

SIM Technology Group Limited

晨訊科技集團有限公司*

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號: 2000)



Financial Highlights

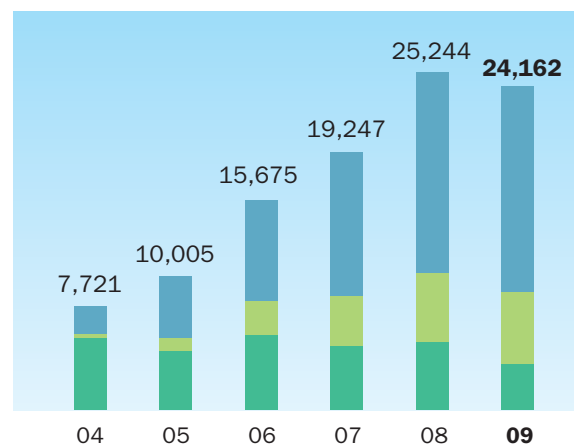
財務概要

Units shipped for 2009 decreased by 4.29% compared with 2008
 二零零九年度付運量較二零零八年度減少4.29%

- Mobile handsets
移動手機
- Wireless communication modules and modems
無線通訊模塊及數據機
- LCD modules
液晶顯示模塊

Units Shipped 付運量

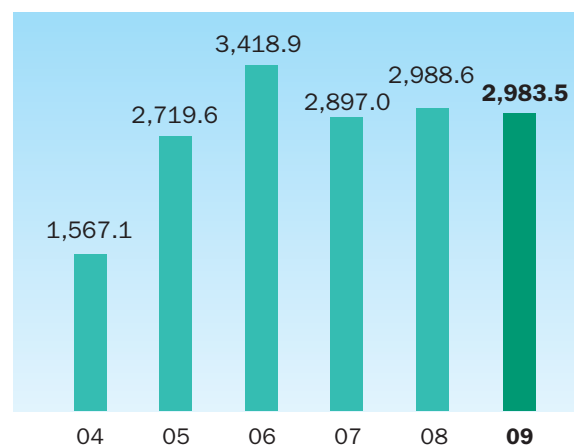
(Thousand 千件)



Revenue 收入

(HK\$M 百萬港元)

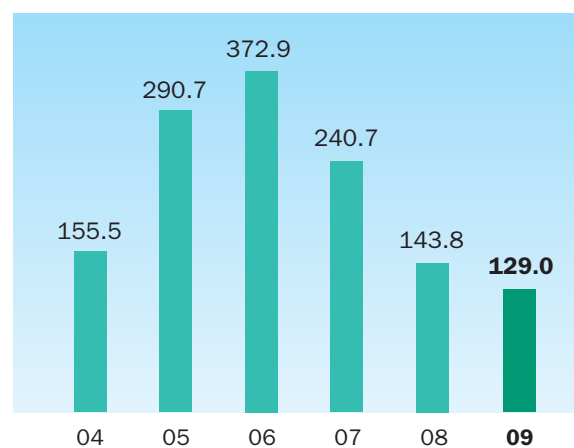
Revenue for 2009 decreased by 0.17% compared with 2008
 二零零九年度收入較二零零八年度減少0.17%



Net Profit 純利

(HK\$M 百萬港元)

Net profit for 2009 decreased by 10.32% compared with 2008
 二零零九年度純利較二零零八年度減少10.32%



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Highlights of the Year 本年度大事紀

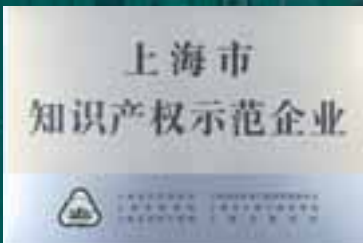


March

- Mr Xiao Hua, Director of the Department of Electronic Information of the Ministry of Industry and Information Technology of China, and Mr Chen Wei, the Director of Department of Software, visited SIM Technology

3月

- 工信部電子信息司司長肖華先生及軟件司司長陳偉先生視察指導晨訊科技



April

- Shanghai Simcom became an A-class enterprise certified by the General Administration of Customs of China

4月

- 上海希姆通過國家海關A類企業認證



- Shanghai Simcom was honored with "Model Enterprise in terms of IPR in Shanghai"

- 上海希姆通榮獲「上海市知識產權示範企業」

May

- The Standing Committee of Shanghai Municipality Director, Mr Liu Yungeng and Deputy Director, Mr Yang Dinghua visited SIM Technology

5月

- 上海市人大常委會主任劉雲耕先生及副主任楊定華先生視察指導晨訊科技



June

- The Group's WCDMA 3G mobile phones debuted, the Group's customer supplied it and became one of the first six models procured by China Unicom

6月

- 本集團WCDMA 3G手機上市，經集團客戶提供給聯通，成為第一批採購的六大品牌機型之一

- The Group's EVDO 3G smart phones debuted, the Group's customer supplied it and became China telecom's first EVDO handset with GPS integrated

- 本集團EVDO 3G手機上市，經集團客戶提供給中國電信，成為第一款EVDO + GPS手機

November

- Our WCDMA/GSM wireless module named SIM5215 earned award in “2009 Embedded Mobile Module Competition” organized by the GSMA, and our company was the only China-based company that was awarded this time

11月

- 本集團WCDMA/GSM無線數據模塊SIM5215，榮獲GSMA「2009嵌入式移動解決方案競賽」大獎，本集團亦是本次獲獎的唯一一家中國公司



December

- Shanghai Simcom was recognised as one of the “Important Software Enterprises under the National Planning Layout” for six consecutive years

12月

- 上海希姆通連續六年榮獲「國家規劃佈局內重點軟件企業」



- SIM Technology obtained Open Market Handset (“OMH”) certification from CDMA Development Group (“CDG”), an authoritative international CDMA organization, for its CDMA 1X handset which was the second one obtaining OMH certification worldwide

- 晨訊科技CDMA 1X手機產品通過CDMA國際權威組織CDG的「開放市場手機產品(OMH)認證」，是全球第二款通過OMH認證的手機產品



- The Group’s first SMT line was put into production at the Shenyang plant, thus increasing its production capability

- 本集團沈陽工廠首條SMT產線正式投入生產，增加了集團產能



Chairman's Statement

主席報告

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Dear Shareholders:

I hereby report that during the first half of the year, with the financial tsunami still wreaking havoc together with keener competitions in the industry, SIM Technology Group Limited (the "Company" or "SIM Technology") and its subsidiaries (the "Group") experienced a very difficult period. The Group firmly implemented the strategy of "Higher-end Market Oriented", targeting high-end products and high-end customers and being engaged in businesses with "entry barriers". After more than one year's efforts, the Group has nearly completed its strategic move. Major international customers have become the primary customers of the Group, and the business of high-end products has become its principal business. In the second half of 2009, the Group recorded increase in the output of products in its various market segments, including 3G products, smart phones and export business. Although the mobile handset industry is undergoing reshuffling, the industry still sees growth momentum in mainland China. The research and development ("R&D") and manufacturing of mobile handsets of the world are still being moved to mainland China. The Group will firmly stick to the mobile handset market, meticulously conducting customer services, product planning and cost control, and enhancing the competitive edges of the Group. Furthermore, the increasing popularity of the internet is driving

各位股東：

本人向各位匯報，晨訊科技集團有限公司（「本公司」或「晨訊科技」）及其附屬公司（「本集團」）在金融海嘯余波未了，行業競爭更為殘酷的上半年，經歷了極為困難的時刻。本集團堅定執行了「向高處走」的戰略，瞄準高端產品和高端客戶，做「有門檻」的生意。經過一年多的努力，本集團的戰略轉移已經基本完成，國際大客戶已經成為本集團的主要客戶，高端產品的業務也已經成為主要業務。二零零九年下半年我們各個市場的出貨量都有增長，其中包括3G產品、智能手機及出口業務。雖然手機行業正在洗牌，但是在中國大陸，行業還在升溫。全球的手機研發生產仍然繼續向中國大陸轉移。集團將堅守手機市場，認真做好客戶服務、產品規劃、成本控制等方面工作，不斷提高本集團的競爭力。此外，物聯網正在飛



the global demand of wireless modules. As the second largest wireless module provider in the world (ABI Research 2009), the Group will seek appropriate opportunities and keep abreast of times.

In the mid and long run, we have already possessed first-class R&D capabilities, and we will soon finish the upgrading of ODM delivery capacities. On the other hand, we have already completed the strategic move of "Higher-end Market Oriented", having had high-end customers and high-end products. With our steady operation style and sound financial positions, our management believe that the coming years will be another period of rapid development of the Company.

On behalf of the board of directors of the Company ("Board"), I would like to express my cordial appreciation to all members of the management and the employees for their efforts and dedication throughout the year. Finally, I would like to thank the financial institutions, shareholders and investors for their continuous support and confidence in us.

Yeung Man Ying

Chairman
Hong Kong

17 March 2010

速普及，帶動了全球無線模組的需求增長，作為全球第二大無線模塊供應商 (ABI Research 2009)，我們將抓住時機，與時俱進。

從中長期來看，我們已經擁有第一流的研發實力，我們很快也可以完成提升ODM交付能力的工作；另一方面，我們已經完成了「向高處走」的戰略轉移，有了高端客戶和高端的產品；加上穩健的經營風格，良好的財務狀況；管理層有理由相信：未來幾年將會是公司業務的又一次高速發展。

本人謹代表本公司董事會（「董事會」）衷心感謝所有管理層成員及員工過去一年所付出的努力和無私奉獻。最後，本人謹此對各財務機構、股東及投資者對本集團的不斷支持和信賴致謝。

楊文瑛

主席
香港

二零一零年三月十七日

Words from the President

總裁的話



RESULTS

I am delighted to present the annual report of the Group for the year ended 31 December 2009. The Group's revenue of 2009 was about the same as that of year 2008 and amounted at approximately HK\$2,984 million. The profit attributable to shareholders was approximately HK\$129 million, representing a decrease of 10.32% as compared to that of 2008. Basic earnings per share for the year was HK8.5 cents, representing a drop of 10.53% when compared to that of last year.

PROPOSED FINAL DIVIDEND

The Board has recommended the payment of a final dividend of HK2.2 cents per share to shareholders whose names appear on the register of members of the Company on 14 May 2010. The register of members will be closed from 12 May 2010 to 14 May 2010, both days inclusive, and the proposed final dividend will be paid on or about 8 June 2010. The payment of dividends shall be subject to the approval of the shareholders at the forthcoming annual general meeting to be held on 14 May 2010 ("Annual General Meeting").

業績

本人欣然提呈本集團截至二零零九年十二月三十一日止年度之年報，本集團於二零零九年的收入為約2,984,000,000港元，與二零零八年相若。股東應佔溢利約為129,000,000港元，與二零零八年相比減少10.32%。本年度每股基本盈利為8.5港仙，較去年減少10.53%。

建議末期股息

董事會已建議向於二零一零年五月十四日名列本公司股東名冊的股東支付每股2.2港仙之末期股息。股份過戶登記將於二零一零年五月十二日至二零一零年五月十四日(首尾兩日包括在內)暫停辦理。而建議末期股息將於二零一零年六月八日或前後支付。股息支付須經股東於即將於二零一零年五月十四日召開之應屆股東週年大會(「股東週年大會」)批准，方可作實。



BUSINESS REVIEW

The financial year 2009 has been a challenging year with opportunities for the Group, given the global economic downturn. Nevertheless, the financial crisis has led the global handset industry reshuffle that not only enables OEMs to accelerate outsourcing for cost effective solution providers but also creates huge business opportunities for capable Chinese handset design houses and thereby further stimulates the growth of the domestic handset industry to provide handset products for both the export and local markets. After experiencing a very difficult operating condition in the first half of 2009, the Group showed encouraging performance improvement in the second half of 2009. Both revenue and profit in the second half of 2009 increased by over 60% and 200% respectively over the first half of 2009 and thereby recovering the Group's overall performance in the financial year of 2009. This demonstrates the Group's successful execution of its business strategy of providing high performance products and high value added handset solution services to its high quality demand customers. Through the successful re-positioning of the Group's business strategies, besides gaining international recognition and reputation for reliability from customers corresponding to the handset solutions in a number of large projects, the Group has established clientele with several large international customers and thereby strengthening the competitive edges of its ODM business to capture this future growing market segments.

The Group's overall revenue for the year 2009 was approximately HK\$3 billion (2008: approximately HK\$3 billion) which was about the same as last year's level, while the Group's overall gross margin was 9.72%, representing a decline of 3.12% as compared to 2008, which was 12.84%. This was mainly due to the severe price pressure of the 2G products coupled with lower revenue base in the first half of 2009. Despite the strong sales recovery in the second half of 2009, the profit attributable to the owners of the Company was reported at HK\$129 million (2008: HK\$143.8 million), representing a decline of 10.32% over last year. Nevertheless, the Group continued achieving the unit shipment and revenue growth of our handset solution and wireless module segments especially in the overseas market.

The Group is also encouraged to see signs of recovery in the export business in the second half of 2009. The Group's overall overseas revenue in the year 2009 grew by 29% over last year, representing approximately 28% of Group revenue compared to 21% in 2008. Growth of the overseas revenue was primarily driven by higher sales of handset solution products especially the full mobile handsets.

業務回顧

由於全球經濟下滑，本集團於二零零九財政年度既面對挑戰，又面臨機遇。然而，金融危機導致全球手機業重整，不僅令OEM加快外包予高成本效益之解決方案供應商，同時為有能力的中國手機設計公司創造巨大商機，從而進一步刺激國內手機行業的增長，為出口及本地市場提供手機產品。經歷二零零九年上半年艱難的經營環境後，本集團於二零零九年下半年表現有顯著改善。二零零九年下半年的收入及溢利較二零零九年上半年分別增加逾60%及200%，從而令本集團二零零九財政年度的整體表現回復理想。這顯示本集團成功執行業務策略，提供優質產品及高增值手機解決方案予需要優質產品的客戶。透過成功重整本集團的業務策略，除因若干大型項目獲得手機解決方案客戶的國際認可及可靠之聲譽外，本集團已與若干大型國際客戶建立業務聯繫，強化ODM業務的競爭力，以抓住未來這一不斷增長的市場。

本集團於二零零九年之整體收入約為30億港元（二零零八年：約30億港元），與去年大致相同，而本集團整體毛利率為9.72%，較二零零八年之12.84%下降3.12%。這主要由於2G產品嚴重的價格壓力和二零零九年上半年收入基礎較少所致。雖然二零零九年下半年銷售恢復強勁，但本公司股東應佔溢利為129,000,000港元（二零零八年：143,800,000港元），較去年下降10.32%。然而，本集團繼續於手機解決方案及無線模塊分類，尤其在海外市場，均錄得付運量及收入增長。

由於二零零九年下半年出口業務呈現復甦跡象，本集團二零零九年的整體海外收入亦增長29%，佔本集團收入約28%，而二零零八年則為21%。海外收入的增長主要由手機解決方案產品（尤其是整機）的銷售額增加帶動。

In the financial year 2009, the Group, besides strong efforts in cash management and operating efficiency improvement, continued to maintain a strong and healthy financial position with net cash balances amounted to HK\$590.3 million (31 December 2008: HK\$623.4 million).

Handset solutions

The overall handset market showed positive signs of recovery during the second half of 2009. In year 2009, the Group achieved improved performance both in unit shipment and revenue of its mobile handset solution business over last year. Total handset solution unit shipment and revenue increased by about 2% and 6% respectively as compared to year 2008, indicating that the Group has been implementing its strategies effectively to serve the high-end mobile handset demand of the domestic and overseas markets as to optimise its product and business mix.

The Group's full handset solutions continued to grow substantially as both the unit shipment and revenue surged over 200% and 100% respectively over the financial year of 2008. The Group commenced over 20 new projects and completed a majority of them in 2009 for three global branded handset customers in Japan and Korea covering handset solutions developed under multiple 3G standards and smart phones which will be launched in 2010. This achievement was attributable to the devotion of the Group's strong R&D efforts and resources in the expansion of the ODM business. The management anticipates that the ODM business will continue to grow in contribution to the Group's overall performance in the near future. With regard to the overseas market expansion, the Group has made encouraging progress in further expanding its overseas sales into the emerging markets including India, Vietnam, Mexico, Russia and Eastern Europe.

Apart from the significant growth of the ODM business, the Group has also recorded high growth of smart phones solutions covering 2G and 3G based technologies. The unit shipment and revenue increased by over 300% and about 70% respectively over last year. Given the strong growth trend of smart phones in the handset market in coming years, the Group will further expand its smart phones product line, apart from the 2G platform to other 3G based technologies.

The Group's overall 3G revenue in 2009, contributed by both handset solutions and wireless modules, increased by over 78% as compared to 2008, representing approximately 15% of the Group revenue compared to 9% in 2008. Growth of the 3G revenue was driven by higher sales of 3G smart phones, 3G feature phones and TD-SCDMA wireless modules.

於二零零九財政年度，除強化現金管理及改善營運效率外，本集團繼續維持強勁及健康的財務狀況，淨現金結餘為590,300,000港元(二零零八年十二月三十一日：623,400,000港元)。

手機解決方案

二零零九年下半年，整體手機市場呈現復甦跡象。二零零九年，本集團手機解決方案業務的付運量及收入較去年均有改善。與二零零八年比較，總手機付運量及收入分別增加約2%及6%，顯示本集團有效實施策略，優化產品和業務組合，以滿足國內外市場的高端手機需求。

本集團整機解決方案繼續大幅增長，付運量及收入分別較二零零八財政年度大幅上升200%及100%。於二零零九年，本集團為日本及韓國的三個全球知名手機客戶展開超過20個新項目，當中涵蓋智能手機及按多個3G標準開發的手機解決方案，並已完成當中大部份及將於二零一零年推出。這一成就歸於本集團於研發及擴展ODM業務上大力投放資源。管理層預期，ODM業務在未來佔本集團整體業務的份額將繼續增長。就海外市場擴展而言，本集團在進一步擴展海外銷售至印度、越南、墨西哥、俄羅斯及東歐等新興市場方面取得理想進展。

除ODM業務大幅增長外，本集團涵蓋2G及3G技術的智能手機解決方案亦錄得高增長。付運量及收入分別較上年增加逾300%及約70%。由於未來數年手機市場之智能手機的增長趨勢強勁，本集團將進一步擴展其於2G平台以致其他3G科技的智能手機產品。

本集團於二零零九年的整體3G收入較二零零八年增加78%以上，佔本集團收入約15%，而二零零八年則為9%，其貢獻來自手機解決方案及無線模塊。3G收入的增長主要由3G智能手機、3G功能手機及TD-SCDMA無線模塊銷售額上升帶動。



LCD modules

In 2009, the revenues and gross profits derived from the LCD module segment dropped by 54.85% and 62.66% respectively as compared to last year. The main reason was about 1.3 million of LCD modules were reported as part of the Group's full handset solutions and were not included in the LCD modules segment to avoid double counting. The overall gross profit margin for the LCD segment also decreased from 11.1% in the previous year to 9.18% in year 2009 because of the competitive pricing pressure depressed margins especially on the touch-panel sub-module. To maintain the competitive cost structure of the LCD business, the Group focused on the production of main LCD panels and de-emphasised on the whole modules assembly.

Wireless modules and modems

Overall wireless module segment which includes wireless modules and modems continued to grow in unit shipment and revenue. Segment revenue increased by 17.04% in 2009 compared to 2008. The growth in wireless module outpaced the growth in modems, and we believe this trend will continue. The average selling price of wireless modules increased slightly due to increased in mix of 3G (TD-SCDMA) modules offset by lower average selling price of 2.5G modules. The average selling price for modems were in line with the significant decline in the market. The gross margin percentage for wireless modules was slightly lower due to increase in mix of lower margin module sales. The gross margin percentage for modems was negatively impacted by declining average selling price. Therefore, overall gross margin percentage declined from 24.19% in 2008 to 18.41% in 2009. The mix of wireless modules and modems sold affect the average selling price of the wireless module segment and have a substantial impact on revenue and gross margin percentage.

INTELLECTUAL PROPERTY AND LICENSING

As a technology company, we are actively building our intellectual property portfolio. As of end of 2009, we have 742 patents granted and/or in application covering various areas in communication technology, mechanical design, and manufacturing know-how. Internally, our engineers are strongly encouraged to think out of the box and we have structured program to reward innovation. We believe that these patents are testimony of our engineering innovation and essential to our business growth. We intend to continue to develop and defend our patent portfolio to the full extent as justified.

液晶顯示模塊

於二零零九年，液晶顯示模塊分類產生的收益及毛利較去年分別下降54.85%及62.66%，主要原因是約130萬件之液晶顯示模塊用於本集團整機解決方案，為免重覆計算，此部份未計入液晶顯示模塊分類。價格競爭壓力尤其令附屬模塊觸摸屏的毛利率下降，液晶顯示模塊分類的整體毛利率因而由去年的11.1%降至二零零九年的9.18%。為維持液晶顯示模塊業務的競爭成本架構，本集團專注生產主要的液晶顯示屏幕，減低注重整個模塊的組裝。

無線模塊及數據機

包括無線模塊及數據機在內的整體無線模塊分類的付運量及收入繼續增長。二零零九年的分類收入較二零零八年增長約17.04%。無線模塊的增長率高於數據機，而本集團相信此趨勢將持續。無線模塊平均售價輕微上升，乃由於3G (TD-SCDMA)模塊銷售份額增加，同時受較低平均售價的2.5G模塊所抵銷。數據機的平均售價與市場的大幅下跌一致。由於具較低毛利之模塊銷售的比重增加，無線模塊毛利率微跌。而數據機毛利率則受平均售價下跌的不利影響。因此，整體毛利率由二零零八年的24.19%下降至二零零九年的18.41%。無線模塊及數據機銷售比重影響無線模塊分類的平均售價，並對其收入及毛利率構成重大影響。

知識產權及許可證

作為科技公司，本集團積極建立本身的知識產權組合。於二零零九年末，本集團擁有742項已獲批/申請中的專利，涵蓋通訊科技、機械設計及製造技術多個領域。內部而言，本集團鼓勵工程師創新，並已制訂計劃獎勵創新。本集團相信，該等專利見證本集團在工程方面的創新，對本集團業務增長至關重要。本集團擬在可行範圍內盡力發展並維護專利組合。

Our products are designed to meet certain communication industry standards. As such we would be required to license certain technology from the respective technology owners which we would pay royalties. As of 2009, we have already concluded licensing with several key technology partners. We intend to continue such licensing negotiation as appropriate. However, decisions to develop in-house versus licensing are part of our on-going business practice.

MARKET OUTLOOK / PROSPECTS

In reference to recent economic data, the global economy appears to have gradually recovered from the financial crisis especially for Mainland China and Asia Pacific economy. The management expects that the domestic telecom operators' aggressive network roll-out efforts to develop their subscriber bases will inevitably drive the growth of the domestic handset market substantially for 2010 and beyond. The Group's R&D development capability and its full range of handset and wireless module solutions for multiple 3G standards will place the Group in a strong position to continue the recent growth momentum of its 3G business revenue and becoming one of the major drivers for the Group's overall performance growth in the future.

In addition, with the Group's continuous effort and investment in R&D, the Group has been awarded the "2009 CDMA Terminal Most Innovative Handset Design Award" organized by China Telecom Corporation in February 2010. This achievement sets the stage for closer cooperation between the Group and China Telecom during 2010.

To capture the rapid growth of the ODM market, the Group will further invest resources to strengthen its front-end and back-end handset solutions delivery platforms so as to enhance its ODM handset service capability. In fulfilling its high standard demand customers, the Group will focus on the enhancement of its material procurement efficiency and strengthening its relationship with major suppliers so as to secure a stable supply of key components and thus strengthening its full handset product fulfillment lead time. Apart from this, the Group will also focus on enhancing the customer service process, product planning and operating processes, and thereby strengthening the competitive edges of the Group.

本集團產品設計旨在滿足若干通訊行業標準。因此，本集團須從若干科技擁有人獲得相關科技的許可證，並須支付專利權費。於二零零九年，本集團已與若干主要科技合作夥伴簽署許可證協議，本集團擬繼續適時進行許可證磋商。然而，相對許可證，本集團決定於內部發展專利技術而較少倚賴獲取許可證，作為我們持續業務的一部分。

市場展望／前景

最近的經濟數據顯示，全球經濟似乎已逐步從金融危機復甦，特別是中國內地和亞太區經濟。管理層預期，國內電訊營運商積極推廣網絡，發展用戶基礎，必將帶動二零一零年及以後國內手機市場的大幅增長。本集團的研發能力及多個3G標準的全方位手機及無線模塊解決方案，將令本集團處於優勢地位，繼續3G業務收入近期的增長趨勢，成為本集團未來整體業務增長的主要動力之一。

此外，本集團繼續重視及投資研發，並於二零一零年二月獲授中國電信股份有限公司主辦的「2009年度CDMA終端最佳設計創新獎」。該成就開啟二零一零年本集團與中國電信緊密合作的序幕。

為抓住ODM市場的高速增長，本集團將進一步投放資源，強化前端及後端手機解決方案交付平台，以提升其ODM手機服務能力。為滿足高標準客戶的需求，本集團將專注提升物料採購能力，並強化與主要供應商的關係，確保主要零部件的穩定供應，從而強化整機產品訂貨交付時間。此外，本集團亦將專注改善客戶服務流程、產品規劃及營運程序，從而強化本集團的競爭力。



Words from the President
總裁的話

The smart phones has been a driving force to the handset industry in the past several years. Management anticipates that smart phones will continue to grow substantially riding on the development of the affordable smart phones which will become the key entry point to internet access and multimedia application especially in the emerging market. The Group will leverage its R&D development strength and continue expanding its resources to explore more open-source smart phones operating system such as "Android" to cater for this new growth driver.

To drive further growth for the Group's overseas business, we will continue to devote efforts to expand to overseas market that provides opportunity for highly profitable growth, and emerging market will remain as the key driver for the growth of overseas revenue.

With the successful re-positioning of the Group's business strategy of providing high value added handset solution services to its global customers along with all the positive indicators from the global economy, the management is optimistic that the Group is able to sustain a continuous growth of the Group's business in 2010 and beyond. This coupled with the Group's first-class R&D capabilities and healthy financial position will enable it to achieve robust performance in the coming years.

Wong Hei, Simon
President
Hong Kong

17 March 2010

過去數年，智能手機已成為手機行業的增長動力。管理層預計，經濟型智能手機發展成為上網及多媒體應用的主要入門機種，特別是在新興市場，故將繼續大幅增長。本集團將善用其研發實力，並繼續投放更多資源，探求更多開放源代碼的智能手機運營系統，如「Android」，以滿足此增長需求。

為進一步帶動本集團海外業務的增長，本集團將繼續努力擴展提供高盈利增長機會的海外市場，而新興市場仍為海外收益增長的主要推動力。

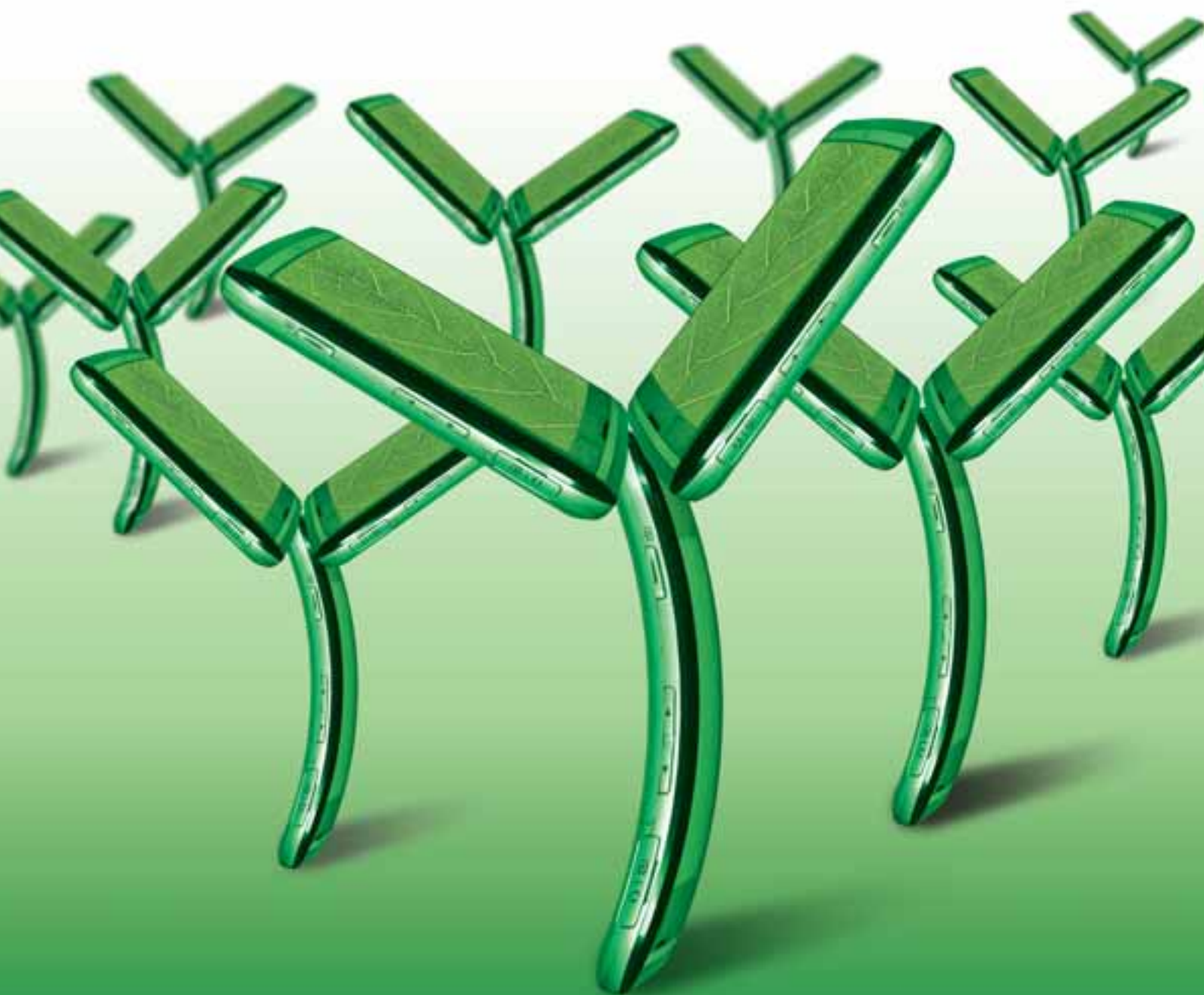
隨著本集團成功重新定位，提供高附加值手機解決方案服務予全球客戶為業務策略，加上全球經濟展現的種種有利指標，管理層樂觀地認為，本集團業務於二零一零年及之後將持續增長。配合本集團一流的研發能力及強健的財務狀況，將令本集團在今後數年取得強勁表現。

王曦
總裁
香港

二零一零年三月十七日

Clear Target
Beautiful Future

清晰前景 **美滿未來**



Management's Discussion and Analysis

管理層討論及分析



FINANCIAL REVIEW

For the year ended 31 December 2009, the Group's revenue was about the same as that of year 2008 and amounted at HK\$2,983.5 million (2008: HK\$2,988.6 million). The unit shipment and revenue of both mobile handsets and wireless communication modules and modems of the Group in year 2009 recorded growth while the sales of LCD modules dropped.

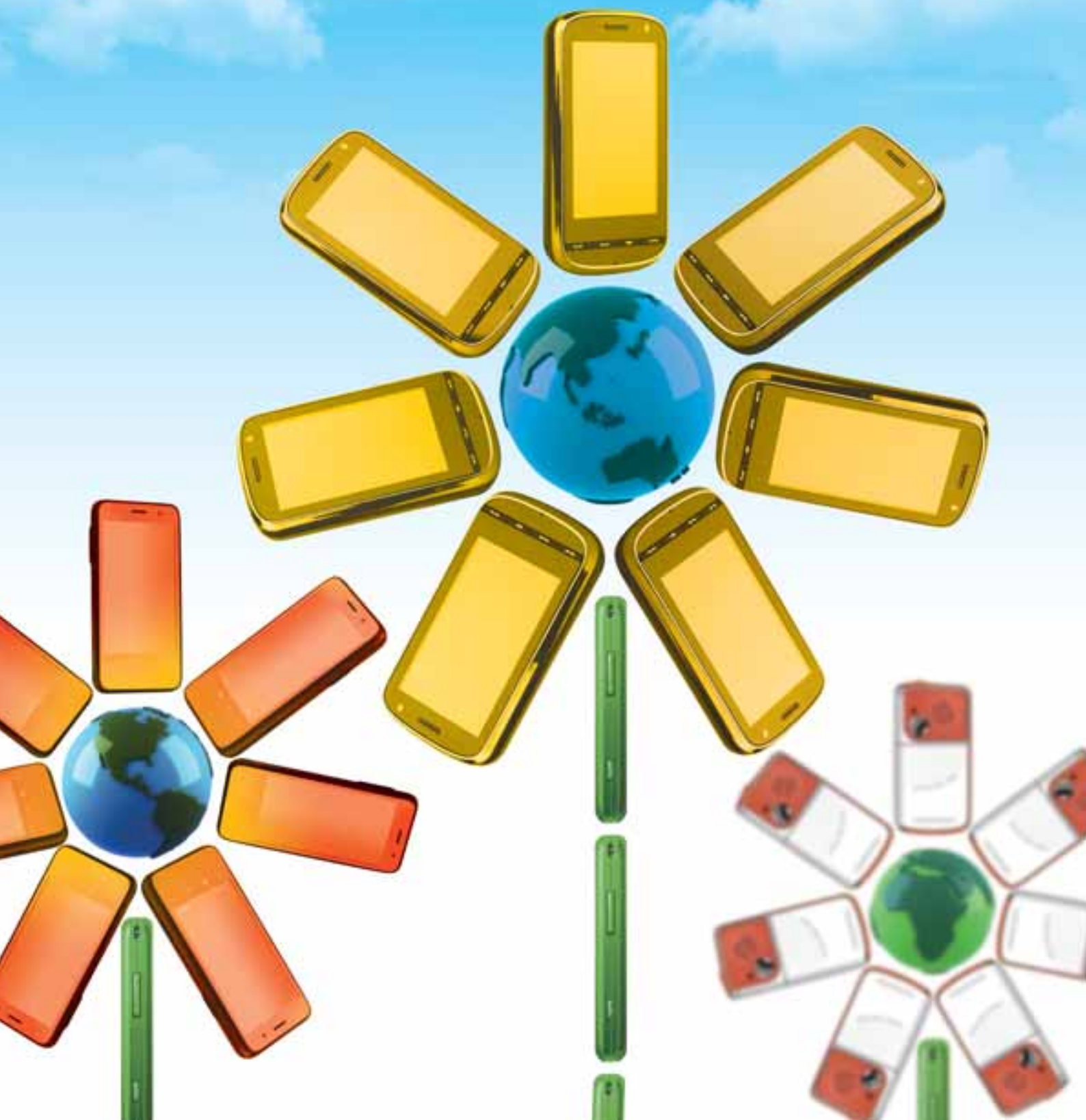
財務回顧

截至二零零九年十二月三十一日止年度，本集團收入與二零零八年持平，為2,983,500,000港元（二零零八年：2,988,600,000港元）。於二零零九年，手機及無線通訊模塊及數據機的付運量和收入均錄得增長，而液晶顯示模塊的銷售額則下跌。



Strong Foundation
Incredible Result

實力雄厚 **百花齊放**





In year 2009, the gross profit of the Group decreased by 24.49% year-on-year to HK\$289.9 million (2008: HK\$383.9 million) for the year 2009 and the gross profit margin of the Group decreased to 9.72% (2008: 12.84%). The decreases were attributable to the severe price pressure against the 2G products coupled with the lower revenue base in the first half of 2009.

The profit attributable to the owners of the Company dropped by 10.32% to HK\$129 million (2008: HK\$143.8 million) in 2009 as compared with that of 2008. The basic earnings per share for the year 2009 decreased by 10.53% year-on-year to HK8.5 cents (2008: HK9.5 cents).

於二零零九年，本集團毛利按年下跌24.49%至289,900,000港元(二零零八年：383,900,000港元)，而本集團毛利率則減少至9.72%(二零零八年：12.84%)。下跌主要由於2G產品價格嚴重受壓及二零零九年上半年收入基礎較少所致。

於二零零九年，本公司股東應佔溢利較二零零八年減少10.32%至129,000,000港元(二零零八年：143,800,000港元)。二零零九年每股基本盈利按年減少10.53%至8.5港仙(二零零八年：9.5港仙)。



Great Result
Huge Expansion

成績卓越 **奔向世界**



Research and development expenses

In 2009, the Group developed high performance products including 3G phones, smart phones, wireless modules and modems. The number of design and development team members was 845 (2008: 754) in 2009. The R&D expenses, which amounted to HK\$79.9 million (2008: HK\$95.2 million), represented about 2.68% (2008: 3.19%) of the Group's revenue.

研究及開發費用

於二零零九年，本集團發展高性能產品，包括3G電話、智能手機、無線模塊及數據機。二零零九年設計及開發團隊成員的數目為845人(二零零八年：754人)。研發費用為79,900,000港元(二零零八年：95,200,000港元)，相當於本集團收入約2.68%(二零零八年：3.19%)。

Selling and distribution costs

The selling and distribution costs of the Group for year 2009 decreased by 12.73% to HK\$70.3 million (2008: HK\$80.5 million). The ratio of the selling and distribution costs over revenue in 2009 was 2.35% (2008: 2.69%).

Administrative expenses

With tightened and effective controls over operating expenses, the Group's administrative expenses for 2009 decreased by 9.2% to HK\$90.3 million (2008: HK\$99.4 million), representing 3.03% (2008: 3.33%) of the revenue.

Segment results**銷售及分銷成本**

本集團於二零零九年的銷售及分銷成本減少12.73%至70,300,000港元(二零零八年: 80,500,000港元)。於二零零九年,銷售及分銷成本佔收入的比率為2.35%(二零零八年: 2.69%)。

行政開支

本集團嚴格控制營運開支並取得成效,二零零九年的行政開支減少9.2%至90,300,000港元(二零零八年: 99,400,000港元),佔收入3.03%(二零零八年: 3.33%)。

分類業績

| | | Year ended 31 December 2009 截至二零零九年十二月三十一日止年度 | | | | Year ended 31 December 2008 截至二零零八年十二月三十一日止年度 | | | |
|---|------------|--|--------------|--------------|---------------|--|---------|--------------|--------|
| | | Revenue | | Gross profit | | Revenue | | Gross profit | |
| | | Units shipped | Gross profit | margin | Units shipped | Gross profit | margin | margin | margin |
| | | '000 | HK\$'M | % | '000 | HK\$'M | % | % | % |
| | | 千件 | 百萬港元 | | 千件 | 百萬港元 | | | |
| Mobile handset solutions | 移動手機解決方案 | 15,362 | 1,835.0 | 97.3 | 5.30% | 15,012 | 1,728.8 | 138.3 | 8.00% |
| LCD modules | 液晶顯示模塊 | 3,466 | 204.6 | 18.8 | 9.18% | 5,008 | 453.3 | 50.3 | 11.10% |
| Wireless communication modules and modems | 無線通訊模塊及數據機 | 5,334 | 943.9 | 173.8 | 18.41% | 5,224 | 806.5 | 195.0 | 24.19% |
| | | 24,162 | 2,983.5 | 289.9 | 9.72% | 25,244 | 2,988.6 | 383.6 | 12.84% |



Mobile handset solutions

In 2009, both the revenue and unit shipment for mobile handset solutions increased year-on-year by 6.14% to HK\$1,835 million (2008: HK\$1,728.8 million) and 2.33% respectively. The Group's implementation of its strategies to serve the mid to high-end mobile handsets effectively optimised the demand of its products and business mix both in the domestic and overseas markets. The gross profit margin for this segment dropped to 5.3% (2008: 8.01%) because of the substantial price pressure on 2G handset solutions while the 3G business remained insignificant to the Group. The Group has launched 152 (2008: 200) handset models and 52 (2008: 37) handset platforms in 2009.

LCD modules

In 2009, there was about 1.3 million of LCD modules were reported as part of the Group's full handset solutions and were not included in the LCD modules segment to avoid double counting. As a result, the revenue and gross profit for LCD modules dropped by 54.85% and 62.66% respectively as compared with those of 2008, and the gross profit margin for this segment for 2009 was decreased to 9.18% (2008: 11.1%).

移動手機解決方案

二零零九年，移動手機解決方案的收入按年增加6.14%至1,835,000,000港元(二零零八年：1,728,800,000港元)，付運量按年增加2.33%。本集團實施服務中高端手機客戶的策略，有效優化國內外市場的產品需求及業務組合。由於2G手機解決方案的價格嚴重受壓，而3G業務對本集團仍屬輕微，故本分類的毛利率降至5.3%(二零零八年：8.01%)。本集團於二零零九年已推出152種(二零零八年：200種)手機型號及52個(二零零八年：37個)手機平台。

液晶顯示模塊

於二零零九年，約130萬件液晶顯示模塊用於本集團整機解決方案中，為免重覆計算，此部份未計入液晶顯示模塊分類，因此，液晶顯示模塊的收入及毛利較二零零八年分別下跌54.85%及62.66%，而二零零九年本分類的毛利率則減少至9.18%(二零零八年：11.1%)。



Wireless communication modules and modems

The revenue and sales quantity for wireless communication modules and modems increased by 17.04% and 2.11% respectively as compared with those of 2008 and the growth was mainly driven by the substantial increase in the sales of wireless modules. The gross profit margin for modems was decreased under the significant sales decline in the market, and as a result, the overall gross profit margin of this segment dropped to 18.41% (2008: 24.19%).

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

At 31 December 2009, the Group had bank balances (including pledged bank deposits) of HK\$861.4 million (2008: HK\$623.4 million), among which 87% was held in Renminbi, 12.09% was held in United States dollars ("US dollars") and the remaining balance was held in Hong Kong dollars. The Group intends to finance its working capital and capital expenditure plans from such bank balances.

At 31 December 2009, the Group had bank borrowings at HK\$271.1 million (2008: Nil). The turnover period of the Group's inventory, trade receivables together with notes and bills receivable and trade and notes payables were 47 days, 29 days and 59 days respectively (2008: 50 days, 29 days and 65 days respectively) in 2009. The turnover periods are consistent with the respective policies of the Group on credit terms granted to customers and credit terms obtained from suppliers.

無線通訊模塊及數據機

無線通訊模塊及數據機的收入及銷售量分別較二零零八年增加17.04%及2.11%，有關增長主要由無線模塊的銷售額大幅增加所推動。數據機市場平均售價大跌，導致其毛利率下降，因此，本分類的整體毛利率降至18.41%（二零零八年：24.19%）。

流動資金、財務資源及資本結構

於二零零九年十二月三十一日，本集團的銀行結餘（包括已抵押銀行存款）為861,400,000港元（二零零八年：623,400,000港元），其中87%以人民幣持有，12.09%以美元持有，其餘則以港元持有。本集團擬將該銀行結餘為本集團營運資金以及資本開支計劃提供融資。

於二零零九年十二月三十一日，本集團之銀行借貸為271,100,000港元（二零零八年：無）。於二零零九年，本集團之存貨、應收貿易賬款及應收票據及賬單和應付貿易賬款及票據的週轉期分別為47天、29天及59天（二零零八年：分別為50天、29天及65天）。週轉期與本集團就授予客戶之信貸條款及從供應商獲得之信貸條款所訂相關政策貫徹一致。

After reviewing the current financial position based on the Group's finance policy, the management of the Group considered that it was not necessary to use any financial instrument for hedging purpose or adopt any particular hedging policy in 2009.

As at 31 December 2009, the Company had an issued share capital comprising 1,528,705,500 ordinary shares of HK\$0.10 each.

於二零零九年，根據本集團之融資政策檢討現有財政狀況後，本集團管理層認為毋需使用任何金融工具作對沖用途或採納任何特定對沖政策。

於二零零九年十二月三十一日，本公司已發行股本包括1,528,705,500股每股面值0.10港元之普通股。

CASH FLOW DATA

現金流量數據

| | | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|---|-------------------------------|----------------------------------|----------------------------------|
| Net cash inflow from operating activities | 經營活動現金流入淨額 | 264,034 | 337,262 |
| Net cash outflow from investing activities (excluding pledged bank deposits) | 投資活動現金流出淨額 (不包括已抵押銀行存款) | (277,919) | (261,662) |
| Net cash inflow (outflow) from financing activities | 融資活動現金流入(流出)淨額 | 250,846 | (82,987) |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 現金及現金等值項目 增加(減少)淨額 | 236,961 | (7,387) |





The Group's net increase in cash and cash equivalents for the year 2009 was primarily attributable to the cash inflows from operating activities, which have been offset by the capital expenditures and the payment of year 2008 final and year 2009 interim dividends. The capital expenditures included the deposits paid for acquisition of land use rights in Shenyang of PRC and the acquisitions of interests of subsidiaries which are developing in high-end smartphones.

GEARING RATIO

As at 31 December 2009, the total assets value of the Group was HK\$2,647.4 million (2008: HK\$1,932.3 million) and the bank borrowings amounted at HK\$271.1 million (2008: Nil). The gearing ratio of the Group, calculated as total bank borrowings over total assets, was 10.24% (2008: 0%).

EMPLOYEES

As at 31 December 2009, the Group had approximately 2,560 (2008: 2,194) employees. The Group operates a Mandatory Provident Fund retirement benefits scheme for all its employees in Hong Kong, and provides its PRC employees with welfare schemes as required by the applicable laws and regulations of the PRC. The Group also offers discretionary bonuses to its employees by reference to individual performance and the performance of the Group. Total staff costs incurred by the Group amounted to HK\$219.1 million (2008: HK\$254.1 million) during the year 2009.

於二零零九年，本集團之現金及等值項目增加淨額主要來自經營活動之現金流入，惟受資本開支和支付二零零八年末期及二零零九年中期股息所抵銷。資本開支包括就取得中國沈陽土地使用權支付之按金及收購附屬公司之權益，該公司為發展高端智能手機。

負債比率

於二零零九年十二月三十一日，本集團之資產總值為2,647,400,000港元（二零零八年：1,932,300,000港元），銀行借貸為271,100,000港元（二零零八年：無）。本集團的負債比率（按銀行借貸總額除以資產總值計算）為10.24%（二零零八年：0%）。

僱員

於二零零九年十二月三十一日，本集團共有2,560名（二零零八年：2,194名）僱員。本集團為其所有香港僱員設立一項強制性公積金退休福利計劃，並根據中國適用之法律及規例之規定向中國僱員提供福利計劃。本集團亦根據僱員個別表現及本集團之表現向僱員提供酌情花紅。本集團二零零九年的員工成本總額為219,100,000港元（二零零八年：254,100,000港元）。

The Board believes that the Group's employees are among the most valuable assets of the Group and have contributed to the success of the Group. The Group also provides in-house training for its employees.

The emolument policies of the Group are set out on page 39 of this report.

The Company has adopted share option schemes. A summary of the principal terms and conditions of the share option schemes are set out in note 34 to the financial statements.

FOREIGN EXCHANGE EXPOSURE

Most of the sales of the Group are denominated in Renminbi and most of the purchases of inventories are denominated in US dollars. With the introduction of a more elastic exchange rate regime for Renminbi, the Renminbi exchange rate movements might become more volatile, creating an uncertainty effect on the Group's business. Furthermore, certain trade receivables, trade payables and bank balances are denominated in US dollars, therefore exposing the Group to US dollars currency risk. The Group does not have a foreign currency hedging policy but will continue to monitor any further changes in Renminbi's exchange rate and would proactively take measures to minimise any adverse impact that fluctuations of exchange rates might have on the Group.

CONTINGENT LIABILITIES

As at 31 December 2009, the Group did not have any material contingent liabilities.

董事會相信，本集團員工為本集團最具價值資產之一，並為本集團之成功作出貢獻，本集團亦根據員工本身之職責提供內部培訓。

本集團之薪酬政策載於本報告第39頁。

本公司已採納購股權計劃。購股權計劃之條款及條件概要載於財務報表附註34。

外匯風險

本集團大部分銷售額均以人民幣計算幣值，而購買存貨大部分以美元計算幣值。由於實施更具彈性的人民幣匯率制度，人民幣匯率變動波幅可能更大，因而對本集團的業務構成不明朗影響。另本集團若干應收及應付貿易款項及銀行結餘乃以美元計值，因此承受美元貨幣風險。本集團現時尚無外幣對沖政策，然而，本集團將繼續監察人民幣匯率的任何進一步變動，並積極採取措施將匯率變動可能為本集團帶來的任何不利影響減至最低。

或然負債

於二零零九年十二月三十一日，本集團並無任何重大或然負債。



Share of Result Care of Society

分享成果 **關心社會**



Development Concept of SIM Technology

晨訊科技的發展理念



LONG TERM DEVELOPMENT CONCEPT

We will continue to strive to create long-term values for our customers, shareholders and employees.

TARGETED AT MARKET LEADERS

Our target: to make the Company the leader in global wireless communication end product solutions and services. All employees of the Group are fully confident in, and are striving for achieving the target.

CUSTOMER ORIENTED WITH CONTINUED INNOVATION

We are customer oriented. We attend to, in a timely manner, and continue to satisfy customer needs, through continuous innovation in technology and management.

BUSINESS FIDELITY AND SUSTAINABLE OPERATION

Fidelity is the Company's operating principle and standard, thereby we have won confidence from investors, customers, suppliers, as well as employees.

MAKING THE WORLD BETTER BECAUSE OF US

With "Making the world better because of us" as our corporate vision, the Group aims to provide the world with a light of betterment through our continuous efforts.

長期發展的理念

我們通過全體員工孜孜不倦地長期奮鬥，為我們的客戶、股東及員工創造長期的價值。

世界級企業的目標

我們的目標是：致力於成為全球無線通訊領域終端產品解決方案與服務的世界級企業。集團全體員工始終抱著這個堅定的信念和充足的信心，為實現這一目標而努力。

關注客戶，不斷創新

我們強調客戶導向的理念。我們時刻關注客戶的需求，通過不斷的技術創新和管理創新，持續滿足客戶的需求。

誠信立業、永續經營

我們以誠信立業，以誠信為企業經營準則，並藉此贏得投資者、客戶、供應商和員工的信任。

讓世界因我們更美好

集團以「讓世界因我們更美好」為企業願景，希望能夠通過我們的不斷努力，為世界增添一份美好。





Care for our Future

關注我們的未來



Support from the community is vital to corporate development, thus giving back is undeniably our corporate responsibility. We are aware of our limited ability, but as long as we do our best in every detail and take up our responsibility, the world will be better because of us. — Mr Wong Cho Tung

Sunrise People should not only be satisfied with material wealth but should also enrich ourselves spiritually. I wish that more Sunrise people can share our charitable culture and carry it out so as to create a better and more harmonious future together. — Ms Yeung Man Ying

SUNRISE PEOPLE CHARITY FUND

An organization established and funded by the employees of the Group for charity purpose.

FOCUSED ON ENVIRONMENTAL PROTECTION

The Group initiated campaigns such as the “Green in Action” and started from every detail to contribute to environmental protection.

企業發展離不開社會的支持，所以回報社會是企業義不容辭的責任。我們深知自己能力有限，但只要我們努力去做，用心去做，從小事做起，從身邊的事情做起，盡自己的一份責任，那麼這個世界畢竟會因我們多一份美好。—— 王祖同先生

晨興人除了物質上的財富，還應該有更多精神上的財富。我希望有更多的晨興人認同慈善文化，並付諸實踐，大家攜手創造更加美好、和諧的明天。—— 楊文瑛女士

晨興人慈善基金

由本集團僱員建立並資助的慈善組織。

注重環境保護

集團發起「綠色在行動」等活動，從點滴做起，為環境保護貢獻自己的力量。

Directors and Senior Management Profile

董事及高級管理人員

DIRECTORS

Ms Yeung Man Ying (“Mrs Wong”), aged 65, is the chairman and executive director of the Company (“Director”) and a director of Sunrise Electronic Industry Limited (“SEIL”). Mrs Wong is responsible for developing strategic direction and development of the Group. Mrs Wong together with her spouse, Mr Wong Cho Tung (“Mr Wong”), an executive Director, was the founder of the Company. Over the years, Mrs Wong and Mr Wong had established a number of companies which engaged in the electronics and telecommunications business including Shanghai Sunrise Simcom Ltd. (“Shanghai Sunrise Simcom”), one of the Group’s main operating subsidiary which was established in November 1993. Mrs Wong has over 20 years of operational and management experience in the electronics and telecommunications industry. Mrs Wong lectured at the Electrical Department of the South China University of Technology in 1977. Mrs Wong has been a guest professor at Tongji University since 2003. Mrs Wong graduated in 1968 from the Beijing University of Aeronautics and Astronautics, specialising in electrical engineering. Besides being the spouse of Mr Wong, Mrs Wong is the mother of Mr Wong Hei, Simon, the president and an executive Director of the Company and Mr Wong Sun, a previous non-executive Director (resigned on 31 March 2009).

Mr Wong Hei, Simon, aged 37, is the president and an executive Director of the Company, is responsible for overall management and supervision of the Group’s business, ranging from production development, marketing operation, supply chain management to devising macro business strategies. He is a son of Mr Wong and Mrs Wong, each an executive Director and the younger brother of Mr Wong Sun, a previous non-executive Director (resigned on 31 March 2009). Mr Wong Hei, Simon has over 10 years of experience in the electronics and telecommunications industry and extensive experience in investment and business management. Mr Wong Hei, Simon worked at the headquarters of National Semiconductor in the Silicon Valley in 1995. He joined the Group in February 2000. He obtained a bachelor’s degree in science from Boston University in 1995, specializing in electrical engineering.

董事

楊文瑛女士（「王太太」），65歲，本公司主席兼執行董事（「董事」）及晨興電子工業有限公司（「晨興電子工業」）之董事。王太太負責為本集團發展策略性方向和本集團之發展。王太太及其配偶王祖同先生（「王先生」），執行董事，為本公司之創立者。多年來，王太太及王先生成立多家公司，從事電子及通訊業務，包括上海晨興希姆通電子科技有限公司（「上海晨興希姆通」），該公司於一九九三年十一月成立，為本集團主要營運附屬公司之一。王太太於電子及電信業擁有逾20年營運及管理經驗。王太太於一九七七年曾任教華南理工大學電子工程學系。自二零零三年起，彼為同濟大學之客座教授。王太太於一九六八年畢業於北京航空航天大學，主修電子工程專業。除為王先生之配偶外，王太太亦為本公司總裁兼執行董事王曦及前非執行董事王晨（於二零零九年三月三十一日辭任）之母親。



王曦先生，37歲，本公司之總裁兼執行董事，負責本集團整體生意管理及監管，包括產品開發、營銷運作、供應鏈管理以及制定宏觀生意策略。彼為執行董事王先生及王太太之子及前非執行董事王晨先生（於二零零九年三月三十一日辭任）之胞弟。王曦先生於電子及電信業擁有逾10年經驗及於投資及業務管理上擁有豐富經驗。王曦先生於一九九五年曾任職於矽谷National Semiconductor之總部。彼於二零零零年二月加入本集團。彼於一九九五年取得波士頓大學之理學士學位，專修電機工程。





Mr Wong Cho Tung (“Mr Wong”), aged 65, is an executive Director and the president of the business operation headquarter of the Group (the place of the Group’s business operation is located in Shanghai, China). Mr Wong is primarily responsible for the Group’s business operation, ranging from product development, marketing operation, supply chain management to devising business strategies. Mr Wong is the chairperson of Shanghai SIM Technology Limited, a director of Shanghai Sunrise Simcom and SIM Technology HK Limited. Mr Wong is also the director of Info Dynasty Group Limited, a controlling shareholder of the Company. Mr Wong together with his spouse, Mrs Wong, an executive Director, was the founder of the Company. Mr Wong graduated in 1968 from the Beijing University of Aeronautics and Astronautics, specializing in electrical engineering. Mr Wong has decades of experience in the electrical, electronics and telecommunications industry.

王祖同先生（「王先生」），65歲，執行董事及本集團運營總部（集團日常生意運作之地點及位於中國上海）之總裁。王先生主要負責本集團業務運作，整體生意管理及監督，包括產品開發、營銷運作、供應鏈管理以及制定生意策略。王先生為晨訊科技（上海）有限公司主席、上海晨興希姆通及晨訊科技香港有限公司之董事。王先生亦為本公司控股股東 Info Dynasty Group Limited 之董事。王先生及其配偶王太太，執行董事，為本公司之創立者。王先生於一九六八年畢業於北京航空航天大學，主修電機工程專業。王先生於電機、電子及電訊業擁有豐富經驗。



Mr Zhang Jianping (“Mr Zhang”), aged 44, is an executive Director and the chief executive officer of the business operation headquarter of the Group. He is also a director of Shanghai Sunrise Simcom, Shanghai Simcom Limited (“Shanghai Simcom”) and Shanghai SIM Technology Limited. He assists the president of the Company in the overall management of the Group. Mr Zhang joined Shanghai Sunrise Simcom in 1996 and was responsible for the establishment of Shanghai Simcom in 2002. Mr Zhang has over 18 years of technology and management experience in the electronics and telecommunication industry. Prior to joining the Group, Mr Zhang was engaged in research with No. 14 Research Institute of the Ministry of Electronics Industry in China. Mr Zhang has also been awarded a third class award for national technological improvements by the State in 1990 and the first and second class awards for technological improvements by the Ministry of Electronics in 1989 and 1992 respectively. In 2004, he was named as 上海市優秀專業技術人才 (“Shanghai Outstanding Technology Calibre”) by the Shanghai Municipal Government. Mr Zhang obtained a bachelor’s degree in engineering from Shanghai Jiao Tong University in 1986 and a master’s degree in business administration from China Europe International Business School in 2002.

張劍平先生（「張先生」），44歲，執行董事及本集團業務運營總部之首席執行官。彼亦為上海晨興希姆通、希姆通信息技術（上海）有限公司（「上海希姆通」）及晨訊科技（上海）有限公司之董事。彼協助本公司總裁全面管理本集團。張先生於一九九六年加入上海晨興希姆通，並負責於二零零二年成立上海希姆通。張先生於電子及電訊業擁有逾18年技術及管理經驗。於加盟本集團前，張先生於中國電子工業部第十四研究所從事研究工作。張先生亦於一九九零年獲國家頒發之國家科技進步三等獎及分別於一九八九年及一九九二年獲電子工業部頒發科技進步一等獎及二等獎。於二零零四年，彼獲上海市政府稱譽為「上海市優秀專業技術人才」。張先生於一九八六年獲上海交通大學工程學學士學位，並於二零零二年在中歐國際工商管理學院獲工商管理碩士學位。

Directors and Senior Management Profile
董事及高級管理人員

Ms Tang Rongrong (“Ms Tang”), aged 56, is an executive Director, vice president of the business operation headquarter of the Group and a director of Shanghai Sunrise Simcom and Shanghai SIM Technology Limited. Ms Tang has nearly 20 years of experience in human resources management, administration and corporate operation. Prior to joining the Group in 1995, Ms Tang was a physician of 江西省贛州市第一人民醫院 (Jiangxi Ganzhou First People’s Hospital) and the head of technology and deputy chief physician of 南昌市計劃生育指導所 (Nanchang Birth Planning Institute). Since then, Ms Tang has served as the manager and deputy general manager of the personnel and administration department of Shanghai Sunrise Simcom. Ms Tang graduated from 贛南醫學專科學校 (Gannan Medical College) in 1978.

唐融融女士 (「唐女士」)，56歲，執行董事、本集團人事行政部之副總裁及上海晨興希姆通及晨訊科技(上海)有限公司之董事。唐女士於人力資源管理、行政管理及企業經營方面擁有近20年經驗。於一九九五年加盟本集團之前，唐女士為江西省贛州市第一人民醫院之醫師，並為南昌市計劃生育指導所醫療技術負責人及副總醫師。此後，唐女士於上海晨興希姆通擔任人事管理部經理及副總經理。唐女士於一九七八年於贛南醫學專科學校畢業。



Mr Chan Tat Wing, Richard (“Mr Chan”), aged 53, is an executive Director and the chief finance officer of the Group. Mr Chan qualified as a certified general accountant (CGA) in Canada in 1988. He is a member of the Certified General Accountants Association of Canada. Mr Chan has more than 15 years of financial management experience and has worked as, amongst other positions, the chief finance officer of E-Mice Solutions (HK) Limited and Chinatron Group Holdings Limited, the financial controller of SmarTone Telecommunications Holdings Limited and the finance director of EMI (Hong Kong) Ltd and had also held a financial management position in Merrell Dow Pharmaceuticals (Canada) Inc. Mr Chan obtained a bachelor’s degree in arts from York University, Canada in 1979 and a bachelor’s degree in administrative studies with honours from the same university in 1982. Mr Chan joined SIM Technology (HK) in July 2004.

陳達榮先生 (「陳先生」)，53歲，執行董事及本集團之財務總監。陳先生於一九八八年成為加拿大註冊會計師。彼為加拿大註冊會計師公會會員。陳先生擁有逾15年財務管理經驗，曾擔任(其中包括)香港億軟信息技術有限公司及中國傳訊控股有限公司之財務總監、數碼通電訊集團有限公司之財務總監及百代唱片有限公司之財務總監，亦於Merrell Dow Pharmaceuticals (Canada) Inc. 擔任財務管理職位。陳先生一九七九年取得加拿大York University文學士學位，並於一九八二年於同一所大學獲頒行政學榮譽學士學位。陳先生於二零零四年七月加入晨訊科技(香港)。





Mr Liu Hing Hung (“Mr Liu”), aged 47, is an independent non-executive Director and chairman of the Audit Committee of the Company. Mr Liu is a fellow member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants and the Taxation Institute of Hong Kong and also a member of the Society of Chinese Accountants and Auditors. Mr Liu now runs a professional accountancy firm in Hong Kong and has over ten years of experience in accounting, taxation, auditing and corporate finance. Mr Liu is currently an independent non-executive director of Emperor International Holdings Limited, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). In the last three years, Mr Liu had been a director of Shimao International Holdings Limited which was a company previously listed on the Main Board of the Stock Exchange. The listing of shares of Shimao International Holdings Limited was withdrawn on 27 July 2007. Mr Liu was appointed as an independent non-executive Director in September 2008.

廖慶雄先生（「廖先生」），現年47歲，為本公司之獨立非執行董事及審核委員會主席。廖先生為香港會計師公會、特許公認會計師公會及香港稅務學會之資深會員，亦為香港華人會計師公會會員。廖先生現主理香港一間專業會計師行，彼在會計、稅務、核數及企業融資方面擁有逾十年經驗。廖先生現時為英皇集團（國際）有限公司之獨立非執行董事，該公司於香港聯合交易所有限公司（「聯交所」）主板上市。於過去三年，廖先生曾為世茂國際控股有限公司之董事，該公司曾於聯交所主板上市，並於二零零七年七月二十七日撤銷上市。廖先生於二零零八年九月獲委任為獨立非執行董事。



Mr Zhuang Xingfang (“Mr Zhuang”), aged 61, is an independent non-executive Director. Mr Zhuang is a graduate in management engineering of Hangzhou University of Electronics Technology Industry and obtained a master’s degree in engineering in 1996. He has acted as deputy head of Plant 877 of the Ministry of Electronics Industry and the Economic Adjustment and State-owned Assets Supervisory Department of the Ministry of Electronics Industry. He is now the deputy director of the Alliance for the Promotion of Informatisation in China. He is a senior accountant and registered accountant (non-practising member). Mr Zhuang was appointed as an independent non-executive Director in January 2005.

庄行方先生（「庄先生」），61歲，本公司之獨立非執行董事。庄先生為杭州電子科技大學管理工程系畢業生，並於一九九六年取得工程碩士學位。他曾擔任電子工業部第877廠副廠長、電子工業部經濟調節司副司長、中國電子信息產業發展研究院副院長。彼現時為中國信息化推進聯盟副理事長。彼為高級會計師及註冊會計師（非執業會員）。庄先生於二零零五年一月獲委任為獨立非執行董事。

Directors and Senior Management Profile
董事及高級管理人員

Mr Xie Linzhen (“Mr Xie”), aged 69, graduated in 1963 from the Peking University of Physics and is a Professor of Peking University of Electronics. Mr Xie has acted as the deputy director of the Telecommunication System and Equipment Department in the Ministry of Electronics Industry, the PRC, the deputy director of the IT Product Department in the Ministry of Information Industry, PRC (“MII”) and the standing member of Communication Science and Technology Committee of MII. Mr Xie is currently the vice president of China Mobile Communication Association, the chairman of China Domestic Handset Summit and the standing member of Communication Science and Technology Committee of the Ministry of Industry & Information Technology, PRC. Mr Xie is an independent board member of Pypco China Holdings Limited, the securities of which are listed on the Over the Counter Bulletin Board of the United States of America. Mr Xie was appointed as an independent non-executive Director in January 2009.

SENIOR MANAGEMENT

Ms Wong Tik (“Ms Wong”) CPA, aged 38, is the company secretary and finance manager of SIM Technology (HK). Ms Wong joined SIM Technology (HK) on 1 April 2005 and is responsible for the financial reporting of the Group. Ms Wong was appointed as the Company Secretary of the Company on 29 February 2008. Ms Wong is an associate member of the Hong Kong Institute of Certified Public Accountants and has over 10 years of experience in the field of accounting. Ms Wong obtained the Honours Diploma in Accounting from Hong Kong Shue Yan College in 1995.

謝麟振先生（「謝先生」），69歲，於一九六三年畢業於北京大學物理系，為北京大學無線電系教授。謝先生曾任中國電子工業部(MEI)通信與系統裝備司副司長、中國信息產業部(MII)信息產品司副司長及中國信息產業部通信科技委常務委員。謝先生現為中國移動通信聯合會副會長、中國國產手機首腦論壇主席及中國工業與信息化部通信科技委常務委員。謝先生為Pypco China Holdings Limited（其證券於美利堅共和國場外交易議價板上市）之獨立董事會成員。謝先生於二零零九年一月獲委任為獨立非執行董事。



高級管理人員

黃荻女士（「黃女士」）(CPA)，38歲，本公司之公司秘書及晨訊科技(香港)之財務經理。黃女士於二零零五年四月一日加入晨訊科技(香港)，負責本集團之財務報告事宜。黃女士於二零零八年二月二十九日獲委任為本公司之公司秘書。黃女士為香港會計師公會會員及於會計界擁有逾10年經驗。黃女士於一九九五年，取得香港樹仁學院會計學榮譽文憑。



Report of the Directors

董事會報告

The Directors have pleasure in presenting the Group's annual report and the audited consolidated financial statements for the year ended 31 December 2009.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The activities of its subsidiaries are set out in note 36 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2009 are set out in the consolidated income statement on page 55.

An interim dividend of HK0.8 cent per share amounting to HK\$12,173,000 was paid to the shareholders during the year. The Directors now recommend the payment of a final dividend of HK2.2 cents per share to the shareholders whose names appear on the register of members of the Company on 14 May 2010, amounting to HK\$33,632,000, and the retention of the remaining profit for the year of HK\$83,170,000.

The payment of final dividend is subject to the approval of the shareholders at the Annual General Meeting.

FINANCIAL SUMMARY

A summary of the results of the Group for the past five financial years ended 31 December 2009 and assets and liabilities of the Group as at 31 December 2005, 2006, 2007, 2008 and 2009 are set out on page 143 of the annual report.

INVESTMENT PROPERTIES, PROPERTY, PLANT AND EQUIPMENT AND LAND USE RIGHTS

Details of the movements during the year in the investment properties, property, plant and equipment and land use rights of the Group are set out in notes 16, 17 and 18 to the consolidated financial statements respectively.

董事欣然提呈截至二零零九年十二月三十一日止年度本集團之年報及經審核綜合財務報表。

主要業務

本公司乃一家投資控股公司。各附屬公司之業務載於綜合財務報表附註36。

業績及分派

本集團截至二零零九年十二月三十一日止年度之業績載於第55頁之綜合收益表。

本年度向股東派發的中期股息為每股0.8港仙，合共12,173,000港元。董事現建議向於二零一零年五月十四日名列本公司股東名冊的股東支付每股2.2港仙之末期股息，合共33,632,000港元，並保留本年度剩餘溢利為83,170,000港元。

末期股息之支付須待股東於股東週年大會上批准，方可作實。

財務概要

本集團於截至二零零九年十二月三十一日止過往五個財政年度之業績概要及本集團於二零零五、二零零六年、二零零七年、二零零八年及二零零九年十二月三十一日之資產與負債載於年報第143頁。

投資物業、物業、廠房及設備及土地使用權

本年度本集團投資物業、物業、廠房及設備及土地使用權之變動詳情分別載於綜合財務報表附註16、17及18。



SHARE CAPITAL

Details of movements during the year in the share capital of the Company are set out in note 28 to the consolidated financial statements.

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

DISTRIBUTABLE RESERVES

The Company's reserves available for distribution to shareholders as at 31 December 2009 were approximately HK\$339,739,000, being the contributed surplus of approximately HK\$193,846,000 and accumulated profits of approximately HK\$145,893,000.

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

股本

本年度本公司股本之變動詳情載於綜合財務報表附註28。

於本年度內，本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

可供分派儲備

本公司於二零零九年十二月三十一日可供分派予股東之儲備約為339,739,000港元，即繳入盈餘約193,846,000港元加累計溢利約145,893,000港元。

根據百慕達一九八一年公司法(經修訂)，本公司之繳入盈餘賬可用作分派用途。然而，倘發生下列情況，本公司不可宣派或派付股息，或於繳入盈餘作出分派：

- (a) 於作出派付後，其未能或可能未能於債項到期時作出償還；或
- (b) 其資產之可變現淨值將因此少於其負債及其已發行股本及股份溢價賬之總值。

DIRECTORS AND SERVICE CONTRACTS

The Directors of the Company up to date of this report are:

Executive Directors:

Ms Yeung Man Ying
Mr Wong Cho Tung
Mr Wong Hei, Simon
Mr Zhang Jianping
Ms Tang Rongrong
Mr Chan Tat Wing, Richard

Non-executive Director:

Mr Tsang Hen Loon, Raymond
(Resigned on 31 March 2009)
Mr Wong Sun
(Resigned on 31 March 2009)

Independent non-executive Directors:

Mr Zhuang Xingfang
Mr Liu Hing Hung
Mr Xie Linzhen
(Appointed on 25 January 2009)
Mr Wang Chengwei
(Resigned on 25 January 2009)

In accordance with the provisions of the Company's bye-laws "Bye-laws", Mr Wong Cho Tung, Mr Wong Hei, Simon and Mr Zhuang Xingfang will retire at the Annual General Meeting and, being eligible, offer themselves for re-election.

None of the Directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

Biographical details of the Directors are set out in the "Directors and Senior Management Profile" section of this annual report.

董事及服務合約

截至本報告刊發當日之董事如下：

執行董事：

楊文瑛女士
王祖同先生
王曦先生
張劍平先生
唐融融女士
陳達榮先生

非執行董事：

曾憲龍先生
(於二零零九年三月三十一日辭任)
王晨先生
(於二零零九年三月三十一日辭任)

獨立非執行董事：

庄行方先生
廖慶雄先生
謝麟振先生
(於二零零九年一月二十五日委任)
汪誠蔚先生
(於二零零九年一月二十五日辭任)

根據本公司之章程細則(「章程細則」)之條文，王祖同先生、王曦先生及庄行方先生將於股東週年大會上退任，惟彼等合資格膺選連任。

概無董事與本公司或其任何附屬公司訂立任何不可於一年內由本集團終止而毋須賠償(法定賠償除外)之服務合約。

本公司董事之履歷詳情載於本年報之「董事及高級管理人員」一節內。



DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITION IN SHARES

At 31 December 2009, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Future Ordinance (CAP 571, Laws of Hong Kong) ("SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

(a) Long position in the shares of the Company and the shares of associated corporations of the Company

董事及主要行政人員於股份之權益及淡倉

於二零零九年十二月三十一日，本公司董事及主要行政人員於本公司或其任何相關法團（定義見證券及期貨條例第XV部（香港法例第571章）（「證券及期貨條例」））之股份、相關股份及債券中擁有根據證券及期貨條例第352條記錄於本公司須存置之登記冊中，或根據載於聯交所證券上市規則（「上市規則」）附錄10中上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益及淡倉如下：

(a) 持有本公司股份及相關法團股份之好倉

| Name of director 董事姓名 | Name of corporation 公司名稱 | Nature of interest 權益性質 | Total number of ordinary shares 普通股總數 | Approximate percentage of interest in the corporation 佔公司權益 概約百分比 (note 3) (附註3) |
|----------------------------|--|---|---|---|
| Mr Wong Cho Tung 王祖同先生 | Company 本公司 | Corporate interest (note 1) 公司權益(附註1) | 910,000,000 | 59.53% |
| | Info Dynasty Group Limited ("Info Dynasty") | Personal interest 個人權益 | 1,000 | 49.95% |
| Ms Yeung Man Ying 楊文瑛女士 | Company 本公司 | Corporate interest (note 2) 公司權益(附註2) | 841,175,000 | 55.03% |
| | Company 本公司 | Personal interest 個人權益 | 320,000 | 0.02% |
| | Subtotal 小計 | | 841,495,000 | 55.05% |
| | Info Dynasty | Personal interest 個人權益 | 1,000 | 49.95% |



| Name of director 董事姓名 | Name of corporation 公司名稱 | Nature of interest 權益性質 | Total number of ordinary shares 普通股總數 | Approximate percentage of interest in the corporation 佔公司權益 概約百分比 |
|----------------------------|-----------------------------|----------------------------|---|--|
| | | | | (note 3) (附註3) |
| Mr Wong Hei, Simon 王曦先生 | Info Dynasty | Personal interest 個人權益 | 1 | 0.05% |
| Mr Zhang Jianping 張劍平先生 | Company 本公司 | Personal interest 個人權益 | 1,500,000 | 0.10% |
| Ms Tang Rongrong 唐融融女士 | Company 本公司 | Personal interest 個人權益 | 186,000 | 0.01% |

Notes:

附註：

- Mr Wong Cho Tung ("Mr Wong") controls more than one-third of the voting power of Info Dynasty. Mr Wong is therefore deemed to be interested in all the 841,175,000 shares held by Info Dynasty in the Company by virtue of Part XV of the SFO. Both Intellipower Investments Limited ("Intellipower") and Simcom Limited ("Simcom (BVI)") are wholly-owned by Mr Wong and he is therefore deemed to be interested in all the 48,825,000 shares and 20,000,000 shares held by Intellipower and Simcom (BVI) respectively in the Company by virtue of Part XV of the SFO.
- Ms Yeung Man Ying ("Mrs Wong"), the spouse of Mr Wong, controls more than one-third of the voting power of Info Dynasty. Mrs Wong is therefore deemed to be interested in all the 841,175,000 shares held by Info Dynasty by virtue of Part XV of the SFO.
- Calculation of percentage of interest in the Company is based on the issued share capital of 1,528,705,500 shares of the Company as at 31 December 2009.

- 王祖同先生(「王先生」)控制Info Dynasty三分之一以上之投票權，根據證券及期貨條例第XV部，故王先生被視為擁有Info Dynasty所持全部本公司841,175,000股股份之權益。由於Intellipower Investments Limited(「Intellipower」)及Simcom Limited(「Simcom (BVI)」)均由王先生全資擁有，根據證券及期貨條例第XV部，故彼被視為擁有Intellipower及Simcom (BVI)所持全部本公司分別48,825,000股及20,000,000股股份之權益。
- 楊文瑛女士(「王太太」)，王先生之配偶，控制Info Dynasty三分之一以上之投票權，根據證券及期貨條例第XV部，故王太太被視為擁有Info Dynasty所持全部本公司841,175,000股股份之權益。
- 根據本公司於二零零九年十二月三十一日之已發行股本1,528,705,500股股份計算佔公司權益百分比。



(b) Share options

(b) 購股權

| Name of director 董事姓名 | Name of corporation 公司名稱 | Nature of interest 權益性質 | Number of share options 購股權數目 | Total number of underlying ordinary shares 相關股份總數 | Approximate percentage of interest in the corporation 佔公司權益概約百分比 (note 1) (附註 1) |
|------------------------------------|-----------------------------|----------------------------|----------------------------------|--|---|
| Mr Zhang Jianping 張劍平先生 | Company 本公司 | Personal interest 個人權益 | 12,864,000 | 12,864,000 | 0.84% |
| Ms Tang Rongrong 唐融融女士 | Company 本公司 | Personal interest 個人權益 | 4,764,000 | 4,764,000 | 0.31% |
| Mr Chan Tat Wing, Richard 陳達榮先生 | Company 本公司 | Personal interest 個人權益 | 5,100,000 | 5,100,000 | 0.33% |

Notes:

附註：

1. Calculation of percentage of interest in the Company is based on the issued share capital of 1,528,705,500 shares of the Company as at 31 December 2009.

1. 根據本公司於二零零九年十二月三十一日之已發行股本 1,528,705,500 股股份計算佔公司權益百分比。

At 31 December 2009, save as disclosed above, none of the Directors, chief executives of the Company or their associates had any interests or short positions, whether beneficial or non-beneficial, in the shares, underlying shares or debentures of the Company or any of its associated corporations as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

於二零零九年十二月三十一日，除上文所披露者外，並無董事、本公司之主要行政人員或彼等之聯繫人士於本公司或其任何相聯法團之股份、相關股份或債券中，擁有任何根據證券及期貨條例第 352 條記錄於本公司須存置之登記冊中，或根據標準守則須知會本公司及聯交所之直接或間接的權益或淡倉。

SHARE OPTIONS

Particulars of the Company's share option schemes and details of movements in the share options are set out in note 34 to the consolidated financial statements.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than the option holdings disclosed in note 34 to the consolidated financial statements, at no time during the year was the Company, its holding company, or any of its subsidiaries and fellow subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contract of significance, to which the Company, its holding company, or any of its subsidiaries and fellow subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company and the Group was entered into or existed during the year.

購股權

本公司購股權計劃之詳情及購股權之變動詳情載於綜合財務報表附註34。

購買股份或債券之安排

除綜合財務報表附註34所披露之購股權權益外，本公司、或其任何附屬公司、其控股公司或其任何附屬公司及同系附屬公司概無於本年度任何時間訂立任何安排，致使董事可藉購買本公司或任何其他法人團體之股份或債券而獲益。

董事於重要合約之權益

本公司、其控股公司、或其任何附屬公司及同系附屬公司概無訂立於本年度年結日或本年度任何時間有效而董事於其中直接或間接擁有重大權益之重要合約。

管理層合約

於本年度，概無任何有關本公司及本集團之業務全部或主要部分與管理層或行政人員訂立合約或該等合約存在。



SUBSTANTIAL SHAREHOLDERS

At 31 December 2009, the interests or short position of other persons (other than a Director or chief executive of the Company) in the shares, underlying shares and debentures of the Company or any of its associated corporation as recorded in the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO were as follows:

主要股東

於二零零九年十二月三十一日，在根據證券及期貨條例第336條本公司須存置之主要股東名冊所記錄，其他人士（董事或本公司主要行政人員除外）於本公司股份、相關股份及債券中之權益如下：

| Name of shareholder 股東姓名 | Nature of interest 權益性質 | Number of shares in the Company 於本公司之 股份數目 | Approximate percentage of interest in the Company 佔本公司權益之 概約百分比 (Note 1) (附註1) |
|--------------------------------|----------------------------|--|---|
| Info Dynasty (Note 2) (附註2) | Personal interest 個人權益 | 841,175,000 | 55.03% |

Notes:

- Calculation of percentage of interest in the Company is based on the issued share capital of 1,528,705,500 shares of the Company as at 31 December 2009.
- The relationship between Info Dynasty and Mr Wong and the relationship between Info Dynasty and Mrs Wong is disclosed under the paragraph headed "Directors' and Chief Executives' Interests and Short Position in Shares" above.

附註：

- 根據本公司於二零零九年十二月三十一日之已發行股本1,528,705,500股股份計算佔本公司權益百分比。
- Info Dynasty 與王先生之關係及 Info Dynasty 與王太太之關係於上文「董事及主要行政人員於股份之權益及淡倉」中披露。

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive Directors to be independent.

委任獨立非執行董事

本公司已收到每位獨立非執行董事根據上市規則第3.13條規定就其獨立性發出之年度確認書。本公司認為所有獨立非執行董事均為獨立人士。

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the human resources department and seeks to provide remuneration packages on the basis of their merit, qualifications and competence of the employees.

薪酬政策

本集團之僱員薪酬政策由人力資源部釐定並根據僱員之功績、資格及能力而提供薪酬待遇。

The emoluments of the Directors and senior management of the Company will be reviewed by the Remuneration Committee, having regard to factors including the Group's operating results, responsibilities of the Directors and senior management and comparable market statistics.

The Company has adopted a share option scheme as an incentive to Directors and eligible employees, details of the scheme is set out in note 34 to the consolidated financial statements.

RETIREMENT BENEFITS SCHEMES

Particulars of the retirement benefits schemes of the Group are set out in note 33 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Bye-laws or the laws of Bermuda which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

SUFFICIENCY OF PUBLIC FLOAT

At the latest practicable date prior to the issue of this report, based on information that is publicly available to the Company and to the best knowledge of the Directors, the Directors confirmed that the Company has maintained sufficient public float as required under the Listing Rules.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2009, the five largest customers accounted for approximately 20.08% of the Group's total sales and sales attributable to the Group's largest customer accounted for approximately 5.97% of the Group's total sales.

For the year ended 31 December 2009, the five largest suppliers accounted for approximately 39.76% of the Group's total purchases and purchases attributable to the Group's largest supplier accounted for approximately 17.47% of the Group's total purchases.

本公司董事及高級管理層之酬金將由薪酬委員會審閱本集團經營業績、董事及高級管理層所承擔之責任及可作比較之市場統計數據而定。

本公司已採納購股權計劃以激勵董事及合資格僱員，該計劃之詳情載於綜合財務報表附註34。

退休福利計劃

本集團退休福利計劃之詳情載於綜合財務報表附註33。

優先購買權

章程細則或百慕達法例均無載列有關優先購買權之條文，規定本公司須向現有股東按比例配發新股份。

足夠公眾持股量

於發佈本報告前之最後實際可行日期，根據公開途徑所得的資料及就董事所知，董事確認本公司一直維持上市規則所規定的足夠公眾持股量。

主要客戶及供應商

截至二零零九年十二月三十一日止年度，本集團五大客戶佔本集團總銷售額約20.08%，而本集團最大客戶的銷售額則佔本集團總銷售額約5.97%。

截至二零零九年十二月三十一日止年度，本集團五大供應商佔本集團總採購額約39.76%，而本集團最大供應商的採購額則佔本集團總採購額約17.47%。



At no time during the year ended 31 December 2009 did any Director, any associate of a Director or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's share capital) has an interest in any of the Group's five largest customers or five largest suppliers.

COMPLIANCE WITH CODE OF BEST PRACTICES

The Company and its Directors confirm, to their best knowledge, that the Company has complied with the applicable code provisions of the Code on Corporate Governance Practices ("Corporate Governance Code") contained in Appendix 14 to the Listing Rules.

The Company has adopted the Model Code as its code of conduct for dealing in securities of the Company by the Directors. After specific enquiry of all Directors by the Company, all the Directors confirmed that they had complied with the required standard set out in the Model Code for the financial year ended 31 December 2009.

AUDITOR

The consolidated financial statements for the year ended 31 December 2009 have been audited by Deloitte Touche Tohmatsu who are due to retire and, being eligible, shall offer themselves for re-appointment at the Annual General Meeting.

On behalf of the Board

Yeung Man Ying

Chairman

Hong Kong

17 March 2010

本公司任何董事、任何聯繫人士或就董事所知擁有本公司股本5%以上之任何股東，概無於載至於二零零九年十二月三十一日止年度內任何時間，在本集團五大客戶或五大供應商中擁有任何權益。

遵守最佳常規守則

本公司及其董事確認，就彼等所知，本公司遵守上市規則附錄14所載之企業管治常規守則（「企業管治常規守則」）之適用守則條文。

本公司已採納標準守則作為董事進行買賣證券之守則。在由本公司向所有董事作出具體查詢後，所有董事確認彼等已於截至二零零九年十二月三十一日止財政年度遵守標準守則之規定標準。

核數師

截至二零零九年十二月三十一日止年度之綜合財務報表已經德勤•關黃陳方會計師行審核，彼因任期屆滿應於股東週年大會上退任，但合資格膺選連任。

代表董事會

楊文瑛

主席

香港

二零一零年三月十七日



Corporate Governance Report

企業管治報告

The Company's goal is to continue to increase its transparency to shareholders and the public and to maintain a high standard of corporate governance. The principles of corporate governance adopted by the Group emphasize a Board with high quality, sound internal control, transparency, accountability and independence.

CODE ON CORPORATE GOVERNANCE PRACTICES

Except for code provision E.1.2 as mentioned below, the Company has complied with the code provisions and, where applicable, the recommended best practices of the Corporate Governance Code for the year ended 31 December 2009.

THE BOARD

Board functions

The Board is responsible for the promotion of the success of the Company by directing and guiding its affairs in an accountable and effective manner. Board members acknowledge their duty to act in good faith, with due diligence and care, and in the best interests of the Company and its shareholders.

The types of decisions which are to be taken by the Board include:

1. Setting the Company's mission and values;
2. Formulating strategic directions of the Company;
3. Reviewing and guiding corporate strategy; setting performance objectives and monitoring implementation and corporate performance;
4. Monitoring and managing potential conflicts of interest of management, board members; and
5. Ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for monitoring risk, financial control, and compliance with the law.

本公司目標為持續提高其對股東及公眾之透明度及保持高標準之企業管治。本集團所採納之企業管治原則著重於高質素之董事會、健全之內部控制、具透明度、問責及具獨立性。

企業管治常規守則

除於下文提及之守則條文第E.1.2條，截至二零零九年十二月三十一日止年度，本公司已遵守企業管治守則之守則條文及建議的最佳常規（如適用）。

董事會

董事會之職能

董事會有責任透過對本公司各事務作出可靠及有效之指導及指引，推動本公司之成功。董事會成員有責任以真誠、盡責、審慎及符合本公司及其股東之最佳利益之方式行事。

須由董事會作出之決定包括：

1. 制定本公司之使命及價值；
2. 規劃本公司之策略方向；
3. 審閱及指引企業策略；設定業績目標及監督實行情況與企業表現；
4. 監督及管理管理層與董事會成員之間潛在利益衝突；及
5. 確保本公司之會計及財務報告制度（包括獨立審核）之完善以及落實適當之控制體系，特別是監控風險、財務控制及合規方面。



Board composition and practices

At 31 December 2009, the Board comprised six executive Directors and three independent non-executive Directors:

Executive Directors:

Ms Yeung Man Ying
Mr Wong Cho Tung
Mr Wong Hei, Simon
Mr Zhang Jianping
Ms Tang Rongrong
Mr Chan Tat Wing, Richard

Independent non-executive Directors:

Mr Zhuang Xingfang
Mr Liu Hing Hung
Mr Xie Linzhen

Biographical details of the Directors and the relationships among them are set out in the “Directors and Senior Management Profile” section on pages 27 to 31 of this annual report.

Save as disclosed in the “Directors and Senior Management Profile” section, none of the Directors has any connection (including financial, business or family relationship) with each other as required to be disclosed pursuant to Appendix 16 of the Listing Rules.

The roles of the chairman (Ms Yeung Man Ying) are separated from those of the president (Mr Wong Hei, Simon) in order to reinforce their respective independence, accountability and responsibility. The chairman is responsible for developing strategic direction and development of the Group and the president, working with and supported by the executive Directors, is responsible for managing the Group’s business affairs, including the implementation of strategies adopted by the Board and attending to the formulation and successful implementation of Group’s policies and assuming full accountability to the Board for all Group’s operations.

董事會之組成及運作

於二零零九年十二月三十一日，董事會由六名執行董事及三名獨立非執行董事組成：

執行董事：

楊文瑛女士
王祖同先生
王 曦先生
張劍平先生
唐融融女士
陳達榮先生

獨立非執行董事：

庄行方先生
廖慶雄先生
謝麟振先生

董事之個人資料詳情及彼此之相互關係載於本年度报告第27頁至第31頁之「董事及高級管理人員」一節。

除於「董事及高級管理人員」一節所披露者外，董事之間概無根據上市規則附錄16所需披露的任何關連（包括財務、商務或家庭關係）。

主席（楊文瑛女士）及總裁（王曦先生）之角色分立，以強化各自之獨立性、問責性及職責。主席負責為本集團發展策略性方向和本集團之發展。總裁在執行董事支持下與執行董事共同負責管理本集團之業務事宜，包括實行董事會採納之策略、參與規劃及成功實施本集團政策以及就本集團之所有營運向董事會負全責。

The non-executive Directors and independent non-executive Directors contribute to the Company with diversified industry expertise, advise the management on strategy development and ensure that the Board maintains high standards of financial and other mandatory reporting as well as provide adequate checks and balances to safeguard the interests of the shareholders and the Company as a whole.

Each of the independent non-executive Directors has given a written confirmation to the Company confirming that he has met the criteria set out in Rule 3.13 of the Listing Rules regarding the guidelines for the assessment of independence of non-executive Directors.

The Board delegates specific tasks to the Group's management including the implementation of strategies and decisions approved by the Board and the preparation of accounts for approval by the Board before public reporting.

The Company has arranged for appropriate liability insurance to indemnify its Directors and officers for their liabilities arising out of corporate affairs. The insurance coverage is reviewed annually.

Regular Board meetings are scheduled in advance to give all Directors an opportunity to attend. Directors may attend meetings in person or through other means of electronic communication in accordance with the Bye-laws. All Directors are kept informed on a timely basis of major changes that may affect the Group's businesses, including relevant rules and regulations. Directors shall have full access to information on the Group and are able to obtain independent professional advice whenever deemed necessary by the Directors. No request was made by any Director for such independent professional advice in 2009. The company secretary of the Company shall prepare minutes and keep records of matters discussed and decisions resolved at all Board meetings, which will be available for inspection by Directors upon request.

非執行董事及獨立非執行董事就策略發展向本公司提供各行業之專業建議及向管理層提供建議，確保董事會保持高標準之財務及其他強制性報告，以及為保障股東及本公司之整體利益提供足夠之控制及制衡。

本公司已收到每位獨立非執行董事就其與本公司之獨立性發出之書面確認，確認彼已符合上市規則第3.13條規定所載之標準，內容關於非執行董事之獨立性之評估指引。

董事會授權本集團管理層之特別任務包括執行董事會批准之策略及決策，以及編製賬目，以於公佈前待董事會批准。

本公司已安排適當之責任保險，以就董事及高級行政人員因各種企業事宜產生之責任提供彌償保證。該等保險每年進行檢討。

董事會之定期會議事先安排召開時間，以使所有董事均有機會出席。根據章程細則，董事可親身或透過其他電子通訊方法出席會議。所有董事均及時獲知會影響本集團業務之重大變動，包括相關規則及規例之變動。董事應可獲得有關本集團之資料，並可在其視為必要時獲得獨立專業建議。於二零零九年，概無任何董事提出尋求該等獨立專業建議之要求。本公司之公司秘書須負責為所有董事會會議編撰會議記錄，並保存會上討論之事項所作出決定之記錄，該等紀錄將可供董事隨時查閱。



The Board held four meetings in 2009. The following is the attendance record of each Director at the Board meetings for the year under review:

董事會於二零零九年舉行了四次會議，以下為各董事於回顧年度內董事會會議之出席紀錄：

| Name of Director | Number of meetings attended / Number of meetings held | 董事姓名 | 舉行會議次數 / 出席會議次數 |
|---|--|---------------------------|--------------------|
| Ms Yeung Man Ying | 4/4 | 楊文瑛女士 | 4/4 |
| Mr Wong Cho Tung | 4/4 | 王祖同先生 | 4/4 |
| Mr Wong Hei, Simon | 4/4 | 王 曦先生 | 4/4 |
| Mr Zhang Jianping | 4/4 | 張劍平先生 | 4/4 |
| Ms Tang Rongrong | 4/4 | 唐融融女士 | 4/4 |
| Mr Chan Tat Wing, Richard | 4/4 | 陳達榮先生 | 4/4 |
| Mr Tsang Hen Loon, Raymond (Resigned on 31 March 2009) | 1/4 | 曾憲龍先生 (於二零零九年三月三十一日辭任) | 1/4 |
| Mr Wong Sun (Resigned on 31 March 2009) | 1/4 | 王 晨先生 (於二零零九年三月三十一日辭任) | 1/4 |
| Mr Zhuang Xingfang | 4/4 | 庄行方先生 | 4/4 |
| Mr Liu Hing Hung | 4/4 | 廖慶雄先生 | 4/4 |
| Mr Xie Linzhen (Appointed on 25 January 2009) | 4/4 | 謝麟振先生 (於二零零九年一月二十五日委任) | 4/4 |
| Mr Wang Chengwei (Resigned on 25 January 2009) | 0/4 | 汪誠蔚先生 (於二零零九年一月二十五日辭任) | 0/4 |

NOMINATION OF DIRECTORS

The Company does not have a nomination committee. The Board is responsible for nominating appropriate person, either to fill in casual vacancy or as an addition to the existing Directors for election by shareholders at the general meeting of the Company.

As and when circumstances required, the Board will meet to discuss nomination of new directors. In considering the suitability of a candidate for directorship, the Board will consider criteria such as the candidate's qualifications, experience, expertise and knowledge as well as the requirements under the Listing Rules.

董事之提名

本公司不設提名委員會。董事會負責提名合適人選填補空缺或作為現有董事以外之新增委任，以供股東於本公司股東大會上選舉。

於情況有需要時，董事會將舉行會議，以討論提名新任董事之事宜。於考慮董事候選人之合適程度時，董事會將考慮候選人之履歷、經驗、專長及知識等準則，以及根據上市規則之規定作出委任。

The re-election procedure set out in the Bye-laws provides that one-third of the Directors for the time being (or if their number is not a multiple of three, then the number nearest to but not less than one third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years at each annual general meeting of the Company. A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation will be those who have been longest in office since their last re-election or appointment but as between persons who become or were last re-elected Directors on the same day those retire will (unless they otherwise agree among themselves) be determined by lot.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors are responsible for overseeing the preparation of the financial statements for each financial period which give a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. In preparing the financial statements, the Directors have selected appropriate accounting policies, applied them consistently, made judgments and estimation that are prudent, fair and reasonable, ensured all applicable accounting standards are followed and prepared the financial statements on a going concern basis. The Directors are also responsible for ensuring that the Group keeps accounting records which disclose with reasonable accuracy at any time the financial position of the Group and which enable the preparation of financial statements in accordance with the Companies Ordinance (CAP 32 of the Laws of Hong Kong) and the applicable accounting standards.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct for dealing in securities of the Company by Directors. Having made specific enquiry of all Directors, all Directors have confirmed that they have complied with the required standard set out in the Model Code for the period covered by the annual report.

載於章程細則內之重選之程序訂明，於本公司每屆股東週年大會上，當時三分之一之董事（或如其數目並非三之倍數，則以最接近但不少於三分之一之數目為準）須輪席告退，惟每名董事須最少每三年告退一次。退任董事符合資格膺選連任，並於其告退之大會期間繼續擔任董事。輪席告退之董事將為自上次重選或獲委任以來在任最久之董事，惟於同一日獲委任或重選為董事之人士而言，將以抽籤方式（除非彼等互相協定）決定應予告退之人士。

董事於財務報表之責任

董事負責監督編製每一財務期間之財務報表。財務報表應真實公平地反映本集團之財務狀況及期間之業績和現金流。編製財務報表時，董事選用適當之會計原則並貫徹執行，作出審慎、公平及合理之判斷及估計，確保採用所有適用之會計準則並採取持續經營基準編製財務報表。董事亦須負責確保本集團保存會計記錄，該等記錄須於任何時間合理準確地披露本集團之財務狀況，並可據此按公司條例（香港法例第32章）及適用之會計準則編製財務報表。

董事進行證券交易之標準守則

本公司已採納標準守則，作為其董事買賣本公司證券的守則條文。經向所有董事作出具體詢問，所有董事確認於年報所涵蓋之期間內均已遵守標準守則所規定之標準。



REMUNERATION COMMITTEE

The Company has established a remuneration committee (“Remuneration Committee”) with written terms of reference of the Remuneration Committee in compliance with the Corporate Governance Code. The Remuneration Committee is responsible for assisting the Board in achieving its goals of providing the packages needed to attract, retain and motivate Directors of the quality required to run the Company successfully.

The primary duties of the Remuneration Committee include: (i) making recommendations to the Directors on the Company’s policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policies on such remuneration; (ii) determining the terms of the specific remuneration package of each executive Director and senior management; (iii) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Directors from time to time; and (iv) considering and approving the grant of share options to eligible participants pursuant to the share option schemes adopted or to be adopted by the Company. Terms of reference of the Remuneration Committee which have been adopted by the Board are available on the Company’s website.

The Remuneration Committee had one meeting in 2009 and had reviewed the remuneration packages of Directors and senior management of the Group. The members and attendance of the meeting are as follows:

| Name of Director | Number of meetings attended |
|---|-----------------------------|
| Mr Wong Cho Tung | 1 |
| Mr Zhuang Xingfang | 1 |
| Mr Xie Linzhen (Appointed on 25 January 2009) | 1 |
| Mr Wang Chengwei (Resigned on 25 January 2009) | 0 |

No Directors took part in any discussion about his or her own remuneration.

薪酬委員會

本公司成立一根據企業管治常規守則書面列明其職權範圍之薪酬委員會（「薪酬委員會」）。薪酬委員會之責任是協助董事會制定可達到吸引、挽留及激勵具備成功運作本公司所需質素之董事所需之薪酬福利組合之目標。

薪酬委員會之主要職責包括：(i) 就本公司董事及高級管理層之所有薪酬政策及結構向董事提供建議，以及制定正式及具透明度之程序以制定有關該等薪酬之政策；(ii) 確定每位執行董事及高級管理層人員具體薪酬福利之條款；(iii) 參考董事不時決定之企業目標及宗旨，審閱及批准以表現為本之薪酬；及(iv) 考慮及批准根據本公司已採納或將採納之購股權計劃向合資格參與者授出購股權。董事會所採納之薪酬委員會之職權範圍可在本公司網站查閱。

薪酬委員會於二零零九年舉行了一次會議，並已審閱本集團董事及高層管理人員的薪酬。該會議之成員及出席之次數如下：

| 董事姓名 | 出席會議次數 |
|--------------------------|--------|
| 王祖同先生 | 1 |
| 庄行方先生 | 1 |
| 謝麟振先生 (於二零零九年一月二十五委任) | 1 |
| 汪誠蔚先生 (於二零零九年一月二十五辭任) | 0 |

所有董事均沒有參與有關其本身薪酬的討論。

The Remuneration Committee consists of three members, two of whom are independent non-executive Directors, being Mr Zhuang Xingfang and Mr Xie Linzhen (replaced by Mr Wang Chengwei on 25 January 2009) and one executive Director, being Mr Wong Cho Tung. They have substantial experience in human resources management. The Remuneration Committee is chaired by Mr Zhuang Xingfang.

Executive Directors, assisted by the Group's Human Resources department, are responsible for reviewing all relevant remuneration information and obtaining market conditions in addition to considering the performance of individuals and the profitability of the Group, and proposing to the Remuneration Committee for consideration and approval, remuneration packages for Directors and senior management. Executive Directors, however, do not participate in the determination of their own remuneration.

The primary objective of the remuneration policy on executive remuneration package is to enable the Company to retain and motivate executives in promoting the success of the Group. The remuneration package comprises basic salary, and may include discretionary bonus and/or share options.

Each of the executive Directors is entitled to a basic salary which is subject to review by the Remuneration Committee after such executive Directors has completed 12 months of services.

Subject to the recommendation of the Remuneration Committee, the Company may, at its sole discretion, grant share options to executive Directors in accordance with the share option schemes adopted by the Company.

Each of the executive Directors (except Ms Yeung Man Ying and Mr Wong Cho Tung) is entitled to a discretionary bonus as determined by the Remuneration Committee by reference to the performance of the Group and the Director.

Each of Mr Zhuang Xingfang, Mr Liu Hing Hung and Mr Xie Linzhen entered into a letter of appointment with the Company to serve as the independent non-executive Director for one year commencing on date of appointment and subject to the right of the independent non-executive Director or the Company to terminate the appointment of the independent non-executive Director at any time by giving at least one month's notice in writing.

薪酬委員會由三名成員組成，包括兩名獨立非執行董事庄行方先生及謝麟振先生（於二零零九年一月二十五日替代汪誠蔚先生）以及一名執行董事王祖同先生。彼等於人力資源管理方面富有豐富經驗。薪酬委員會由庄行方先生擔任主席。

執行董事在本集團人事部門協助下負責於考慮個人表現及本集團盈利能力以外，審閱所有相關薪酬資料及獲取市場訊息，並將董事及高級管理層之薪酬福利提呈薪酬委員會考慮及批准。然而，執行董事並不參與其本身薪酬之釐定。

行政人員薪酬福利政策之主要目標是挽留及激勵行政人員，以推動本集團之成功。薪酬福利包括基本薪金、酌情花紅及／或購股權。

每名執行董事均可獲得基本薪金，惟須於該等執行董事服務十二個月後經薪酬委員會進行檢討。

根據薪酬委員會之建議，本公司可酌情根據本公司採納之購股權計劃授予每名執行董事購股權。

經參考本集團及董事之表現，薪酬委員會決定，每名執行董事（楊文瑛女士及王祖同先生除外）均可獲得酌情花紅。

庄行方先生、廖慶雄先生及謝麟振先生各人與本公司訂立委任書擔任獨立非執行董事，任期為由委任日起計一年，且獨立非執行董事或本公司均可於任何時間透過發出不少於一個月之通知，終止獨立非執行董事之委任。

AUDIT COMMITTEE

The Company has established an audit committee (“Audit Committee”) with the written terms of reference in compliance with Rule 3.21 of the Listing Rules and code provision C.3 of the Corporate Governance Code. The primary duties of the Audit Committee are to assist the Board to provide an independent review of the effectiveness of the financial reporting process, internal control and risk management system of the Group and oversee the audit process and other duties and responsibilities as assigned by the Board.

The Audit Committee members met twice in 2009 to review with senior management and the Company’s external auditors the internal and external audit findings, the accounting principles and practices adopted by the Group, and Listing Rules and statutory compliance, and discussed auditing, internal controls, risk management and financial reporting matters (including the 2008 annual financial statements and 2009 interim financial statements before recommending them to the Board for approval).

The following is the attendance record of each members at the Audit Committee meetings for the year under review:

| Name of Director | Number of meetings attended / Number of meetings held |
|---|--|
| Mr Liu Hing Hung | 2/2 |
| Mr Zhuang Xingfang | 2/2 |
| Mr Xie Linzhen (Appointed on 25 January 2009) | 2/2 |
| Mr Wang Chengwei (Resigned on 25 January 2009) | 0/2 |

The Audit Committee comprises three independent non-executive Directors, namely, Mr Liu Hing Hung, Mr Zhuang Xingfang and Mr Xie Linzhen (replaced Mr Wang Chengwei on 25 January 2009). The Audit Committee is chaired by Mr Liu Hing Hung who has professional qualifications in accountancy.

The Audit Committee has reviewed the Group annual report for the year ended 31 December 2009.

審核委員會

本公司已成立根據上市規則第3.21條及企業管治常規守則守則條文第C.3條書面列明其職權範圍之審核委員會(「審核委員會」)。審核委員會之主要職責是協助董事會就本集團財務報告程序、內部控制及風險管理體系之有效性提供獨立評價，監督審核程序以及董事會委派之其他職責及責任。

審核委員會成員於二零零九年舉行了兩次會議，與高級管理層及本公司之外部核數師共同審閱內部及外部審核結果、本集團採納之會計原則及慣例，以及上市規則及法規之遵守情況，並就有關審核、內部控制、風險管理及財務報告事宜(包括在將二零零八年度財務報表及二零零九年中中期財務報表提交董事會批准之前對其進行審閱)進行討論。

以下為各成員於回顧年度內審核委員會會議之出席紀錄：

| 董事姓名 | 舉行會議次數/ 出席會議次數 |
|---------------------------|-------------------|
| 廖慶雄先生 | 2/2 |
| 庄行方先生 | 2/2 |
| 謝麟振先生 (於二零零九年一月二十五日委任) | 2/2 |
| 汪誠蔚先生 (於二零零九年一月二十五日辭任) | 0/2 |

審核委員會由三名獨立非執行董事廖慶雄先生、庄行方先生及謝麟振先生組成(於二零零九年一月二十五日替代汪誠蔚先生)。審核委員會由廖慶雄先生擔任主席，彼具有專業會計資格。

審核委員會已審閱本集團於截至二零零九年十二月三十一日止年度之年報。

EXTERNAL AUDITORS

The Audit Committee has reviewed a service plan from Deloitte Touche Tohmatsu regarding their independence and objectivity and had a meeting with Deloitte Touche Tohmatsu, the external auditors of the Company, to discuss the scope of their audit and approve the scope.

The Audit Committee also makes recommendations to the Board on the appointment and retention of the external auditors. For the year ended 31 December 2009, the Company paid Deloitte Touche Tohmatsu, the external auditors of the Company, HK\$1.5 million and HK\$0.3 million as audit fees and interim financial report of 2009 viewing fee respectively.

The auditors' reporting responsibility is set out on pages 53 to 54 of this annual report.

INTERNAL CONTROL

Internal control systems have been designed to allow the Directors to monitor the Group's overall financial position, safeguard its assets, provide reasonable assurance against fraud and errors, and to manage the risks in failing to achieve the Group's objectives.

The Group has a defined scope of authority governing activities of the Directors and senior management. Directors monitor the business activities closely and review monthly financial results operations. The Group from time to time updates and improves the internal controls.

The Directors acknowledges that it is their responsibility to maintain effective risk management and internal control system and to review them at regular intervals. The Directors manages risks by strategic planning, appointment of appropriately qualified and experienced personnel at senior management positions, monitoring the Group's performance regularly, maintaining effective control over capital expenditure and investments, and setting a high standard of code of conduct for employees to follow.

外部核數師

審核委員會已審閱德勤•關黃陳方會計師行確認其獨立性及客觀性之服務計劃，並與本公司之外部核數師德勤•關黃陳方會計師行舉行會議，討論及批准其審核範圍。

審核委員會亦就委聘及挽留外部核數師向董事會提供建議。截至二零零九年十二月三十一日止年度，本公司向本公司之外部核數師德勤•關黃陳方會計師行支付審計費及二零零九年中中期財務報告之審閱費分別為1,500,000港元及300,000港元。

核數師之申報職責載於本年報第53至54頁。

內部控制

內部控制制度是專為讓董事可監控本集團之整體財務狀況、維護其資產、就欺詐及失誤提供合理之擔保，以及管理不能達到本集團目標之風險而設。

本集團就董事及高級管理層之活動有明確界定之授權範圍。董事密切監控業務活動，並每月檢討財務業績營運。本集團會不時更新及改善內部監控。

董事明白維持有效之風險管理及內部控制制度並定期進行檢討是董事會之責任。董事透過策略規劃、委任具有合適資格、有經驗之人員擔任高級管理職位、定期監控本集團之表現、對資本開支與投資保持有效控制及設立供僱員遵循之高標準行為守則，進行風險管理。



INTERNAL AUDIT

The Internal Audit Department of the Group was responsible for conducting internal audits of the Group. Internal audits are designed to provide the Board with reasonable assurance that the internal control systems of the Group are effective and the risks associated with the achievement of business objectives are being managed properly. The department also conducts other projects and investigation work as required. The Directors were satisfied that an effective control system had been in operation having reviewed the material controls and all other major components of the internal control system of the Group for the year ended 31 December 2009.

INVESTOR RELATIONS AND SHAREHOLDERS' COMMUNICATIONS

The Group promotes investor relations and communications by setting up meetings with the investment community. The Group also responds to requests for information and queries from the investment community by the investor relations personnel.

The Board is committed to provide clear and full information of the Group to shareholders through sending the shareholders the Company's interim and annual reports, circulars, notices, financial reports as and when appropriate and providing additional information to shareholders in the "Investor Relations" section of the Company's website.

The Company's annual general meeting provides a good opportunity for communications between the Board and its shareholders. Shareholders are encouraged to attend the annual general meeting. Notice of the Annual General Meeting and related papers are sent to shareholders at least 20 clear business days before the meeting and the said notice is also published on the website of the Stock Exchange and the Company. The Chairman and Directors will answer questions on the Group's business at the meeting. External auditors will also attend the Annual General Meeting.

內部審核

內部審核部負責對本集團進行審核工作。內部審核的目的是向董事會作出合理的保證，保證本集團的內部監控制度有效以令達成業務目標的有關風險得到適當的管理。如有需要，該部門亦進行其他計劃和調查工作。董事經檢討本集團之重要控制措施及內部監控制度所有其他主要元素後，已信納截至二零零九年十二月三十一日止年度已運作有效之控制制度。

與投資者之關係及與股東之溝通

本集團透過與投資界召開會議，促進與投資者之關係及溝通。本集團亦透過投資者關係人員對投資界人士索取資料及詢問作出回應。

董事會透過適時向本公司股東寄發中期報告及年報、通函、通告及財務報告向股東提供本集團清晰而全面之資料，本公司亦於本公司網站「投資者關係」一欄向股東提供本公司之其他資料。

本公司之股東週年大會為促進董事會與股東之溝通提供良機。本公司鼓勵股東出席股東週年大會。股東週年大會通告及有關文件於大會舉行至少二十個完整工作日前向股東寄發，且通告將在聯交所及本公司之網站上刊登，主席及董事將於大會上就本集團之業務回答提問。外部核數師亦將出席股東週年大會。

According to the code provision E.1.2 of the Corporate Governance Code, the chairman of the Board shall attend the annual general meeting of the Company and arrange for the chairmen of the audit, remuneration and nomination committees (as appropriate) or in the absence of the chairman of such committees, another member of the committee or failing this his duly appointed delegate, to be available to answer questions at the annual general meeting.

At the annual general meeting of the Company held on 7 May 2009 ("2009 AGM"), Ms Yeung Man Ying, the chairman of the Board, was unable to attend due to unexpected business engagement. Mr Chan Tat Wing, Richard, an executive Director and the chief finance officer of the Group, chaired the 2009 AGM on behalf of the chairman of the Board pursuant to the Bye-laws and was available to answer questions. Mr Wong Cho Tung, an executive Director and a member of the Remuneration Committee together with Mr Liu Hing Hung, an independent non-executive Director and the chairman of the Audit Committee, were also available at the 2009 AGM to answer questions from shareholders of the Company.

Members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition and such meeting shall be held within two months after the deposit of such requisition.

Pursuant to rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Therefore, all the resolutions put to the vote at the Annual General Meeting will be taken by way of poll.

The poll is conducted by the Company's registrars and the results of the poll will be published on website of the Stock Exchange and the Company. Financial and other information is made available on the Company's website and updated regularly. Specific enquiries and suggestions by shareholders can be sent in writing to the Board or the secretary of the Company at the Company's registered address.

根據企業管治守則守則條文第E.1.2條，董事會主席應出席本公司之股東週年大會，及安排審核、薪酬及提名(如合適)委員會主席，或當該等委員會主席缺席時，由委員會其他成員(或如未能出席時由其正式指定代表)，出席該股東週年大會回答提問。

董事會主席楊文瑛女士由於有未能預料之業務事宜，未能出席本公司於二零零九年五月七日舉行之股東週年大會(「二零零九年股東週年大會」)。根據章程細則，執行董事兼本公司財務總監陳達榮先生，代表董事會主席主持二零零九年股東週年大會及回答提問。執行董事及薪酬委員會成員王祖同先生和獨立非執行董事及審核委員會主席廖慶雄先生亦出席二零零九年股東週年大會，並回答本公司股東提問。

於交付要求日期持有不少於獲賦予於本公司股東大會上投票權之本公司繳足股本十分之一之股東，任何時候均有權透過向董事會或本公司秘書發出書面要求，要求董事會召開股東特別大會，以處理該要求所列明之任何事務，而該大會須於交付該要求後兩個月內舉行。

根據上市規則第13.39(4)條，股東週年大會的任何決議均須以投票方式表決。因此，所有提呈股東週年大會表決之決議案將以舉手方式表決。

投票由本集團之股份過戶處主持，其結果於聯交所及本公司網站公佈。財務及其他資料可於本公司網站查閱，並定期更新。股東之具體問題及意見可以書面方式寄往本公司之註冊地址寄予董事會或本公司秘書。



Independent Auditor's Report

獨立核數師報告

Deloitte. 德勤

TO THE MEMBERS OF SIM TECHNOLOGY GROUP LIMITED

(incorporated in Bermuda with limited liability)

We have audited the accompanying consolidated financial statements of SIM Technology Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 55 to 142, which comprise the consolidated statement of financial position as at 31 December 2009, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

致晨訊科技集團有限公司全體股東

(於百慕達註冊成立之有限公司)

本核數師行已審核隨附載於第55至142頁之晨訊科技集團有限公司(「貴公司」)及其附屬公司(該稱「貴集團」)的綜合財務報表，其中包括於二零零九年十二月三十一日之綜合財務狀況表與截至該日止年度之綜合收益表、綜合全面收益表、綜合權益變動表和綜合現金流量表，以及重大會計政策概要和其他附註解釋。

管理層對綜合財務報表之責任

管理層須負責根據國際財務報告準則及香港公司條例之披露規定編製及公平地呈列此等綜合財務報表。該等責任包括：設計、執行及維護編製及公平地呈列綜合財務報表所需的內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇及應用合適的會計政策；以及作出對有關情況而言屬合理的會計估計。

核數師的責任

本核數師行的責任是根據吾等的審核，對該等綜合財務報表作出意見，並按照百慕達公司法第90條僅向整體股東報告，除此之外本報告別無其他用途。本核數師行不會就本報告的內容向任何其他人士負責或承擔責任。本核數師行已根據國際核數準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等綜合財務報表是否不存有任何重大錯誤陳述。

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as of 31 December 2009 and of the Group's profit and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

17 March 2010

審核涉及執行情序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及公平地列報綜合財務報表相關的內部監控，以設計適當的審核程序，但並非為對公司的內部監控效能發表意見。審核亦包括評價管理層所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價綜合財務報表的整體列報方式。

本核數師行相信，本行所獲得的審核憑證充足和適合地為本行的審核意見提供基礎。

意見

本核數師行認為，綜合財務報表足以根據國際財務報告準則真實與公平地反映 貴集團於二零零九年十二月三十一日之財務狀況，及 貴集團截至該日止年度之溢利及現金流量，並已按照香港公司條例之披露規定而妥為編製。

德勤•關黃陳方會計師行
執業會計師
香港

二零一零年三月十七日



Consolidated Income Statement

綜合收益表

For the year ended 31 December 2009
截至二零零九年十二月三十一日止年度

| | | Notes 附註 | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|--------------------------------------|-----------|-------------|----------------------------------|----------------------------------|
| Revenue | 收入 | 6 | 2,983,532 | 2,988,617 |
| Cost of sales | 銷售成本 | | (2,693,677) | (2,604,750) |
| Gross profit | 毛利 | | 289,855 | 383,867 |
| Other income | 其他收入 | 8 | 74,877 | 67,723 |
| Other gains and losses | 其他收益及虧損 | 9 | 27,406 | (3,342) |
| Research and development expenses | 研究及開發費用 | | (79,942) | (95,235) |
| Selling and distribution costs | 銷售及分銷成本 | | (70,253) | (80,505) |
| Administrative expenses | 行政開支 | | (90,260) | (99,404) |
| Finance costs | 融資成本 | 10 | (3,061) | (1,167) |
| Profit before taxation | 除稅前溢利 | | 148,622 | 171,937 |
| Taxation | 稅項 | 12 | (15,002) | (28,120) |
| Profit for the year | 本年度溢利 | 13 | 133,620 | 143,817 |
| Profit for the year attributable to: | 下列各項應佔溢利： | | | |
| Owners of the Company | 本公司股東 | | 128,975 | 143,817 |
| Minority interests | 少數股東權益 | | 4,645 | - |
| | | | 133,620 | 143,817 |
| Earnings per share (HK cents) | 每股盈利(港仙) | 15 | | |
| Basic and diluted | 基本及攤薄 | | 8.5 | 9.5 |

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 December 2009
截至二零零九年十二月三十一日止年度

| | | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|---|--|----------------------------------|----------------------------------|
| Profit for the year | 本年度溢利 | 133,620 | 143,817 |
| Other comprehensive income | 其他全面收益 | | |
| Exchange difference arising on translation to presentation currency | 換算至呈列貨幣產生的匯率差額 | 6,319 | 39,362 |
| Change in fair value of available-for-sale investments | 可供出售投資之公平值變動 | 25,366 | (53,271) |
| Impairment loss on available-for-sale investments | 可供出售投資之減值虧損 | - | 23,900 |
| Reclassification adjustment – transfer to profit or loss on disposal of available-for-sale investments | 重新分類調整 – 出售可供出售投資時轉移至損益 | (25,366) | - |
| Surplus on transfer of land use rights and property, plant and equipment to investment properties at fair value | 因以公平值轉撥土地使用權及物業、廠房及設備至投資物業而產生之盈餘 | 86,437 | 11,882 |
| Deferred tax liability on surplus on transfer of land use rights and property, plant and equipment to investment properties at fair value | 因以公平值轉撥土地使用權及物業、廠房及設備至投資物業而產生盈餘之遞延稅項負債 | (21,609) | (2,971) |
| Other comprehensive income for the year (net of tax) | 本年其他全面收益(扣除稅項) | 71,147 | 18,902 |
| Total comprehensive income for the year | 本年全面收益總額 | 204,767 | 162,719 |



Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2009

於二零零九年十二月三十一日

| | | Notes 附註 | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|---|----------------------|-------------|----------------------------------|----------------------------------|
| Non-current assets | 非流動資產 | | | |
| Investment properties | 投資物業 | 16 | 221,217 | 16,396 |
| Property, plant and equipment | 物業、廠房及設備 | 17 | 255,454 | 291,406 |
| Land use rights | 土地使用權 | 18 | 82,959 | 77,909 |
| Goodwill | 商譽 | 19 | 28,321 | – |
| Intangible assets | 無形資產 | 20 | 179,469 | 161,598 |
| Deferred tax assets | 遞延稅項資產 | 21 | 3,438 | 3,410 |
| Available-for-sale investments | 可供出售投資 | 22 | – | 36,866 |
| Deposits paid for land use rights | 就取得土地使用權支付之按金 | | 109,224 | 44,748 |
| | | | 880,082 | 632,333 |
| Current assets | 流動資產 | | | |
| Inventories | 存貨 | 23 | 411,090 | 277,678 |
| Trade receivables | 應收貿易賬款 | 24 | 141,555 | 232,420 |
| Notes and bills receivables | 應收票據及賬單 | 24 | 75,173 | 18,129 |
| Other receivables, deposits and prepayments | 其他應收賬款、按金 及預付款項 | 24 | 278,155 | 148,311 |
| Pledged bank deposits | 已抵押銀行存款 | 25 | 329,114 | – |
| Bank balances and cash | 銀行結餘及現金 | 25 | 532,276 | 623,388 |
| | | | 1,767,363 | 1,299,926 |
| Current liabilities | 流動負債 | | | |
| Trade and notes payables | 應付貿易賬款及票據 | 26 | 516,167 | 352,092 |
| Other payables, deposits received and accruals | 其他應付賬款、已收按金 及應計款項 | 26 | 262,732 | 207,971 |
| Bank borrowings | 銀行借貸 | 27 | 271,123 | – |
| Tax payable | 應付稅項 | | 15,841 | 22,868 |
| | | | 1,065,863 | 582,931 |
| Net current assets | 流動資產淨值 | | 701,500 | 716,995 |
| Total assets less current liabilities | 總資產減流動負債 | | 1,581,582 | 1,349,328 |



Consolidated Statement of Financial Position
綜合財務狀況表

At 31 December 2009
於二零零九年十二月三十一日

| | | Notes 附註 | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|--|-----------|-------------|----------------------------------|----------------------------------|
| Capital and reserves | 資本及儲備 | | | |
| Share capital | 股本 | 28 | 152,871 | 151,749 |
| Reserves | 儲備 | 29 | 1,374,115 | 1,183,642 |
| Equity attributable to owners of the Company | 本公司股東應佔權益 | | 1,526,986 | 1,335,391 |
| Minority interests | 少數股東權益 | | 17,483 | – |
| Total equity | 權益總額 | | 1,544,469 | 1,335,391 |
| Non-current liability | 非流動負債 | | | |
| Deferred tax liabilities | 遞延稅項負債 | 21 | 37,113 | 13,937 |
| | | | 1,581,582 | 1,349,328 |

The consolidated financial statements on pages 55 to 142 were approved by the Board of Directors on 17 March 2010 and are signed on its behalf by:

截於第55頁至142頁之綜合財務報表已於二零一零年三月十七日獲董事會批准，並由以下董事代表簽署：

WONG CHO TUNG
王祖同
DIRECTOR
董事

WONG HEI, SIMON
王曦
DIRECTOR
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2009
截至二零零九年十二月三十一日止年度

| | | Attributable to owners of the Company 本公司股東應佔 | | | | | | | | | | | |
|---|---------------|--|---------------|---------------------------|-------------------|----------------------|--------------------------------|--------------------------------|---------------------|---------------------|-----------|--------------------|-----------|
| | | Share capital | Share premium | Statutory surplus reserve | Other reserve | Share option reserve | Properties revaluation reserve | Investment revaluation reserve | Translation reserve | Accumulated profits | Total | Minority Interests | Total |
| | | 股本 | 股份溢價 | 盈餘儲備 | 其他儲備 | 購股權儲備 | 物業重估儲備 | 投資重估儲備 | 匯兌儲備 | 累計溢利 | 合計 | 少數股東權益 | 合計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| | | | | (Note a) (附註a) | (Note b) (附註b) | | | | | | | | |
| At 1 January 2008 | 於二零零八年一月一日 | 151,588 | 478,880 | 27,599 | 97,091 | 11,691 | - | 29,371 | 72,823 | 375,958 | 1,245,001 | - | 1,245,001 |
| Profit for the year | 本年度溢利 | - | - | - | - | - | - | - | - | 143,817 | 143,817 | - | 143,817 |
| Other comprehensive income for the year | 本年其他全面收益 | - | - | - | - | - | 8,911 | (29,371) | 39,362 | - | 18,902 | - | 18,902 |
| Total comprehensive income for the year | 本年全面收益總額 | - | - | - | - | - | 8,911 | (29,371) | 39,362 | 143,817 | 162,719 | - | 162,719 |
| Issue of new shares due to exercise of share options | 因行使購股權而發行新股份 | 161 | 1,481 | - | - | - | - | - | - | - | 1,642 | - | 1,642 |
| Transfer upon exercise of share options | 因行使購股權而轉發 | - | 1,020 | - | - | (1,020) | - | - | - | - | - | - | - |
| Recognition of equity settled share based payments | 確認以股份支付之支出 | - | - | - | - | 9,491 | - | - | - | - | 9,491 | - | 9,491 |
| Dividends paid | 支付股息 | - | - | - | - | - | - | - | - | (83,462) | (83,462) | - | (83,462) |
| At 31 December 2008 | 於二零零八年十二月三十一日 | 151,749 | 481,381 | 27,599 | 97,091 | 20,162 | 8,911 | - | 112,185 | 436,313 | 1,335,391 | - | 1,335,391 |
| Profit for the year | 本年度溢利 | - | - | - | - | - | - | - | - | 128,975 | 128,975 | 4,645 | 133,620 |
| Other comprehensive income for the year | 本年其他全面收益 | - | - | - | - | - | 64,828 | - | 6,319 | - | 71,147 | - | 71,147 |
| Total comprehensive income for the year | 本年全面收益總額 | - | - | - | - | - | 64,828 | - | 6,319 | 128,975 | 200,122 | 4,645 | 204,767 |
| Issue of new shares due to exercise of share options | 因行使購股權而發行新股份 | 1,122 | 8,440 | - | - | - | - | - | - | - | 9,562 | - | 9,562 |
| Transfer upon exercise of share options | 因行使購股權而轉發 | - | 4,022 | - | - | (4,022) | - | - | - | - | - | - | - |
| Recognition of equity settled share based payments | 確認以股份支付之支出 | - | - | - | - | 9,259 | - | - | - | - | 9,259 | - | 9,259 |
| Capital contribution from minority shareholders of a subsidiary | 附屬公司少數股東之資本投入 | - | - | - | - | - | - | - | - | - | - | 570 | 570 |
| Acquisitions of subsidiaries | 收購附屬公司 | - | - | - | - | - | - | - | - | - | - | 12,268 | 12,268 |
| Dividends paid | 支付股息 | - | - | - | - | - | - | - | - | (27,348) | (27,348) | - | (27,348) |
| At 31 December 2009 | 於二零零九年十二月三十一日 | 152,871 | 493,843 | 27,599 | 97,091 | 25,399 | 73,739 | - | 118,504 | 537,940 | 1,526,986 | 17,483 | 1,544,469 |



Consolidated Statement of Changes in Equity
綜合權益變動表

For the year ended 31 December 2009
截至二零零九年十二月三十一日止年度

Notes:

- (a) As stipulated by the relevant laws and regulations of the People's Republic of China ("PRC"), before distribution of the net profit each year, the subsidiaries established in the PRC shall set aside 10% of their net profit after taxation for the statutory surplus reserve fund (except where the reserve has reached 50% of the subsidiaries' registered capital). The reserve fund can only be used, upon approval by the board of directors of the relevant subsidiaries and by the relevant authority, to offset accumulated losses or increase capital.
- (b) Other reserve is arisen from the reorganisation in preparation for the listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited.

附註：

- (a) 誠如中華人民共和國(「中國」)法律及法規之規定，於中國成立之附屬公司每年須於派發淨溢利之前撥出其稅後淨溢利10%作為法定盈餘儲備金(儲備金達附屬公司之註冊資本50%除外)。該等儲備金僅可用於抵銷累計虧損或增加資本，惟須獲得相關附屬公司董事會及相關主管機構之批准。
- (b) 為籌備本公司股份於香港聯合交易所有限公司主板上市而進行重組產生之其他儲備。



Consolidated Statement Of Cash Flows

綜合現金流量表

For the year ended 31 December 2009
截至二零零九年十二月三十一日止年度

| | | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|---|------------------------|----------------------------------|----------------------------------|
| OPERATING ACTIVITIES | 經營活動 | | |
| Profit before taxation | 除稅前溢利 | 148,622 | 171,937 |
| Adjustments for: | 就下列項目作出調整： | | |
| Interest expenses | 利息開支 | 3,061 | 1,167 |
| Depreciation and amortisation | 折舊及攤銷 | 190,447 | 204,394 |
| Loss (gain) on disposal of property, plant and equipment | 出售物業、廠房及設備之虧損(收益) | 45 | (49) |
| Share-based payments expense | 以股份付款 | 9,259 | 9,491 |
| Recycling of gain on disposal of available-for-sale investments | 出售可供出售投資而轉出之收益 | (25,366) | - |
| Impairment loss on available-for-sale investments | 可供出售投資之減值虧損 | - | 23,900 |
| (Reverse of) allowances for bad and doubtful debts, net | 呆壞賬撥備(撥回)淨額 | (91) | 3,598 |
| Write-down of inventories | 存貨撇減 | 14,601 | 28,822 |
| Gain from changes in fair values of investment properties | 投資物業公平值變動收益 | (4,013) | - |
| Interest income | 利息收入 | (5,157) | (8,105) |
| Operating cash flows before movements in working capital | 營運資金變動前之經營現金流量 | 331,408 | 435,155 |
| (Increase) decrease in inventories | 存貨(增加)減少 | (145,556) | 242,925 |
| Decrease (increase) in trade receivables | 應收貿易賬款減少(增加) | 93,013 | (184,115) |
| (Increase) decrease in notes and bills receivables | 應收票據及賬單(增加)減少 | (57,044) | 29,576 |
| Increase in other receivables, deposits and prepayments | 其他應收賬款、按金及預付款項增加 | (127,984) | (10,552) |
| Increase (decrease) in trade and notes payables | 應付貿易賬款及票據增加(減少) | 160,959 | (159,146) |
| Increase (decrease) in other payables, deposits received and accruals | 其他應付賬款、已收按金及應計款項增加(減少) | 28,131 | (4,500) |
| Cash generated from operations | 來自經營之現金 | 282,927 | 349,343 |
| Interest received | 已收利息 | 5,157 | 8,105 |
| Income tax paid | 已付所得稅 | (24,050) | (20,186) |
| NET CASH FROM OPERATING ACTIVITIES | 來自經營活動之現金淨額 | 264,034 | 337,262 |

Consolidated Statement Of Cash Flows
綜合現金流量表For the year ended 31 December 2009
截至二零零九年十二月三十一日止年度

| | Note 附註 | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|---|------------|----------------------------------|----------------------------------|
| INVESTING ACTIVITIES | | | |
| Purchases of property, plant and equipment | | (80,827) | (118,458) |
| Purchases of land use rights | | (5,594) | – |
| Deposits paid for purchase of land use rights | | (97,546) | – |
| Acquisition of subsidiaries | 30 | (36,942) | – |
| Proceeds from disposal of property, plant and equipment | | – | 1,159 |
| Development costs paid | | (119,689) | (144,363) |
| Proceeds from disposal of available-for-sale investments | | 62,679 | – |
| Increase in pledged bank deposits | | (329,114) | – |
| NET CASH USED IN INVESTING ACTIVITIES | | (607,033) | (261,662) |
| FINANCING ACTIVITIES | | | |
| Issue of shares | | 9,562 | 1,642 |
| Proceeds from bank borrowings | | 457,813 | 173,391 |
| Repayment of bank borrowings | | (186,690) | (173,391) |
| Dividends paid | | (27,348) | (83,462) |
| Interest paid | | (3,061) | (1,167) |
| Capital contribution from minority shareholders of a subsidiary | | 570 | – |
| NET CASH FROM (USED IN) FINANCING ACTIVITIES | | 250,846 | (82,987) |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | | (92,153) | (7,387) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR | | 623,388 | 620,440 |
| EFFECT OF FOREIGN EXCHANGE RATE CHANGES | | 1,041 | 10,335 |
| CASH AND CASH EQUIVALENTS AT END OF THE YEAR , represented by bank balances and cash | | 532,276 | 623,388 |



Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2009
截至二零零九年十二月三十一日止年度

1. GENERAL INFORMATION

The Company was incorporated in Bermuda as an exempted company under the Companies Act 1981 of Bermuda (as amended) with limited liability. Its ultimate and immediate holding company is Info Dynasty Group Limited (“Info Dynasty”), a company incorporated in the British Virgin Islands (“BVI”). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section of the annual report.

The functional currency of the Company is Renminbi (“RMB”). The consolidated financial statements are presented in Hong Kong dollars, as the directors consider that it is a more appropriate presentation for a company listed in Hong Kong and for the convenience of the shareholders.

The Company is an investment holding company. The principal activities of its subsidiaries are the manufacturing, design and development and sale of liquid crystal display (“LCD”) modules, mobile handset solutions, and wireless communication modules and modems.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

In the current year, the Group has applied the following new and revised standards, amendments and interpretations (“new and revised IFRSs”) issued by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”) of the IASB which are or have become effective.

IAS 1 (Revised 2007)
國際會計準則第 1 號 (二零零七年經修訂)

IAS 23 (Revised 2007)
國際會計準則第 23 號 (二零零七年經修訂)

IAS 32 & 1 (Amendments)
國際會計準則第 32 號及第 1 號 (修訂本)

Presentation of financial statements
呈列財務報表

Borrowing costs
借貸成本

Puttable financial instruments and obligations arising on liquidation
清盤時產生之可沽金融工具及責任

1. 一般資料

本公司乃根據百慕達一九八一年公司法(經修訂)於百慕達註冊成立為獲豁免有限公司。其最終及直接控股公司為於英屬處女群島(「英屬處女群島」)註冊成立之 Info Dynasty Group Limited (「Info Dynasty」)。本公司之註冊辦事處及主要營業地點在年報之公司資料一節內披露。

人民幣(「人民幣」)為本公司的功能貨幣。作為一間香港的上市公司和方便股東，董事認為綜合財務報表以港元呈列更為恰當。

本公司為一家投資控股公司。其附屬公司之主要業務為液晶顯示模塊、移動手機解決方案及無線通訊模塊及數據機之製造、設計、開發及銷售。

2. 採納新訂及經修訂之國際財務報告準則(「國際財務報告準則」)

於本年度，本集團已採納由國際會計準則委員會(「國際會計準則委員會」)頒佈的以下新訂及經修訂準則、修訂及詮釋(「新訂及經修訂國際財務報告準則」)及國際財務報告準則委員會之國際財務報告詮釋委員會(「國際財詮委」)，該等修訂及詮釋開始或經已生效。



2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

2. 採納新訂及經修訂之國際財務報告準則(「國際財務報告準則」)(續)

| | |
|--|--|
| IFRS 1 & IAS 27 (Amendments) 國際財務報告準則第1號及 國際會計準則第27號(修訂本) | Cost of an investment in a subsidiary, jointly controlled entity or associate 對附屬公司、共同控制實體或聯營公司投資的成本 |
| IFRS 2 (Amendment) 國際財務報告準則第2號(修訂本) | Vesting conditions and cancellations 歸屬條件及註銷 |
| IFRS 7 (Amendment) 國際財務報告準則第7號(修訂本) | Improving disclosures about financial instruments 改善金融工具的披露 |
| IFRS 8 國際財務報告準則第8號 | Operating segments 營運分類 |
| IFRIC 9 & IAS 39 (Amendments) 國際財證委第9號及 國際會計準則第39號(修訂本) | Embedded derivatives 嵌入衍生工具 |
| IFRIC 13 國際財證委第13號 | Customer loyalty programmes 客戶忠誠計劃 |
| IFRIC 15 國際財證委第15號 | Agreements for the construction of real estate 房地產建築協議 |
| IFRIC 16 國際財證委第16號 | Hedges of a net investment in a foreign operation 對沖境外業務的淨投資 |
| IFRIC 18 國際財證委第18號 | Transfers of assets from customers 轉讓客戶的資產 |
| IFRSs (Amendments) 國際財務報告準則(修訂本) | Improvements to IFRSs issued in 2008, except for the amendment to IFRS 5 that is effective for annual periods beginning or after 1 July 2009 於二零零八年頒佈的國際財務報告準則的改進，惟國際財務 報告準則第5號之修訂於二零零九年七月一日或之後開始 的年度期間生效除外 |
| IFRSs (Amendments) 國際財務報告準則(修訂本) | Improvements to IFRSs issued in 2009 in relation to the amendment to paragraph 80 of IAS 39 於二零零九年頒佈的國際財務報告準則的改進，有關對國際 會計準則第39號第80段作出之修訂 |

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

Except as described below, the adoption of the new and revised IFRSs has had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods.

New and revised IFRSs affecting presentation and disclosure only

IAS 1 (Revised 2007) Presentation of financial statements

IAS 1 (Revised 2007) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements.

IFRS 8 Operating segments

IFRS 8 is a disclosure standard that has not resulted in a redesignation of the Group's reportable segments (see note 7) and changes in the basis of measurement of segment profit or loss, segment assets and segment liabilities.

Improving disclosures about financial instruments

(amendments to IFRS 7 Financial instruments: Disclosures)

The amendments to IFRS 7 expand the disclosures required in relation to fair value measurements in respect of financial instruments which are measured at fair value. The amendments also expand and amend the disclosures required in relation to liquidity risk. These amendments have no material effect to the Group as the Group did not hold any financial instruments which are measured at fair value as at 31 December 2009.

2. 採納新訂及經修訂之國際財務報告準則(「國際財務報告準則」)(續)

除下文所述者外，採納新訂及經修訂國際財務報告準則對本集團目前或過往會計期間之綜合財務報表並無重大影響。

僅影響呈列及披露之新訂及經修訂國際財務報告準則

國際會計準則第1號(二零零七年經修訂)財務報表的呈列

國際會計準則第1號(二零零七年經修訂)提出更改多個專用名詞(包括修訂財務報表的標題)及多項財務報表的格式及內容的變動。

國際財務報告準則第8號營運分類

國際財務報告準則第8號作為一項披露準則，並無導致本集團之可報告分類(見附註7)須重新劃分及更改計量分類溢利或虧損、分類資產及分類負債的基準。

改善金融工具的披露(國際財務報告準則第7號修訂本「金融工具：披露」)

國際財務報告準則第7號(修訂本)擴大以公平值計量的金融工具公平值計量所需的披露。該等修訂本亦擴大及修訂流動資金風險所需披露。由於本集團於二零零九年十二月三十一日概無持有任何以公平值計值的金融工具，該等修訂版對本集團並無重大影響。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

New and revised IFRSs affecting the reported results and/or financial position

IAS 23 (Revised 2007) Borrowing costs

In previous years, the Group expensed all borrowing costs that were directly attributable to the acquisition, construction or production of a qualifying asset when they were incurred. IAS 23 (Revised 2007) removes the option previously available to expense all borrowing costs when incurred. The adoption of IAS 23 (Revised 2007) has resulted in the Group changing its accounting policy to capitalise all such borrowing costs as part of the cost of the qualifying asset. The Group has applied the revised accounting policy to borrowing costs relating to qualifying assets for which the commencement date for capitalisation is on or after 1 January 2009 in accordance with the transitional provisions in IAS 23 (Revised 2007). The revised accounting policy has been applied prospectively from 1 January 2009 and does not have a material effect on the reported results and financial position of the Group for the current or prior accounting periods as the borrowing costs of the Group are not directly attributable to the acquisition, construction or production of a qualifying asset.

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective.

IFRSs (Amendments)

國際財務報告準則(修訂本)

IFRSs (Amendments)

國際財務報告準則(修訂本)

IAS 24 (Revised)

國際會計準則第24號(經修訂)

IAS 27 (Revised)

國際會計準則第27號(經修訂)

IAS 32 (Amendment)

國際會計準則第32號(修訂本)

2. 採納新訂及經修訂之國際財務報告準則(「國際財務報告準則」)(續)

影響報告業績及／或財務狀況的新訂及經修訂之國際財務報告準則

國際會計準則第23號(二零零七年修訂)「借貸成本」

於過往年度，本集團就收購、興建或生產的合資格資產直接應佔的借貸成本於發生時確認為費用列支。國際會計準則第23號(二零零七年修訂)將該等借貸成本於發生時確認為費用列支的選擇刪除。採納國際會計準則第23號(二零零七年修訂)後，本集團修訂了相關會計政策，資本化所有該等借貸成本，作為合資格資產成本的一部份。本集團根據國際會計準則第23號(二零零七年修訂)的過渡條例應用修訂的會計政策，於二零零九年一月一日或之後開始資本化合資格資產的借貸成本。該經修訂會計政策的採納追溯自二零零九年一月一日，不會對本集團當前或過往會計期間的報告業績及財務狀況產生重大影響，因為本集團收購、建設或生產合資格資產並無直接應佔的借貸成本。

本集團並無提早應用下述已頒佈但尚未生效之新訂及經修訂準則、修訂本或詮釋。

Amendment to IFRS 5 as part of improvements to IFRSs May 2008¹

修訂國際財務報告第5號作為改進
二零零八年五月國際財務報告的一部分¹

Improvements to IFRSs April 2009²

改進二零零九年四月國際財務報告準則²

Related party disclosures⁶

關聯方披露⁶

Consolidated and separate financial statements¹

綜合及獨立財務報表¹

Classification of rights issues⁴

供股分類⁴

Notes to the Consolidated Financial Statements
綜合財務報表附註

For the year ended 31 December 2009
截至二零零九年十二月三十一日止年度

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

2. 採納新訂及經修訂之國際財務報告準則(「國際財務報告準則」)(續)

New and revised IFRSs affecting the reported results and/or financial position (CONTINUED)

影響報告業績及／或財務狀況的新訂及經修訂之國際財務報告準則(續)

| | |
|--|--|
| IAS 39 (Amendment) 國際會計準則第39號(修訂本) | Eligible hedged items ¹ 合資格對沖項目 ¹ |
| IFRS 1 (Amendment) 國際財務報告準則第1號(修訂本) | Additional exemptions for first-time adopters ³ 額外豁免首次採納者 ³ |
| IFRS 1 (Amendment) 國際財務報告準則第1號(修訂本) | Limited exemption from comparative IFRS 7 disclosures for first-time adopters ⁵ 首次採納香港財務報告準則第7號之披露對比較數字之有限度豁免 ⁵ |
| IFRS 2 (Amendment) 國際財務報告準則第2號(修訂本) | Group cash-settled share-based payment transactions ³ 股份付款－集團以現金結算之股份付款交易 ³ |
| IFRS 3 (Revised) 國際財務報告準則第3號(經修訂) | Business combinations ¹ 業務合併 ¹ |
| IFRS 9 國際財務報告準則第9號 | Financial instruments ⁷ 金融工具 ⁷ |
| IFRIC 14 (Amendment) 國際財詮委第14號(修訂本) | Prepayments of a minimum funding requirement ⁶ 最低資金要求之預付款項 ⁶ |
| IFRIC 17 國際財詮委第17號 | Distributions of non-cash assets to owners ¹ 向擁有人分派非現金資產 ¹ |
| IFRIC 19 國際財詮委第19號 | Extinguishing financial liabilities with equity instruments ⁵ 以權益工具清償財務負債 ⁵ |

¹ Effective for annual periods beginning on or after 1 July 2009.

² Amendments that are effective for annual periods beginning on or after 1 July 2009 and 1 January 2010, as appropriate.

³ Effective for annual periods beginning on or after 1 January 2010.

⁴ Effective for annual periods beginning on or after 1 February 2010.

⁵ Effective for annual periods beginning on or after 1 July 2010.

⁶ Effective for annual periods beginning on or after 1 January 2011.

⁷ Effective for annual periods beginning on or after 1 January 2013.

¹ 於二零零九年七月一日或之後開始之年度期間生效。

² 於二零零九年七月一日及二零一零年一月一日(如適用)或之後開始之年度期間生效的修訂。

³ 於二零一零年一月一日或之後開始之年度期間生效。

⁴ 於二零一零年二月一日或之後開始之年度期間生效。

⁵ 於二零一零年七月一日或之後開始之年度期間生效。

⁶ 於二零一一年一月一日或之後開始之年度期間生效。

⁷ 於二零一三年一月一日或之後開始之年度期間生效。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

The application of IFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. IAS 27 (Revised) will affect the accounting treatment for changes in a parent’s ownership interest in a subsidiary.

IFRS 9 “Financial instruments” introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2013, with earlier application permitted. The standard requires all recognised financial assets that are within the scope of IAS 39 “Financial instruments: Recognition and measurement” to be measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application of IFRS 9 has no material impact on the classification and measurement of the Group’s financial assets.

In addition, as part of Improvements to IFRSs issued in April 2009, IAS 17 Leases has been amended in relation to the classification of leasehold land. The amendments will be effective from 1 January 2010, with earlier application permitted. Before the amendments to IAS 17, lessees were required to classify leasehold land as operating leases and presented as prepaid lease payments in the consolidated statement of financial position. The amendments have removed such a requirement. Instead, the amendments require the classification of leasehold land to be based on the general principles set out in IAS 17, that are based on the extent to which risks and rewards incidental to ownership of a leased asset lie with the lessor or the lessee. The application of the amendments to IAS 17 might affect the classification and measurement of the Group’s leasehold land.

2. 採納新訂及經修訂之國際財務報告準則(「國際財務報告準則」)(續)

採納國際財務報告準則第3號(經修訂)可能會影響其收購日期為二零零九年七月一日或之後開始之業務合併之會計處理。國際會計準則第27號(經修訂)將會影響有關母公司於一間附屬公司的擁有權益變動之會計處理。

國際財務報告準則第9號「金融工具」，引入了分類及計量金融資產的新要求，於早前的申請獲准後將於二零一三年一月一日起生效。該標準要求於國際會計準則39「金融工具：確認和計量」範圍內所有確認的金融資產：將以攤銷成本或公允價值進行計量。具體來說，債務投資(i)其目標是在一個商業模式中收集合約現金流量及(ii)擁有合約現金流，本金及未償還本金一般按攤銷成本計量。所有其他債權投資和股權投資按公允價值計量。國際財務報告準則第9號的應用不會對本集團的金融資產的分類和計量產生重大影響。

此外，作為二零零九年四月頒佈之國際財務申報準則之改進之一部分，國際會計準則第17號租約中有關租賃土地之分類經過修訂。該等修訂本將於二零一零年一月一日起生效，准予提前應用。在國際會計準則第17號(修訂本)實施前，承租人須把租賃土地分類為經營租賃，並在綜合財務狀況表中呈列為預付租賃款項。該等修訂本刪除此項規定，取而代之，該等修訂本規定租賃土地根據國際會計準則第17號的一般原則分類，亦即根據租賃資產附帶之風險及回報屬於出租人還是承租人。應用國際會計準則第17號之修訂或會影響本集團租賃土地之分類與計量。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (CONTINUED)

The directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with IFRSs. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values, as explained in the accounting policies set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

2. 採納新訂及經修訂之國際財務報告準則(「國際財務報告準則」)(續)

本公司董事預期應用其他新增或經修訂的準則、修訂本或詮釋對綜合財務報表並無重大影響。

3. 重大會計政策

綜合財務報表已根據國際財務報告準則編製。此外，綜合財務報表載入香港聯合交易所有限公司之證券上市規則及香港公司條例規定的適用披露規定。

綜合財務報表已按歷史成本基準編製，惟以公平值計算之投資物業及若干金融工具除外，有關的解釋載於下文的會計政策內。

合併基準

綜合財務報表載入本公司及其附屬公司的財務報表。獲得控制權就本公司可於某實體行使監管其財務及營運決策權以達致獲取其業務之利益。

本年度已收購或已出售附屬公司的業績由收購生效日期起或截至出售生效日期止在適當情況下列入綜合全面收益表。

附屬公司的財務報表於有需要時作出調整，以使其會計政策與本集團其他成員公司所採納者一致。

所有集團成員公司之間的交易、結餘、收入及開支於合併時撇銷。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (CONTINUED)

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Business combinations

The acquisition of businesses is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 Business Combinations are recognised at their fair values at the acquisition date.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

3. 重大會計政策 (續)

合併基準 (續)

少數股東權益應佔之合併附屬公司資產淨值於賬目內與本集團的股本分開呈列。少數股東權益所佔資產淨值包括原來業務合併日期的該等權益金額，以及自合併日期起少數股東應佔的股權變動。少數股東應佔虧損超出少數股東應佔附屬公司權益的金額於本集團權益對銷，惟於少數股東具有約束力責任及其有能力作出額外投資以彌補該等虧損者除外。

業務合併

收購業務採用購買會計處理法入賬。收購成本按交易當日所給予之資產、所產生或承擔之負債，以及本集團為控制被收購方而已發行股本工具之公平值總額，另加業務合併中直接應佔之任何成本計量。符合國際財務申報準則第3號「業務合併」確認條件之被收購方之可識別資產、負債及或然負債，均以收購日期之公平值確認。

因收購而產生之商譽確認為資產，乃初步按成本（即業務合併成本超逾本集團所佔之已確認之可識別資產、負債及或然負債之公平值淨額之權益之部分）計量。倘於重新評估後，本集團應佔被收購方之可識別資產、負債及或然負債之公平值淨額之權益高於業務合併成本，其超出部分即時確認為損益。

少數股東於被收購方之權益初步按少數股東於已確認資產、負債及或然負債之公平值淨額所佔比例計量。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost less any accumulated impairment losses and is presented separately in the consolidated statement of financial position.

For the purposes of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold in the normal course of business, net of discounts and sales related taxes.

Sales of goods are recognised when goods are delivered and title has passed.

3. 重大會計政策(續)

商譽

收購業務所產生之商譽，按成本減任何累計減值虧損列賬，並於綜合財務狀況表獨立呈列。

就減值測試而言，收購所產生之商譽分配到預期從收購之協同效應中受益之各有關現金產生單位，或現金產生單位之組別。已獲分配商譽之現金產生單位每年及凡該單位有跡象顯示出現減值時進行減值測試。就於財政年度之收購所產生之商譽而言，已獲分配商譽之現金產生單位於該財政年度完結前進行減值測試。當現金產生單位之可收回金額少於該單位之賬面值，則減值虧損被分配，以首先削減分配到該單位之任何商譽之賬面值，及其後以單位各資產之賬面值為基準，按比例分配到該單位之其他資產。商譽之任何減值虧損乃於損益內直接確認。商譽之減值虧損於其後期間不予撥回。

於出售有關現金產生單位時，釐定出售的損益金額計及資本化商譽應佔的金額。

收入確認

收入按日常業務過程中就提供貨品所收取或應收取代價及指應收款項(已扣除折扣及銷售有關稅項)的公平值計量。

貨品銷售於貨品已交付及其所有權已移交時確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (CONTINUED)

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Value Added Tax ("VAT") refund is recognised as income when the Group's rights to receive the VAT refund has been established.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity are recorded in its functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's entities are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year. Exchange differences arising are recognised in other comprehensive income and accumulated in equity (the translation reserve).

3. 重大會計政策(續)

收入確認(續)

來自金融資產的利息收入按時間基準累計，並參考未償還本金及適用的實際利率，該利率為就資產的賬面淨額，透過金融資產預算年期，準確貼現估計未來所獲現金數額。

退回增值稅(「增值稅」)於本集團可收取退回增值稅之權利已確立時確認為收入。

外幣

於編製每間個別集團實體的財務報表時，倘交易的貨幣與實體的功能貨幣不同，則以其功能貨幣(實體經營業務的主要經濟環境)按交易日日期適用的匯率換算入賬。於報告日期止，以外幣為面值的貨幣項目按該日適用的匯率換算。按公平值列賬且按外幣列值的非貨幣項目乃按釐定公平值日期之匯率重新換算。惟外幣列值以歷史成本入賬的非貨幣項目則不予換算。

於結算及重新換算貨幣項目所產生的匯率差異，於其產生期間在損益賬內確認。於再度換算非貨幣項目所產生的匯率差異，於其產生期間在損益賬內確認。

為呈列綜合財務報表的目的，本集團實體的資產及負債均以報告日期止適用匯率換算為本集團的呈列貨幣(即港元)，而其收入及開支則以本年度平均匯率予以換算。產生的匯率差異於其他全面收益確認及於權益(換算儲備)累計。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because it excludes items of income and expense that are taxable or deductible in other years and it further excludes items that are never taxable and deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

3. 重大會計政策(續)

稅項

所得稅開支指現時應付稅項及遞延稅項之總和。

現時應付稅項乃按本年應課稅溢利計算。應課稅溢利不包括其他年度的應課稅或應扣減之收入或開支項目，亦不包括從未課稅或可扣稅之項目，故與綜合全面收益表所列溢利不同。本集團本期稅項負債乃按已於報告期間止實施或大致實施之稅率計算。

遞延稅項以綜合財務報表內資產及負債賬面值與計算應課稅溢利所採用相應稅基之暫時差異入賬。遞延稅項負債通常會就所有可抵減暫時差額確認，惟在應課稅溢利可供可扣減暫時差額抵銷時，方就所有可扣減暫時差額確認遞延稅項資產。倘若暫時差額由商譽或由初次確認一項不影響應課稅溢利或會計溢利之其他資產及負債(業務合併除外)所產生，則不會確認有關資產及負債。

遞延稅項負債乃按於附屬公司之投資而引致之應課稅暫時差額而確認，惟若本集團可控制暫時差額之撥回及暫時差額有可能不會於可見將來之撥回之情況則除外。與該等投資相關的可扣減暫時差額所產生的遞延稅項資產，僅在按可能出現可利用暫時差額扣稅之應課稅溢利時，並預期於可見將來撥回時，方會進行確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (CONTINUED)

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

3. 重大會計政策(續)

稅項(續)

遞延稅項資產之賬面值於各報告期間結束當日作檢討，並在沒可能會有足夠應課稅溢利收回全部或部分資產時加以遞減。

根據報告期間結束當日已頒佈或實際已頒佈之稅率(及稅法)，遞延稅項資產及負債按負債清償或資產變現期間預期適用之稅率計量。遞延稅項負債及資產之計量反映本集團預期於報告期間結束當日將出現的稅務後果，以收回資產或清償負債之賬面值。遞延稅項於損益確認，惟當其與其他全面收益確認或直接於權益確認之項目有關時，在此情況下，遞延稅項亦會分別於其他全面收益確認或直接於權益確認。

租約

當租約條款將涉及擁有權之絕大部分風險及回報轉讓予承租人時，該租約乃分類為融資租約。所有其他租約均分類為經營租約。

由本集團出租

經營租約之租金收入乃按相關租約年期以直線法在損益內確認。於磋商及安排一項營運租約引致之初步直接成本計入租約資產之賬面值，並按租約年期以直線法確認為開支。

由本集團承租

經營租約付款於有關租約年期以直線法確認。訂立經營租約時已收及應收作為獎勵之利益按直線法於有關租約之年期確認為租金開支減少。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government subsidies

Government subsidies are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the subsidies are intended to compensate. Government subsidies related to depreciable assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss over the useful lives of the related assets. Other government subsidies are recognised as revenue over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government subsidies that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Retirement benefit costs

Payments to state-managed retirement benefits schemes and the Mandatory Provident Fund Scheme (“MPF Scheme”) are charged as an expense when employees have rendered service entitling them to the contributions.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure, except for those transfer from property, plant and equipment and land use rights which are measured at fair value at date of transfer. Subsequent to initial recognition, investment properties are measured at their fair value using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

3. 重大會計政策(續)

政府補貼

本集團如收取政府補貼以補償相關成本，應在相關成本確認為開支的期間內，系統地在損益內確認該等政府補貼。政府補貼若與可折舊的資產相關，則在綜合財務狀況表內確認為遞延收入，並按相關資產的可用年期，轉至損益。其他政府資助按期系統地確認為收入，以與資助擬補償的成本相符。在本集團將該等資助擬補償用作補償本集團已產生開支或虧損或旨在為本集團提供即時補貼(而無未來相關成本)之應收政府補貼，乃於應收期間於損益確認。

退休福利成本

向國家管理之福利計劃及強制公積金計劃(「強積金計劃」)支付之供款指僱員已提供服務而獲得貢獻之權利時列作開支支銷。

投資物業

投資物業是指持作賺取租金及／或資本增值的物業。

投資物業除由物業、廠房及設備及土地使用權轉撥而於轉撥之日用公平值量度，均於首次確認時按成本(包括任何相關直接支出)計量。於首次確認後，投資物業是採用公平值模式以其公平值計量。投資物業的公平值變動所產生的收益或虧損於產生期間直接確認為損益。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment properties (CONTINUED)

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the item is derecognised.

Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services, other than construction in progress, are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided using the straight-line method to write off the cost of items of property, plant and equipment, other than construction in progress, over their estimated useful lives after taking into account of their estimated residual value.

Construction in progress represents property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is carried at cost less any recognised impairment loss. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

If an item of property, plant and equipment becomes an investment property because its use has changed as evidenced by end of owner-occupation, any difference between the carrying amount and the fair value of that item at the date of transfer is recognised in other comprehensive income and accumulated in properties revaluation reserve. On the subsequent sale or retirement of the asset, the relevant revaluation reserve will be transferred directly to accumulated profits.

3. 重大會計政策(續)

投資物業(續)

當投資物業出售，或永久不再被使用，或預期出售不會產生未來經濟利益時，該項投資物業不再被確認。因不再確認為資產而產生的收益或虧損(按出售所得款項淨額與資產的賬面值之差額計算)於該項目取消確認期間在損益內入賬。

物業、廠房及設備

物業、廠房及設備(包括持作生產或提供貨物或服務的建築物，在建工程除外)按成本減其後累計折舊以及任何累計減值虧損列賬。

每項物業、廠房及設備於估計使用年期內，經計及其估計剩餘價值後，使用直線法作折舊，以撇銷物業、廠房及設備(在建工程除外)之成本。

在建工程指處於建設過程中之生產或自用之物業、廠房及設備。在建工程按成本減任何已確認之減值虧損列賬。在建工程於完成及可供原定用途使用時分類為適當類別之物業、廠房及設備。該等資產之折舊於資產可投入原定用途時按與其他物業資產相同之基準開始提撥。

如有物業、廠房及設備項目因其於自用結束後的用途轉變而成為投資物業，賬面值與該等項目於轉移日的公平值之間的任何差異均應於其他全面收益表中確認及於物業重估儲備內累計。該資產隨後出售或報廢時，相關重估儲備將直接轉入累積溢利。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment (CONTINUED)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the profit or loss in the period in which the item is derecognised.

Land use rights

Land use rights represent the prepaid lease payments of leasehold interests in land under operating lease arrangements and are amortised on a straight-line basis over the lease terms, except for those held to earn rentals and/or for capital appreciation purpose and classified as investment properties are carried at fair values.

If land use rights becomes an investment property because its use has changed as evidenced by end of owner-occupation, any difference between the carrying amount and the fair value of that item at the date of transfer is recognised in other comprehensive income and included in properties revaluation reserve. On the subsequent sale or retirement of the asset, the relevant revaluation reserve will be transferred directly to accumulated profits.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3. 重大會計政策(續)

物業、廠房及設備(續)

物業、廠房及設備項目乃於出售後或當預期持續使用該資產將不會產生未來經濟利益時不再確認。確認該資產時產生之任何盈虧(以出售所得款項淨額與該項目之賬面值之差額計算)乃計入於該項目不再確認期間之損益內。

土地使用權

土地使用權指根據經營租賃安排持有之租賃土地權益之預付租賃款，除持作賺取租金及／或資本增值的投資物業以公平值量度外，乃按直線法於租賃期內攤銷。

如有土地使用權因其於自用結束後的用途轉變而成為投資物業，賬面值與該等項目於轉移日的公平值之間的任何差異均應於其他全面收益表中確認及計入物業重估儲備。該資產隨後出售或報廢時，相關重估儲備將直接轉入累積盈利。

借貸成本

與收購、建造或生產合資格資產直接有關之借貸成本均撥充資本，作為該等資產之部分成本。當資產大致可作其擬定用途或可供銷售時，該等借貸成本將不再撥充為資本。特定借貸中，在其應用於合資格的資產之前所作的臨時投資所賺取的投資收入，須於資本化的借貸成本中扣除。

所有其他借貸成本均在發生期間於損益內確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible assets

Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria. Where no internally generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible asset is reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

3. 重大會計政策(續)

無形資產

研究及開發費用

研究活動的費用於產生之期間確認為開支。

因開發(或因內部項目的某開發階段)而於內部產生的無形資產，會於並僅會於下列全部各項均已展示時確認：

- 完成無形資產在技術上屬可行，其因而將可供使用或出售；
- 有意完成無形資產並使用或出售；
- 有能力使用或出售無形資產；
- 無形資產將產生未來潛在經濟利益的方法；
- 有足夠技術、財務及其他資源完成開發並使用或出售無形資產的可使用程度；及
- 有能力可靠地計量屬無形資產於開發期內的開支。

就內部產生無形資產初步確認之金額，為該等無形資產首次符合確認標準當日起產生之開支總額。倘並無內部產生無形資產可予確認，則開發費用將於產生期間內於損益內扣除。

於初次確認後，內部產生無形資產以個別購入的無形資產的相同基準，按成本減累計攤銷及累計減值虧損列賬。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible assets (CONTINUED)

Intangible assets acquired separately

Intangible assets acquired separately and with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses.

Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives.

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period when the asset is derecognised.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination are carried at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Technical know-how acquired in a business combination comprise the rights to use certain technologies for the manufacture of wireless communication module solutions and mobile handset design solutions.

3. 重大會計政策(續)

無形資產(續)

獨立購入的無形資產

獨立購入及有限定可使用年期的無形資產按成本減累計攤銷及任何累計減值虧損列賬。

可使用年期有限的無形資產於估計可使用年期內以直線法攤銷。

於終止確認無形資產時產生的任何損益，乃按該項資產的出售所得款項淨額與其賬面值之間的差額釐定，並於終止確認該項資產時之期間於損益內確認。

業務合併中所收購的無形資產

業務合併中所收購的無形資產倘符合無形資產的定義及彼等的公平值能夠可靠地計量，則與商譽分開確定及確認。該無形資產的成本乃為其於收購日期的公平值。

初步確認後，於業務合併中收購的無形資產，按與獨立收購的無形資產的相同基準，以成本減累計攤銷及累計減值虧損列賬。

業務合併中所收購的專有技術包括生產無線通訊模塊及移動手機解決方案之若干技術使用權。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

At end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. In addition, intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that they may be impaired. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

Financial instruments

Financial assets and financial liabilities are recognised on the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3. 重大會計政策(續)

有形及無形資產(商譽除外)之減值虧損(見上文有關商譽之會計政策)

於報告期間止，本集團均會審閱其有形及無形資產之賬面值，以確認該等資產是否已出現減值虧損。倘出現任何有關跡象，則估計資產可收回金額，以釐定減值虧損的幅度(如有)。此外，未可供使用的無形資產均會每年及當有跡象顯示出現減值時進行減值測試。倘某項資產之估計可回收金額低於其賬面值，則該項資產之賬面值須削減至其可回收金額。減值虧損會即時確認為開支。

倘某項減值虧損其後撥回，則該項資產之賬面值將增至其可回收金額之經修訂估計數額，惟增加後之賬面值不得超過以往年度若資產並無減值虧損確認而釐定之賬面值。減值虧損撥回將即時確認為收入。

存貨

存貨按成本及可變現淨值兩者中之較低者入賬。成本按加權平均方法計算。

金融工具

當一家集團實體成為工具合約條文之一方，金融資產及金融負債於綜合財務狀況表內確認。金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債直接應佔之交易成本(經損益賬按公平值入賬之金融資產及金融負債除外)乃於初步確認時按適當情況加入或從金融資產或金融負債之公平值扣除。須經損益賬直接由收購金融資產或金融負債引致的交易成本，即時於損益內確認。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial assets

The Group's financial assets are classified to either available-for-sale investments or loans and receivables. All regular way purchases or sale of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investment. Available-for-sale financial assets are measured at fair value at the end of the reporting period. Changes in fair value are recognised in other comprehensive income and accumulated in investment revaluation reserve, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss (see accounting policy on impairment loss on financial assets below).

3. 重大會計政策(續)

金融工具(續)

金融資產

本集團之金融資產分類為可供出售投資或貸款及應收賬款。所有日常買賣之金融資產按交易日基準確認及解除確認。日常買賣指須根據市場規則或慣例訂立之時間內交收資產之金融資產買賣。

實際利率法

實際利率法乃是一種用以計算金融資產之攤銷成本及於相關期間內攤分利息收入的方法。實際利率指能實際於該項金融資產的預計可使用年期或(如適用)初次確認賬面淨值的較短期間折現預計未來現金收入(包括所有合約內交易雙方所收取或支付構成整體實際利息一部分之費用、交易成本及所有溢價或折讓)之利率。

就債務工具而言，利息收入按實際利率基準確認。

可供出售之金融資產

可供出售之金融資產乃指定歸入或未分類為透過損益按公平值列值之金融資產、貸款及持有至到期投資之非衍生工具。於報告期間止，可供出售財務資產按公平值計算。公平值之變動於其他全面收益確認，直至該財務資產售出或釐定有所減值，屆時過往於投資重估儲備之累計盈虧將重新分類至損益(請參閱下文有關財務資產減值虧損之會計政策)。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade receivables, notes and bills receivable, other receivables and deposits, pledged bank deposits and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

Impairment of financial assets

Financial assets of the Group are assessed for indicators of impairment at the end of the reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For available-for-sale equity investments, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For loans and receivables, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

貸款及應收款項

貸款及應收款項為並無於交投活躍之市場內報價而附帶固定或可議定付款的非衍生金融資產。於初步確認後，貸款及應收款項(包括應收貿易賬款、應收票據及賬單，其他應收款項及按金、已抵押銀行存款和銀行結餘)使用實際利率法按攤銷成本減任何可識別減值虧損列賬(見下列金融資產減值虧損之會計政策)。

金融資產減值

本集團的金融資產乃就於報告期間止出現的減值跡象作出評估。一項或多項發生於初始計量金融資產後之事件作為客觀證據，顯示金融資產之估計未來現金流受到影響，金融資產即為已減值。

就可供出售股本投資而言，該等投資的公平值大幅或長期下降至低於其成本，則被視為減值之客觀證據。

就貸款及應收款項而言，減值之客觀證據可能包括：

- 發行者或交易對手陷入重大財政困難；或
- 利息或本金支付之違約或拖欠；或
- 借款人有可能面臨破產或財務重組。



3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Impairment of financial assets (CONTINUED)

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments and an increase in the number of delayed payments in the portfolio past the average credit period of 90 days.

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3. 重大會計政策(續)

金融工具(續)

金融資產減值(續)

對若干類別的金融資產而言，例如應收貿易賬款，並無個別被評估為已減值的資產將其後按組合基準評估減值。應收賬款組合減值的客觀證據可包括本集團過往的收款經驗，以及組合內超逾平均信貸期90天的延遲付款的宗數增加的現象。

就按攤銷成本列賬之金融資產而言，當有客觀證明資產已減值，將會在損益中確認減值虧損，並按資產賬面值與按原有實際利率折算的估計未來現金流量的現值兩者間之差異計量。

除應收貿易賬款賬面值是通過計提壞賬準備削減外，所有金融資產之賬面值是直接按減值虧損予以削減。壞賬準備賬面值之變動被計入損益內確認。當一項應收貿易賬款被認為不可收回，其將從壞賬準備上撇銷。隨後追回以前撇銷之款項會計入損益。

就按攤銷成本計量的金融資產而言，如後在其後的某一期間，減值虧損的金額減少而有關的減少為可與確認減值虧損後發生的事件客觀地關連，之前已確認的減值虧損將透過損益撥回，並以該項資產於撥回減值日期的賬面值不超出倘並無確認該等減值原應有的攤銷成本為前提進行撥回。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Impairment of financial assets (CONTINUED)

Impairment losses on available-for-sale equity investments will not be reversed in profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in other comprehensive income and accumulated in investment revaluation reserve.

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Interest expense is recognised on an effective interest basis.

Financial liabilities

Financial liabilities including trade and notes payables, other payables and accruals and bank borrowings are initially measured at fair values and subsequently measured at amortised cost, using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

3. 重大會計政策(續)

金融工具(續)

金融資產減值(續)

可供出售之股本投資之減值虧損將不會於以後期間在損益中撥回。減值虧損後公平值的任何增加將直接於其他全面收益表中確認及於投資重估儲備中累計。

金融負債及股本

某一集團實體所發行之金融負債及股本工具乃根據所訂立的合約安排的內容以及金融負債和股本工具的定義予以分類。

股本工具為證明於本集團資產之餘額權益經扣除其所有負債後之任何合約。

實際利率法

實際利率法乃計算金融負債之攤銷成本及於有關期間攤分利息支出之方法。實際利率為實際於該項金融負債的預計年期或(如適用)較短期間折現估計未來現金付款的利率。

利息支出按實際利率基準確認。

金融負債

金融負債包括應付貿易賬款及票據、其他應付款項及應計費用以及銀行借貸初步按公平值計量，而其後則使用實際利率法按攤銷成本計量。

股本工具

本公司發行之股本工具以已收所得款項扣除直接發行成本後入賬。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in profit or loss.

Equity-settled share-based payment transactions

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share option reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in profit or loss with a corresponding adjustment to share option reserve.

At the time when the share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to accumulated profits.

3. 重大會計政策(續)

金融工具(續)

終止確認

若從資產收取現金流的權利已到期，或金融資產已轉讓及本集團已將其於金融資產擁有權的絕大部分風險及回報轉移，則金融資產將被終止確認。於終止確認金融資產時，資產賬面值與已收及應收代價及已直接於其他全面收益確認的累計盈虧的總和兩者之差，將於損益中確認。

金融負債於有關合約的特定責任獲解除、取消或到期時終止確認。終止確認的金融負債賬面值與已付或應付代價的差額乃於損益中確認。

以股份付款之交易

已接獲服務之公平值參考於授出日期所授出購股權之公平值釐定，以直線法於歸屬期支銷，並於權益中相應增加(購股權儲備)。

於報告期間止，本集團修正其最終預算歸屬購股權數量之估計。修正估計之影響(如有)乃於損益中確認，並於購股權儲備中作相對應的調整。

於行使購股權時，以往於購股權儲備確認之款項，將撥入股份溢價。當購股權於屆滿日期仍未行使或購股權於歸屬期後失效時，以往於購股權儲備確認之款項，將撥入累計溢利。

4. CAPITAL RISK MANAGEMENT

The Group's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of business. The Group defines the capital of the Group as the total shareholders' equity.

The Group's overall strategy remains unchanged from prior year.

4. 資本風險管理

本集團的政策是維持穩健資本基礎以確保債權人及市場的信心以及使未來業務發展得以可持續。本集團將資本定義為股東權益總額。

本集團之整體策略與前一年相比維持不變。

5. FINANCIAL INSTRUMENTS

Categories of financial instruments

| | |
|---|--------------------------|
| Financial assets | 金融資產 |
| Loans and receivables (including cash and cash equivalents) | 貸款與應收賬款 (包括現金及現金等值項目) |
| Available-for-sale investments | 可供出售之投資 |
| Financial liabilities | 金融負債 |
| Amortised cost | 已攤銷成本 |

Financial risk management objectives and policies

The Group's major financial instruments include trade receivables and payables, bills receivable, notes receivables and payables, other receivables and payables, accruals, pledged bank deposits, bank balances and bank borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

金融工具類別

| 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 1,258,025 | 1,009,616 |
| – | 36,866 |
| 900,616 | 397,141 |

財務風險管理的目標與政策

本集團之主要金融工具包括應收及應付貿易賬款、應收賬單、應收及應付票據、其他應收及應付款項、應計費用、已抵押銀行存款、銀行結餘及銀行借貸。該等金融工具之詳情於有關附註中披露。與這些金融工具相關之風險以及有關減低該等風險之政策載於下文。管理層管理及監察該等風險，以確保能及時和有效採取適當措施。

5. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (CONTINUED)

Currency risk

Several subsidiaries of the Group have foreign currency sales and purchases, which expose the Group to foreign currency risk. Approximately 25% (2008: 25%) of the Group's sales are denominated in currencies other than the functional currency of the group entity making the sale, whilst almost 50% (2008: 50%) of costs are denominated in the group entity's functional currency.

At the end of the reporting period, the major financial assets and liabilities of the Group denominated in currencies other than the functional currency of the respective group entities are trade receivables, pledged bank deposits, bank balances, trade payables and bank borrowings and the amounts are disclosed in notes 24, 25, 26 and 27 respectively.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting date are as follows:

United States Dollars ("USD") 美元

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

5. 金融工具(續)

財務風險管理的目標與政策(續)

貨幣風險

本集團多家附屬公司以外幣進行買賣，令本集團面對外幣風險。本集團銷售額約25% (二零零八年：25%) 以集團實體進行買賣的功能貨幣以外的貨幣計值，而約50% (二零零八年：50%) 的成本是以集團實體的功能貨幣計值。

於報告期末，本集團的主要金融資產及負債，以其各自集團實體功能貨幣以外的貨幣計值，相關資產及負債為應收貿易賬款、已抵押銀行存款、銀行結餘、應付貿易賬款及銀行借貸，其相關金額分別於附註24、25、26及27進行披露。

於報告日期止，本集團以外幣計值的貨幣資產及貨幣負債的賬面值如下：

| Assets 資產 | | Liabilities 負債 | |
|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
| 124,319 | 279,852 | 359,989 | 47,487 |

本集團現時並無外幣對沖政策。然而，管理層會監察外匯風險，並於有需要時考慮對沖重大的外匯風險。

5. FINANCIAL INSTRUMENTS (CONTINUED)**Financial risk management objectives and policies
(CONTINUED)***Currency risk (CONTINUED)*

Sensitivity analysis

The following table details the Group's sensitivity to a 10% (2008: 10%) increase and decrease in RMB against USD. 10% (2008: 10%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 10% (2008: 10%) change in foreign currency rates. A positive number below indicates an increase in post-tax profit (2008: negative number indicating a decrease in post-tax profit) where RMB strengthen 10% against USD for the current year. For a 10% weakening of RMB against USD, there would be an equal and opposite impact on the post-tax profit.

| | |
|---------------|--------|
| Profit (loss) | 溢利(虧損) |
|---------------|--------|

Note: This is mainly attributable to the exposure on outstanding USD bank balances, receivables, payables and bank borrowings of the Group at the end of the reporting period.

Price risk

There are no available-for-sale investments and no price risk exposure to the Group as at 31 December 2009.

The Group's available-for-sale investments are measured at fair value at 31 December 2008. Therefore, the Group is exposed to potential loss in market value resulting from an adverse change in prices. The management would manage this exposure by closely monitoring the performance of the investments and market conditions. The management will consider diversifying the portfolio of investments as they consider appropriate.

5. 金融工具(續)**財務風險管理的目標與政策(續)***貨幣風險(續)*

敏感度分析

下表詳列因應本集團對人民幣兌美元升值及減值10% (二零零八年: 10%) 之敏感度。10% (二零零八年: 10%) 為向主要管理人員內部匯報外匯風險所用之敏感度利率, 並指管理層對匯率可能合理變動之評估。敏感度分析僅包括以外幣計算之尚未償還貨幣項目, 並於期末調整其兌換以反映匯率之10% (二零零八年: 10%) 變動。下列所示正數代表稅後溢利增加 (二零零八年: 負數, 代表稅後溢利減少)。倘人民幣兌美元出現人民幣貶值10%, 將會對稅後溢利造成相等及相反之影響。

| | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|--|----------------------------------|----------------------------------|
| | 17,854 | (21,124) |

附註: 主要為來自本集團於年末未償還以美元計算之銀行結餘、應收及應付款項以及銀行借貸之風險。

價格風險

於二零零九年十二月三十一日, 本集團並無可供出售投資及並無面臨價格風險。

於二零零八年十二月三十一日, 本集團可供出售投資按公平值列賬。因此, 本集團承擔因價格的不利變動而造成市價的潛在損失的風險。管理層將透過密切監察投資表現及市況管理此項風險, 並在彼等認為適當時分散投資組合。

5. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (CONTINUED)

Price risk (CONTINUED)

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks as at 31 December 2008.

If the prices of the respective equity instruments had been 10% higher, investment valuation reserve would increase by approximately HK\$3,687,000 for the Group for the year ended 31 December 2008 as a result of the changes in fair value of available-for-sale investments.

Credit risk

The Group's credit risk are primarily attributable to trade receivables, other receivables and deposits, notes and bills receivables and bank balances.

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 31 December 2009 and 2008 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

The Group's bank balances and cash are deposited with banks in Hong Kong and the PRC and the Group has limited the exposure to any single financial institution. The credit risk on liquid funds is limited because the counterparties are banks with good credit-rating.

5. 金融工具(續)

財務風險管理的目標與政策(續)

貨幣風險(續)

敏感度分析

於二零零八年十二月三十一日，以下的敏感度分析乃根據股價風險釐定。

若各權益工具的價值上升10%，本集團於截至二零零八年十二月三十一日止年度的投資估值儲備將因可供出售投資之公平值變動而增加約3,687,000港元。

信貸風險

本集團的信貸風險主要來自應收貿易賬款、其他應收款項及按金、應收票據及賬單，以及銀行結餘。

本集團因對手方未能履行責任而於二零零九年及二零零八年十二月三十一日就每類已確認金融資產所須承受之最大信貸風險，為列於綜合財務狀況表內該等資產之賬面金額。

為盡量降低信貸風險，本集團管理層已委派一組人員負責制訂信貸限額、信貸審批及其他監控措施，以確保採取跟進措施收回逾期債項。此外，於報告期間止，本集團定期評估每項個別貿易債項之可收回金額，以確保就不可收回金額作出足夠之減值虧損。

本集團之銀行結餘及現金存於香港及中國之銀行，本集團並已就任何單一財務機構之風險設限。流動資金之信貸風險有限，因為交易對方均為具良好評級之銀行。

5. FINANCIAL INSTRUMENTS (CONTINUED)**Financial risk management objectives and policies****(CONTINUED)***Credit risk (CONTINUED)*

The Group has concentration of credit risks with exposure limited to certain customers. As at 31 December 2009, two (2008: two) customers amounted HK\$112,803,000 (2008: HK\$160,766,000) comprised approximately 80% (2008: 69%) of the Group's trade receivables. These customers are within the same mobile phone technology industry in the PRC. The management closely monitors the subsequent settlement of the customers and does not grant long credit period to the counterparties. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

As at 31 December 2009, the Group has undiscounted cash flow of approximately HK\$274,705,000 on bank borrowings payable within one year with weighted average interest rate of 1.3% per annum. The carrying amount of such borrowings as at 31 December 2009 is approximately HK\$271,123,000 (2008: Nil).

The directors consider that liquidity risk is limited after considering the future cash flows of the Group in the foreseeable future, including the repayment schedule of bank borrowings as discussed above and the short-term liabilities which are required to repay within three months from the end of the reporting period. The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

5. 金融工具(續)**財務風險管理的目標與政策(續)***貨幣風險(續)*

本集團存在信貸風險集中的情況，風險集中於若干客戶。於二零零九年十二月三十一日，兩名(二零零八年：兩名)客戶佔112,803,000港元(二零零八年：160,766,000港元)，相當於本集團的應收貿易賬款約80%(二零零八年：69%)。該等客戶集中於中國的相同移動電話技術行業內。管理層將密切監察客戶往後之結算及不會向交易對方授出長信貸期。就此而言，本公司董事認為本集團之信貸風險已大大降低。

流動資金風險

管理流動資金風險方面，本集團會監察及維持現金及現金等值項目於管理層視為充足的水平，以應付本集團營運所需，並可減少現金流量波動之影響。管理層會監察銀行借款之運用，以確保符合貸款承諾。

於二零零九年十二月三十一日，本集團的一年內到期應付銀行借貸的未折現現金流量約為274,705,000港元，加權平均年利率為1.3%。於二零零九年十二月三十一日，該等借貸面值約為271,123,000港元(二零零八年：零)。

董事認為，考慮到本集團在可見未來的現金流之後，流動資金風險有限，因為本集團的債務包括上文披露的銀行借貸的償還計劃及需於報告期間止後三個月內歸還的短期債務。本集團通過持續監察預期與實際現金流，並將財務資產與債務的到期日相配以維持適當的儲備，從而管理流動資金風險。

5. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (CONTINUED)

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank borrowings and bank balances.

The Group currently does not have a cash flow interest rate hedging policy. However, management closely monitors its exposure to future cash flow risk as a result of change on market interest rate and will consider hedging changes in market interest rates should the need arise. A 100 basis point change is used when reporting cash flow interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of London Interbank Offered Rate ("LIBOR") arising from the Group's variable interest rate borrowings.

Sensitivity analysis

The management considers that the Group's exposure to future cash flow risk on variable-rate bank balances as a result of the change of market interest rate is insignificant and thus variable-rate bank balances are not included in the sensitivity analysis.

The sensitivity analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. If the interest rate of bank borrowings had been 100 basis point higher/lower, the Group's post-tax profit for each of the year ended 31 December 2009 would decrease/increase by HK\$2,711,000. This is mainly attributable to the bank interest expenses under finance costs.

5. 金融工具(續)

財務風險管理的目標與政策(續)

利率風險

本集團涉及浮息的銀行借貸及銀行結餘有關的現金流利率風險。

本集團現時並無現金流動利率對沖政策。然而，管理層嚴密監控因市場利率變動而遭受之未來現金流動的風險，並將於需要時考慮對沖市場利率之變動。向主要管理人員內部匯報現金流動利率風險時，採用100個基點之變動，乃代表管理層對利率之潛在變動作出之評估。

本集團現金流動利率風險主要集中在本集團的浮息借貸產生之倫敦銀行同業拆息(「倫敦銀行同業拆息」)。

敏感度分析

管理層認為，由於市場利率變動甚微，故本集團就浮息銀行結餘面臨未來現金流量風險，因此，敏感度分析並無包括浮息銀行結餘。

敏感度分析乃假設於報告期間結束當日尚未行使的金融工具於全年均尚未行使。倘銀行借貸的利率上升／下降100個基點，則本集團截至二零零九年十二月三十一日止年度的稅前溢利將減少／增加2,711,000港元。主要由於列為融資成本的銀行利息開支所致。

5. FINANCIAL INSTRUMENTS (CONTINUED)

Fair value

The fair value of financial assets with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market bid prices. The fair value of other financial assets and financial liabilities is determined in accordance with general accepted pricing models based on discounted cash flow analysis using prices from observable market transactions and dealer quotes for similar instruments.

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values at the end of the reporting period.

6. REVENUE

Revenue represents the amounts received and receivable for goods sold net of returns.

7. SEGMENT INFORMATION

The Group has adopted IFRS 8 Operating Segments with effect from 1 January 2009. IFRS 8 is a disclosure standard that requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the executive directors for the purpose of allocating resources to segments and assessing their performance. In contrast, the predecessor standard (IAS 14, Segment Reporting) required an entity to identify two sets of segments (business and geographical) using a risks and returns approach. In the past, the Group's primary reporting format was business segments. The application of IFRS 8 has not resulted in a redesignation of the Group's reportable segments as compared with the primary reportable segments determined in accordance with IAS 14, nor has the adoption of IFRS 8 changed the basis of measurement of segment result, assets or liabilities.

5. 金融工具(續)

公平值

具有標準條款及條件及於活躍流通市場交易之金融資產之公平值乃參考市場所報之買入價而釐定。其他金融資產及金融負債之公平值乃按公認的定價模式根據折現現金流量分析使用可觀察的市場交易的價格或同類工具的定價作為輸入值予以釐定。

董事認為於綜合財務報表中以攤銷成本列賬之金融資產和金融負債之賬面值與其於報告期間止之公平值相若。

6. 收益

收益指已售貨物扣除回報後的已收款項及應收款項。

7. 分類資料

本集團自二零零九年一月一日起採納國際財務報告準則第8號營運分類。國際財務報告準則第8號乃一項披露準則，規定營運分類應按與執行董事為分配資源至各分類及評估其表現而定期審核有關本集團組成部分之內部報告基準識別。相對而言，先前的準則(國際會計準則第14號分類報告)要求實體使用風險回報法識別兩種營運分類(業務分類和地區分類)。過去，本集團的主要呈報形式為業務分類。與根據國際會計準則第14號所釐定的主要可申報分類比較，應用國際財務報告準則第8號並無導致重新劃分本集團的可申報分類，採納國際財務報告準則第8號亦無導致更改分類業績、資產或負債的計量基準。

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For the year ended 31 December 2009
截至二零零九年十二月三十一日止年度

7. SEGMENT INFORMATION (CONTINUED)

The Group currently organised into three revenue streams – sale of mobile handset solutions, sale of LCD modules and sale of wireless communication modules and modems. These revenue streams are the basis of the internal reports about components of the Group that are regularly revised by the executive directors in order to allocate resources to segments and to assess their performance.

Segment revenues and results

The following is an analysis of the Group's revenue and results by operating segment:

For the year ended 31 December 2009

| | | Sale of mobile handset solutions 銷售移動 手機解決方案 HK\$'000 千港元 | Sale of LCD modules 銷售液晶 顯示模塊 HK\$'000 千港元 | Sale of wireless communication modules and modems 銷售無線 通訊模塊 及數據機 HK\$'000 千港元 | Elimination 撇銷 HK\$'000 千港元 | Consolidated 綜合 HK\$'000 千港元 |
|--|---------------------|--|--|--|--------------------------------------|---------------------------------------|
| Revenue | 收入 | | | | | |
| External sales | 對外銷售 | 1,834,995 | 204,664 | 943,873 | - | 2,983,532 |
| Inter-segment sales | 分類間銷售 | - | 44,096 | - | (44,096) | - |
| Total | 總額 | 1,834,995 | 248,760 | 943,873 | (44,096) | 2,983,532 |
| Segment profit (loss) | 分類溢利(虧損) | 15,038 | (11,828) | 127,371 | - | 130,581 |
| Other income | 其他收入 | | | | | 11,617 |
| Corporate expenses | 公司開支 | | | | | (19,894) |
| Gain from changes in fair values of investment properties | 投資物業公平值變動 收益 | | | | | 4,013 |
| Recycling of gain on disposal of available-for-sale investments | 因出售可供出售投資而 轉出之收益 | | | | | 25,366 |
| Finance costs | 融資成本 | | | | | (3,061) |
| Profit before taxation | 除稅前溢利 | | | | | 148,622 |

7. 分類資料(續)

本集團現有三個收入來源－銷售移動手機解決方案、銷售液晶顯示模塊及銷售無線通訊模塊及數據機。該等收入來源為執行董事定期修訂之有關本集團組成部分之內部報告，以分配資源予分類並評估表現。

分類收入及業績

下表為本集團按營運分類之收入及業績分析：

截至二零零九年十二月三十一日止年度

7. SEGMENT INFORMATION (CONTINUED)

7. 分類資料(續)

Segment revenues and results (CONTINUED)

For the year ended 31 December 2008

分類收入及業績(續)

截至二零零八年十二月三十一日止年度

| | | Sale of mobile handset solutions 銷售移動 手機解決方案 HK\$'000 千港元 | Sale of LCD modules 銷售液晶 顯示模塊 HK\$'000 千港元 | Sale of wireless communication modules and modems 銷售無線 通訊模塊 及數據機 HK\$'000 千港元 | Consolidated 綜合 HK\$'000 千港元 |
|--|-----------------|--|--|--|---------------------------------------|
| Revenue | 收入 | | | | |
| External sales | 對外銷售 | 1,728,823 | 453,338 | 806,456 | 2,988,617 |
| Segment profit | 分類溢利 | 46,593 | 4,012 | 161,098 | 211,703 |
| Other income | 其他收入 | | | | 8,105 |
| Corporate expenses | 公司開支 | | | | (22,804) |
| Impairment loss on available-for-sale investments | 可供出售投資之 減值虧損 | | | | (23,900) |
| Finance costs | 融資成本 | | | | (1,167) |
| Profit before taxation | 除稅前溢利 | | | | 171,937 |

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment result represents the profit earned or loss incurred by each segment without allocation of recycling of gain on disposal of available-for-sale investments, gain from changes in fair values of investment properties, rental income, interest income, other income, corporate expenses and finance costs. This is the measure reported to the executive directors for the purposes of resource allocation and performance assessment.

Inter-segment sales are charged at mutually agreed terms.

本集團營運分類之會計政策與於附註3所述本集團之會計政策相同。分類業績代表在並無分配出售可供出售投資而轉出之收益、投資物業公平值變動收益、租金收入、利息收入、其他收入、公司開支及融資成本之情況下各分類所產生之收益或虧損。此乃呈報予執行董事之計量方法，以進行資源分配及表現評估。

分類間銷售按相互協定之條款收費。

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截至二零零九年十二月三十一日止年度

7. SEGMENT INFORMATION (CONTINUED)

7. 分類資料(續)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating segment:

At 31 December 2009

分類資產及負債

下表載列本集團按營運分類劃分的資產及負債分析：

於二零零九年十二月三十一日

| | | Sale of mobile handset solutions 銷售移動 手機解決方案 HK\$'000 千港元 | Sale of LCD modules 銷售液晶 顯示模塊 HK\$'000 千港元 | Sale of wireless communication modules and modems 銷售無線 通訊模塊 及數據機 HK\$'000 千港元 | Consolidated 綜合 HK\$'000 千港元 |
|---|-------------------------|--|--|--|---------------------------------------|
| Segment assets | 分類資產 | 782,910 | 183,419 | 311,198 | 1,277,527 |
| Investment properties | 投資物業 | | | | 221,217 |
| Land use rights | 土地使用權 | | | | 38,342 |
| Deferred tax assets | 遞延稅項資產 | | | | 3,438 |
| Deposits paid for land use rights | 就取得土地使用權支付之按金 | | | | 109,224 |
| Other receivables, deposits and prepayments | 其他應收款項、按金及預付款項 | | | | 136,307 |
| Pledged bank deposits | 已抵押銀行存款 | | | | 329,114 |
| Bank balances and cash | 銀行結餘及現金 | | | | 532,276 |
| Consolidated assets | 綜合資產 | | | | <u>2,647,445</u> |
| Segment liabilities | 分類負債 | | | | |
| - attributable to sale of LCD modules | - 銷售液晶顯示模塊應佔 | - | 226,177 | - | 226,177 |
| - attributable to sale of mobile handset solutions | - 銷售移動手機解決方案應佔 | 1,989 | - | - | 1,989 |
| - attributable to operating segment other than sale of LCD modules (note) | - 銷售液晶顯示模塊以外的營運分類應佔(附註) | | | | 469,073 |
| | | | | | <u>697,239</u> |
| Other payables, deposits received and accruals | 其他應付款項、已收按金及應計款項 | | | | 81,660 |
| Bank borrowings | 銀行借貸 | | | | 271,123 |
| Tax payable | 應付稅項 | | | | 15,841 |
| Deferred tax liabilities | 遞延稅項負債 | | | | 37,113 |
| Consolidated liabilities | 綜合負債 | | | | <u>1,102,976</u> |

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綜合財務報表附註For the year ended 31 December 2009
截至二零零九年十二月三十一日止年度

7. SEGMENT INFORMATION (CONTINUED)

7. 分類資料(續)

Segment assets and liabilities (CONTINUED)

At 31 December 2008

分類資產及負債(續)

於二零零八年十二月三十一日

| | | Sale of mobile handset solutions 銷售移動 手機解決方案 HK\$'000 千港元 | Sale of LCD modules 銷售液晶 顯示模塊 HK\$'000 千港元 | Sale of wireless communication modules and modems 銷售無線 通訊模塊 及數據機 HK\$'000 千港元 | Consolidated 綜合 HK\$'000 千港元 |
|---|-----------------------------|--|--|--|---------------------------------------|
| Segment assets | 分類資產 | 528,203 | 188,977 | 179,256 | 896,436 |
| Investment properties | 投資物業 | | | | 16,396 |
| Property, plant and equipment | 物業、廠房及設備 | | | | 116,679 |
| Land use rights | 土地使用權 | | | | 66,490 |
| Deferred tax assets | 遞延稅項資產 | | | | 3,410 |
| Available-for-sale investments | 可供出售投資 | | | | 36,866 |
| Deposits paid for land use rights | 就取得土地使用權支付之按金 | | | | 44,748 |
| Other receivables, deposits and prepayments | 其他應收款項、按金 及預付款項 | | | | 127,846 |
| Bank balances and cash | 銀行結餘及現金 | | | | 623,388 |
| Consolidated assets | 綜合資產 | | | | <u>1,932,259</u> |
| Segment liabilities | 分類負債 | | | | |
| - attributable to sale of LCD modules | - 銷售液晶顯示模塊應佔 | - | 90,234 | - | 90,234 |
| - attributable to sale of wireless communication modules and modems | - 銷售無線通訊模塊及 數據機應佔 | - | - | 58 | 58 |
| - attributable to operating segment other than sale of LCD modules (note) | - 銷售液晶顯示模塊以外的 營運分類應佔(附註) | | | | 402,670 |
| | | | | | <u>492,962</u> |
| Other payables, deposits received and accruals | 其他應付款項、已收按金及 應計款項 | | | | 67,101 |
| Tax payable | 應付稅項 | | | | 22,868 |
| Deferred tax liabilities | 遞延稅項負債 | | | | 13,937 |
| Consolidated liabilities | 綜合負債 | | | | <u>596,868</u> |

7. SEGMENT INFORMATION (CONTINUED)

Segment assets and liabilities (CONTINUED)

Note: Liabilities attributable to operating segment other than sale of LCD modules represented payables to common suppliers of the operating segment other than sale of LCD modules, which cannot be allocated to the respective segments on a reasonable basis.

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments other than investment properties, land use rights, pledged bank deposits, bank balances and cash, deposits paid for land use rights, deferred tax assets and other receivables, deposits and prepayments. Assets used jointly by operating segments are allocated on the basis of the revenues earned by individual operating segments; and
- all liabilities are allocated to operating segments other than other payables, deposits received and accruals, tax payable, bank borrowings and deferred tax liabilities. Liabilities for which operating segments are jointly liable are allocated in proportion to segment assets.

7. 分類資料(續)

分類資產及負債(續)

附註：銷售液晶顯示模塊以外的營運分類應佔的負債指應付銷售液晶顯示模塊以外的營運分類的普通供應商款項，而無法合理分配至有關分類。

為監控分類表現及分配分類間資源：

- 所有資產均分配至投資物業、土地使用權、已抵押銀行存款、銀行結餘及現金、就取得土地使用權支付之按金、遞延稅項資產及其他應收款項、按金及預付款項以外的營運分類。營運分類共同使用的資產按各營運分類所賺取的收入分配；及
- 所有負債均分配至除其他應付款項、已收按金及應計款項、應付稅項、銀行借貸及遞延稅項負債以外的營運分類。營運分類共同承擔的負債按分類資產的比例分配。



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7. SEGMENT INFORMATION (CONTINUED)

7. 分類資料(續)

Other segment information

For the year ended 31 December 2009

其他分類資料

截至二零零九年十二月三十一日止年度

| | | Sale of mobile handset solutions 銷售移動 手機解決方案 HK\$'000 千港元 | Sale of LCD modules 顯示模塊 HK\$'000 千港元 | Sale of wireless communication modules and modems 銷售無線 通訊模塊 及數據機 HK\$'000 千港元 | Consolidated 綜合 HK\$'000 千港元 |
|--|-----------------------|--|--|--|---------------------------------------|
| Amounts included in the measure of segment profit or loss or segment assets: | 衡量分類損益或分類 資產涉及的金額： | | | | |
| Additions of property, plant and equipment | 添置物業、廠房 及設備 | 18,506 | 5,527 | 8,427 | 32,460 |
| Additions of intangible assets | 添置無形資產 | 137,022 | - | 36,966 | 173,988 |
| Additions of goodwill | 增添商譽 | 28,321 | - | - | 28,321 |
| Depreciation of property, plant and equipment | 物業、廠房及設備 之折舊 | 11,456 | 19,334 | 5,890 | 36,680 |
| Amortisation of intangible assets | 無形資產攤銷 | 111,749 | - | 45,197 | 156,946 |
| Allowance for (reversal of) bad and doubtful debts, net | 呆壞賬撥備(撥回)淨額 | 336 | (427) | - | (91) |
| (Reversal of) write-down of inventories | 存貨(撥回)撇減 | (3,218) | 11,767 | 6,052 | 14,601 |

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7. SEGMENT INFORMATION (CONTINUED)

7. 分類資料(續)

Other segment information (CONTINUED)

For the year ended 31 December 2008

其他分類資料(續)

截至二零零八年十二月三十一日止年度

| Amounts included in the measure of segment profit or loss or segment assets: | 衡量分類損益或分類資產涉及的金額： | Sale of mobile handset solutions 銷售移動手機解決方案 HK\$'000 千港元 | Sale of LCD modules 銷售液晶顯示模塊 HK\$'000 千港元 | Sale of wireless communication modules and modems 銷售無線通訊模塊及數據機 HK\$'000 千港元 | Consolidated 綜合 HK\$'000 千港元 |
|--|-------------------|---|--|--|---------------------------------------|
| Additions of property, plant and equipment | 添置物業、廠房及設備 | 5,471 | 26,979 | 3,197 | 35,647 |
| Additions of intangible assets | 添置無形資產 | 111,402 | - | 38,858 | 150,260 |
| Depreciation of property, plant and equipment | 物業、廠房及設備之折舊 | 7,721 | 21,578 | 3,207 | 32,506 |
| Amortisation of intangible assets | 無形資產攤銷 | 132,447 | - | 43,627 | 176,074 |
| Allowance for bad and doubtful debts | 呆壞賬撥備 | 745 | 2,413 | 440 | 3,598 |
| Write-down of (reversal of) inventories | 存貨撇減(撥回) | 23,474 | (632) | 5,980 | 28,822 |

7. SEGMENT INFORMATION (CONTINUED)**7. 分類資料(續)****Revenue from major products****來自主要產品的收入**

| | | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|---|--------------|---|----------------------------------|
| Sale of mobile handset solutions | 銷售移動手機解決方案 | 1,834,995 | 1,728,823 |
| Sale of LCD modules | 銷售液晶顯示模塊 | 204,664 | 453,338 |
| Sale of wireless communication modules and modems | 銷售無線通訊模塊及數據機 | 943,873 | 806,456 |
| | | 2,983,532 | 2,988,617 |

Information about major customers

There is no single customer contributing over 10% of total sales of the Group for the year ended 31 December 2009.

Revenue from customers of the year ended 31 December 2008 contributing over 10% of total sales of the Group, each deriving revenue from all operating segments, are as follows:

| | | HK\$'000 千港元 |
|------------|-----|-----------------|
| Customer A | 客戶A | 493,473 |
| Customer B | 客戶B | 383,482 |
| Customer C | 客戶C | 373,848 |

These customers are within same mobile phone technology industry in the PRC.

Geographical information

The Group's revenue and non-current assets are substantially located in the PRC, the country of domicile from which the group entities derive revenue and hold assets. Accordingly, no further analysis is presented.

關於主要客戶的資料

截至二零零九年十二月三十一日止年度，概無單一客戶佔本集團總銷售額超過10%。

截至二零零八年十二月三十一日止年度佔本集團總銷售額超過10%的客戶收入，所有營運分類的各個收入如下：

該等客戶為中國國內同種流動電話技術行業。

地域資料

本集團的收入及非流動資產主要位於中國，即本集團實體註冊成立、收入來源及持有資產的國家。因此，並無進一步呈列分析。

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8. OTHER INCOME

8. 其他收入

| | | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|---|------------------------------------|----------------------------------|----------------------------------|
| Refund of VAT (Note 1) | 退回增值稅(附註1) | 14,224 | 50,792 |
| Government subsidies (Note 2) | 政府撥款(附註2) | 47,108 | 8,826 |
| Interest income earned on bank balances | 銀行結餘利息收入 | 5,157 | 8,105 |
| Rental income (Less: outgoings of HK\$402,000 (2008: nil)) | 租金收入(減: 開支402,000港元 (二零零八年: 零)) | 2,392 | - |
| Others | 其他 | 5,996 | - |
| | | 74,877 | 67,723 |

Notes:

- (1) Shanghai Simcom Limited ("Shanghai Simcom"), Shanghai Speedcomm Technology Limited ("Shanghai Speedcomm") and Shanghai Simcom Wireless Solutions Limited ("Simcom Wireless") are engaged in the business of distribution of self-developed and produced software. Under the current PRC tax regulation, it is entitled to a refund of VAT paid for sales of self-developed software in the PRC.
- (2) The amount includes HK\$27,967,000 (2008: HK\$8,826,000) unconditional government subsidies granted to encourage for the Group's research and developments activities in the PRC.

In addition, in 2009 and 2008, the Group received government subsidies of HK\$11,400,000 and HK\$37,164,000 respectively towards the cost of development on wireless communication modules and mobile handset modules in Shenyang. The amounts are transferred to other income to match actual expenditure used in research and development activities and HK\$19,141,000 (2008: nil) was recognised in the profit or loss during the year. As at 31 December 2009, an amount of HK\$29,423,000 (2008: HK\$37,164,000) remains to be unamortised and included in other payables.

附註:

- (1) 希姆通信息技術(上海)有限公司(「上海希姆通」)、上海思必得通訊技術有限公司(「上海思必得」)及芯訊通無線科技(上海)有限公司(「芯訊通」)均從事分銷自行開發及生產之軟件。根據現行中國稅務規例, 其有權獲退還於中國銷售自行開發軟件之增值稅。
- (2) 該款項包括鼓勵本集團在中國展開研發活動而授予的無條件政府補貼27,967,000港元(二零零八年: 8,826,000港元)。

此外, 於二零零九年及二零零八年, 本集團分別收到政府補貼11,400,000港元及37,164,000港元, 用於在沈陽無線通訊模塊及流動手機的研發。該等款項轉為其他收益, 彌補用於研發活動的實際開支, 而19,141,000港元(二零零八年: 零)於年度損益表中確認。於二零零九年十二月三十一日, 一筆金額為29,423,000港元(二零零八年: 37,164,000港元)的款項仍未攤銷, 計入其他應付款項。

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| | | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|---|-------------------|--|----------------------------------|
| Recycling of gain on disposal of available-for-sale investments | 出售可供出售投資而轉出之收益 | 25,366 | – |
| Impairment loss on available-for-sale investments | 可供出售投資之減值虧損 | – | (23,900) |
| (Loss) gain on disposal of property, plant and equipment | 出售物業、廠房及設備之(虧損)收益 | (45) | 49 |
| Net foreign exchange (loss) gain | 淨外匯(虧損)收益 | (1,928) | 20,509 |
| Gain from changes in fair values of investment properties | 投資物業公平值變動收益 | 4,013 | – |
| | | 27,406 | (3,342) |

10. FINANCE COSTS**10. 融資成本**

| | | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|---|------------------|--|----------------------------------|
| Interests on bank borrowings wholly repayable within five years | 須於五年內全數償還之銀行借貸利息 | 3,061 | 1,167 |

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11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

11. 董事及僱員酬金

Directors' emoluments

The emolument paid or payable to each of the directors were as follows:

董事酬金

向每名董事已付或應付之酬金如下：

| | | For the year ended 31 December 2009 截至二零零九年十二月三十一日止年度 | | | | | |
|--|----------------|--|-------------------------|-------------------|----------------------|-----------------------------------|------------------|
| | | Directors' fees | Salaries and allowances | Bonus | Share-based payments | Retirement benefits contributions | Total emoluments |
| | | 董事袍金 | 薪酬及津貼 | 花紅 | 以股份付款 | 退休福利計劃供款 | 總酬金 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| | | | | (Note 1) (附註1) | | | |
| Executive directors | 執行董事 | | | | | | |
| Ms Yeung Man Ying | 楊文瑛女士 | - | - | - | - | - | - |
| Mr Wong Cho Tung | 王祖同先生 | - | - | - | - | - | - |
| Mr Wong Hei, Simon | 王曦先生 | - | 547 | - | - | - | 547 |
| Mr Zhang Jianping | 張劍平先生 | - | 730 | 228 | 201 | 59 | 1,218 |
| Ms Tang Rongrong | 唐融融女士 | - | 342 | 228 | 158 | 26 | 754 |
| Mr Chan Tat Wing, Richard | 陳達榮先生 | - | 1,300 | - | 136 | 60 | 1,496 |
| Non-executive directors | 非執行董事 | | | | | | |
| Mr Tsang Hen Loon, Raymond (Note 2) | 曾憲龍先生 (附註2) | 126 | - | - | - | 3 | 129 |
| Mr Wong Sun (Note 2) | 王晨先生(附註2) | - | - | - | - | - | - |
| Independent non-executive directors | 獨立非執行董事 | | | | | | |
| Mr Liu Hing Hung | 廖慶雄先生 | 156 | - | - | - | - | 156 |
| Mr Wang Chengwei (Note 3) | 汪誠蔚先生(附註3) | 11 | - | - | - | - | 11 |
| Mr Xie Linzhen (Note 3) | 謝麟振先生(附註3) | 146 | - | - | - | - | 146 |
| Mr Zhuang Xingfang | 庄行方先生 | 156 | - | - | - | - | 156 |
| | | 595 | 2,919 | 456 | 495 | 148 | 4,613 |

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11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (CONTINUED)

11. 董事及僱員酬金(續)

Directors' emoluments (CONTINUED)

Notes:

- (1) Incentive performance bonus for the year ended 31 December 2009 was determined by the remuneration committee having regard to the performance of directors and the Group's operating results.
- (2) Mr Tsang Hen Loon, Raymond and Mr Wong Sun resigned on 31 March 2009.
- (3) Mr Wang Chengwei resigned on 25 January 2009 and Mr Xie Linzhen was appointed as independent non-executive director on 25 January 2009.

董事酬金(續)

附註：

- (1) 截至二零零九年十二月三十一日止年度之表現獎勵花紅是由薪酬委員會經考慮董事之表現及本集團之經營業績而釐定。
- (2) 曾憲龍先生、王晨先生於二零零九年三月三十一日辭任。
- (3) 汪誠蔚先生已於二零零九年一月二十五日辭任，謝麟振先生於二零零九年一月二十五日獲委任為獨立非執行董事。

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

| | | Salaries and allowances | Bonus | Share-based payments | Retirement benefits contributions | Total emoluments |
|-------------------------------------|----------------|-------------------------|----------|----------------------|-----------------------------------|------------------|
| Directors' fees | 董事袍金 | 薪酬及津貼 | 花紅 | 以股份付款 | 退休福利計劃供款 | 總酬金 |
| HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| | | | (Note 1) | | | |
| | | | (附註1) | | | |
| Executive directors | 執行董事 | | | | | |
| Ms Yeung Man Ying | 楊文瑛女士 | - | - | - | - | - |
| Mr Wong Cho Tung | 王祖同先生 | - | - | - | - | - |
| Mr Wong Hei, Simon | 王曦先生 | 587 | 46 | - | - | 633 |
| Mr Zhang Jianping | 張劍平先生 | 757 | 215 | 338 | 46 | 1,356 |
| Ms Tang Rongrong | 唐融融女士 | 497 | 190 | 150 | 46 | 883 |
| Mr Chan Tat Wing, Richard | 陳達榮先生 | 722 | - | 95 | 33 | 850 |
| Non-executive directors | 非執行董事 | | | | | |
| Mr Tsang Hen Loon, Raymond (Note 2) | 曾憲龍先生 (附註2) | 279 | 575 | 251 | 33 | 1,138 |
| Mr Wong Sun (Note 2) | 王晨先生(附註2) | - | - | - | - | - |

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11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (CONTINUED)

11. 董事及僱員酬金(續)

Directors' emoluments (CONTINUED)

董事酬金(續)

For the year ended 31 December 2008
截至二零零八年十二月三十一日止年度

| | Directors' fees 董事袍金 HK\$'000 千港元 | Salaries and allowances 薪酬及津貼 HK\$'000 千港元 | Bonus 花紅 HK\$'000 千港元 (Note 1) (附註1) | Share-based payments 以股份付款 HK\$'000 千港元 | Retirement benefits scheme contributions 退休福利計劃供款 HK\$'000 千港元 | Total emoluments 總酬金 HK\$'000 千港元 |
|---|--|---|---|--|---|--|
| Independent non-executive directors 獨立非執行董事 | | | | | | |
| Mr Liu Hing Hung (Note 3) | 52 | - | - | - | - | 52 |
| Mr Heng Kwo Seng (Note 3) | 104 | - | - | - | - | 104 |
| Mr Wang Chengwei | 156 | - | - | - | - | 156 |
| Mr Zhuang Xingfang | 156 | - | - | - | - | 156 |
| | 747 | 3,138 | 451 | 834 | 158 | 5,328 |

Notes:

附註：

- (1) Incentive performance bonus for the year ended 31 December 2008 was determined by the remuneration committee having regard to the performance of directors and the Group's operating results.
- (2) Mr Tsang Hen Loon, Raymond and Mr Wong Sun were re-designated as non-executive directors on 10 June 2008.
- (3) Mr Heng Kwo Seng resigned on 1 September 2008 and Mr Liu Hing Hung was appointed as independent non-executive director on 1 September 2008.

- (1) 截至二零零八年十二月三十一日止年度之表現獎勵花紅是由薪酬委員會經考慮董事之表現及本集團之經營業績而釐定。
- (2) 曾憲龍先生及王晨先生於二零零八年六月十日調任為非執行董事
- (3) 邢詒春先生已於二零零八年九月一日辭任，廖慶雄先生於二零零八年九月一日獲委任為獨立非執行董事。

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (CONTINUED)**Employees' emoluments**

The five highest paid individuals included four (2008: three) directors for the year ended 31 December 2009, whose emoluments are included in the above. The emolument of the remaining one (2008: two) individual is as follows:

| | |
|--|----------|
| Salaries and allowances | 薪金及津貼 |
| Bonus | 花紅 |
| Share-based payments | 以股份付款 |
| Retirement benefits scheme contributions | 退休福利計劃供款 |

Their emoluments were within the following bands:

| | |
|--------------------------------|----------------------------|
| Nil to HK\$1,000,000 | 零至 1,000,000 港元 |
| HK\$1,000,001 to HK\$1,500,000 | 1,000,001 港元至 1,500,000 港元 |

During the year, no emoluments were paid by the Group to any of the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors waived any emoluments for both years.

11. 董事及僱員酬金 (續)**僱員酬金**

截至二零零九年十二月三十一日止年度，五名最高薪酬人士包括四名(二零零八年：三名)董事，其酬金已載於上文。餘下一名(二零零八年：兩名)最高薪酬人士之酬金如下：

| 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 274 | 1,068 |
| 228 | 655 |
| 227 | 232 |
| 28 | 13 |
| 757 | 1,968 |

彼等之酬金在以下所列範圍：

| 2009 二零零九年 Number of employees 僱員人數 | 2008 二零零八年 Number of employees 僱員人數 |
|---|---|
| 1 | 1 |
| - | 1 |

本年度，本集團並未向任何董事或五名最高薪酬人士支付任何酬金，作為誘使彼等加入本集團或於彼等加入本集團時向彼等支付之任何款項，或向彼等支付任何款項作為離職補償。於該兩年概無董事放棄其任何酬金。



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12. TAXATION

12. 稅項

| | | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|--|---------------------|----------------------------------|----------------------------------|
| PRC Enterprise Income Tax | 中國企業所得稅 | 25,598 | 32,519 |
| Overprovision in PRC Enterprise Income Tax in prior years (Note) | 過往年度中國企業所得稅超額撥備(附註) | (8,771) | (8,909) |
| Deferred tax (credit) charge (note 21) | 遞延稅項(計入)扣除(附註21) | (1,825) | 4,510 |
| Income tax expense for the year | 年內所得稅開支 | 15,002 | 28,120 |

Note: The tax credit of HK\$8,771,000 (2008: HK\$8,909,000) relates to additional tax deductions approved by the tax authority on research and development costs incurred in the prior years by certain subsidiaries which were classified as "Hi-New Technology Enterprises".

On 26 June 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 which reduced corporate profits tax rate from 17.5% to 16.5% effective from the year of assessment 2008/2009. Therefore, Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

No provision for Hong Kong Profits Tax has been made for both years as the Company and its subsidiaries have no assessable profits arising in Hong Kong.

Pursuant to relevant laws and regulations in the PRC, the PRC subsidiaries registered as wholly foreign owned enterprises are exempted from PRC income tax for the two years starting from their first profit-making year, followed by a 50% tax relief for the next three years. Shanghai Simcom is classified as Key Production Enterprise and is entitled to use an applicable tax rate of 10% for each of the year ended 31 December 2009 and 2008 respectively. Two other subsidiaries of the Company, Shanghai Suncom Logistics Limited ("Suncom Logistics") and Max Vision (Shanghai) Limited ("Shanghai Max Vision") are entitled to adopt a tax rate of 20% (2008: 18%) because they were registered in the area of Shanghai Wai Gao Qiao Free Trade Zone 上海外高橋保稅區. Shanghai Sunrise Simcom Limited ("Shanghai Sunrise Simcom") is classified as Hi-New Technology Enterprise on 13 January 2009 and is entitled to adopt a tax rate of 15% for the three years ending 31 December 2010. The tax charge provided has been made after taking into account these tax incentive.

附註：稅務計入8,771,000港元(二零零八年：8,909,000港元)與稅務當局所批准若干附屬公司於過往年度所產生研發成本之額外稅務減免有關，該等附屬公司獲分類為「高新技術企業」。

於二零零八年六月二十六日，香港立法會通過《二零零八年收入條例草案》由二零零八年至二零零九年課稅年度開始將公司利得稅率由17.5%減至16.5%。因此，兩個年度香港利得稅應課稅溢利均以16.5%作為計算標準。

由於本公司及其附屬公司並無於香港產生任何應課稅溢利，因此並無就兩個年度作出香港利得稅撥備。

根據中國之相關法律及法規，在中國註冊為外商獨資企業之中國附屬公司自首個獲利年度起計兩年，可獲豁免繳納中國企業所得稅，其後三年則可按企業所得稅率減半繳稅。截至二零零九年及二零零八年十二月三十一日止年度各年，上海希姆通分別被評為「重點生產企業」，並有權享用10%的適用稅率。本公司其他兩家附屬公司上海羅捷斯迪電子有限公司(「羅捷斯迪」)及麥維訊貿易(上海)有限公司(「上海麥維訊」)由於在上海外高橋保稅區註冊，因此可按20%(二零零八年：18%)稅率繳納企業所得稅。於二零零九年一月十三日，上海晨興希姆通電子科技有限公司(「上海晨興希姆通」)被評為「高新技術企業」，因此截至二零一零年十二月三十一日止三個年度有權享用15%的適用稅率。稅項開支撥備已計及該等稅務優惠。

12. TAXATION (CONTINUED)

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, Enterprise Income Tax rate of the Group's certain subsidiaries in the PRC increased from 15% to 25% progressively from 1 January 2008 onwards. The relevant tax rates for the Group's subsidiaries in the PRC ranged from 10% to 20% (2008: 10% to 18%).

The charge for the year can be reconciled to the profit before taxation per the consolidated income statement as follows:

12. 稅項 (續)

根據《中華人民共和國企業所得稅法》(「企業所得稅法」)及企業所得稅法的實施細則，由二零零八年一月一日起本集團的若干中國附屬公司企業所得稅由15%遞增至25%。本集團的中國附屬公司企業稅率範圍為10%至20%(二零零八年：10%至18%)。

本年度稅項開支與綜合收益表中所示之除稅前溢利對賬如下：

| | | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|--|-------------------------------|---|----------------------------------|
| Profit before taxation | 除稅前溢利 | 148,622 | 171,937 |
| Taxation at the PRC income tax rate of 25% (2008: 25%) | 按中國企業所得稅稅率25%計算之稅項(二零零八年：25%) | 37,156 | 42,984 |
| Tax effect of expenses not deductible for tax purpose | 不可扣稅之開支之稅務影響 | 14,276 | 15,323 |
| Tax effect of income not taxable for tax purpose | 無須課稅之收入之稅務影響 | (17,791) | (15,965) |
| Tax effect of tax losses not recognised | 未確認稅務虧損之稅務影響 | 4,788 | 7,574 |
| Overprovision in respect of prior years | 過往年度超額撥備 | (8,771) | (8,909) |
| Utilisation of tax losses previously not recognised | 過往未確認之未動用稅務虧損 | (8,623) | - |
| Income tax on concessionary rate | 按優惠稅率計算之所得稅 | (6,033) | (12,887) |
| Taxation for the year | 本年度稅項 | 15,002 | 28,120 |

13. PROFIT FOR THE YEAR

13. 本年度溢利

| | | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|--|------------------------|----------------------------------|----------------------------------|
| Profit for the year is arrived at after charging (crediting): | 本年度溢利乃經扣除(計入) 下列各項： | | |
| Auditor's remuneration | 核數師酬金 | 1,750 | 2,163 |
| Amortisation of intangible assets (included in cost of sales) | 無形資產攤銷 (計入銷售成本) | 156,946 | 176,074 |
| Amortisation of land use rights | 土地使用權攤銷 | 1,886 | 1,654 |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 38,680 | 32,563 |
| Less: Amount capitalised in development costs | 減：已資本化開發成本 | (4,756) | (5,897) |
| | | 33,924 | 26,666 |
| Allowances for bad and doubtful debts | 呆壞賬撥備 | 336 | 3,598 |
| Reversal of allowance for bad and doubtful debts | 呆壞賬撥備撥回 | (427) | - |
| Write-down of inventories (included in cost of sales) | 撇減存貨(計入銷售成本) | 14,601 | 28,822 |
| Costs of inventories recognised as expenses | 已確認為開支之存貨成本 | 2,667,164 | 2,566,703 |
| Staff costs: | 員工成本： | | |
| Directors' emoluments (note 11) | 董事酬金(附註11) | 4,613 | 5,328 |
| Other staff costs | 其他員工成本 | | |
| – Salaries and other benefits | – 薪資及其他福利 | 171,417 | 202,008 |
| – Retirement benefits scheme contributions | – 退休福利計劃供款 | 34,322 | 38,101 |
| – Share-based payments | – 以股份付款 | 8,764 | 8,657 |
| | | 219,116 | 254,094 |
| Less: Amount capitalised in development costs | 減：已資本化開發成本 | (82,763) | (98,343) |
| | | 136,353 | 155,751 |

14. DIVIDENDS

14. 股息

| | | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|--|---|----------------------------------|----------------------------------|
| Dividends recognised as distribution during the year: | 本年度確認為分派之股息： | | |
| 2008 Final dividend, paid – HK1.0 cent per share | 二零零八年已付末期股息 — 每股 1.0 港仙 | 15,175 | – |
| 2007 Final dividend, paid – HK2.5 cents per share | 二零零七年已付末期股息 — 每股 2.5 港仙 | – | 37,937 |
| Interim dividend, paid – HK0.8 cent per share (2008: HK3.0 cents) | 已付中期股息 – 每股 0.8 港仙 (二零零八年：3.0 港仙) | 12,173 | 45,525 |
| | | 27,348 | 83,462 |
| Final dividend, proposed – HK2.2 cents per share (2008: HK1.0 cent) (Note) | 建議末期股息 – 每股 2.2 港仙 (二零零八年：每股 1.0 港仙) (附註) | 33,632 | 15,175 |

Note: The final dividend of HK2.2 cents (2008: HK1.0 cent) per share has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

附註：董事建議支付末期股息每股 2.2 港仙（二零零八年：1.0 港仙），惟須經股東於應屆股東週年大會批准，方可作實。



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15. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

Earnings

Earnings for the purposes of basic and diluted earnings per share (profit for the year attributable to owners of the Company)

盈利

計算每股基本及攤薄盈利之盈利(本公司股東應佔本年度溢利)

Number of shares

Weighted average number of ordinary shares for the purpose of basic earnings per share

股份數目

計算每股基本盈利之普通股加權平均數

The denominators used are the same as those detailed above for both basic and diluted earnings per share.

The computation of diluted earnings per share does not assume the exercise of the Company's outstanding share options as the exercise price of those options was higher than the average market price for shares in both years.

15. 每股盈利

本公司股東應佔每股基本及攤薄盈利乃按以下數據計算：

| 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 128,975 | 143,817 |
| 2009 二零零九年 '000 千股 | 2008 二零零八年 '000 千股 |
| 1,520,869 | 1,517,374 |

所使用之分母與上文每股基本及攤薄盈利所使用者相同。

由於本公司購股權之行使價均高於兩個年度股份之平均市價，故每股攤薄盈利之計算並無假設本公司尚未行使購股權之行使。

16. INVESTMENT PROPERTIES

16. 投資物業

| | | HK\$'000 千港元 |
|--|---------------|-----------------|
| FAIR VALUE | 公平值 | |
| At 1 January 2008 | 於二零零八年一月一日 | – |
| Transfer from land use rights | 由土地使用權轉撥 | 8,950 |
| Transfer from property, plant and equipment | 由物業、廠房及設備轉撥 | 7,446 |
| At 31 December 2008 | 於二零零八年十二月三十一日 | 16,396 |
| Transfer from land use rights | 由土地使用權轉撥 | 91,360 |
| Transfer from property, plant and equipment | 由物業、廠房及設備轉撥 | 109,302 |
| Increase in fair value recognised in profit or loss | 於損益確認之公平值增加 | 4,013 |
| Exchange differences | 匯率差異 | 146 |
| At 31 December 2009 | 於二零零九年十二月三十一日 | 221,217 |

The Group's investment properties are held under medium term leases in the PRC.

The fair value of the Group's investment properties at 31 December 2009 and 2008 have been arrived at on the basis of a valuation carried out on that date by Vigers Appraisal & Consulting Limited, independent qualified professional valuers not connected with the Group. Vigers Appraisal & Consulting Limited is a member of the Institute of Valuers and has appropriate qualifications and recent experiences in the valuation. The valuation was arrived at by reference to the discounted cash flow projections based on reliable estimates of future cash flows, supported by the terms of existing lease and reasonable and supportable assumptions that represent what knowledgeable willing parties would assume about rental income for future leases in the light of current conditions, using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

本集團位於中國之投資物業乃根據中期租約持有。

本集團投資物業於二零零九年及二零零八年十二月三十一日的公平值是按與本集團無關連的獨立合資格專業估值師威格斯資產評估顧問有限公司於同日進行的估值達致。威格斯資產評估顧問有限公司是估值師協會會員，在該等估值方面具有適當資歷及近期經驗。估值乃參考基於未來現金流量的可靠估計而作出的折現現金流量預測達致，並有現有租賃的條款以及合理及有理據的假設支持，而該等假設可代表知情及自願訂約方於目前情況下會對未來租賃的租金收入的假設，所使用的折現率反映市場對有關現金流金額及時間方面不確定性的目前評估。

本集團所有以經營租賃形式持有並作賺取租金或資本增值用途的物業，是採用公平值模式計量及分類及入賬列為投資物業。

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17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、廠房及設備

| | | Construction in progress 在建工程 HK\$'000 千港元 | Buildings 樓宇 HK\$'000 千港元 | Leasehold improvements 租賃物業 裝修 HK\$'000 千港元 | Equipment, furniture and fixtures 設備、傢俬 及裝置 HK\$'000 千港元 | Plant and machinery 廠房及機器 HK\$'000 千港元 | Motor vehicles 汽車 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|-------------------|--|------------------------------------|--|---|---|--|--------------------------------|
| COST | 成本 | | | | | | | |
| At 1 January 2008 | 於二零零八年 一月一日 | 33,968 | 75,612 | 3,737 | 133,702 | 28,139 | 4,173 | 279,331 |
| Exchange differences | 匯率差異 | 1,905 | 4,239 | 178 | 7,475 | 1,577 | 203 | 15,577 |
| Additions | 添置 | 83,653 | 57 | - | 33,956 | 132 | 660 | 118,458 |
| Transfer | 轉撥 | (67,447) | 67,447 | - | 1,481 | (1,481) | - | - |
| Revaluation gain on transfer to investment properties | 轉撥至投資物業時 的重估收益 | - | 4,584 | - | - | - | - | 4,584 |
| Transfer to investment properties | 轉撥至投資物業 | - | (7,446) | - | - | - | - | (7,446) |
| Disposals | 出售 | - | - | - | (4,953) | - | - | (4,953) |
| At 31 December 2008 | 於二零零八年 十二月三十一日 | 52,079 | 144,493 | 3,915 | 171,661 | 28,367 | 5,036 | 405,551 |
| Exchange differences | 匯率差異 | 1 | 1,738 | 40 | 1,512 | 252 | 39 | 3,582 |
| Additions | 添置 | 17,670 | 51,792 | 831 | 9,383 | 254 | 897 | 80,827 |
| Acquired on acquisition of subsidiaries | 收購附屬公司所得 | - | - | - | 1,085 | - | 80 | 1,165 |
| Transfer | 轉撥 | (52,605) | 52,605 | - | - | - | - | - |
| Revaluation gain on transfer to investment properties | 轉撥至投資物業時 的重估收益 | - | 27,496 | - | - | - | - | 27,496 |
| Transfer to investment properties | 轉撥至投資物業 | - | (110,995) | - | - | - | - | (110,995) |
| Disposals | 出售 | - | - | - | (442) | - | - | (442) |
| At 31 December 2009 | 於二零零九年 十二月三十一日 | 17,145 | 167,129 | 4,786 | 183,199 | 28,873 | 6,052 | 407,184 |

17. PROPERTY, PLANT AND EQUIPMENT
(CONTINUED)

17. 物業、廠房及設備(續)

| | | Construction in progress 在建工程 HK\$'000 千港元 | Buildings 樓宇 HK\$'000 千港元 | Leasehold improvements 租賃物業 裝修 HK\$'000 千港元 | Equipment, furniture and fixtures 設備、傢俬 及裝置 HK\$'000 千港元 | Plant and machinery 廠房及機器 HK\$'000 千港元 | Motor vehicles 汽車 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--------------------------------------|-------------------|--|------------------------------------|--|---|---|--|--------------------------------|
| DEPRECIATION | 折舊 | | | | | | | |
| At 1 January 2008 | 於二零零八年一月一日 | - | 8,602 | 3,416 | 60,509 | 6,168 | 2,250 | 80,945 |
| Exchange differences | 匯率差異 | - | 482 | 168 | 3,374 | 346 | 110 | 4,480 |
| Charge for the year | 本年度折舊 | - | 3,658 | 331 | 25,280 | 2,476 | 818 | 32,563 |
| Transfer | 轉撥 | - | - | - | 210 | (210) | - | - |
| Eliminated on disposals | 於出售時對銷 | - | - | - | (3,843) | - | - | (3,843) |
| At 31 December 2008 | 於二零零八年 十二月三十一日 | - | 12,742 | 3,915 | 85,530 | 8,780 | 3,178 | 114,145 |
| Exchange differences | 匯率差異 | - | 113 | 40 | 739 | 79 | 24 | 995 |
| Charge for the year | 本年度折舊 | - | 8,759 | 171 | 26,544 | 2,507 | 699 | 38,680 |
| Transfer to investment properties | 轉撥至投資物業 | - | (1,693) | - | - | - | - | (1,693) |
| Eliminated on disposals | 於出售時對銷 | - | - | - | (397) | - | - | (397) |
| At 31 December 2009 | 於二零零九年 十二月三十一日 | - | 19,921 | 4,126 | 112,416 | 11,366 | 3,901 | 151,730 |
| CARRYING VALUES | 賬面值 | | | | | | | |
| At 31 December 2009 | 於二零零九年 十二月三十一日 | 17,145 | 147,208 | 660 | 70,783 | 17,507 | 2,151 | 255,454 |
| At 31 December 2008 | 於二零零八年 十二月三十一日 | 52,079 | 131,751 | - | 86,131 | 19,587 | 1,858 | 291,406 |

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17. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

| | | |
|-----------------------------------|----------|--|
| Buildings | 樓宇 | 5% |
| Leasehold improvements | 租賃物業裝修 | The shorter of the lease terms and 5 years |
| Equipment, furniture and fixtures | 設備、傢俬及裝置 | 租賃期限及5年期限之較短者 |
| Plant and machinery | 廠房及機器 | 20%-25% |
| Motor vehicles | 汽車 | 10% |
| | | 20% |

The buildings of the Group are situated in the PRC and located on land use rights under medium-term leases. The construction in progress represented buildings under construction which are situated in the PRC.

17. 物業、廠房及設備(續)

物業、廠房及設備乃按直線法及按下列年率折舊：

| | |
|----------|--|
| 樓宇 | 5% |
| 租賃物業裝修 | The shorter of the lease terms and 5 years |
| 設備、傢俬及裝置 | 租賃期限及5年期限之較短者 |
| 廠房及機器 | 20%-25% |
| 汽車 | 10% |
| | 20% |

本集團之樓宇位於中國並座落於以中期租約持有土地使用權之土地上。在建工程指位於中國在建中之樓宇。

18. LAND USE RIGHTS

18. 土地使用權

| | | HK\$'000 千港元 |
|---|---------------|-----------------|
| COST | 成本 | |
| At 1 January 2008 | 於二零零八年一月一日 | 76,903 |
| Revaluation gain on transfer to investment properties | 轉撥至投資物業時的重估收益 | 7,298 |
| Transfer to investment properties | 轉撥至投資物業 | (8,950) |
| Charge for the year | 本年度折舊 | (1,654) |
| Exchange differences | 匯率差異 | 4,312 |
| At 31 December 2008 | 於二零零八年十二月三十一日 | 77,909 |
| Additions | 添置 | 38,664 |
| Revaluation gain on transfer to investment properties | 轉撥至投資物業時的重估收益 | 58,941 |
| Transfer to investment properties | 轉撥至投資物業 | (91,360) |
| Charge for the year | 本年度折舊 | (1,886) |
| Exchange differences | 匯率差異 | 691 |
| At 31 December 2009 | 於二零零九年十二月三十一日 | 82,959 |

The land use rights of the Group are held under medium-term lease in the PRC and amortised over the term of the lease of 50 years.

本集團於中國之土地使用權乃根據中期租約持有，並按50年租約年期攤銷。

19. GOODWILL

19. 商譽

| | | HK\$'000 千港元 |
|---|-----------------------------|-----------------|
| COST AND CARRYING VALUES | 成本及賬面值 | |
| At 1 January 2008 and 31 December 2008 | 於二零零八年一月一日及 二零零八年十二月三十一日 | — |
| Arising on acquisition of subsidiaries | 收購附屬公司所產生 | 28,321 |
| | | <hr/> |
| At 31 December 2009 | 於二零零九年十二月三十一日 | 28,321 |
| | | <hr/> |

For the purposes of impairment testing, goodwill has been allocated to the cash generating units (“CGUs”) of sale of mobile handset solutions. The recoverable amount of the CGUs has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a 5-years period and discount rate of 17.27%. The cash flows beyond the 5-years period are extrapolated having a steady 3% growth rate. The growth rate is based on the relevant industry growth forecasts and average long-term growth rate for the relevant industry. A key assumption for the value in use calculation is the budgeted growth rate, which is determined based on past performance and management’s expectations for the market development. No impairment on goodwill noted. Management believes that any reasonably possible change in any of the assumption would not cause the aggregate carrying amount of the above CGUs to exceed the aggregate recoverable amount of the above CGUs.

就減值測試而言，商譽已分配予銷售移動手機解決方案之現金產生單位（「現金產生單位」）。現金產生單位的可收回金額乃按照使用價值計算。本集團根據管理層所批核的五年財務預算，按預期的現金流量計算使用價值，折現率為17.27%。超過五年期之現金流量推斷有穩定3%增長率。增長率乃以相關行業增長預測及相關行業平均長期增長率為基準。使用價值計算之主要假設為根據過往表現及管理層對市場發展期望而決定之預算增長率。並無商譽出現減值。管理層相信任何假設可能發生之任何合理變化將不會導致上述現金產生單位賬面值總額超過上述現金產生單位可收回金額之總額。

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20. INTANGIBLE ASSETS

20. 無形資產

| | | Licence fee 許可證費 HK\$'000 千港元 | Development costs 開發成本 HK\$'000 千港元 | Technical know-how 專有技術 HK\$'000 千港元 | Customer contracts 客戶合約 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|--------------------|---|---|--|--|--------------------------------|
| COST | | | | | | |
| At 1 January 2008 | 於二零零八年一月一日 | 58,851 | 330,669 | 70,747 | - | 460,267 |
| Additions | 添置 | 7,433 | 142,827 | - | - | 150,260 |
| Exchange differences | 匯率差異 | 2,065 | 17,917 | 592 | - | 20,574 |
| Write-off | 撇銷 | - | (22,055) | - | - | (22,055) |
| At 31 December 2008 | 於二零零八年十二月三十一日 | 68,349 | 469,358 | 71,339 | - | 609,046 |
| Additions | 添置 | 6,573 | 120,181 | - | - | 126,754 |
| Acquired on acquisition of subsidiaries (note 30) | 收購附屬公司所得 (附註30) | 9,867 | 9,853 | - | 27,514 | 47,234 |
| Exchange differences | 匯率差異 | 409 | 3,670 | - | - | 4,079 |
| Write-off | 撇銷 | - | (54,839) | - | - | (54,839) |
| At 31 December 2009 | 於二零零九年十二月三十一日 | 85,198 | 548,223 | 71,339 | 27,514 | 732,274 |
| AMORTISATION | | | | | | |
| At 1 January 2008 | 於二零零八年一月一日 | 30,763 | 247,221 | 692 | - | 278,676 |
| Charge for the year | 本年度攤銷 | 15,413 | 150,624 | 10,037 | - | 176,074 |
| Exchange differences | 匯率差異 | 849 | 13,843 | 61 | - | 14,753 |
| Write-off | 撇銷 | - | (22,055) | - | - | (22,055) |
| At 31 December 2008 | 於二零零八年十二月三十一日 | 47,025 | 389,633 | 10,790 | - | 447,448 |
| Charge for the year | 本年度攤銷 | 12,025 | 134,830 | 10,091 | - | 156,946 |
| Exchange differences | 匯率差異 | 287 | 2,963 | - | - | 3,250 |
| Write-off | 撇銷 | - | (54,839) | - | - | (54,839) |
| At 31 December 2009 | 於二零零九年十二月三十一日 | 59,337 | 472,587 | 20,881 | - | 552,805 |
| CARRYING AMOUNT | | | | | | |
| At 31 December 2009 | 於二零零九年十二月三十一日 | 25,861 | 75,636 | 50,458 | 27,514 | 179,469 |
| At 31 December 2008 | 於二零零八年十二月三十一日 | 21,324 | 79,725 | 60,549 | - | 161,598 |

Development costs are internally generated. License fee, technical know-how and customer contracts of the Group were acquired from third parties.

開發成本由內部產生。本集團許可證費用、專有技術及客戶合約購自第三方。

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20. INTANGIBLE ASSETS (CONTINUED)

The intangible assets have finite useful lives. Intangible assets are amortised on a straight-line basis over the following period:

| | |
|--------------------|--------------------|
| Licence fee | 1 - 5 years |
| Development costs | 9 months - 2 years |
| Technical know-how | 5 - 8 years |
| Customer contracts | 3 years |

20. 無形資產(續)

無形資產使用年期為有限。無形資產以直線法按以下期間攤銷：

| | |
|------|--------|
| 許可證費 | 1至5年 |
| 開發成本 | 9個月至2年 |
| 專有技術 | 5至8年 |
| 客戶合約 | 3年 |

21. DEFERRED TAX

The following are the major deferred tax (liabilities) assets recognised by the Group and the movement thereon, during the current and prior years.

21. 遞延稅項

以下為於本年度及過往年度，由本集團確認之主要遞延稅項(負債)資產及有關變動：

| | | Development cost capitalised | Write-down of inventories and trade receivables | Revaluation of buildings and land use rights transferred to investment properties | Intangible assets | Total |
|--|---------------|------------------------------------|--|--|----------------------|----------|
| | | 已資本化 開發成本 | 存貨及應收 貿易賬款撇減 | 樓宇及土地 使用權重估並 轉撥至投資物業 | 無形資產 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| At 1 January 2008 | 於二零零八年一月一日 | (6,478) | 3,592 | - | - | (2,886) |
| Exchange differences | 匯率差異 | (362) | 202 | - | - | (160) |
| Charge to profit or loss | 扣除自損益 | (4,126) | (384) | - | - | (4,510) |
| Charge to properties revaluation reserve | 扣除自物業重估儲備 | - | - | (2,971) | - | (2,971) |
| At 31 December 2008 | 於二零零八年十二月三十一日 | (10,966) | 3,410 | (2,971) | - | (10,527) |
| Acquisitions of subsidiaries (note 30) | 收購附屬公司(附註30) | - | - | - | (3,268) | (3,268) |
| Exchange differences | 匯率差異 | (97) | 28 | (27) | - | (96) |
| Credit (charge) to profit or loss | 計入(扣除自)損益 | 2,828 | - | (1,003) | - | 1,825 |
| Charge to properties revaluation reserve | 扣除自物業重估儲備 | - | - | (21,609) | - | (21,609) |
| At 31 December 2009 | 於二零零九年十二月三十一日 | (8,235) | 3,438 | (25,610) | (3,268) | (33,675) |

21. DEFERRED TAX (CONTINUED)

For the purpose of statement of financial position presentation, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

| | |
|--------------------------|--------|
| Deferred tax assets | 遞延稅項資產 |
| Deferred tax liabilities | 遞延稅項負債 |

At 31 December 2009, other than the deferred tax assets and liabilities mentioned above, subsidiaries of the Group had unused tax losses of approximately HK\$98,545,000 (2008: HK\$80,770,000) available for offset against future profit. No deferred tax asset has been recognised due to the unpredictability of future profit streams of those subsidiaries. Included in unused tax losses of HK\$92,783,000 (2008: HK\$75,009,000) that will expire by 2014 (2008: 2013). Other losses may be carried forward indefinitely.

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to HK\$318,569,000 (2008: HK\$232,853,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

21. 遞延稅項(續)

就呈列財務狀況表而言，若干遞延稅項資產及負債已予以抵銷。以下乃就財務報告所作之遞延稅項餘額之分析：

| 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 3,438 | 3,410 |
| (37,113) | (13,937) |
| (33,675) | (10,527) |

於二零零九年十二月三十一日，除上述遞延稅項資產及負債外，本集團附屬公司有未動用稅項虧損約98,545,000港元(二零零八年：80,770,000港元)可供抵銷未來溢利。由於該等附屬公司未來溢利流不可預測，故並無確認遞延稅項資產。未動用稅項虧損內92,783,000港元(二零零八年：75,009,000港元)將於二零一四年(二零零八年：二零一三年)屆滿。其他虧損可無限期結轉。

根據中國企業所得稅法，由二零零八年一月一日起，就中國附屬公司所賺取溢利宣派的股息須繳交預扣稅。綜合財務報表內未有就中國附屬公司累計溢利的暫時差額318,569,000港元(二零零八年：232,853,000港元)作出遞延稅項撥備，原因為本集團可控制該等暫時差額的撥回時間，以及該等暫時差額在可見的將來不大可能撥回。

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截至二零零九年十二月三十一日止年度**22. AVAILABLE-FOR-SALE INVESTMENTS****22. 可供出售投資**

| | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|--|--|----------------------------------|
| Available-for-sale investments comprise: 可供出售投資包括： | | |
| Listed equity securities 於中國上市之上市權益證券投資 | | |
| investments listed in the PRC | - | 36,866 |

23. INVENTORIES**23. 存貨**

| | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|----------------------|--|----------------------------------|
| Raw materials 原料 | 351,560 | 250,533 |
| Work in progress 在製品 | 4,603 | 6,847 |
| Finished goods 製成品 | 54,927 | 20,298 |
| | 411,090 | 277,678 |

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24. OTHER CURRENT FINANCIAL ASSETS

The normal credit period taken on sales of goods is 0 to 90 days.

The following is an aged analysis of trade receivables, notes and bills receivables presented based on the invoice date at the end of the reporting period:

| | |
|------------------------------------|-------------|
| 0 – 30 days | 零至30天 |
| 31 – 60 days | 31至60天 |
| 61 – 90 days | 61至90天 |
| 91 – 180 days | 91至180天 |
| Over 180 days | 超過180天 |
| Less: Accumulated allowances | 減：累計撥備 |
| Trade receivables | 應收貿易賬款 |
| 0 – 30 days | 零至30天 |
| 31 – 60 days | 31至60天 |
| Notes and bills receivables (Note) | 應收票據及賬單(附註) |

Note: Notes and bills receivable represent the promissory notes issued by banks received from the customers.

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed twice a year. The Group has policy for allowance of bad and doubtful debts which is based on the evaluation of collectability and age analysis of accounts and on management's judgment including creditworthiness and the past collection history of each client.

24. 其他流動金融資產

銷售貨品的一般信貸期為零至90天。

以下為應收貿易賬款、應收票據及賬單按發票日期於呈報期間末之賬齡分析：

| 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 94,140 | 75,098 |
| 6,764 | 136,951 |
| 14,118 | 3,133 |
| 564 | 15,326 |
| 36,455 | 12,396 |
| 152,041 | 242,904 |
| (10,486) | (10,484) |
| 141,555 | 232,420 |
| 75,173 | 16,321 |
| - | 1,808 |
| 75,173 | 18,129 |

附註：應收票據及賬單為收取由客戶由銀行發出之承兌票據。

於接納任何新客戶前，本集團評估潛在客戶之信貸質素及釐定客戶的信貸額度。給予客戶之信貸額度每年檢討兩次。本集團已就呆壞賬撥備制定政策，該項政策根據賬目之可收回程度及賬齡分析以及管理層會判斷(包括每名客戶之信貸評級及過往還款記錄)而制定。

**24. OTHER CURRENT FINANCIAL ASSETS
(CONTINUED)**

Included in the Group's trade receivable balance are debtors with aggregate carrying amount of HK\$32,840,000 (2008: HK\$18,504,000) which are past due at the reporting date for which the Group has not provided for impairment loss because they were either subsequently settled as at the date of this report or no historical default of payments by the respective customers. The Group does not hold any collateral over these balances. The average age of these receivables is 246 days (2008: 140 days).

Ageing of trade receivables which are past due but not impaired

| | |
|---------------|---------|
| 0 – 30 days | 零至30天 |
| 31 – 60 days | 31至60天 |
| 61 – 90 days | 61至90天 |
| 91 – 180 days | 91至180天 |
| Over 180 days | 超過180天 |
| Total | 總計 |

The Group has provided fully for all receivables over 1 year because historical experience is such that receivables that are past due beyond 1 year are generally not recoverable.

Movement in the allowance for doubtful debts

| | |
|---|--------------|
| Balance at beginning of the year | 年初結餘 |
| Impairment losses recognised on receivables | 就應收賬款確認之減值虧損 |
| Amounts written off as uncollectible | 不可收回金額之撇銷 |
| Exchange differences | 匯兌差異 |
| Impairment losses reversed | 減值虧損撥回 |
| Balance at end of the year | 年末結餘 |

24. 其他流動金融資產(續)

本集團之應收貿易賬款結餘內包含賬面總值為32,840,000港元(二零零八年: 18,504,000港元)的應收賬款, 於報告日為已過期而本集團並無就減值虧損作撥備, 因此等款項已於報告日後付清或這些客戶並沒有違約記錄。本集團並無就該等結餘持有任何抵押。該等應收貿易賬款之平均賬齡為246天(二零零八年: 140天)。

已過期但未減值的應收貿易賬款之賬齡

| 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 550 | – |
| 102 | – |
| 5,556 | 306 |
| – | 14,709 |
| 26,632 | 3,489 |
| 32,840 | 18,504 |

本集團對所有超過一年之應收賬款全額計提撥備, 因為過往經驗顯示超過一年之應收賬款一般無法收回。

呆賬撥備之變動

| 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 10,484 | 6,542 |
| 336 | 3,598 |
| – | (23) |
| 93 | 367 |
| (427) | – |
| 10,486 | 10,484 |

24. OTHER CURRENT FINANCIAL ASSETS (CONTINUED)

Included in the allowance for doubtful debts are individually impaired trade receivables with an aggregate balance of HK\$3,268,000 (2008: HK\$3,268,000) which have either been placed under liquidation or in severe financial difficulties. The Group does not hold any collateral over these balances.

Other receivables are unsecured, interest-free and are recoverable on demand. Deposits mainly represented trade deposits paid to third parties.

At 31 December 2009, included in the trade receivables, HK\$20,220,000 (2008: HK\$6,746,000) are denominated in USD, which are not denominated in the functional currency of the respective group entities.

25. PLEDGED BANK DEPOSITS AND BANK BALANCES AND CASH

The bank balances and cash of the Group are mainly denominated in RMB, Hong Kong dollars and USD. The bank balances receive interest at an average rate of 0.7% (2008: 1.3%) per annum. Included in the bank balances and cash and pledged bank deposits was an amount in RMB of HK\$748,971,000 (2008: HK\$344,095,000), which is not freely convertible into other currencies.

The Group's bank deposits of HK\$329,114,000 (2008: nil) as at 31 December 2009 were pledged to secure the short-term generate banking facilities granted by banks. The bank deposits will mature on clearance of the letter of credit.

At 31 December 2009, HK\$104,099,000 (2008: HK\$273,106,000) are denominated in USD, which are not denominated in the functional currency of the respective group entities.

24. 其他流動金融資產(續)

呆賬撥備中包括個別減值的應收貿易賬款合計餘額3,268,000港元(二零零八年: 3,268,000港元), 該等賬款的債務人正處於清盤或陷入嚴重財務困難。本集團並無就此等結餘持任何抵押品。

其他應收賬款為無抵押、不計息及於要求時償還。按金主要為應付第三方的貿易按金。

於二零零九年十二月三十一日, 應收貿易賬款中, 包括以美元計值之款項為20,220,000港元(二零零八年: 6,746,000港元), 有關款項並非以集團公司各自的功能貨幣計值。

25. 已抵押銀行存款及銀行結餘及現金

本集團之銀行結餘及現金主要以人民幣、港元及美元計值。銀行結餘按平均年利率0.7%(二零零八年: 1.3%)計息。銀行結餘及現金以及已抵押銀行存款內包括一項人民幣款項748,971,000港元(二零零八年: 344,095,000港元), 該等款項不可自由轉換為其他貨幣。

本集團之銀行存款329,114,000港元(二零零八年: 零)於二零零九年十二月三十一日予以抵押, 以獲得銀行授出之短期一般銀行融資。銀行存款將於信用證結算時到期。

於二零零九年十二月三十一日, 以美元計值的款項為104,099,000港元(二零零八年: 273,106,000港元), 有關款項並非以集團公司各自的功能貨幣計值。

26. CURRENT FINANCIAL LIABILITIES

Trade and notes payables, other payables, deposits received and accruals principally comprise amounts outstanding for trade purposes and ongoing costs.

Trade payables principally comprise amounts outstanding for trade purchases. The normal credit period taken for trade purchases is 30 to 60 days. An aged analysis of the Group's trade and notes payables at the end of the reporting period presented based on the invoice date is as follows:

| | |
|--------------|--------|
| 0 – 30 days | 零至30天 |
| 31 – 60 days | 31至60天 |
| 61 – 90 days | 61至90天 |
| Over 90 days | 超過90天 |

At 31 December 2009, included in the trade payables, HK\$88,866,000 (2008: HK\$47,487,000) are denominated in USD, which are not denominated in the functional currency of the respective group entities.

As 31 December 2009, included in other payables, HK\$29,423,000 (2008: HK\$37,164,000) are deferred income on government subsidies, which are released to income over actual expenditure used in research and development activities.

26. 流動金融負債

應付貿易賬款及票據、其他應付賬款、已收按金及應計款項主要包括貿易用途之未償付款項以及持續成本。

應付貿易賬款主要包括未償還的貿易採購成本。貿易採購之一般信貸期為30至60天。以下為按發票日期於呈報期間末本集團之應付貿易賬款及票據之賬齡分析：

| 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 462,324 | 256,996 |
| 36,472 | 22,053 |
| 2,876 | 17,077 |
| 14,495 | 55,966 |
| 516,167 | 352,092 |

於二零零九年十二月三十一日，應付貿易賬款內包括以美元計值之款項88,866,000港元（二零零八年：47,487,000港元），有關款項並非以集團公司各自的功能貨幣計值。

於二零零九年十二月三十一日，其他應付款項內包括政府補貼之遞延收入29,423,000港元（二零零八年：37,164,000港元），且該等收入按研發活動之實際開支調撥至收入。



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27. BANK BORROWINGS

27. 銀行借貸

| | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|----------------------------|----------------------------------|----------------------------------|
| Secured bank loans 已抵押銀行貸款 | 271,123 | - |

At the end of the reporting period, the loans are denominated in USD, which are not denominated in functional currency of the respective group entities, carrying at LIBOR plus a spread and payable within one year. Pursuant to the loan agreement, the bank borrowings were secured by bank deposits as disclosed in note 25.

於呈報期末，貸款以美元計值，而並非以集團公司各自的功能貨幣計值，且按倫敦銀行同業拆息加息差記賬，並於一年內支付。根據貸款協議，如附註25所披露，銀行借貸將透過銀行存款作抵押。

28. SHARE CAPITAL

28. 股本

| | Number of shares 股份數目 '000 千股 | Share capital 股本 HK\$'000 千港元 |
|---|---|---|
| Ordinary shares of HK\$0.1 each 每股面值0.1港元之普通股 | | |
| Authorised: 法定： | | |
| At 1 January 2008, 31 December 2008 and 31 December 2009 於二零零八年一月一日、二零零八年十二月三十一日及二零零九年十二月三十一日 | 3,000,000 | 300,000 |
| Issued: 已發行： | | |
| At 1 January 2008 於二零零八年一月一日 | 1,515,880 | 151,588 |
| Exercise of share options (Note) 行使購股權(附註) | 1,610 | 161 |
| At 31 December 2008 於二零零八年十二月三十一日 | 1,517,490 | 151,749 |
| Exercise of share options (Note) 行使購股權(附註) | 11,216 | 1,122 |
| At 31 December 2009 於二零零九年十二月三十一日 | 1,528,706 | 152,871 |

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28. SHARE CAPITAL (CONTINUED)

Note: During the year, the Company issued 2,271,000 (2008: 1,610,000) new shares of HK\$0.10 (2008: HK\$0.10) each at price of HK\$1.02 (2008: HK\$1.02) per share and 8,944,500 (2008: nil) new shares of HK\$0.10 (2008: nil) each at price of HK\$0.81 (2008: nil) per share to eligible employees upon exercise of share options.

The shares which were issued during the year rank pari passu with each other in all respects.

28. 股本

附註：年內，本公司以每股1.02港元(二零零八年：1.02港元)之價格向行使購股權之合資格僱員發行2,271,000股(二零零八年：1,610,000股)每股面值0.10港元(二零零八年：0.10港元)之新股份，並以每股0.81港元(二零零八年：零)之價格向彼等發行8,944,500股(二零零八年：零)每股面值0.10港元(二零零八年：零)之新股份。

本年度發行之該等股份在各方面均具有相同權益。

29. RESERVES**Properties revaluation reserve**

| | |
|---|--|
| At 1 January 2008 | |
| Surplus on transfer from land use rights and property, plant and equipment to investment properties at fair value | |
| Deferred tax liability on surplus on transfer from land use rights and property, plant and equipment to investment properties at fair value | |
| At 31 December 2008 | |
| Surplus on transfer from land use rights and property, plant and equipment to investment properties at fair value | |
| Deferred tax liability on surplus on transfer from land use rights and property, plant and equipment to investment properties at fair value | |
| At 31 December 2009 | |

29. 儲備**物業重估儲備**

| | HK\$'000 千港元 |
|--|-----------------|
| 於二零零八年一月一日 | – |
| 因以公平值轉撥土地使用權及物業、廠房及設備至投資物業而產生之盈餘 | 11,882 |
| 因以公平值轉撥土地使用權及物業、廠房及設備至投資物業而產生盈餘之遞延稅項負債 | (2,971) |
| 於二零零八年十二月三十一日 | 8,911 |
| 因以公平值轉撥土地使用權及物業、廠房及設備至投資物業而產生之盈餘 | 86,437 |
| 因以公平值轉撥土地使用權及物業、廠房及設備至投資物業而產生盈餘之遞延稅項負債 | (21,609) |
| 於二零零九年十二月三十一日 | 73,739 |

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29. RESERVES (CONTINUED)

29. 儲備(續)

Investment revaluation reserve

投資重估儲備

| | | HK\$'000 千港元 |
|---|-----------------|-----------------|
| At 1 January 2008 | 於二零零八年一月一日 | 29,371 |
| Fair value changes on available-for-sale investments | 可供出售投資之公平值變動 | (53,271) |
| Impairment loss on available-for-sale investments | 可供出售投資之減值虧損 | 23,900 |
| At 31 December 2008 | 於二零零八年十二月三十一日 | - |
| Fair value changes on available-for-sale investments | 可供出售投資之公平值變動 | 25,366 |
| Recycling of gain on disposal of available-for-sale investments | 因出售可供出售投資而轉出之收益 | (25,366) |
| At 31 December 2009 | 於二零零九年十二月三十一日 | - |

Translation reserve

換算儲備

| | | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|--|----------------|----------------------------------|----------------------------------|
| At 1 January | 於一月一日 | 112,185 | 72,823 |
| Exchange differences arising on translation to presentation currency | 換算至呈列貨幣產生的匯率差異 | 6,319 | 39,362 |
| At 31 December | 於十二月三十一日 | 118,504 | 112,185 |

30. ACQUISITION OF SUBSIDIARIES

30. 收購附屬公司

On 13 November 2009, the Group acquired 60% of the issued share capital of Goldsey Limited and its wholly-owned subsidiary, Smartwireless Technology Limited, for consideration of USD6,000,000. The subsidiaries acquired are principally engaged in design and development of mobile handset solutions in the PRC. This acquisition has been accounted for using the purchase method. The amount of goodwill arising as a result of the acquisition was HK\$28,321,000. The goodwill arising on acquisition is attributable to the anticipated profitability of the mobile handset solutions business of this group.

於二零零九年十一月十三日，本集團收購高仕有限公司及其全資擁有附屬公司北京華創智豐科技有限公司已發行股本之60%，代價為6,000,000美元。所收購附屬公司主要於中國從事移動手機解決方案之設計及開發。本次收購採用收購會計法入賬。因收購而產生之商譽金額為28,321,000港元。收購產生之商譽有助於提高本集團移動手機解決方案業務之預期盈利能力。

**30. ACQUISITION OF SUBSIDIARIES
(CONTINUED)**

The net assets acquired in the transaction, and the goodwill arising, are as follows:

| | | Acquiree's carrying amount before combination | Fair value adjustment | Fair value |
|--|---------------|--|----------------------------------|-------------------|
| | | 被收購方於合併 前之賬面值 | 公平值調整 | 公平值 |
| | | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 |
| Property, plant and equipment | 物業、廠房及設備 | 1,165 | – | 1,165 |
| Intangible assets | 無形資產 | 59 | 47,175 | 47,234 |
| Other receivables | 其他應收款項 | 548 | – | 548 |
| Bank balances and cash | 銀行結餘及現金 | 9,781 | – | 9,781 |
| Other payables | 其他應付款項 | (24,790) | – | (24,790) |
| Deferred tax liabilities | 遞延稅項負債 | – | (3,268) | (3,268) |
| | | (13,237) | 43,907 | 30,670 |
| Minority interests | 少數股東權益 | | | (12,268) |
| Goodwill | 商譽 | | | 28,321 |
| Total consideration satisfied by: | 總代價之支付方式： | | | |
| Cash | 現金 | | | 46,723 |
| Net cash outflow arising on acquisition: | 收購所產生之現金流出淨額： | | | |
| Cash consideration paid | 已付現金代價 | | | 46,723 |
| Bank balances and cash acquired | 收購之銀行結餘及現金 | | | (9,781) |
| | | | | 36,942 |

The subsidiaries acquired contributed approximately HK\$10,839,000 to the Group's revenue and HK\$7,734,000 to the Group's profit for the period between the date of acquisition and the end of the reporting period.

If the acquisition had been completed on 1 January 2009, total group revenue for the period would have been HK\$2,991,531,000, and profit for the period would have been HK\$129,739,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2009, nor is it intended to be a projection of future results.

交易所收購之資產淨額及產生之商譽如下：

30. 收購附屬公司(續)

收購之附屬公司使得本集團於自收購之日起至呈報期末之期間之收入增加約10,839,000港元，溢利增加約7,734,000港元。

倘收購於二零零九年一月一日完成，本集團於該期間之收入總額將為2,991,531,000港元，而溢利則為129,739,000港元。備考資料僅供說明之用，並非本集團假設收購已於二零零九年一月一日完成而實際得出之收入及業績指標，亦非未來業績之預測。

31. OPERATING LEASE ARRANGEMENT

The Group as lessee

The Group made minimum lease payments under operating leases in respect of office premises of approximately HK\$4,705,000 (2008: HK\$10,667,000), in which approximately HK\$1,621,000 (2008: HK\$4,979,000) were capitalised in development cost.

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

| | |
|---------------------------------------|------------------|
| Within one year | 一年內 |
| In the second to fifth year inclusive | 第二至第五年(首尾兩年包括在內) |

Leases are negotiated for an average term of two years and rentals are fixed for an average of two years.

The Group as lessor

All of the properties held have committed tenants for the next 2 to 10 years.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

| | |
|---------------------------------------|------------------|
| Within one year | 一年內 |
| In the second to fifth year inclusive | 第二至第五年(首尾兩年包括在內) |
| After five years | 五年後 |

31. 經營租賃安排

本集團作為承租人

本集團就辦公室物業而根據經營租賃支付之最低租金款項約為4,705,000港元(二零零八年: 10,667,000港元), 其中約1,621,000港元(二零零八年: 4,979,000港元)已於開發成本中資本化。

於報告期末, 本集團根據不可撤銷經營租賃支付之未來最低租金款項承擔之到期日如下:

| 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 1,755 | 2,377 |
| 1,779 | 3,496 |
| 3,534 | 5,873 |

租賃之平均年期商定為兩年, 而租金固定為兩年。

本集團作為出租人

所有持有之物業均有承租人承擔未來2至10年租賃期。

於報告期末, 本集團與承租人簽訂以下未來最低租金款項如下:

| 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 12,324 | 1,853 |
| 38,709 | 7,992 |
| 10,668 | 11,859 |
| 61,701 | 21,704 |

32. COMMITMENTS**32. 承擔**

| | 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|---|----------------------------------|----------------------------------|
| Expenditure contracted for but not provided in the consolidated financial statements in respect of: | | |
| – building construction | 4,838 | 49,952 |
| Expenditure in respect of building construction authorised but not contracted for | – | 27,937 |

33. RETIREMENT BENEFITS SCHEMES**33. 退休福利計劃**

The Group operates a MPF Scheme under rules and regulations of Mandatory Provident Fund Schemes Ordinance for all its employees in Hong Kong. All the employees of the Group in Hong Kong are required to join the MPF Scheme. Contributions are made based on a percentage of the employees' salaries and are charged to consolidated income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme. No forfeited contribution is available to reduce the contribution payable in the future years as at 31 December 2009 and 2008.

The Group's subsidiaries in the PRC, in compliance with the applicable regulations of the PRC, participate in a state-managed retirement benefits scheme operated by the local government. The subsidiaries are required to contribute a specific percentage of their payroll costs to the retirement benefits scheme. The only obligation of the Group with respect to the retirement benefits scheme is to make the specified contributions.

本集團根據強制性公積金計劃條例為其所有香港僱員設立一項強積金計劃。所有於香港的僱員均須加入強積金計劃。供款按僱員基本薪金的某一百分比作出，並根據強積金計劃之規則於應予支付時在綜合收益表扣除。強積金計劃之資產與本集團的其他資產分開處理，由一獨立管理之基金持有。在向強積金計劃供款時，本集團僱主供款將全數歸屬於僱員所有。於二零零九年及二零零八年十二月三十一日，並無沒收之供款作為扣減本集團於未來年度之應付供款。

本集團於中國之附屬公司遵照中國之適用規則，參與一項國家管理由當地政府經營的退休福利計劃。附屬公司須按工資成本的指定百分比比率向退休福利計劃供款。本集團就退休福利計劃之唯一責任為作出指定供款。

33. RETIREMENT BENEFITS SCHEMES (CONTINUED)

During the year, the total amounts contributed by the Group to the schemes and cost charged to the consolidated income statement, which was set out in note 13 to the consolidated financial statement, represents contribution payable to the schemes by the Group at rates specified in the rules of the schemes.

33. 退休福利計劃(續)

於本年度，本集團向計劃供款總額及於綜合收益表扣除之成本，載於本綜合財務報表附註13，代表本集團根據計劃規則按指定比率向計劃應付之供款數額。

34. SHARE OPTION SCHEMES

The Company had two share option schemes, including pre-initial public offering share options scheme (the “Pre-IPO Options”) and post-initial public offering share options scheme (the “Post-IPO Options”). Both Pre-IPO Options and Post-IPO Options were adopted on 30 May 2005. The major terms and conditions of the two schemes are set out below:

34. 購股權計劃

本公司有兩項購股權計劃，包括首次公開發售前購股權計劃(「首次公開發售前購股權計劃」)及首次公開發售後購股權計劃(「首次公開發售後購股權計劃」)。首次公開發售前購股權計劃及首次公開發售後購股權計劃均於二零零五年五月三十日被採納。兩項計劃之主要條款概要如下：

(A) Pre-IPO Options

- (i) The purpose was to provide incentives to the participants.
- (ii) The participants included directors of the Company or its subsidiaries, senior management and other employees of the Group.
- (iii) The maximum number of shares in respect of which options might be granted under the Pre-IPO Options shall not exceed 44,000,000 shares.
- (iv) Any cancellation of options granted but not exercised must be approved by the board of directors. Any options cancelled cannot be regranted.

(A) 首次公開發售前購股權計劃

- (i) 目的是為參與者提供激勵。
- (ii) 參與者包括本公司或其附屬公司董事、高級管理層及本集團之其他僱員。
- (iii) 首次公開發售前購股權計劃可授出之購股權所涉及的最高股份限額不可超過44,000,000股。
- (iv) 任何註銷已授出但未行使之購股權須經董事會同意。任何已註銷購股權不可獲重新授出。

34. SHARE OPTION SCHEMES (CONTINUED)**34. 購股權計劃(續)****(A) Pre-IPO Options (CONTINUED)**

- (v) Subject to the vesting period set out in page 135 of this report and the terms of the Pre-IPO Options, an option may be exercised by the grantee at any time during the period of 10 years commencing on the date of grant.
- (vi) No consideration is required to be paid by the grantee for the grant of options.
- (vii) The exercise price of an option is 60% of the offer price in the Company's initial public offering on 21 June 2005.
- (viii) The life of the Pre-IPO Options shall be valid and effective from 30 May 2005 to 14 June 2005, after which time no further options will be granted but the provisions of the Pre-IPO Options shall remain in full force and effect in all other respects.

(B) Post-IPO Options

- (i) The purpose was to provide incentives to the participants.
- (ii) The participants included any employee or executive director and such other persons as the board of directors may consider appropriate.
- (iii) On 12 December 2008, a resolution to renew the 10% general limit of the Post-IPO Options was duly passed by the shareholders of the Company. The maximum number of shares in respect of which options might be granted under the Post-IPO Options must not exceed 10% of the shares in issue as at 12 December 2008 and in any event the total maximum number of shares which might be issued or issuable upon exercise of all outstanding options should not exceed 30% of the issued share capital of the Company from time to time. The maximum number of shares issued and to be issued upon exercise of the options granted to any eligible participant in any 12-month period shall not exceed 1% of the issued shares from time to time.

(A) 首次公開發售前購股權計劃(續)

- (v) 根據本報告第135頁所載之歸屬期及首次公開發售前購股權計劃之條款，承授人可於授出日期起計十年期間隨時行使購股權。
- (vi) 承授人毋須就授予購股權支付任何代價。
- (vii) 購股權之行使價為本公司於二零零五年六月二十一日進行首次公開發售的每股發售價之60%。
- (viii) 首次公開發售前購股權計劃之年期由二零零五年五月三十日至二零零五年六月十四日期間有效及生效，此後將不會再進一步授出購股權，惟首次公開發售前購股權計劃之條款在所有其他方面仍具十足效力及生效。

(B) 首次公開發售後購股權計劃

- (i) 目的是為參與者提供激勵。
- (ii) 參與者包括任何僱員或執行董事，以及董事會可能認為合適之其他人士。
- (iii) 於二零零八年十二月十二日，本公司股東通過一項決議更新首次公開發售後購股權計劃之10%一般上限。根據首次公開發售後購股權計劃可予授出的購股權所涉及的最高股份數目，不得超過於二零零八年十二月十二日已發行股份之10%，而因行使所有尚未行使之購股權而已發行或可發行之最高股份總數，無論如何不得超過本公司任何時候已發行股本之30%。於任何12個月期間因行使合資格參與者所獲授購股權而已發行及將予發行的股份數目上限不得超過不時已發行股份之1%。



34. SHARE OPTION SCHEMES (CONTINUED)

(B) Post-IPO Options (CONTINUED)

- (iv) The number of shares of the Company for issue under the Post-IPO Options is 178,667,500 shares, which represented 11.7% of the share capital as at date of this annual report.
- (v) The acceptance of an option, if accepted, must be made within 5 business days from the date of grant. No consideration is required to be paid by the grantee for the grant of options.
- (vi) The exercise price of an option must be the highest of:
- the closing price of the share on the grant date;
 - the average closing price of the share for the 5 trading days immediately preceding the grant; and
 - the nominal value of the share.
- (vii) The life of the Post-IPO Options was effective until 29 May 2015, after which time no further option will be granted but provisions of the Post-IPO Options shall remain in full force and effect in all other respects.

34. 購股權計劃(續)

(B) 首次公開發售後購股權計劃(續)

- (iv) 根據首次公開發售後購股權計劃可發行之本公司股份數目為178,667,500股，相當於本年報日期之股本的11.7%。
- (v) 購股權之接納必須於授出日期起計五個營業日內作出。承授人毋須就獲授之購股權支付代價。
- (vi) 購股權之行使價必須為以下之最高者：
- 於授出日期股份之收市價；
 - 緊接授出日期前五個交易日股份之平均收市價；及
 - 股份之面值。
- (vii) 首次公開發售後購股權計劃之年期直至二零一五年五月二十九日為止一直生效，其後將不會再授出購股權，但首次公開發售後購股權計劃之條文在所有其他方面仍具十足效力及生效。

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34. SHARE OPTION SCHEMES (CONTINUED)

34. 購股權計劃(續)

The following table disclose details of the options under Pre-IPO Options, Post-IPO Options held by the grantee and movements in such holdings:

下表披露承授人根據首次公開發售前購股權計劃及首次公開發售後購股權計劃持有之購股權之詳情及該等權益之變動：

| Category of participants 參與者類別 | Name of scheme 計劃名稱 | Date of grant 授出日期 | Exercisable period 行使期 (Note i) (附註i) | Exercise price per share 每股行使價 HK\$ 港元 | Outstanding at | Granted during the year 本年度授出 (Note ii) (附註ii) | Exercised during the year 本年度行使 (Note iv) (附註iv) | Forfeited during the year 本年度失效 (Note iii) (附註iii) | Outstanding at Reallocated | | | Forfeited during the year 本年度失效 (Note iii) (附註iii) | Outstanding at | |
|--|--------------------------------------|------------------------------|---|---|--------------------------------------|---|---|---|--------------------------------------|---------------------------------------|---|---|----------------|------------|
| | | | | | 1 January 2008 於二零零八年一月一日 尚未行使 | | | | 1 January 2009 於二零零九年一月一日 尚未行使 | change of director 於董事變更 後重調 | 31 December 2009 於二零零九年十二月三十一日 尚未行使 | | | |
| Directors | | | | | | | | | | | | | | |
| 董事 | | | | | | | | | | | | | | |
| Tsang Hen Loon, Raymond (Note v) 曾惠龍(附註v) | Pre-IPO Options 首次公開發售前 購股權計劃 | 30.5.2005 二零零五年 五月三十日 | 1.4.2006-29.5.2015 二零零六年四月一日至 二零一五年五月二十九日 | 1.02 | 1,500,000 | - | (750,000) | - | 750,000 | (750,000) | N/A | N/A | N/A | N/A |
| Zhang Jianping 張劍平 | Pre-IPO Options 首次公開發售前 股權計劃 | 30.5.2005 二零零五年 五月三十日 | 1.4.2006-29.5.2015 二零零六年四月一日至 二零一五年五月二十九日 | 1.02 | 1,500,000 | - | - | - | 1,500,000 | - | - | - | - | 1,500,000 |
| | Post-IPO Options 首次公開發售後 購股權計劃 | 28.3.2008 二零零八年 三月二十八日 | 15.4.2009-27.3.2018 二零零九年四月十五日至 二零一八年三月二十七日 | 0.81 | - | 1,600,000 | - | - | 1,600,000 | - | - | (236,000) | - | 1,364,000 |
| | Post-IPO Options 首次公開發售後 購股權計劃 | 3.9.2009 二零零九年 九月三日 | 15.4.2010-2.9.2019 二零一零年四月十五日至 二零一九年九月二日 | 0.79 | - | - | - | - | - | - | 10,000,000 | - | - | 10,000,000 |
| Tang Rongrong 唐融融 | Pre-IPO Options 首次公開發售前 購股權計劃 | 30.5.2005 二零零五年 五月三十日 | 1.4.2006-29.5.2015 二零零六年四月一日至 二零一五年五月二十九日 | 1.02 | 464,000 | - | - | - | 464,000 | - | - | - | - | 464,000 |
| | Post-IPO Options 首次公開發售後 購股權計劃 | 28.3.2008 二零零八年 三月二十八日 | 15.4.2009-27.3.2018 二零零九年四月十五日至 二零一八年三月二十七日 | 0.81 | - | 1,600,000 | - | - | 1,600,000 | - | - | (300,000) | - | 1,300,000 |
| | Post-IPO Options 首次公開發售後 購股權計劃 | 3.9.2009 二零零九年 九月三日 | 15.4.2010-2.9.2019 二零一零年四月十五日至 二零一九年九月二日 | 0.79 | - | - | - | - | - | - | 3,000,000 | - | - | 3,000,000 |
| Chan Tat Wing, Richard 陳達榮 | Pre-IPO Options 首次公開發售前 購股權計劃 | 30.5.2005 二零零五年 五月三十日 | 1.4.2006-29.5.2015 二零零六年四月一日至 二零一五年五月二十九日 | 1.02 | 500,000 | - | - | - | 500,000 | - | - | - | - | 500,000 |
| | Post-IPO Options 首次公開發售後 購股權計劃 | 28.3.2008 二零零八年 三月二十八日 | 15.4.2009-27.3.2018 二零零九年四月十五日至 二零一八年三月二十七日 | 0.81 | - | 1,600,000 | - | - | 1,600,000 | - | - | - | - | 1,600,000 |
| | Post-IPO Options 首次公開發售後 購股權計劃 | 3.9.2009 二零零九年 九月三日 | 15.4.2010-2.9.2019 二零一零年四月十五日至 二零一九年九月二日 | 0.79 | - | - | - | - | - | - | 3,000,000 | - | - | 3,000,000 |
| | | | | | 3,964,000 | 4,800,000 | (750,000) | - | 8,014,000 | (750,000) | 16,000,000 | (536,000) | - | 22,728,000 |

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34. SHARE OPTION SCHEMES (CONTINUED)

34. 購股權計劃(續)

| Category of participants 參與者類別 | Name of scheme 計劃名稱 | Date of grant 授出日期 | Exercisable period 行使期 (Note i) (附註i) | Exercise price per share 每股行使價 HK\$ 港元 | Outstanding at | Granted during the year 於二零零八年一月一日 尚未行使 | Exercised during the year 本年度授出 | Forfeited during the year 本年度失效 | Outstanding at | Granted during the year 於二零零九年一月一日 尚未行使 | Exercised during the year 本年度授出 | Forfeited during the year 本年度失效 | Outstanding at | |
|--|--------------------------------------|---------------------------|---|---|--------------------------------------|---|------------------------------------|------------------------------------|--|---|------------------------------------|------------------------------------|---|--------------|
| | | | | | 1 January 2008 於二零零八年一月一日 尚未行使 | | | | at Reallocated upon 1 January 2009 於二零零九年一月一日 尚未行使 | | | | 31 December 2009 於二零零九年十二月三十一日 尚未行使 | |
| Employees of the Group 本集團僱員 | Pre-IPO Options 首次公開發售前 購股權計劃 | 30.5.2005 二零零五年五月三十日 | 14.2006-29.5.2015 二零零六年四月一日至 二零零五年五月二十九日 | 1.02 | 12,656,000 | - | (860,000) | (1,087,500) | 10,708,500 | 750,000 | - | (2,271,000) | (1,386,000) | 7,801,500 |
| | Post-IPO Options 首次公開發售後 購股權計劃 | 12.5.2006 二零零六年五月十二日 | 1.1.2007-11.5.2016 二零零七年一月一日至 二零零六年五月十一日 | 3.675 | 7,875,000 | - | - | (820,000) | 7,055,000 | - | - | - | (617,500) | 6,437,500 |
| | Post-IPO Options 首次公開發售後 購股權計劃 | 13.11.2007 二零零七年十一月十三日 | 14.2008-12.11.2017 二零零八年四月一日至 二零零七年十一月十二日 | 1.64 | 16,000,000 | - | - | (1,710,000) | 14,290,000 | - | - | - | (1,470,000) | 12,820,000 |
| | Post-IPO Options 首次公開發售後購 股權計劃 | 28.3.2008 二零零八年三月二十八日 | 15.4.2009-27.3.2018 二零零九年四月十五日至 二零零八年三月二十七日 | 0.81 | - | 72,200,000 | - | (7,020,000) | 65,180,000 | - | - | (8,408,500) | (8,825,500) | 47,946,000 |
| | Post-IPO Options 首次公開發售後 購股權計劃 | 3.9.2009 二零零九年九月三日 | 15.4.2010-2.9.2019 二零一零年四月十五日至 二零一零年九月二日 | 0.79 | - | - | - | - | - | - | 91,200,000 | - | - | 91,200,000 |
| | Total 總計 | | | | | 40,495,000 | 77,000,000 | (1,610,000) | (10,637,500) | 105,247,500 | - | 107,200,000 | (11,215,500) | (12,299,000) |
| Exercisable at the end of the year 於年末可予行使 | | | | | | | | | | | | | | 29,258,000 |
| Weighted average exercise price (HK\$) 加權平均行使價(港元) | | | | | 1.780 | 0.81 | 1.020 | 1.186 | 1.143 | 1.020 | 0.79 | 0.863 | 1.077 | 0.964 |

Notes:

(i) In relation to each grantee of the options granted under the Pre-IPO Options, subject to the vesting period set out below and terms of the Pre-IPO Options, an option may be exercised by the grantee at any time during the period of 10 years commencing on the date of grant, 25% of the options will vest during the period from 1 April 2006 to 31 December 2006 and in each of the three calendar years from 1 January 2007 to 31 December 2009.

In relation to each grantee of the options granted on 12 May 2006 under Post-IPO Options, 25% of the options will vest in each of the four calendar years from 1 January 2007.

附註:

(i) 就根據首次公開發售前購股權計劃獲授購股權的每名承授人而言，根據下文所載之歸屬期及首次公開發售前購股權計劃條款，自授出日期起計10年期間內，承授人可隨時行使購股權，且將分別於二零零六年四月一日至二零零六年十二月三十一日期間以及由二零零七年一月一日至二零零九年十二月三十一日之三個曆年各年獲歸屬25%之購股權。

就根據首次公開發售後購股權計劃於二零零六年五月十二日獲授購股權之每名承授人而言，由二零零七年一月一日起的四個曆年每年將獲歸屬25%之購股權。

34. SHARE OPTION SCHEMES (CONTINUED)

34. 購股權計劃(續)

Notes:

- (i) (continued)
- In relation to each grantee of the options granted on 13 November 2007 under Post-IPO Options, 25% of the options will vest in each of the four years from 1 April 2008.
- In relation to each grantee of the options granted on 28 March 2008 under Post-IPO Options, 25% of options will vest in each of the four year from 15 April 2009.
- In relation to each grantee of the options granted on 3 September 2009 under Post-IPO Options, 25% of options will vest in each of the four year from 15 April 2010.
- (ii) On 28 March 2008 and 3 September 2009, the Company granted 77,000,000 and 107,200,000 share options respectively under Post-IPO Options, to certain directors of the Company and employees of the Group. No consideration was received for the grant of the options.
- (iii) During the year ended 31 December 2009, 1,386,000 (2008: 1,087,500) options granted under the Pre-IPO Options and 10,913,000 (2008: 9,550,000) options granted under Post-IPO Options were forfeited upon the resignation of employees. The market price immediate before the date of grant of the Post-IPO Options, on 28 March 2008 and 3 September 2009 were HK\$0.8 and HK\$0.76 per share respectively. No market price is available immediate before the date of grant of the Pre-IPO Options as the options were granted before listing.
- (iv) During the year ended 31 December 2009, 2,271,000 (2008: 1,610,000) Pre-IPO options have exercised at the exercise price of HK\$1.02 per share and 8,944,500 (2008: nil) Post-IPO options have exercised at exercise price of HK\$0.81 per share. The weighted average share price on exercise dates and the weighted average share price immediately before exercise dates are HK\$1.08 (2008: HK\$1.48) per share.
- (v) Mr Tsang Hen Loon, Raymond resigned on 31 March 2009.

附註：(續)

- (i) (續)
- 就根據首次公開發售後購股權計劃於二零零七年十一月十三日獲授購股權之每名承授人而言，由二零零八年四月一日起的四個曆年每年將獲歸屬25%之購股權。
- 就根據首次公開發售後購股權計劃於二零零八年三月二十八日獲授購股權之每名承授人而言，由二零零九年四月十五日起的四個曆年每年將獲歸屬25%之購股權。
- 就根據首次公開發售後購股權計劃於二零零九年九月三日獲授購股權之每名承授人而言，由二零一零年四月十五日起的四個年歷每年將獲歸屬25%之購股權。
- (ii) 於二零零八年三月二十八日及二零零九年九月三日，本公司分別根據首次公開發售後購股權計劃授出77,000,000份購股權及107,200,000份購股權予本公司若干董事及本集團若干僱員。授出之購股權並沒有收取任何代價。
- (iii) 截至二零零九年十二月三十一日止年度，有根據首次公開發售前購股權計劃授出1,386,000份(二零零八年：1,087,500份)購股權，另有根據首次公開發售後購股權計劃授出之10,913,000份購股權(二零零八年：9,550,000份)於僱員辭任後失效。緊接二零零八年三月二十八日及二零零九年九月三日授出首次公開發售後購股權日期每股之市價分別為每股0.8港元及0.76港元。由於首次公開發售前購股權乃於上市前授出，故並無緊接授出首次公開發售前購股權日期前之市價。
- (iv) 截至二零零九年十二月三十一日止年度，有2,271,000份(二零零八年：1,610,000份)首次公開發售前購股權按每股1.02港元之行使價行使，且有8,944,500份(二零零八年：零)首次公開發售後購股權按每股0.81港元之行使價行使。於行使日期之加權平均股價及緊接行使日期前之加權平均股價為每股1.08港元(二零零八年：1.48港元)。
- (v) 曾憲龍先生於二零零九年三月三十一日辭任。

34. SHARE OPTION SCHEMES (CONTINUED)

Fair value of share options granted to employees determined at the date of grant is expensed over the vesting period, with a corresponding adjustment to the Group's share option reserve. In the current year, an amount of share option expense of approximately HK\$9,259,000 (2008: HK\$9,491,000) has been recognised with a corresponding adjustment recognised in the Group's share option reserve.

The fair values of Post-IPO Options granted on 3 September 2009 and 28 March 2008 determined at the date of grant using the Black-Scholes option pricing model was approximately HK\$44,993,000 and HK\$22,137,000 respectively.

The following assumptions were used to calculate the fair values of share options:

Share price (Note i)

股價(附註i)

Exercise price

行使價

Expected life of options (Note ii)

購股權預計有效年期(附註ii)

Expected volatility (Note iii)

預期波幅(附註iii)

Expected dividend yield

預計股息率

Risk free rate

無風險利率

The Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share price. The changes in subjective input assumptions can materially affect the fair value estimate.

34. 購股權計劃(續)

於授出日期釐定向僱員授出之購股權之公平值按歸屬期支銷，並於本集團之購股權儲備作相應調整。於本年度，購股權支出金額約9,259,000港元(二零零八年：9,491,000港元)已予確認，並在本集團之購股權儲備確認相應調整。

採用柏力克－舒爾斯購股權定價模式釐定根據首次公開發售後購股權計劃於二零零九年九月三日及二零零八年三月二十八日授出的購股權的公平值，分別約為44,993,000港元及22,137,000港元。

購股權之公平值採用下列假設計算：

Post-IPO Options granted on 首次公開發售後購股權計劃於

| 3 September 2009 二零零九年 九月三日 | 28 March 2008 二零零八年 三月二十八日 |
|--------------------------------------|-------------------------------------|
| HK\$0.79 0.79 港元 | HK\$0.81 0.81 港元 |
| HK\$0.79 0.79 港元 | HK\$0.81 0.81 港元 |
| 5 years 5 年 | 5 years 5 年 |
| 82.98% | 67.84% |
| 3.49% | 6.8% |
| 1.9% | 2.0% |

柏力克－舒爾斯購股權定價模式需要作出高度主觀之假設，包括股價波動。各項主觀假設之變動均會嚴重影響公平值之估計。

34. SHARE OPTION SCHEMES (CONTINUED)

Notes:

- (i) The share price represented the Company's share price at the date of grant of the respective Post-IPO Options.
- (ii) The expected options life for Post-IPO Options granted on 28 March 2008 and 3 September 2009 respectively is 5 years from the date of grant.
- (iii) The expected volatility was determined by calculating the historical volatility of the Company's share price over three years immediately before the date of grant for respective Post-IPO Options.

34. 購股權計劃(續)

附註：

- (i) 股價指於首次公開發售後購股權計劃各授出日期本公司之股份價格。
- (ii) 於二零零八年三月二十八日及二零零九年九月三日授出之首次公開發售後購股權計劃之預期購股權有效年期為自授出之日起計5年。
- (iii) 各購股權的預期波幅乃經計算與本公司股價於緊接首次公開發售後購股權計劃各授出日期之前3年之股價歷史波動釐定。

35. RELATED PARTY TRANSACTIONS**Compensation of key management personnel**

The remuneration of key management other than the directors' remuneration as disclosed in note 11 during the year was as follows:

| | |
|--------------------------|-------|
| Short term benefits | 短期福利 |
| Post employment benefits | 受僱後福利 |
| Share-based payments | 以股份付款 |

The remuneration of directors and key executives is determined by the remuneration committee having regard to the Group's operating results, responsibilities and performance of individuals and market trends.

35. 關連人士交易**主要管理人員之報酬**

除於附註11內披露之董事酬金外，本年度主要管理層之酬金如下：

| 2009 二零零九年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
| 502 | 4,786 |
| 28 | 95 |
| 227 | 582 |
| 757 | 5,463 |

董事及主要行政人員之酬金由薪酬委員會經考慮本集團經營業績、個人所承擔之責任及其表現及市場趨勢後釐定。

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36. PARTICULARS OF SUBSIDIARIES

36. 附屬公司之詳情

Particulars of the subsidiaries of the Company at 31 December 2009 and 2008 are as follows:

於二零零九年及二零零八年十二月三十一日本公司之附屬公司詳情如下：

| Name of subsidiary 附屬公司名稱 | Date and place of incorporation/ registration 註冊成立/註冊 日期及地點 | Issued and fully paid up share capital/ registered capital 已發行及繳足 股本/註冊資本 | Proportion of nominal value of share capital/ registered capital held by the Company 本公司佔股本面值/註冊資本之比例 | | | | Principal activities 主要業務 |
|--|---|---|---|---------------|------------------|---------------|---|
| | | | Directly 直接 | | Indirectly 間接 | | |
| | | | 2009 二零零九年 | 2008 二零零八年 | 2009 二零零九年 | 2008 二零零八年 | |
| SIM Technology Group (BVI) Limited | 13 October 2004 BVI 二零零四年十月十三日 英屬處女群島 | Ordinary shares US\$12,233 普通股 12,233 美元 | 100% | 100% | - | - | Investment holding 投資控股 |
| Sunrise Electronic Industry Limited 晨興電子工業有限公司 | 17 December 1999 Samoa 一九九九年十二月十七日 薩摩亞群島 | Ordinary shares US\$2,002 普通股 2,002 美元 | - | - | 100% | 100% | Investment holding 投資控股 |
| Shanghai Sunrise Simcom ² 上海晨興希姆通 ² | 9 November 1993 The PRC 一九九三年十一月九日 中國 | Registered and contributed capital RMB200,000,000 註冊及實繳資本 人民幣 200,000,000 元 | - | - | 100% | 100% | Manufacturing and sales of LCD in the PRC 在中國生產及 銷售液晶顯示模塊 |
| Shanghai Simcom ² 上海希姆通 ² | 5 December 2002 The PRC 二零零二年十二月五日 中國 | Registered and contributed capital US\$5,000,000 註冊及實繳資本 5,000,000 美元 | - | - | 100% | 100% | Design and development of mobile handset solutions and wireless communication modules and modems in the PRC 在中國從事設計及開發移 動手機解決方案及無線 通訊模塊及數據機 |
| Suncom Logistics ¹ 羅捷斯迪 ¹ | 23 September 2003 The PRC 二零零三年九月二十三日 中國 | Registered and contributed capital US\$400,000 註冊及實繳資本 400,000 美元 | - | - | 100% | 100% | Procurement, outsourcing, sales and marketing of the Group's products and provides logistics services in the PRC 於中國採購、外包、銷售 及推廣本集團產品及 提供物流服務 |
| Simcom International Holdings Limited | 2 October 2003 BVI 二零零三年十月二日 英屬處女群島 | Ordinary share US\$1 普通股 1 美元 | - | - | 100% | 100% | Investment holding 投資控股 |
| Suncom International Holdings Limited | 12 January 2004 BVI 二零零四年一月十二日 英屬處女群島 | Ordinary share US\$1 普通股 1 美元 | - | - | 100% | 100% | Investment holding 投資控股 |

Notes to the Consolidated Financial Statements
綜合財務報表附註For the year ended 31 December 2009
截至二零零九年十二月三十一日止年度36. PARTICULARS OF SUBSIDIARIES
(CONTINUED)

36. 附屬公司之詳情(續)

| Name of subsidiary 附屬公司名稱 | Date and place of incorporation/ registration 註冊成立/註冊 日期及地點 | Issued and fully paid up share capital/ registered capital 已發行及繳足 股本/註冊資本 | Proportion of nominal value of share capital/ registered capital held by the Company 本公司佔股本面值/註冊資本之比例 | | | | Principal activities 主要業務 |
|---|---|---|---|---------------|------------------|---------------|---|
| | | | Directly 直接 | | Indirectly 間接 | | |
| | | | 2009 二零零九年 | 2008 二零零八年 | 2009 二零零九年 | 2008 二零零八年 | |
| SIM Technology HK Limited 晨訊科技香港有限公司 | 21 April 2004 Hong Kong 二零零四年四月二十一日 香港 | Ordinary share HK\$1 普通股 1 港元 | - | - | 100% | 100% | Provision of administrative services in Hong Kong 於香港提供行政服務 |
| Shanghai Speedcomm ¹ 上海思必得 ¹ | 16 November 2005 The PRC 二零零五年十一月十六日 中國 | Registered and contributed capital RMB7,500,000 註冊及實繳資本 人民幣 7,500,000 元 | - | - | 100% | 100% | Design and development of mobile handset solutions and wireless communication modules and modems in the PRC 在中國從事設計及開發 移動手機解決方案及 無線通訊模塊及數據機 |
| Max Vision Limited 天景有限公司 | 17 September 2003 Hong Kong 二零零三年九月十七日 香港 | Ordinary shares HK\$2 普通股 2 港元 | - | - | 100% | 100% | Investment holding 投資控股 |
| Shanghai Max Vision ¹ 上海麥維訊 ¹ (Formerly known as 麥維訊貿 易(上海)有限公司) | 8 December 2003 The PRC 二零零三年十二月八日 中國 | Registered and contributed capital US\$200,000 註冊及實繳資本 200,000 美元 | - | - | 100% | 100% | Procurement, outsourcing, sales and marketing of the Group's products and provides logistics services in the PRC 於中國採購、外包、銷售 及推廣本集團產品及 提供物流服務 |
| Simcom Wireless ¹ 芯訊通 ¹ | 31 October 2006 The PRC 二零零六年十月三十一日 中國 | Registered and contributed capital US\$1,000,000 註冊及實繳資本 1,000,000 美元 | - | - | 100% | 100% | Design and development of wireless communication modules and modems in the PRC 在中國從事設計及開發 無線通訊模塊及數據機 |
| Shanghai SIM Technology Limited ¹ 晨訊科技(上海)有限公司 ¹ | 2 August 2006 The PRC 二零零六年八月二日 中國 | Registered and contributed capital RMB40,000,000 註冊及實繳資本 人民幣 40,000,000 元 | - | - | 100% | 100% | Investment holding of land use right in the PRC 於中國之土地使用權之 投資控股 |
| Shanghai Simcom Electronic Limited ¹ 上海芯通電子有限公司 ¹ | 21 November 2006 The PRC 二零零六年十一月二十一日 中國 | Registered and contributed capital US\$200,000 註冊及實繳資本 200,000 美元 | - | - | 100% | 100% | Procurement, outsourcing, sales and marketing of the Group's products and provides logistics services in the PRC 於中國採購、外包、銷售 及推廣本集團產品 及提供物流服務 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

36. PARTICULARS OF SUBSIDIARIES (CONTINUED)

36. 附屬公司之詳情(續)

| Name of subsidiary 附屬公司名稱 | Date and place of incorporation/ registration 註冊成立/註冊 日期及地點 | Issued and fully paid up share capital/ registered capital 已發行及繳足 股本/註冊資本 | Proportion of nominal value of share capital/ registered capital held by the Company 本公司佔股本面值/註冊資本之比例 | | | | Principal activities 主要業務 |
|---|---|---|---|---------------|------------------|---------------|---|
| | | | Directly 直接 | | Indirectly 間接 | | |
| | | | 2009 二零零九年 | 2008 二零零八年 | 2009 二零零九年 | 2008 二零零八年 | |
| Sino Team Investments Limited | 3 January 2007 Samoa 二零零七年一月三日 薩摩亞群島 | Ordinary share US\$1 普通股1美元 | - | - | 100% | 100% | Investment holding 投資控股 |
| Shanghai Basecom Limited ¹ 基信康信息技術 (上海)有限公司 ¹ | 18 April 2007 The PRC 二零零七年四月十八日 中國 | Registered and contributed capital US\$200,000 註冊及實繳資本 200,000美元 | - | - | 100% | 100% | Design and development of mobile handset solutions and wireless communication modules and modems in the PRC 在中國從事設計及開發 移動手機解決方案及 無線通訊模塊及數據機 |
| Shenyang SIM Technology Limited ² 晨訊科技(沈陽)有限公司 ² | 25 October 2007 The PRC 二零零七年十月二十五日 中國 | Registered and contributed capital US\$10,000,000 註冊及實繳資本 10,000,000美元 | - | - | 100% | 100% | Investment holding of land use right in the PRC 於中國之土地使用權之 投資控股 |
| Shenyang SIM Real Estate Limited ¹ 晨訊置業(沈陽)有限公司 ¹ | 8 November 2007 The PRC 二零零七年十一月八日 中國 | Registered and contributed capital US\$13,100,000 註冊及實繳資本 13,100,000美元 | - | - | 100% | 100% | Investment holding 投資控股 |
| Shenyang SIM Simcom Technology Limited ³ 沈陽晨訊希姆通科技 ³ 有限公司(Formerly known as Shenyang Sunrise Simcom Technology Limited 沈陽晨興希姆 通科技有限公司) | 24 July 2008 The PRC 二零零八年七月二十四日 中國 | Registered and contributed capital RMB30,000,000 註冊及實繳資本 人民幣30,000,000元 | - | - | 100% | 100% | Design and development of mobile handset solutions and wireless communication modules and modems in the PRC 在中國從事設計及開發 移動手機解決方案及 無線通訊模塊及數據機 |
| Shenzhen Simcom Technology Limited ⁴ 深圳希姆通科技有限公司 ⁴ | 28 August 2008 The PRC 二零零八年八月二十八日 中國 | Registered and contributed capital RMB5,000,000 註冊及實繳資本 人民幣5,000,000元 | - | - | 100% | 100% | Not yet commence business 尚未營業 |
| Simcom Holdings HK Limited 晨訊控股香港有限公司 | 22 September 2008 Hong Kong 二零零八年九月二十二日 香港 | Ordinary share HK\$1 普通股1港元 | - | - | 100% | 100% | Investment holding 投資控股 |
| Speedcomm Holdings HK Limited 思必得控股香港有限公司 | 22 September 2008 Hong Kong 二零零八年九月二十二日 香港 | Ordinary share HK\$1 普通股1港元 | - | - | 100% | 100% | Not yet commence business 尚未營業 |

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綜合財務報表附註

For the year ended 31 December 2009

截至二零零九年十二月三十一日止年度

36. PARTICULARS OF SUBSIDIARIES
(CONTINUED)

36. 附屬公司之詳情(續)

| Name of subsidiary 附屬公司名稱 | Date and place of incorporation/ registration 註冊成立/註冊 日期及地點 | Issued and fully paid up share capital/ registered capital 已發行及繳足 股本/註冊資本 | Proportion of nominal value of share capital/ registered capital held by the Company 本公司佔股本面值/註冊資本之比例 | | | | Principal activities 主要業務 |
|--|---|---|---|---------------|------------------|---------------|--|
| | | | Directly 直接 | | Indirectly 間接 | | |
| | | | 2009 二零零九年 | 2008 二零零八年 | 2009 二零零九年 | 2008 二零零八年 | |
| Shanghai iLove Limited ¹ 上海艾樂弗信息技術有限公司 ¹ | 27 February 2009 The PRC 二零零九年二月二十七日 中國 | Registered and contributed capital US\$3,000,000 註冊及實繳資本 3,000,000美元 | - | - | 100% | N/A 不適用 | Investment holding 投資控股 |
| Shanghai Xinkang Electronic Technology Limited ⁴ 上海芯康電子科技有限公 ⁴ | 5 January 2009 The PRC 二零零九年一月五日 中國 | Registered and contributed capital RMB20,000,000 註冊及實繳資本 人民幣20,000,000元 | - | - | 100% | N/A 不適用 | Not yet commence business 尚未營業 |
| Shenyang SIM Simcom Trading Limited ⁴ 沈陽農訊希姆通貿易有限公 ⁴ | 5 June 2009 The PRC 二零零九年六月五日 中國 | Registered and contributed capital RMB2,000,000 註冊及實繳資本 人民幣2,000,000元 | - | - | 100% | N/A 不適用 | Procurement, outstanding sales and marketing of the Group's products and provides logistics services in the PRC 於中國採購、外包、銷售 及推廣本集團產品 及提供物流服務 |
| Goldsey Limited ⁵ 高仕有限公司 ⁵ | 31 January 2008 Hong Kong 二零零八年一月三十一日 香港 | Ordinary shares HK\$18,000,000 普通股18,000,000港元 | - | - | 60% | N/A 不適用 | Investment holding 投資控股 |
| Smartwireless Technology Limited ^{1&5} 北京華創智豐科技有限公 ^{1&5} | 13 February 2007 The PRC 二零零七年二月十三日 中國 | Registered and contributed capital RMB20,500,000 註冊及實繳資本 人民幣20,500,000元 | - | - | 60% | N/A 不適用 | Design and development of mobile handset solutions in the PRC 於中國設計及開發移動手機解決 方案 |
| 上海手機測試公共服務 平台有限公司 ² | 21 December 2009 The PRC 二零零九年十二月二十一日 中國 | Registered and contributed capital RMB20,000,000 註冊及實繳資本 人民幣20,000,000元 | - | - | 85% | N/A 不適用 | Not yet commence business 尚未營業 |

¹ Wholly foreign owned enterprises ("WFOE") registered in the PRC.² Sino-foreign equity joint venture registered in the PRC.³ Re-investment in WFOE registered in the PRC.⁴ Domestic Company registered in the PRC.⁵ Goldsey Limited and Smartwireless Technology Limited are acquired on 13 November 2009.¹ 在中國註冊之外商獨資企業² 在中國註冊之中外合資企業³ 在中國註冊之外商獨資再投資企業⁴ 在中國註冊之全內資企業⁵ 高仕有限公司及北京華創智豐科技有限公⁵於二零零九年十一月十三日被收購。

None of the subsidiaries had any debt securities subsisting at the end of the year or at any time during the year.

並無任何附屬公司於本年度末或本年度內任何時間有任何生效的債務證券。



Financial Summary

財務摘要

For the year ended 31 December

截至十二月三十一日止年度

| | | 2005 二零零五年 HK\$'000 千港元 | 2006 二零零六年 HK\$'000 千港元 | 2007 二零零七年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 | 2009 二零零九年 HK\$'000 千港元 |
|------------------------|-----------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| RESULTS | 業績 | | | | | |
| Revenue | 收入 | 2,719,585 | 3,418,864 | 2,896,996 | 2,988,617 | 2,983,532 |
| Profit before taxation | 除稅前溢利 | 308,485 | 391,568 | 256,623 | 171,937 | 148,622 |
| Income tax expense | 所得稅開支 | (13,424) | (18,695) | (15,908) | (28,120) | (15,002) |
| Profit for the year | 本年度溢利 | 295,061 | 372,873 | 240,715 | 143,817 | 133,620 |
| Attributable to: | 以下人士應佔： | | | | | |
| Owners of the Company | 本公司股東 | 290,662 | 372,873 | 240,715 | 143,817 | 128,975 |
| Minority interests | 少數股東權益 | 4,399 | - | - | - | 4,645 |
| | | 295,061 | 372,873 | 240,715 | 143,817 | 133,620 |

At 31 December

於十二月三十一日

| | | 2005 二零零五年 HK\$'000 千港元 | 2006 二零零六年 HK\$'000 千港元 | 2007 二零零七年 HK\$'000 千港元 | 2008 二零零八年 HK\$'000 千港元 | 2009 二零零九年 HK\$'000 千港元 |
|---|---------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| ASSETS AND LIABILITIES | 資產與負債 | | | | | |
| Total assets | 總資產 | 1,461,917 | 1,833,913 | 1,955,211 | 1,932,259 | 2,647,445 |
| Total liabilities | 總負債 | (442,045) | (713,766) | (710,210) | (596,868) | (1,102,976) |
| | | 1,019,872 | 1,120,147 | 1,245,001 | 1,335,391 | 1,544,469 |
| Equity attributable to owners of the Company | 本公司股東 應佔權益 | 1,019,872 | 1,120,147 | 1,245,001 | 1,335,391 | 1,526,986 |
| Minority interests | 少數股東權益 | - | - | - | - | 17,483 |
| | | 1,019,872 | 1,120,147 | 1,245,001 | 1,335,391 | 1,544,469 |



Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Ms YEUNG Man Ying (*Chairman*)
Mr WONG Cho Tung
Mr ZHANG Jianping
Mr WONG Hei, Simon
Ms TANG Rongrong
Mr CHAN Tat Wing, Richard

Independent non-executive Directors

Mr LIU Hing Hung
Mr ZHUANG Xingfang
Mr XIE Linzhen

AUDIT COMMITTEE

Mr LIU Hing Hung (*Chairman*)
Mr ZHUANG Xingfang
Mr XIE Linzhen

REMUNERATION COMMITTEE

Mr ZHUANG Xingfang (*Chairman*)
Mr XIE Linzhen
Mr WONG Cho Tung

COMPANY SECRETARY

Ms WONG Tik

AUDITORS

Deloitte Touche Tohmatsu

LEGAL ADVISER

Chui & Partners

PRINCIPAL BANKERS

Hang Seng Bank Limited
Bank of Communications
Shanghai Pudong Development
Bank

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 5005-5006, 50th Floor
Central Plaza
No. 18 Harbour Road
Wanchai
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fund Services
(Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor
Services Limited
Shops 1712-16, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

WEBSITE ADDRESS

<http://www.sim.com>

STOCK CODE

2000

董事會

執行董事

楊文瑛女士 (*主席*)
王祖同先生
張劍平先生
王曦先生
唐融融女士
陳達榮先生

獨立非執行董事

廖慶雄先生
庄行方先生
謝麟振先生

審核委員會

廖慶雄先生 (*主席*)
庄行方先生
謝麟振先生

薪酬委員會

庄行方先生 (*主席*)
謝麟振先生
王祖同先生

公司秘書

黃荻女士

核數師

德勤•關黃陳方會計師行

法律顧問

趙不渝馬國強律師事務所

主要往來銀行

恒生銀行有限公司
交通銀行
上海浦東發展銀行

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

香港總辦事處及主要營業地點

香港
灣仔
港灣道 18 號
中環廣場
50 樓 5005-5006 室

股份過戶登記總處

Butterfield Fund Services
(Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke
Bermuda

香港股份過戶登記分處

香港中央證券登記有限公司
香港
灣仔
皇后大道東 183 號
合和中心
17 樓 1712-16 室

網址

<http://www.sim.com>

股份編號

2000

SIM Technology Group Limited
晨訊科技集團有限公司

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