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If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your licensed securities dealer or registered institution in securities, 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 and the accompanying form of proxy to the purchaser or the transferee or to the bank manager, licensed securities dealer or registered institution in securities or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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GFT HOLDINGS LIMITED

真樂發控股有限公司*

(incorporated in Bermuda with limited liability)

(stock code: 1003)

AMENDMENT TO THE NOTE PLACING AGREEMENT AND THE SUPPLEMENTAL NOTE PLACING AGREEMENT

A notice convening a special general meeting of GFT Holdings Limited to be held at Tang Room II, 3/F., Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong on Thursday, 28 June 2007 at the time immediately after the holding of the annual general meeting of the Company to be convened at 9:00 a.m. on the same day is set out on pages 9 to 11 of this circular. A form of proxy for use at the special general meeting is also enclosed. Whether or not you are able to attend the special general meeting, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's head office and principal place of business in Hong Kong at Unit A9, 3/F., Block A, Hong Kong Industrial Centre, 489-491 Castle Peak Road, Kowloon, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the special general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting if you so wish.

11 June 2007

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DEFINITIONS

In this circular, the following expressions have the meanings set out below unless the context requires otherwise:—

“Announcement”	the announcement of the Company dated 26 January 2007 relating to, among other things, the Note Placing
“Board”	the board of the 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
“Circular”	the Company’s circular dated 14 February 2007 regarding, among other things, the Note Placing
“Company”	GFT Holdings Limited, an exempted company incorporated in Bermuda with limited liability whose Shares are listed on the Main Board of the Stock Exchange
“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)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hani Securities” or “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
“Hong Kong”	Hong Kong Special Administrative Region of The People’s Republic of China

DEFINITIONS

“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)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“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 the Placing Agent 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 Note Placing
“Redemption Date”	the date on which a notice is given by the Company exercising the rights attached to the Convertible Note(s) to redeem the principal amount or a part thereof
“Second Supplemental Note Placing Agreement”	the supplemental agreement dated 28 May 2007 entered into between the Company and the Placing Agent to amend certain terms of the Note Placing Agreement, the Supplemental Note Placing Agreement and the Convertible Notes
“SFO”	The Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be held at Tang Room II, 3/F., Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong on Thursday, 28 June 2007 at the time immediately after the holding of the annual general meeting of the Company to be convened at 9:00 a.m. on the same day
“Share(s)”	ordinary share(s) of HK\$0.025 each in the issued share capital of the Company

DEFINITIONS

“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 and the Convertible Notes
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

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:

Leung Wai Ho (*Chairman*)

Wong Chung Shun (*Deputy Chairman*)

Ha Kee Choy, Eugene

Independent Non-executive Directors:

Chui Chi Yun, Robert

Lam Kwok Cheong

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 Centre

489-491 Castle Peak Road

Kowloon, Hong Kong

11 June 2007

To the Shareholders and option holders (for information only)

Dear Sirs,

**AMENDMENT TO THE NOTE PLACING AGREEMENT
AND
THE SUPPLEMENTAL NOTE PLACING AGREEMENT**

INTRODUCTION

On 5 March 2007, the relevant resolution in approving the Note Placing Agreement (as amended by the Supplemental Note Placing Agreement) and the transaction contemplated thereunder was duly passed by the Shareholders. The details of the Note Placing Agreement are set out in the Circular.

In response to the recent market condition and to facilitate the completion of the Note Placing, the Company entered into the Second Supplemental Note Placing Agreement with the Placing Agent on 28 May 2007 to amend certain terms of the Note Placing Agreement and the Supplemental Note Placing Agreement.

The purpose of this circular is to provide you with further details of the Second Supplemental Note Placing Agreement and the notice of the SGM .

** for identification purpose only*

LETTER FROM THE BOARD

THE SECOND SUPPLEMENTAL NOTE PLACING AGREEMENT

On 28 May 2007, the Company entered into the Second Supplemental Note Placing Agreement with the Placing Agent, pursuant to which,

1. the long stop date for fulfilling the conditions of the Note Placing Agreement shall be extended from 31 July 2007 to 31 October 2007; and
2. the conversion period under the Convertible Note(s) shall be amended from “any Business Day during the period six months after the date of issuance of the Convertible Note(s) 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.” to “any Business Day after the date of issuance of the Convertible Note(s) (prior to the earlier of three (3) Business Days following the Redemption Date or five Business Days prior to the Maturity Date)”.

Save as disclosed above, all the major terms and conditions of the Note Placing Agreement (as amended by the Supplemental Note Placing Agreement) as prescribed in the Announcement and the Circular remain unchanged.

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.

CONDITIONS OF THE NOTE PLACING

The Note Placing is conditional upon (i) approval by the Shareholders at the SGM of the Second Supplemental Note Placing Agreement and the transactions contemplated thereunder, including the Note Placing and the issue of the Convertible Note(s) and the 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.

PRINCIPAL TERMS OF THE CONVERTIBLE NOTES

The principal terms of the Convertible Notes to be issued according to the Note Placing Agreement (as amended by the Supplemental Note Placing Agreement and the Second Supplemental Note Placing Agreement) are summarized as follows:—

Issue size

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

Interest

The Convertible Notes do not bear any interest.

LETTER FROM THE BOARD

Maturity

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

Conversion price

HK\$0.1 per Share.

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 after the date of issuance of the Convertible Note(s) (prior to the earlier of three (3) Business Days following the Redemption Date or five Business Days prior to the Maturity Date).

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(s) of the Convertible Note(s), 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.

LETTER FROM THE BOARD

Listing

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

OTHERS

There will be no changes in the amount and use of proceeds from the Note Placing as disclosed in the Circular and the delay in completion of the Note Placing would not have any significant impact on the financial position of the Company.

SGM

The SGM will be convened and held for the Shareholders to consider and, if thought fit, to approve, inter alia, (i) the execution of and the Second Supplemental Note Placing Agreement and the transactions contemplated therein; (ii) the issue of the Convertible Notes pursuant to the Note Placing Agreement (as amended by the Supplemental Note Placing Agreement and the Second Supplemental Note Placing Agreement); and (iii) the issue and allotment of Conversion Shares pursuant to the terms of the Convertible Note.

Notice of the SGM is set out on pages 9 to 11 of this circular and the form of proxy for use at the SGM is enclosed in this circular. Whether or not you are able to attend the SGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's head office and principal place of business in Hong Kong at Unit A9, 3/F., Block A, Hong Kong Industrial Centre, 489-491 Castle Peak Road, Kowloon, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for holding of the SGM or any adjournment thereof. Completion of the form of proxy will not preclude you from attending and voting at the SGM or any adjourned meeting thereof should you so wish.

POLL PROCEDURE

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

- (i) the chairman of the meeting; or
- (ii) at least three Shareholders present in person (or in the case of a Shareholder being a corporation, by its duly authorized representative) or by proxy for the time being entitled to vote at the meeting; or
- (iii) a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation, by its duly authorized 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

LETTER FROM THE BOARD


- (iv) a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation, by its duly authorized representative) or by proxy and holding Shares 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 Board considers that the Second Supplemental Note Placing Agreement is on normal commercial terms and the entering into of the Second Supplemental Note Placing Agreement will facilitate the completion of the Note Placing and thus it is in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends you to vote in favour of the resolution to be proposed at the SGM.

Yours faithfully,
By Order of the Board
GFT HOLDINGS LIMITED
Leung Wai Ho
Chairman

NOTICE OF SPECIAL GENERAL MEETING

 **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, 3/F., Sheraton Hong Kong Hotel & Towers, 20 Nathan Road, Kowloon, Hong Kong on Thursday, 28 June 2007 at the time immediately after the holding of the annual general meeting of the Company to be convened at 9:00 a.m. on the same day for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“THAT:

- (a) the execution of and the supplemental agreement dated 28 May 2007 (the “Second Supplemental Note Placing Agreement”) entered into between the Company and Hani Securities (H.K.) Limited (the “Placing Agent”), in relation to the amendments to the note placing agreement dated 24 January 2007 (the “Note Placing Agreement”) and the supplemental note placing agreement dated 9 February 2007 (the “Supplemental Note Placing Agreement”) entered into between the Company and the Placing Agent and the convertible note(s) (“Convertible Note(s)”) to be issued by the Company under the note placing pursuant to the Note Placing Agreement (as amended by the Supplemental Note Placing Agreement and the Second Supplemental Note Placing Agreement) in the aggregate principal amount of up to HK\$34,000,000 and at the conversion price of HK\$0.10 per share of the Company, a copy of which has been produced to this meeting marked “X” and signed by the chairman of this meeting for the purpose of identification, be and is hereby approved, confirmed and ratified and the transaction contemplated thereunder be and is hereby approved;
- (b) 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 and the Second Supplemental Note Placing Agreement) be and is hereby approved;

* for identification purpose only

NOTICE OF SPECIAL GENERAL MEETING

- (c) the issue and allotment of conversion shares of the Company to holders of the Convertible Note(s) contemplated and pursuant to the terms of the Convertible Note(s) (as amended by the Supplemental Note Placing Agreement and the Second Supplemental Note Placing Agreement) upon exercise of conversion rights under the Convertible Note(s) be and is 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, the Supplemental Note Placing Agreement and the Second Supplemental Note Placing Agreement and the Convertible Note(s) to be issued by the Company and completion of the transactions contemplated thereunder.”

By Order of the Board
GFT HOLDINGS LIMITED
Leung Wai Ho
Chairman

Hong Kong, 11 June 2007

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 Centre
489-491 Castle Peak Road
Kowloon, Hong Kong

NOTICE OF SPECIAL GENERAL MEETING

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. 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 principal place of business of the Company in Hong Kong at Unit A9, 3/F., Block A, Hong Kong Industrial Centre, 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.