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**Global Flex Holdings Limited**  
**佳邦環球控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 471)**

## **SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE**

On 21 May 2008, the Company has entered into the Subscription Agreement with the Subscribers for the subscription of an aggregate 250,000,000 new Shares for an aggregate consideration of HK\$36,500,000 at the Subscription Price of HK\$0.146 per Subscription Share.

The Subscription Shares of 250,000,000 new Shares represent 20% of the existing issued share capital of the Company and approximately 16.67% of the enlarged share capital of the Company. The Subscription Shares will be issued under the General Mandate and will rank equally with the existing Shares.

Completion of the Subscription pursuant to the Subscription Agreement is conditional upon, inter alia, the Listing Committee agreeing to grant a listing of and permission to deal in the Subscription Shares.

## **SUBSCRIPTION AGREEMENT DATED 21 MAY 2008**

### **Parties:**

Issuer : The Company

Subscribers : Not less than six Subscribers, being individuals, institutional or other professional investors, and who and whose ultimate beneficial owners (if any) are third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company. It is expected that none of the Subscribers will become a substantial shareholder (as defined in the Listing Rules) of the Company immediately upon completion of the Subscription.

**Number of Subscription Shares subscribed for:**

250,000,000 new Shares, representing 20% of the Company's existing issued share capital and about 16.67% of its issued share capital as enlarged by the Subscription.

**Subscription Price:**

HK\$0.146 per Subscription Share, representing:

- (a) a discount of approximately 19.34% to the closing price of HK\$0.181 per Share quoted at 4:00 p.m. on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 19.34% to the average closing price of HK\$0.181 per Share quoted on the Stock Exchange for the 5 trading days immediately prior to the Last Trading Day; and
- (c) a discount of approximately 19.82% to the average closing price of approximately HK\$0.1821 per Share as quoted on the Stock Exchange from 6 May 2008 to 20 May 2008, both dates inclusive, being the last ten trading days immediately prior to the Last Trading Day.

Based on an estimated expenses of about HK\$200,000 for the Subscription, the Company will be able to raise about HK\$36.5 million gross proceeds and HK\$36.3 million net proceeds from the Subscription. On this basis, the net issue price per Subscription Share is approximately HK\$0.145. The Subscription Price is determined at arm's length basis and the Directors consider that the terms of the Subscription Agreement are fair and reasonable and are in the interest of the Company. The Subscription Price of the Subscription Shares will be paid to the Company at the earlier of (i) 23 May 2008 and (ii) the date of allotment of the Subscription Shares.

**Mandate to issue the Subscription Shares:**

The Subscription Shares are to be issued under the general mandate granted to the Directors pursuant to the resolutions of the Shareholders passed at its annual general meeting held on 21 May 2007.

**Ranking:**

The Subscription Shares, when issued and fully paid, will rank pari passu among themselves and with all other Shares presently in issue and at the time of issue and allotment of the Subscription Shares.

**Condition of the Subscription:**

The Subscription is conditional on the granting of a listing of and permission to deal in the Subscription Shares by the Listing Committee of the Stock Exchange.

**If the condition is not fulfilled on or before 6 June 2008 (or such other date as the parties may mutually agree) the Subscription Agreement will lapse.**

**Completion of Subscription:**

The business day immediately after the condition of the Subscription has been fulfilled (or such other date as the parties may agree).

**APPLICATION FOR LISTING**

Application will be made by the Company to the Stock Exchange for the grant of listing of and permission to deal in the Subscription Shares.

**REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS**

The Group has been suffering losses in the previous financial year. For the year ended 31 December 2007, the Group's loss attributable to shareholders of the Company amounted to HK\$29,778,061. As at 31 December 2007, the Group had cash and bank balances of HK\$10,856,313.

The Directors consider that it is in the interests of the Company to raise capital from the equity market in order to maintain the cashflow position of the Group and to enhance the capital base of the Company. The Company will use the estimated net proceeds of the Subscription as general working capital. The Directors (including the independent non-executive Directors) consider the terms of the Subscription Agreement and the Subscription Agreement to be fair and reasonable and are in the best interests of the Company, as far as the Shareholders are concerned.

The Company considers that the Subscription is a preferred method of fund raising as compared with other equity fund raising exercises based on time and costs involved.

## EFFECT OF THE SUBSCRIPTION ON SHAREHOLDING STRUCTURE

Assuming that there will be no change in the shareholding structure of the Company immediately before completion of the Subscription, the shareholding structure of the Company immediately before and after the Subscription will be as follows:

Shareholders	Immediately before the Subscription		Immediately after the Subscription	
	Shares	%	Shares	%
Century Champion Group limited (“Century Champion”) (Note 1)	318,534,201	25.48%	318,534,201	21.24%
Wong Chau Chi (Notes 2, 3)	89,950,000	7.20%	89,950,000	6.00%
Hsu Chung (Note 2)	6,652,743	0.53%	6,652,743	0.44%
Lin Cheng Hung (Note 2)	9,431,452	0.75%	9,431,452	0.63%
Lin Yi Ting (Note 2)	3,385,586	0.27%	3,385,586	0.22%
Huang Lien Tsung (Note 2)	1,526,292	0.12%	1,526,292	0.10%
Nguyen Van Duc (Note 4)	573,638	0.05%	573,638	0.04%
<b>The Subscribers</b>	<b>36,712,000</b>	<b>2.94%</b>	<b>286,712,000</b>	<b>19.11%</b>
Other public Shareholders	<u>783,234,088</u>	<u>62.66%</u>	<u>783,234,088</u>	<u>52.22%</u>
Total	<u>1,250,000,000</u>	<u>100.00%</u>	<u>1,500,000,000</u>	<u>100.00%</u>

Notes:

1. These Shares are registered in the name of and beneficially owned by Century Champion, the entire issued share capital of which is beneficially owned as to 100% by Vertex precision Electronics Inc. 130,000,000 of these Shares are security interest in shares charged in favour of Ta Chong Bank Co. Ltd. which has not been set out separately in the above table.
2. An executive Director.
3. 8,532,500 of these Shares are registered under the name of Chi Capital Holdings Limited (“Chi Capital”), a company wholly owned by Mr. Wong Chau Chi and he was the sole director of Chi Capital. 66,735,000 of these Shares are registered under the name of Chi Capital Multi-Strategy Fund SPC - Segregated Portfolio Asia Opportunity, a company controlled by Chi Capital. Goldman Sachs International, a company controlled by The Goldman Sachs Group Inc is deemed to be interested in 75,267,500 of these Shares, which has not been set out separately in the above table. 14,682,500 of these Shares are registered under the name of and beneficially owned by Mr. Wong Chau Chi.
4. A non-executive Director.

### Public Float

The Company will be able to comply with the public float requirement under the Listing Rules immediately after completion of the Subscription.

## **FUND-RAISING ACTIVITIES IN THE PAST 12 MONTHS**

There has been no equity fund raising activities of the Company during the 12 months ended immediately before the date of this announcement.

## **GENERAL INFORMATION**

The Group is principally engaged in the business of manufacture and trading of printed circuit boards.

Based on information provided by the Subscribers, their principal activities of the Subscribers which are corporations are investment holding companies.

## **DEFINITIONS**

In this announcement, the following terms shall, unless the context otherwise requires, have the respective meanings assigned to them below:

“associates”	having the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Company”	Global Flex Holdings Limited, the shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“General Mandate”	The general mandate granted to the Directors pursuant to the resolutions of the Shareholders passed at its annual general meeting held on 21 May 2007
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of the Hong Kong Special Administrative Region of the People’s Republic of China
“Last Trading Day”	21 May 2008, being the date of this announcement, which is a Stock Exchange trading day
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Share(s)”	ordinary share(s) of HK\$0.10 in the capital of the Company
“Shareholder(s)”	holder(s) of Shares

“Subscribers”	the subscribers of the Subscription Shares under the Subscription Agreement
“Subscription”	the subscription of the Subscription Shares pursuant to the terms of the Subscription Agreement
“Subscription Agreement”	the subscription agreements dated 21 May 2008 and made between the Company and the Subscribers
“Subscription Price”	HK\$0.146 per Subscription Share
“Subscription Shares”	a total of 250,000,000 new Shares to be issued by the Company to the Subscribers pursuant to the Subscription Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
%	per cent.

By order of the Board  
**Wong Chau Chi**  
*Chairman*

Hong Kong, 21 May 2008

*As at the date of this announcement, the Board comprises five executive Directors, namely Mr Lin Cheng Hung, Mr Hsu Chung, Mr Huang Lien Tsung, Mr Wong Chau Chi and Ms Lin Yi Ting, four non-executive Directors, namely Mr Chou Tsan Hsiung, Mr Nguyen Duc Van, Mr Yang Yi and Dr Li Jun, and three independent non-executive Directors, namely Mr Wang Wei-Lin, Mr Chow Chi Tong and Mr Liao Kuang Sheng*