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GRANDTOP INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 2309)

ISSUE OF NEW SHARES PURSUANT TO GENERAL MANDATE AND RESUMPTION OF TRADING

The Company had on 6th February, 2007 entered into the Subscription Agreement, pursuant to which the Company conditionally agreed to issue an aggregate of 64,000,000 Subscription Shares at a price of HK\$0.121 each. Net proceeds of the Subscription are estimated to be approximately HK\$7,744,000 and will be used as general working capital of the Group.

The Subscription is conditional on the approval of the listing of, and permission to deal in, the Subscription Shares being granted by the Listing Committee of the Stock Exchange.

The Subscription Shares represent approximately 20% of the existing issued share capital of the Company and approximately 16.67% of the share capital as enlarged by the issue of the Subscription Shares. The Subscription Shares will be allotted and issued pursuant to the general mandate granted to the Board at the annual general meeting of the Company held on 29th September, 2006.

At the request of the Company, trading in the Shares on the Stock Exchange was suspended as from 2:30 p.m. on 6th February, 2007 pending release of this announcement. Application has been made by the Company for the resumption of trading in the Shares with effect from 9:30 a.m. on 7th February, 2007.

THE SUBSCRIPTION AGREEMENT

Date: 6th February, 2007

Issuer: The Company

Subscriber: Premier Rise Investments Limited, a company incorporated in the British Virgin Islands and wholly owned by Mr. Hui Ho Luek, an Independent Third Party

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Subscriber, Mr. Hui Ho Luek and his associates are third parties independent of the Company and its connected persons. The spouse of Mr. Hui Ho Luek currently holds 12,650,000 Shares of which 11,450,000 Shares were acquired on or about June 2006 and 1,200,000 Shares were acquired in the beginning of January 2007.

Number of new Shares to be subscribed:

A total of 64,000,000 new Shares, representing approximately 20% of the Company's issued share capital as at the date of this announcement and approximately 16.67% of the Company's issued share capital as enlarged by the allotment and issue of the Subscription Shares.

The Subscription Shares will be allotted and issued under the general mandate granted to the Board at the annual general meeting of the Company held on 29th September, 2006. The aforesaid general mandate entitles the Company to allot and issue Shares with nominal amount of not more than 20% of the aggregate nominal amount of the share capital of the Company in issue as at 29th September, 2006, which amounts to 64,000,000 new Shares. As at the date of this announcement, no Shares had been issued pursuant to the aforesaid general mandate.

Subscription Price:

HK\$0.121 per Subscription Share, which represents:

- (i) a discount of about 19.33% to the closing price per Share of HK\$0.15 as quoted on the Stock Exchange at 12:30 p.m. on 6th February, 2007, being the closing price of the Shares prior to the suspension of the trading in the Shares;
- (ii) a premium of about 6.89% to the average of the closing prices per Share of approximately HK\$0.1132 for the last 5 trading days up to and including 12:30 p.m. on 6th February, 2007; and
- (iii) a premium of about 18.98% to the average of the closing prices per Share of approximately HK\$0.1017 for the last 10 trading days up to and including 12:30 pm. on 6th February, 2007.

Based on the estimated expenses of approximately HK\$144,000 relating to the Subscription, the net subscription price of the Subscription Shares is approximately HK\$0.121 per Subscription Share. The terms of the Subscription Agreement were arrived at after arm's length negotiations between the Company and the Subscriber and with reference to the prevailing market price of the Shares. The Board considers that the terms of the Subscription Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Ranking of Subscription Shares:

The Subscription Shares, when allotted and issued, will rank pari passu in all respects with the existing issued Shares, including the right to receive all dividends, bonuses or distributions declared or proposed to be declared or paid by the Company as from the date of such allotment and issue of the Subscription Shares.

Condition of the Subscription Agreement:

Completion of the Subscription Agreement is conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares.

If the condition referred to above is not fulfilled by 5th March, 2007 (or such other time and date as may be agreed by the Company and the Subscriber), all rights, obligations and liabilities of the parties under the Subscription Agreement shall cease and determine and neither party shall have any claim against the other, save for any antecedent breaches of the Subscription Agreement.

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

Completion:

Completion will take place on the third business day after satisfaction of the condition set out above.

REASONS FOR THE SUBSCRIPTION

The Group is principally engaged in the business of (i) apparel sourcing, (ii) apparel trading, and (iii) sale support services. The Group has no turnover derived from apparel sourcing services but is keen to establish its own apparel sourcing business if the opportunity exists.

Based on an estimated expenses of about HK\$144,000 for the Subscription, the net proceeds of the Subscription will be approximately HK\$7,744,000 and are intended to be used as the general working capital of the Group. The Directors are of the view that the Subscription will at the same time broaden the shareholder base and capital base of the Company. In addition, the financial position of the Group will be strengthened by the Subscription. Based on the above, the Directors consider that the Subscription is in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not conducted any other fund raising activities in the past twelve months before the date of this announcement.

SHAREHOLDING STRUCTURE

The table below sets out the Company's shareholding structure immediately before and after Completion (assuming no change in the shareholding structure since then):

Shareholders	Immediately before Completion		Immediately after Completion	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Huge Gain Development Limited ("Huge Gain")	96,000,000 (Note 1)	30%	96,000,000	25%
The Subscriber*	12,650,000	3.95%	76,650,000 (Note 2)	19.96%*
Other public shareholders	<u>211,350,000</u>	<u>66.05%</u>	<u>211,350,000</u>	<u>55.04%</u>
Total:	<u><u>320,000,000</u></u>	<u><u>100%</u></u>	<u><u>384,000,000</u></u>	<u><u>100%</u></u>

Note:

- (1) The entire issued share capital of Huge Gain is owned by Nerine Trust Company Limited ("Nerine Trust") which is the trustee of SB Unit Trust and holds properties for the benefit of holders of units issued by SB Unit Trust. All the units issued by SB Unit Trust were held by the family members of Mr. Siu Ban, co-founder of the Company and its subsidiaries and the discretionary objects. Ms. Bessie Siu and Ms. Tsai Lai Wa, Jenny have indirect interest in Nerine Trust.
- (2) These include 12,650,000 Shares held by the spouse of Mr. Hui Ho Luek, of which 11,450,000 Shares were acquired on or about June 2006 and 1,200,000 Shares were acquired in the beginning of January 2007.

SUSPENSION AND RESUMPTION

At the request of the Company, trading in the Shares on the Stock Exchange was suspended as from 2:30 p.m. on 6th February, 2007 pending release of this announcement. Application has been made by the Company for the resumption of trading in the Shares with effect from 9:30 a.m. on 7th February, 2007.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings ascribed to them respectively:

- "associate(s)" has the meaning ascribed to it under the Listing Rules
- "Board" the board of Directors

“Company”	Grandtop International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Subscription in accordance with the terms of the Subscription Agreement
“connected persons”	have the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“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 not connected persons of the Company and are independent of the Company and its subsidiaries, their directors, chief executives and substantial shareholders or their respective associates (as that term is defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	People’s Republic of China
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	the subscriber subscribing for the Subscription Shares pursuant to the Subscription Agreement
“Subscription”	the subscription of the Subscription Shares by the Subscriber pursuant to the Subscription Agreement
“Subscription Agreement”	the conditional subscription agreement dated 6th February, 2007 entered into between the Company and the Subscriber in relation to the Subscription
“Subscription Price”	HK\$0.121 per Subscription Share
“Subscription Shares”	an aggregate of 64,000,000 new Shares to be issued pursuant to the Subscription Agreement

“HK\$” Hong Kong dollar(s), the lawful currency of Hong Kong

“%” per cent.

By Order Of The Board

Lee Yiu Tung

Executive Director

Hong Kong, 6th February, 2007

As at the date of this announcement, Ms. Mao Yue, Ms. Bessie Siu and Mr. Lee Yiu Tung as executive directors; Mr. Fu Wing Kwok, Ewing as non-executive director; Mr. Liang Kwong Lim, Mr. Chang Kin Man and Mr. Ip Wing Lun as independent non-executive directors.

Please also refer to the published version of this announcement in The Standard.