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GRANDTOP INTERNATIONAL HOLDINGS LIMITED

泓鋒國際控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2309)

MAJOR TRANSACTION – ACQUISITION OF THE ENTIRE INTEREST IN PEACE INTERNATIONAL CREATION LIMITED

AND

RESUMPTION OF TRADING

THE AGREEMENT

The Board is pleased to announce that after trading hours on 4 November 2009, the Vendors, the Purchaser, the Guarantor, the Target Company and the Company entered into the Agreement pursuant to which the Vendors agreed to sell and the Purchaser agreed to purchase the Sale Shares, representing the entire issued share capital of the Target Company at a consideration of RMB800,000,000 (equivalent to approximately HK\$909,090,909), which will be satisfied by a combination of the allotment and issue of the Consideration Shares and issue of the Convertible Bonds to the Vendors (or their respective nominee(s)).

The Acquisition constitutes a major transaction on the part of the Company under the Listing Rules. The Acquisition, the allotment and issue of the Consideration Shares and the issue of the Convertible Bonds are subject to the Shareholders' approval at the EGM. A circular containing, amongst other things, further details of the Acquisition and a notice of the EGM will be despatched to the Shareholders as soon as practicable in accordance with the requirements of the Listing Rules.

* *For identification purpose only*

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 9:30 a.m. on 5 November 2009 pending the release of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 16 November 2009.

THE AGREEMENT

Date

4 November 2009

Parties

- (1) Winning Top International Overseas Limited as one of the Vendors of the Sale Shares;
- (2) Genuine Ocean International Trading Limited as one of the Vendors of the Sale Shares;
- (3) Far Grow Investments Limited, a wholly-owned subsidiary of the Company, as the Purchaser of the Sale Shares;
- (4) Mr. Meng Fei as the Guarantor;
- (5) Peace International Creation Limited as the Target Company; and
- (6) the Company.

The principal activities of the Vendors are investment holdings. To the best of the Directors' knowledge, information and belief having made all reasonable enquires, the Vendors, the PRC Company and their respective ultimate beneficial owners and the Guarantor are third parties independent of the Company and its connected persons.

Assets to be acquired

The Sale Shares, representing the entire issued share capital of the Target Company.

Deposit

The Purchaser will pay to the Vendors the Deposit within one month from the date of the Agreement. Pursuant to the Agreement, the Vendors agreed to lend an equivalent sum of the Deposit to the Target Group in the form of the Loan. Upon Completion, the Vendors will assign the Loan to the Purchaser at a consideration of HK\$10. The Target Company will then obligate to repay the Loan to the Purchaser. In the event that the Acquisition cannot be completed under the terms and conditions of the Agreement or the Purchaser terminates the Acquisition and the Agreement under the terms and conditions therein, the Vendors will refund the Deposit to the Purchaser upon the request of the Purchaser.

Consideration

The Consideration of RMB800,000,000 (equivalent to approximately HK\$909,090,909) will be satisfied by a combination of the allotment and issue of the Consideration Shares and the issue of the Convertible Bonds to the Vendors (or their respective nominee(s)) in the following manners:

- (i) upon Completion, RMB150,000,000 (equivalent to approximately HK\$170,454,545) (the “**1st Payment**”) will be satisfied by allotment and issue of the Consideration Shares at the Issue Price, the number of which shall not exceed 5% of the enlarged number of the issued Shares (the “**Allowable Consideration Shares**”). In the event that the worth of the Allowable Consideration Shares at the Issue Price is less than the amount of the 1st Payment, the shortfall amount will be satisfied by the issue of the Tranche 1 Bonds at the Conversion Price;
- (ii) upon the presentation of the 1st Guaranteed Period Financial Statements by the Target Company to the Purchaser after the 1st Guaranteed Period, the Company will issue to the Vendors the Tranche 2 Bonds. The aggregate principal amount of the Tranche 1 Bonds and the Tranche 2 Bonds will not exceed RMB300,000,000 (equivalent to approximately HK\$340,909,091) (subject to adjustment by the shortfall from the 1st Guaranteed Profit on a dollar-to-dollar basis). Should the Vendors choose to pay the shortfall from the 1st Guaranteed Profit by cash, no adjustment will be made in relation to the principal amount of the Tranche 2 Bonds;
- (iii) upon the presentation of the 2nd Guaranteed Period Financial Statements by the Target Company to the Purchaser after the 2nd Guaranteed Period, the Company will issue the Tranche 3 Bonds. The aggregate principal amount of the Tranche 1 Bonds, Tranche 2 Bonds and Tranche 3 Bonds will not exceed RMB500,000,000 (equivalent to approximately HK\$568,181,818) (subject to adjustment by the shortfall from the 2nd Guaranteed Profit on a dollar-to-dollar basis). Should the Vendors choose to pay the shortfall from the 2nd Guaranteed Profit by cash, no adjustment will be made in relation to the principal amount of the Tranche 3 Bonds; and

- (iv) upon the presentation of the 3rd Guaranteed Period Financial Statements by the Target Company to the Purchaser after the 3rd Guaranteed Period, the Company will issue the Tranche 4 Bonds. The aggregate principal amount of the Tranche 1 Bonds, Tranche 2 Bonds, Tranche 3 Bonds and Tranche 4 Bonds will not exceed RMB800,000,000 (equivalent to approximately HK\$909,090,909) (subject to adjustment by the shortfall from the 3rd Guaranteed Profit on a dollar-to-dollar basis). Should the Vendors choose to pay the shortfall from the 3rd Guaranteed Profit by cash, no adjustment will be made in relation to the principal amount of the Tranche 4 Bonds.

The Consideration was determined after arm's length negotiations between the parties, and have taken into consideration of (i) the future prospect of the Project and the outlook of the market of the aviation media industry as discussed in the section headed "Reasons for and benefits of the Acquisition" below; (ii) the Aviation Cooperation Agreement for the applications of various Relevant Products on the flights of the Tianjin Airlines; (iii) the Guaranteed Profit of RMB650,000,000 (equivalent to HK\$738,636,364) being the audited net profit after tax of the PRC Company for the 1st Guaranteed Period, the 2nd Guaranteed Period and the 3rd Guaranteed Period; and (iv) the preliminary appraised value of the Target Company (after acquisition of the PRC Company) using market approach — Guideline Publicly Traded Company Method of not less than RMB800,000,000 (equivalent to approximately HK\$909,090,909) as of 31 October 2009 as advised by Kovas Magni Appraisal Limited, an independent valuer.

Conditions

The Completion is conditional upon, amongst other things, the following conditions being fulfilled:

- (a) the Vendors have proved with evidence that the Vendors collectively is the sole legal ultimate beneficial owner of the Sale Shares and the Sale Shares are not restricted by any rights from other third parties;
- (b) the Target Company has completed the acquisition of the entire interest of the registered capital of the PRC Company pursuant to the PRC Acquisition Agreement and has become the sole authorised beneficial owner and controlling shareholder of the PRC Company;
- (c) all necessary consents, approvals and authorisations required in respect of the Agreement having been obtained and/or granted;
- (d) the obtaining of the foreign-invested enterprises approval certificate by the PRC Company from relevant government agencies so that the Target Company can legally holds (i) the interest of the PRC Company; and (ii) all the assets of the PRC Company including but not limited to the intellectual property rights of the Relevant Products;
- (e) the value of the PRC Company shown in the valuation report issued by a valuer recognized by the Purchaser being not less than RMB800,000,000 (equivalent to approximately HK\$909,090,909);

- (f) the Vendors should provide the Purchaser a Certificate of Incumbency of the Target Company issued by the registered agent of the Target Company;
- (g) the Purchaser has obtained a legal opinion on the Vendors provided by a qualified British Virgin Islands lawyer to the satisfaction of the Purchaser;
- (h) the Purchaser has obtained a legal opinion provided by a qualified PRC lawyer to the satisfaction of the Purchaser in relation to the PRC Company and its business operation;
- (i) due diligence review on the Target Group having been accepted to the satisfaction of the Purchaser;
- (j) the Purchaser being satisfied with the accounts, indebtedness and the whole situation of the Target Group;
- (k) the warranties provided by the Vendors in the Agreement remaining to be true, accurate and correct;
- (l) the passing of the necessary resolution(s) by the Shareholders at the EGM approving the Agreement, the Acquisition and the issue of the Convertible Bonds;
- (m) the obtaining of the approval from the Stock Exchange and SFC in relation to the Agreement, the Acquisition and the issue of the Convertible Bonds (if necessary);
- (n) the Listing Committee granting listing of and permission to deal in the Conversion Shares;
- (o) the obtaining by the Purchaser of any supplemental representations and warranties as it may require the Vendors to provide, and the entering into the relevant supplemental agreement;
- (p) the obtaining by the Purchaser of the audited financial statements and/or the management accounts of the Target Group provided by the Vendors; and
- (q) all the terms and conditions of the Agreement having been completely and duly performed and fulfilled by the Vendors and the relevant documents evidencing such complete and duly performance of the Vendors being provided to the Purchaser pursuant to the terms and conditions of the Agreement.

If the above conditions have not been fulfilled or waived by the Purchaser (as the case may be) on or before the Long Stop Date, the Purchaser has the rights to terminate the Agreement.

Guaranteed Profit

Under the Agreement, the Vendors have irrevocably and unconditionally undertaken to the Purchaser that the audited net profits after tax of the PRC Company during the 1st Guaranteed Period, the 2nd Guaranteed Period and the 3rd Guaranteed Period, respectively, shall not be less than the followings:

Guaranteed Period	Guaranteed Profit
1st Guaranteed Period	RMB150,000,000 (equivalent to approximately HK\$170,454,545)
2nd Guaranteed Period	RMB200,000,000 (equivalent to approximately HK\$227,272,727)
3rd Guaranteed Period	RMB300,000,000 (equivalent to approximately HK\$340,909,091)

Consideration Shares

The Consideration Shares shall be issued pursuant to a specific mandate to be sought from the Shareholders at the EGM. Application will be made to the Listing Committee for the listing of and permission to deal in the Consideration Shares.

The Consideration Shares, when allotted and issued, shall rank pari passu in all respects with the Shares in issue on the date of Completion including the right to all dividends, distributions and other payments made or to be made, on the record date which falls on or after the date of Completion.

Convertible Bonds

The following are the principle terms of the Convertible Bonds:

Principal amount	:	Up to an aggregate amount of RMB800,000,000 (equivalent to approximately HK\$909,090,909) less the worth of the Allowable Consideration Shares at the Issue Price, subject to the adjustments resulting from the shortfall from the Guaranteed Profits as mentioned under the section headed “Consideration”
Maturity Date	:	Ten years from the date of the instrument of the Convertible Bonds
Conversion Price	:	HK\$0.388 (subject to adjustment)
Interests	:	Nil

- Conversion : Under the terms of the Convertible Bonds, the shareholding of each of the holder of the Convertible Bonds must not exceed 5% of the issued Shares from time to time and render the public float of the Shares less than 25% of the total issued Shares. Furthermore, the aggregate number of Shares held by each of the holder of the Convertible Bonds (and its nominee) (including but not limited to the Conversion Shares which have been issued upon the conversion of the Convertible Bonds and held by each of the holder of the Convertible Bonds together with such person acting in concert (within the meaning of the Takeovers Code)) at any given time shall not exceed such number of Shares equivalent to 29.9% of the total number of Shares in issue at that relevant time;
- The Conversion Shares shall be allotted and issued pursuant to a specific mandate to be sought from the Shareholders at the EGM.
- Voting rights : The Convertible Bonds do not confer any voting rights at general meetings of the Company on the holder(s) of the Convertible Bonds.
- Ranking : The Conversion Shares, when allotted and issued, shall rank pari passu in all respects with the Shares in issue on the date of allotment and issue of the Conversion Shares including the right to all dividends, distributions and other payments made or to be made, on the record date which falls on or after the date of such allotment and issue.
- Redemption at Maturity : the Company will redeem any outstanding Convertible Bonds on the Maturity Date.
- Redemption at the option of the Company : The Company may at any time before the Maturity Date redeem all the outstanding Convertible Bonds by giving the holders of the Convertible Bonds not less than 10 business days' prior written notice.

- Transferability : The Convertible Bonds are freely transferrable with prior written notice lodged to the Company.
- The Convertible Bonds must not transfer to any person, firm or company which is a connected person (as defined in the Listing Rules) of the Company except in compliance with the applicable requirements under the Listing Rules and Takeovers Code.
- Adjustment of the conversion prices : The Conversion Prices are subject to usual adjustment provisions customary for convertibles bonds of similar kind. The adjustment events will arise as a result of certain change in the share capital of the Company including consolidation or sub-division of shares, capitalisation of profits or reserves, capital distribution, rights issues of Shares or options over Shares, right issues of other securities, issues at less than current market price, issues of convertible securities, modification of rights of conversion, other offers to the Shareholders and other dilutive events.
- Listing : No application will be made for the listing of, and permission to deal in, the Convertible Bonds on the Stock Exchange or any other stock exchange. Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

The Issue Price and the Conversion Price

The Issue Price and the Conversion Price represent:

1. a premium of approximately 2.11% to the closing price of HK\$0.380 per Share as quoted on the Stock Exchange on the Last Trading Date;
2. a premium of approximately 2.11% to the average closing price of HK\$0.380 per Share as quoted on the Stock Exchange over the last five consecutive trading days up to and including the Last Trading Date; and
3. a premium of approximately 2.92% to the average closing price of HK\$0.377 per Share as quoted on the Stock Exchange over the last ten consecutive trading days up to and including the Last Trading Date.

The Issue Price and the Conversion Price are determined after arms-length negotiations, and represents the average closing prices per Share as quoted on the Stock Exchange over the last 15 consecutive trading days up to and including the Last Trading Date. The Directors consider the Issue Price and the Conversion Price are fair and reasonable.

Completion

The Completion shall take place on or before 12:00 p.m. on the business day (or such other date or time as the parties may agree) after all the Conditions having been fulfilled.

Upon Completion, the Target Company will become a wholly-owned subsidiary of the Company. The financial statements of the Target Group will be consolidated in the accounts of the Group after completion of the Acquisition.

INFORMATION ON THE TARGET GROUP

The Target Company is an investment holding company incorporated in the British Virgin Islands with limited liability.

As the Target Company has not commenced business since the date of its incorporation on 2 January 2008 except the entering into of the PRC Acquisition Agreement on 16 August 2009, the Target Company has no net profit attributable to its assets since incorporation. Upon completion of the acquisition of the PRC Company pursuant to the terms and conditions of the PRC Acquisition Agreement, the PRC Company will become the wholly-owned subsidiary of the Target Company. As at the Last Trading Date, no significant assets and liabilities were held or owned by the Target Company.

For the years ended 31 December 2007 and 2008, the PRC Company recorded a net loss (before and after taxation and extraordinary items) of RMB454,696.30 (equivalent to approximately HK\$516,700.34) and RMB8,624,782.17 (equivalent to approximately HK\$9,800,888.83) respectively. The net asset value of the PRC Company as at 31 December 2008 was RMB20,821,742.01 (equivalent to approximately HK\$23,661,070.47).

The PRC Company is a company incorporated in the PRC which is principally engaged in the development of the technologies in relation to electronic products, computer software and computer network; operation of materials supply and marketing in the PRC; import and export business and advertisement industry. The PRC Company is now focusing on carrying out the Project and the research and development of the Relevant Products. By using the Relevant Products, the passengers in the aircraft may get access to various kinds of electronic information, e.g. movies, music, TV programs and e-magazines. The PRC Company aims to, through the Project, develop a publishing platform in airports and aircrafts by the application of the Relevant Products so as to develop the advertisement business segment.

To implement the Project, the PRC Company entered into the Aviation Cooperation Agreement with Tianjin Airlines. Pursuant to the said agreement, the Relevant Products will be installed in the designated flights of the Tianjin Airlines. The PRC Company will be responsible for the maintenance of the Relevant Products and provision of the said electronic information. The installation and application of the Relevant Products on the designated flights of the Tianjin Airlines are targeted to be completed in March 2010.

The PRC Company is negotiating with several domestic airlines for the application of the Relevant Products on their respective flights. Furthermore, the PRC Company is liaising with several media providers e.g. Google for provision of the said electronic information through the Relevant Products on co-operation basis.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Company is an investment holding company. The Group is principally engaged in apparel sourcing, apparel trading and sales support services and the activity of a Premier League football club.

With the continuing economic growth and the improvement of living standards in the PRC, the number of passengers travelling by plane and the number of flights have increased drastically over recent years in the PRC. Aviation media is an advanced publishing platform for advertising as the products or services can be promoted to foreigners and can capture the consumer group with higher consuming powers. After taken into account of (i) the cost-saving advantage of the PRC Company for using its self-developed server and machine to develop the aviation media; (ii) the entering into of the Aviation Cooperation Agreement; (iii) the business plan of the PRC Company to develop a publishing platform in order to generate income from advertising; (iv) the Guaranteed Profit; and (v) the fact that the Target Company may exercise the rights contemplated in the Aviation Cooperation Agreement through the PRC Company after the completion of the acquisition of the PRC Company by the Target Company, the Board is of the opinion that the Acquisition shall provide a good opportunity for the Company to participate in the aviation media business, which in turn will not only enlarge the markets of the Group, but will also broaden the Company's revenue base which would have a positive impact on profitability of the Company.

The Directors (including the independent non-executive Directors) consider that the Acquisition was entered into under normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

EFFECT ON SHAREHOLDING STRUCTURE AFTER COMPLETION OF THE PROPOSED ACQUISITION

For illustrative purpose, the shareholding structure of the Company (i) as at the date of this announcement; (ii) upon the allotment and issue of the Consideration Shares; and (iii) upon the allotment and issue of the Consideration Shares and the Conversion Shares in full are set out as follows:

	As at the date of this announcement		Upon allotment and issue of the Allowable Consideration Shares		Upon allotment and issue of the Allowable Consideration Shares and the Conversion Shares in full assuming no adjustment to the Conversion Price (Note 4)	
	Shares	%	Shares	%	Shares	%
Great Luck Management Limited (Note 1)	324,802,400	10.19	324,802,400	9.68	324,802,400	5.87
Mr. Yeung Ka Sing, Carson (Note 2)	185,452,800	5.82	185,452,800	5.53	185,452,800	3.35
Premier Rise Investments Limited (Note 3)	163,800,000	5.14	163,800,000	4.88	163,800,000	2.96
Vendors						
— Winning Top International Overseas Limited	—	—	62,812,500	1.87	878,631,677	15.89
— Genuine Ocean International Trading Limited	—	—	104,687,500	3.12	1,464,386,129	26.48
Public Shareholders	2,513,698,200	78.85	2,513,698,200	74.92	2,513,698,200	45.45
	<u>3,187,753,400</u>	<u>100.00</u>	<u>3,355,253,400</u>	<u>100.00</u>	<u>5,530,771,206</u>	<u>100.00</u>

Notes:

1. These Shares are held by Great Luck Management Limited, a company incorporated in the British Virgin Islands and wholly-owned by Mr. Yeung Ka Sing, Carson.
2. Mr. Yeung Ka Sing, Carson is an executive Director.
3. These Shares are held by Premier Rise Investments Limited, a company incorporated in the British Virgin Islands and wholly-owned by Mr. Hui Ho Luek, Vico, an executive Director.
4. This column is shown for illustration purpose only and shows maximum shareholding of the Vendors in the Company upon allotment and issue of the Consideration Shares and the Conversion Shares in full assuming no conversion restrictions on the conversion of the Convertible Bonds are set out in the terms of the Convertible Bonds.

GENERAL

The Acquisition constitutes a major transaction on the part of the Company under the Listing Rules. The Acquisition, the allotment and issue of Consideration Shares and the issue of the Convertible Bonds are subject to the approval of the Shareholders at the EGM. A circular containing, amongst other things, further details of the Acquisition and a notice of EGM of the Company will be despatched to the Shareholders as soon as practicable.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, no Shareholder has a material interest in the Acquisition is required to abstain from voting at the EGM.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 9:30 a.m. on 5 November 2009 pending the release of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 16 November 2009.

DEFINITIONS

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

“1st Guaranteed Period”	the period during the 18 months from the date of Completion
“1st Guaranteed Period Financial Statements	the audited financial statements of the PRC Company for the 1st Guaranteed Period
“1st Guaranteed Profit”	the audited net profit after tax of the PRC Company, which shall not be less than RMB150,000,000 (equivalent to approximately HK\$170,454,545) for the 1st Guaranteed Period
“2nd Guaranteed Period”	the period from the 19th to 30th months from the date of Completion
“2nd Guaranteed Period Financial Statements	the audited financial statements of the PRC Company for the 2nd Guaranteed Period

“2nd Guaranteed Profit”	the audited net profit after tax of the PRC Company, which shall not be less than RMB200,000,000 (equivalent to approximately HK\$227,272,727) for the 2nd Guaranteed Period
“3rd Guaranteed Period”	the period from the 31st to 42nd months from the date of Completion
“3rd Guaranteed Period Financial Statements	the audited financial statements of the PRC Company for the 3rd Guaranteed Period
“3rd Guaranteed Profit”	the audited net profit after tax of the PRC Company, which shall not be less than RMB300,000,000 (equivalent to approximately HK\$340,909,091) for the 3rd Guaranteed Period
“Acquisition”	the acquisition of the entire issued share capital of the Target Company by the Purchaser from the Vendors pursuant to the Agreement
“Agreement”	the conditional sale and purchase agreement entered into amongst the Vendors, the Purchaser, the Guarantor, the Target Company and the Company in respect of the Acquisition dated 4 November 2009
“associate”	has the meaning ascribed to it under the Listing Rules
“Aviation Cooperation Agreement”	a cooperation framework agreement entered into between the PRC Company and Tianjin Airlines pursuant to which the Relevant Products can be applied on the designated flights to be agreed by both parties
“Board”	the board of Directors
“Company”	Grandtop International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Agreement

“Conditions”	the conditions precedent to Completion, as more particularly set out under the section headed “Conditions” of this announcement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the total consideration for the Acquisition under the Agreement
“Consideration Shares”	the new Shares (not exceeding 5% of the enlarged issued Shares) to be allotted and issued to the Vendors (or their respective nominee(s)) upon Completion
“Conversion Price”	HK\$0.388, being the average closing price per Share as quoted on the Stock Exchange over the last 15 consecutive trading days up to and including the Last Trading Date, subject to further adjustment
“Conversion Shares”	the new Shares to be issued upon the exercise of the conversion rights attached to the Convertible Bonds
“Convertible Bonds”	10-year zero coupon convertible bonds to be issued by the Company in favor of the Vendors (or their respective nominee(s)) to satisfy part of the Consideration, including Tranche 1 Bonds, Tranche 2 Bonds, Tranche 3 Bonds and Tranche 4 Bonds
“Deposit”	the refundable deposit in the sum of RMB20,000,000 (equivalent to approximately HK\$22,727,273) to be paid by the Purchaser to the Vendors
“Directors”	the directors of the Company
“EGM”	an extraordinary general meeting of the Company to be convened and held to approve, amongst other things the Agreement, the Acquisition, the allotment and issue of the Consideration Shares and the issue of Convertible Bonds in relation to the Acquisition
“Group”	the Company and its subsidiaries
“Guaranteed Period”	the 1st Guaranteed Period, the 2nd Guaranteed Period or the 3rd Guaranteed Period (as the case may be)

“Guaranteed Profit”	The aggregate of the 1st Guaranteed Profit, 2nd Guaranteed Profit and 3rd Guaranteed Profit
“Guarantor”	Mr. Meng Fei
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Price”	HK\$0.388, being the average closing price per Share as quoted on the Stock Exchange over the last 15 consecutive trading days up to and including the Last Trading Date
“Last Trading Date”	4 November 2009, being the last trading day before the date of this announcement
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	a loan in the sum of RMB20,000,000 (equivalent to approximately HK\$22,727,273) to be provided by the Vendors to the Target Group as operational expenses of the PRC Company
“Long Stop Day”	six months from the date of the Agreement
“PRC”	the People’s Republic of China
“PRC Acquisition Agreement”	the acquisition agreement dated 16 August 2009 entered into between the Target Company and the Guarantor pursuant to which the Target Company will acquire and the Guarantor will sell and procure other shareholders of the PRC Company to sell all their respective interests in the PRC Company
“PRC Company”	a company incorporated in the PRC with limited liability
“Project”	an aviation media project in the PRC operated by the PRC Company with an aim to apply the Relevant Products on the flights of the Tianjin Airlines and other domestic airlines

“Purchaser”	Far Grow Investments Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Relevant Products”	the franchised high-ended aviation media hand-held terminals including the media player and server to be applied on the aircrafts which are self-developed by the PRC Company
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Shares”	1,000 ordinary shares at par value of US\$1.00 each, in the share capital of the Target Company representing the entire issued share capital of the Target Company
“SFC”	the Securities and Futures Commission
“Shareholder(s)”	holder(s) of the Shares
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases
“Target Company”	Peace International Creation Limited, a company incorporated in the British Virgin Islands with limited liability
“Target Group”	the Target Company and its subsidiaries from time to time
“Tianjin Airlines”	Tianjin Airlines Company Limited (天津航空有限責任公司), a limited liability company incorporated in the PRC
“Tranche 1 Bonds”	the first tranche Convertible Bonds in the principal amount equivalent to the excess of the 1st Payment over the value of the Allowable Consideration Shares at the Issue Price to be issued to the Vendors (or their respective nominee(s)) to satisfy the 1st Payment pursuant to the terms and conditions of the Agreement

“Tranche 2 Bonds”	the second tranche Convertible Bonds in the maximum principal amount of RMB150,000,000 (equivalent to approximately HK\$170,454,545) to be issued to the Vendors (or their respective nominee(s)) to satisfy part of the Consideration pursuant to the terms and conditions of the Agreement
“Tranche 3 Bonds”	the third tranche Convertible Bonds in the maximum principal amount of RMB200,000,000 (equivalent to approximately HK\$227,272,727) to be issued to satisfy part of the Consideration pursuant to the terms and conditions of the Agreement
“Tranche 4 Bonds”	the fourth tranche Convertible Bonds in the maximum principal amount of RMB300,000,000 (equivalent to approximately HK\$340,909,091) to be issued to satisfy part of the Consideration pursuant to the terms and conditions of the Agreement
“Vendors”	Winning Top International Overseas Limited, a company incorporated in the British Virgin Islands with limited liability, and Genuine Ocean International Trading Limited, a company incorporated in the British Virgin Islands with limited liability
“%”	per cent

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

Hong Kong, 13 November 2009

As at the date of this announcement, the executive Directors are Mr. Yeung Ka Sing, Carson, Mr. Hui Ho Luek, Vico, Mr. Steven McManaman, Mr. Lee Yiu Tung, Mr. Ip Wing Lun and Ms. Wong Po Ling, Pauline, the non-executive Directors are Mr. Christian Lali Karembeu and Mr. Chan Wai Keung and the independent non-executive Directors are Mr. Chang Kin Man, Mr. Yau Yan Ming, Raymond and Mr. Zhou Han Ping.

The exchange rate used in this announcement is HK\$1=RMB0.88.