

CHAIRMAN'S STATEMENT

Dear Shareholders,

I am delighted to say that it has been another year of growth for Global Tech on many different levels.

Looking at our financial performance, the Group's turnover for the year ended 30th September 2000 was approximately HK\$4,067 million, representing an increase of 49.1% from approximately HK\$2,728 million last year. Our profit attributable to shareholders for the year increased by 51.3%, to approximately HK\$395 million. The Board of Directors have declared a final dividend of HK\$0.22 per share which, when combined with the interim dividend of HK\$0.16 per share, reached a total dividend of HK\$0.38 per share for the year.

We made several key moves during the year to ensure the Group's continued growth and to allow us to maintain a vital competitive edge in a market where success is more and more determined by technological dominance.

During the year, we have ventured into retailing with 4 shops in Hong Kong which paves the way for future retail expansion in the People's Republic of China (the "PRC"). We consider the addition of a retailing arm to our distribution business important to the Group's expansion. The Group is no longer limiting itself to distributing mobile-phone equipment, and has moved into mobile-phone retailing which will enable us to capture the important retail profit margins. To establish our retailing presence in the PRC, we will be looking for investment opportunities in existing well-established retail chain networks in the PRC.

Global Tech has also recently entered a new and highly promising market. In October 2000, we established a representative office in Taiwan. With a population of 23 million, Taiwan is no doubt a lucrative market, fuelled by surging handset replacement demand in recent years. Another important characteristic of this market is that handset replacement buyers are found to be more willing to spend greater amount on trendy designs or the latest gadgets. To corner this lucrative market, we will initially be focusing on promoting Samsung mobile phones to target users at the middle to high end of the scale. We will, as always, be utilising our proven marketing expertise to ensure a swift penetration of Samsung products into Taiwan.

While undergoing expansion, we have at the same time kept up-to-date on technological advances. We have ventured into the arena of the wireless internet in anticipation of third generation ("3G") handsets that will revolutionise mobile communications in unprecedented ways. During the year, we have made a series of investments in relation to mobile technology, which will create synergies for us to capitalise on the development of 3G technology and mobile commerce ("m-commerce"). The introduction of Wireless Application Protocol ("WAP") phones has already given technology companies much valuable information on user behavior and preference, based on which they will be able to upgrade their services powered by General Packet Radio Service and 3G technology for future-generation phone users. We therefore are optimistic about the future of the 'Internet in your pocket', a vision towards which many major telecommunications players are working.

During the year, to underpin our future growth, we underwent a corporate expansion and reorganisation. The Group's corporate structure is in readiness for future expansion comprising distribution, retailing, and after-sales services for mobile-phones and related accessories. These structural changes have helped to build a strong foundation for us to become an all-round value-added mobile-phone distributor.

It is my privilege to say that Global Tech has been able to capitalise on the strong economic growth in the PRC by recording substantial gains in revenue and market share. In addition, we have embarked on many new endeavors that should mark the Group's development milestones. I would therefore like to take this opportunity to extend my gratitude for the various contributions of our hard-working directors and staff during the year. I look forward to another year of prosperity for our staff and shareholders.

By Order of the Board

SZE Tsang Fai, Johnny
Chairman

Hong Kong, 6th December 2000