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GRANDTOP INTERNATIONAL HOLDINGS LIMITED

泓鋒國際控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2309)

CLARIFICATION ANNOUNCEMENT

Reference is made to the announcement of the Company dated 2 August 2007 regarding major transaction (the “Announcement”). The Company would like to clarify certain financial information in the Announcement under the section headed “Information on GMF” as set out in this announcement.

Reference is made to the announcement of the Company dated 2 August 2007 regarding major transaction (the “Announcement”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as ascribed to them in the Announcement.

It was originally stated that the financial information of GMF under the section headed “Information on GMF” in the second and third paragraphs on page 6 of the Announcement that:

“Based on the management account of GMF for the years ended 31 December 2005 and 31 December 2006 which was prepared in accordance with the PRC GAAP, the unaudited net asset value of GMF as at 31 December 2005 and 31 December 2006 were approximately RMB750,285 and RMB78,705 respectively. The unaudited loss before tax of GMF for the years ended 31 December 2005 and 31 December 2006 were approximately RMB2,469,848 and RMB558,000 respectively. The unaudited net loss after tax attributable to GMF’s shareholders for the years ended 31 December 2005 and 31 December 2006 were approximately RMB2,548,559 and RMB828,990 respectively.

Based on the management account of GMF for the period from 1 January 2007 to 30 June 2007, the unaudited net asset value of GMF as at 30 June 2007 was approximately RMB244,458 and the unaudited net loss of GMF was approximately RMB165,753.”

Pursuant to Rule 14.67(4)(a)(i) of the Listing Rules, an accountants’ report on GMF is required to be prepared in accordance with Hong Kong Financial Reporting Standards (the one adopted by the Company) and included in the circular for the Shareholders’ approval on the major transaction.

During the audit for preparation of the accountant’s report on GMF and management’s due diligence process, adjustments were made to the financial information of GMF in respect of (i) the write-off of

* *For identification purpose only*

deferred costs of GMF as at 31 December 2005 and 2006 and 30 June 2007; (ii) write-off of pre-operating expenditures of GMF during the year ended 31 December 2006 and the six months ended 30 June 2007; and (iii) understatement of rental expenses of GMF for the year ended 31 December 2006 and the six months ended 30 June 2007. The above adjustments were made as there was omission of certain accounting entries in the unaudited management accounts of GMF.

The Company would like to clarify, in this announcement, that the above financial information shall be read as follows:

“Based on the accountants’ report on GMF for the years ended 31 December 2004, 2005 and 2006 and the six months ended 30 June 2007 which was included in the circular of the Company dated 23 August 2007 and was prepared in accordance with Hong Kong Financial Reporting Standards, the audited net liability value of GMF as at 31 December 2005 and 31 December 2006 were approximately RMB90,000 and RMB2,333,000 respectively. The audited loss before tax of GMF for the years ended 31 December 2005 and 31 December 2006 were approximately RMB2,882,000 and RMB1,972,000 respectively. The audited net loss after tax attributable to GMF’s equity holders for the years ended 31 December 2005 and 31 December 2006 were approximately RMB2,961,000 and RMB2,243,000 respectively. The audited net liability value of GMF as at 30 June 2007 was approximately RMB5,202,000 and the audited net loss of GMF for the period from 1 January 2007 to 30 June 2007 was approximately RMB2,869,000.”

The Company confirms that the reasons for discrepancies between the figures stated in the Announcement and the figures stated in this announcement are due to the adjustments mentioned above.

The Company and the Directors accept full responsibility for the accuracy and completeness of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the extent of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statements in this announcement misleading.

By order of the Board
Grandtop International Holdings Limited
Hui Ho Luek, Vico
Executive Director

Hong Kong, 23 August 2007

As at the date of this announcement, the Board comprises of executive Directors, namely Mr. Yeung Ka Sing, Carson, Mr. Hui Ho Luek, Vico, Mr. Steven McManaman, Mr. Lee Yiu Tung, Mr. Ip Wing Lun, Ms. Wong Po Ling, Pauline and Ms. Bessie Siu, non-executive Directors, namely Mr. Christian Lali Karembu and Mr. Fu Wing Kwok, Ewing and independent non-executive Directors, namely Mr. Chang Kin Man, Mr. Zhou Han Ping and Mr. Yip Man Ki.