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## Magnum International Holdings Limited

(incorporated in Bermuda with limited liability)

(Stock code: 305)

### MONTHLY ANNOUNCEMENT IN RESPECT OF CONVERTIBLE PREFERENCE SHARES

The Company makes this announcement as per the requirement of the Stock Exchange in respect of the Conversion Shares to be allotted and issued upon the exercise of the conversion rights attached to the Convertible Preference Shares. No conversion of the Convertible Preference Shares was made during the month of June 2006.

References are made to (i) the joint announcement made by Magnum International Holdings Limited (the "Company") and Dragon Hill Development Limited ("Dragon Hill") dated 30 March 2006; and (ii) the circular issued by the Company dated 29 April 2006 (the "Circular"). Unless otherwise defined, the terms used in this announcement shall have the same meanings as those defined in the Circular.

The Company makes this announcement as per the requirement of the Stock Exchange in respect of the Conversion Shares to be allotted and issued upon the exercise of the conversion rights attached to the Convertible Preference Shares.

Upon the Subscription Completion which took place on 20 June 2006, 1,521,400,000 Convertible Preference Shares were issued to Dragon Hill.

The Directors would like to report that no conversion of the Convertible Preference Shares was made during the month of June 2006. Accordingly, 1,521,400,000 Convertible Preference Shares remained outstanding as at 30 June 2006. Information regarding the total issued ordinary share capital of the Company as at 1 June 2006 and 30 June 2006 is set out below:

	<b>Aggregate nominal value of the Shares (HK\$)</b>	<b>Number of Shares</b>
As at 1 June 2006	615,024.175	615,024,175
Total number of Conversion Shares issued during the month	0	0
Total number of new Shares issued pursuant to other transactions during the month	0	0
As at 30 June 2006	615,024.175	615,024,175

This announcement is only released through the website of the Stock Exchange and no publication in the newspapers is made.

By order of the Board  
**Magnum International Holdings Limited**  
**Lee Shing**  
*Executive Director*

Hong Kong, 11 July 2006

As at the date of this announcement, the Board comprises:

*Executive Directors:*

Mr. Lee Shing  
Ms. Liu Yaling  
Mr. Lim Teong Leong  
Mr. Tam Cheok Wing  
Mr. Ooi Sin Heng  
Mr. Chan Hon Ming

*Independent non-executive Directors:*

Mr. Yu Xiumin  
Mr. Zuo Duofu  
Mr. Cheng Kin Wah, Thomas  
Mr. Wong Ming Shiang  
Mr. Lim Eng Ho