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**Rich Wing Investments Limited**

*(Incorporated in the British Virgin Islands with limited liability)*



**GRANEAGLE HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

(Stock code: 147)

**JOINT ANNOUNCEMENT  
ACQUISITION OF EXISTING SHARES  
AND  
POSSIBLE CONDITIONAL MANDATORY GENERAL OFFER BY**



**英皇證券（香港）有限公司  
Emperor Securities Limited**

**ON BEHALF OF RICH WING INVESTMENTS LIMITED  
FOR ALL THE ISSUED SHARES IN GRANEAGLE HOLDINGS LIMITED  
(OTHER THAN THOSE SHARES ALREADY OWNED OR AGREED TO BE  
ACQUIRED BY RICH WING INVESTMENTS LIMITED  
AND PARTIES ACTING IN CONCERT WITH IT)  
AND  
RESUMPTION OF TRADING**

Financial Adviser to Rich Wing Investments Limited

Financial adviser to Graneagle Holdings Limited



**EMPEROR CAPITAL LIMITED  
英皇融資有限公司\***



**South China Capital Limited**

**THE SHARE PURCHASE AGREEMENT**

The Board and Rich Wing jointly announce that on 27 August 2007, Rich Wing entered into the Share Purchase Agreement with the Vendors pursuant to which Rich Wing agreed to purchase and the Vendors agreed to sell 81,246,188 Shares at a consideration of HK\$48,641,378 (equivalent to HK\$0.599 per Sale Share) in cash. The Sale Shares represent approximately 48.64% of the existing issued share capital of the Company. The Share Purchase Agreement is conditional upon fulfillment of certain conditions as more particularly described in the paragraph headed "Conditions of the Share Purchase Agreement" below.

\* for identification purpose only

## **POSSIBLE CONDITIONAL MANDATORY GENERAL OFFER**

Immediately following the completion of the Share Purchase Agreement, Rich Wing will own 81,246,188 Shares, representing approximately 48.64% of the existing issued share capital of the Company. Upon completion of the Share Purchase Agreement, ESL on behalf of Rich Wing will, pursuant to Rule 26 of the Takeovers Code, make a conditional mandatory general offer to acquire all the issued Shares (other than the Shares already owned or agreed to be acquired by Rich Wing and parties acting in concert with it) at a price of HK\$0.599 per Offer Share.

Rich Wing and parties acting in concert with it have not dealt in any Shares in the six months period immediately prior to the date of the Share Purchase Agreement.

**Warning: The Offer is a possibility only.**

## **GENERAL**

The Independent Board Committee has been established to advise the Independent Shareholders on the terms of the Offer and an independent financial advisor will be appointed to advise the Independent Board Committee in this respect. An announcement will be made by the Company as soon as practicable after the independent financial advisor has been appointed.

## **DESPATCH OF COMPOSITE DOCUMENT**

The Offeror and the Company intend to combine the Offer Document with the Response Document for despatch to the Shareholders. Subject to the completion of the Share Purchase Agreement, the Composite Document, which will contain details of the Offer, is expected to be despatched to the Shareholders within 21 days from the date of this announcement.

## **SUSPENSION AND RESUMPTION OF TRADING**

Trading in the Shares on the Stock Exchange was suspended, at the request of the Company, with effect from 9:30 a.m. on 28 August 2007 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 30 August 2007.

**Shareholders and investors should be aware of and take note that the completion of the Share Purchase Agreement is conditional upon satisfaction of certain conditions precedent and may or may not proceed, and that the obligation to make the Offer will only be triggered if completion of the Share Purchase Agreement takes place. Shareholders and investors of the Company are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.**

## THE SHARE PURCHASE AGREEMENT

### Date

27 August 2007

### Parties

Purchaser: Rich Wing  
Vendors: Mr. Ling, Accura and Mr. Kong  
Vendors' guarantors: Mr. Ling and Mr. Kong  
Purchaser's guarantor: Dr. Yeung

### Subject

81,246,188 Shares which consists of:

<b>Beneficial Owner</b>	<b>No. of Shares</b>	<b>% to total issued Shares</b>
Mr. Ling	29,893,336	17.90
Accura	44,705,322	26.76
Mr. Kong	<u>6,647,530</u>	<u>3.98</u>
Total:	<u><u>81,246,188</u></u>	<u><u>48.64</u></u>

### Consideration

The consideration for the Sale Shares is HK\$48,641,378 (equivalent to HK\$0.599 per Sale Share). The consideration for the Sale Shares is payable by Rich Wing to the Vendors in cash upon completion of the Share Purchase Agreement.

The consideration payable by Rich Wing under the Share Purchase Agreement was determined after arm's length negotiations between Rich Wing and the Vendors.

### Conditions of the Share Purchase Agreement

Completion of the Share Purchase Agreement is conditional upon:

- (i) listing and trading in the Shares on the Stock Exchange having been resumed following clearance of this announcement by regulatory authorities;

- (ii) trading in the Shares on the Stock Exchange not being suspended for a period of more than 14 consecutive trading days excluding any suspension for the purposes of clearing this announcement by the regulatory authorities, and
- (iii) the Shares remaining listed and traded on the Stock Exchange on the completion date of the Share Purchase Agreement; and there being no indication from the Stock Exchange or the SFC received by the Company on or before the completion of the Share Purchase Agreement that listing of the Shares will be revoked or withdrawn as a result of the completion of the Share Purchase Agreement.

If any of the conditions above has not been fulfilled or waived, as the case may be, on or before completion date of the Share Purchase Agreement, the Share Purchase Agreement shall cease and be of no further effect and neither party to the Share Purchase Agreement shall have any obligations or liabilities to the other parties (save in respect of any antecedent breaches thereof).

### Completion of the Share Purchase Agreement

Subject to fulfillment or waiver of the conditions of the Share Purchase Agreement, completion will take place on the first business day falling one month after the date of the Share Purchase Agreement, or such other earlier date as Rich Wing may request in writing. An announcement will be made by the Offeror upon completion of the Share Purchase Agreement, and an expected timetable relating to the possible Offer will be included in the announcement.

### EFFECT ON SHAREHOLDING STRUCTURE

The existing shareholding structure of the Company and the shareholding structure of the Company upon completion of the Share Purchase Agreement are as follows:

Shareholder	As at the date of this announcement		Upon completion of the Share Purchase Agreement	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Mr. Ling	29,893,336	17.90	0	0.00
Accura ( <i>note 1</i> )	44,705,322	26.76	0	0.00
Mr. Kong	6,647,530	3.98	0	0.00
Rich Wing	0	0.00	81,246,188	48.64
Mr. Ng Tze Kin, David ( <i>note 2</i> )	7,000	0.00	7,000	0.00
Public	85,777,828	51.36	85,777,828	51.36
	<u>167,031,016</u>	<u>100.00</u>	<u>167,031,016</u>	<u>100.00</u>

Notes:

- (1) The entire issued share capital of Accura is held by Mr. Ling, and therefore Mr. Ling is deemed to be interested in the 44,705,322 Shares held by Accura.
- (2) Mr. Ng is a Director.

## **POSSIBLE CONDITIONAL MANDATORY GENERAL OFFER**

Immediately following the completion of the Share Purchase Agreement, Rich Wing will own 81,246,188 Shares, representing approximately 48.64% of the existing issued share capital of the Company. Upon completion of the Share Purchase Agreement, ESL on behalf of Rich Wing will, pursuant to Rule 26 of the Takeovers Code, make a mandatory conditional general offer to acquire all the issued Shares (other than those Shares already owned or agreed to be acquired by Rich Wing and parties acting in concert with it).

**Warning: The Offer is a possibility only.**

### **The terms of the Offer**

The consideration payable under the Offer is as follow:

For each Offer Share ..... HK\$0.599 in cash

The price for each Offer Share is the same as the price paid by the Offeror for each Sale Share under the Share Purchase Agreement.

The price of HK\$0.599 per Offer Share represents:

- (i) a discount of approximately 47.91% to the closing price of HK\$1.15 per Share as quoted on the Stock Exchange on 27 August 2007, being the last trading day immediately before the date of this announcement;
- (ii) a discount of approximately 40.10% to the average of the closing price per Share of approximately HK\$1.00 as quoted on the Stock Exchange for the last 5 trading days immediately prior to and including 27 August 2007, being the last trading day immediately before the date of this announcement;
- (iii) a discount of approximately 44.54% to the average closing price per Share of approximately HK\$1.08 as quoted on the Stock Exchange for the last 10 trading days immediately prior to and including 27 August 2007, being the last trading day immediately before the date of this announcement, and adjusted for the Dividends;

- (iv) a discount of approximately 50.50% to the average closing price per Share of approximately HK\$1.21 as quoted on the Stock Exchange for the last 30 trading days immediately prior to and including 27 August 2007, being the last trading day immediately before the date of this announcement, and adjusted for the Dividends, and
- (v) a premium of approximately 15.19% to the net asset value per Share of approximately HK\$0.52 based on the audited consolidated net asset value of the Group of approximately HK\$86.44 million as at 31 March 2007 and 167,031,016 Shares in issue.

The Company has announced on 6 July 2007 that it proposed a final dividend of HK3 cents per Share and a special dividend of HK29 cents per Share for the year ended 31 March 2007. The proposed Dividends were approved by the Shareholders at the annual general meeting of the Company on 24 August 2007. The Shares had been dealt with on ex-dividend basis from 20 August 2007. The closing price per Share was HK\$0.78 and HK\$1.03 per Share on 6 July 2007 and 20 August 2007 respectively. The closing prices of the Shares from 9 July 2007 (the next trading day following the announcement of the Dividends) to 17 August 2007 (the last trading day prior to ex-Dividends date) have reflected the entitlement of the Shareholders to the Dividends. The Dividends will be paid on 17 September 2007 to Shareholders whose names appeared on the register of members of the Company on 24 August 2007.

The acceptance of the Offer by the Shareholders will not affect the accepting Shareholders' right to the Dividends.

The Company does not have any outstanding options, warrants and other securities convertible into Shares or any other derivatives and had not entered into any agreement for the issue of any outstanding options, warrants and other securities convertible into Shares or any other derivatives. As at the date of this announcement, (i) save and except for the Share Purchase Agreement, there are no arrangements in relation to shares of the Offeror or the Company which might be material to the Offer; (ii) there are no agreements or arrangements to which the Offeror is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer; (iii) no irrevocable commitment to accept the Offer has been received by the Offeror and parties acting in concert with it; and (iv) there are no outstanding derivatives in respect of securities of the Company entered into by the Offeror and parties acting in concert with it.

### **Conditions of the Offer**

The Offer will be conditional upon the Offeror having received acceptances of the Offer which, together with the Shares already owned or agreed to be acquired by the Offeror or parties acting in concert with it before or during the offer period, would result in the Offeror and parties acting in concert with it holding more than 50% of the voting rights of the Company. If the Offeror does not receive acceptances of the Offer which, together with the Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it before or during the offer period, would result in the Offeror holding more than 50% of the voting rights of the Company, the Offer would not become unconditional and would lapse.

## **Highest and lowest Share prices**

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the six-month period preceding the date of this announcement were HK\$1.98 per Share recorded on 27 July 2007 and HK\$0.45 per Share recorded on 5 March 2007 respectively.

## **The making of the Offer**

The obligation to make the Offer will only be incurred upon completion of the Share Purchase Agreement. Rich Wing will issue an announcement in accordance with the Takeovers Code and the Listing Rules upon the fulfillment or waiver of the conditions of the Share Purchase Agreement.

## **Total consideration and financial resources**

As at the date of this announcement, the Company has 167,031,016 Shares in issue. On the basis of the price of HK\$0.599 per Offer Share, the entire issued share capital of the Company is valued at approximately HK\$100.05 million. The 85,784,828 Shares subject to the Offer is valued at approximately HK\$51.39 million. ECL is satisfied that sufficient financial resources are available to Rich Wing to meet its obligation in case of full acceptance of the Offer.

## **Rich Wing's dealing and interests in the Company's securities**

Save and except for the acquisition of the Sale Shares pursuant to the Share Purchase Agreement, none of Rich Wing and parties acting in concert with it has dealt in the Shares, outstanding options, derivatives, warrants or other securities convertible into Shares in the six months prior to the date of this announcement. As at the date of this announcement, Rich Wing and parties acting in concert with it do not hold any Shares, outstanding options, derivatives, warrants or other securities convertible into Shares.

## **Effect of acceptance of the Offer**

By accepting the Offer, the Shareholders will sell their Shares to Rich Wing free from all liens, charges, claims and encumbrances and any third party rights together with all rights attached to them, including the right to receive all dividends and distributions declared, paid or made at or after the date on which the Offer is made, i.e. the date of posting of the Composite Document. The payment of the Dividends will be on 17 September 2007. As the expected date for the posting of the Composite Document will be after the payment of Dividends and that the Dividends have been declared before the date of Composite Document, the acceptance of the Offer by the Shareholders will not affect the accepting Shareholders' right to the Dividends, that is, all Shareholders accepting the Offer will be entitled to the Dividends.

## Stamp duty

Stamp duty at a rate of HK\$1 for every HK\$1,000 (or part thereof) of the consideration payable will be deducted from the amount payable to the Shareholders who accept the Offer. The Offeror will arrange for payment of the stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares.

## Payment

Payment in cash in respect of acceptances of the Offer will be made as soon as possible but within ten days of the later of the date on which the Offer becomes, or is declared, unconditional and the date of receipt of a duly completed acceptance.

## INFORMATION ON THE COMPANY

The Company is incorporated in Bermuda with limited liability. It is an investment holding company. The principal activities of the Group is garment manufacturing and trading.

The following table sets out the financial information of the Group, based on the audited financial statements for the two financial years ended 31 March 2006 and 31 March 2007:

	<b>For the year ended 31 March 2006</b>	<b>For the year ended 31 March 2007</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net profit/(loss) before taxation	12,277	15,897
Net profit/(loss) after taxation	11,052	14,556
Earnings per Share	HK\$0.066	HK\$0.087
	<b>As at</b>	<b>As at</b>
	<b>31 March 2006</b>	<b>31 March 2007</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net asset value ("NAV")	76,408	86,439
NAV per Share	HK\$0.457	HK\$0.518

The audited total NAV of all the Shares, based on the audited financial statements for the two financial years ended 31 March 2006 and 31 March 2007, were approximately HK\$76 million and HK\$86 million respectively.



Based on the latest published audited financial statements of the Company, the audited consolidated net profits before and after taxation were approximately HK\$12 million and HK\$11 million respectively for the financial year ended 31 March 2006, while the audited consolidated net profits before and after taxation were approximately HK\$16 million and HK\$15 million respectively for the financial year ended 31 March 2007.

## **INFORMATION ON THE OFFEROR AND INTENTION OF THE OFFEROR REGARDING THE GROUP**

The Offeror is a private limited company incorporated in the British Virgin Islands. It has not carried out any business activities since its incorporation other than the entering into the Share Purchase Agreement. The director and the sole shareholder of the Offeror is Dr. Yeung. Dr. Yeung is deemed to be a controlling shareholder of Emperor International Holdings Limited, Emperor Entertainment Hotel Limited, Emperor Capital Group Limited and Emperor Entertainment Group Limited, all being listed companies in Hong Kong. Dr. Yeung has been running the business of the above listed companies for more than 40 years.

The Offeror intends that the Group will continue its existing businesses following the close of the Offer. Meanwhile, the Offeror will review the existing business operation of the Group for the purpose of formulating future business plans and strategies of the Group. The Offeror currently has no intention to inject any material assets or business into the Group or to dispose of any material assets or business of the Group. The Offeror will continue to operate the existing business of the Group, but it is also open to new business opportunities which avail to the Group. The Offeror has no intention to re-deploy the employees or the fixed assets of the Group other than in its ordinary course of business.

It is currently intended by the Offeror to maintain the existing Board composition. The Offeror will also nominate new directors to the Board, but the Offeror has not yet confirmed at present on the number and the identity of the directors to be nominated.

## **MAINTAINING THE LISTING STATUS OF THE COMPANY**

**The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public, or if the Stock Exchange believes that (i) a false market exists or may exist in the trading of the Shares; or (ii) that there are insufficient Shares in public hands to maintain an orderly market, the Company will be in breach of Rule 8.08 of the Listing Rules and the Stock Exchange will consider exercising its discretion to suspend dealings in the Shares.**

The Offeror intends that the Company will remain listed on the Stock Exchange after the close of the Offer and does not intend to exercise its rights to compulsorily acquire all the Shares. The directors of the Offeror and the new Directors to be appointed to the Board (if any) will jointly and severally undertake to the Stock Exchange to take appropriate steps following the close of the Offer to ensure that such number of Shares as may be required by the Stock Exchange are held by the public.

## GENERAL

The Offeror and the Company intend to combine the Offer Document with the Response Document for despatch to the Shareholders. Subject to the completion of the Share Purchase Agreement, a Composite Document setting out, inter alia, the terms of the Offer, and the procedure for acceptance and transfer of the Offer Shares, will be sent to the Shareholders within 21 days from the date of this announcement and in accordance with the Takeovers Code. The Independent Board Committee has been established to advise the Independent Shareholders. An independent financial advisor will be appointed by the Independent Board Committee to give advice in respect of the Offer. An announcement will be made by the Company once the independent financial advisor is appointed.

As at the date of this announcement, neither the Company nor the Offeror has received any indication from Mr. Ng Tze Kin, David, a non-executive Director, whether he will accept the Offer or not.

Trading in the Shares on the Stock Exchange was suspended, at the request of the Company, with effect from 9:30 a.m. on 28 August 2007 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 30 August 2007.

**Shareholders and investors should be aware of and take note that the completion of the Share Purchase Agreement is conditional upon satisfaction of certain conditions precedent and may or may not proceed, and that the obligation to make the Offer will only be triggered if completion of the Share Purchase Agreement takes place. Shareholders and investors of the Company are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.**

**So long as the Company remains a listed company, the Stock Exchange will also closely monitor all future acquisitions or disposals of assets of the Company. Any acquisitions or disposals of assets by the Group will be subject to the provisions of the Listing Rules. Pursuant to the Listing Rules, the Stock Exchange has the discretion to require the Company to issue an announcement and a circular to the Shareholders irrespective of the size of any proposed transactions, particularly when such proposed transactions represent a departure from the principal activities of the Company.**

**The Stock Exchange also has the power to aggregate a series of acquisitions or disposals of the Company and any such transactions may result in the Company being treated as if it were a new listing applicant and subject to the requirements for new listing applicants as set out in the Listing Rules.**

## DEFINITIONS

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

“%”	per cent.
“Accura”	Accura Overseas Limited, a company incorporated in the British Virgin Islands and is wholly beneficially owned by Mr. Ling
“Board”	board of Directors
“Company”	Graneagle Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are currently listed on the Stock Exchange
“Composite Document”	the composite Offer Document and Response Document to be issued to all Shareholders in accordance with the Takeovers Code containing, amongst other things, details of the Offer, the acceptance and transfer form in respect of the Offer
“Director(s)”	the director(s) of the Company
“Dividends”	the payment of final dividend of HK3 cents per Share and a special dividend of HK29 cents per Share for the year ended 31 March 2007, details of which were announced by the Company on 6 July 2007
“Dr. Yeung”	Dr. Yeung Sau Shing, Albert
“ECL”	Emperor Capital Limited, a licensed corporation under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), licensed to carry out type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance
“ESL”	Emperor Securities Limited, a licensed corporation under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), licensed to carry out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the Securities and Futures Ordinance
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administration Region of the Peoples’ Republic of China
“Independent Board Committee”	an independent committee of the Board comprising the non-executive Director, Mr. Ng Tze Kin, David and all the independent non-executive Directors, namely Mr. Leung Shu Yin, William, Mr. Lee Tsoh Ching, Jonathan and Mr. Keir, James
“Independent Shareholders”	Shareholders other than (i) the Vendors and their associates and parties acting in concert with the Vendors; and (ii) the Offeror, Dr. Yeung and their associates and parties acting in concert with the Offeror and Dr. Yeung
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Kong”	Mr. Kong Ho Pak, an executive Director and the Chairman of the Company
“Mr. Ling”	Mr. Ling Tai Yuk, John, an executive Director and the Chief Executive Officer of the Company
“Offer”	the possible conditional mandatory offer for the Offer Shares by the Offeror at HK\$0.599 per Offer Share
“Offeror”	Rich Wing, being also the purchaser of the Sale Shares
“Offer Document”	the document required to be issued by the Offeror to all Shareholders, in accordance with the Takeovers Code containing, amongst other things, details of the Offer and the terms and conditions of the Offer and forming part of the Composite Document
“Offer Share(s)”	all existing issued Shares (other than those Shares already owned or agreed to be acquired by Rich Wing and parties acting in concert with it)
“Response Document”	the document required to be issued by the Company to all Shareholders in accordance with the Takeovers Code containing, amongst other things, the letter from the Board and advice from the Independent Board Committee and the independent financial advisor and forming part of the Composite Document

“Rich Wing”	Rich Wing Investments Limited, a company incorporated in the British Virgin Islands and is an investment holding company
“Sale Share(s)”	the 81,246,188 Shares to be acquired by Rich Wing from the Vendors under the Share Purchase Agreement
“SFC”	The Securities and Futures Commission of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Purchase Agreement”	the conditional share purchase agreement dated 27 August 2007 entered into between Rich Wing and the Vendors for the Sale Shares
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers issued by the SFC
“Vendors”	Mr. Ling, Accura and Mr. Kong

By order of the board of  
**Rich Wing Investments Limited**  
**Yeung Sau Shing, Albert**  
*Sole Director*

By Order of the board of  
**Graneagle Holdings Limited**  
**Kong Ho Pak**  
*Chairman*

Hong Kong, 29 August 2007

As at the date of this announcement, the Board comprises Mr. Ling Tai Yuk, John, Mr. Kong Ho Pak, Mr. Pang Hon Chung as executive Directors, Mr. Ng Tze Kin, David as non-executive Director, Mr. Leung Shu Yin, William, Mr. James Keir and Mr. Lee Tsoh Ching, Jonathan as independent non-executive Directors. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that in relation to the Offeror and Dr. Yeung) and confirm, having made all reasonable enquiries, that to the best 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.

As at the date of this announcement, the sole director of the Offeror is Dr. Yeung. Dr. Yeung accepts full responsibility for the accuracy of the information contained in this announcement (other than that in relation to the Company) and confirms, having made all reasonable enquiries, that to the best of his 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.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million. This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved. Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”*