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Magnum International Holdings Limited
(incorporated in Bermuda with limited liability)

(Stock code: 305)

DRAGON HILL DEVELOPMENT LIMITED

(incorporated in Samoa with limited liability)

**JOINT ANNOUNCEMENT
CLOSING OF
THE MANDATORY UNCONDITIONAL CASH OFFERS BY
CELESTIAL CAPITAL LIMITED
ON BEHALF OF DRAGON HILL DEVELOPMENT LIMITED
FOR ALL THE ISSUED SHARES IN,
AND ALL OUTSTANDING SHARE OPTIONS OF,
MAGNUM INTERNATIONAL HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED BY OR
AGREED TO BE ACQUIRED BY
DRAGON HILL DEVELOPMENT LIMITED OR
PARTIES ACTING IN CONCERT WITH IT)
AND
RESIGNATION OF DIRECTORS**

**Financial adviser to
Dragon Hill Development Limited**

CASH

Celestial Capital Limited

**Financial adviser to
Magnum International Holdings Limited**

**東英 ORIENTAL
PATRON**

Oriental Patron Asia Limited

CLOSING OF THE OFFERS AND ACCEPTANCE LEVELS

The Offers closed at 4:00 p.m. on 13 July 2006, being the latest time and date for acceptance of the Offers as set out in the Composite Document. The Offeror did not extend the period of the Offers.

As at 4:00 p.m. on 13 July 2006, the Offeror received (i) valid acceptances in respect of a total of 508,000 Shares under the Share Offer, representing as at the date of this announcement approximately 0.083% of the entire issued ordinary share capital of the Company and of the voting rights which may be exercised at general meetings of the Company; and (ii) valid acceptances in respect of a total of 7,200,000 Options, being all outstanding Options, under the Option Offer.

Taking into account (i) the 316,973,680 Sale Shares held by the Offeror upon the S&P Completion on 20 June 2006; (ii) the valid acceptances received in respect of a total of 508,000 Shares under the Share Offer; and (iii) other than the said acquisition of the 316,973,680 Sale Shares by the Offeror together with the Shares and Options tendered for acceptance under the Offers, the Offeror and the parties acting in concert with it did not deal in or acquire or agree to acquire any securities of the Company during the offer period from 30 March 2006 to 13 July 2006, the Offeror and the parties acting in concert with it in aggregate hold 317,481,680 Shares, representing as at the date of this announcement approximately 51.62% of the entire issued ordinary share capital of the Company and of the voting rights which may be exercised at general meetings of the Company.

Upon closing of the Offers, the balance of approximately 48.38% of the entire issued ordinary share capital of the Company remains to be held by the public who are independent from the Offeror or parties acting in concert with it. Accordingly, the minimum public float requirement under Rule 8.08 of the Listing Rules is complied with by the Company.

RESIGNATION OF DIRECTORS

With effect from 13 July 2006 immediately after the closing of the Offers, Mr. Lim Teong Leong, Mr. Tam Cheok Wing, Mr. Ooi Sin Heng and Mr. Chan Hon Ming resigned as executive Directors, and Mr. Wong Ming Shiang and Mr. Lim Eng Ho resigned as independent non-executive Directors. Such resignations of Directors take effect in compliance with Rule 7 of the Takeovers Code. Each of the resigning Directors has confirmed that he has no disagreement with the Board and that there are no matters relating to his resignation that needs to be brought to the attention of the holders of the securities of the Company.

Reference is made to the composite offer and response document jointly issued by Magnum International Holdings Limited (the “Company”) and Dragon Hill Development Limited (the “Offeror”) dated 22 June 2006 (the “Composite Document”) in relation to the Offers. Unless otherwise defined, the terms used in this announcement shall have the same meanings as those defined in the Composite Document.

CLOSING OF THE OFFERS AND ACCEPTANCE LEVELS

The Offers closed at 4:00 p.m. on 13 July 2006, being the latest time and date for acceptance of the Offers as set out in the Composite Document. The Offeror did not extend the period of the Offers.

As at 4:00 p.m. on 13 July 2006, the Offeror received (i) valid acceptances in respect of a total of 508,000 Shares under the Share Offer, representing as at the date of this announcement approximately 0.083% of the entire issued ordinary share capital of the Company and of the voting rights which may be exercised at general meetings of the Company; and (ii) valid acceptances in respect of a total of 7,200,000 Options, being all the outstanding Options, under the Option Offer.

Taking into account (i) the 316,973,680 Sale Shares held by the Offeror upon the S&P Completion on 20 June 2006; (ii) the valid acceptances received in respect of a total of 508,000 Shares under the Share Offer; and (iii) other than the said acquisition of the 316,973,680 Sale Shares by the Offeror together with the Shares and Options tendered for acceptance under the Offers, the Offeror and the parties acting in concert with it did not deal in or acquire or agree to acquire any securities of the Company during the offer period from 30 March 2006 to 13 July 2006, the Offeror and the parties acting in concert with it in aggregate hold 317,481,680 Shares, representing as at the date of this announcement approximately 51.62% of the entire issued ordinary share capital of the Company and of the voting rights which may be exercised at general meetings of the Company.

As at the date of this announcement, save for the 7,200,000 Options which have been tendered for cancellation under the Option Offer and the Convertible Preference Shares which are held by the Offeror, there are no outstanding warrants, options or securities of the Company convertible into Shares.

Remittances in respect of (i) the amount due to the Independent Shareholders less the relevant seller's ad valorem stamp duty payable by them in respect of the Shares tendered by them under the Share Offer; and (ii) the amount due to the Optionholders in respect of the Options surrendered by them under the Option Offer have been/will be despatched to the relevant accepting Independent Shareholders or the Optionholders (as the case may be) by ordinary post at their own risk as soon as possible but in any event within 10 days of the date on which all the relevant Forms of Acceptance and documents are received by the Registrar (in the case of the Share Offer) or the company secretary of the Company (in the case of the Option Offer) to render such acceptance complete and valid.

Upon closing of the Offers, the balance of approximately 48.38% of the entire issued ordinary share capital of the Company remains to be held by the public who are independent from the Offeror or parties acting in concert with it. Accordingly, the minimum public float requirement under Rule 8.08 of the Listing Rules is complied with by the Company.

RESIGNATION OF DIRECTORS

With effect from 13 July 2006 immediately after the closing of the Offers, Mr. Lim Teong Leong, Mr. Tam Cheok Wing, Mr. Ooi Sin Heng and Mr. Chan Hon Ming resigned as executive Directors, and Mr. Wong Ming Shiang and Mr. Lim Eng Ho resigned as independent non-executive Directors. Such resignations of Directors take effect in compliance with Rule 7 of the Takeovers Code. Each of the resigning Directors has confirmed that he has no disagreement with the Board and that there are no matters relating to his resignation that needs to be brought to the attention of the holders of the securities of the Company. The Board would like to express its gratitude to the resigning Directors for their services and contribution to the Company during their terms of office.

By order of the Board of
Magnum International Holdings Limited
Lee Shing
Executive Director

By order of the sole director of
Dragon Hill Development Limited
Lee Shing
Sole director

Hong Kong, 13 July 2006

As at the date of this announcement, the Board comprises:

<i>Executive Directors:</i>	<i>Independent non-executive Directors:</i>
Mr. Lee Shing	Mr. Yu Xiumin
Ms. Liu Yaling	Mr. Zuo Duofu
	Mr. Cheng Kin Wah, Thomas

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than information relating to the Offeror and its associates) 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 statement in this announcement misleading.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this announcement (other than information relating to the Group, MCB, MGL, MESB and MIL and their respective associates) 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 statement in this announcement misleading.

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