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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in GFT Holdings Limited, you should at once hand this circular to the purchaser or to the bank, the licensed securities dealer or other agent through whom the sale was effected for transmission to the purchaser.

This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of GFT Holdings Limited.

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**PLACING OF NEW SHARES,
PROPOSED PLACING OF CONVERTIBLE NOTES,
PROPOSED SHARE CONSOLIDATION
AND CHANGE IN BOARD LOT SIZE**

A notice convening the special general meeting of GFT Holdings Limited (the “Company”) to be held at Tang Room II, 3rd Floor, Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong at 9:00 a.m. on Monday, 5 March 2007 is set out on pages 20 to 23 of this circular. Whether or not you intend to attend and vote at the special general meeting, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return it to the head office and principal place of business of the Company in Hong Kong, at Unit A9, 3rd Floor, Block A, Hong Kong Industrial Center, 489-491 Castle Peak Road, Kowloon, Hong Kong as soon as possible and in any event not later than forty-eight (48) hours before the time appointed for the holding of the special general meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the special general meeting or any adjournment thereof should you so wish.

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DEFINITIONS

In this circular, unless the context requires otherwise, the following expressions have the following meanings:

“Announcement”	the announcement of the Company dated 26 January 2007 relating to, inter alia, the Share Placing, the Note Placing, the Share Consolidation and the change in board lot size
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day other than Saturday and Sunday on which licensed banks in Hong Kong are open for business throughout their normal business hours
“Bye-laws”	the bye-laws of the Company
“CCASS”	Central Clearing and Settlement System established and operated by HKSCC
“Company”	GFT Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Consolidated Share(s)”	new share(s) of HK\$0.025 each in the share capital of the Company upon the Share Consolidation becoming effective
“Conversion Price”	the conversion price of HK\$0.04 per Share (HK\$0.10 per Consolidated Share upon the Share Consolidation becoming effective), subject to adjustment arising from share consolidation, share subdivision, capitalization of profits or reserves, capital distribution, rights issues and other equity or equity derivatives issues of the Company
“Conversion Shares”	the new shares to be issued by the Company upon the exercise of the conversion rights attaching to the Convertible Notes by the holders thereof
“Convertible Note(s)”	the convertible notes in the aggregate principal amount of up to HK\$34 million to be issued by the Company (and each being a Convertible Note)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries

DEFINITIONS

“Hani Securities” or the “Placing Agent”	Hani Securities (H.K.) Limited, a licensed corporation licensed to carry out types 1 (dealing in securities), 4 (advising on securities) and 6 (advising on corporate finance) activities under the SFO
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	a party who, to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, is independent of and not connected (as defined under the Listing Rules) with any of the Director(s), chief executive(s) or substantial shareholder(s) of the Company or any of its subsidiaries or their respective associate(s)
“Last Trading Date”	19 January 2007, being the last full trading day before trading of the Shares was suspended pending the publication of the Announcement
“Latest Practicable Date”	9 February 2007, being the latest practicable date for ascertaining certain information referred to in this circular prior to the printing of this circular
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Maturity Date”	the second anniversary of the date of issue of the Convertible Notes
“Note Placing”	the placing of the Convertible Notes in the aggregate principal amount of up to HK\$34 million by Hani Securities on a best effort basis pursuant to the terms and conditions of the Note Placing Agreement
“Note Placing Agreement”	a conditional placing agreement dated 24 January 2007 entered into between the Company and Hani Securities in relation to the placing of the Convertible Notes in the aggregate principal amount of up to HK\$34 million on a best effort basis, details of which are set out in this circular
“Placing Price”	the price payable for the Placing Shares at HK\$0.04 per Placing Share or, upon the Share Consolidation becoming effective, HK\$0.10 per Consolidated Share

DEFINITIONS

“Placing Shares”	up to 850,000,000 new Shares or, upon the Share Consolidation becoming effective, 340,000,000 new Consolidated Shares to be placed under the Share Placing (and each a Placing Share)
“Possible Investment”	a possible investment by the Company of not less than 50% equity interest in a joint venture company to be incorporated which will principally be engaged in coal mining, coal chemical processing and magnetic-levitated wind power generation and related business in Inner Mongolia, the PRC, details of which are disclosed in the Company’s announcement dated 3 January 2007
“PRC”	The People’s Republic of China which, for the purpose of this circular, excludes Hong Kong, Macau and Taiwan
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	a special general meeting of the Company to be held at 9:00 a.m. on Monday, 5 March 2007 at Tang Room II, 3rd Floor, Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong to consider and, if thought fit, to approve the Share Placing, the allotment and issue of new Shares to be issued pursuant to the Share Placing, the Note Placing, the issue of the Convertible Notes, the allotment and issue of the Conversion Shares and the Share Consolidation
“Share Consolidation”	the proposed consolidation of every five (5) Shares into two (2) Consolidated Shares
“Share Option(s)”	option(s) for the subscription of Shares or Consolidated Shares, as the case may be, granted pursuant to the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 17 September 2004
“Share Placing”	the placing of up to 850,000,000 new Shares (equivalent to 340,000,000 new Consolidated Shares upon the Share Consolidation becoming effective) (of which 375,000,000 new Shares (equivalent to 150,000,000 new Consolidated Shares upon the Share Consolidation becoming effective) are on a fully underwritten basis and the balance of 475,000,000 new Shares (equivalent to 190,000,000 new Consolidated Shares upon the Share Consolidation becoming effective) are on a best effort basis) by the Placing Agent pursuant to the terms and conditions of the Share Placing Agreement

DEFINITIONS

“Share Placing Agreement”	a conditional placing agreement dated 24 January 2007 entered into between the Company and Hani Securities in relation to the placing of up to 850,000,000 new Shares (equivalent to 340,000,000 new Consolidated Shares upon the Share Consolidation becoming effective) (of which 375,000,000 new Shares (equivalent to 150,000,000 new Consolidated Shares upon the Share Consolidation becoming effective) are on a fully underwritten basis and the balance of 475,000,000 new Shares (equivalent to 190,000,000 new Consolidated Shares upon the Share Consolidation becoming effective) are on a best effort basis), details of which are set out in this circular
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Note Placing Agreement”	the supplemental agreement dated 9 February 2007 entered into between the Company and the Placing Agent to amend certain terms of the Note Placing Agreement arising from the Share Consolidation
“Supplemental Share Placing Agreement”	the supplemental agreement dated 9 February 2007 entered into between the Company and the Placing Agent to amend certain terms of the Share Placing Agreement arising from the Share Consolidation
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

EXPECTED TIMETABLE FOR SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE

It is currently expected that the Share Consolidation will become effective on Tuesday, 6 March 2007. The expected timetable for the implementation of Share Consolidation and change in board lot size and the associated trading arrangements are set out as follows:

2007

Latest time for lodging proxy forms for the SGM	9:00 a.m. on Saturday, 3 March
SGM to approve, inter alia, the Share Consolidation	9:00 a.m. on Monday, 5 March
Effective date of the Share Consolidation	Tuesday, 6 March
Dealings in Consolidated Shares commence	9:30 a.m. Tuesday, 6 March
Temporary counter for trading in Consolidated Shares in board lots of 800 Consolidated Shares (in the form of existing certificates) opens	9:30 a.m. Tuesday, 6 March
Existing counter for trading in existing Shares in board lots of 2,000 Shares closes	9:30 a.m. Tuesday, 6 March
Free exchange of certificates for existing Shares for new certificates for Consolidated Shares commences	Tuesday, 6 March
Existing counter for trading in Consolidated Shares in board lots of 20,000 Consolidated Shares (in the form of new certificates for Consolidated Shares) reopens	9:30 a.m. Tuesday, 20 March
Parallel trading in Consolidated Shares (in the form of new certificates for Consolidated Shares and certificates for existing Shares) begins	9:30 a.m. Tuesday, 20 March
Designated broker starts to stand in the market to provide matching services	Tuesday, 20 March
Temporary counter for trading in Consolidated Shares in board lots of 800 Consolidated Shares (in the form of existing certificates) closes	4:00 p.m. Friday, 13 April
Parallel trading in Consolidated Shares (in the form of new certificates for Consolidated Shares and certificates for existing Shares) ends	4:00 p.m. Friday, 13 April
Designated broker ceases to stand in the market to provide matching services	4:00 p.m. Friday, 13 April
Free exchange of certificates for existing Shares for new certificates for Consolidated Shares ends	4:00 p.m. Wednesday, 18 April

LETTER FROM THE BOARD



GFT HOLDINGS LIMITED

真樂發控股有限公司*

(incorporated in Bermuda with limited liability)

(stock code: 1003)

Executive Directors:

Mr. Leung Wai Ho (*Chairman*)

Mr. Wong Chung Shun (*Deputy Chairman*)

Mr. Ha Kee Choy, Eugene

Independent Non-executive Directors:

Mr. Chui Chi Yun, Robert

Mr. Lam Kwok Cheong

Mr. Lai Wing Leung, Peter

Registered Office:

Canon's Court

22 Victoria Street

Hamilton HM12

Bermuda

*Head Office and Principal Place
of Business in Hong Kong:*

Unit A9, 3/F., Block A

Hong Kong Industrial Center

489-491 Castle Peak Road

Kowloon

Hong Kong

14 February 2007

To the Shareholders and option holders (for information only)

Dear Sir or Madam,

**PLACING OF NEW SHARES,
PROPOSED PLACING OF CONVERTIBLE NOTES,
PROPOSED SHARE CONSOLIDATION
AND CHANGE IN BOARD LOT SIZE**

INTRODUCTION

On 26 January 2007, the Board announced (i) the Share Placing; (ii) the proposed Note Placing; and (iii) the proposed Share Consolidation and the change in board lot size. In view of the proposed Share Consolidation, the Company further entered into the Supplemental Share Placing Agreement and the Supplemental Note Placing Agreement with the Placing Agent both on 9 February 2007 to amend certain terms of the Share Placing Agreement and Note Placing Agreement in contemplation of the Share Consolidation becoming effective.

The purpose of this circular is to give you further information on (i) the Share Placing; (ii) the proposed Note Placing; and (iii) the proposed Share Consolidation and the change in board lot size, and to set out the notice of the SGM.

** for identification purpose only*

LETTER FROM THE BOARD

THE SHARE PLACING AGREEMENT

On 24 January 2007, the Company entered into the Share Placing Agreement with Hani Securities in relation to the Share Placing. In view of the proposed Share Consolidation, the Supplemental Share Placing Agreement was subsequently entered into between the Company and Hani Securities on 9 February 2007, pursuant to which upon the Share Consolidation becoming effective, the Share Placing Agreement will be amended such that number of shares to be placed will be up to a maximum of 340,000,000 Consolidated Shares and the Placing Price will be adjusted to HK\$0.10 per Consolidated Share. Save for the aforesaid, the Supplemental Share Placing Agreement does not cause any material changes to the terms of the Share Placing Agreement, and it forms a part of and is supplemental to the Share Placing Agreement.

Placing Agent

Hani Securities will receive from the Company a placing commission of 2.5% on the gross proceeds of the 375,000,000 new Shares (or upon the Share Consolidation becoming effective, 150,000,000 new Consolidated Shares) fully underwritten, and a placing commission of 1.0% on the gross proceeds of the additional Shares of up to 475,000,000 new Shares (or upon the Share Consolidation becoming effective, 190,000,000 new Consolidated Shares) placed.

Hani Securities is independent of and not connected with the Company and its connected persons (as defined under the Listing Rules).

Number of Shares to be Placed

Up to a maximum of 850,000,000 new Shares (or upon the Share Consolidation becoming effective, 340,000,000 new Consolidated Shares), of which 375,000,000 new Shares (or upon the Share Consolidation becoming effective, 150,000,000 new Consolidated Shares) shall be placed by the Placing Agent on a fully underwritten basis, with the balance of 475,000,000 new Shares (or upon the Share Consolidation becoming effective, 190,000,000 new Consolidated Shares) shall be placed by the Placing Agent on a best effort basis.

The Placing Shares, assuming the placing of the maximum of 850,000,000 new Shares (or upon the Share Consolidation becoming effective, 340,000,000 new Consolidated Shares), represent (i) approximately 43.5% of the existing issued share capital of the Company of 1,953,681,600 Shares (or upon the Share Consolidation becoming effective, 781,472,640 Consolidated Shares) and (ii) approximately 30.3% of the issued share capital of the Company as enlarged by the Share Placing.

Placees of the Shares

Not less than six professional, institutional and/or individual investors shall be procured by the Placing Agent.

Each of the placees and their respective ultimate beneficial owners will be an Independent Third Party. The Placing Agent has undertaken that it will use its best endeavours to procure placees who are independent of the owners of the Possible Investment and who will not be connected to each other. It is expected that none of the placees will become a substantial shareholder of the Company upon completion of the Share Placing.

LETTER FROM THE BOARD

Placing Price

The Placing Price shall be HK\$0.04 per new Share (or upon the Share Consolidation becoming effective, HK\$0.10 per Consolidated Share). The Placing Price was arrived at after arm's length negotiation between the Company and the Placing Agent, and represents (i) a discount of about 42.9% to the closing price of HK\$0.07 per Share as quoted on the Stock Exchange on the Last Trading Date; (ii) a discount of about 33.3% to the average closing price of HK\$0.06 per Share as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Date; and (iii) a discount of about 32.9% to the average closing price of HK\$0.0596 per Share as quoted on the Stock Exchange for the last ten trading days up to and including the Last Trading Date. The net placing price (being the net proceeds from the Share Placing divided by the number of Placing Shares, assuming the placing of the maximum of 850,000,000 new Shares (or upon the Share Consolidation becoming effective, 340,000,000 new Consolidated Shares) is about HK\$0.039 per Share (or upon the Share Consolidation becoming effective, about HK\$0.097 per Consolidated Share).

Conditions of the Share Placing

The Share Placing is conditional upon, inter alia, (i) the approval by Shareholders at the SGM of the Share Placing Agreement (as amended by the Supplemental Share Placing Agreement) and the matters contemplated thereunder, including the Share Placing and the allotment and issue of the new Placing Shares pursuant to the Share Placing; and (ii) the Listing Committee of the Stock Exchange agreeing to grant the listing of, and permission to deal in, the Placing Shares.

Completion of the Share Placing

Completion shall take place at 12:00 noon on the third Business Day next following the day on which all conditions in the Share Placing Agreement (as amended by the Supplemental Share Placing Agreement) are satisfied (or such later date as may be agreed by the parties thereto).

Termination of the Share Placing

If any of the conditions under the Share Placing Agreement (as amended by the Supplemental Share Placing Agreement) are not fulfilled by 30 April 2007 (or such later date as may be agreed by the parties in writing), the Share Placing Agreement (as amended by the Supplemental Share Placing Agreement) shall terminate and be of no further effect and neither the Company nor the Placing Agent shall be under any liability to any other in respect of the Share Placing Agreement.

Ranking of the Placing Shares

The Company shall issue and allot the Placing Shares pursuant to the Share Placing free and clear from all liens, charges, encumbrances, claims, options and third party rights and with all rights attaching thereto as at the completion of the Share Placing and the Placing Shares, when issued and fully paid, will rank equally with the existing Shares (or Consolidated Shares, as the case may be) in issue as at the date of issue thereof.

LETTER FROM THE BOARD

Proceeds from the Share Placing

Upon completion of the Share Placing (assuming the placing of the maximum of 850,000,000 new Shares or, upon the Share Consolidation becoming effective, 340,000,000 new Consolidation Shares), the total gross proceeds from the Share Placing will amount to approximately HK\$34 million. After deducting related expenses of about HK\$1 million, the net proceeds from the Share Placing will amount to approximately HK\$33 million.

THE NOTE PLACING AGREEMENT

On 24 January 2007, the Company entered into the Note Placing Agreement with Hani Securities in relation to the Note Placing. In view of the proposed Share Consolidation, the Supplemental Note Placing Agreement was subsequently entered into between the Company and Hani Securities on 9 February 2007 pursuant to which upon the Share Consolidation becoming effective, the Note Placing Agreement will be amended such that the conversion price at which the principal amount of the Convertible Notes will be converted into shares of the Company will be adjusted from HK\$0.04 per Share to HK\$0.10 per Consolidated Share. Save for the aforesaid, the Supplemental Note Placing Agreement does not cause any material changes to the terms of the Note Placing Agreement, and it forms a part of and is supplemental to the Note Placing Agreement.

Placing Agent

Hani Securities has agreed to procure, on a best effort basis, subscribers for the Convertible Notes with an aggregate principal amount of up to HK\$34 million.

Hani Securities will receive from the Company a fee of 1.0% of the aggregate amount of the Convertible Notes placed, which was arrived at after arm's length negotiation between the Company and Hani Securities.

Subscribers

The subscribers for the Convertible Notes shall be not fewer than six in number. Each of the subscribers and their respective ultimate beneficial owners will be an Independent Third Party. The Placing Agent has undertaken that it will use its best endeavours to procure subscribers who will be parties independent of the owners of the Possible Investment and who will also be independent of each other and who will be independent of the places of the new Shares.

Conditions of the Note Placing

The Note Placing is conditional upon, inter alia, (i) the approval by Shareholders at the SGM of the Note Placing Agreement (as amended by the Supplemental Note Placing Agreement) and the matters contemplated thereunder, including the Note Placing, the issue of the Convertible Notes and the allotment and issue of Conversion Shares; and (ii) the Listing Committee of the Stock Exchange agreeing to grant the listing of, and permission to deal in, the Conversion Shares.

Completion of the Note Placing

Completion shall take place at 12:00 noon on the third Business Day next following the day on which all conditions in the Note Placing Agreement (as amended by the Supplemental Note Placing Agreement) are satisfied (or such later date as may be agreed by the parties thereto).

LETTER FROM THE BOARD

Termination of the Note Placing

If any of the conditions under the Note Placing Agreement (as amended by the Supplemental Note Placing Agreement) are not fulfilled by 31 July 2007 (or such later date as may be agreed by the parties in writing), the Note Placing Agreement (as amended by the Supplemental Note Placing Agreement) shall terminate and be of no further effect and no party shall be under any liability to any other in respect of the Note Placing Agreement.

Proceeds from the Note Placing

Assuming the subscription of the whole principal amount of the Convertible Notes and upon completion of the Note Placing, the total gross proceeds from the Note Placing will amount to approximately HK\$34 million. After deducting related expenses of about HK\$0.4 million, the net proceeds from the Note Placing will amount to approximately HK\$33.6 million.

The Convertible Notes

The terms of the Convertible Notes have been arrived at after arm's length negotiation between the Company and Hani Securities, and the principal terms are summarized as follows:—

Issue size

In the aggregate principal amount of HK\$34 million.

Interest

The Convertible Notes do not bear any interest.

Maturity

On the second anniversary of the date of issue of the Convertible Notes.

Conversion price

HK\$0.04 per Share (upon the Share Consolidation becoming effective, the conversion price shall be adjusted to HK\$0.10 per Consolidated Share).

The Conversion Price of HK\$0.04 (or upon the Share Consolidation becoming effective, HK\$0.10 for the Consolidated Share) represents (i) a discount of about 42.9% to the closing price of HK\$0.07 per Share as quoted on the Stock Exchange on the Last Trading Date; (ii) a discount of about 33.3% to the average closing price of HK\$0.06 per Share as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Date; and (iii) a discount of about 32.9% to the average closing price of HK\$0.0596 per Share as quoted on the Stock Exchange for the last ten trading days up to and including the Last Trading Date.

LETTER FROM THE BOARD

Conversion

Holders of the Convertible Notes have the right to convert the whole or part of the outstanding principal amount of the Convertible Notes (in the amount of HK\$500,000 or integral multiples thereof) on any Business Day during the period from six months after the date of issuance of the Convertible Notes up to the date being three Business Days following a date on which a redemption notice is given by the Company or five Business Days prior to the Maturity Date, whichever is the earlier.

Transferability

The Convertible Notes are freely transferable in denominations of the principal amount of HK\$500,000, but may not be transferred to a connected person (as defined under the Listing Rules) of the Company without the prior written consent of the Company.

Early Redemption

The Company may, only with the consent of the holder of the Convertible Note, at any time prior to the Maturity Date, redeem the whole or part only of the Convertible Note(s) at the early redemption price of 105% of the principal outstanding amount of the Convertible Note(s), by giving not less than five Business Days' prior notice.

In the case of early redemption by the Company, holders of the Convertible Notes may convert the Convertible Notes within three Business Days following the date of the redemption notice. The Company may redeem the Convertible Notes only if the holders of the Convertible Notes elect not to convert.

Redemption at Maturity

105% of the principal outstanding amount of the Convertible Notes on the Maturity Date.

Status

The obligations of the Company under the Convertible Notes constitute general unsecured and unsubordinated obligations of the Company and rank, and shall rank, equally amongst themselves and pari passu with all other present and future unsecured and unsubordinated obligations of the Company, except for obligations accorded preference by mandatory provisions of applicable law.

Listing

No application shall be made for the listing of the Convertible Notes.

LETTER FROM THE BOARD

CHANGES IN SHAREHOLDING

Based on the Disclosure of Interests by the Directors and substantial Shareholders as at the Latest Practicable Date, the changes in the shareholding of the Company as a result of the Share Placing (assuming the placing of the maximum of 850,000,000 new Shares (equivalent to 340,000,000 new Consolidated Shares upon the Share Consolidation becoming effective)) and the Note Placing (assuming the placing of the Convertible Notes in the aggregate principal amount of HK\$34,000,000 and the exercise of conversion rights under the Convertible Notes in full at the initial Conversion Price of HK\$0.04 per Share (equivalent to the adjusted conversion price of HK\$0.10 per Consolidated Share upon the Share Consolidation becoming effective)) are as follows:—

	As per the Disclosure of Interests as at the Latest Practicable Date			Immediately upon completion of the Share Placing (assuming the placing of 850 million new Shares (equivalent to 340 million new Consolidated Shares))			Immediately upon completion of the Share Placing (assuming the placing of 850 million new Shares (equivalent to 340 million new Consolidated Shares)) and full conversion of the Convertible Notes (Note 1)		
	No. of Shares	No. of Consolidated Shares	%	No. of Shares	No. of Consolidated Shares	%	No. of Shares	No. of Consolidated Shares	%
Charm Management Limited (Note 2)	330,560,000	132,224,000	16.92	330,560,000	132,224,000	11.79	330,560,000	132,224,000	9.05
Leung Wai Ho (Note 2)	22,500,000	9,000,000	1.15	22,500,000	9,000,000	0.80	22,500,000	9,000,000	0.62
Wong Chung Shun (Note 2)	22,500,000	9,000,000	1.15	22,500,000	9,000,000	0.80	22,500,000	9,000,000	0.62
Tokyo Unique (Hongkong) Limited	194,800,000	77,920,000	9.97	194,800,000	77,920,000	6.95	194,800,000	77,920,000	5.33
Share placees	—	—	—	850,000,000	340,000,000	30.32	850,000,000	340,000,000	23.26
Convertible Note holders	—	—	—	—	—	—	850,000,000	340,000,000	23.26
Public Shareholders	1,383,321,600	553,328,640	70.81	1,383,321,600	553,328,640	49.34	1,383,321,600	553,328,640	37.86
	<u>1,953,681,600</u>	<u>781,472,640</u>	<u>100.00</u>	<u>2,803,681,600</u>	<u>1,121,472,640</u>	<u>100.00</u>	<u>3,653,681,600</u>	<u>1,461,472,640</u>	<u>100.00</u>

Notes:

- Assuming full conversion of 850 million new Shares (equivalent to 340 million new Consolidated Shares upon the Share Consolidation becoming effective) at the initial Conversion Price of HK\$0.04 per Share (equivalent to the adjusted conversion price of HK\$0.10 per Consolidated Share upon the Share Consolidation becoming effective) upon full conversion of Convertible Notes.
- As at the Latest Practicable Date, Charm Management Limited was beneficially owned by Mr. Leung Wai Ho, the Chairman of the Company, and Mr. Wong Chung Shun, the Deputy Chairman of the Company, in equal shares. In addition, each of Mr. Leung Wai Ho and Mr. Wong Chung Shun had personal interests of 22,500,000 Shares respectively.

LETTER FROM THE BOARD

FUND RAISING ACTIVITIES IN THE TWELVE MONTHS IMMEDIATELY PRECEDING THE DATE OF THIS CIRCULAR

Description	Date of announcement	Net proceeds (HK\$)	Date of general mandate granted	Intended use of proceeds as announced	Actual use of proceeds
Placing of 300 million existing Shares and subscription of 300 million new Shares at HK\$0.04 per Share	11 October 2006	11.8 million	At the annual general meeting of the Company on 20 June 2006	As general working capital of the Group	As general working capital of the Group

REASONS FOR THE PLACING AND INTENDED USE OF PROCEEDS

The Company is an investment holding company and its subsidiaries are principally engaged in the trading and manufacturing of consumer goods such as toys, gifts and premiums. As stated in the announcement of the Company dated 3 January 2007, the Group is facing fierce competition in the toys industry and escalating costs for its manufacturing activities in the PRC. The Directors are thus looking for opportunities to broaden its income source by diversifying the business of the Group into industries with good potential, and the Company had signed a letter of intent in relation to the Possible Investment. The Directors believe that the Share Placing and the Note Placing will further enlarge the Company's capital base, strengthen its financial position and provide the financial resources that may be required should good investment opportunities arise.

Upon completion of the Share Placing, the total gross proceeds from the Share Placing will amount to approximately HK\$34 million. After deducting related expenses of about HK\$1 million, the net proceeds from the Share Placing will amount to approximately HK\$33 million. Assuming the subscription of the whole principal amount of the Convertible Notes and upon completion of the Note Placing, the total gross proceeds from the Note Placing will amount to approximately HK\$34 million. After deducting related expenses of about HK\$0.4 million, the net proceeds from the Note Placing will amount to approximately HK\$33.6 million.

It is intended that the total net proceeds of about HK\$66.6 million from the Share Placing and the Note Placing will be used as to about HK\$20 million as general working capital of the Group and as to about HK\$46.6 million for future investment opportunities. Other than the Possible Investment, the Company has not identified other investment opportunities so far. Moreover, as the Company is currently undergoing due diligence in respect of the Possible Investment, the decision as to whether to proceed to the negotiation of a formal agreement, the consideration and detailed terms and the funding requirement of the Possible Investment have yet to be determined.

Shareholders should note that completion of the Share Placing and the Note Placing are conditional, and that the Possible Investment may or may not proceed. Shareholders and the investing public are advised to exercise caution when dealing in the Shares.

LETTER FROM THE BOARD

PROPOSED SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE

As disclosed in the Announcement, the Board proposed to effect the Share Consolidation on the basis that every five (5) issued and unissued Shares will be consolidated into two (2) Consolidated Shares. The existing board lot size for trading will also be changed from 2,000 to 20,000 upon the Share Consolidation becoming effective.

Fractional Consolidated Shares will be disregarded and not issued to the Shareholders, but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company.

Effect of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company was HK\$500,000,000 divided into 50,000,000,000 shares of nominal value of HK\$0.01 each, of which 1,953,681,600 Shares have been allotted and issued as fully paid or credited as fully paid. Upon the Share Consolidation becoming effective, and assuming that the Company does not allot and issue any further Shares prior thereto, the authorised share capital of the Company will become HK\$500,000,000 divided into 20,000,000,000 Consolidated Shares of nominal value of HK\$0.025 each, out of which 781,472,640 Consolidated Shares will be issued and 19,218,527,360 Consolidated Shares will be unissued.

Upon the Share Consolidation becoming effective, the Consolidated Shares will rank pari passu in all respects with each other in accordance with the Bye-laws.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation thereof will not alter the underlying assets, business operations and management or financial position of the Company or the interests or rights of the Shareholders, save for any fractional Consolidated Shares to which the Shareholders may be entitled.

An application has been made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares which will be in issue upon the Share Consolidation becoming effective.

The following table sets out the effect on the share capital of the Company before and after the Share Consolidation (without taking into account of the Share Placing and Note Placing):

	Before the Share Consolidation	Immediately After the Share Consolidation
Nominal value per share	HK\$0.01	HK\$0.025
Authorised share capital	HK\$500,000,000	HK\$500,000,000
Issued share capital	HK\$19,536,816	HK\$19,536,816
Number of issued shares	1,953,681,600	781,472,640
Number of unissued shares	48,046,318,400	19,218,527,360

LETTER FROM THE BOARD

Conditions of the Share Consolidation

The Share Consolidation is conditional upon, amongst other things, (i) the passing at the SGM of an ordinary resolution approving the Share Consolidation; and (ii) the Listing Committee of the Stock Exchange agreeing to grant the listing of, and permission to deal in, the Consolidated Shares.

Reasons for the Share Consolidation and the Change in Board Lot Size

The Directors consider that as the Share Consolidation will increase the nominal value of the Shares and reduce the total number of Shares currently in issue, the transaction and handling costs of the Company in relation to the dealing in the Consolidated Shares are expected to be reduced, which will be beneficial to the Company.

Moreover, as the market value for each board lot upon the Share Consolidation and the change in board lot size becoming effective will be higher than the market value for each existing board lot, the transaction cost as a proportion of the market value of each board lot will be lower. The Directors believe therefore that the Share Consolidation will be beneficial to investors and Shareholders.

The following sets out the highest, lowest and average daily turnover of the Shares during the six months ended 31 January 2007, and the percentage of average daily turnover as compared with the total number of Shares in issue prior to the completion of the Share Placing and the Share Consolidation becoming effective.

Month	Highest daily turnover (in number of Shares)	Lowest daily turnover (in number of Shares)	Average daily turnover (in number of Shares)	Percentage of average daily turnover to total number of Shares in issue (%) (Note 1)
2006				
August	33,898,000	—	12,883,304	0.66
September	23,298,000	1,402,000	10,076,048	0.52
October	374,608,000	—	37,031,850	1.90
November	235,108,000	300,000	53,553,000	2.74
December	89,232,000	3,220,000	18,911,158	0.97
2007				
January (Note 2)	154,554,000	3,300,000	44,159,294	2.26

Source: www.hkex.com.hk

Note:

1. Based on the 1,953,681,600 Shares in issue as at the Latest Practicable Date.
2. Trading in the Shares was suspended from 22 January 2007 to 26 January 2007 (both dates inclusive), pending the release of the Announcement.

LETTER FROM THE BOARD

Trading arrangement in relation to the proposed Share Consolidation

Subject to the Share Consolidation becoming effective, dealings in the Consolidated Shares are expected to commence on 6 March 2007. On such assumption, the arrangements for dealings in the Consolidated Shares are expected to be as follows:

- (a) with effect from 9:30 a.m. on Tuesday, 6 March 2007, the existing counter for trading in the Shares in board lots of 2,000 Shares will be closed temporarily and a temporary counter for trading in the Consolidated Shares in board lots of 800 Consolidated Shares (in the form of existing certificates in pink colour) will be set up. Accordingly, five (5) Shares will represent two (2) Consolidated Shares. Existing certificates for Shares can only be traded at this temporary counter;
- (b) with effect from 9:30 a.m. on Tuesday, 20 March 2007, the existing counter will be reopened for trading in the Consolidated Shares in board lots of 20,000 Consolidated Shares (in the form of new certificates in light green colour). Only new certificates for the Consolidated Shares will be traded at this counter;
- (c) during the period between Tuesday, 20 March 2007 and Friday, 13 April 2007, there will be parallel trading in the existing and temporary counters. In order to facilitate the trading of odd lots of the Consolidated Shares which will arise upon the Share Consolidation becoming effective, the Company has procured Hani Securities of Room 402, 4th Floor, Wing On House, 71 Des Voeux Road Central, Hong Kong to stand in the market to provide matching services on a best effort basis for the holders of odd lots of the Consolidated Shares during the period between Tuesday, 20 March 2007 and Friday, 13 April 2007. Holders of odd lots of the Consolidated Shares who wish to take advantage of this facility either to dispose of their odd lots of the Consolidated Shares or to top up to board lots of 20,000 Consolidated Shares may contact Mr. Cheung Kai Kwong of Hani Securities at telephone number (852) 2869 1318 as soon as possible during such period; and
- (d) with effect from 4:00 p.m. on Friday, 13 April 2007, trading will only be in the Consolidated Shares in board lots of 20,000 Consolidated Shares (in the form of new certificates in light green colour) and the temporary counter for the trading in the Consolidated Shares in board lots of 800 Consolidated Shares (in the form of existing certificates in pink colour) will be closed.

Shareholders should note that the matching service as mentioned in paragraph (c) above is on a “best effort” basis only and successful matching of the sale and purchase of odd lots of Consolidated Shares in not guaranteed and will depend on there being adequate amount of odd lots of Consolidated Shares available for such matching.

Shareholders are recommended to consult their licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser if they are not sure about the matching service described above.

LETTER FROM THE BOARD

Trading in the Consolidated Shares represented by existing certificates will cease after the trading hours on Friday, 13 April 2007. Existing certificates for the Shares will only be valid for delivery and settlement in respect of trading for the period up to Friday, 13 April 2007 and thereafter **will not be acceptable for trading purposes**.

New certificates in light green colour for the Consolidated Shares will be issued in order to distinguish them from existing certificates in pink for the Shares.

Shareholders are advised to, during business hours from Tuesday, 6 March 2007 to Wednesday, 18 April 2007, submit their certificates for the existing Shares to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shop 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for exchange, free of charge, for certificates in respect of the Consolidated Shares. Thereafter, certificates for the existing Shares will continue to be good evidence of legal title and may be exchanged for certificates for the Consolidated Shares at any time but on payment of a fee of HK\$2.50 (or such higher amounts as may from time to time be allowed by the Stock Exchange) for each new certificate issued for the Consolidated Shares or for each share certificate for Shares cancelled, whichever number of certificates cancelled/issued is higher. A Shareholder will be entitled to aggregate his or her Shares registered in his or her name in order to obtain new certificates for the Consolidated Shares in the board lot size of 20,000 Consolidated Shares.

It is expected that new certificates for the Consolidated Shares will be available for collection on or after the 10th Business Day from the date of submission of the existing certificates. Unless otherwise instructed, new certificates for the Consolidated Shares will be issued in board lots of 20,000 Consolidated Shares.

Application for listing and dealings in Consolidated Shares

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares in issue as a result of the Share Consolidation, the Consolidated Shares which may fall to be issued upon the Share Placing and the Consolidated Shares which may fall to be issued upon the exercise of the conversion rights pursuant to the Convertible Notes.

No part of the share capital of the Company is listed or dealt in on any other stock exchanges other than the Stock Exchange and no such listing or permission to deal is being or is currently proposed to be sought from any other stock exchange.

Dealings in the Consolidated Shares on the branch register of members of the Company will be subject to Hong Kong stamp duty.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlements of transactions between participants of the Stock Exchange on any trading day are required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the general rules of CCASS and CCASS operational procedures in effect from time to time.

LETTER FROM THE BOARD

Outstanding Share Options

As at the Latest Practicable Date, the number of Shares issuable in respect of which Share Options have been granted and are outstanding under the Share Option Scheme is 82,712,400.

The Company has appointed Veda Capital Limited, an independent financial adviser to provide a certificate as to the adjustment required to be made in accordance with the rules stipulated in the Share Option Scheme and Rule 17.03(13) of the Listing Rules for the outstanding Share Options.

The Board anticipates that upon the Share Consolidation becoming effective, the terms of such outstanding Share Options will be adjusted as follows:

Outstanding Share Options	Exercise price before the Share Consolidation (HK\$)	Number of Shares to be issued	Exercise price after the Share Consolidation (HK\$)	Number of Consolidated Shares to be issued
82,712,400	0.056	82,712,400	0.14	33,084,960

As at the Latest Practicable Date, no share option other than those disclosed above has been granted.

SPECIAL GENERAL MEETING

Set out on pages 20 to 23 of this circular is a notice of the SGM to be held at Tang Room II, 3rd Floor, Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong at 9:00 a.m. on Monday, 5 March 2007 at which ordinary resolutions regarding (i) the Share Placing, (ii) the allotment and issue of the new Placing Shares pursuant to the Share Placing, (iii) the Note Placing, (iv) the issue of the Convertible Notes; (v) the allotment and issue of the Conversion Shares and (vi) the Share Consolidation will be proposed to be considered and, if thought fit, be passed by the Shareholders. No Shareholder is required to abstain from voting at the SGM.

Enclosed with this circular is a proxy form for use at the SGM. You are requested to complete the proxy form in accordance with the instructions printed thereon and return it to the head office and principal place of business of the Company in Hong Kong at Unit A9, 3rd Floor, Block A, Hong Kong Industrial Center, 489-491 Castle Peak Road, Kowloon, Hong Kong as soon as possible and in any event not later than forty-eight (48) hours before the time appointed for the holding of the SGM or any adjournment thereof, whether or not you intend to attend and vote at the SGM. Completion and return of the proxy form will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

PROCEDURES TO DEMAND A POLL AT THE SPECIAL GENERAL MEETING

Pursuant to Bye-law 70 of the Bye-laws, a resolution put to the vote at a general meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:


- (a) by the chairman of the meeting; or
- (b) by at least three shareholders present in person (or, in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) by any shareholder or shareholders present in person (or, in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the shareholders having the right to vote at the meeting; or
- (d) by any shareholder or shareholders present in person (or, in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy and holding share(s) in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

RECOMMENDATION

The Directors consider that the Share Placing and the Note Placing will further enlarge the Company's capital base, strengthen its financial position and provide the financial resources that may be required should good investment opportunities arise. The Directors also consider that as the Share Consolidation will increase the nominal value of the Shares and reduce the total number of Shares currently in issue, the transaction and handling costs of the Company in relation to the dealing in the Consolidated Shares are expected to be reduced, which will be beneficial to the Company and the Shareholders as a whole. In addition, as the market value for each board lot upon the Share Consolidation and the change in board lot size becoming effective will be higher than the market value for each existing board lot, the transaction cost as a proportion of the market value of each board lot will be lower, and the Directors thus consider that the Share Consolidation will be beneficial to investors and Shareholders. The Board therefore recommends the Shareholders to vote in favour of the ordinary resolutions on the aforementioned matters at the SGM.

Yours faithfully,
By order of the Board
GFT Holdings Limited
Leung Wai Ho
Chairman

NOTICE OF SGM

 **GFT HOLDINGS LIMITED**
真樂發控股有限公司*
(incorporated in Bermuda with limited liability)
(stock code: 1003)

NOTICE IS HEREBY GIVEN that a special general meeting of GFT Holdings Limited (the “Company”) will be held at Tang Room II, 3rd Floor, Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong at 9.00 a.m. on Monday, 5 March 2007 for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

1. **“THAT** subject to and conditional upon the granting by the Listing Committee of The Stock Exchange of Hong Kong Limited for the listing of, and permission to deal in, the Consolidated Shares (as defined in paragraph (a) of this resolution below):
 - (a) with effect from the first business day immediately following the date on which this resolution is passed as an ordinary resolution, every five (5) ordinary shares of HK\$0.01 each in the issued and unissued share capital of the Company be consolidated into two (2) ordinary shares of HK\$0.025 each (each a “Consolidated Share”);
 - (b) all fractions of the Consolidated Shares to which holders of issued ordinary shares of HK\$0.01 each in the share capital of the Company would otherwise be entitled to be aggregated, sold and retained for the benefit of the Company;
 - (c) any one director of the Company (the “Director”) be and is generally authorised to do all such acts and things and execute all such documents, including under seal where applicable, as he considers necessary or expedient to give effect to the foregoing arrangements; and
 - (d) in this resolution, the term “business day” shall mean a day on which The Stock Exchange of Hong Kong Limited is open for the business of dealing in securities and there is no suspension of trading in the shares of the Company on that day.”

** for identification purpose only*

NOTICE OF SGM

2. **“THAT:**

- (a) the execution of and the Share Placing Agreement dated 24 January 2007 entered into between the Company and Hani Securities (H.K.) Limited (the “Placing Agent”) in relation to the placing of up to 850,000,000 new shares in the capital of the Company at the placing price of HK\$0.04 per share by the Placing Agent, of which 375,000,000 new shares shall be placed on fully underwritten basis and 475,000,000 new shares shall be placed on a best effort basis, a copy of which has been produced to this meeting marked “A” and signed by the chairman of this meeting for identification purpose, be and is hereby approved, confirmed and ratified and the transaction contemplated thereunder be and is hereby approved;
- (b) the execution of and the Supplemental Share Placing Agreement dated 9 February 2007 entered into between the Company and the Placing Agent in relation to the amendments to the Share Placing Agreement and, conditional upon the completion of the share consolidation as specified in resolution 1 above, up to 340,000,000 new Consolidated Shares in the capital of the Company shall be placed by the Placing Agent at the placing price of HK\$0.10 per Consolidated Share, of which 150,000,000 Consolidated Shares shall be placed on fully underwritten basis and 190,000,000 Consolidated Shares shall be placed on a best effort basis, a copy of which has been produced to this meeting marked “B” and signed by the chairman of this meeting for identification purpose, be and is hereby approved, confirmed and ratified and the transaction contemplated thereunder be and is hereby approved;
- (c) the issue and allotment of shares of the Company to the places procured by the Placing Agent pursuant to the Share Placing Agreement (as amended by the Supplemental Share Placing Agreement) be and are hereby approved;

and any one Director be and is hereby approved to do such acts and execute such documents as he may consider necessary, desirable or expedient to carry out or give effect to or otherwise in connection with the Share Placing Agreement (as amended by the Supplemental Share Placing Agreement) and completion of the transactions contemplated thereunder.”

3. **“THAT:**

- (a) the execution of and the Note Placing Agreement dated 24 January 2007 entered into between the Company and the Placing Agent in relation to the placing of convertible note(s) in the aggregate principal amount of up to HK\$34,000,000 and at the conversion price of HK\$0.04 per share of the Company by the Placing Agent on a best effort basis, a copy of which has been produced to this meeting marked “C” and signed by the chairman of this meeting for identification purpose, be and is hereby approved, confirmed and ratified and the transaction contemplated thereunder be and is hereby approved;

NOTICE OF SGM

- (b) the execution of and the Supplemental Note Placing Agreement dated 9 February 2007 entered into between the Company and the Placing Agent in relation to the amendments to the Note Placing Agreement and, conditional upon the completion of the share consolidation as specified in resolution 1 above, convertible note(s) in the aggregate principal amount of up to HK\$34,000,000 and at the conversion price of HK\$0.10 per Consolidated Share of the Company shall be placed by the Placing Agent on a best effort basis, a copy of which has been produced to this meeting marked “D” and signed by the chairman of this meeting for identification purpose, be and is hereby approved, confirmed and ratified and the transaction contemplated thereunder be and is hereby approved;
- (c) the terms and conditions of convertible note(s) to be issued by the Company under the placing pursuant to the Note Placing Agreement dated 24 January 2007 (as amended by the Supplemental Note Placing Agreement), a copy of which has been produced to this meeting marked “E” as referred in the above (a) and (b) and signed by the chairman of this meeting for identification purpose, be and are hereby approved;
- (d) the issue of the convertible note(s) in the principal amount of up to HK\$34,000,000 contemplated and pursuant to the Note Placing Agreement (as amended by the Supplemental Note Placing Agreement) be and is hereby approved;
- (e) the issue and allotment of shares of the Company to holders of the convertible note(s) contemplated and pursuant to the terms of the convertible note(s) upon exercise of conversion rights under the convertible note(s) be and are hereby approved;

and any one Director be and is hereby approved to do such acts and execute such documents as he may consider necessary, desirable or expedient to carry out or give effect to or otherwise in connection with the Note Placing Agreement (as amended by the Supplemental Note Placing Agreement) and the convertible note(s) and completion of the transactions contemplated thereunder.”

By order of the Board
GFT Holdings Limited
Leung Wai Ho
Chairman

Hong Kong, 14 February 2007

NOTICE OF SGM

Registered Office:

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

Head Office and Principal Place of Business in Hong Kong:

Unit A9, 3rd Floor,
Block A,
Hong Kong Industrial Center,
489-491 Castle Peak Road,
Kowloon, Hong Kong

Notes:

1. Any member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint another person as his proxy to attend and vote instead of him. A member of the Company who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a member of the Company. If more than one proxy is appointed, the appointment shall specify the number of shares in respect of which each such proxy is appointed. In addition, a proxy or proxies representing either a member of the Company who is an individual or a member of the Company which is a corporation is entitled to exercise the same powers on behalf of the member of the Company which he or they represent as such member of the Company could exercise.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the fact.
3. The instrument appointing a proxy and (if required by the board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the head office and principal place of business of the Company in Hong Kong at Unit A9, 3/F., Block A, Hong Kong Industrial Center, 489-491 Castle Peak Road, Kowloon, Hong Kong not later than forty-eight (48) hours before the time appointed for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.
4. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. Where there are joint holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.