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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)

TERMINATION OF MAJOR TRANSACTION REGARDING THE ACQUISITION OF 51% EQUITY INTEREST IN GMF

The Board announces that the Company will not proceed with the Acquisition as the conditions precedents under the Sale and Purchase Agreement cannot be fulfilled. No impact on the business or financials of the Group is expected as a result of the termination of the Acquisition.

Reference is made to the announcements of Grandtop International Holdings Limited (the “**Company**”) dated 2 August 2007 and 23 November 2007 (the “**Announcements**”) and the circular of the Company dated 23 August 2007 in relation to the proposed acquisition of 51% equity interest in GMF. Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless the context requires otherwise.

Pursuant to the conditions precedent under the Sale and Purchase Agreement, the Purchaser shall have received a PRC legal opinion confirming, inter alia, (a) completion of all the legal procedures in respect of the changing of the legal status of GMF from a PRC domestic limited liability company to a Sino-foreign equity joint venture in full compliance with the PRC laws; and (b) the restructuring whereby the transfer of all equity interests in GTC to GMF at nil consideration (the “**Restructuring**”) having been completed and all relevant approvals, consents and permits having been completed and all relevant approvals, consents and permits having been obtained.

Up to the date of this announcement, however, the Purchaser has not received such legal opinion notwithstanding that the Purchaser has been following up with the Vendor in respect of the status of the changing of the legal status of GMF and the Restructuring after the Long Stop Date and it appears that the changing of the legal status of GMF from a domestic limited liability company to a sino-foreign equity joint venture and the Restructuring will not materialise. Given the above which is critical to the validity of the proposed Acquisition, the Board considers that it will be for the best interest for the

* For identification purpose only

Shareholders if the Company does not proceed with the Acquisition. As such, on 19 September 2008, the Purchaser served a notice of termination of the Sale and Purchase Agreement on the Vendor. No deposit and any consideration payable for the Acquisition was paid by the Purchaser. No impact on the business or financials of the Group is expected as a result of the termination of the Acquisition.

By order of the Board
Grandtop International Holdings Limited
Ip Wing Lun
Executive Director and Company Secretary

Hong Kong, 19 September 2008

As at the date of this announcement, the board of directors of the Company comprises executive directors, namely, Mr. Yeung Ka Sing, Carson, Mr. Hui Ho Luek, Vico, Mr. Steven McManaman, Mr. Fan Zhi Yi, Mr. Lee Yiu Tung, Mr. Ip Wing Lun, Ms. Wong Po Ling, Pauline; non-executive director, namely Mr. Christian Lali Karembou and Mr. Chan Wai Keung and independent non-executive directors, namely Mr. Chang Kin Man, Mr. Yau Yan Ming, Raymond, Mr. Yip Man Ki and Mr. Zhou Han Ping.