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GLORY FUTURE GROUP LIMITED

光彩未來集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8071)

ISSUE OF UNLISTED WARRANTS AND RESUMPTION OF TRADING

SUBSCRIPTION AGREEMENTS

The Subscription Agreements were entered into on 3 July 2007, pursuant to which the Company has conditionally agreed to issue the Warrants conferring the right to subscribe up to HK\$40,275,000 in aggregate for Shares at an issue price of HK\$0.02 per Warrant to two investors, each being an independent third party.

Pursuant to the Subscription Agreement entered into between the Company and Mr. Li, Mr. Li agreed to subscribe to 9,000,000 Warrants conferring the right to subscribe up to HK\$20,250,000 in aggregate for Shares. Pursuant to the Subscription Agreement entered into between the Company and Mr. Pan, Mr. Pan agreed to subscribe to 8,900,000 Warrants conferring the right to subscribe up to HK\$20,025,000 in aggregate for Shares.

Each Warrant will carry the right to subscribe for one Share at an initial subscription price of HK\$2.25 per Share, subject to adjustment. The subscription right will be exercisable for three years from the date of creation and issue of the Warrants. The new Shares to be allotted and issued to each of Mr. Li and Mr. Pan represent approximately 10.05% and 9.94% of the existing issued capital of the Company respectively and approximately 8.37% and 8.28% of the existing issued capital as enlarged by the allotment and issue of such Shares respectively.

No application will be made for the listing of the Warrants. Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Shares to be allotted and issued upon the exercise of the subscription rights attaching to the Warrants.

At the request of the Company, trading in the Shares on GEM was suspended from 9:30 a.m. on 4 July 2007 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on GEM with effect from 9:30 a.m. on 5 July 2007.

SUBSCRIPTION AGREEMENTS DATED 3 JULY 2007

1. Subscribers

The Company has conditionally agreed to issue and each of Mr. Li and Mr. Pan has conditionally agreed to subscribe the respective Warrants as stated below pursuant to the relevant Subscription Agreement. Apart from the number of Warrants and the resulting subscription monies, all terms and conditions of the two Subscription Agreements are the same.

2. The Warrants

Number of Warrants: (i) 9,000,000 Warrants conferring the right to subscribe up to HK\$20,250,000 in aggregate for Shares (i.e. up to 9,000,000 Shares) to Mr. Li; and

(ii) 8,900,000 Warrants conferring the right to subscribe up to HK\$20,025,000 in aggregate for Shares (i.e. up to 8,900,000 Shares) to Mr. Pan

Status: The Warrants will be constituted by way of deed poll to be executed by the Company. The Warrants will rank pari passu in all respects with each other

Form: The Warrants will be issued in registered form. Definitive certificates will be issued to the holders of the Warrants

Issue price: HK\$0.02 for each Warrant

Subscription price and right: Each Warrant will carry the right to subscribe for one Share at an initial subscription price of HK\$2.25 per Share, subject to adjustment upon occurrence of certain events, including

alterations in the capital structure of the Company and issue of securities at a discount of more than 10 per cent. to the then prevailing market price of the Shares

Subscription period: The subscription rights attaching to the Warrants may be exercised at any time from the date of issue of the Warrants until 4:00 p.m. (Hong Kong time) on the day falling on the day immediately preceding the third anniversary of the date of issue (or, if such third anniversary is not a business day, the first business day after such day)

Rights of Shares on exercise of the Warrants: The Shares that fall to be issued upon the exercise of the subscription rights attaching to the Warrants will rank pari passu in all respects with the Shares in issue on the exercise date except that they will not be entitled to any rights or entitlement to dividends or other rights or distributions the record date for which precedes the exercise date

Transferability: The Warrants can be freely transferred except to which the proposed new holder is a party who is a connected person of the Company and its subsidiaries

3. Basis of pricing of the Warrants

The initial subscription price of HK\$2.25 per Share represents (i) a premium of approximately 0.45% over the closing price of HK\$2.24 per Share as quoted on the Stock Exchange on 3 July 2007, being the date of the Subscription Agreements, and (ii) a premium of approximately 3.02% over the average closing price of approximately HK\$2.184 per Share as quoted on the Stock Exchange for the last five trading days up to and including 3 July 2007.

The aggregate of the issue price of HK\$0.02 per Warrant and the initial subscription price of HK\$2.25 per Warrant is HK\$2.27. This represents (i) a premium of approximately 1.34% over the closing price of HK\$2.24 per Share as quoted on the Stock Exchange on 3 July 2007, being the date of the Subscription Agreements, and (ii) a premium of approximately 3.94% over the average closing price of approximately HK\$2.184 per Share as quoted on the Stock Exchange for the last five trading days up to and including 3 July 2007.

4. Use of proceeds

The Group is principally engaged in provision of web page design and website maintenance services, system integration services and information technology consultancy services in Hong Kong.

The net proceeds derived from the issue of the Warrants, after deducting related professional fees and all related expenses which will be borne by the Company from the gross proceeds, which are estimated to about HK\$200,000, are intended to be used by the Company as general working capital.

The Company will receive additional HK\$40,275,000 upon exercise in full of the subscription rights to be attached to the Warrants. The Company intends to use such proceeds as general working capital of the Group to support the working capital needs of the Group.

The net price to the Company of each Warrant, which is calculated by dividing the aggregate net proceeds from the Issue by the total number of the Warrants, is approximately HK\$0.011.

5. Reasons for the Issue

The Directors consider that the Issue is an appropriate means of raising additional capital for the Company because it will not have an immediate dilutive effect on the shareholding of the existing Shareholders. In addition, apart from the net proceeds that will be raised immediately upon the issue of the Warrants, the Company will be provided with additional capital upon the exercise of the subscription rights to be attached to the Warrants.

6. Independence of the Subscribers

Prior to the entering into of the Subscription Agreements, each of Mr. Li and Mr. Pan was independent third party who was third party independent of the Company and connected persons of the Company and its subsidiaries or any of their respective associates. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Mr. Li and Mr. Pan are not related to each other.

7. Mandate to allot and issue the Shares

The Warrants and the new Shares to be issued upon the exercise of the Warrants are being issued by the Company under the general mandate granted to the Directors at the annual general meeting of the Company held on 29 June 2007. The Directors were authorised to allot and issue up to 17,913,792 Shares pursuant to such mandate and such mandate has not been utilised up to the date of the Subscription Agreements.

Upon the exercise of the subscription rights attaching to the Warrants in full, 17,900,000 Shares will be issued, representing approximately 19.98% of the existing issued capital of the Company and about 16.66% of the existing issued capital as enlarged by the allotment and issue of such Shares.

8. Application for listing

No application will be made for the listing of the Warrants. Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Shares to be allotted and issued upon the exercise of the subscription rights attaching to the Warrants.

9. Condition of the Issue

Completion of the Issue is conditional upon the GEM Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, any Shares falling to be issued upon the exercise of the subscription rights attaching to the Warrants either unconditionally or subject to conditions to which each of the Subscriber accepts.

If the above condition is not fulfilled by 5:00 p.m. on 31 August 2007 (Hong Kong time) (or such later time or date as the Company and each of the Subscribers may agree), the Subscription Agreement(s) will terminate and the Issue will not proceed.

The Warrants will be created and issued to each of the Subscribers on the third business day after the day on which the Subscribers are notified by the Company about the fulfilment of the above condition.

10. Changes to the shareholding as a result of the Issue

The existing shareholding structure of the Company and the shareholding structure of the Company immediately after the exercise in full of the subscription rights attaching to the Warrants (assuming 17,900,000 Warrants have been subscribed) are as follows:

	Existing shareholding		Immediately after exercise in full of the subscription rights to be attached to the Warrants	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Speedy Well (<i>Note 2</i>)	19,164,400	21.40	19,164,400	17.83
Public	70,404,560	78.60	70,404,560	65.52
Subscribers:				
Mr. Li	—	—	9,000,000	8.37
Mr. Pan	—	—	8,900,000	8.28
Total	<u>89,568,960</u>	<u>100.00</u>	<u>107,468,960</u>	<u>100.00</u>

Notes:

1. The number of existing Shares held by the Shareholders is based on the register of members of the Company as at 29 June 2007.
2. Speedy Well is a company incorporated in the British Virgin Islands and beneficially owned by Mr. Leung Ngai Man, an executive Director.

11. Fund raising activities of the Company in the 12 months immediately preceding the date of this announcement

On 13 April 2007, a placing and subscription agreement was entered into between Speedy Well, the Company, Payton Place Limited and Ms. Lo Yuk Yee, pursuant to which Speedy Well has agreed to sell 13,566,960 Shares then held by Speedy Well to Payton Place Limited at a placing price of HK\$0.49 per Share and would subscribe for 13,566,960 new Shares at the same price. Details of such placing and subscription were set out in the announcement of the Company dated 16 April 2007. As stated in such announcement, the net proceeds, after deducting related professional fees and all related expenses which would be borne by the Company, under the subscription were estimated to be approximately HK\$6.4 million and approximately HK\$4 million out of the proceeds would be used for the repayment of loans of the Group and approximately HK\$2.4 million would be retained as general working capital of the Group. The Board confirms that such intention of utilisation of the proceeds remains unchanged.

12. Resumption of trading

At the request of the Company, trading in the Shares on GEM was suspended from 9:30 a.m. on 4 July 2007 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on GEM with effect from 9:30 a.m. on 5 July 2007.

DEFINITIONS

The following defined terms are used in this announcement:

“associates”	having the meaning ascribed thereto in the GEM Listing Rules
“Board”	the board of Directors
“Company”	Glory Future Group Limited, a company incorporated in the Cayman Islands whose shares are listed on GEM
“connected person”	having the meaning ascribed thereto in the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue”	the subscription of the respective Warrants by Mr. Li or (as the case may be) Mr. Pan on the terms and subject to the conditions set out in the relevant Subscription Agreement
“Mr. Li”	Mr. Li Ming Han, the subscriber of 9,000,000 Warrants pursuant to the relevant Subscription Agreement
“Mr. Pan”	Mr. Pan Chik, the subscriber of 8,900,000 Warrants pursuant to the relevant Subscription Agreement

“PRC”	the People’s Republic of China
“Share(s)”	ordinary share(s) of HK\$0.01 in the capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Speedy Well”	Speedy Well Investments Limited, a company incorporated in the British Virgin Islands and whose entire issued share capital is held by Mr. Leung Ngai Man, an executive Director
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	Mr. Li and Mr. Pan
“Subscription Agreement(s)”	<p>(i) the subscription agreement dated 3 July 2007 entered into between the Company and Mr. Li in relation to the issue and subscription of 9,000,000 Warrants; and</p> <p>(ii) the subscription agreement dated 3 July 2007 entered into between the Company and Mr. Pan in relation to the issue and subscription of 8,900,000 Warrants</p>
“Warrant(s)”	unlisted warrants to be issued by the Company at an issue price of HK\$0.02, each entitles the holder thereof to subscribe in cash for one Share at an initial subscription price of HK\$2.25, subject to adjustment, at any time for a period of three years commencing from the date of allotment and issue of the Warrants
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By order of the Board
Glory Future Group Limited
Choi Koon Ming
Chairman

Hong Kong, 4 July 2007

As at the date of this announcement, the executive Directors are Messrs. Choi Koon Ming, Chow Yeung Tuen, Richard and Leung Ngai Man; and the independent non-executive Directors are Messrs. Wu Tak Lung, Phillip King, Ng Cheuk Tat, Ambrose and Chan Sing Fai.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcement” page of the GEM website at www.hkgem.com for a minimum period of seven days from the day of its posting.