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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)

ANNOUNCEMENT AND RESUMPTION OF TRADING

The Board has noted the recent increases in the trading volume of the shares of the Company and wishes to state that, save for the information disclosed in this announcement, it is not aware of any reasons for such increases.

The Board has noted the articles appearing in local newspapers on 22 August 2005 and wishes to clarify the contents in the articles.

Shareholders of the Company and investors are advised to exercise caution when dealing in the securities of the Company.

Trading in the shares of the Company on the Stock Exchange was suspended at the request of the Company with effect from 9:30 a.m. on 23 August 2005 pending the release of this clarification announcement. The Company has applied for resumption of trading in the shares with effect from 9:30 a.m. on 24 August 2005.

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The board of directors (the "Board") of GFT Holdings Limited (the "Company") has noted the recent increase in the trading volume of the shares of the Company and wishes to state that, save as the acquisition of 29,060,000 shares of the Company by Charm Management Limited as announced by the Company on 12 August 2005 and the information disclosed below, it is not aware of any reasons for such increase.

The Board has noted the contents of articles appearing in local newspapers of 22 August 2005 relating to the injection of assets to the Company from its substantial shareholders and the intention to increase the market capitalization of the Company to the range of HK\$300 million to HK\$500 million. The Board confirms that the Company has neither entered into any letter of intent or formal agreement regarding injection of assets to the Company nor any plan to increase the market capitalization of the Company as at the date of this announcement. Mr. Leung Wai Ho and Mr. Wong Chung Shun (both are the directors and the beneficial substantial shareholders of the Company) confirm that they have no current intention regarding injection of their private assets to the Company as at the date of this announcement.

Save as disclosed above, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

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Made by the order of the Board of the Company, the directors of which individually and jointly accept responsibility for the accuracy of this announcement.

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

Hong Kong, 23 August 2005

As at the date of this announcement, the Board comprises Mr. Leung Wai Ho, Mr. Wong Chung Shun and Mr. Ha Kee Choy, Eugene as executive directors and Mr. Chui Chi Yun, Robert, Mr. Lam Kwok Cheong and Mr. Lai Wing Leung, Peter as independent non-executive directors.

** for identification purpose only*