



GRANDTOP INTERNATIONAL HOLDINGS LIMITED

泓鋒國際控股有限公司*

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 2309)

CLARIFICATION ANNOUNCEMENT OF AN ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2006

AND

RESIGNATION OF AN EXECUTIVE DIRECTOR AND AN ALTERNATE DIRECTOR

1. Clarification announcement of an annual report dated on 26 July 2006 regarding the “Directors’ interests and short positions in shares and debentures” due to clerical error, Mrs. Tsai Lai Wa, Jenny and Mr. Edmund Siu, being the Executive Directors of the Company as at 31 March 2006 have interests in the Company’s shares and the disclosure of which has been omitted in the annual report for the year ended 31 March 2006.
2. The Board hereby announces that both Mrs. Tsai Lai Wa, Jenny (“Mrs. Tsai”) as an Executive Director and Mr. Peter Christopher Tashjian (“Mr. Tashjian”) as an Alternate Director to Mrs. Tsai have resigned from their respective positions of the Company and its subsidiaries with effect from 21 August 2006.

The board of directors (the “Board”) of Grandtop International Holdings Limited (“the Company”) announces that:-

1. The annual report dated on 26 July 2006 regarding the “Directors’ interests and short positions in shares, underlying shares and debentures”. Due to clerical error, Mrs. Tsai Lai Wa, Jenny and Mr. Edmund Siu, being the Executive Directors of the Company as at 31 March 2006 have interests in the Company’s shares and the disclosure of which has been omitted in the annual report. The details in the “Directors’ interests and short positions in shares, underlying shares and debentures” should be read as follows:

Directors’ interests and short positions in shares, underlying shares and debentures

At 31 March 2006, the interests and short positions of the directors and their associates in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited

(“Stock Exchange”) pursuant to the Model Code of Securities Transactions by Directors of Listed Companies contained in the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), were as follows:

Shares of the Company of HK\$0.01 each

Director	Capacity	Number of issued ordinary share held	Percentage of the issued share capital of the Company
Mrs. Tsai Lai Wa, Jenny	Held by trust	15,333,334(L)	4.79%
		80,666,666(S) (Note)	25.21%
Mr. Edmund Siu	Held by trust	15,333,333(L)	4.79%
		80,666,666(S) (Note)	25.21%

L: Long position

S: Short position

Note:

(i) *These shares are registered in the name of Huge Gain Development Limited (“Huge Gain”). The entire issued share capital of Huge Gain is owned by Nerine Trust Company Limited (“Nerine Trust”). Nerine Trust 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 Group and the discretionary objects of which include Mrs. Tsai Lai Wa, Jenny and Mr. Edmund Siu, being the executive directors of the Group.*

(ii) *The short positions of 80,666,666 shares were pledged to Ever-Long Capital Limited.*

Other than disclosed above and certain nominee shares in subsidiaries held by certain directors in trust for the Group, none of the directors nor their associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of part XV of the SFO) as at 31 March 2006, as required to be recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

2. The Board announces that, Mrs. Tsai Lai Wa, Jenny (“Mrs. Tsai”), for personal reasons, tendered her resignation as an Executive Director of the Company and its subsidiaries with effect from 21 August 2006. Accordingly, Mr. Peter Christopher Tashjian (“Mr. Tashjian”), as an Alternate Director to Mrs. Tsai revoked his resignation with effect from 21 August 2006 of the Company.
 1. Mrs. Tsai (and her alternate director) considered that she has been unable to effectively communicate with her fellow directors and other officers of the Company.

2. Mrs. Tsai (and her alternate director) considered that she has been effectively denied access to information about the Company.
3. Mrs. Tsai considered that she has also been asked on a number of occasions by her fellow directors and other officers of the Company to sign the minutes of meetings of the board of directors of the Company, as Chairlady, which she (and her alternate director) have not attended, or been given notice to attend.
4. Mrs. Tsai considered that a number of announcements have also been published by the Company without her (and her alternate director) approval or notice.

The Board would like to express its gratitude for Mrs. Tsai's and Mr. Tashjian's valuable contributions and wise counsel to the Company and offer its best wishes to them.

By Order of the Board
Bessie Siu
Executive Director

Hong Kong, 21 August 2006

The Directors of the Company as at the date of this announcement are as follows:

Executive Directors:

Ms. Mao Yue; Ms. Bessie Siu; Mr. Lee Yiu Tung;

Non-Executive Director:

Mr. Fu Wing Kwok, Ewing

Independent Non-Executive Directors:

Ms. Lo Wing Yan, Emmy; Mr. Liang Kwong Lim; Mr. Chang Kin Man

** for identification purpose only*