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LONG GRAND LIMITED
長鴻有限公司

(Incorporated in the British Virgin Islands with limited liability)

 **GRANEAGLE HOLDINGS LIMITED**
鷹馳實業有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 147)

**UNCONDITIONAL MANDATORY GENERAL OFFER BY
OPTIMA CAPITAL LIMITED
ON BEHALF OF LONG GRAND LIMITED
FOR ALL THE ISSUED SHARES IN GRANEAGLE HOLDINGS LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED BY
LONG GRAND LIMITED AND PARTIES ACTING IN CONCERT WITH IT)**

**COMPLETION OF THE SHARE PURCHASE AGREEMENT,
THE LONG GRAND SUBSCRIPTION AGREEMENT
AND THE PLACING AGREEMENT
AND
DESPATCH OF THE COMPOSITE DOCUMENT**

The Board announces that all the conditions precedent for the completion of each of the Agreements were fulfilled and completion of all the Agreements took place on 24 December 2007.

The Composite Document containing, amongst other things, (i) the letter from the Board containing details of the Offer and the information of the Company; (ii) the letter from Optima Capital containing details of the terms of the Offer; (iii) the letter from the Independent Board Committee containing its advice to the Independent Shareholders on the terms of the Offer; (iv) the letter from Hercules containing its advice to the Independent Board Committee and the Independent Shareholders in respect of the Offer; and (v) the procedures for acceptance and transfer of the Offer Shares; together with the forms of acceptance and transfer for the Offer, will be despatched to the Shareholders on 28 December 2007.

The Offer will commence on 28 December 2007, and the closing date of the Offer will be on 18 January 2008 at 4:00 p.m..

Independent Shareholders are encouraged to read the Composite Document carefully, including the advice of Hercules, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders, and the recommendation and advice of the Independent Board Committee in respect of the Offer, before deciding whether or not to accept the Offer.

Reference is made to the announcement jointly issued by the Company and Long Grand dated 14 November 2007 (the “**Joint Announcement**”) in relation to the Share Purchase Agreement, the Long Grand Subscription Agreement, the Placing Agreement (collectively, the “**Agreements**”) and the Offer. Terms used herein shall have the same meanings as defined in the Joint Announcement unless the context otherwise requires.

COMPLETION OF THE AGREEMENTS

The Board is pleased to announce that all the conditions precedent for the completion of each of the Agreements were fulfilled and the completion of the Agreements took place on 24 December 2007. Upon completion, Long Grand becomes interested in 251,246,188 Shares, which represents 74.55% of issued share capital of the Company.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

Shareholders	Upon completion of the Agreements							
	Before completion of the Agreements		After Share Subscription but before exercise of the Bonds and the Warrants		Upon full conversion of the Bonds but before exercise of the Warrants		Upon full conversion of the Bonds and the exercise of the Warrants	
	Number of Shares held	% of issued Shares	Number of Shares held	% of issued Shares	Number of Shares held	% of issued Shares	Number of Shares held	% of issued Shares
Long Grand								
- Sale Shares	-	-	81,246,188	24.11	81,246,188	5.18	81,246,188	4.33
- Subscription Shares	-	-	170,000,000	50.44	170,000,000	10.85	170,000,000	9.07
- Subscription Conversion Shares	-	-	-	-	830,000,000	52.97	830,000,000	44.28
- Subscription Warrant Shares	-	-	-	-	-	-	207,500,000	11.07
Total interest of Long Grand and parties acting in concert with it	-	-	<u>251,246,188</u>	<u>74.55</u>	<u>1,081,246,188</u>	<u>69.00</u>	<u>1,288,746,188</u>	<u>68.75</u>
Rich Wing	81,246,188	48.64	-	-	-	-	-	-
Public Shareholders								
Holders of the Placing Conversion Shares	-	-	-	-	400,000,000	25.53	400,000,000	21.34
Holders of the Placing Warrant Shares	-	-	-	-	-	-	100,000,000	5.33
Other public Shareholders	85,784,828	51.36	85,784,828	25.45	85,784,828	5.47	85,784,828	4.58
Public float	<u>85,784,828</u>	<u>51.36</u>	<u>85,784,828</u>	<u>25.45</u>	<u>485,784,828</u>	<u>31.00</u>	<u>585,784,828</u>	<u>31.25</u>
Total	<u>167,031,016</u>	<u>100.00</u>	<u>337,031,016</u>	<u>100.00</u>	<u>1,567,031,016</u>	<u>100.00</u>	<u>1,874,531,016</u>	<u>100.00</u>

DESPATCH OF THE COMPOSITE DOCUMENT

The composite offer and response document (the “**Composite Document**”) containing, amongst other things, (i) the letter from the Board containing the details of the Offer and the information of the Company; (ii) the letter from Optima Capital containing details of the terms of the Offer; (iii) the letter from the Independent Board Committee containing its advice to the Independent Shareholders on the terms of the Offer; (iv) the letter from Hercules Capital Limited (“**Hercules**”) containing its advice to the Independent Board Committee and the Independent Shareholders in respect of the Offer; and (v) the procedures for acceptance and transfer of the Offer Shares; together with the forms of acceptance and transfer for the Offer, will be despatched to the Shareholders on 28 December 2007.

EXPECTED TIMETABLE

2007
(*Note 1*)

Offer opens for acceptances Friday, 28 December

2008

Latest time for acceptance of the Offer (*Note 2*) 4:00 p.m. on
Friday, 18 January

Closing date of the Offer (*Note 2*) Friday, 18 January

Announcement of the results of the Offer uploaded to
the Stock Exchange’s website not later than 7:00 p.m. on
Friday, 18 January

Latest date for posting of remittance to the Shareholders in
respect of valid acceptances of the Offer lodged on or before
4:00 p.m. of the closing date of the Offer (*Note 3*) Monday, 28 January

Notes:

1. All times and dates refer to Hong Kong local times and dates.
2. In accordance with the Takeovers Code, the Offer must initially be opened for acceptance for at least 21 days following the date on which this Composite Document was posted. The latest time and date for acceptance of the Offer is 4:00 p.m. on Friday, 18 January 2008.
3. The consideration payable for the Shares tendered under the Offer will be paid for by the Offeror as soon as possible but in any event within 10 days of the date of receipt of a duly completed acceptance in accordance with the Takeovers Code.

Independent Shareholders are encouraged to read the Composite Document carefully, including the advice of Hercules, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders, and the recommendation and advice of the Independent Board Committee to the Independent Shareholders in respect of the Offer, before deciding whether or not to accept the Offer.

By order of the board of
Long Grand Limited
Yuen Leong
Sole Director

By order of the board of
Graneagle Holdings Limited
Fan Man Seung, Vanessa
Director

Hong Kong, 27 December 2007

As at the date of this announcement, the Board comprises Mr. Wong Chi Fai and Ms. Fan Man Seung, Vanessa as executive Directors, and Mr. Leung Shu Yin, William, Mr. Law Ka Ming, Michael and Ms. Yip Kam Man 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 Long Grand, Mr. Yam and Mr. Yuen) 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 Long Grand is Mr. Yuen. Mr. Yuen accepts full responsibility for the accuracy of the information contained in this announcement (other than that in relation to the Company and Rich Wing) 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 (other than that in relation to the Company) the omission of which would make any statements in this announcement misleading.

** for identification purpose only*