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## Global Flex Holdings Limited 佳邦環球控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 471)**

### **PROFIT WARNING**

The Board wishes to inform shareholders of the Company and investors that its results for the year ended 31 December 2005 are expected to be materially adversely affected due to an unexpected delay in the launch of new products by key customers and a lower than expected volume for new products launched owing to market factors and shortage of key component supplies. These have an adverse impact on the turnover growth and the overall gross profit margin from the product mix of the Group. Accordingly, while it is expected that the Group's turnover for 2005 will be slightly higher than that for 2004 and a profit will be recorded for 2005, the gross profit margin, and in turn the net profit margin, of the Group has been materially adversely affected as a result. However, the Group has received confirmed orders for some of the abovementioned delayed orders which are expected to be delivered in early 2006. In addition, based on its communication with its key customers, the new products originally to be launched in late 2005 may be launched in the first half of 2006.

**Shareholders of the Company and investors should exercise caution when dealing in the shares of the Company.**

### **PROFIT WARNING**

The board of Directors (the "Board") of Global Flex Holdings Limited (the "Company", which together with its subsidiaries are collectively referred to as the "Group") wishes to inform shareholders of the Company and investors that its results for the year ended 31 December 2005 are expected to be materially adversely affected due to an unexpected delay in the launch of new products by key customers and a lower than expected volume for new products launched owing to market factors and shortage of key component supplies. These have an adverse impact on the turnover growth and the overall gross profit margin from the product mix of the Group. Accordingly, while it is expected that the Group's turnover for 2005 will be slightly higher than that for 2004 and a profit will be recorded for 2005, the gross profit margin, and in turn the net profit margin, of the Group has been materially adversely affected as a result. However, the Group has received confirmed orders for some of the abovementioned delayed orders which are expected to be delivered in early 2006. In addition, based on its communication with its key customers, the new products originally to be launched in late 2005 may be launch in the first half of 2006.

On a more positive note, the Group has managed to expand its customer base and made significant inroads into some key targeted accounts (including LG & Sony Ericsson and having obtained Samsung's official vendor status). Although there is no assurance that these new customers will bring significant contribution to the Group's future results, the Directors believe that the diversification of the Group's customer base is good for the business development of the Group.

As the Group's consolidated results for the year ended 31 December 2005 have not yet been finalized, the Board is not in a position to quantify the extent of the financial impact at this time. The Company expects to announce its audited consolidated results for the year ended 31 December 2005 in late April 2006.

**Shareholders of the Company and investors should exercise caution when dealing in the shares of the Company.**

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Lin Cheng Hung, Mr. Hsu Chung and Mr. Huang Lien Tsung, three non-executive Directors, namely Mr. Lee Cheng Few, Mr. Chou Tsan Hsiung and Mr. Nguyen Duc Van, and three independent non-executive Directors, namely Mr. Wang Wei-Lin, Mr. Lee Ka Leung, Daniel and Mr. Tung Tat Chiu, Michael.

By Order of the Board  
**Global Flex Holdings Limited**  
**Lee Cheng Few**  
*Chairman*

Hong Kong, 9 January 2006