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GLOBAL SOLUTION ENGINEERING LIMITED
環球工程有限公司

The Offshore Group Holdings Ltd.

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

Global Solution Engineering Limited
環球工程有限公司*

(Continued in Bermuda with limited liability)
(Stock code: 8192)

JOINT ANNOUNCEMENT

**(1) AGREEMENTS IN RELATION TO
THE SALE AND PURCHASE OF SHARES IN
GLOBAL SOLUTION ENGINEERING LIMITED;
(2) MANDATORY UNCONDITIONAL CASH OFFER BY
OPTIMA CAPITAL LIMITED
ON BEHALF OF
THE OFFSHORE GROUP HOLDINGS LTD.
FOR ALL THE ISSUED SHARES IN
GLOBAL SOLUTION ENGINEERING LIMITED
(OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY
THE OFFSHORE GROUP HOLDINGS LTD.)
AND PARTIES ACTING IN CONCERT WITH IT;
AND
(3) RESUMPTION OF TRADING IN THE SHARES**

Financial adviser to The Offshore Group Holdings Ltd.


Optima Capital Limited

*Independent financial adviser
to the Independent Board Committee of Global Solution Engineering Limited*

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The Agreements

On 11 July 2008, Mr. Pong and Marilyn Investments entered into the AG S&P Agreement, pursuant to which Mr. Pong agreed to sell and Marilyn Investments agreed to acquire the AG Sale Shares, being the entire issued share capital of Almond Global. The principal assets held by Almond Global are 2,520,000,000 Shares (representing approximately 45.26% of the entire issued share capital of the Company) and the Convertible Bonds with principal value of HK\$2,900,000.

* for identification purpose only

The total consideration for the AG Sale Shares is HK\$134,784,000 which was agreed between Mr. Pong and Marilyn Investments after arm's length negotiations and taking into account of the 2,520,000,000 Shares held by Almond Global and the 5,800,000,000 new Shares to be issued upon full conversion of the Convertible Bonds with a principal value of HK\$2,900,000 held by Almond Global at the prevailing conversion price of HK\$0.0005 each. Accordingly, the total consideration represents approximately HK\$0.0162 per Share. The total consideration has been paid by Marilyn Investments in full in cash at completion of the AG S&P Agreement, which took place on 11 July 2008 immediately after the signing of the AG S&P Agreement.

On 11 July 2008, Mr. Pong and the Purchaser entered into the Sale Shares Agreement, pursuant to which Mr. Pong agreed to sell and the Purchaser agreed to acquire the Sale Shares, being 950,000,000 Shares and representing approximately 17.06% of the entire issued share capital of the Company.

The total consideration for the Sale Shares is HK\$15,390,000 (equivalent to approximately HK\$0.0162 per Sale Share) which was agreed between Mr. Pong and the Purchaser after arm's length negotiations and paid by the Purchaser in full in cash at the completion of the Sale Shares Agreement, which took place on 11 July 2008 immediately after the signing of the Sale Shares Agreement.

Mandatory unconditional cash offer

As a result of the acquisition of Almond Global and the Sale Shares, the Offeror and parties acting in concert with it have become interested in a total of 3,470,000,000 Shares, representing approximately 62.32% of the existing issued share capital of the Company, and the Convertible Bonds with principal value of HK\$2,900,000. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make a mandatory unconditional general offer in cash for all the issued Shares other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it.

Appointment of independent financial adviser

Veda Capital Limited has been appointed by the Company to advise the Independent Board Committee regarding the terms of the Offer. The appointment has been approved by the Independent Board Committee composed of all three independent non-executive Directors, namely Mr. Lai Hin Wing, Henry, Mr. Lung Hung Cheuk and Mr. Yip Tai Him.

Resumption of trading

At the request of the Company, trading in the Shares has been suspended with effect from 9:30 a.m. on 14 July 2008 pending the release of this announcement. An 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 21 July 2008.

Warning: Shareholders and investors 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 AGREEMENTS

The AG S&P Agreement

Date

11 July 2008

Parties

Vendor : Mr. Pong

Purchaser : Marilyn Investments Limited, the entire issued share capital of which is wholly and beneficially owned by Mr. Chan

Subject of the sale and purchase

Pursuant to the AG S&P Agreement, Mr. Pong has sold and Marilyn Investments has acquired the AG Sale Shares, being the entire issued share capital of Almond Global.

The principal assets held by Almond Global are 2,520,000,000 Shares (representing approximately 45.26% of the entire issued share capital of the Company) and the Convertible Bonds with principal value of HK\$2,900,000.

Consideration

The total consideration for the AG Sale Shares is HK\$134,784,000 which was agreed between Mr. Pong and Marilyn Investments after arm's length negotiations and taking into account of the 2,520,000,000 Shares held by Almond Global and the 5,800,000,000 new Shares to be issued upon full conversion of the Convertible Bonds with a principal value of HK\$2,900,000 held by Almond Global at the prevailing conversion price of HK\$0.0005 each. Accordingly, the total consideration represents approximately HK\$0.0162 per Share. The total consideration has been paid by Marilyn Investments in full in cash at completion of the AG S&P Agreement, which took place on 11 July 2008 immediately after the signing of the AG S&P Agreement.

Special Dividend of Almond Global

On 11 July 2008, Almond Global effected the distribution of a special dividend in the sum of HK\$504,000 which was satisfied by the transfer of 8,000,000 Shares and the Convertible Bonds with principal value of HK\$500,000 to Mr. Pong who was the sole shareholder of Almond Global before completion of the AG S&P Agreement.

The Sale Shares Agreement

Date : 11 July 2008

Parties

Vendor : Mr. Pong

Purchaser : The Offshore Group Holdings Ltd., the entire issued share capital of which is wholly and beneficially owned by Mr. Chan

Subject of the sale and purchase

Pursuant to the Sale Shares Agreement, Mr. Pong has sold and the Purchaser has acquired the Sale Shares, being 950,000,000 Shares (representing approximately 17.06% of the entire issued share capital of the Company).

After completion of the Agreements, Mr. Pong retains minority shareholding interests in the Company as his private investment. He is confident of Mr. Chan and the management team's strong business network and industry experience. Mr. Pong believes that the Group would benefit from the Offeror's financial and management resources and extensive experience in engineering and technology areas.

Consideration

The total consideration for the Sale Shares is HK\$15,390,000 (equivalent to approximately HK\$0.0162 per Sale Share) which was agreed between Mr. Pong and the Purchaser after arm's length negotiations and paid by the Purchaser in full in cash at the completion of the Sale Shares Agreement, which took place on 11 July 2008 immediately after the signing of the Sale Shares Agreement.

The Sale Shares were sold free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature together with all rights now and hereafter attaching thereto including but not limited to all dividends paid, declared or made in respect thereof at any time on or after the date of completion of the Sale Shares Agreement.

MANDATORY UNCONDITIONAL CASH OFFER

Prior to Completion, neither the Offeror nor any of the parties acting in concert with it (including Marilyn Investments) had any interests in the share capital or voting rights of the Company. As a result of the Agreements, the Offeror and parties acting in concert with it have become interested in a total of 3,470,000,000 Shares, representing approximately 62.32% of the existing issued share capital of the Company, and the Convertible Bonds with principal value of HK\$2,900,000. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make a mandatory unconditional general offer in cash for all the issued Shares other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it.

As at the date hereof, the Company has 5,568,000,000 Shares in issue. Pursuant to the AG S&P Agreement, Mr. Pong has irrevocably undertaken to the Offeror not to accept the general offers in respect of (i) 618,000,000 Shares which remain beneficially owned by him after completion of the AG S&P Agreement; and (ii) the Convertible Bonds with principal value of HK\$500,000 which is convertible into new Shares at HK\$0.0005 each (subject to adjustment) and remain beneficially owned by him upon completion of the AG S&P Agreement. In addition, Mr. Pong has also irrevocably undertaken to the Offeror not to convert or transfer the Convertible Bonds before the close of the Offer. Accordingly, no comparable offer will be made for the Convertible Bonds and the total number of Shares subject to the Offer is 1,480,000,000 Shares.

Save for the Convertible Bonds held by Almond Global and Mr. Pong, as at the date of the Agreement and the date hereof, the Company does not have any other outstanding options, derivatives, warrants or securities which are convertible or exchangeable into Shares.

Principal terms of the Offer

Optima Capital, the financial adviser to the Offeror, will make the Offer, which is unconditional in all respects, on behalf of the Offeror in compliance with the Takeovers Code on the terms as follows:

For every Offer Share HK\$0.0162 in cash

The Offer Shares to be acquired under the Offer shall be fully paid and free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching to them as at the date hereof, including all dividends and distributions declared, made or paid on or after the date hereof.

Comparison of value

The Offer Price of HK\$0.0162 per Offer Share equals to the equivalent price per Share under the Agreements and represents:

- (i) a discount of approximately 96.1% to the closing price of HK\$0.415 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 95.4% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day of HK\$0.350 per Share;
- (iii) a discount of approximately 94.4% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day of HK\$0.291 per Share; and
- (iv) a premium of approximately 5,300.0% over the audited consolidated total equity attributable to Shareholders of approximately HK\$0.0003 per Share as at 31 December 2007.

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 Last Trading Day were HK\$0.43 per Share on 3 July 2008 and HK\$0.134 per Share on 31 January 2008 respectively.

Value of the Offer

On the basis of the Offer Price of HK\$0.0162 per Offer Share, the entire existing issued Shares of the Company of 5,568,000,000 Shares are valued at approximately HK\$90.2 million. There are 1,480,000,000 Shares subject to the Offer. Accordingly, the Offer is valued at approximately HK\$24.0 million based on the Offer Price.

Financial resources available to the Offeror

Optima Capital is satisfied that sufficient financial resources are available to the Offeror to meet acceptances in full of the Offer.

Stamp duty

Seller's ad valorem stamp duty payable by the Independent Shareholders who accept the Offer and calculated at a rate of 0.1% of the market value of the Offer Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, will be deducted from the amount payable by the Offeror to the relevant Independent Shareholder on acceptance of the Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the accepting Independent Shareholders and will pay the buyer's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Shares.

Payment

Payment in cash in respect of acceptances of the Offer will be made as soon as practicable but in any event within 10 days of the date on which the relevant documents of title are received by the Offeror to render each such acceptance complete and valid.

Other arrangements

As at the date hereof, save for the Agreements, there is no arrangement (whether by way of option, indemnity or otherwise) in relation to the shares of the Offeror or the Company and which might be material to the Offer. Other than the Agreements, there is no agreement or arrangement to which the Offeror is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer.

As at the date of this announcement, none of the Offeror or parties acting in concert with it has received any irrevocable commitment to accept the Offer. Pursuant to the AG S&P Agreement, Mr. Pong has irrevocably undertaken not to accept the general offers in respect of (i) 618,000,000 Shares which remain beneficially owned by him after completion of the AG S&P Agreement; and (ii) the Convertible Bonds with principal value of HK\$500,000 which is convertible into new Shares at HK\$0.0005 each (subject to adjustment) and remain beneficially owned by him after completion of the AG S&P Agreement. Mr. Pong has also irrevocably undertaken to the Offeror not to convert or transfer the Convertible Bonds held by him before the close of the Offer.

INFORMATION ON THE COMPANY

The Company is an investment holding company. The Group is principally engaged in the provision of information technology and engineering consultancy services, with its business focus in Hong Kong and the PRC market. The Group recorded net losses of approximately HK\$1,371,000 and HK\$2,846,000 for the financial years ended 31 December 2006 and 2007 respectively. The audited consolidated total equity attributable to Shareholders as at 31 December 2007 was HK\$1,670,000, representing approximately HK\$0.0003 per Share.

In April 2008, the Group entered into an agreement to acquire Sanxia International Energy Investments Limited which is principally engaged in the construction and operation of pipeline to be constructed for the transportation of coalbed methane from Shanxi Province to Henan Province, the PRC. However, due to the unsatisfactory result of its due diligence review on Sanxia International Energy Investments Limited and its subsidiaries, the Company served a termination notice on 24 June 2008 to cancel and terminate the agreement.

SHAREHOLDING STRUCTURES

Set out below are the respective shareholding structures of the Company immediately before Completion, immediately after Completion and as at the date of this announcement, and immediately after Completion and assuming full conversion of the Convertible Bonds:

	Immediately before Completion		Immediately after Completion and as at the date of this announcement		Immediately after Completion and assuming full conversion of the Convertible Bonds (Note 3)	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Mr. Pong (Note 1)	4,088,000,000	73.42	618,000,000	11.10	1,618,000,000	13.08
The Offeror and parties acting concert with it (Note 2)	–	–	3,470,000,000	62.32	9,270,000,000	74.95
Public Shareholders	1,480,000,000	26.58	1,480,000,000	26.58	1,480,000,000	11.97
Total	<u>5,568,000,000</u>	<u>100.00</u>	<u>5,568,000,000</u>	<u>100.00</u>	<u>12,368,000,000</u>	<u>100.00</u>

Notes:

1. The figures represent the aggregate interest of Mr. Pong and Almond Global which was a company wholly owned by Mr. Pong prior to Completion.

It was noted that on 11 July 2008, Almond Global effected a distribution of a special dividend in the sum of HK\$504,000 which was satisfied by the transfer of 8,000,000 Shares and the Convertible Bonds with principal amount of HK\$500,000 to Mr. Pong. Immediately after the distribution but before Completion, 2,520,000,000 Shares and Convertible Bonds with principal value of HK\$2,900,000 were held by Almond Global, and 1,568,000,000 Shares and Convertible Bonds with principal value of HK\$500,000 were held by Mr. Pong under his name. Immediately after Completion, Mr. Pong is no longer interested in Almond Global and he remains to be interested in 618,000,000 Shares and Convertible Bonds with principal value of HK\$500,000 held under his name.

2. Pursuant to the AG S&P Agreement, Mr. Pong sold and the Offeror acquired 100% interests in Almond Global. Immediately after completion of the AG S&P Agreement, the Offeror is interested in 100% of Almond Global, which beneficially owned 2,520,000,000 Shares and the Convertible Bonds with principal value of HK\$2,900,000.
3. This column is for illustrative purpose only. It is a term of the Convertible Bonds that the holders of the Convertible Bonds will not convert to the extent that the minimum public float requirement of the Company under the GEM Listing Rules will be breached as a result of such conversion.

INFORMATION ON THE OFFEROR AND MARILYN INVESTMENTS

The Offeror is an investment holding company and is wholly and beneficially owned by Mr. Chan. The principal activity of the Offeror is investment holding and the principal assets held by the Offeror include its equity interests in the Company, equity interests in RCG Holdings Limited and other listed securities in Hong Kong and overseas stock markets. As at the date hereof, the board of directors of the Offeror comprise Mr. Chan, Mr. Chan Chun Hung, Bobby, Mr. Chan Chun Tin, Stanley, Ms. Chan Yuen Yin, Josephine and Mr. Zhao Xiao Yi.

Marilyn Investments is an investment holding company and is wholly and beneficially owned by Mr. Chan. The principal activity of Marilyn Investments is investment holding and the principal assets held by Marilyn Investments are its equity interests in Almond Global, private investments in the PRC and other listed securities in Hong Kong. As at the date hereof, the board of directors of Marilyn Investments comprises Mr. Chan and Mr. Chan Chun Hung, Bobby.

Mr. Chan is an entrepreneur and an investor in global property, capital markets, private and public companies. Mr. Chan is very enthusiastic in technology investments and owns a significant stake in RCG Holdings Limited, a company listed on the AIM of the London Stock Exchange. RCG Holdings Limited is a leading global provider of integrated biometrics, radio frequency identification (RFID) and security solutions.

Save for the resulting shareholding interest upon Completion, to the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, the Offeror, Marilyn Investments and their beneficial owner are third parties independent of the Company and its connected persons (as defined in the GEM Listing Rules).

The Offeror, Marilyn Investments and their respective parties acting in concert have not dealt in the Shares in the six-month period up to the date of this announcement.

OFFEROR'S INTENTION ON THE GROUP

The Offeror intends that the Group will continue its existing principal activities. Apart from the proposed changes to the Board composition as described below, the Offeror does not intend to introduce any major changes to the existing operating and management structure of the Company, or to discontinue the employment of any employees of the Company, as a result of the Offer. At present, there is no plan for the Offeror to redeploy any fixed assets of the Group other than in its ordinary course of business. The Offeror also expects that there will be no material change to the existing business of the Company as a result of the Offer.

The Stock Exchange will also closely monitor all future acquisitions or disposals of assets by the Group. The Stock Exchange also has the power to aggregate a series of transactions of the Company and any such transactions may result in the Company being treated as if it were a new listing applicant.

PROPOSED CHANGE OF BOARD COMPOSITION

The Offeror intends to nominate Mr. Chan Chun Tin, Stanley and Mr. Ying Kan Man as executive Directors and the effective date of such appointments will be after the close of the Offer. It is expected that Mr. Pong and Mr. Lau Wai Shu will resign as executive Directors after the close of the Offer. The existing business will continue to be operated by the existing employees under the supervision and management of the new executive Board with members who are familiar with and possess relevant expertise for the Group's business.

It is also expected that Mr. Lai Hin Wing, Henry and Mr. Lung Hung Cheuk, the existing independent non-executive Directors, will remain as independent non-executive Directors and General Dato' Seri Mohd Azumi Bin Mohamed will be appointed as an independent non-executive Director in place of Mr. Yip Tai Him who will resign after the close of the Offer.

Set out below are the biographical details of the proposed executive Directors and independent non-executive Directors to be nominated by the Offeror:

Executive Directors

Mr. Chan Chun Tin, Stanley, aged 40, is experienced in corporate management and operations. Mr. Stanley Chan is currently a director of RCG Corporation Limited, a subsidiary of RCG Holdings Limited which is in turn a company listed on the AIM of the London Stock Exchange. Mr. Stanley Chan holds a Bachelor of Arts degree from the University of Sydney.

Mr. Ying Kan Man, aged 34, is experienced in the technology sector and has extensive business relationships with various technology partners, distributors and solution providers. Mr. Ying specialised in the business development of biometrics hardware and security solutions. He has been the director of RCG Holdings Limited since 1999 and the deputy chief operating officer since 2006. Mr. Ying holds a Bachelor of Business Administration degree in marketing from the Chinese University of Hong Kong. Mr. Ying also served as a counsel member of the Innovation and Technology Association during 2005 to 2006.

Independent non-executive Directors

General Dato' Seri Mohd Azumi bin Mohamed, aged 59, has 37 years of military experience in the Malaysian Armed Forces and is a retired General of the Malaysian Armed Forces. General Dato' Seri Mohd Azumi bin Mohamed is a qualified parachutist and has broad experience in international peacekeeping duties such as the United Nation Observation Mission in Iraq and Kuwait and the deployment of Malaysian peacekeepers in Cambodia, Somalia and Bosnia Herzegovina. General Dato' Seri Mohd Azumi bin Mohamed also represented Malaysia at the United Nation Troop Contributing Nations meeting in Zagreb. General Dato' Seri Mohd Azumi bin Mohamed holds a Master of Science degree in natural resources and strategy from the National Defense University, Washington DC. General Dato' Seri Azumi bin Mohamed also holds a Graduate Diploma in strategy accredited by the Australian National Accreditation Agency. He is also a recipient of the French Award Officer Ordre du Merite. General Dato' Seri Azumi bin Mohamed is currently a non-executive director of RCG Holdings Limited.

Further announcement will be made by the Company in respect of the resignations and appointments of the Directors pursuant to Rule 17.50(2) of the GEM Listing Rules as and when appropriate.

MAINTAINING THE LISTING STATUS OF THE COMPANY

The Offeror intends to maintain the listing of the Shares on GEM after the close of the Offer. The Company, the new Directors to be nominated by the Offeror and the directors of the Offeror will undertake to the Stock Exchange to take appropriate steps as soon as possible following the close of the Offer to ensure that sufficient public float exists for the Shares.

The Stock Exchange has stated that if, upon closing 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) there are insufficient Shares in public hands to maintain an orderly market, then it will consider exercising its discretion to suspend trading in the Shares.

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

Veda Capital Limited has been appointed by the Company to advise the Independent Board Committee regarding the terms of the Offer. The appointment has been approved by the Independent Board Committee which is composed of all three independent non-executive Directors, namely Mr. Lai Hin Wing, Henry, Mr. Lung Hung Cheuk and Mr. Yip Tai Him.

DEALING DISCLOSURE

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 of the Takeovers Code 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 of the Takeovers Code. 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 HK\$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.

Intermediates 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 intermediates will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.

Any associates of the Company, the Offeror and parties acting in concert with them are reminded to disclose their dealings in any securities of the Company.

GENERAL

Rule 8.2 of the Takeovers Code provides that an offer document should normally be posted by or on behalf of the Offeror within 21 days of the date of announcement of the Offer. The Company is required to send an offeree board circular in relation to the Offer to the Shareholders within 14 days of the posting of the offer document or such later date as the Executive may approve. It is the intention of the Offeror and the Company that a composite document combining the offer document and the offeree board circular will be jointly despatched by the Offeror and the Company to the Independent Shareholders in accordance with the requirements of the Takeovers Code. The composite document will set out details of the Offer (attaching thereto the acceptance and transfer forms) and incorporate the respective letters of advice from the Independent Board Committee and the independent financial adviser on the Offer and other relevant information on the Group as required under the Takeovers Code.

Warning: Shareholders and investors 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.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares has been suspended with effect from 9:30 a.m. on 14 July 2008 pending the release of this announcement. An 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 21 July 2008.

DEFINITIONS

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

“Agreements”	the AG S&P Agreement and the Sale Shares Agreement
“AG Sale Share(s)”	two shares of USD1.00 each in the issued capital of Almond Global, representing the entire issued share capital of Almond Global
“AG S&P Agreement”	the sale and purchase agreement dated 11 July 2008 entered into between Marilyn Investments and Mr. Pong in relation to the sale and purchase of the AG Sale Shares
“AIM”	the Alternative Investment Market operated by the London Stock Exchange
“Almond Global”	Almond Global Limited, a company incorporated in the British Virgin Islands with limited liability and was beneficially owned by Mr. Pong before completion of the AG S&P Agreement
“Board”	the board of Directors
“Company”	Global Solution Engineering Limited, a company continued in Bermuda with limited liability, the Shares of which are listed on GEM
“Completion”	completion of the Agreements
“Convertible Bonds”	the convertible bonds in the aggregate principal amount of HK\$3,400,000 which are convertible into new Shares at HK\$0.0005 each (subject to adjustment) issued by the Company to Almond Global on 4 September 2007, which are not listed or quoted on any stock exchange
“Directors”	directors of the Company
“Executive”	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission or any delegates of the Executive Director
“GEM”	The Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC

“Independent Board Committee”	the independent committee of the Board comprising all the independent non-executive Directors formed to advise the Independent Shareholders on the terms of the Offer
“Independent Shareholders”	Shareholders other than the Offeror, Marilyn Investments, Mr. Pong and parties acting in concert with any of them as defined in the Takeovers Code
“Last Trading Day”	11 July 2008, being the last trading day of the Shares prior to its suspension in trading on the Stock Exchange on 14 July 2008
“Marilyn Investments”	Marilyn Investments Limited, a company incorporated in the British Virgin Islands with limited liability, which is wholly and beneficially owned by Mr. Chan
“Mr. Chan”	Mr. Chan Chun Chuen, the ultimate beneficial owner of the Offeror and Marilyn Investments
“Mr. Pong”	Mr. Pong Wai San, Wilson, an executive Director and Chairman of the Company
“Offer”	the mandatory unconditional cash offer to be made by Optima Capital on behalf of the Offeror for all the issued Shares other than those already owned by or agreed to be acquired by the Offeror and parties acting in concert with it in accordance with the Takeovers Code
“Offeror” or “Purchaser”	The Offshore Group Holdings Ltd., a company incorporated in the British Virgin Islands with limited liability, which is wholly and beneficially owned by Mr. Chan
“Offer Price”	the price at which the Offer will be made, i.e. at HK\$0.0162 per Share
“Offer Share(s)”	issued Shares other than (i) those already owned by the Offeror, Marilyn Investments and their respective concert parties and (ii) the 618,000,000 Shares which remain beneficially owned by Mr. Pong after completion of the AG S&P Agreement
“Optima Capital”	Optima Capital Limited, a licensed corporation under the SFO permitted to engage in type 1 (dealings in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities, and the financial adviser to the Offeror
“party(ies) acting in concert”	has the meaning ascribed thereto in the Takeovers Code
“PRC”	The People’s Republic of China, which, for the purpose of this announcement, shall exclude Hong Kong, Macau and Taiwan
“Sale Shares”	950,000,000 Shares acquired by the Offeror from Mr. Pong pursuant to the terms and conditions of the Sale Shares Agreement

“Sale Shares Agreement”	the sale and purchase agreement dated 11 July 2008 entered into between the Offeror and Mr. Pong in relation to the sale and purchase of the Sale Shares
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.0005 each in the issued share capital of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“USD”	United States Dollars, the lawful currency of the United States of America
“%”	per cent.

By Order of the board of directors of
The Offshore Group Holdings Ltd.
Chan Chun Chuen
Director

By Order of the Board
Global Solution Engineering Limited
Pong Wai San, Wilson
Chairman

Hong Kong, 18 July 2008

As at the date of this announcement, the executive Directors are Mr. Pong Wai San, Wilson and Mr. Lau Wai Shu, the independent non-executive Directors are Mr. Lai Hin Wing, Henry, Mr., Yip Tai Him and Mr. Lung Hung Cheuk.

As at the date of this announcement, the directors of the Offeror are Mr. Chan Chun Chuen, Mr. Chan Chun Hung, Bobby, Mr. Chan Chun Tin, Stanley, Ms. Chan Yuen Yin, Josephine and Mr. Zhao Xiao Yi.

All Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than the information relating to the Offeror and its future intention and parties acting in concert with it), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those relating to the Offeror and its future intention and parties acting in concert with it) 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 such statement (other than those relating to the Offeror and its future intention and parties acting in concert with it) contained in this announcement misleading.

The information contained in this announcement relating to the Offeror and its future intention has been supplied by the the Offeror. All the directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than the information relating to the Group, Mr. Pong and parties acting in concert with him), and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed in this announcement (other than those relating to the Group, Mr. Pong and parties acting in concert with him) 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 such statement (other than those relating to the Group, Mr. Pong and parties acting in concert with him) contained in this announcement misleading.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for at least 7 days from the date of its publication and on the website of the Company at <http://www.gsehk.com.hk>.