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ISSUE OF HK\$21 MILLION CONVERTIBLE NOTES

On 28 November 2008, the Company and the Subscribers entered into the Convertible Notes Subscription Agreement, under which the Subscribers conditionally agreed to subscribe for a total of HK\$21 million Convertible Notes issued by the Company. The subscription prices payable for the Convertible Notes are set at 102% of the principal amounts of the relevant Convertible Notes subscribed (i.e, HK\$1.02 will be payable for every HK\$1 of the principal amounts of the Convertible Notes subscribed by the Subscribers). Gross proceeds of HK\$21,420,000 will be received by the Company in cash on completion date. The Subscribers and their respective ultimate beneficial owners are third parties independent of the Company and not connected with the connected persons of the Company.

The Convertible Notes will be interest free and unsecured. Their outstanding principal amounts shall be due for repayment on the second anniversary of the issue date, subject to prior conversion into new Shares of the Company at the conversion price of HK\$0.10 per Share, subject to adjustments. Full conversion of HK\$21 million principal amount at HK\$0.10 per Share will result, by itself, in a maximum of 210,000,000 new Conversion Shares issued by the Company, representing about 13.21% and 11.67% of its issued Shares currently and as enlarged by such issue respectively. The net proceeds of the Convertible Notes are estimated to be about HK\$20 million intended to be applied as general working capital of the Group.

The issue and allotment of the 210,000,000 Conversion Shares at the Conversion Price of HK\$0.10 each will be made under the unused portion of the General Mandate (Share Issue) available.

The Convertible Notes provide for adjustments to the HK\$0.10 Conversion Price, and hence to the total number of Conversion Shares falling to be issued. Approval by the Independent Shareholders to grant a specific mandate to the Directors for the issue and allotment of such Conversion Shares at the Conversion Price (as adjusted) in addition to and, where applicable including the 210,000,000 Shares allowed under the General Mandate (Share Issue) is required under the Listing Rules. The Company will issue a further announcement and a circular containing, among other things, further information about the Convertible Notes Subscription Agreement and the notice of the EGM to seek such approval of the Independent Shareholders in accordance with the Listing Rules as soon as practicable.

THE CONVERTIBLE NOTES SUBSCRIPTION AGREEMENT

On 28 November 2008, the Company entered into the Convertible Notes Subscription Agreement with the Subscribers in respect of the issuance of the Convertible Notes. Summarised below are the principal terms of the Convertible Notes Subscription Agreement.

Parties

Issuer : The Company

Subscribers : Two (2) fund and corporate investors comprising : (1) Hansom Group Limited and (2) Shikumen Special Situations Fund.

To be best of the knowledge of the Directors after making all reasonable enquiry, the Subscribers and any of their ultimate beneficial owners are third parties independent of and not connected with the connected persons of the Company. The obligations of the Subscribers under the Convertible Notes Subscription Agreement are several and not joint or joint and several.

The material conditions of the Convertible Notes

Principal amounts

The aggregate principal amount of the Convertible Notes is HK\$21 million divided amongst the Subscribers as follows:

Name of Subscriber	Principal amount of the Convertible Notes subscribed
1 Hansom Group Limited	HK\$14,000,000
2 Shikumen Special Situations Fund	<u>HK\$ 7,000,000</u>
Total	<u><u>HK\$21,000,000</u></u>

The subscription prices payable by the Subscribers are set at 102% of the principal amounts of the relevant Convertible Notes subscribed (i.e, HK\$1.02 will be payable by the Subscribers for every HK\$1 of the principal amounts of the Convertible Notes subscribed). Gross proceeds of HK\$21,420,000 will be received by the Company in cash on completion date.

Interest

No interest will accrue on the Convertible Notes.

Maturity and redemption

To the extent that they have not been converted, the Convertible Notes outstanding shall be redeemed by the Company on the second anniversary of the date of issue at the price of 125% of their respective principal amounts then outstanding.

The Noteholders shall have early redemption right exercisable against the Company in respect of the whole or part of their Notes if the Market Price Re-set below could not become unconditional and effective. Details are contained in the sub-paragraph headed “Conversion Price” below.

Conversion Price

The initial Conversion Price is HK\$0.10 per Share. It represents :

- (a) a premium of about 194.1% to the closing price per Share of HK\$0.034 on the Stock Exchange on 28 November 2008 (being the date of the Convertible Notes Subscription Agreement);

- (b) a premium of about 212.5% to the average closing price per Share of HK\$0.032 for the 5 consecutive trading days up to the Last Trading Day;
- (c) a premium of about 212.5% to the average closing price per Share of HK\$0.032 for the 10 consecutive trading days up to the Last Trading Day;
- (d) a premium of about 81.8% to the average closing price per Share of HK\$0.055 for the past three months up to the Last Trading Day; and
- (e) a discount of about 77.7% to the net asset value of the Group per Share of about HK\$0.448 as at 31 December 2007 (on the basis of 1,250,000,000 Shares in issue).

The Conversion Price will be subject to anti-dilutive adjustments on specified changes to the share capital of the Company occurring after the issue date, including share consolidation and sub-division, rights issue and open offer, capitalization issue, capital distribution and issue of new Shares or convertible securities with conversion price at lower than the thresholds set by reference to the then prevailing market price of the Shares on the Stock Exchange.

In addition, it is also provided in the conditions of the Convertible Notes that the Conversion Price will also be automatically adjusted and re-set under the Market Price Re-set every three (3) months, being January, April, July and October, in a year during the term of the Convertible Notes for so long as the principal amounts of the relevant Convertible Notes remain outstanding. By this arrangement, the Conversion Price shall be re-set and adjusted to the lower of (a) HK\$0.10 and (b) 80% of the value weighted average price per Share for the past 20 trading days ending at the end of each of these three (3) months intervals, provided that the first end date falling after issue of the notes must be at least 3 months after the date of issue. The highest and the lowest Conversion Prices permitted under the Market Price Re-set shall be limited to HK\$0.10 and HK\$0.01 per Share respectively.

The lower limit of the Conversion Price adjusted under the above Market Price Re-set is below the current HK\$0.10 par value of the Shares. Further, the adjustment provisions could result in the Company issuing further new Shares in addition to the 210,000,000 new Shares allowed under the General Mandate (Share Issue).

Accordingly, such adjustments, including the Market Price Re-set arrangements, will not be effective unless and until the following conditions for compliance with the Listing Rules, the constitutional documents of the Company and applicable law and regulations are duly fulfilled:

1. the Capital Reorganisation becoming effective, such that the par value of the Shares shall be reduced to HK\$0.01 each;
2. the necessary specific approval being granted by the Independent Shareholders at the EGM for the Convertible Notes Subscription Agreement and transactions contemplated therein and to grant a specific mandate for the issue and allotment of the Conversion Shares at the Conversion Price adjusted and/or reset in addition to and, where applicable, including the 210,000,000 Shares allowed under the General Mandate (Share Issue)); and
3. (if required) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, these Conversion Shares as mentioned in paragraph 2 above.

If the above conditions as applicable are not fulfilled in accordance with the timetable published and revised by the Company from time to time under the Listing Rules, the Company shall issue written notices to the Noteholders. Within 15 business days after the date of the Company's notifications, the Noteholders will have rights to require the Company to redeem the Convertible Notes by issuing redemption notices to the Company. The Company shall then redeem and repay the relevant Convertible Notes to the relevant Noteholders within 45 business days after the date of the Noteholders' redemption notices received. In relation to the Convertible Notes liable to be redeemed, the redemption price shall be based on their annualized accrued value accruing at 125% of the face value of their principal amounts, as pro-rated according to the number of days elapsed from issue date up to the date of the redemption notices issued by the relevant Noteholders divided by the total number of days in the 2-year term of the notes.

The Market Price Re-set was agreed after arm's length negotiations between the Company and the Subscribers to set, as far as practicable, the conversion price with reference to the then prevailing trading price of Shares on the Stock Exchange during the term of the Convertible Notes.

In determination of the initial Conversion Price, the parties noted that the recent trading price of the Shares on the Stock Exchange was below the current HK\$0.10 par value of the Shares. Adjustments (including the Market Price Re-set) could result in the Conversion Price being adjusted to below par value. As it is not lawful for the Company to issue new Shares below par value, the Company is undertaking the requisite procedures and steps under the Cayman Islands law to implement the Capital Reorganisation to reduce the par value of the shares to HK\$0.01 each. The relevant court process would not, however, be completed by the end of December 2008 as announced by the Company on 26 August 2008. Unless and until these steps are taken to comply with the Listing Rules and the applicable law, such Market Price Re-set will not be made or effective.

The Capital Reorganisation by itself would not lead to any adjustment of the Conversion Price pursuant to their conditions of issue.

Conversion rights

The Noteholders will have the right to convert the principal amounts of the Convertible Notes (in whole or in minimum multiples of HK\$10,000) into Conversion Shares at the Conversion Price then in force, subject to adjustments.

The Conversion Shares issued at the initial Conversion Price of HK\$0.10 each will be made pursuant to the unused portion of the General Mandate (Share Issue), which allows issue of up to 210,000,000 new Shares. The Market Price Re-set of the Conversion Price could, if materializes, increase the aggregate nominal amount of the Conversion Shares already issued and to be issued after taking into account the re-set in question beyond such limit. Accordingly, the Company will convene the EGM at which the Independent Shareholders will be asked to specifically approve the Convertible Notes Subscription Agreement and transactions contemplated under it including issue and allotment of the Conversion Shares at the Conversion Price subject to adjustments and reset accordingly. All those Subscribers and their respective associates holding any Shares shall abstain from voting at the EGM. Further, if any of the Subscribers become connected person of the Company on or before the date of the EGM, an independent financial adviser should be appointed to make recommendation to the independent board committee of the Company and the Independent Shareholders under Rule 13.39(6) of the Listing Rules.

Unless and until the above relevant steps are duly undertaken by the Company to legitimize the issue of Conversion Shares at Conversion Price Re-set and adjusted, the Market Price Re-set shall not be effective and the Company shall not issue any Conversion Shares in breach of such rules and laws.

In any event, the conditions of the Convertible Notes as provided under the Convertible Notes Subscription Agreement require that the conversion rights may not be exercised by any of the Noteholders if it would result in the Company in breach of the requirements of the Listing Rules (including the public float requirements and limits of general mandate to issue new Shares), the Takeovers Code and other relevant regulations and/or change in control (within the meaning of such term in those code) of the Company and/or the Subscribers themselves in breach of such rules, codes and regulations (including obligations to make general offer for the Shares or otherwise resulting in change in control of the Company).

Conversion Shares to be issued

The Conversion Shares to be issued will rank equally with all other Shares then in issue.

Voting rights

The Noteholders will not have the right to attend or vote at any general meetings of the Company by virtue of being the holders of the Convertible Notes.

Transferability

The Convertible Notes may be assigned or transferred to any party by the holders. Upon the Company becoming aware that the Convertible Notes are to be transferred to any connected person(s) of the Company, the Company shall promptly notify the Stock Exchange. The Company will comply with the relevant requirements of the Listing Rules for any transfer of Convertible Notes to any connected persons of the Company.

Completion and condition

Completion of the Convertible Notes Subscription Agreement will be subject to the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the 210,000,000 Conversion Shares falling to be allotted and issued at the Conversion Price of HK\$0.10 each, pursuant to the available General Mandate (Share Issue) on or before 31 December 2008. If such approval is not granted by that date (or such other date as may be agreed by the Company and all the Subscribers), the Subscription Agreement will lapse, and the parties shall be released from all obligations thereunder save for antecedent breach of the agreement.

After issue of the Convertible Notes Subscription Agreement, the related adjustments to the Conversion Price (including the Market Price Re-set) will remain being subject to (and not effective until) fulfillment of the above conditions, including consummation of the Capital Re-organisation and the specific mandate approved by the Independent Shareholders at the EGM. The Company will apply to the Stock Exchange for approval of the listing of, and permission to deal in, such Conversion Shares at such adjusted Conversion Price in due course.

EFFECT ON SHAREHOLDING STRUCTURE

On full conversion of HK\$21 million principal amount of the Convertible Notes at HK\$0.10 per Share, a maximum of 210,000,000 new Conversion Shares in aggregate nominal value of HK\$21,000,000 will be issued by the Company, representing about 13.21% and 11.67% of its issued Shares currently and as enlarged by such issue respectively.

The existing shareholding structure of the Company and the expected shareholding structure of the Company upon full conversion of the Convertible Notes (using the conversion price of HK\$0.10 each and (assuming that the above conditions for adjustments of the Conversion Price are satisfied) at HK\$0.01 each are set out below for illustration purposes:

Shareholders	Existing shareholding as at the date of this announcement Shares (%)	Assuming full conversion of the Convertible Notes at HK\$0.10 per Share Shares (%)	Assuming full conversion of the Convertible Notes at HK\$0.01 per Share Shares (%)
Century Champion Group Limited (<i>note 1</i>)	256,470,000 (16.13%)	256,470,000 (14.25%)	256,470,000 (6.95%)
Chi Capital (<i>note 2</i>)	83,750,000 (5.27%)	83,750,000 (4.65%)	83,750,000 (2.27%)
Lin Cheng Hung (<i>note 3</i>)	9,431,452 (0.59%)	9,431,452 (0.52%)	9,431,452 (0.26%)
Hsu Chung (<i>note 3</i>)	23,152,743 (1.46%)	23,152,743 (1.29%)	23,152,743 (0.63%)
Huang Lien Tsung (<i>note 3</i>)	2,626,292 (0.17%)	2,626,292 (0.15%)	2,626,292 (0.07%)
Nguyen Duc Van (<i>note 4</i>)	1,173,638 (0.07%)	1,173,638 (0.06%)	1,173,638 (0.03%)
Subscribers	146,715,500 (9.23%)	356,715,500 (19.82%)	2,246,715,500 (60.89%)
Other Public	1,066,680,375 (67.08%)	1,066,680,375 (59.26%)	1,066,680,375 (28.90%)
Total	1,590,000,000 (100.00%)	1,800,000,000 (100.00%)	3,690,000,000 (100.00%)

Notes:

1. These Shares are registered in the name of and beneficially owned by Century Champion Group Limited, the entire issued share capital of which is beneficially owned as to 100% by Vertex Precision Electronics Inc. (“Vertex”). 130,000,000 of these Shares are a security interest in shares charged in favour of Ta Chong Bank Co. Ltd. which has not been set out separately in the above table. Each of Mr. Lin Cheng Hung, Mr. Hsu Chung (being current executive Directors), Ms. Lin Yi Ting and Mr. Liao Kuang Sheng (being former Directors), is a shareholder of Vertex as at the date of this announcement. Mr. Lin Cheng Hung and Mr. Hsu Chung are indirectly interested in the business carried on by Vertex and its subsidiaries.
2. Mr. Wong Chau Chi, an executive Director, is the sole beneficial owner and sole director of Chi Capital. Mr. Wong Chau Chi holds certain Share Options entitling him to subscribe for a total of 12,500,000 underlying Shares.
3. An executive Director.
4. A non-executive Director.
5. Of the Subscribers, Hansom Group Limited and Shikumen Special Situation Fund are currently holding 0 Shares and 146,715,500 Shares respectively representing about 0.00% and 9.23% respectively of the existing issued share capital of the Company. Accordingly, none of them are substantial shareholders of the Company.
6. A maximum of 92,000,000 new Shares will be issued by the Company upon full conversion of the Share Options outstanding as at the date of this announcement. Save for these, the Company has no other outstanding options, warrants or other securities convertible into or giving rights to subscribe for the Shares as at the date of this announcement.

The Capital Reorganisation by itself would not have any effect on the number of Shares in issue.

PREVIOUS FUND-RAISING EXERCISES OF THE COMPANY

The table below sets out the equity fund-raising activities of the Company in the past 12 months immediately preceding the date of this announcement.

Nature of transaction	Date of mandate granted	Date of agreement	Date of announcement	Net proceeds	Intended use of net proceeds as announced	Actual use of net proceeds
Subscription of 250,000,000 new Shares	21 May 2007	21 May 2008	21 May 2008	About HK\$36.3 million	general working capital	Fully utilized as intended
Subscription of 90,000,000 new Shares	30 May 2008	11 July 2008	11 July 2008	About HK\$10.6 million	general working capital	Fully utilized as intended

Save as disclosed above and the Open Offer that has been terminated, the Company has not carried out any fund-raising exercise in the 12-month period immediately preceding the date of this announcement.

REASONS FOR AND BENEFITS OF THE ISSUANCE OF CONVERTIBLE NOTES

The Company is primarily engaged in investment holdings whilst its subsidiaries are mainly engaged in the manufacturing and trading of printed circuit boards.

The Company originally proposed to raise net proceeds of about HK\$60.4 million by means of the Open Offer. The Open Offer has lapsed subsequently, as announced by the Company on 29 September 2008. After termination of the Open Offer, the Directors believe that it will be desirable and justifiable for the Company to raise fund through the alternative means of issuing new convertible securities, which will strengthen the financial position of the Group and enable the Group to participate in suitable investment opportunities readily. In addition, the Directors consider the issuance of convertible securities as an opportunity to raise funds for the Company without immediate dilution of the shareholding of the existing Shareholders in the Company.

As a result of the increasing material costs, Renminbi appreciation and the tightening of credit facilities, the Group has been facing a difficult operating environment in recent year. For the year ended 31 December 2007, the Group recorded a loss attributable to the Shareholders of about HK\$29.8 million. The tightening of credit has also severely affected the liquidity position of the Group. As at 31 December 2007, the Group recorded net current liabilities of about HK\$7.3 million.

The net proceeds of the Convertible Notes are estimated to be about HK\$20 million, and the net issue price of the 210,000,000 Conversion Shares is about HK\$0.0952 each. The net proceeds received are intended to be applied as general working capital of the Group. The Company also intends to raise further capital by similar private placements of securities. As of the date of this announcement, the Company has not yet reached or signed any agreement or letter of intent, binding or non-binding, with any parties. If and when the securities issuance materializes, the Company will issue announcement and comply with the applicable provisions under the Listing Rules and the related law and regulations. **Rule 13.64 of the Listing Rules requires a listed issuer to either change its trading method or to proceed with a consolidation of its shares where the market price of the shares of the Company approaches the extremities of HK\$0.01. The Stock Exchange has indicated to the Company that it will not consider granting an approval for listing in respect of any future fund raising by the Company if the Company's shares are traded towards extremities of HK\$0.01, which the Stock Exchange considers to be any trading price less than HK\$0.10.**

The terms of the Convertible Notes were determined after arm's length negotiations between the Company and the Subscribers. The Directors (including the independent non-executive Directors) are of the view that the Convertible Notes Subscription Agreement and the terms of the Convertible Notes Subscription Agreement, including the subscription price at 102% and the redemption price at 125% of the principal amounts of the Convertible Notes concerned at maturity are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

DILUTION EFFECT OF THE CONVERTIBLE NOTES

Due to the significant dilutive nature of the Conversion Shares, the Company would adopt the following additional disclosure measures:

- (i) the Company will make a monthly announcement (“**Monthly Announcement**”) on the website of the Stock Exchange. Such announcement will be made on or before the fifth (5th) business day following the end of each calendar month and will include the following details in a table form;
 - (a) whether there is any conversion of the Convertible Notes during the relevant month. If there is a conversion, details thereof, including the conversion date, number of new Shares issued and conversion price for each conversion. If there is no conversion during the relevant month, a negative statement to that effect;
 - (b) the number of Conversion Shares that may be issued after the conversion, if any;
 - (c) the total number of Shares issued pursuant to other transactions during the relevant month, including Shares issued pursuant to exercise of options under any share option scheme(s) of the Company and the Warrants, if any; and
 - (d) the total issued share capital of the Company as at the commencement and the last day of the relevant months.
- (ii) in addition to the Monthly Announcement, if the cumulative amount of the Conversion Shares issued pursuant to the conversion of the Convertible Notes reaches 5% of the issued share capital of the Company as disclosed in the last Monthly Announcement or any subsequent announcement made by the Company in respect of the Convertible Notes (as the case may be) (and thereafter in a multiple of such 5% threshold), the Company will make an announcement on the website of the Stock Exchange including details as stated in (i) above for the period commencing from the date of the last Monthly Announcement or any subsequent announcement made by the Company in respect of the Convertible Notes (as the case may be) up to the date on which the total amount of Shares issued pursuant to the conversion amounted to 5% of the issued share capital of the Company as disclosed in the last Monthly Announcement or any subsequent announcement made by the Company in respect of the Convertible Notes (as the case may be); and

(iii) where the Company forms the view that any issue of Conversion Shares will trigger the disclosure requirements under Rule 13.09 of the Listing Rules, then the Company is obliged to make such disclosures.

Pursuant to the conditions of the Convertible Notes, the Company will maintain the requisite register of such Convertible Notes and keep it in the principal place of business of the Company in Hong Kong. Particulars of the Noteholders themselves, their respective amounts of Convertible Notes held, transferred and/or converted and the aggregate number and nominal amount of any Conversion Shares (if any) falling to be issued on exercise of the conversion rights from time to time will be entered in the register on timely basis. Any transfer and conversion of the Convertible Notes shall also be noted in the register on timely basis.

Any exercise of conversion rights by the Noteholders shall be checked and cleared by the Company against the relevant entries in the register, to ensure that the cumulative number of Conversion Shares issued and to be issued on such exercise shall not exceed the limit of 210,000,000 Shares under the unused portion of the General Mandate (Share Issue). Unless such control procedures are followed and confirmed to the Board, the necessary authorization to the branch share registrar of the Company to issue the share certificates for the relevant Conversion Shares will not be given by the Company. The Company believes that these control measures (with the above additional disclosures to the public to enhance transparency to the investing public) would be sufficient to monitor compliance with the limit of 210,000,000 Shares under the General Mandate (Share Issue).

GENERAL

The Conversion Shares will initially be issued at the Conversion Price of HK\$0.10 each under the unused portion of the General Mandate (Share Issue) allowing issue of 210,000,000 new Shares. The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares issued at such price. No listing of the Convertible Notes themselves will be sought on the Stock Exchange or on any other Stock Exchange.

The Convertible Notes provide for adjustments to the HK\$0.10 Conversion Price, and hence to the total number of Conversion Shares falling to be issued. Approval by the Independent Shareholders to grant a specific mandate to the Directors for issue and allotment of the Conversion Shares at Conversion Price (as adjusted) in addition to and, where applicable, including those 210,000,000 Shares allowed under the General Mandate (Share Issue)) is required under the Listing Rules. The Company will issue a further announcement and a circular containing, among other things,

further information about the Convertible Notes Subscription Agreement and the notice of the EGM to seek such approval of the Independent Shareholders in accordance with the Listing Rules as soon as practicable. If any of the Subscribers become connected person of the Company on or before the date of the EGM, an independent financial adviser should also be appointed by the Company to make recommendation to the independent board committee of the Company and the Independent Shareholders under Rule 13.39(6) of the Listing Rules.

DEFINITIONS

Unless the context otherwise require, the following expressions have the following meanings in this announcement:

“Board”	the Board of Directors
“Capital Reorganisation”	as defined in the Company’s announcement dated 26 August 2008, under which, amongst other things, par value of each Share will be adjusted from HK\$0.10 to HK\$0.01 by share capital reduction of issued Shares and sub-division of unissued Shares of the Company as further set out in that announcement
“Company”	Global Flex Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Conversion Shares”	the Shares to be issued by the Company as a result of the exercise of the conversion rights attaching to the Convertible Notes
“Convertible Notes”	the HK\$21 million convertible notes to be issued by the Company, carrying rights to convert the principal amounts into new Shares, to Subscribers pursuant to the Convertible Notes Subscription Agreement
“Convertible Notes Subscription Agreement”	the subscription agreement dated 28 November 2008 between the Company and the Subscribers in respect of issuance of the Convertible Notes
“Director(s)”	the director(s) of the Company

“EGM”	the general meeting of the Company to be convened to approve the Convertible Notes Subscription Agreement and transactions contemplated under it, including the Market Price Re-set in respect of the Conversion Price, and to grant a specific mandate for the and issue and allotment of Conversion Shares under the Convertible Notes Subscription Agreement
“General Mandate (Share Issue)”	general mandate granted at the general meeting held on 30 May 2008 to issue up to 300,000,000 new Shares, which has been used as to 90,000,000 Shares prior to the Convertible Notes Subscription Agreement
“Group”	Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Shareholders”	Shareholders, excluding those Subscribers and their respective associates having interests in the Convertible Notes Subscription Agreement or required to abstain from voting at the EGM to approve it pursuant to the Listing Rules and relevant laws and regulations
“Last Trading Day”	28 November 2008 (being the last trading day immediately prior to the date of the Convertible Notes Subscription Agreement)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Market Price Re-set”	the arrangements provided in the conditions of the Convertible Notes to reset and adjust the Conversion Price automatically at three (3) months intervals by reference to the lower of (a) HK\$0.10 and (b) 80% of the value weighted average price per Share for the past 20 trading days ending at the end of such three months intervals in a year during the term of the Convertible Notes, as summarized in this announcement
“Noteholder”	holder of any Convertible Note
“Open Offer”	the open offer made under the Company’s prospectus dated 16 September 2008 which has lapsed

“Shares”	ordinary shares (currently of HK\$0.10 each to be reduced to HK\$0.01 each under the Capital Reorganisation) in the share capital of the Company
“Share Options”	the share options granted by the Company to eligible participants under the share option scheme of the Company adopted on 5 July 2005
“Shareholders”	Shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	the two (2) fund and corporate investors who entered into the Convertible Notes Subscription Agreement with the Company as disclosed in this announcement above, who and their respective beneficial owners are third parties independent from the Company and the connected persons of the Company
“Takeovers Code”	Hong Kong Codes on Takeovers and Mergers

By order of the Board
Global Flex Holdings Limited
Wong Chau Chi
Chairman

Hong Kong, 28 November 2008

As at the date of this announcement, the Directors are as follows:-

Executive Directors:

Mr. Lin Cheng Hung
Mr. Wong Chau Chi
Mr. Hsu Chung
Mr. Huang Lien Tsung

Non-executive Directors:

Mr. Chou Tsan Hsiung
Mr. Nguyen Duc Van
Mr. Yang Yi
Dr. Li Jun

Independent Non-executive Directors:

Mr. Wang Wei Lin
Mr. Chow Chi Tong
Mr. Yu Kam Kee, Lawrence, BBS, MBE, JP