

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



GRANDTOP INTERNATIONAL HOLDINGS LIMITED

泓鋒國際控股有限公司*

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 2309)

VERY SUBSTANTIAL ACQUISITION AND RESUMPTION OF TRADING OF SHARES

On 27th June, 2007, the Company entered into the binding MOU with the Vendors whereby the Vendors have granted the Company the right to purchase an aggregate 29.90% of the issued capital of Birmingham City Plc. from them or their nominees for an aggregate price of £14,950,029 (approximately HK\$233,220,000). The consideration for the Acquisition, if the Right is exercised, shall be satisfied in cash by third party financing and internal resources of the Company.

If the Right is exercised, the Acquisition would constitute a very substantial acquisition for the Company under the Listing Rules and would therefore be subject to the approval of the Shareholders at the SGM. As the Vendors are Independent Third Parties and have no interest in the Shares and no Shareholder (other than Mr. Yeung) has a material interest in the Acquisition which is different from the other Shareholders, no Shareholder (other than Mr. Yeung) is required to abstain from voting in respect of the proposed ordinary resolution to approve the Acquisition at the SGM.

Completion of the Acquisition is subject to the Right being exercised and the approval and ratification of the Acquisition by Shareholders in general meeting.

As the Right may or may not be exercised and therefore, the Acquisition may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares of the Company.

A circular containing, among other things, the details of the Acquisition and a notice of the SGM will be despatched to the Shareholders as soon as practicable after the Right is exercised, if applicable.

Trading in the Shares of the Stock Exchange was suspended at the request of the Company with effect from 9:30 am on 27th June, 2007 pending the release of this announcement. The Company has applied for a resumption of trading in its Shares with effect from 9:30 am on 3rd July, 2007.

* *For identification purpose only*

THE RIGHT

Date : 27th June, 2007

Parties :

Grantors : Mr. David Sullivan, Mr. David Gold, Mr. Ralph Gold, Ms. Karren Brady and Mr. Roger Bannister

Grantee : The Company

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendors are Independent Third Parties.

Assets to be acquired under the Right:

In aggregate 24,375,975 ordinary shares of 10 pence each (as to 12,075,863 from Mr. David Gold and Mr. Ralph Gold's nominee shareholders, 12,075,863 from Mr. David Sullivan's nominee shareholder, 186,875 from Ms. Karren Brady and 37,374 from Mr. Roger Bannister) in the issued capital of Birmingham City Plc., representing 29.90% of its entire issued share capital.

Consideration:

The consideration for the Right is £1,009,200 (approximately HK\$15,744,000) (as to £500,000 (approximately HK\$7,800,000) to the nominee of Mr. David Sullivan, as to £500,000 (approximately HK\$7,800,000) to the nominee of Mr. Ralph Gold and Mr. David Gold, as to £7,667 (approximately HK\$119,605) to Ms. Karren Brady and as to £1,533 (approximately HK\$23,915) to Mr. Roger Bannister) and has been paid by the Company upon the signing of the MOU. The consideration for the Acquisition in aggregate is £14,950,029 (approximately HK\$233,220,000) (representing approximately 61.331 pence per share in Birmingham City Plc. (approximately HK\$9.57 per share) less the £1,009,200 already paid. This represents approximately a 36.30% premium to the closing price of 45.0 pence per share on 27th June, 2007 of Birmingham City Plc. If the Right is exercised, the balance consideration paid to the Vendors is £13,940,829 (approximately HK\$217,477,000) as to £6,906,244 (approximately HK\$107,737,000) to the nominee of Mr. Ralph Gold and Mr. David Gold, as to £6,906,244 (approximately HK\$107,737,000) to the nominee of Mr. David Sullivan, as to £107,449 (approximately HK\$1,676,204) to Ms. Karren Brady and as to £20,892 (approximately HK\$325,915) to Mr. Roger Bannister. The consideration shall be satisfied in cash by third party financing and internal resources of the Company.

The Consideration was determined after commercial negotiations on an arm's length basis, by reference to a price to earnings ratio of 20 times and the fact that Birmingham City Football Club has been promoted to the Premier League for the 2007-2008 year which translates into higher television revenue, gate receipts, sales and sponsorship.

UNDERTAKING

The Acquisition was introduced to the Company by Mr. Yeung. Mr. Yeung has undertaken to the Company that in the event that the Acquisition is not approved by independent Shareholders at the SGM and/or the Company is unable to obtain third party financing for the Acquisition, he will personally purchase the Sale Shares from the Company and indemnify the Company for all costs incurred by it as a result

(including the repayment of the £1,009,200 amount paid upon the signing of the MOU). The Company has no binding commitment that it must transfer the Sale Shares to Mr. Yeung in the event of failure to obtain Shareholders' approval for the Sale Shares although Mr. Yeung must purchase the Sale Shares if the Company puts the Sale Shares to him for purchase. In the event that the Sale Shares are transferred to Mr. Yeung, a further announcement will be made and the Company will comply with the relevant requirements of the Listing Rules.

Furthermore, Mr. Yeung has agreed to grant the Company an interest-free, security-free bridging loan in the amount of up to HK\$250,000,000 for a period of 6 months in order that the Company can proceed with the Acquisition. This is an exempt connected transaction for the Company pursuant to Rule 14A.65(4) of the Listing Rules.

The Company will undertake a due diligence investigation including but not limited to the assets, liabilities, financial condition, contracts, operations, books, records, commitments, business and prospects of Birmingham City Plc and its subsidiaries and may exercise the Right if it is satisfied with the results of such due diligence investigation to its reasonable satisfaction.

COMPLETION

If the Right is exercised, Completion will take place immediately. The Acquisition will be subject to Shareholders' approval (other than those (if any) who are required to abstain from voting under the Listing Rules) at a general meeting of the Company to approve and ratify the Company's entry into the MOU, the Acquisition and the performance of the transactions contemplated thereunder.

Completion would take place upon the exercise of the Right. Given the tight timeframe for Completion imposed on the Company by the Vendors and the arrangements to safeguard the Company and its Shareholders in the event that Shareholders' approval cannot be obtained for the Acquisition, as detailed in the section headed "Undertaking" above, the Company believes it is in the best interest that the Company proceed directly to Completion upon exercise of the Right and prior to the SGM.

BIRMINGHAM CITY PLC.

Birmingham City Plc. is a company whose shares are listed on the Alternative Investment Market of the London Stock Exchange and is engaged in the activity of a premier football league club.

According to the audited financial statements of Birmingham City Plc. prepared using United Kingdom Generally Accepted Accounting Principles, Birmingham City Plc. recorded a turnover of approximately £42,700,000 (approximately HK\$666,120,000) and £40,100,000 (approximately HK\$625,560,000) for the years ended 31st August, 2005 and 31st August, 2006 respectively and a net profit before tax of approximately £1,600,000 (approximately HK\$24,960,000) and £2,700,000 (approximately HK\$42,120,000) for the years ended 31st August, 2005 and 31st August 2006 respectively. The net asset value of Birmingham City Plc. amounted to approximately £11,700,000 (approximately HK\$182,520,000) and £13,500,000 (approximately HK\$210,600,000) respectively as at 31st August, 2005 and 31st August, 2006 respectively.

REASONS FOR THE ACQUISITION

The Group is principally engaged in the business of (i) apparel sourcing, (ii) apparel trading, and (iii) sale support services. This business has been competitive and demanding and the Board believes that the Acquisition is a good opportunity to diversify the Group's business and to look for additional income sources. Furthermore, following Completion, it is contemplated that the Group could supply and source apparel, accessories and related products for Birmingham Football Club.

Following Completion, Birmingham City Plc. will be booked as an associated company of the Company.

LISTING RULES IMPLICATIONS

If the Right is exercised, the Acquisition would constitute a very substantial acquisition of the Company under the Listing Rules and would therefore be subject to the approval of the Shareholders at the SGM. As the Vendors are Independent Third Parties and have no interest in the Shares and no Shareholder (other than Mr. Yeung) has a material interest in the Acquisition which is different from the other Shareholders, no Shareholder (other than Mr. Yeung) is required to abstain from voting in respect of the proposed ordinary resolution to approve the Acquisition at the SGM. Mr. Yeung is deemed to have an interest different from other Shareholders as it is possible he may transact with the Company to purchase the Sale Shares in the event it is not approved by Shareholders at the SGM or financing cannot be obtained.

As the Right may or may not exercised and therefore, the Acquisition may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares of the Company.

A circular containing, among other things, the details of the Acquisition and a notice of the SGM will be despatched to the Shareholders as soon as practicable after the Right is exercised, if applicable.

Trading in the Shares of the Stock Exchange was suspended at the request of the Company with effect from 9:30 am on 27th June, 2007 pending the release of this announcement. The Company has applied for a resumption of trading in its Shares with effect from 9:30 am on 3rd July, 2007.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“Acquisition”	the possible acquisition of a 29.90% equity interest in Birmingham City Plc.;
“Board”	the board of directors of the Company;
“Company”	Grandtop International Holdings Limited, a company incorporated in Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange;

“Completion”	completion of the Acquisition;
“Directors”	directors of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Third Party”	person who himself is, and (in the case of corporate entity) its ultimate beneficial owners are, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, third parties who are independent of the Company and its connected persons (as that term is defined in the Listing Rules);
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“MOU”	the binding Memorandum of Understanding dated 27th June, 2007 entered into between the Company and the Vendors relating to the granting of a right to the Company to acquire an equity interest in Birmingham City Plc.;
“Mr. Yeung”	Mr. Yeung Ka Sing, Carson, a substantial shareholder of the Company following completion of the placing as announced by the Company on 20th June, 2007;
“Right”	the right to acquire in aggregate 29.90% of the issued share capital in Birmingham City Plc. from the Vendors and/or their nominee exercisable on or before 5pm (United Kingdom time) on 16th July, 2007;
“Sale Shares”	in aggregate 24,375,975 ordinary shares of 10 pence each in the issued share capital of Birmingham City Plc;
“Share(s)”	ordinary shares of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Shares;
“SGM”	the special general meeting of the Company to be convened and held for the Shareholders to consider and if thought fit, approve and ratify the MOU and the Acquisition;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“Vendors” collectively Mr. David Sullivan, Mr. David Gold, Mr. Ralph Gold, Ms. Karren Brady and Mr. Roger Banister all Independent Third Parties;

“%” per cent.

“£” pound sterling, the lawful currency of the United Kingdom

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

Hong Kong, 29th June, 2007

(In this announcement the exchange rate of £1 to HK\$15.6 is used. However, it does not constitute a representation that any amount has been or may be exchanged at this or another rates or at all.)

As at the date of this announcement, the Board comprises of four executive directors, namely Mr. Hui Ho Luek, Vico, Mr. Lee Yiu Tung, Ms. Siu Bessie and Ms. Wong Po Ling, Pauline, two non-executive directors, namely Mr. Fu Wing Kwok, Ewing and Mr. Ip Wing Lun and three independent non-executive directors, namely Mr. Chang Kin Man, Mr. Zhou Han Ping and Mr. Yip Man Ki.