.385%
			<hr/> <hr/> <u>100%</u>

(1) Mr. Mo Wai Ming, Lawrence, Ms. Wai Lai Yung, Mr. Lee Chi Ming and Mr. Yuen Ka Lok Ernest are directors of the Company, in aggregate, they hold 55.39% (269,456,000 Shares) of the Company's total issued Shares.

(2) These Shares are attributable to Ms. Wai Lai Yung in respect of the 3,616,000 Shares held by Metrolink Holdings Limited; 40,432,000 Shares held by ZMGI Corporation and 40,024,000 Shares held by Golden Nugget Resources Limited respectively in her capacity as an a beneficial owner of these companies.

Having made enquiries of the Directors of the Company (the "Directors") regarding the interests of the connected persons in the Shares, each of the Directors confirm that he/she and his/her associates (as defined in the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited, (the "GEM Listing Rules")) have no other interest, whether held by himself/herself or his/her associates, save as those disclosed in this announcement.

The Board confirms that there is sufficient number of Shares held by the public in compliance with Rule 11.23(1) of the GEM Listing Rules. Given the concentration of public float of the Company in hands of a limited number of shareholders as at 24th February 2004, the Company hereby makes the announcement to keep the market promptly informed of this circumstance.

The Company will make a further announcement on the finding of the investigation to be made under section 329 of the Securities and Futures Ordinance.

Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares.

Made by the order of the Board, the directors of the Company collectively and individually accept responsibility for the accuracy of this announcement.

By order of the Board
Ng Tim Tak
Company Secretary

As at the date of this Announcement, the Board of Directors comprises of

Name	Capacity
Mo Wai Ming, Lawrence	Chairman
Wai Lai Yung	Executive Director
Lee Chi Ming	Executive Director
Sun Kam Fai, Zacky	Executive Director
Yuen Ka Lok Ernest	Non-Executive Director
Lai Chau Ming	Independent Non-Executive Director
Ho Siu Kau	Independent Non-Executive Director

Hong Kong, 6 April, 2004

This announcement, for which the directors (the “Directors”) of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumption that are fair and reasonable.

This announcement will remain on the GEM website on the “Latest Company Announcements” page for at least 7 days from the date of its posting.