GLOBAL TECH (HOLDINGS) LIMITED
耀科國際（控股）有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0143)

INTERIM RESULTS
FOR THE SIX MONTHS ENDED 31 MARCH 2007

The Board of Directors (the "Board") of Global Tech (Holdings) Limited (the "Company") announces the unaudited condensed consolidated financial statements of the Company and its subsidiaries (the "Group") for the six months ended 31 March 2007 (the "Period").

CONDENSED CONSOLIDATED INCOME STATEMENT

		Unaudited For the six months ended 31 March	
		2007	2006
	Note	***HK$'000***	*HK$'000*
Turnover	*2*	**677,281**	382,072
Cost of sales		**(652,571)**	(366,246)
Gross profit		**24,710**	15,826
Other revenue		**2,367**	3,056
Other income		**3,414**	–
Investment income, net	*3*	**20,953**	–
Selling and distribution expenses		**(9,526)**	(8,134)
Administrative expenses		**(44,319)**	(34,465)
Other operating expenses		**(34)**	(2,221)
Loss from operations	*4*	**(2,435)**	(25,938)
Finance costs	*5*	**(972)**	(9)
Loss before taxation		**(3,407)**	(25,947)
Taxation	*6*	**165**	(154)
Loss for the Period attributable to equity holders of the Company		**(3,242)**	(26,101)
Dividends	*7*	**–**	–
Loss per share for loss attributable to equity holders of the Company			
Basic	*8*	**(HK$0.001)**	(HK$0.005)
Diluted	*8*	**N/A**	N/A

* *For identification purpose only*

CONDENSED CONSOLIDATED BALANCE SHEET

	Note	As at 31 March 2007 HK$'000 (unaudited)	As at 30 September 2006 HK$'000 (audited)
Non-current assets			
Investment property		**12,000**	12,000
Property, plant and equipment		**3,706**	3,701
Intangible assets	*9*	**24,583**	–
Available-for-sale financial assets	*10*	**38,151**	79,275
		78,440	94,976
Current assets			
Inventories		**36,203**	38,274
Trade receivables	*11*	**157,095**	182,431
Prepayments, deposits and other receivables		**32,822**	51,476
Financial assets at fair value through profit or loss		**3,187**	–
Pledged time deposits		**106,628**	37,174
Cash and bank balances		**59,080**	115,194
		395,015	424,549
Current liabilities			
Trade payables	*12*	**73,313**	70,040
Accrued charges and other payables		**31,141**	26,418
Tax payables		**52,571**	52,885
Bank borrowings – secured		**–**	54,101
Obligation under finance lease – due within one year		**43**	40
		157,068	203,484
Net current assets		**237,947**	221,065
Total assets less current liabilities		**316,387**	316,041
Non-current liabilities			
Obligation under finance lease – due after one year		**20**	42
Deferred tax liabilities		**534**	534
		554	576
Net assets		**315,833**	315,465
Equity			
Capital and reserves attributable to equity holders of the Company			
Share capital		**51,659**	51,659
Reserves		**264,174**	263,806
Total equity		**315,833**	315,465

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure requirements set out in Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The measurement basis used in the preparation of these unaudited condensed consolidated financial statements is historical cost convention, as modified for the revaluation of certain available-for-sale financial assets, financial assets at fair value through profit or loss and investment property which are carried at fair value.

These unaudited condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 30 September 2006. The accounting policies and methods of computation used in the preparation of these unaudited condensed consolidated financial statements are consistent with those used in the annual financial statements for the year ended 30 September 2006 with addition for the following amendments and interpretations which are relevant to the Group's operation and are adopted for the first time by the Group for the Period:

HKAS 19 (Amendment)	Actuarial Gains and Losses, Group Plans and Disclosures
HKAS 21 (Amendment)	Net Investment in a Foreign Operation
HKAS 39 (Amendment)	Cash Flow Hedge Accounting of Forecast Intragroup Transactions
HKAS 39 (Amendment)	The Fair Value Option
HKAS 39 & HKFRS 4 (Amendments)	Financial Guarantee Contracts
HKFRS – Int 4	Determining whether an Arrangement contains a Lease
HK(IFRIC) – Int 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies
HK(IFRIC) – Int 8	Scope of HKFRS 2
HK(IFRIC) – Int 9	Reassessment of Embedded Derivatives

These amendments and interpretations had no material effect on the Group's accounting policies.

The Group has not early adopted the following new standards, amendments and interpretations that have been issued but are not yet effective:

HKAS 1 (Amendment)	Capital Disclosures[1]
HKFRS 7	Financial Instruments: Disclosures[1]
HKFRS 8	Operating Segments[2]
HK(IFRIC) – Int 10	Interim Financial Reporting and Impairment[3]
HK(IFRIC) – Int 11	HKFRS 2 – Group and Treasury Share Transactions[4]
HK(IFRIC) – Int 12	Service Concession Arrangements[5]

[1] *Effective for financial period commencing on or after 1 January 2007*
[2] *Effective for financial period commencing on or after 1 January 2009*
[3] *Effective for financial period commencing on or after 1 November 2006*
[4] *Effective for financial period commencing on or after 1 March 2007*
[5] *Effective for financial period commencing on or after 1 January 2008*

The Group is in the process of making an assessment of the impact of these new standards, amendments and interpretations upon initial application. So far, it has concluded that the adoption of the HKAS 1 (Amendment) and HKFRS 7 may result in new or amended disclosures, these new standards, amendments and interpretations should have no significant impact on the Group's results of operations and financial position.

2. SEGMENT INFORMATION

Primary reporting format – business segments

During the period ended 31 March 2007, the Group was mainly engaged in (i) trading of telecommunication products; (ii) provision of repair services of telecommunication products; and (iii) listed securities investment and trading.

Segment information about these businesses for the six months ended 31 March 2007 and 2006 is as follows:

	Trading of tele-communication products *HK$'000*	**Provision of repair services of tele-communication products** *HK$'000*	**Listed securities investment and trading** *HK$'000*	**Total** *HK$'000*
	Unaudited for the six months ended 31 March 2007			
TURNOVER	**675,057**	**2,224**	**–**	**677,281**
SEGMENT RESULTS	**(22,297)**	**(1,054)**	**20,916**	**(2,435)**
Finance costs				**(972)**
Loss before taxation				**(3,407)**
Taxation				**165**
Loss attributable to equity holders of the Company				**(3,242)**

	Trading of tele-communication products *HK$'000*	Provision of repair services of tele-communication products *HK$'000*	Listed securities investment and trading *HK$'000*	Total *HK$'000*
	Unaudited for the six months ended 31 March 2006 (Restated)			
TURNOVER	377,910	4,162	–	382,072
SEGMENT RESULTS	(26,369)	(114)	545	(25,938)
Finance costs				(9)
Loss before taxation				(25,947)
Taxation				(154)
Loss attributable to equity holders of the Company				(26,101)

3. INVESTMENT INCOME, NET

	Unaudited For the six months ended 31 March	
	2007	2006
	HK$'000	*HK$'000*
Fair value changes on financial assets at fair value through profit or loss	**37**	–
Realised gain on available-for-sale financial assets	**20,916**	–
	20,953	–

4. LOSS FROM OPERATIONS

	Unaudited For the six months ended 31 March	
	2007	2006
	HK$'000	*HK$'000*
Loss from operations has been arrived at after charging/(crediting):		
Cost of trading inventories sold	**631,721**	344,621
Employee benefit expenses (including directors' emoluments)	**24,506**	19,531
Retirement benefit costs (including directors' retirement benefit costs)	**804**	866
Depreciation		
– owned assets	**981**	1,061
– leased assets	**18**	18
Amortisation of leasehold land	**–**	130
Amortisation of intangible assets	**417**	–
Auditors' remuneration	**327**	712
Net exchange loss/(gain)	**390**	(2,160)
Gain on disposal of financial assets at fair value through profit or loss	**–**	(863)
Loss on disposal of property, plant and equipment	**34**	–
Impairment loss recognised in property, plant and equipment	**–**	343
Provision for impairment loss on trade receivables	**–**	2,950
(Reversal of)/provision for impairment loss on inventories	**(3,903)**	11,694
Operating lease rental in respect of rental premises	**8,194**	4,896

5. FINANCE COSTS

	Unaudited For the six months ended 31 March	
	2007	2006
	HK$'000	*HK$'000*
Interest element of finance leases	**5**	8
Interest expenses on bank borrowings wholly repayable within five years	**967**	1
	972	9

6. TAXATION

	Unaudited For the six months ended 31 March	
	2007	2006
	HK$'000	*HK$'000*
Current tax:		
Hong Kong profits tax *(Note (i))*	**(165)**	154
Overseas taxation *(Note (ii))*	**–**	–
	(165)	154
Deferred tax:		
Current period	**–**	–
	(165)	154

Note:

i. No provision for Hong Kong profits tax has been made for the Company and its subsidiaries as they either have no assessable profits or have available tax loss brought forward from prior years to offset against the Period's estimated assessable profits.

ii. No overseas taxation has been provided for the Period.

7. DIVIDENDS

The Board does not recommend the payment of interim dividends for the six months ended 31 March 2007 (2006: Nil).

8. LOSS PER SHARE

The calculation of the basic loss per share is based on the loss attributable to equity holders of the Company of approximately HK$3,242,000 (2006: HK$26,101,000) and on 5,165,973,933 (2006: 5,165,973,933) shares in issue during the Period.

The diluted loss per share for the six months ended 31 March 2007 and 2006 are not presented as the exercise prices of the share options were higher than the average market price of the Company's shares for the respective periods.

9. INTANGIBLE ASSETS

	HK$'000
Carrying amount	
As at 1 October 2006 (audited)	–
Additions	25,000
Less: Amortisation	(417)
As at 31 March 2007 (unaudited)	24,583

Intangible assets represent acquisition cost of a customer list. The amounts are stated at cost less any accumulated amortisation and any impairment loss. Amortisation is provided on a straight-line basis over the estimated useful life.

10. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	As at 31 March 2007 *HK$'000* **(unaudited)**	As at 30 September 2006 *HK$'000* (audited)
Unlisted club debentures, at cost	**12,301**	12,301
Equity securities, listed in Hong Kong, at fair value	**25,850**	66,974
	38,151	79,275

11. TRADE RECEIVABLES

As at 31 March 2007, the aging analysis of the trade receivables is as follows:

	As at 31 March 2007 *HK$'000* **(unaudited)**	As at 30 September 2006 *HK$'000* (audited)
Current	**183,297**	287,478
One to three months overdue	**93,475**	14,727
More than three months but less than twelve months overdue	**307**	924
Over twelve months overdue	**1,129**	415
Less: Provision for impairment loss on trade receivables	**(121,113)**	(121,113)
	157,095	182,431

12. TRADE PAYABLES

As at 31 March 2007, the aging analysis of the trade payables is as follows:

	As at 31 March 2007 *HK$'000* **(unaudited)**	As at 30 September 2006 *HK$'000* (audited)
Trade payables due:		
Within 30 days	**73,313**	70,040

13. OPERATING LEASE COMMITMENTS

As at 31 March 2007, the Group had commitments for total future minimum lease payments under non-cancellable operating leases falling due as follows:

	As at 31 March 2007 *HK$'000* **(unaudited)**	As at 30 September 2006 *HK$'000* (audited)
Within one year	**14,206**	15,816
In the second to fifth years, inclusive	**4,222**	10,572
	18,428	26,388

14. CONTINGENT LIABILITIES

There had been no material change in contingent liabilities for the Group since 30 September 2006.

BUSINESS REVIEW AND OUTLOOK

Business Review

For the six months ended 31 March 2007 the Group recorded a turnover of approximately HK$677 million, representing an increase of 77% over the corresponding period last year. This increase was mainly attributable to the wider range of popular new models launched as well as the effectiveness of the promotion campaigns during the Period. Gross profit increased by HK$9 million to approximately HK$25 million (2006: HK$16 million) during the current period despite a slight decrease in margin to 3.65% from 4.14% during the same period in 2006 due to keen competition and increased expenditure on promotions. Net loss for the six months ended 31 March 2007 was reduced to approximately HK$3 million compared with the net loss of HK$26 million in the corresponding period of 2006 as a result of growth in sales and effective cash flow management.

Outlook for Hong Kong

With the improvement in the local economy, Hong Kong is maintaining its position on the cutting-edge of the latest mobile telecommunications technologies and applications. The market benefits considerably from the constantly increasing number of well-heeled visitors from the Mainland seeking the latest designs and functions in high-end electronic products and who are prepared to try out new technologies. These sophisticated consumers are encouraged by Hong Kong retailers' practices of offering the very latest products at very competitive pricing.

At the same time manufacturers and network operators continue to test new models in the market in order to deliver the value-added features and services that consumers demand. In this regard, the future of 3G systems now looks more promising, with more 3G-enabled handset brands crowding in to satisfy the burgeoning market. At the same time, with the market for 2G handsets not shrinking as much as anticipated, the Group will maintain its two-pronged strategy of placing a balanced emphasis on marketing 2G and 3G handsets, as well as leveraging its main supplier's image of sleek design and premium price.

Mobile handsets again enjoyed spectacular growth over the year. According to recent research reports, about 990 million handsets were sold globally in 2006, a 21 percent increase over the year before, and analysts predict global handset sales of about 1.2 billion units in 2007. The world's top mobile phone makers predicted that substantial sales growth will still be driven by Greater China. We anticipate many consumers from the Mainland will buy their handsets in Hong Kong or Macau in order to take advantage of keen prices and the latest products, thus providing a steady growth in sales volume for the Group.

Industry experts advise that network providers will prefer to use the 2.5GHz spectrum for the deployment of WiMax services in Hong Kong despite it being assigned as an extension spectrum for existing 3G services by the International Telecommunications Union. WiMax services can be deployed on 2.3 GHz, 2.5 GHz and 3.5 Ghz spectrums, as well as on 3G systems. Hong Kong operators and the regulatory body are expected to assign the 2.3 GHz and 2.5 GHz spectrums later in 2007. The Hong Kong government meanwhile has announced its determination to invest HK$200 million in developing wireless fidelity (wi-fi) spots to provide free Internet access. This may boost the replacement market as handsets with wi-fi access built-in will be in greater demand, providing further opportunities for the Group and its main supplier. The Group will explore further business opportunities associated with these technologies by ensuring that new, competitively priced models are introduced in pace with market needs and preferences.

Financial Review

As at 31 March 2007, the Group's net assets were maintained at approximately HK$316 million (30 September 2006: HK$316 million). The decrease in non-current assets was mainly attributable to the disposal of certain available-for-sale financial assets and was slightly offset by an addition in intangible assets with the purchase of a customer list.

The Group has taken measures to optimise its cash management activities by investing in listed securities, a business forming part of the Group's principal activities. The activities recorded recognised net gain of approximately HK$21 million in the current period. As at 31 March 2007, the value of the Group's portfolio of listed securities was approximately HK$29 million.

The Group's overall inventory level was maintained at approximately HK$36 million as at 31 March 2007 (30 September 2006: HK$39 million). A reversal of impairment loss of approximately HK$4 million was made in the income statement.

The Group has continued to maintain a sound financial and liquidity position with current ratio of 2.51 (30 September 2006: 2.09) and liquid ratio of 2.28 (30 September 2006: 1.90) as at 31 March 2007. The Group's cash reserves stood at approximately HK$166 million as at 31 March 2007 (30 September 2006: HK$152 million), of which approximately HK$107 million (30 September 2006: HK$37 million) was pledged for general banking facilities.

As at 31 March 2007, the Group had no outstanding bank borrowings although banking facilities secured by fixed deposits of approximately HK$107 million (30 September 2006: HK$104 million, in fixed deposits and listed securities) were in place to provide flexibility for the Group's cash management activities. As a result, the gearing ratio which is expressed as a percentage of bank and other borrowings over total equity, was reduced to approximately 0.02% (30 September 2006: 17%) during the current period. The Group will continue to adopt a conservative cash management policy.

The Group conducts its core business transactions mainly in Hong Kong and United States dollar currencies. The greater part of these cash and bank balances are in either Hong Kong or United States dollar currencies, hence the Hong Kong dollar peg presents a natural hedge against currency fluctuations under normal trading circumstances.

Prospects

The leadership enjoyed by the Group's main supplier in terms of technology, hardware and applications in mobile technology will continue to enhance the Group's business in Hong Kong and Macau, particularly as a window on the China market.

The Group believes that the combined efforts of itself and its supplier will contribute to maintaining Hong Kong's position as a key market in the Greater China region for advanced mobile telecommunications products, making it highly attractive to tourists from the Mainland.

Meanwhile, in view of prevailing fierce price competition, shortened product cycles and unceasing technology innovation, the Group will continue to strengthen all aspects of its services as well as its relationships with major local network operators in order to enhance its image and further promote its business. The move to purchase customer list during the period will provide the Group with additional opportunities to expand its direct distribution network systems, deepen market penetration, and reinforce the quality of its customer portfolio.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Period.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

Throughout the period of the six months ended 31 March 2007, the Company has complied with the code provisions ("Code Provisions") set out in the Code on Corporate Governance Practices contained in Appendix 14 to the Listing Rules, except for the following deviations:–

1. **Code Provision A.2.1**

   Code Provision A.2.1 provides that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

   The positions of Chairman of the Board and Chief Executive Officer ("CEO") of the Company are both currently carried on by the same person. The Board considers that this structure does not undermine the balance of power and authority between the Board and the management. The Board members have considerable experience and qualities which they bring to the Company and there is a balanced composition of Executive Directors and Non-executive Directors (including Independent Non-executive Directors). Given the composition of the Board, the Board believes that it is able to ensure that the balance of power between the Board and the management is not impaired. The Board believes that having the same person performing the roles of both Chairman and CEO does provide the Group with strong and consistent leadership and that, operating in this manner allows for more effective and efficient overall strategic planning of the Group.

2. **Code Provision A.4.2**

   Code Provision A.4.2 provides that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

According to Article 116 of the articles of association of the Company, all Directors (except the CEO) shall retire by rotation at the annual general meeting of the Company at least once every three years. In the opinion of the Board, stability and continuation are key factors to the successful implementation of business plans. The Board believes that it is beneficial to the Group that there is continuity in the role of the CEO and, therefore, the Board is of the view that the CEO should be exempt from this arrangement at the present time.

AUDIT COMMITTEE REVIEW

The Audit Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group, and discussed internal controls and financial reporting matters including a review of the unaudited consolidated interim results of the Group for the Period.

On behalf of the Board
SY Ethan, Timothy
Chairman

Hong Kong, 31 May 2007

As at the date of this announcement, the Board comprises 8 directors, of which 4 are executive directors, namely Mr. SY Ethan, Timothy, Mr. CHEUNG Wing Yin, Vigny Wiley, Mr. SUNG Yee Keung, Ricky and Mr. WAN Kwok Cheong, 1 is a non-executive director, namely Mr. KO Wai Lun, Warren and 3 are independent non-executive directors, namely Mr. Andrew David ROSS, Mr. Geoffrey William FAWCETT and Mr. Charles Robert LAWSON.

Please also refer to the published version of this announcement in The Standard.