

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

This announcement appears for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.



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)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 28 January 2010, the Company has entered into the Subscription Agreements with the Subscribers for the subscription of an aggregate 165,945,000 new Shares for an aggregate consideration of HK\$17,922,060 at the Subscription Price of HK\$0.108 per Subscription Share.

The Subscription Shares of 165,945,000 new Shares represent approximately 6.61% of the existing issued share capital of the Company and approximately 6.20% of its enlarged share capital. 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 Agreements is conditional upon, inter alia, the Listing Committee agreeing to grant a listing of and permission to deal in the Subscription Shares.

SUBSCRIPTION AGREEMENTS DATED 28 JANUARY 2010

Parties:

Issuer : The Company

Subscribers : Not less than six Subscribers (of which some of them are existing Shareholders holding an aggregate of approximately 17.82% of the existing issued share capital of the Company; and one of them holds 16,500,000 Share Options, the underlying shares in the Share Options represent approximately 0.66% of the existing issued share capital of the Company), being individuals, institutional or other professional

investors, and who and whose ultimate beneficial owners (if any) are third parties independent of the Company and its connected persons (as defined in the Listing Rules). 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:

165,945,000 new Shares at an aggregate nominal value of HK\$17,922,060, representing approximately 6.61% of the existing issued share capital of the Company and approximately 6.20% of its issued share capital as enlarged by the Subscription.

Subscription Price:

HK\$0.108 per Subscription Share, representing:

- (a) a discount of approximately 10.74% to the closing price of HK\$0.121 per Share as quoted at 4:00 p.m. on the Last Trading Day on the Stock Exchange;
- (b) a discount of approximately 18.18% to the average closing price of approximately HK\$0.132 per Share as quoted on the Stock Exchange for the last five trading days immediately prior to the Last Trading Day; and
- (c) a discount of approximately 19.40% to the average closing price of approximately HK\$0.134 per Share as quoted on the Stock Exchange from 14 January 2010 to 27 January 2010, both dates inclusive, being the last ten trading days immediately prior to the Last Trading Day.

Based on an estimated expenses of approximately HK\$50,000 for the Subscription, the Company will be able to raise approximately HK\$17.92 million gross proceeds and approximately HK\$17.87 million net proceeds from the Subscription. On this basis, the net issue price per Subscription Share is approximately HK\$0.108. The Subscription Price is determined at arm's length basis and the Directors consider that the terms of the Subscription Agreements 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) 4 February 2010 and (ii) the date of allotment of the Subscription Shares.

Mandate to issue the Subscription Shares:

Before the date of this announcement, the Company has issued and allotted an aggregated of 200,000,000 new Shares by utilizing the General Mandate. The remaining number of Shares which could be issued and allotted under the General Mandate is 165,945,000 Shares as at the date hereof. As such, the current General Mandate is sufficient for the issue and allotment of the Subscription Shares. No separate approval of Shareholders is required for the Subscription.

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 26 February 2010 (or such other date as the parties may mutually agree) the Subscription Agreements shall 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 periods. For the period ended 30 June 2009 and year ended 31 December 2008, the Group's loss for the period/year amounted to US\$17,385,316 (equivalent to approximately HK\$134,736,199) and US\$75,093,827 (equivalent to approximately HK\$581,977,159) respectively. As at 30 June 2009, the Group had bank balances and cash of US\$2,760,577 (equivalent to approximately HK\$21,394,472).

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 Agreements and the Subscription Agreements 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:

Name of Shareholders	Immediately before the Subscription		Immediately after the Subscription	
	Shares	%	Shares	%
Substantial shareholder:				
Hansom Group Limited (Note 1)	479,450,000	19.11%	479,450,000	17.92%
Executive Director:				
Wong Chau Chi (Note 2)	109,197,500	4.35%	109,197,500	4.08%
Public:				
Shikumen Special Situations Fund (Note 3)	230,602,500	9.19%	250,602,500	9.37%
Subscribers	216,622,500	8.63%	362,567,500	13.55%
Other public Shareholders	<u>1,473,302,500</u>	<u>58.72%</u>	<u>1,473,302,500</u>	<u>55.08%</u>
Total	<u>2,509,175,000</u>	<u>100.00%</u>	<u>2,675,120,000</u>	<u>100.00%</u>

Notes:

- These Shares are registered in the name of and beneficially owned by Hansom Group Limited, the entire issue share capital of which is beneficially owned as to 100% by Goodluck Overseas Limited, the issued share capital of which is beneficially owned as to 64.25% by Mr. Zhou Qingzhi.
- 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 is the sole director of Chi Capital.

3. These Shares are registered in the name of and beneficially owned by Shikumen Special Situations Fund, the entire issue share capital of which is beneficially owned as to 100% by Shikumen Capital Management Limited, the issued share capital of which is beneficially owned as to 52.0% and 34.7% by Mr. Tang Yu Ming Nelson and Mr. Lau Jeffrey Chun Hung respectively.

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 ACTIVITY IN THE PAST TWELVE MONTHS

The Company has conducted the following fund raising activity in the past twelve months immediately preceding the date of this announcement:

Date of announcement	Fund raising activity	Net proceeds	Intended use of proceeds	Actual use of proceeds
7 January 2010	Placing of 200,000,000 new Shares under general mandate, which was completed on 14 January 2010	Approximately HK\$20.55 million	General working capital of the Group	Partial was used as general working capital and partial is kept at the bank account of the Company and have yet to be utilised

GENERAL

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

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

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
“Business Day”	any day (other than Saturday or Sunday) on which banks in Hong Kong are generally open for business
“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 30 June 2009
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of the Hong Kong Special Administrative Region
“Last Trading Day”	28 January 2010, 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\$0.01 in the issue capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Share Options”	the share options granted by the Company on 24 November 2009 with exercise price of HK\$0.146 per Share
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	the subscribers to subscribe the Subscription Shares under the Subscription Agreements

“Subscription”	the subscription of the Subscription Shares pursuant to the terms of the Subscription Agreements
“Subscription Agreements”	the subscription agreements dated 28 January 2010 and made between the Company and the Subscribers
“Subscription Price”	HK\$0.108 per Subscription Share
“Subscription Shares”	a total of 165,945,000 new Shares to be issued by the Company to the Subscribers pursuant to the Subscription Agreements
“US\$”	United States Dollars, the lawful currency of the United States of America
%	per cent.

For the purposes of this announcement, unless otherwise specified, conversion of United States dollars to Hong Kong dollars is based on the approximate exchange rate of US\$1.00 to HK\$7.75. This exchange rate is for illustrative purpose only.

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

Hong Kong, 28 January 2010

As at the date of this announcement, the Board comprises one executive Director, namely Mr. Wong Chau Chi; five non-executive Directors, namely Mr. Chou Tsan Hsiung, Mr. Yang Yi, Dr. Li Jun, Mr. Shan Li and Dr. Hui Liu; and two independent non-executive Directors, namely Mr. Wang Wei-Lin and Mr. Yu Kam Kee, Lawrence BBS, MBE, JP.