



晨訊科技集團有限公司*

SIM Technology Group Limited

(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)



Annual Report 年報 2011

* For identification purpose only 僅供識別



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Highlights of the Year 2011

2011 年度大事紀



April

- The Group held a strategic seminar in Dianshanhu. We are determined to strike forward in our transition to high-end ODM in our handset business.
- The Group completed the listing on the Taiwan Stock Exchange and issued TDR in Taiwan.

4月

- 集團在澱山湖召開發展戰略討論會：手機業務要堅定不移轉型高端ODM。
- 集團完成臺灣上市，正式開始發行臺灣存託憑證TDR。



July

- The Group has gained the “Key National Research and Development Project - Science and Technology Major Project No.3” sponsorship funded by The Ministry of Industry and Information Technology (“MIIT”) for its research and production of TD-LTE terminals.

7月

- 集團獲得國家重點科研任務—工信部科技重大專項三，研製TD-LTE終端。



August

- The Group’s communication module products for “internet of things” were granted subsidies from the PRC for its “internet of things” project in 2011, which were among the first in the PRC.

8月

- 集團的物聯網通訊模塊產品獲批國家2011年物聯網專項項目，該項目為國家首批物聯網專項。

September

- A total of 60 management of Shanghai, including committees from the Political Bureau of the CPC Central Committee, Mr Yu Zhengsheng (Secretary to the CPC of Shanghai), Mr Han Zheng (Mayor of Shanghai) and Ms Yin Yicui (Deputy Secretary of Shanghai) visited SIM Technology Group.

9月

- 中央政治局委員、上海市市委書記俞正聲、市長韓正、副書記殷一璀等一行60多人視察晨訊科技集團。

October

- The Group delivered ODM smart phone products, customized for the Japanese market to Japan, implying that our products have passed the most stringent examination.
- Simcom Wireless, a subsidiary of the Group, was elected as a Top 100 Enterprise by Connected World CW2012.
- Construction of our handset case injection, case painting and vacuum plating production line and CTP production line in Shenyang was completed and both lines have commenced operation.

November

- Delivery of our Android phones reached million units per model per month, underscoring our ability of supply chain management and mass delivery capability in our production line.
- EVDO handsets and SLCM modules of the Group were granted subsidies in the State Key New Product Plan 2011.

December

- Simcom, a subsidiary of the Group, was awarded the “Famous Brand of Shanghai” for a second time.
- Delivery of the Group’s communication modules business reached million units per month.

10月

- 集團為日本市場定制的智能手機ODM項目成功出貨，標誌集團產品質量通過全球最嚴格運營商的檢驗。
- 集團子公司芯訊通再次入選《Connected World》CW2012百強企業之一。
- 集團在瀋陽的手機外殼注塑、噴塗、真空鍍生產線和電容觸摸屏生產線建成投產。

11月

- 集團Android智能手機實現單款單月出貨100萬，標誌集團的供應鏈運作具備大批量交付能力。
- 集團EVDO手機及SLCM模塊均獲批2011年度國家重點新產品計劃項目

12月

- 集團子公司希姆通再次榮獲「上海名牌」稱號。
- 集團通訊模塊業務實現單月出貨超過100萬件。



Chairman's Statement

主席報告



For the year ended 31 December 2011, SIM Technology Group Limited (“the Company”) and its subsidiaries (“the Group”) recorded a loss attributable to shareholders of HK\$25.5 million (2010: profit attributable to shareholders of HK\$ 233.3 million). We regret to report such results for the reporting year. As we mentioned half year ago, the Company recorded a loss for the first half of 2011 (“1H-2011”) due to the deteriorating performance during May and June 2011. It was expected that the Company could turn around in the second half of 2011 (“2H-2011”) to achieve an overall operating profit for the reporting year. However, difficulties that we have encountered in our transition were underestimated. Still, we were not able to post profit in the third quarter of the reporting year and therefore, we recorded a loss for the year 2011.

截至二零一一年十二月三十一日止年度，晨訊科技集團有限公司（「本公司」）及其附屬公司（「本集團」）錄得股東應佔虧損為25,500,000港元（二零一零年：股東應佔溢利為233,300,000港元）。很抱歉，公司交出了這麼一份成績表。本公司五、六月份業績嚴重下滑導致了二零一一年上半年虧損，半年前報告過了；本來希望二零一一年下半年可以扭轉局面，讓全年經營獲利，但是轉型的難度超過預期，第三季度仍然是虧損，以至於二零一一年全年度結果還是虧損告終。



We analyzed the reasons for the loss. First, as mentioned before, from May to September 2011, the previous-generation products have exited from the market and there was no new launch of products and the sales amount was too low, which led to the significant backslide in our handsets and solutions segment business and overall losses for several consecutive months. Secondly, profits from our high-end ODM projects were not satisfactory and we even recorded losses for one individual project for the Japanese market. These factors have affected the profits from our handsets and solutions segment business in the fourth quarter. We underestimated the quality standard of Japanese market and realized prior to the mass handset production that if we manufactured in accordance with such quality requirement, the costs of raw materials and processing would be very high. However, we were not able to

分析公司虧損的原因，首先是前面提到的二零一一年五至九月份，舊產品退出了，新產品沒有接上及銷售額太低，手機業務嚴重虧損，並引起全公司連續幾個月虧損。其次是高端ODM項目的利潤不理想甚至個別項目虧本，影響4季度的手機盈利；我們對日本本土市場的質量標準估計不足，到量產前才發現按照這樣的質量要求，材料成本和加工成本高很多；但量產在即已經沒有可能再導入降成本的措施；同時，中國的本土材料供應商需要一個水平提升的過程；他們在做中低端的產品時，成本控制舉世無敵，但是一旦提高到日本本土的標準，他們的生產線良率很低，成本大幅增加，

introduce any cost control measures right before the commencement of mass production. Meanwhile, additional time shall be required for quality improvement to be seen in local raw material suppliers in the PRC. The PRC local raw material suppliers are famous in the world for cost control in manufacturing low to mid-end products. However, when they are required to meet the standards of Japanese market, the yield rate of their production lines are very low and thus manufacturing costs was significantly increased. Their production costs could even be higher than the original suppliers of the Japanese brand. Thirdly, as all of us were exhausted in catching up the product manufacturing and delivery processes during 2H-2011, we did not pay close attention to new products planning and marketing efforts, resulting in sales decrease starting from December 2011. You may have noticed that the turnover of the Company remained low in the first two months of 2012.

Despite that we have recorded loss in 2011, we recognize the dedication and contribution from all of our staff as well as our achievement made in the transition to high-end ODM business. We have passed two quality examinations with high standard. Firstly, our products, through a Japanese brand, entered into a Japanese operator, which is the most demanding and stringent operator in the world. The entrance of our products into the Japanese market implies that our products have passed the most stringent examination. Secondly, delivery of our Android phones reached million units per model per month in November 2011, which proved that we have ability of mass delivery in our production line. Of course we will not be satisfied in our ability to manufacture high-end ODM production alone. The goal of the Company in this year is to secure reasonable profits.

Despite the losses recorded in our handsets and solutions segment, in 2011, the wireless communication module segment was able to maintain healthy business performance and the unit shipment volume can keep the growth. The monthly shipping volume in December 2011 was over a million units which we broke our record again. In respect of the vertical integration in our handsets production line, our capacity touch panels plants already possessed mass production capacity and the production yield rates are among the top in the industry. The construction of injection molding, case painting and vacuum plating production line in our Shenyang factory has been completed and we could handle orders for high-end handset cases. Although it is our strategy to outsource

成本甚至高於日本品牌的原有供應商。第三是二零一一年下半年公司上下為了滿足交付疲於奔命，沒有抓緊新產品的規劃和推銷工作，致使十二月開始銷售下降，可能大家也注意到二零一二年的頭兩個月，公司的營業額很低。

在二零一一年，雖然經營略有虧損，但是全體員工非常努力，公司在高端ODM轉型的道路上所取得的成就應該肯定。我們高標準的通過了兩項及格考試。首先我們的手機經過一家日本品牌進入了日本一家運營商，這是全球最挑剔，最嚴格的運營商；這意味著我們產品的質量通過了最嚴格的考試。其次是我們Android手機在二零一一年十一月份實現了單月單款過百萬台交付，證明了我們的供應鏈運作具備了大批量交付能力。當然能做高端ODM還不夠，還要能獲得合理的利潤，這是公司今年的目標。

雖然公司手機業務出現虧損，但是二零一一年度公司的通訊模塊業務表現依然穩健，銷售量持續增加。在二零一一年十二月實現了單月出貨超過百萬件，再次刷新了記錄。手機產業鏈垂直整合方面，公司的電容屏工廠已經形成了規模生產能力，生產線成品率在業界也已經領先、瀋陽的模塑廠的注塑、噴塗、真空鍍膜已經建成，並且能夠承接高端手機外殼的訂單；

around 50% of our key components manufacturing processes to external subcontractors, instead of a 100% in-house production, the success of such key components production lines has greatly enhanced our control over the handsets production line.

Looking forward to 2012, economy environment of the PRC and the world will remain difficult. Handsets design segment, at which the Company positioned, is generally suffering from losses. Though our transition to high-end ODM market is still underway, the Company firmly believes that the strategic decision of such move is absolutely a wise decision. High-end ODM market is also the only way out that we can see and can sustain at present. The management believes the setback of business performance during the transitional period is inevitable and tentative, and is determined to continue the high-end ODM strategy. Although the handset industry is under keen competition, it is still one of the most promising sectors with the most business opportunities among all IT industries. We have taken the lead in the transition process and have a leading position in the industry. We are widely recognized in the industry for our transition and ability to improve. The Company is in negotiation with certain high-end customers and certain high-end projects, and some of them have already commenced. We are confident that we will enter into another stage of rapid development after completion of our transition this year.

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

22 March 2012

雖然公司的策略是手機關鍵部件仍然維持50%左右的外協，不打算全部自己配套，無論如何這些關鍵部件廠的成功大大提高了我們對手機供應鏈的掌控能力。

展望二零一二年，中國乃至全球經濟形勢嚴峻，公司原來定位的手機設計行業已經是普遍虧損的寒冬；我們還處於向高端ODM轉型途中，但是公司堅信高端ODM轉型的戰略決策是完全正確的，這也是目前公司在手機產業鏈，看得見、夠得著的唯一藍海。短期的虧損只是公司轉型期的陣痛，公司將堅定不移的走高端ODM道路。手機行業雖然競爭激烈，但仍然是IT行業中最大、最有機會的市場之一；公司率先轉型，在行業中已經處於領先地位，業界也普遍肯定我們的轉型，肯定了我們能力的提高；一些新的高端專案，高端客戶正在洽談，有的已經啟動。我們有信心：公司今年轉型完成後，將步入下一個高速發展的新階段。

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

二零一二年三月二十二日

Words from the President

總裁的話

2011 was a challenging year for many enterprises around the world, including major players in the handset industry. Intensified competition, price war and panic selling among industry players have led to the deterioration in profit within the traditional handset open market. In such market condition, the Group's revenue and gross profit of the handsets and solutions segment decreased significantly as compared to 2010. Furthermore, gross profit of the Group's several high-end ODM projects for the Japanese customers were much lower than the management's previous anticipation. The drop was due to the low shipping volume as compared to the initial shipment plan and the underestimation of the developing and manufacturing cost of a project for the Japanese market. Meanwhile, as the management was catching up the product manufacturing and delivery processes during the second half of the reporting year, and did not pay close attention to new products planning and marketing efforts, resulting in sales decrease starting from December 2011. As for the wireless module segment, a drop in sales was recorded which was mainly due to the Group's determination to focus on high end products in order to increase its overall wireless module segment gross profit margin, and hence reduce the unprofitable low value-added module business such as TD-SCDMA on its own initiative.

Notwithstanding the increase in sales of smart phones and SIM900 wireless modules that were well received from the market, the Group inevitably experienced its first unprofitable financial results since its listing on the Stock Exchange in 2005.

For the year ended 31 December 2011, the Group recorded revenue of HK\$3,334.1 million (2010: HK\$4,034 million). Gross profit margin decreased to 8.1% (2010: 12.2%). Loss attributable to shareholders was HK\$25.5 million (2010: profit attributable to shareholders of HK\$233.3 million). Basic loss per share was HK1.6 cents (2010: basic earnings per share of HK15 cents).

FINAL DIVIDEND

The Board does not recommend the payment of final dividend to shareholders for the year ended 31 December 2011.

綜觀全球眾多企業，包括手機業的主要生產商，二零一一年可謂挑戰重重。手機製造商之間的競爭加劇、價格戰及製造業的恐慌拋售導致傳統手機公開市場的利潤惡化。在當前市況下，本集團手機及解決方案分類的收入及毛利較二零一零年大幅下跌。此外，本集團日本客戶若干高端ODM項目的毛利遠低於管理層原先的預期。毛利下跌乃由於付運量低於原先的付運計劃，加上其中一個日本市場項目的開發及生產成本被低估。與此同時，由於管理層在回顧年度下半年度全力追趕產品的製造及付運進度，沒有抓緊新產品的規劃及推銷工作，令新推出的產品數目不足，以致銷售額自二零一一年十二月開始下跌。無線模塊分類的銷售額錄得下跌，主要因為本集團決定專注高端產品，以便提升模塊業務的整體毛利率，主動縮減未能帶來利潤的低增值模塊業務（如TD-SCDMA）。

雖然智能手機及廣受市場青睞的SIM900無線模塊的銷量上升，但本集團仍無可避免錄得自二零零五年於聯交所上市以來財務業績首次出現虧損。

截至二零一一年十二月三十一日止年度，本集團錄得收入3,334,100,000港元（二零一零年：4,034,000,000港元），毛利率則下降至8.1%（二零一零年：12.2%）。股東應佔虧損為25,500,000港元（二零一零年：股東應佔溢利為233,300,000港元）。每股基本虧損為1.6港仙（二零一零年：每股基本盈利15港仙）。

末期股息

董事會不建議派發截至二零一一年十二月三十一日止年度之末期股息。

BUSINESS REVIEW

Handsets and solutions

During the reporting year, revenue from the handsets and solutions segment decreased by 17.7% to HK\$2,608.1 million and gross profit margin dropped to 5.5% mainly because of the keen competition, price war and panic selling among industry players within the traditional handset open market. Despite the growth in the Group's ODM sales in the second half year of 2011, the high-end ODM business contributions still could not offset the decrease in the solutions business (handset mother board), leading to the overall decline in sales and gross profit of the handsets and solutions segment during the year.

Apart from low shipping volume as compared to previous plan of some key high-end ODM projects for the Japanese customers, overall profitability of these projects were lower than previous management expectation. In addition, the understandings and communication with the Japanese customer were insufficient and the developing and manufacturing costs of the project for the Japanese market had been underestimated. Coupled with its component and part suppliers' low production yield rate, the manufacturing costs had been substantially increased. As a result, the ODM project for the Japanese market was unprofitable. It was a valuable learning experience which the management had gained during the Group's transition to high value-added business and would enable its management to improve communication and workflow processes, thus raising production efficiency, minimising operational costs and improving the Group's future overall profitability.

During the year under review, sales contributions from the ODM business had grown to 64% (2010: 56%) of sales of handsets and solutions segment. Progress had also been achieved on the smart phones development front. Further to the successful delivery of several models of Android phones in the fourth quarter of 2011, sales from the Group's smart phones surged by 11-fold to about HK\$1.31 billion in 2011 (2010: HK\$0.12 billion), accounting for 50% (2010: 4%) of total handsets and solutions sales. This not only underscored the Group's ability to meet the high quality standards demanded by the Japanese operator but also to quickly ramp up production, which in this instance involved million units of Android phones per model per month. To further optimise internal production capacity and thereby better fulfill customers' demands, the Group collaborated with external electronics manufacturing services (EMS) providers – generating synergies and achieving mutual business growth.

業務回顧

手機及解決方案

年內，傳統手機公開市場廠商之間的競爭加劇、價格戰及製造業的恐慌拋售，是手機及解決方案的收入下降17.7%至2,608,100,000港元以及毛利率則下跌至5.5%的主要原因。雖然本集團二零一一年下半年錄得ODM銷售增長，但高端ODM業務的貢獻仍不足以抵銷解決方案(手機主板)的跌幅，以致手機及解決方案分類於年內的銷售額及毛利全線下跌。

除日本客戶部分重點高端ODM項目的付運量不及原定計劃外，該等項目的整體利潤亦低於管理層早前的預期。此外，對日本客戶的瞭解及溝通不足，令日本市場項目的開發及生產成本被低估，加上零部件供應商的生產線良率低，令生產成本大幅增加。因此，日本市場ODM項目並無利潤。有關事件為本集團轉型至高增值業務過程中的寶貴經驗，令管理層得以改善其溝通及工作流程，從而提升生產效率及降低營運成本，令本集團日後的整體盈利能力得以提升。

於回顧年度內，ODM業務對手機及解決方案分類的銷售貢獻增加至64% (二零一零年：56%)。智能手機發展亦有新進展。繼二零一一年第四季成功推出多款Android手機後，本集團智能手機的銷售額激增11倍至二零一一年約13.1億港元(二零一零年：約1.2億港元)，佔手機及解決方案分類銷售總額50% (二零一零年：4%)，反映本集團不但能夠滿足日本營運商對產品的嚴格要求，更能迅速提升生產能力。目前，本集團每款Android手機型號的產量每月數以百萬計。為進一步優化內部產力，從而更有效地應付客戶需求，本集團與外聘電子製造服務(EMS)供應商合作，以締造協同效益及令彼此的業務均獲得增長。

Wireless communication modules

The Group continued to highlight the virtues of its SIMCom® wireless module brand to the Machine-to-Machine (M2M) industry, emphasizing quality, reliability, good service, and exceptional value. Following the gradual retirement of the SIM300 family in 2010, the SIM900 family has been promoted as a small, fast and best-value wireless module designed by the Group's seasoned engineering team. Reflecting its popularity, the SIM900 wireless module recorded sales of about HK\$333 million (2010: about 52.5 million), representing a significant rise of 5.4-fold. In December 2011, the wireless communication module segment reached its new height in terms of monthly shipping volume at over a million units. With the SIM900 (2G) wireless module having obtained AT&T certification in July 2010, and the SIM5320 (3G) subsequently receiving AT&T certification in 2011, the door has been opened for both products to penetrate the high threshold North American market to realise future growth.

During the year under review, the Group's wireless communication modules business recorded HK\$593.6 million (2010: HK\$721.7 million) and HK\$114.5 million (2010: HK\$134.7 million) in sales and gross profit respectively, representing a year-on-year decline of 17.8% and 15%. Nevertheless, the gross profit margin still increased. The drop in revenue was due to the Group's determination to reduce the unprofitable low value-added module business, such as TD-SCDMA. The gross profit margin should have been improved as a result. However, due to the Group's investment in its research and development (not capitalized as intangible assets) to develop new generation wireless modules and related application solutions for the "Internet of things", the growth of the gross profit margin has been restrained. Overall gross profit margin only slightly increased by 0.6% to 19.3% (2010: 18.7%). On the other hand, in 2011, the wireless communication modules business has strengthened its investment in production base in Shenyang. Although the expenses for the investment in production base has been capitalized, the wireless communication modules business segment has to absorb a portion of the non-capitalized expenditures during the year under review and subsequently reduced its segment profit to HK\$10.5 million. (2010: HK\$69.7 million).

Display modules

In anticipation of the strong growth trend of smart phones in the handset market and would become one of the key drivers of the Group's ODM business, hence the high-end display modules which include both high-end LCD modules and capacity touch panel ("CTP") modules, remained a key component to support the production and delivery of smart phone in the coming years. As the display modules take up over 20% of the total

無線通訊模塊

本集團SIMCom®無線模塊品牌以其產品注重質量、可靠性、優質服務及高性價比繼續突顯其在機器對機器(M2M)行業的價值。隨著二零一零年市場逐漸淘汰SIM300系列後，由本集團資深工程團隊自行設計的SIM900系列，以體積纖巧、操作快速及高性價比著稱而大受市場歡迎，銷售額錄得約3.33億港元(二零一零年：約52,500,000港元)，大幅增長5.4倍。於二零一一年十二月，無線通訊模塊分類的付運量再創新高，突破每月一百萬件水平。SIM900 (2G)無線模塊已於二零一零年七月獲AT&T認證，而SIM5320 (3G)其後亦已於二零一一年獲AT&T認證。兩款產品均已準備就緒，拓展打入高門檻的北美市場，為本集團增添增長動力。

於回顧年度內，本集團的無線通訊模塊業務分別錄得銷售額及毛利593,600,000港元(二零一零年：721,700,000港元)及114,500,000港元(二零一零年：134,700,000港元)，分別按年下跌17.8%及15%，但毛利率依然攀升。銷售額的下降主要由於集團決定縮減無法帶來利潤的低增值模塊業務(如TD-SCDMA)所致。毛利率本應因此大幅提高，但由於本集團加大對開發新一代「物聯網」無線模塊及相關應用解決方案的研究及發展投入(研發投入未作資本化為無形資產處理)，因此對模組業務毛利率增長構成壓力，整體毛利率只微升0.6%至約19.3%(二零一零年：18.7%)。另一方面，二零一一年模塊業務加強瀋陽生產經營基地建設；雖然廠房生產線投入做了資本化處理，但是有相當一部分還是進入了當年費用，因此影響了模塊業務分類溢利；二零一一年分類溢利是10,500,000港元(二零一零年：69,700,000港元)。

顯示模塊

預期智能手機將於手機市場取得強勁增長，並成為本集團ODM業務的主要增長動力。由於高端顯示模塊(包括高端LCD模塊及電容觸摸屏(CTP)模塊)作為智能手機的主要部件，佔智能手機總生產成本20%以上，本集團致力將顯示模塊業務從單一的LCD模塊擴充至連同電容

Words from the President 總裁的話

smart phone production cost, the Group is committed to expand its single LCD modules to CTP modules as to raise the future business performance of the display module business. During the year under review, the Group completed its investment in the first phase of R&D and established two product lines for the production of CTPs, one in Shanghai and one in Shenyang respectively.

With the firm commitment of the Group in expansion of its ODM business, the management anticipated the display modules segment to grow. It should be noted that if display modules is included as part of the Group's full handset sales, revenue from display modules would have been accounted for as part of full handset sales and excluded from the display module segment to avoid double counting and consequently. During the year under review, display module segment revenue and gross profit stood at HK\$132.4 million (2010: HK\$142.1 million) and HK\$11.4 million (2010: HK\$12.7 million) representing a year-on-year decline of 6.8% and 10.4% respectively. As mentioned before, the financial results of the display module segment could not represent the actual performance of the Group in this aspect as some of the sale of display module was counted in the Group's ODM sales. The sales amount shown in display module segment only represented the standalone sale of display modules.

Shenyang operating center

Construction of Shenyang Operating Center's first and second phases was completed in 2010 and 2011 respectively. The first phase of Shenyang factory focuses on manufacturing wireless modules and reached a production capacity utilization rate of around 70% during the year. The second phase has gradually started operation in the fourth quarter of 2011, with production focus on handsets and CTPs.

Apart from handset assembly lines, the second phase also includes a top-of-the-line handset case injection, vacuum plating, and case painting factory, a R&D center, and an employee dormitory. The new Shenyang R&D building enables the Group to capitalize on the large number of qualified engineers found in nearby universities, leading to the creation of an important talent pool that is critical for realizing growth in the coming years. What is more, the newly established operating center will bring together essential skills needed for wireless communication module business and high-end ODM handset, enabling the Group to further distance itself from the competition.

Intellectual property and licensing

As a technology company, the Group had been actively building its intellectual property portfolio. As of the end of 2011, the Group had 376 patents granted and 793 patents in application covering various areas

觸摸屏模塊，從而提升顯示模塊業務的盈利能力。於回顧年度內，本集團完成首階段研發的投資，並已設立兩條生產線（分別於上海及瀋陽）生產電容觸摸屏。

隨著本集團大力發展ODM業務，管理層預期，顯示模塊分類將會增長。值得注意的是，倘顯示模塊作為本集團ODM整機之部件一併銷售，顯示模塊的收入亦將會計入為整機銷售的一部分，而不會計入顯示模塊分類，以避免重複計算，因此，顯示模塊的實際增長已計入本集團的ODM業務中。於回顧年度內，顯示模塊分類的收入及毛利分別為132,400,000港元（二零一零年：142,100,000港元）及11,400,000港元（二零一零年：12,700,000港元），按年下跌6.8%及10.4%。如上所述，顯示模塊分類數字不能代表集團在這塊業務的具體表現。這是因為部分顯示模塊的銷售收入已計入本集團的ODM分類中，顯示模塊分類收入僅僅包括獨立銷售的顯示模塊。

瀋陽營運中心

瀋陽營運中心一期及二期工程已分別於二零一零年及二零一一年完成。瀋陽工廠一期重點生產無線模塊，年內產能使用率約為70%。第二期於二零一一年第四季陸續投產，重點生產手機及電容觸摸屏。

除手機生產線外，第二期亦設有手機外殼注塑、真空鍍、噴漆廠、研發中心及員工宿舍。新研發中心令本集團能夠招攬鄰近大學的大批合資格工程師，有助本集團建立重要的人才庫，為未來幾年的增長奠下基礎。此外，新建的瀋陽營運中心將配備本集團通訊模塊業務和高端ODM手機所需的關鍵技能，讓本集團能夠進一步減低行業競爭所帶來的影響。

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。於二零一一年底，本集團擁有376項已獲批的專利及793項申請中的專利，涵蓋通

Words from the President
總裁的話

in communication technology, mechanical design, and manufacturing know-how. Internally, the engineers were strongly encouraged to think out of the box and the Group had structured programs to reward innovation. These patents are testimony of the Group's engineering innovation and essential to its business growth. The Group intends to continue to develop and defend its patent portfolio to the fullest extent as justified.

As the Group's products are designed to meet certain communication industry standards, licenses would be required for using certain technology from the respective technology owners which the Group would pay royalties.

Shenyang real estate project

Per our previous announcement, the Group through its subsidiary, 晨訊置業(瀋陽)有限公司 (unofficial English translation as Shenyang SIM Real Estate Limited) ("SIM Real Estate"), acquired a parcel of land in Shenyang City ("Land"). The Land is situated at Daoyi Development Zone, No. 25, north to Shenbei Development Avenue, Shenbei New District, Shenyang City, Liaoning Province, the PRC, with a site area of approximately 85,000 square meters. The Land has been designed to build commercial and residential apartment complexes with an aggregate area of approximately 169,000 square meters and the units therein will be sold to the open market. In November 2010, the Group entered into a sale and purchase agreement whereby it has agreed to sell 40% equity interest in SIM Real Estate to 北京市電信房地產開發有限責任公司 (unofficial English translation as Beijing Telecom Real Estate Development Corporation ("Beijing Telecom")). The transaction has been completed in December 2011. Beijing Telecom has extensive experience in property development in the PRC which could provide the necessary expertise to complete the project on the Land. As such, we are confident that the project will not take away our management's attention in driving our core business growth. The first phase of the residential properties development project, comprising residential units, with a site area of approximately 43,000 square meters and gross floor area of 64,000 square meters, has commenced sale and are expected to be delivered in the third quarter of 2012.

PROSPECTS

Although the handset industry is under keen competitions, it is still one of the most promising sectors among all IT industries as business opportunities keep arising there. The management believes the setback of business performance during the transitional period is inevitable and tentative, and expects to resume revenue growth in the coming year, driven by both local and international tier-one ODM customers in the "high value-added" ODM business and the most advanced technologies with growing popularity in the market.

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，並已制訂計劃作為獎勵。該等專利見證本集團在工程方面的創新思維，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。

本集團產品設計旨在滿足若干通訊行業標準，因此，本集團使用若干科技須從各科技擁有人獲得許可證，並須支付專利權費。

瀋陽房地產項目

根據先前之公佈，本集團透過其附屬公司晨訊置業(瀋陽)有限公司(「晨訊置業」)於瀋陽市收購一幅土地(「該土地」)。該土地位於中國遼寧省瀋陽市瀋北新區瀋北開發大道北側25號道義開發區，地盤面積約為85,000平方米。該土地擬建成佔地合共169,000平方米之綜合商住公寓，單位將於公開市場出售。於二零一零年十一月，本集團訂立買賣協議，據此本集團已同意向北京市電信房地產開發有限責任公司(「北京電信」)出售其於晨訊置業之40%權益。交易已於二零一一年十二月完成。北京電信於中國物業開發方面擁有豐富經驗，將提供必要之專業知識以完成位於該土地之項目。因此，我們有信心該項目不會分散管理層對推動本集團核心業務增長的專注力。第一期住宅物業發展項目主要由住宅單位組成，地盤面積約為43,000平方米，總樓面面積為64,000平方米，並已開售及預期將於二零一二年第三季交付。

展望

雖然手機業競爭激烈，但由於業內商機無限，因此仍為所有資訊科技行業中前景最秀麗的市場之一。管理層相信，轉型期間業務難免出現暫時性虧損，並預期在本地及國際「高增值」ODM業務的一線客戶、最先進的技術及市場知名度上升的帶動下，來年可望恢復收入增長。

Words from the President
總裁的話

The Group is firmly committed to the strategy of becoming a “high value-added” ODM player that provides services to tier-one customers. Currently, partnership arrangements with several new tier-one customers are under discussion and one new project for one of these new customers has already kicked off in the first quarter of 2012. By restructuring the organizational structure to fulfill the ODM business model requirements and enhancing cost controls, the Group would be able to adapt to new engagement rules practiced by tier-one customers. The Group is confident that it will be able to further strengthen its competitiveness in the ODM handset market and ultimately turn around the business.

Regarding the wireless communication module segment, the PRC Government has elevated the “Internet of things” industry to one of the key strategic industries under the 12th Five-Year Plan. The government is expected to sponsor programs that will further drive demand for M2M wireless modules and modules of other wireless standards such as blue tooth, WiFi, short range RF, etc. The Group has determined to exit the low-end wireless module projects in order to optimize the product mix, and a new short range WiFi wireless module is scheduled to launch in 2012, which is expected to drive further revenue growth and business expansion.

In view of the strong growth of advanced, innovative technologies in the coming years, the Group will continue to direct investments toward R&D and bolster production capacity for high-end smart phones, tablets, 4G/LTE handsets and CTPs, which will also help broaden its revenue streams.

Shanghai Simcom Limited (“Simcom”), the Group’s wholly-owned subsidiary, has gained the “National Science and Technology Major Project No. 3” sponsorship funded by The Ministry of Industry and Information Technology (“MIIT”) for its commercial TD-LTE (4G) project. Simcom is the only handset design house within the advanced technologies development sector selected by MIIT. The sponsorship is both a testimonial and an endorsement by MIIT of the Group’s R&D efforts in TD-LTE technology. In addition, it also coincides with the Group’s another 4G (FDD-LTE) project which enables the Group to fully apply its R&D capabilities and share the resources for these projects to develop high-end 4G smart phone to meet the growing demands in China and the oversea markets.

本集團銳意成為「高增值」ODM生產商，為一線客戶提供服務。本集團目前正與多名新一線客戶商討合作安排，而其中一名客戶的一個新項目已於二零一二年第一季度展開。透過重整組織架構達到ODM業務模式的需求及加強成本控制，本集團將可達到一線客戶新訂的委任標準。本集團有信心能夠進一步加強在ODM手機市場的競爭力，從而改善業務表現。

無線通訊模塊分類方面，中國政府正式將「物聯網」列入十二五規劃的重點扶持產業，我們預期政府所贊助的項目將可推動市場對M2M無線模塊及其他無線標準模塊的更大需求，如藍牙、WiFi、短距離射頻等。本集團已計劃退出低端無線模塊項目，從而優化產品組合。嶄新的短距離WiFi無線模塊預計將於二零一二年推出，預期可進一步帶動本集團的收入增長及業務擴展。

鑑於未來幾年先進及創新科技的增長強勁，本集團將繼續直接投資研發及提升高端智能手機、平板電腦、4G/LTE手機及電容觸摸屏的產能，擴大收入來源。

本集團全資附屬公司希姆通信息技術(上海)有限公司(「上海希姆通」)的商業TD-LTE(4G)項目已獲得工業和信息化部(「工信部」)的「國家科技重大專項(3專項)」資助撥款。上海希姆通乃工信部從高新技術開發行業中揀選的唯一一間手機設計公司。資助乃工信部對本集團對TD-LTE技術的研發投入的高度讚揚及認可。此外，本集團亦碰巧進行另一4G(FDD-LTE)項目，令本集團得以全面運用其研發能力及共享該等項目的資源開發高端4G智能手機，以迎合中國及海外市場不斷上升的需求。

SMART Machine SMART Module for Internet of Things

物聯網時代的

智能設備和智能模塊



Management's Discussion and Analysis

管理層討論及分析



FINANCIAL REVIEW

For the year ended 31 December 2011, the Group's revenue decreased by 17.4% to HK\$3,334.1 million (2010: HK\$4,034 million) as compared with that of 2010. This was mainly attributable to the decreases in the revenue of solutions business (handset mother board) as well as wireless communication modules.

財務回顧

截至二零一一年十二月三十一日止年度，本集團收入較二零一零年減少17.4%至3,334,100,000港元(二零一零年：4,034,000,000港元)，主要由於來自解決方案業務(手機主板)及無線通訊模塊的收入下跌所致。



3G時代的 智能手機和智能應用

SMART Phone SMART Application for
3G+ Phones





The gross profit of the Group significantly decreased by 45.4% year-on-year to HK\$268.9 million (2010: HK\$492.2 million) for the year 2011 and the gross profit margin of the Group decreased to 8.1% (2010: 12.2%). The gross profit dropped due to the fierce price competition in traditional handset open market and the manufacturing costs were much higher than expected for some key high-end ODM projects.

For the year ended 31 December 2011, loss attributable to shareholders was HK\$25.5 million (2010: profit attributable to shareholders of HK\$233.3 million). The basic loss per share for the year 2011 was HK1.6 cents (2010: basic earnings per share of HK15 cents).

於二零一一年，本集團毛利按年大幅減少45.4%至268,900,000港元(二零一零年：492,200,000港元)，而本集團毛利率則下跌至8.1%(二零一零年：12.2%)。毛利下跌乃由於傳統手機公開市場價格競爭激烈及部分重點高端ODM項目的生產成本遠超預期所致。

截至二零一一年十二月三十一日止年度，股東應佔虧損為25,500,000港元(二零一零年：股東應佔溢利233,300,000港元)。二零一一年每股基本虧損為1.6港仙(二零一零年：每股基本盈利15港仙)。



Research and development expenses

In 2011, the Group continued to expand its investment in the most advanced technology including 4G/LTE, CTPs and development of high-end smart phones and tablets. The number of design and development team members was 1,084 (2010: 1,134) in 2011. The R&D expenses, which amounted to HK\$183.6 million (2010: HK\$146.5 million), represented about 5.5% (2010: 3.6%) of the Group's revenue.

Selling and distribution costs

The selling and distribution costs of the Group for year 2011 increased by 31.3% to HK\$124.5 million (2010: HK\$94.8 million) in proportion to the increase in ODM smart phone sales. The ratio of the selling and distribution costs over revenue in 2011 was 3.7% (2010: 2.4%).

研究及開發費用

於二零一一年，本集團繼續擴大對4G/LTE、電容觸摸屏及高端智能手機及平板電腦等最先進科技的研發投入。於二零一一年，設計及開發團隊共有1,084名成員(二零一零年：1,134名)。研發開支共183,600,000港元(二零一零年：146,500,000港元)，佔本集團收入約5.5%(二零一零年：3.6%)。

銷售及分銷成本

本集團於二零一一年的銷售及分銷成本上升31.3%至124,500,000港元(二零一零年：94,800,000港元)，與ODM智能手機銷售的上升成正比。於二零一一年，銷售及分銷成本佔收入的3.7%(二零一零年：2.4%)。

Administrative expenses

The Group's administrative expenses for 2011 decreased by 8.6% to HK\$98.8 million (2010: HK\$108.1 million), representing 3% (2010: 2.7%) of the revenue due to effective cost control in administrative expenses in 2011.

Segment results

		Year ended 31 December 2011			Year ended 31 December 2010		
		截至二零一一年十二月三十一日止年度			截至二零一零年十二月三十一日止年度		
		Revenue	Gross profit	Gross profit margin	Revenue	Gross profit	Gross profit margin
		收入	毛利	毛利率	收入	毛利	毛利率
		HK\$'M	HK\$'M	%	HK\$'M	HK\$'M	%
		百萬港元	百萬港元	%	百萬港元	百萬港元	%
Handsets and solutions	手機及解決方案	2,608.1	143.0	5.5%	3,170.2	344.8	10.9%
Wireless communication modules	無線通訊模塊	593.6	114.5	19.3%	721.7	134.7	18.7%
Display modules	顯示模塊	132.4	11.4	8.6%	142.1	12.7	9.0%
Total	總額	3,334.1	268.9	8.1%	4,034.0	492.2	12.2%

Handsets and solutions

In 2011, the revenue for handsets and solutions decreased year-on-year by 17.7% to HK\$2,608.1 million (2010: HK\$3,170.2 million). This was attributable to the fact that the growth in the Group's ODM sales in the second half year could not offset the decrease in the solutions business. The fierce price competition within the traditional handset open market in 2011, together with the gross profit of the Group's several key high-end ODM projects for the Japanese customers were much lower than the management's anticipation, as a result, the gross profit margin for this segment decreased to 5.5% (2010: 10.9%) in 2011. The Group has launched 160 (2010: 216) handset models and 58 (2010: 86) handsetplatforms in 2011.

行政開支

由於二零一一年對行政開支實施有效的成本控制，本集團於二零一一年的行政開支減少8.6%至98,800,000港元(二零一零年：108,100,000港元)，佔收入3%(二零一零年：2.7%)。

分類業績

手機及解決方案

於二零一一年，手機及解決方案收入按年減少17.7%至2,608,100,000港元(二零一零年：3,170,200,000港元)，主要由於本集團下半年的ODM銷售增長無法抵銷解決方案業務的跌幅所致。傳統手機公開市場二零一一年價格競爭激烈，加上集團日本客戶部分重點高端ODM項目的毛利遠低於管理層原先的預期，因此，此分類的毛利率於二零一一年下跌至5.5%(二零一零年：10.9%)。本集團於二零一一年推出共160款手機型號(二零一零年：216款)及58個手機平台(二零一零年：86個)。



Wireless communication modules

In 2011, the revenue for wireless communication modules decreased by 17.8% as compared to that of year 2010. The decline was driven by the Group's determination to reduce the unprofitable low value-added module business, such as TD-SCDMA. The gross profit margin for this segment increased slightly to 19.3% (2010: 18.7%) for year 2011.

Display modules

The display modules had been included as part of the Group's full handset sales, revenue from display modules would also have been accounted for as part of full handset sales and consequently, actual growth of display modules was embed in the Group's ODM business. The external display modules sales for year 2011 decreased slightly by 6.8% as compared with those of 2010 and the gross profit margin was maintained at 8.6% (2010: 9.0%).

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

At 31 December 2011, the Group had bank balances (including pledged bank deposits) of HK\$672.7 million (2010: HK\$1,151.4 million), among which 66.5% was held in Renminbi, 33.3% was held in United States

無線通訊模塊

於二零一一年，無線通訊模塊的收入與二零一零年相比下跌17.8%，乃由於集團決定縮減無法帶來利潤的低增值模塊業務（如TD-SCDMA）所致。此分類的毛利率於二零一一年輕微增加19.3%（二零一零年：18.7%）。

顯示模塊

顯示模塊已計入本集團的整機銷售，而顯示模塊的收入亦將會計入為整機銷售的一部分，因此，顯示模塊的實際增長已計入本集團的ODM業務中。與二零一零年相比，二零一一年顯示模塊對外銷售稍微下降6.8%，而毛利率則維持在8.6%（二零一零年：9.0%）。

流動資金、財務資源及資本結構

於二零一一年十二月三十一日，本集團的銀行結餘（包括已抵押銀行存款）為672,700,000港元（二零一零年：1,151,400,000港元），其中

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.

The Company listed 137,500,000 units of Taiwan depository receipts ("TDR"), each unit of TDR represents two shares of the Company, on the Taiwan Stock Exchange Corporation on 25 April 2011. The 137,500,000 units of TDR represent 275,000,000 shares of the Company, of which the Company issued 137,500,000 new shares at approximately HK\$1.60 per share and Info Dynasty Group Limited, a substantial shareholder of the Company transferred 137,500,000 shares as underlying securities of the TDR. The Company raised net proceeds after deducting the relevant expenses of approximately HK\$214 million. In 2011, the Group utilised the said proceeds for the construction of Shenyang factory and purchase of machinery equipment.

66.5% 以人民幣持有、33.3% 以美元 (「美元」) 持有，其餘則以港元持有。本集團擬以該等銀行結餘撥付本集團的營運資金及資本開支計劃所需的資金。

本公司已於二零一一年四月二十五日於台灣證券交易所將 137,500,000 張台灣存託憑證上市 (「TDR」)，每張 TDR 代表兩股本公司股份。該 137,500,000 張 TDR 代表 275,000,000 股本公司股份，其中包括，本公司以每股約 1.60 港元發行的 137,500,000 股新股份以及由本公司主要股東 Info Dynasty Group Limited 轉讓作為 TDR 相關證券的 137,500,000 股股份。本公司經扣除相關開支後，已籌集所得款項淨額約 214,000,000 港元。於二零一一年，本集團已動用該等所得款項興建瀋陽工廠並購買機器設備。





At 31 December 2011, the Group had bank borrowings of HK\$511.5 million (2010: HK\$640.3 million). The turnover period of the Group's inventory increased to 63 days (2010: 44 days) in 2011. This increase was because there was about 37% (2010: 14%) of the inventory as at 31 December 2011 were finished products which most of those were prepared for shipment in January 2012. The trade receivables together with notes and bills receivables increased to 53 days (2010: 20 days) in 2011 because the notes receivables, with 90 dued days, increased to HK\$631.5 million (2010: HK\$124.3 million) as at 31 December 2011. The trade and notes payables were 88 days in 2011 (2010: 52 days). The turnover periods are consistent with the respective policies of the Group on credit terms granted to customers and credit terms obtained from suppliers.

於二零一一年十二月三十一日，本集團之銀行借貸為511,500,000港元(二零一零年：640,300,000港元)。於二零一一年，本集團的存貨週轉期增加至63天(二零一零年：44天)，週轉期的增加是因為截至二零一一年十二月三十一日存貨中約有37%(二零一零年：14%)為製成品而當中大部分準備於二零一二年一月付運。應收貿易賬款以及應收票據及賬單的週轉期於二零一一年增加至53天(二零一零年：20天)，週轉期的增加是因為截至二零一一年十二月三十一日的應收票據(到期日為90天)增加至631,500,000港元(二零一零年：124,300,000港元)。於二零一一年，應付貿易賬款及票據的週轉期為88天(二零一零年：52天)。週轉期與本集團就授予客戶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。

Other than entering non-deliverable foreign exchange forward contracts to eliminate the foreign exchange exposures in USD denominated bank borrowings, the management of the Group considered that it was not necessary to use any other financial instrument for hedging purpose or adopt any particular hedging policy in 2011. As at 31 December 2011, the Company had 1,704,999,000 ordinary shares of HK\$0.10 each in issue.

除簽訂不交割遠期外匯合約抵銷以美元計值的銀行借貸的外匯風險外，於二零一一年，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。截至二零一一年十二月三十一日，本公司已發行共1,704,999,000股每股面值0.10港元之普通股。

CASH FLOW STATEMENT HIGHLIGHTS

現金流量表摘要

		2011 二零一一年 HK\$' million 百萬港元	2010 二零一零年 HK\$' million 百萬港元
Net cash (used in) from operating activities	(用於)來自經營活動之現金淨額	(41.6)	263.3
Capital expenditure	資本開支	(333.3)	(144.6)
Development costs	開發成本	(180.7)	(159.8)
Net (decrease) increase in bank borrowings	銀行借貸(減少)增加淨額	(147.4)	366.4
Issue of shares	發行股份	230.0	37.3
Repurchase of shares	購回股份	(18.6)	-
Dividend paid	已付股息	(68.8)	(73.6)
Others	其他	81.8	1.0
Net (decrease) increase in cash and cash equivalents	現金及現金等值項目 減少增加淨額	(478.6)	290.0





The Group's net decrease in cash and cash equivalents for the year 2011 was primarily attributable to the cash outflows from operating activities, the capital expenditures, the payment of year 2010 final and year 2011 interim dividends, and have been offset by the net proceeds received from issue of shares of the Company.

GEARING RATIO

As at 31 December 2011, the total assets value of the Group was HK\$3,841.5 million (2010: HK\$3,151.3 million) and the bank borrowings amounted to HK\$511.5 million (2010: HK\$640.3 million). The gearing ratio of the Group, calculated as total bank borrowings over total assets, was 13.3% (2010: 20.3%).

EMPLOYEES

As at 31 December 2011, the Group had approximately 4,979 (2010: 3,455) 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

本集團二零一一年之現金及現金等值項目減少淨額主要由於經營活動之現金流出、資本開支、支付二零一零年末期股息及二零一一年中期股息，並被本公司發行股份之所得款項淨額抵銷。

負債比率

於二零一一年十二月三十一日，本集團之資產總值為3,841,500,000港元(二零一零年：3,151,300,000港元)，銀行借貸為511,500,000港元(二零一零年：640,300,000港元)。本集團之負債比率(按銀行借貸總額除以資產總值計算)為13.3%(二零一零年：20.3%)。

僱員

於二零一一年十二月三十一日，本集團共有約4,979名(二零一零年：3,455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，並根據中國適用法律及法規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。本集團二零一一年的員工成本總額

by the Group amounted to HK\$460.4 million (2010: HK\$308.8 million) during the year 2011.

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 entered non-deliverable foreign exchange forward contracts to eliminate the foreign exchange exposures in USD denominated bank borrowings. Other than that, the Group does not have any 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 2011, the Group did not have any material contingent liabilities.

SIGNIFICANT INVESTMENT HELD, MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the year ended 31 December 2011, the disposal of 40% interests in the Group's subsidiary · 晨訊置業(瀋陽)有限公司(unofficial English translation as Shenyang SIM Real Estate Limited) was completed. Details of such disposal are set out in the Company's announcement dated 4 November 2010 and 13 July 2011.

為460,400,000港元(二零一零年：308,800,000港元)。

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

於二零一一年十二月三十一日，本集團並無任何重大或然負債。

所持重大投資以及重大收購及出售附屬公司及聯營公司

截至二零一一年十二月三十一日止年度，本集團完成出售一間附屬公司晨訊置業(瀋陽)有限公司的40%權益。出售詳情載於本公司日期為二零一零年十一月四日及二零一一年七月十三日的公佈。



關注我們的社會

Caring for **our Society**



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.

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.

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。

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。

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 67, is the chairman and an executive director of the Company (“Director”) and a director of Sunrise Electronic Industry Limited (“SEIL”). Mrs Wong is responsible for developing direction and strategies 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 39, is the president and an executive Director of the Company, is responsible for developing direction, strategies and new business development planning of the Group. 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」），67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。王太太負責本集團之發展方向和策略。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，彼為同濟大學之客席教授。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，39歲，本公司之總裁兼執行董事，負責參與制定本集團發展方向、策略及新業務拓展計劃。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。



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



Mr Wong Cho Tung (“Mr Wong”), aged 67, is an executive Director. Mr Wong is responsible for the Group’s developing direction, strategies, corporate planning and macro corporate management. 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.



Mr Zhang Jianping (“Mr Zhang”), aged 46, is an executive Director and the chief executive officer of the Group. He is responsible for the overall management of the Group’s product and business planning, including management of product definition, sales, procurement, production and delivery. He is also a director of Shanghai Sunrise Simcom, Shanghai Simcom Limited (“Shanghai Simcom”) and Shanghai SIM Technology Limited. Mr Zhang joined Shanghai Sunrise Simcom in 1996 and was responsible for the establishment of Shanghai Simcom in 2002. Mr Zhang has over 26 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.

王祖同先生（「王先生」），67歲，執行董事。王先生負責參與制定本集團發展方向、策略、規劃以及企業宏觀管理。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。

張劍平先生（「張先生」），46歲，執行董事及本集團首席執行官，具體負責本集團產品及經營規劃，全面管理本集團包括產品定義及銷售，到採購、生產及交付運作管理。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。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26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國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 58, is an executive Director, vice president of the business operation headquarter (located in Shanghai, China) 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 Jiangxi Ganzhou First People’s Hospital (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.

Mr Chan Tat Wing, Richard (“Mr Chan”), aged 55, is an executive Director and the chief finance officer of the Group. Mr Chan was 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) Limited in July 2004.

Mr Liu Hing Hung (“Mr Liu”), aged 49, is an independent non executive Director, the chairman of the Audit Committee of the Company and the chairman of the Remuneration Committee (appointed on 10 April 2012). 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”). Mr Liu was appointed as an independent non-executive Director in September 2008.

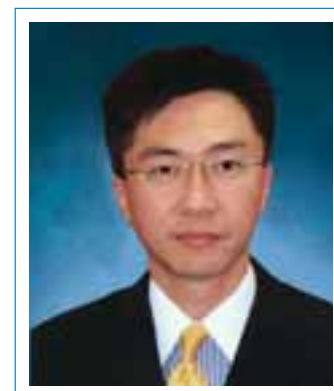
唐融融女士 (「唐女士」)，58歲，執行董事、本集團業務運營總部(位於中國上海)之副總裁及上海晨興希姆通及晨訊科技(上海)有限公司之董事。唐女士於人力資源管理、行政管理及企業經營方面擁有近20年經驗。於一九九五年加盟本集團之前，唐女士為江西省贛州市第一人民醫院之醫師，並為南昌市計劃生育指導所醫療技術負責人及副總醫師。此後，唐女士於上海晨興希姆通擔任人事管理部經理及副總經理。唐女士於一九七八年於贛南醫學專科學校畢業。



陳達榮先生 (「陳先生」)，55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)有限公司。



廖慶雄先生 (「廖先生」)，現年49歲，為獨立非執行董事、本公司審核委員會主席及薪酬委員會主席(於二零一二年四月十日獲委任)。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。廖先生於二零零八年九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 71, is an independent non-executive Director. He graduated in 1963 from the Peking University of Physics and is a Professor of Electronics Department of Peking University. 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 (“MIIT”) and the standing member of Communication Science and Technology Committee of Ministry of Industry and Information Technology, PRC (“MIIT”). Mr Xie is currently the vice president of China Mobile Communication Association, the chairman of China Domestic Handset Summit and the member of Electronic Science and Technology Committee of MIIT and the executive director and chief scientist of CECT-Chinacomm Communications Co, Ltd. Mr Xie is also an independent director and audit committee member of UTStarcom, Inc., the securities of which are listed on NASDAQ of the United States of America. Mr Xie was an independent director of Funtalk China Holdings Limited, the securities of which are listed on NASDAQ of the United States of America (privatized in August 2011). Mr Xie was appointed as an independent non-executive Director in January 2009.



Mr Dong Yunting (“Mr Dong”), aged 66, is an independent non-executive Director. He graduated from the Department of Mathematics of Hangzhou University (杭州大學) (now part of Zhejiang University) in 1967 and received a master of science in computer science at Sun Yat-sen University in 1982. Since 1981, Mr Dong had been teaching in Hangzhou Dianzi University (杭州電子科技大學) and served as the Head of System Engineering Teaching and Research Section (系統工程教研室主任) in 1986, Head of the Department of Management Engineering (管理工程系主任) in 1988, Dean of School of Business Administration (工商管理學院院長) and vice-president of Hangzhou Dianzi University (杭州電子科技大學) in 1992. From 1989 to 1990, Mr Dong had been engaged in research work at the University of Toronto. Mr Dong was appointed a professor by the Ministry of Mechanical and Electronic Industry (機械電子工業部) of the People’s Republic of China in 1993. In February 1997, Mr Dong was appointed as the president of China Electronic Industry Development and Planning Institute (中國電子工業發展規劃研究院院長). In October 1997, he was appointed the head (leading role) of the Policy and Law Research Office of the Ministry of Electronic Industry (電子工業部政策法規研究室主任(正司級)) of the People’s Republic of China in 1997. From 1998 to 2000, he served as the president of China Electronic Planning Institute (電子規劃院院長). Mr Dong was appraised

謝麟振先生(「謝先生」), 71歲, 為獨立非執行董事, 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工業和信息化部(MIIT)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電子科技委委員及中電華通通信有限公司之執行董事及首席科學家。謝先生亦為UT斯達康公司(其證券於美利堅共和國NASDAQ上市)之獨立董事及審核委員會會員。謝先生曾為樂語中國控股有限公司(其證券於美利堅共和國NASDAQ上市並於二零一一年八月私有化)之獨立董事。謝先生於二零零九年一月獲委任為獨立非執行董事。

董雲庭先生(「董先生」), 66歲, 為獨立非執行董事, 於一九六七年畢業於杭州大學(現已併入浙江大學)數學系, 並於一九八二年從中山大學獲得計算機科學理學碩士學位。自一九八一年起, 董先生於杭州電子科技大學任教並於一九八六年擔任系統工程教研室主任、於一九八八年擔任管理工程系主任、於一九九二年擔任工商管理學院院長及杭州電子科技大學副校長。自一九八九年至一九九零年, 董先生於多倫多大學參與研究工作。一九九三年, 董先生獲委任為中華人民共和國機械電子工業部教授。於一九九七年二月, 董先生獲委任為中國電子工業發展規劃研究院院長。於一九九七年十月, 彼獲委任為中華人民共和國電子工業部政策法規研究室主任(正司級)。自一九九八年至二零零

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

as a doctoral post graduate students tutor (博士研究生指導教師) by University of Electronic Science and Technology of China (電子科技大學) in 2004. Mr Dong is currently the chairman of China Electronics Enterprises Association (中國電子企業協會) and also a managing vice chairman (常務副理事長) and legal representative of China Association of Electronics Equipment For Technology Development (中國電子裝備技術開發協會). Mr Dong had been an independent director of Nantong Fujitsu Microelectronics Co., Ltd. (南通富士通微電子股份有限公司), a company listed on the Shenzhen Stock Exchange with stock code of 002156, between December 2003 to December 2009. He is currently an independent director of Nantian Electronics Information Corp, Ltd. (雲南南天電子信息產業股份有限公司), a company listed on the Shenzhen Stock Exchange with stock code of 000948, an independent director of SuperMap Software Co., Ltd. (北京超圖軟件股份有限公司), a company listed on the Shenzhen Stock Exchange with stock code of 300036, and an independent director of Tianshui Huatian Technology Co., Ltd. (天水華天科技股份有限公司), a company listed on the Shenzhen Stock Exchange with stock code of 002185. Save as disclosed above, Mr Dong had not held any other directorship in other listed companies in the past three years. Mr Dong was appointed as an independent non-executive Director in June 2011.

SENIOR MANAGEMENT

Ms Wong Tik ("Ms Wong") CPA, aged 40, 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.

零年，彼擔任電子規劃院院長。於二零零四年，董先生獲電子科技大學評為博士研究生指導教師。董先生現任中國電子企業協會會長及中國電子裝備技術開發協會常務副理事長兼法人代表。於二零零三年十二月至二零零九年十二月期間，董先生擔任南通富士通微電子股份有限公司(一間於深圳證券交易所上市之公司，股份代號：002156)之獨立董事。彼現任雲南南天電子信息產業股份有限公司(一間於深圳證券交易所上市之公司，股份代號：000948)之獨立董事、北京超圖軟件股份有限公司(一間於深圳證券交易所上市之公司，股份代號：300036)之獨立董事、及天水華天科技股份有限公司(一間於深圳證券交易所上市之公司，股份代號：002185)之獨立董事。除上文披露者外，董先生於過往三年並無於其他上市公司擔任任何董事職務。董先生於二零一一年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)，40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 2011.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The activities of its subsidiaries are set out in note 37 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2011 are set out in the consolidated income statement on page 57.

An interim dividend of HK1 cent per share amounting to HK\$17,048,000 was declared and paid to the shareholders during the year. The Board does not recommend the payment of final dividend to shareholders for the year ended 31 December 2011.

FINANCIAL SUMMARY

A summary of the results of the Group for the past five financial years ended 31 December 2011 and assets and liabilities of the Group as at 31 December 2007, 2008, 2009, 2010 and 2011 are set out on page 151 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.

董事欣然提呈截至二零一一年十二月三十一日止年度之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37。

業績及分派

本集團截至二零一一年十二月三十一日止年度之業績載於第57頁之綜合收益表。

本年度向股東派發的中期股息為每股1港仙，合共17,048,000港元。董事會不建議派發截至二零一一年十二月三十一日止年度之末期股息。

財務概要

本集團於截至二零一一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二零零七年、二零零八年、二零零九年、二零一零年及二零一一年十二月三十一日之資產與負債載於年報第151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 29 to the consolidated financial statements.

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29。

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the 12 months ended 31 December 2011, the Company repurchased 22,820,000 shares of the Company on the Stock Exchange. The repurchased shares were cancelled in July and August 2011. Details of the repurchase were as follows:

購回、出售或贖回上市證券

截至二零一一年十二月三十一日止十二個月，本公司於聯交所購回22,820,000股。購回之股份於二零一一年七月及八月取消。回購之詳情如下：

Month of repurchase 購回月份	Number of shares repurchased 購回股份數目 '000 千	Price per share 每股價格		Aggregate price paid (inclusive of related expenses) 總付出價格 (包括相關開支) HK\$'000 千港元
		Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
June 2011 二零一一年六月	16,590	0.86	0.75	13,195
July 2011 二零一一年七月	6,230	0.90	0.84	5,422
	22,820			18,617

Other than the shares repurchased by the Company disclosed above, during the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

除在上文披露之公司回購股份外，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。

DISTRIBUTABLE RESERVES

The Company's reserves available for distribution to shareholders as at 31 December 2011 were approximately HK\$239,241,000, being the contributed surplus of approximately HK\$193,846,000 and accumulated profits of approximately HK\$45,395,000.

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.

DIRECTORS AND SERVICE CONTRACTS

The Directors of the Company during the year and 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

可供分派儲備

本公司於二零一一年十二月三十一日可供分派予股東之儲備約為239,241,000港元，即繳入盈餘約193,846,000港元加累計溢利約45,395,000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。

董事及服務合約

於本年度及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

Independent non-executive Directors:

Mr Liu Hing Hung

Mr Xie Linzhen

Mr Dong Yunting (Appointed on 1 June 2011)

Mr Zhuang Xingfang (Resigned on 1 June 2011)

In accordance with the provisions of the Company's bye-laws ("Bye-laws"), Mr Chan Tat Wing, Richard, Mr Liu Hing Hung and Mr Xie Linzhen will retire at the forthcoming Annual General Meeting and Mr Dong Yunting shall only hold office until the forthcoming Annual General Meeting. Each of the aforesaid Directors, being eligible, has offered himself 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.

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

As at 31 December 2011, 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") as

獨立非執行董事：

廖慶雄先生

謝麟振先生

董雲庭先生(於二零一一年六月一日委任)

庄行方先生(於二零一一年六月一日辭任)

根據本公司章程細則(「公司細則」)之條文，陳達榮先生、廖慶雄先生及謝麟振先生將於應屆股東週年大會上退任及董雲庭先生之任期僅至應屆股東週年大會為止。以上各名董事且合資格並願膺選連任。

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。

董事及主要行政人員於股份之權益及淡倉

於二零一一年十二月三十一日，本公司董事及主要行政人員於本公司或其任何相關法團之股份、相關股份及債券或任何相關法團(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」))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

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

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)	772,500,000	45.31%
	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)	703,675,000	41.27%
	Company 本公司	Personal interest 個人權益	320,000	0.02%
	Subtotal 總數		703,995,000	41.29%
	Info Dynasty	Personal interest 個人權益	1,000	49.95%
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	4,864,000	0.29%
Ms Tang Rongrong 唐融融女士	Company 本公司	Personal interest 個人權益	186,000	0.01%

Notes:

- 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 703,675,000 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 respectively.

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

附註：

- 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703,675,000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。

Notes:

- 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 703,675,000 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 1,704,999,000 shares of the Company as at 31 December 2011.

附註：

- 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703,675,000股股份之權益。
- 根據本公司於二零一一年十二月三十一日之已發行股本1,704,999,000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 相關普通股總數	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	9,500,000	9,500,000	0.56%
Ms Tang Rongrong 唐融融女士	Company 本公司	Personal interest 個人權益	3,800,000	3,800,000	0.23%
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	0.30%

Notes:

- Calculation of percentage of interest in the Company is based on the issued share capital of 1,704,999,000 shares of the Company as at 31 December 2011.

附註：

- 根據本公司於二零一一年十二月三十一日之已發行股本1,704,999,000股股份計算佔公司權益百分比。

As at 31 December 2011, 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.

於二零一一年十二月三十一日，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.

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2011, 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:

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 佔公司權益之 概約百分比 (note 1) (附註1)
Info Dynasty	Personal interest 個人權益	703,675,000	41.27%

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。

主要股東

於二零一一年十二月三十一日，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：

Notes:

1. Calculation of percentage of interest in the Company is based on the issued share capital of 1,704,999,000 shares of the Company as at 31 December 2011.
2. 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.

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.

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.

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.

附註：

1. 根據本公司於二零一一年十二月三十一日之已發行股本1,704,999,000股股份計算佔本公司權益百分比。
2. 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。

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。

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。

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

公司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。

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2011, the five largest customers accounted for approximately 47.78% of the Group's total sales and sales attributable to the Group's largest customer accounted for approximately 28.47% of the Group's total sales.

For the year ended 31 December 2011, the five largest suppliers accounted for less than 30% of the Group's total purchases.

At no time during the year ended 31 December 2011 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.

RELATED PARTY TRANSACTIONS

The Directors confirm that the material related party transactions as disclosed in note 35 in the notes to the consolidated financial statements fall under the definition of "connected transaction" or "continuing connected transaction" (as the case may be) in Chapter 14A of the Listing Rules. The Directors confirm that the Company has, where applicable, complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

ISSUE OF NEW SECURITIES

In April 2011, the Company has issued 137,500,000 units of Taiwan depository receipts ("TDRs") and in connection with the issue of the TDRs, the Company has issued 137,500,000 new ordinary shares as the underlying securities of the TDRs on 21 April 2011. The aggregate nominal value of 137,500,000 shares is HK\$13,750,000.

The TDR was issued at the offer price of NT\$11.95 (equivalent to approximately HK\$3.20 at the time of issue) per TDR, representing to approximately HK\$1.60 per share. The net issue price per new share was approximately HK\$1.55. The closing price per share as quoted on the Stock Exchange on 18 April 2011, being the date on which the terms of the issue was fixed, was HK\$1.62.

The TDRs were offered for subscription by Securities and Futures Investors Protection Centre pursuant to the applicable securities laws in Taiwan, the underwriters of the TDRs, the public in Taiwan and selected institutional and individual investors in Taiwan through book building process.

The net proceeds from the issue of TDR was used for the Group's factory expansion, including construction of factory plant, acquisition and installment of machinery and equipment.

主要客戶及供應商

截至二零一一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47.78%，而本集團最大客戶的銷售額則佔本集團總銷售額約28.47%。

截至二零一一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少於30%。

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，概無於截至二零一一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。

關連方交易

董事確認，綜合財務報表附註之附註35所披露之重大關連方交易屬於上市規則第14A章定義下之「關連交易」或「持續關連交易」(視情況而定)。董事確認，本公司已(如適用)遵守根據上市規則第14A章之披露規定。

發行新證券

於二零一一年四月，本公司發行137,500,000份台灣存託憑證(「台灣存託憑證」)，並於二零一一年四月二十一日相應地發行137,500,000股新普通股作為台灣存託憑證的相關證券。該137,500,000股股份的總面值為13,750,000港元。

台灣存託憑證的發行價為每份台灣存託憑證11.95台幣(發行時相當於約3.20港元)，相當於每股股份約1.60港元。每股新股份的發行淨價約為1.55港元。於二零一一年四月十八日，即發行條款釐定當日，股份於聯交所報的收市價為1.62港元。

台灣存託憑證乃根據台灣適用的證券法以詢價圈購方式提呈供證券投資人及期貨交易人保護中心、台灣存託憑證包銷商、台灣的公眾人士及獲選的台灣機構及個人投資者認購。

發行台灣存託憑證的所得款項淨額已用於進行本集團工廠擴建，包括興建廠房、購置及安裝機器及設備。

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company and its Directors confirm, to their best knowledge, that except for code provision E.1.2 as mentioned below, during the year ended 31 December 2011, 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 then in force.

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 13 May 2011 (“2011 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 2011 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 2011 AGM to answer questions from shareholders of the Company.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules as its own code for securities transactions. All directors of the Company have confirmed that they have fully complied with the required standard as set out in the Model Code for the reporting period.

AUDITOR

The consolidated financial statements for the year ended 31 December 2011 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

22 March 2012

遵守企業管治常規守則

本公司及其董事確認，就彼等所知，除下文所述之企業管治守則守則條文第E.1.2條外，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。

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，未能出席本公司於二零一一年五月十三日舉行之股東週年大會（「二零一一年股東週年大會」）。根據公司細則，執行董事兼本集團財務總監陳達榮先生，代表董事會主席主持二零一一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二零一一年股東週年大會，並回答本公司股東提問。

遵守標準守則

本公司已採納上市規則附錄十所載之上市公司董事進行證券交易之標準守則（「標準守則」），作為其進行證券交易的守則條文。本公司在進行具體查詢後，本公司全體董事均確認於報告期間已遵守標準守則所列明之規定標準。

核數師

截至二零一一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

二零一二年三月二十二日

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 2011.

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，截至二零一一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 2011, 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 Liu Hing Hung
Mr Xie Linzhen
Mr Dong Yunting (Appointed on 1 June 2011)
Mr Zhuang Xingfang (Resigned on 1 June 2011)

Biographical details of the Directors and the relationships among them are set out in the “Directors and Senior Management Profile” section on pages 29 to 33 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.

During the year under review, the roles of the chairman (Ms Yeung Man Ying) were 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 direction and strategies 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.

To further strengthen the corporate governance practice, on 30 March 2012, the Board has appointed Mr Zhang Jianping as the chief executive officer of the Group to take up the responsibility of the overall management of the Group’s product and business planning, including management of product definition, sales, procurement, production and delivery.

董事會之組成及運作

於二零一一年十二月三十一日，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：

廖慶雄先生
謝麟振先生
董雲庭先生(於二零一一年六月一日委任)
庄行方先生(於二零一一年六月一日辭任)

董事之個人資料詳情及彼此之相互關係載於本年度報告第29頁至第33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)。

於回顧年度內，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。主席負責本集團之發展方向和策略。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。

為進一步改善企業管治常規，於二零一二年三月三十日，董事會委任張劍平先生為本集團首席執行官，具體負責本集團產品及經營規劃，全面管理本集團包括產品定義及銷售，到採購、生產及交付運作管理。

The 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 2011. 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.

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。根據公司細則，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。於二零一一年，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 2011. The following is the attendance record of each Director at the Board meetings for the year under review:

董事會於二零一一年舉行了四次會議，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	3/4	唐融融女士	3/4
Mr Chan Tat Wing, Richard	4/4	陳達榮先生	4/4
Mr Liu Hing Hung	4/4	廖慶雄先生	4/4
Mr Xie Linzhen	4/4	謝麟振先生	4/4
Mr Dong Yunting (Appointed on 1 June 2011)	2/2	董雲庭先生 (於二零一一年六月一日委任)	2/2
Mr Zhuang Xingfang (Resigned on 1 June 2011)	2/2	庄行方先生 (於二零一一年六月一日辭任)	2/2

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. The Board considers that the role and function of a nomination committee can be better performed by the whole Board as each of the Directors can participate in the selection process of suitable candidates for directorship.

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。董事會認為，由於各董事均能夠參與甄選合適候任董事的程序，故全體董事會成員能更有效地扮演及執行提名委員會的角色及職能。

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.

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

載於公司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

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.

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.

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。

薪酬委員會

本公司成立一根據企業管治常規守則書面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。

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 2011 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 meeting attended/ Number of meeting held	董事姓名	出席會議次數/ 舉行會議次數
Mr Zhuang Xingfang (Resigned on 1 June 2011)	1/1	庄行方先生 (於二零一一年六月一日辭任)	1/1
Mr Xie Linzhen	1/1	謝麟振先生	1/1
Mr Wong Cho Tung	1/1	王祖同先生	1/1
Mr Dong Yunting (Appointed on 1 June 2011)	0/0	董雲庭先生 (於二零一一年六月一日委任)	0/0
Mr Liu Hing Hung (Appointed on 10 April 2012)	0/0	廖慶雄先生 (於二零一二年四月十日委任)	0/0

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

The Remuneration Committee currently consists of four members, three of whom are independent non-executive Directors, being Mr Xie Linzhen, Mr Dong Yunting and Mr Liu Hing Hung, and one executive Director, being Mr Wong Cho Tung. They have substantial experience in human resources management. The Remuneration Committee is chaired by Mr Liu Hing Hung.

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。

薪酬委員會於二零一一年舉行了一次會議，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：

所有董事均沒有參與有關其本身薪酬的討論。

薪酬委員會現在由四名成員組成，包括三名獨立非執行董事謝麟振先生、董雲庭先生及廖慶雄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有豐富經驗。薪酬委員會由廖慶雄先生擔任主席。

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 Liu Hing Hung, Mr Xie Linzhen and Mr Dong Yunting 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.

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。

廖慶雄先生、謝麟振先生及董雲庭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 2011 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 2010 annual financial statements and 2011 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 meeting attended/ Number of meeting held
Mr Liu Hing Hung	2/2
Mr Xie Linzhen	2/2
Mr Dong Yunting (Appointed on 1 June 2011)	1/1
Mr Zhuang Xingfang (Resigned on 1 June 2011)	1/1

The Audit Committee comprises three independent non-executive Directors, namely, Mr Liu Hing Hung, Mr Xie Linzhen and Mr Dong Yunting (Mr Zhuang Xingfang resigned on 1 June 2011). The Audit Committee is chaired by Mr Liu Hing Hung who has professional qualifications in accountancy.

The Audit Committee has reviewed the Group’s annual report for the year ended 31 December 2011.

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。

審核委員會成員於二零一一年舉行了兩次會議，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(包括在將二零一零年度財務報表及二零一一年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	出席會議次數/ 舉行會議次數
廖慶雄先生	2/2
謝麟振先生	2/2
董雲庭先生 (於二零一一年六月一日委任)	1/1
庄行方先生 (於二零一一年六月一日辭任)	1/1

審核委員會由三名獨立非執行董事廖慶雄先生、謝麟振先生及董雲庭先生組成(庄行方先生於二零一一年六月一日辭任)。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二零一一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 2011, the Company paid Deloitte Touche Tohmatsu, the external auditors of the Company, HK\$1.7 million and HK\$0.3 million as audit fees and interim financial report of 2011 viewing fee respectively.

The auditors' reporting responsibility is set out on pages 55 to 56 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。截至二零一一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二零一一年中期財務報告之審閱費分別為1,700,000港及300,000港元。

核數師之申報職責載於本年報第55至56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 2011.

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，已信納截至二零一一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 13 May 2011 ("2011 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 2011 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 2011 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，未能出席本公司於二零一一年五月十三日舉行之股東週年大會(「二零一一年股東週年大會」)。根據公司細則，執行董事兼本集團財務總監陳達榮先生，代表董事會主席主持二零一一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二零一一年股東週年大會，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

晨訊科技集團有限公司

(incorporated in Bermuda with limited liability)

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)

We have audited the consolidated financial statements of SIM Technology Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 57 to 150 which comprise the consolidated statement of financial position as at 31 December 2011, 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 information.

本核數師已審核列載於第57至150頁晨訊科技集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，其中包括於二零一一年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋資料。

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據國際財務報告準則及香港《公司條例》的披露規定編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實其認為編製綜合財務報表所必要的內部控制，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。

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 about whether the consolidated financial statements are free from material misstatement.

核數師的責任

我們的責任是根據我們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我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。我們已根據國際核數準則進行審核。該等準則要求我們遵守道德規範，並規劃及執行審核，以合理確定綜合財務報表是否不存在任何重大錯誤陳述。

Independent Auditor's Report
獨立核數師報告

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 of the consolidated financial statements that give a true and fair view 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 the directors, 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 2011 and of the Group's loss 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

22 March 2012

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在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綜合財務報表以作出真實而公平的反映相關的內部控制，以設計適當的審核程序，但目的並非對公司內部控制的有效性發表意見。審核亦包括評價董事所採用會計政策的合適性及作出會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證能充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據國際財務報告準則真實而公平地反映 貴集團於二零一一年十二月三十一日的事務狀況，及 貴集團截至該日止年度的虧損及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

德勤 • 關黃陳方會計師行

執業會計師

香港

二零一二年三月二十二日

Consolidated Income Statement

綜合收益表

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

		Notes 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Revenue	收入	6	3,334,099	4,034,031
Cost of sales	銷售成本		(3,065,219)	(3,541,784)
Gross profit	毛利		268,880	492,247
Other income	其他收入	8	55,970	106,695
Other gains and losses	其他收益及虧損	9	51,182	27,559
Research and development expenses	研究及開發費用		(183,639)	(146,489)
Selling and distribution costs	銷售及分銷成本		(124,507)	(94,818)
Administrative expenses	行政開支		(98,773)	(108,102)
Finance costs	融資成本	10	(10,739)	(10,288)
(Loss) profit before taxation	除稅前(虧損)溢利		(41,626)	266,804
Taxation credit (charge)	稅項計入(扣除)	12	13,574	(29,180)
(Loss) profit for the year	本年度(虧損)溢利	13	(28,052)	237,624
(Loss) profit for the year attributable to:	下列各項應佔(虧損)溢利:			
Owners of the Company	本公司股東		(25,478)	233,349
Non-controlling interests	非控股權益		(2,574)	4,275
			(28,052)	237,624
(Loss) earnings per share (HK cents)	每股(虧損)盈利(港仙)	15		
Basic	基本		(1.6)	15.0
Diluted	攤薄		(1.6)	14.4

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
(Loss) profit for the year	本年度(虧損)溢利	(28,052)	237,624
Other comprehensive income for the year:	本年度其他全面收益：		
Exchange difference arising on translation to presentation currency	換算至呈列貨幣產生的匯率差額	68,738	50,900
Total comprehensive income for the year	本年度全面收益總額	40,686	288,524
Total comprehensive income attributable to:	下列各項應佔全面收益總額：		
Owners of the Company	本公司股東	42,687	283,782
Non-controlling interests	非控股權益	(2,001)	4,742
		40,686	288,524

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2011

於二零一一年十二月三十一日

		Notes 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Non-current assets	非流動資產			
Investment properties	投資物業	16	273,023	243,832
Property, plant and equipment	物業、廠房及設備	17	684,271	343,389
Land use rights	土地使用權	18	98,401	96,108
Goodwill	商譽	19	28,321	28,321
Intangible assets	無形資產	20	180,432	177,453
Deferred tax assets	遞延稅項資產	21	17,946	9,592
Available-for-sale investments	可供出售投資	22	16,605	15,876
Deposits paid for property, plant and equipment	就物業、廠房及 設備支付之按金		11,680	20,226
			1,310,679	934,797
Current assets	流動資產			
Inventories	存貨	23	620,729	440,013
Properties under development for sales	發展中的銷售物業	24	206,772	110,441
Trade receivables	應收貿易賬款	25	105,512	110,420
Notes and bills receivables	應收票據及賬單	25	631,521	124,304
Other receivables, deposits and prepayments	其他應收賬款、 按金及預付款項	25	293,548	279,997
Pledged bank deposits	已抵押銀行存款	26	171,890	616,828
Bank balances and cash	銀行結餘及現金	26	500,817	534,522
			2,530,789	2,216,525
Current liabilities	流動負債			
Trade and notes payables	應付貿易賬款及票據	27	871,302	420,357
Other payables, deposits received and accruals	其他應付賬款、已收按金 及應計款項	27	327,327	198,904
Bank borrowings	銀行借貸	28	511,472	640,335
Tax payable	應付稅項		5,214	29,488
			1,715,315	1,289,084
Net current assets	流動資產淨值		815,474	927,441
Total assets less current liabilities	總資產減流動負債		2,126,153	1,862,238

Consolidated Statement of Financial Position
綜合財務狀況表

At 31 December 2011
於二零一一年十二月三十一日

		Notes 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Capital and reserves	資本及儲備			
Share capital	股本	29	170,500	156,962
Reserves	儲備	30	1,815,966	1,634,103
Equity attributable to owners of the Company	本公司股東應佔權益		1,986,466	1,791,065
Non-controlling interests	非控股權益		88,424	28,025
Total equity	權益總額		2,074,890	1,819,090
Non-current liability	非流動負債			
Deferred tax liabilities	遞延稅項負債	21	51,263	43,148
			2,126,153	1,862,238

The financial statements on pages 57 to 150 were approved by the Board of Directors on 22 March 2012 and are signed on its behalf by:

載於第57頁至150頁之財務報表已於二零一二年三月二十二日獲董事會批准，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 2011
截至二零一一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	Capital redemption reserve	Translation reserve	Accumulated profits	Total	Non-controlling interests	Total
		股本	股份溢價	法定盈餘儲備	其他儲備	購股權儲備	物業重估儲備	贖回儲備	換算儲備	累計溢利	合計	非控股權益	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 2010	於二零一零年一月一日	152,871	493,843	27,599	97,091	25,399	73,739	-	118,504	537,940	1,526,986	17,483	1,544,469
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	233,349	233,349	4,275	237,624
Other comprehensive income for the year	本年度其他全面收益	-	-	-	-	-	-	-	50,433	-	50,433	467	50,900
Total comprehensive income for the year	本年度全面收益總額	-	-	-	-	-	-	-	50,433	233,349	283,782	4,742	288,524
Issue of new shares due to exercise of share options	因行使購股權而發行股份	4,091	33,250	-	-	-	-	-	-	-	37,341	-	37,341
Transfer upon exercise of share options	因行使購股權而轉撥	-	16,821	-	-	(16,821)	-	-	-	-	-	-	-
Recognition of equity settled share-based payments	確認以股份支付之支出	-	-	-	-	16,566	-	-	-	-	16,566	-	16,566
Capital contribution from non-controlling interests of subsidiaries	附屬公司非控股權益之資本投入	-	-	-	-	-	-	-	-	-	-	5,800	5,800
Dividends paid	支付股息	-	-	-	-	-	-	-	-	(73,610)	(73,610)	-	(73,610)
At 31 December 2010	於二零一零年十二月三十一日	156,962	543,914	27,599	97,091	25,144	73,739	-	168,937	697,679	1,791,065	28,025	1,819,090

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

For the year ended 31 December 2011
截至二零一一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	Capital redemption reserve	Translation reserve	Accumulated profits	Total	Non-controlling interests	Total
		股本	股份溢價	法定盈餘儲備	其他儲備	購股權儲備	物業重估儲備	贖回儲備	換算儲備	累計溢利	合計	非控股權益	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)								
Loss for the year	本年度虧損	-	-	-	-	-	-	-	-	(25,478)	(25,478)	(2,574)	(28,052)
Other comprehensive income for the year	本年度其他全面收益	-	-	-	-	-	-	-	68,165	-	68,165	573	68,738
Total comprehensive income (expense) for the year	本年度全面收益(開支)總額	-	-	-	-	-	-	-	68,165	(25,478)	42,687	(2,001)	40,686
Issue of new shares due to exercise of share options	因行使購股權而發行新股份	2,070	14,672	-	-	-	-	-	-	-	16,742	-	16,742
Transfer upon exercise of share options	因行使購股權而轉發	-	7,792	-	-	(7,792)	-	-	-	-	-	-	-
Issue of shares upon listing of Taiwan Depository Receipts on the Taiwan Stock Exchange Corporation	因台灣存託憑證在台灣證券交易所上市而發行股份	13,750	207,132	-	-	-	-	-	-	-	220,882	-	220,882
Transaction costs attributable to issue of new shares	發行新股份之交易成本	-	(7,708)	-	-	-	-	-	-	-	(7,708)	-	(7,708)
Repurchase of shares	購回股份	(2,282)	(16,335)	-	-	-	-	2,282	-	(2,282)	(18,617)	-	(18,617)
Recognition of equity settled share-based payments	確認以股份支付之支出	-	-	-	-	10,196	-	-	-	-	10,196	-	10,196
Disposal of partial equity interest in a subsidiary (note c)	出售附屬公司部分權益(附註c)	-	-	-	-	-	-	-	-	-	-	62,400	62,400
Dividends paid	支付股息	-	-	-	-	-	-	-	-	(68,781)	(68,781)	-	(68,781)
At 31 December 2011	於二零一一年十二月三十一日	170,500	749,467	27,599	97,091	27,548	73,739	2,282	237,102	601,138	1,986,466	88,424	2,074,890

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

For the year ended 31 December 2011
截至二零一一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.
- (c) On 4 November 2010, the Group signed a sale and purchase agreement with a related company, which is controlled by Mr Wong Sun, the son of Mr Wong Cho Tung and Ms Yeung Man Ying who are directors of the Company, on disposing 40% equity interest of Shenyang SIM Real Estate Limited at a consideration of US\$8,000,000 (approximately HK\$62,400,000).

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(儲備達致附屬公司註冊資本50%情況下除外)。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。
- (c) 於二零一零年十一月四日，本集團與由王晨先生(本公司董事王祖同先生及楊文瑛女士之子)擁有的關連公司已簽訂買賣協議，以8,000,000美元(約為62,400,000港元)出售於晨訊置業(沈陽)有限公司的40%股權。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
(Loss) profit before taxation	除稅前(虧損)溢利	(41,626)	266,804
Adjustments for:	就下列項目作出調整：		
Finance costs	融資成本	10,739	10,288
Depreciation and amortisation	折舊及攤銷	236,252	210,300
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	69	74
Share-based payments expense	以股份付款開支	10,196	16,566
(Reverse of) allowances for bad and doubtful debts, net	呆壞賬(撥回)撥備淨額	(10,167)	10,640
Write-down of inventories	存貨撇減	31,725	6,513
Changes in fair values of investment properties	投資物業公平值變動	(17,702)	(15,310)
Interest income	利息收入	(18,569)	(8,994)
Operating cash flows before movements in working capital	營運資金變動前之 經營現金流量	200,917	496,881
Increase in inventories	存貨增加	(192,236)	(22,406)
Increase in properties under development for sales	發展中的銷售物業增加	(89,775)	(9,815)
Decrease in trade receivables	應收貿易賬款減少	18,267	21,985
Increase in notes and bills receivables	應收票據及賬單增加	(503,623)	(48,340)
(increase) decrease in other receivables, deposits and prepayments	其他應收賬款、按金及 預付款項(增加)減少	(5,456)	1,086
Increase (decrease) in trade and notes payables	應付貿易賬款及票據增加(減少)	438,792	(101,243)
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)	86,757	(66,594)
Cash (used in) generated from operations	(用於)來自經營之現金	(46,357)	271,554
Interest received	已收利息	18,569	8,994
Income tax paid	已付所得稅	(13,326)	(17,208)
NET (USED IN) CASH FROM OPERATING ACTIVITIES	(用於)來自經營活動之 現金淨額	(41,114)	263,340

Consolidated Statement of Cash Flows
綜合現金流量表

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
INVESTING ACTIVITIES	投資活動		
Purchases of property, plant and equipment	購買物業、廠房及設備	(321,639)	(124,409)
Deposits paid for purchase of property, plant and equipment	就購買物業、廠房及設備支付之按金	(11,680)	(20,226)
Development costs paid	已付開發成本	(180,742)	(159,756)
Purchases of available-for-sale investments	購買可供出售投資	-	(15,876)
Proceeds on disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	-	42
Placement of pledged bank deposits	存入已抵押銀行存款	(460,778)	(747,246)
Withdrawal of pledged bank deposits	提取已抵押銀行存款	923,549	462,996
NET CASH USED IN INVESTING ACTIVITIES	用於投資活動之現金淨額	(51,290)	(604,475)
FINANCING ACTIVITIES	融資活動		
Issue of shares	發行股份	237,624	37,341
Expenses on issue of shares	發行股份開支	(7,708)	-
Proceeds from bank borrowings	銀行借貸所得款項	535,563	733,155
Repayment of bank borrowings	償還銀行借貸	(682,939)	(366,797)
Dividends paid	已付股息	(68,781)	(73,610)
Interest paid	已付利息	(10,739)	(10,288)
Capital contribution from non-controlling shareholders of a subsidiary	附屬公司非控股股東之資本投入	-	5,800
Repurchase of shares	購回股份	(18,617)	-
Disposal of partial equity interest in a subsidiary	出售附屬公司之部分權益	62,400	-
NET CASH FROM FINANCING ACTIVITIES	來自融資活動之現金淨額	46,803	325,601
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目減少淨額	(45,601)	(15,534)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初現金及現金等值項目	534,522	532,276
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動之影響	11,896	17,780
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash	年終現金及現金等值項目即銀行結餘及現金	500,817	534,522

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2011
截至二零一一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 display modules, handsets and solutions, and wireless communication modules.

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.

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 32 (Amendments)
國際會計準則第32號(修訂本)

IFRIC 14 (Amendments)
國際財務報告詮釋委員會第14號(修訂本)

IFRIC 19
國際財務報告詮釋委員會第19號

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本公司股東，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顯示模塊、手機及解決方案及無線通訊模塊之製造、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」)及國際會計準則委員會之國際財務報告詮釋委員會(「國際財務報告詮釋委員會」)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」)，該等新訂及經修訂準則、修訂及詮釋開始或經已生效。

Improvements to IFRSs issued in 2010
國際財務報告準則於二零一零年之改進

Related party disclosures
關連方披露

Classification of rights issues
供股分類

Prepayments of a minimum funding requirement
最低資金預付款規定

Extinguishing financial liabilities with equity instruments
以股權工具消除金融負債

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

For the year ended 31 December 2011
截至二零一一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)

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.

採納新訂及經修訂國際財務報告準則對本集團於本期間或過往會計期間之綜合財務報表並無重大影響。

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

本集團尚未提早採納以下已頒佈但尚未生效的新訂及經修訂準則、修訂及詮釋：

IFRS 1 (Amendments)
國際財務報告準則第1號(修訂本)

Government loans²
政府貸款²

IFRS 7 (Amendments)
國際財務報告準則第7號(修訂本)

Disclosures – Transfers of financial assets¹
披露－轉撥金融資產¹

IFRS 9
國際財務報告準則第9號

Disclosures – Offsetting financial assets and financial liabilities²
披露－抵銷金融資產及金融負債²

IFRS 9 & IFRS 7 (Amendments)
國際財務報告準則第9號及第7號(修訂本)

Financial instruments³
金融工具³

IFRS 10
國際財務報告準則第10號

Mandatory effective date of IFRS 9 and transition disclosures³
國際財務報告準則第9號之強制生效日期及過渡性之披露³

IFRS 11
國際財務報告準則第11號

Consolidated financial statements²
綜合財務報表²

IFRS 12
國際財務報告準則第12號

Joint arrangements²
共同安排²

IFRS 13
國際財務報告準則第13號

Disclosure of interests in other entities²
披露於其他實體之權益²

IAS 1 (Amendments)
國際會計準則第1號(修訂本)

Fair value measurement²
公平值計量²

IAS 12 (Amendments)
國際會計準則第12號(修訂本)

Presentation of items of other comprehensive income⁵
呈列其他全面收益項目⁵

IAS 19 (Revised 2011)
國際會計準則第19號(二零一一年經修訂)

Deferred tax: Recovery of underlying assets⁴
遞延稅項：相關資產的收回⁴

IAS 27 (Revised 2011)
國際會計準則第27號(二零一一年經修訂)

Employee benefits²
僱員福利²

Separate financial statements²
獨立財務報表²

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

IAS 28 (Revised 2011)
國際會計準則第28號(二零一一年經修訂)

IAS 32 (Amendments)
國際會計準則第32號(修訂本)

IFRIC 20
國際財務報告詮釋委員會第20號

- ¹ Effective for annual periods beginning on or after 1 July 2011.
- ² Effective for annual periods beginning on or after 1 January 2013.
- ³ Effective for annual periods beginning on or after 1 January 2015.
- ⁴ Effective for annual periods beginning on or after 1 January 2012.
- ⁵ Effective for annual periods beginning on or after 1 July 2012.
- ⁶ Effective for annual periods beginning on or after 1 January 2014.

IFRS 9 Financial instruments

IFRS 9 “Financial instruments” (as issued in 2009) introduces new requirements for the classification and measurement of financial assets. IFRS 9 “Financial instruments” (as revised in 2010) adds requirements for financial liabilities and for derecognition.

Under IFRS 9, all recognised financial assets that are within the scope of IAS 39 “Financial instruments: Recognition and measurement” are subsequently measured at either amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

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)

Investments in associates and joint ventures²
於聯營公司及合營企業的投資²

Offsetting financial assets and financial liabilities⁶
抵銷金融資產及金融負債⁶

Stripping costs in the production phase of a surface mine²
露天礦場生產階段的剝採成本²

- ¹ 於二零一一年七月一日或之後開始的年度期間生效。
- ² 於二零一三年一月一日或之後開始的年度期間生效。
- ³ 於二零一五年一月一日或之後開始的年度期間生效。
- ⁴ 於二零一二年一月一日或之後開始的年度期間生效。
- ⁵ 於二零一二年七月一日或之後開始的年度期間生效。
- ⁶ 於二零一四年一月一日或之後開始的年度期間生效。

國際財務報告準則第9號金融工具

國際財務報告準則第9號「金融工具」(於二零零九年頒佈)，引入了分類及計量金融資產的新要求。國際財務報告準則第9號「金融工具」(於二零一零年經修訂)增加金融負債及解除確認的規定。

根據國際財務報告準則第9號，所有已確認金融資產屬國際會計準則第39號「金融工具：確認及計量」範疇，隨後按攤銷成本或公平值計量。尤其是，於一個業務模式內持有的債務投資旨在收取合約現金流量及擁有合約現金流量完全為支付本金及未償還本金的利息者，一般按會計期間結束時的攤銷成本計量。所有其他債權投資和股權投資按隨後會計期間結束時的公平值計量。此外，根據國際財務報告準則第9號，實體可能不可撤回地選擇在其他全面收益中呈列並非持作買賣的股本投資之其後公平值變動，並只在損益中確認股息收入。

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

IFRS 9 Financial instruments (CONTINUED)

In relation to financial liabilities, the significant change relates to financial liabilities that are designated as at fair value through profit or loss. Specifically, under IFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the presentation of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability’s credit risk are not subsequently reclassified to profit or loss. Previously, under IAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

IFRS 9 is effective for annual periods beginning on or after 1 January 2015, with earlier application permitted.

The directors anticipate that IFRS 9 that will be adopted in the Group’s consolidated financial statements for financial year ending 31 December 2015 and that the application of IFRS 9 will mainly affect the classification and measurement of the Group’s available-for-sale investments.

New and revised standards on consolidation and disclosures

IFRS 10 replaces the parts of IAS 27 “Consolidated and Separate Financial Statements” that deal with consolidated financial statements. IFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor’s returns. Extensive guidance has been added in IFRS 10 to deal with complex scenarios.

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)

國際財務報告準則第9號金融工具(續)

至於金融負債，金融負債的重大變動乃透過損益表按公平值列示。具體而言，根據國際財務報告準則第9號，對於指定透過損益表按公平值列賬之金融負債，除非於其他全面收益確認該項負債信貸風險變動之影響會導致或擴大損益之會計錯配，否則該項負債之信貸風險變動引起之金融負債公平值變動金額須於其他全面收益呈列。金融負債信貸風險引起之公平值變動其後不會重新分類至損益表。先前根據國際會計準則第39號之規定，指定於損益表按公平值列賬之金融負債之所有公平值變動金額均於損益表呈列。

國際財務報告準則第9號於二零一五年一月一日或之後開始之年度期間生效，可提早採用。

董事預計國際財務報告準則第9號將於本集團截至二零一五年十二月三十一日止財政年度的綜合財務報表中採用，而採用國際財務報告準則第9號將主要影響本集團可供出售投資的分類及計量。

有關綜合賬目及披露之新訂及經修訂準則

國際財務報告準則第10號取代國際會計準則第27號「綜合及獨立財務報表」有關處理綜合財務報表之部分。國際財務報告準則第10號包含控制權之新定義，其中包括三個元素：(a)有權控制投資對象，(b)自參與投資對象營運所得浮動回報之承擔或權利，及(c)能夠運用其對投資對象之權力以影響投資者回報金額。國際財務報告準則第10號已就複雜情況之處理方法加入詳細指引。

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

New and revised standards on consolidation and disclosures (CONTINUED)

IFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in IFRS 12 are more extensive than those in the current standards.

IFRS 10 and IFRS 12 are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted provided that all of IFRS 10 and IFRS 12 are applied early at the same time. The directors anticipate that IFRS 10 and IFRS 12 will be adopted in the Group's consolidated financial statements for the annual period beginning 1 January 2013. The application of IFRS 10 and IFRS 12 may not impact on amounts reported in the consolidated financial statements.

IFRS 13 Fair value measurement

IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The Standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of IFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other IFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in IFRS 13 are more extensive than those in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under IFRS 7 “Financial Instruments: Disclosures” will be extended by IFRS 13 to cover all assets and liabilities within its scope.

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）

有關綜合賬目及披露之新訂及經修訂準則（續）

國際財務報告準則第12號為一項披露準則，適用於在附屬公司、共同安排、聯營公司及／或未綜合結構實體擁有權益之實體。一般而言，國際財務報告準則第12號之披露規定一般較現行準則之規定更為全面。

國際財務報告準則第10號及國際財務報告準則第12號於二零一三年一月一日或之後開始之年度期間生效。國際財務報告準則第10號及國際財務報告準則第12號可提早應用，前提為國際財務報告準則第10號及國際財務報告準則第12號須同一時間被提早應用。董事預期，本集團將會就二零一三年一月一日開始之年度期間之綜合財務報表採納國際財務報告準則第10號及國際財務報告準則第12號。應用國際財務報告準則第10號及國際財務報告準則第12號不會對綜合財務報表所呈報金額構成影響。

國際財務報告準則第13號公平值計量

國際財務報告準則第13號確立有關公平值計量及公平值計量之披露之單一指引。該準則界定公平值、確立計量公平值之框架以及有關公平值計量之披露規定。國際財務報告準則第13號之範圍廣泛，其適用於其他國際財務報告準則規定或允許公平值計量及有關公平值計量披露之金融工具項目及非金融工具項目，惟特定情況除外。整體而言，國際財務報告準則第13號所載之披露規定較現行準則所規定者更為全面。例如，現時僅規限國際財務報告準則第7號「金融工具：披露」項下之金融工具之三級公平值等級之量化及定性披露，將因國際財務報告準則第13號擴大至涵蓋該範疇內所有資產及負債。

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

IFRS 13 Fair value measurement (CONTINUED)

IFRS 13 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted. The directors anticipate that IFRS 13 will be adopted in the Group’s consolidated financial statements for the annual period beginning 1 January 2013 and that the application of the new Standard may affect the amounts reported in the consolidated financial statements and result in more extensive disclosures in the consolidated financial statements.

Amendments to IAS 1 Presentation of items of other comprehensive income

The amendments to IAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to IAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis.

The amendments to IAS 1 are effective for annual periods beginning on or after 1 July 2012. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in the future accounting periods.

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)

國際財務報告準則第13號公平值計量(續)

國際財務報告準則第13號於二零一三年一月一日或之後開始之年度期間生效，並可提早應用。董事預期，本集團將會就二零一三年一月一日開始之年度期間之綜合財務報表採納國際財務報告準則第13號，應用該項新準則可能影響綜合財務報表內所呈報之金額，並導致綜合財務報表內有更全面之披露。

國際會計準則第1號(修訂本)呈列其他全面收益項目

國際會計準則第1號(修訂本)保留可於一個單一報表內或於兩個獨立而連續之報表內呈列損益及其他全面收益之選擇權。然而，國際會計準則第1號(修訂本)規定須於其他全面收益部分作出額外披露，將其他全面收益項目分為兩類：(a)其後將不會重新分類至損益之項目；及(b)日後在符合特定條件時可重新分類至損益之項目。其他全面收益項目之所得稅須按相同基準分配。

國際會計準則第1號(修訂本)將於二零一二年七月一日或之後開始之年度期間生效。於日後會計期間應用該等修訂時，其他全面收益項目之呈列將作出相應修改。

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

Amendments to IAS 12 Deferred tax – Recovery of underlying assets

The amendments to IAS 12 provide an exception to the general principles in IAS 12 that the measurement of deferred tax assets and deferred tax liabilities should reflect the tax consequences that would follow from the manner in which the entity expects to recover the carrying amount of an asset. Specifically, under the amendments, investment properties that are measured using the fair value model in accordance with IAS 40 “Investment Property” are presumed to be recovered through sale for the purposes of measuring deferred taxes, unless the presumption is rebutted in certain circumstances.

In the opinion of the directors of the Company, it is not practicable to provide reasonable estimate of the effect of application of IAS 12 as stated above until detailed review has been completed.

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, which are measured at fair values, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods.

The principal accounting policies are set out below.

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)

國際會計準則第12號(修訂本)遞延稅項－收回相關資產

國際會計準則第12號(修訂本)提供國際會計準則第12號一般原則之例外情況，遞延稅項資產和遞延稅項負債之計量應反映該企業預計收回資產賬面值的方式而引致之稅務後果。特別是，在此項修訂下，根據國際會計準則第40號「投資物業」以公平值計量之投資物業，除非在某情況下被駁回，否則在計算遞延稅項時其價值假定從出售收回。

本公司董事認為，除非完成詳細審閱，否則提供採納上述國際會計準則第12號之影響的合理估計並不切實可行。

本公司董事預計，採納其他新訂及經修訂準則、修訂或詮釋將不會對綜合財務報表產生重大影響。

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。歷史成本一般根據貨物交換所得代價之公平值釐定。

主要會計政策載列如下。

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

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein.

Allocation of total comprehensive income to non-controlling interests

Total comprehensive income and expense of a subsidiary is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance (effective from 1 January 2010 onwards).

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in other reserve and attributed to owners of the Company.

3. 重大會計政策(續)

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。

附屬公司之非控股權益於賬目內與本集團的股益分開呈列。

分配全面收益總額予非控股權益

附屬公司的全面收益與開支總額會分配予本公司股東及非控股權益，即使這將導致非控股權益結餘為負數(由二零一零年一月一日起生效)。

本集團於現有附屬公司的擁有權變動

倘本集團於附屬公司擁有權之變動並無導致本集團對附屬公司失去控制權，則作為股本交易入賬。本集團的權益及非控股權益的賬面值會予以調整以反映彼等於附屬公司的有關權益變動。調整非控股權益的金額與已付或已收代價之公平值的任何差額直接於其他儲備中確認並歸屬於本公司之股東。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Business combinations

Business combinations that took place prior to 1 January 2010

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 acquisition over the Group's interest in the recognised amounts of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the recognised amounts of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the acquisition, the excess is recognised immediately in profit or loss.

The non-controlling interest in the acquiree was initially measured at the non-controlling interest's proportionate share of the recognised amounts of the assets, liabilities and contingent liabilities of the acquiree.

Goodwill

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

For the purposes of impairment testing, goodwill 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 combination.

3. 重大會計政策(續)

業務合併

業務合併於二零一零年一月一日前發生

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。符合國際財務報告準則第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(即收購成本超逾本集團所佔之已確認之可識別資產、負債及或然負債之確認金額之權益之部分)計量。倘於重新評估後，本集團應佔被收購方之可識別資產、負債及或然負債之確認金額之權益高於收購成本，其超出部分即時確認為損益。

非控股權益於被收購方之權益初步按非控股權益於資產、負債及或然負債之確認金額所佔比例計量。

商譽

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

就減值測試而言，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。

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

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Goodwill (CONTINUED)

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that reporting period. If 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 in the consolidated income statement. An impairment loss for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill 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.

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

3. 重大會計政策(續)

商譽(續)

已獲分配商譽之現金產生單位每年或更頻密該單位有跡象顯示出現減值時進行減值測試。就於報告期間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報告期間完結前進行減值測試。如果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綜合收益表內直接確認。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。

當符合下述條件時，本集團及本公司確認銷售貨品收入：

- 本集團將貨品所有權的重大風險和報酬已轉移給買方；
- 本集團不再對已售貨品保留施加如同所有權之管理參與程度及實際控制權；
- 有關收益可以可靠地計量；
- 與交易相關之經濟利益可能流入本集團；及
- 有關交易所產生或將予產生之成本可以可靠地計量。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (CONTINUED)

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

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. 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 on initial recognition.

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 (foreign currencies) 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.

3. 重大會計政策(續)

收入確認(續)

銷售貨品於交付貨品時及移交所有權後確認。

如果經濟利益可能會流入本集團，而收入又能夠根據下列基準可靠地計算，金融資產之利息收入會被確認。金融資產之利息收入乃考慮未提取之本金額及所適用之實際利率按時間基準確認入賬，該利率指將初始確認時金融資產之估計未來所收現金在估計可使用期內折現至該資產賬面淨值之利率。

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

於編製每個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(外幣)不同，則以其功能貨幣(實體經營業務的主要經濟環境)按交易日期適用的匯率換算入賬。於報告期末，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。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currencies (CONTINUED)

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 under the heading of the translation reserve (attributed to non-controlling interests as appropriate).

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 income statement because it excludes items of income or 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.

3. 重大會計政策(續)

外幣(續)

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期末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累計於權益的換算儲備項下(倘適合將分配予非控股權益)。

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末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。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (CONTINUED)

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.

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.

Current and 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 current and 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.

3. 重大會計政策(續)

稅項(續)

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。

遞延稅項資產之賬面值於各報告期末作檢討，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。

根據報告期末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末將出現的稅務後果，以收回資產或清償負債之賬面值。

本期及遞延稅項於損益確認，惟當其與於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，本期及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。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leasing (CONTINUED)

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.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Government subsidies

Government subsidies are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

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 grants are intended to compensate. Specifically, government subsidies where primary condition is that the Group should purchase, construct or otherwise acquire non-current 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. 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.

3. 重大會計政策(續)

租約(續)

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。

由本集團承租

經營租約付款以直線法於租約期內確認為開支，惟倘另一種系統基準更能反映租賃資產消耗經濟利益的時間模式除外。

如訂立經營租時收取租賃優惠，該優惠確認為負債。優惠之利益總額按直線基準確認為租金開支的減少，惟倘另一種系統基準更能反映租賃資產消耗經濟利益的時間模式除外。

政府補助

在合理地保證本集團會遵守政府補助的附帶條件以及將會得到補助後，政府補助方會予以確認。

政府補助按本集團將擬用作補償的補貼相關成本確認為開支的期間有系統地於損益確認。具體而言，主要條件為本集團應購買、建造或以其他方式購入非流動資產的政府補助於綜合財務狀況表中確認為遞延收入，並按有關資產的可用年期轉撥至損益。作為本集團已發生的費用或損失的補償，或是為本集團提供直接財務支援而未來不會發生任何相關成本的應收政府補助，在其成為應收款項的期間於損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Retirement benefit costs

Payments to state-managed retirement benefits schemes and the Mandatory Provident Fund Scheme (“MPF Scheme”) are recognised 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.

Investment properties are initially 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.

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 in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment other than construction in progress less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

3. 重大會計政策(續)

退休福利成本

向國家管理之退休福利計劃及強制公積金計劃(「強積金計劃」)支付之款項於僱員提供服務而有權獲得供款時確認為開支。

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(包括任何相關的直接支出)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。

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，於綜合財務狀況表列賬。

折舊採用直線法，按物業、廠房及設備(在建工程除外)減去其剩餘價值後在估計可使用年期撇減其成本。估計可使用年期、剩餘價值和折舊方法在每個報告期間結束時檢討，並採用未來基準計算估計變更的影響。

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

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment (CONTINUED)

Construction in progress includes property, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories 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.

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 the disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Buildings under development for future owner-occupied purpose

When buildings are in the course of development for production or for administrative purposes, the amortisation of prepaid lease payments provided during the construction period is included as part of costs of buildings under construction. Buildings under construction are carried at cost, less any identified impairment losses. Depreciation of buildings commences when they are available for use (i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by management).

3. 重大會計政策(續)

物業、廠房及設備(續)

在建工程包括用於生產、提供貨物或行政用途的物業、廠房及設備，以成本減已確認的減值虧損列賬。成本包括專業費用及根據本集團會計政策對合資格資產資本化的借貸成本。該等物業完工後並達到可作擬定用途時分類為適當的物業、廠房及設備類別。與其他物業資產一樣，當這些資產達到可作擬定用途時開始折舊。

當物業、廠房及設備項目因業主不再自用，證明其用途改變而成為投資物業時，該項目於轉讓當日之賬面金額與公平值之間任何差額於其他全面收益確認及於物業重估儲備內累計。日後出售或報廢該資產時，物業重估儲備將直接轉入累計溢利。

物業、廠房及設備項目於出售或預期持續使用該資產後亦將不會產生任何日後經濟利益之時，取消確認。物業、廠房及設備項目出售或報廢時所產生的任何收益或虧損按出售所得款項與該資產賬面值之間的差額釐定並確認為利潤或虧損。

供日後業主自用之發展中樓宇

當樓宇正在發展作生產或行政用途，在建期間預付租賃款項之攤銷計入在建樓宇成本部分。在建樓宇以成本減任何已識別減值虧損列賬。樓宇於可供使用(即其達致管理層預期方式之可供營運之地點及狀況)時開始計提折舊。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 a land use right 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)

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 activities (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 listed above. 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 measured 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 recognised separately from goodwill and initially recognised their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets 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 (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

Technical know-how acquired in a business combination comprises 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要求與商譽分開確認，該無形資產的成本乃為其於收購日期的公平值。

於初步確認後，有限定可使用年期之無形資產乃按成本減累計攤銷及任何累計減值虧損列賬。有限定可使用年期之無形資產按其估計可使用年期以直線法予以攤銷(見下文有關有形及無形資產減值虧損之會計政策)。

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.

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)

於報告期末，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。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Properties under development for sales

Properties under development for sales are stated at lower of cost and net realisable value. Cost comprises both the land use rights and development cost of the property. Net realisable value takes into account the price ultimately expected to be realised, less applicable selling expenses and the anticipated costs to completion.

Development cost of property comprises construction costs, borrowing costs capitalised according to the Group's accounting policy and directly attributable cost incurred during the development period. On completion, the properties are transferred to properties held for sales.

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)

發展中的銷售物業

發展中的銷售物業乃按成本與可變現淨值兩者的較低值入賬。成本包括土地使用權以及物業的開發成本。可變現淨值計入最終預計可變現價格，減去適用銷售開支及預期竣工成本計算。

發展中物業的成本包括建築成本，及根據本集團會計政策撥充資本的借貸成本及於發展期間產生的直接應佔成本。竣工後，發展中物業轉撥至持作銷售用途的物業。

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. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. 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 and 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.

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。分類乃按金融資產之性質及目的，於初始確認時予以釐定。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。實際利率為實際於該項金融資產的預計年期或(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支付或收取構成整體實際利息一部分之費用、交易成本及其他溢價或折讓)之利率。

就債務工具而言，利息收入按實際利率基準確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

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.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at the end of the reporting period (see accounting policy on impairment loss on financial assets below).

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, 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 loss on financial assets

Financial assets of the Group are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be 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.

3. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

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。

在任何交投活躍之市場並無市場報價及無法可靠地計量公平值之可供出售股本投資，於報告期末按成本減任何已識別減值虧損計量（見下文有關金融資產減值虧損之會計政策）。

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、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末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，金融資產即被視為已減值。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Impairment loss on financial assets (CONTINUED)

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

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

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, 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 cost, the amount of the impairment loss recognised is difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar asset. Such impairment loss will not be reversed in subsequent periods.

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.

3. 重大會計政策(續)

金融工具(續)

金融資產減值(續)

就貸款及應收賬款而言，減值之客觀證據可能包括：

- 發行人或交易對方出現重大財政困難；或
- 違反合約，例如拖欠或逾期償還利息或本金；或
- 借款人將很有可能進入破產程序或進行財務重組。

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於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。

就按成本列賬的金融資產而言，已確認減值虧損為資產的賬面值與按類似資產於當前市場回報率折現的估計未來現金流量的現值間的差額。該等減值虧損將不會於隨後期間撥回。

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。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Impairment loss on financial assets (CONTINUED)

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 loss 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.

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified as either financial liabilities or as equity instruments in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3. 重大會計政策(續)

金融工具(續)

金融資產減值(續)

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。

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，分類為金融負債或為股本工具。

股本工具

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。本集團發行之股本工具以已收所得款項扣除直接發行成本後確認。

本公司所購回之本身股本工具直接於權益中確認及扣除。收購、出售、發行或註銷本公司本身之股本工具時，並不會於損益中確認收益或虧損。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (CONTINUED)

Financial liabilities and equity (CONTINUED)

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 (including all fees and 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 liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

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.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and 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.

3. 重大會計政策(續)

金融工具(續)

金融資產減值(續)

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)初次確認賬面淨值的較短期間折現預計未來現金收入(包括所支付或收取構成整體實際利息一部分之費用、交易成本及其他溢價或折讓)之利率。

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。

終止確認

倘從資產收取現金流的合約權利已到期,或本集團將其金融資產或該等資產擁有權的絕大部份風險及回報轉移予另一實體時,本集團方會取消確認該金融資產。

於完全取消確認一項金融資產時,該資產賬面值與已收及應收代價金額總額之差額,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之差額乃於損益中確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, 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.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. 重大會計政策(續)

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)。

於報告期末，本集團修正其最終預算歸屬購股權數量之估計。修正原有估計之影響(如有)乃於損益中確認，以於累計開支中反映修正估計，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. 估計不確定性的主要來源

應用本集團於附註3詳述的會計政策時，本公司的董事須就無法從其他來源取得可靠依據的資產及負債的賬面值作出判斷、估計及假設。該等估計及相關假設乃基於過往經驗及其他被視為相關的因素而作出，因此，實際結果或會有別於該等估計。

有關估計及假設須持續檢討。倘會計估計的修訂僅影響作出修訂的期間，則有關修訂會在該期間確認。倘修訂對現時及未來期間均有影響，則須在作出修訂的期間及未來期間確認。

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Allowances for inventories

The management of the Group reviews an aging analysis at the end of the reporting period and makes allowance for obsolete and slow-moving inventory items identified that are no longer suitable for use in production or sale. The management estimates the net realisable value for such finished goods and raw materials based primarily on the latest selling and purchase prices and current market conditions. The Group carries out an inventory review on a product-by-product basis at the end of the reporting period and makes allowance for slowing-moving inventory. If the market condition was to deteriorate, resulting in a lower net realisable value for such finished goods and raw materials, additional allowances may be required. As at 31 December 2011, the carrying amount of inventories is approximately HK\$620,729,000 (2010: HK\$440,013,000).

Impairment of trade receivables

In estimating whether allowance for bad and doubtful debts is required, the Group takes into consideration the ageing status and the likelihood of collection. When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2011, the carrying amounts of trade receivables are approximately HK\$105,512,000 (2010: HK\$110,420,000). Details of trade receivables are disclosed in note 25.

4. 估計不確定性的主要來源(續)

於報告期末，就未來和其他估計的不明朗因素的主要來源所作出，且足以致使下一個財政年度的資產及負債賬面值發生重大調整的重大風險之主要假設，列載如下。

存貨撥備

本集團之管理層於報告期末審閱賬齡分析，並就因陳舊或滯銷而不適合作生產或銷售之存貨項目作出撥備。管理層主要根據最近期買賣價格及當時之市況而估計該等製成品及原材料之可變現淨值。本集團於報告期末按產品基準進行存貨審閱及對滯銷存貨作出撥備。倘若市況轉差，導致該等製成品及原材料可變現淨值下降，則可能需要作出額外撥備。截至二零一一年十二月三十一日，存貨賬面值約為620,729,000港元(二零一零年：440,013,000港元)。

應收貿易賬款減值

本集團於估計是否須就呆壞賬撥備時，須考慮賬齡情況及收回的可能性。倘有客觀證據顯示出現減值虧損，本集團亦須考慮未來現金流量的估計。減值虧損金額乃按資產賬面值與按金融資產原定實際利率貼現的估計未來現金流量現值(不包括尚未產生的未來信貸虧損)的差額而計量。倘實際未來現金流量少於預期，或會產生重大減值虧損。於二零一一年十二月三十一日，應收貿易賬款的賬面值約為105,512,000港元(二零一零年：110,420,000港元)。應收貿易賬款的詳情於附註25中披露。

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the assets exceeds its recoverable amount. An impairment loss is recognised for the amount by which the recoverable amount of property, plant and equipment being lower than its carrying amount. At the end of the reporting period, no property, plant and equipment was impaired based on the impairment assessment performed by management. It is possible that actual outcomes may be different from assumptions, having a material impact on the carrying amount of property, plant and equipment in the period when such estimate is revised. At 31 December 2011, the directors of the Company are satisfied that there is no indication that property, plant and equipment has suffered an impairment loss. As at 31 December 2011, the carrying amount of property, plant and equipment are approximately HK\$684,271,000 (2010: HK\$343,389,000).

Estimated impairment of goodwill and intangible assets

Determining whether goodwill and intangible assets acquired from business combination allocating to sale of handsets and solutions cash-generating units ("CGUs") are impaired requires an estimation of the value in use. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGUs, a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, an impairment loss may arise. As at 31 December 2011, the carrying amounts of goodwill and intangible assets acquired from business combination allocating to sale of handsets and solutions CGU are approximately HK\$28,321,000 (2010: HK\$28,321,000) and HK\$39,474,000 (2010: HK\$43,135,000), respectively.

4. 估計不確定性的主要來源(續)

物業、廠房及設備減值

倘有事件發生或情況改變顯示物業、廠房及設備的賬面值超過其可收回金額時，則本集團將就物業、廠房及設備進行減值檢討。如物業、廠房及設備的可收回金額低於其賬面值的差額，則須確認減值虧損。根據管理層進行的減值測試，於報告期末，概無物業、廠房及設備須予以減值。實際結果可能與假設有所不同，並可能對該等估計修訂期間的物業、廠房及設備的賬面值產生重大影響。於二零一一年十二月三十一日，本公司的董事對物業、廠房及設備並無出現減值虧損跡象感到滿意。於二零一一年十二月三十一日，物業、廠房及設備的賬面值約為684,271,000港元(二零一零年：343,389,000港元)。

商譽及無形資產之估計減值

釐定來自業務合併並分配至銷售手機及解決方案之現金產生單位(「現金產生單位」)的商譽及無形資產是否減值時，須估計其使用價值。本集團計算使用價值時，須估計預期來自現金產生單位的未來現金流量及適合之貼現率，以計算現值。實際現金流量少於預期時，可能會產生減值虧損。於二零一一年十二月三十一日，商譽及來自業務合併並分配至銷售手機及解決方案現金產生單位的無形資產的賬面值分別約為28,321,000港元(二零一零年：28,321,000港元)及39,474,000港元(二零一零年：43,135,000港元)。

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5. FINANCIAL INSTRUMENTS

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.

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 available-for-sale investments, 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.

Currency risk

Several subsidiaries of the Group have foreign currency sales and purchases, which expose the Group to foreign currency risk. Approximately 34% (2010: 36%) of the Group's sales are denominated in currencies other than the functional currency of the group entity making the sale, whilst almost 26% (2010: 48%) of costs are denominated in the group entity's functional currency.

5. 金融工具

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。

金融工具類別

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
1,557,692	1,599,064
16,605	15,876
1,509,768	1,136,370

財務風險管理的目標與政策

本集團之主要金融工具包括可供出售投資、應收及應付貿易賬款、應收賬單、應收及應付票據、其他應收及應付賬款、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。與該等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。

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34% (二零一零年：36%) 以集團實體進行買賣的功能貨幣以外的貨幣計值，而約26% (二零一零年：48%) 的成本是以集團實體的功能貨幣計值。

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

(CONTINUED)

Currency risk (continued)

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 (i) trade receivables and notes receivable; (ii) pledged bank deposits and bank balances; (iii) trade payables and (iv) bank borrowings and the amounts are disclosed in notes 25, 26, 27 and 28 respectively.

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

United States Dollars ("USD") 美元

The management monitors foreign exchange exposure by entering non-deliverable foreign exchange forward contracts to eliminate the currency exposures in USD denominated bank borrowings. As at 31 December 2011, there is no open position on the non-deliverable foreign exchange forward contracts. In the opinion of the directors of the Company, the fair values of these forwards are insignificant as at 31 December 2010.

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

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(i)應收貿易賬款及應收票據；(ii)已抵押銀行存款及銀行結餘；(iii)應付貿易賬款及(iv)銀行借貸，其相關金額分別於附註25、26、27及28披露。

於報告日期，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	
2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
260,920	204,288	796,745	932,067

管理層會以通過不交收外匯遠期合約，而消除美元計值銀行借貸貨幣風險，監察外匯風險。截至二零一一年十二月三十一日，不交收外匯遠期合約並無未平倉合約。本公司董事的意見認為，截至二零一零年十二月三十一日，該等遠期合約的公平值數額輕微。

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5. FINANCIAL INSTRUMENTS (CONTINUED)

5. 金融工具(續)

Financial risk management objectives and policies

(CONTINUED)

Currency risk (continued)

Sensitivity analysis

The following table details the Group's sensitivity to a 10% (2010: 10%) increase and decrease in RMB against USD. 10% (2010: 10%) 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 foreign currency forward contracts and adjusts their translation at the end of the reporting period for a 10% (2010: 10%) change in foreign currency rates. A positive number below indicates a decrease in post-tax loss (2010: increase in post-tax profit) where RMB strengthen 10% against USD for the both years. For a 10% weakening of RMB against USD, there would be an equal and opposite impact on the post-tax loss (2010: post-tax profit) and the balances below would be negative.

Post-tax loss (2010: post-tax profit) 稅後虧損(二零一零年：稅後溢利)

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.

Credit risk

The Group's credit risk is primarily attributable to trade receivables, other receivables, notes and bills receivables, pledged bank deposits, 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 2011 and 2010 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.

財務風險管理的目標與政策(續)

貨幣風險(續)

敏感度分析

下表詳細列出本集團對於人民幣兌美元升值/貶值10%(二零一零年：10%)的敏感度。10%(二零一零年：10%)代表管理層對外匯匯率有可能變動的評估。敏感度分析僅包括以外幣計值貨幣項目及外幣遠期合約於報告期末對匯率作10%(二零一零年：10%)調整。以下的正數代表人民幣兌美元在兩年均升值10%的稅後虧損減少(二零一零年：稅後溢利增加)情況。如人民幣兌美元貶值10%，稅後虧損(二零一零年：稅後溢利)將有相同但相反的影響，而以下的結餘將會是負數。

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
41,280	18,638

附註： 主要為來自本集團於報告期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。

信貸風險

本集團的信貸風險主要來自應收貿易賬款、其他應收賬款、應收票據及賬單、已抵押銀行存款，以及銀行結餘。

本集團因對手方未能履行責任而於二零一一年及二零一零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值。

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

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. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

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.

The Group has concentration of credit risks with exposure limited to certain customers. As at 31 December 2011, two (2010: three) customers amounted HK\$81,130,000 (2010: HK\$68,182,000) comprised approximately 77% (2010: 62%) 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.

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

為盡量減低信貸風險，本集團管理層已委派負責釐定信貸限額、信貸審批及其他監察程序之團隊以確定已採取跟進措施收回逾期債務。此外，本集團會於報告期末審閱各貿易應收賬款的可收回金額，以確保不可收回金額已計提合適的減值虧損。就此而言，本集團董事認為本集團信貸風險已顯著減低。

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。

本集團存在信貸風險集中的情況，風險集中於若干客戶。於二零一一年十二月三十一日，兩名(二零一零年：三名)客戶佔81,130,000港元(二零一零年：68,182,000港元)，相當於本集團的應收貿易賬款約77%(二零一零年：62%)。該等客戶集中於中國之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。

5. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies

(CONTINUED)

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 2011, the carrying amount of bank borrowings amounted to HK\$511,472,000 (2010: HK\$640,335,000). All such bank borrowings included a repayment on demand clause exercisable at any time by the relevant banks. In accordance with the scheduled repayment dates set out in the loan agreements, the aggregate principal and interest cash outflows amounted to HK\$513,720,000 (2010: HK\$644,512,000) repayable within 3 months. However, shall the relevant banks exercise their rights to demand immediate repayment, the principal amounts of these bank borrowings amounted to HK\$511,472,000 (2010: HK\$640,335,000) will be repayment on demand. Taking into account the Group's financial position, the directors of the Company do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment.

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)

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貸之運用，以確保符合貸款承諾。

於二零一一年十二月三十一日，銀行借貸的賬面值達511,472,000港元(二零一零年：640,335,000港元)。所有銀行借貸包括有關銀行可於任何時間行使的按要求償還條款。根據借貸協議中的償還日期，本金及利息現金流出總額為513,720,000港元(二零一零年：644,512,000港元)須於三個月內償還。不過，如有關銀行行使權利要求即時還款，銀行借貸511,472,000港元(二零一零年：640,335,000港元)本金額將須於要求時償還。考慮到本集團的財務狀況，本公司董事並不相信銀行將會行使權利要求即時償還。

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(包括上文所討論的銀行借貸之還款時間)，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末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)**5. 金融工具(續)****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 (2010: 100 basis point) change 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 bank 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 (2010: 100 basis point) higher/lower and all other variables were held constant, the Group's post-tax loss for the year ended 31 December 2011 would increase/decrease by HK\$3,970,000 (2010: post-tax profit decrease/increase by HK\$5,597,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings.

財務風險管理的目標與政策(續)**利率風險**

本集團須承受有關浮息銀行借貸及銀行結餘的現金流利率風險。

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承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。採用100個基點(二零一零年：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銀行借貸產生之倫敦銀行同業拆息(「倫敦銀行同業拆息」)波動。

敏感度分析

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

敏感度分析乃按假設在報告期末尚未償還的金融工具於整年內未償還而編製。如銀行借貸利率上升/下降100基點(二零一零年：100基點)而所有其他變數維持不變，本集團截至二零一一年十二月三十一日止年度的稅後虧損將會增加/減少3,970,000港元(二零一零年：稅後溢利減少/增加5,597,000港元)。這主要是由於本集團浮息銀行借貸的利率風險所致。

5. FINANCIAL INSTRUMENTS (CONTINUED)

Fair value

The fair value of financial assets and financial liabilities is determined in accordance with general accepted pricing models based on discounted cash flow analysis.

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.

6. REVENUE

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

7. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered.

The Group is currently organised into four reportable and operating segments—sale of handsets and solutions, sale of display modules, sale of wireless communication modules and property development. These reportable and operating segments are the basis of the internal reports about components of the Group that are regularly reviewed by the executive directors in order to allocate resources to segments and to assess their performance.

During the year ended 31 December 2011, property development operating activity has become substantial to the Group, therefore it is reported as a new reportable and operating segment. Figures in the segmental information for year ended 31 December 2010 have been restated for comparative purposes only.

Segment revenues and results

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

5. 金融工具(續)

公平值

金融資產和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公平值相若。

6. 收入

收入指已售貨物扣除退貨後的已收款項及應收賬款。

7. 分類資料

就資源分配及分類業績評估向本公司執行董事(即主要營運決策者)報告之資料，乃按交付貨物的類型而呈列。

本集團現時分有四個可呈報及營運分類—銷售手機及解決方案、銷售顯示模塊、銷售無線通訊模塊及物業發展。該等可呈報及營運分類為執行董事定期審閱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。

於截至二零一一年十二月三十一日止年度，物業發展經營活動對本集團而言非常重要，故呈報為一項新增可呈報及營運分類。截至二零一零年十二月三十一日止年度之分類資料數據經已重列，惟僅供比較之用。

分類收入及業績

下表為本集團按可呈報及營運分類之收入及業績分析。

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For the year ended 31 December 2011
截至二零一一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 2010 (restated)

分類收入及業績(續)

截至二零一零年十二月三十一日止年度(經重列)

		Sale of handsets and solutions 銷售手機及 解決方案 HK\$'000 千港元	Sale of display modules 銷售 顯示模塊 HK\$'000 千港元	Sale of wireless communication modules 銷售無線 通訊模塊 HK\$'000 千港元	Property development 物業發展 HK\$'000 千港元	Segment total 分類總額 HK\$'000 千港元	Elimination 撤銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Revenue	收入							
External sales	對外銷售	3,170,208	142,129	721,694	-	4,034,031	-	4,034,031
Inter-segment sales	分類間銷售	-	52,580	-	-	52,580	(52,580)	-
Total	總額	3,170,208	194,709	721,694	-	4,086,611	(52,580)	4,034,031
Segment profit (loss)	分類溢利(虧損)	203,764	(5,339)	69,663	(2,653)	265,435	-	265,435
Other income	其他收入							20,710
Corporate expenses	公司開支							(24,363)
Gain from changes in fair values of investment properties	投資物業公平值 變動收益							15,310
Finance costs	融資成本							(10,288)
Profit before taxation	除稅前溢利							266,804

The accounting policies of the reportable and 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 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.

本集團可呈報及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。分類業績代表每一分類在未分配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所產生之收益或虧損。此乃就資源分配及評估表現而向執行董事作出報告之方法。

分類間銷售按相互協定之條款收費。

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綜合財務報表附註For the year ended 31 December 2011
截至二零一一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 reportable and operating segment:

At 31 December 2011

分類資產及負債

下表載列本集團按可呈報及營運分類劃分的資產及負債分析：

於二零一一年十二月三十一日

		Sale of handsets and solutions 銷售手機及 解決方案 HK\$'000 千港元	Sale of display modules 銷售 顯示模塊 HK\$'000 千港元	Sale of wireless communication modules 銷售無線 通訊模塊 HK\$'000 千港元	Property development 物業發展 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Segment assets	分類資產	1,795,330	359,119	378,461	255,162	2,788,072
Investment properties	投資物業					273,023
Property, plant and equipment	物業、廠房及設備					3,467
Deferred tax assets	遞延稅項資產					17,946
Available-for-sale investments	可供出售投資					16,605
Deposits paid for property, plant and equipment	就物業、廠房及設備支付之按金					11,680
Other receivables, deposits and prepayments	其他應收賬款、按金及預付款項					57,968
Pledged bank deposits	已抵押銀行存款					171,890
Bank balances and cash	銀行結餘及現金					500,817
Consolidated assets	綜合資產					3,841,468
Segment liabilities	分類負債					
- attributable to sale of display modules	- 銷售顯示模塊應佔	-	300,438	-	-	300,438
- attributable to property development	- 物業發展應佔	-	-	-	50,246	50,246
- attributable to operating segment other than sale of display modules and property development (note)	- 銷售顯示模塊及物業發展以外的營運分類應佔(附註)					737,642
						1,088,326
Other payables, deposits received and accruals	其他應付賬款、已收按金及應計款項					110,303
Bank borrowings	銀行借貸					511,472
Tax payable	應付稅項					5,214
Deferred tax liabilities	遞延稅項負債					51,263
Consolidated liabilities	綜合負債					1,766,578

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7. SEGMENT INFORMATION (CONTINUED)

7. 分類資料(續)

Segment assets and liabilities (CONTINUED)

At 31 December 2010 (Restated)

分類資產及負債(續)

於二零一零年十二月三十一日(經重列)

		Sale of handsets and solutions 銷售手機及 解決方案 HK\$'000 千港元	Sale of display modules 顯示模塊 HK\$'000 千港元	Sale of wireless communication modules 銷售無線 通訊模塊 HK\$'000 千港元	Property development 物業發展 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Segment assets	分類資產	1,068,903	254,929	161,450	124,905	1,610,187
Investment properties	投資物業					243,832
Property, plant and equipment	物業、廠房及設備					186
Deferred tax assets	遞延稅項資產					9,592
Available-for-sale investments	可供出售投資					15,876
Deposits paid for property, plant and equipment	就物業、廠房及 設備支付之按金					20,226
Other receivables, deposits and prepayments	其他應收賬款、按金 及預付款項					100,073
Pledged bank deposits	已抵押銀行存款					616,828
Bank balances and cash	銀行結餘及現金					534,522
Consolidated assets	綜合資產					3,151,322
Segment liabilities	分類負債					
- attributable to sale of display modules	- 銷售顯示模塊應佔	-	88,539	-	-	88,539
- attributable to property development	- 物業發展應佔	-	-	-	679	679
- attributable to operating segment other than sale of display modules and property development (note)	- 銷售顯示模塊及 物業發展以外的營運 分類應佔(附註)					482,418
						571,636
Other payables, deposits received and accruals	其他應付賬款、已收按金 及應計款項					47,625
Bank borrowings	銀行借貸					640,335
Tax payable	應付稅項					29,488
Deferred tax liabilities	遞延稅項負債					43,148
Consolidated liabilities	綜合負債					1,332,232

7. SEGMENT INFORMATION (CONTINUED)**Segment assets and liabilities (CONTINUED)**

Note: Liabilities attributable to reportable and operating segments other than sale of display modules and property development represented payables to common suppliers of the reportable and operating segments other than sale of display modules and property development, 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 reportable and operating segments other than investment properties, certain property, plant and equipment, pledged bank deposits, bank balances and cash, deposits paid for property, plant and equipment, available-for-sale investments, deferred tax assets and certain other receivables, deposits and prepayment. Assets used jointly by operating segments are allocated on the basis of the revenues earned by individual operating segments; and
- other than liabilities specifically identified for reportable and operating segments on sale of display modules and property development, the remaining liabilities are allocated between payables jointly consumed by reportable and operating segments on sale of handsets and solutions and sale of wireless communication modules and corporate liabilities. Corporate liabilities include other payables, deposits received and accruals, tax payable, bank borrowings and deferred tax liabilities.

7. 分類資料(續)**分類資產及負債(續)**

附註： 銷售顯示模塊及物業發展以外之可呈報及營運分類應佔之負債，指銷售顯示模塊及物業發展以外之可呈報及營運分類之應付普通供應商款項，該等款項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：

- 除投資物業、若干物業、廠房及設備、已抵押銀行存款、銀行結餘及現金、就物業、廠房及設備所支付之按金、可供出售投資、遞延稅項資產及若干其他應收賬款、按金及預付款項以外，所有資產均分類至可呈報及營運分類。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
- 除具體確定為銷售顯示模塊及物業發展之可呈報及營運分類之負債外，其餘負債已分配至由銷售手機及解決方案與銷售無線通訊模塊之可呈報及營運分類共同消耗之應付賬款，以及企業負債。企業負債包括其他應付賬款、已收按金及應計款項、應付稅項、銀行借貸及遞延稅項負債。

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7. SEGMENT INFORMATION (CONTINUED)

7. 分類資料(續)

Other segment information

For the year ended 31 December 2011

其他分類資料

截至二零一一年十二月三十一日止年度

	Sale of handsets and solutions 銷售手機及 解決方案 HK\$'000 千港元	Sale of display modules 銷售 顯示模塊 HK\$'000 千港元	Sale of wireless modules 銷售無線 通訊模塊 HK\$'000 千港元	Property development 物業發展 HK\$'000 千港元	Unallocated 未分配 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	231,219	80,578	64,172	559	1,253	377,781
Additions of intangible assets	添置無形資產	97,373	-	88,350	-	-	185,723
Depreciation of property, plant and equipment	物業、廠房及 設備之折舊	27,999	12,903	10,229	383	255	51,769
Amortisation of intangible assets	無形資產攤銷	130,288	-	57,091	-	-	187,379
Amortisation of land use rights	土地使用權攤銷	1,560	186	339	-	-	2,085
Reversal of allowance for bad and doubtful debts	呆壞賬撥備撥回	10,167	-	-	-	-	10,167
Write-down of inventories	存貨撇減	22,293	3,354	6,078	-	-	31,725

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截至二零一一年十二月三十一日止年度

7. SEGMENT INFORMATION (CONTINUED)

7. 分類資料(續)

Other segment information (CONTINUED)

For the year ended 31 December 2010

其他分類資料(續)

截至二零一零年十二月三十一日止年度

	Sale of handsets and solutions 銷售手機及解決方案 HK\$'000 千港元	Sale of display modules 銷售顯示模塊 HK\$'000 千港元	Sale of wireless communication modules 銷售無線通訊模塊 HK\$'000 千港元	Property development 物業發展 HK\$'000 千港元	Unallocated 未分配 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	97,863	8,054	16,956	-	1,536	124,409
Additions of intangible assets	123,576	-	40,498	-	-	164,074
Depreciation of property, plant and equipment	26,565	12,622	4,122	-	231	43,540
Amortisation of intangible assets	128,171	-	40,617	-	-	168,788
Amortisation of land use rights	1,713	204	373	-	-	2,290
Allowance for bad and doubtful debts, net	10,115	525	-	-	-	10,640
Write-down of inventories	3,658	1,326	1,529	-	-	6,513

Revenue from major products

來自主要產品的收入

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Sale of handsets and solutions 銷售手機及解決方案	2,608,071	3,170,208
Sale of display modules 銷售顯示模塊	132,454	142,129
Sale of wireless communication modules 銷售無線通訊模塊	593,574	721,694
	3,334,099	4,034,031

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7. SEGMENT INFORMATION (CONTINUED)

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of total sales of the Group, each deriving revenue from the Group's reportable and operating segments other than property development segment, are as follows:

Customer A	客戶 A
Customer B	客戶 B

¹ The corresponding revenue did not contribute over 10% of total revenue of the Group.

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.

7. 分類資料(續)

關於主要客戶的資料

於相應年度佔本集團總銷售額超過10%的客戶收入，均來自本集團除物業發展分類外的可呈報及營運分類如下：

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
N/A 不適用 ¹	817,035
949,104	N/A 不適用 ¹

¹ 相應收入佔本集團總收入10%或以下。

該等客戶均屬中國同一移動手機技術產業。

地區資料

本集團收入及非流動資產主要來自中國，即本集團產生收入及持有資產之所在國。因此，並無呈列進一步分析。

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8. OTHER INCOME

8. 其他收入

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Refund of VAT (Note 1)	增值稅退稅(附註1)	12,695	18,588
Government grants (Note 2)	政府項目收入(附註2)	10,237	65,539
Interest income earned on bank balances	銀行結餘賺取之 利息收入	18,569	8,994
Rental income (Less: outgoings of HK\$1,625,000 (2010: HK\$1,077,000))	租金收入 (減：支出1,625,000 港元 (二零一零年：1,077,000 港元))	12,864	11,101
Others	其他	1,605	2,473
		55,970	106,695

Notes:

- (1) Shanghai Simcom Limited ("Shanghai Simcom"), Shanghai Speedcomm Technology Limited ("Shanghai Speedcomm") and Shanghai Simcom Wireless Solutions Limited ("Simcom Wireless"), wholly owned subsidiaries of the Company, are engaged in the business of distribution of self-developed and produced software. Under the current PRC tax regulation, they are entitled to a refund of VAT paid for sales of self-developed software in the PRC.
- (2) The amount includes HK\$9,420,000 (2010: HK\$35,817,000) unconditional government grants granted to encourage for the Group's research and developments activities in the PRC.

During the year ended 31 December 2011, the Group received government grants of HK\$18,940,000 (2010: HK\$27,648,000) towards the cost of development on wireless communication modules and mobile handset modules in Shanghai and Shenyang. The amounts are transferred to other income to match actual expenditure used in research and development activities and HK\$817,000 (2010: HK\$29,722,000) was recognised in the profit or loss during the year. As at 31 December 2011, an amount of HK\$47,028,000 (2010: HK\$27,349,000) remains to be unamortised and included in other payables.

附註：

- (1) 本公司之全資附屬公司希姆通信息技術(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(「芯訊通無線」)均從事分銷自行開發及生產的軟件。根據中國現行之稅務法規，在中國就銷售自行開發之軟件已繳付之增值稅可享有退稅。
- (2) 此金額包括無條件之政府項目收入9,420,000港元(二零一零年：35,817,000港元)，以鼓勵本集團於中國的研發活動。

本集團於截至二零一一年十二月三十一日止年度獲得政府項目收入18,940,000港元(二零一零年：27,648,000港元)，用作於上海及沈陽開發無線通訊模塊及手機免提數據機的成本。金額已轉撥至其他收入以配合研發活動的實際開支，而817,000港元(二零一零年：29,722,000港元)已於年內確認為損益。於二零一一年十二月三十一日，一筆47,028,000港元(二零一零年：27,349,000港元)的款項仍然未攤銷並已計入其他應付賬款。

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9. OTHER GAINS AND LOSSES

9. 其他收益及虧損

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Loss on disposal of property, plant and equipment	出售物業、廠房 及設備之虧損	(69)	(74)
Net foreign exchange gain	外匯收益淨額	23,382	22,963
Changes in fair values of investment properties	投資物業公平值變動	17,702	15,310
Allowance for bad and doubtful debts	呆壞賬撥備	-	(11,051)
Reversal of allowance for bad and doubtful debts (Note)	呆壞賬撥備撥回 (附註)	10,167	411
		51,182	27,559

Note: During the year 31 December 2011, reversal of allowance for bad and doubtful debts of HK\$10,167,000 (2010: HK\$411,000) is recognised upon the settlement of trade receivables which are impaired in the previous periods.

附註：於截至二零一一年十二月三十一日止年度，呆壞賬撥備撥回10,167,000港元（二零一零年：411,000港元）已於收到在先前期間出現減值的應收貿易賬款時確認。

10. FINANCE COSTS

10. 融資成本

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 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	10,739	10,288

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 2011 截至二零一一年十二月三十一日止年度				
		Salaries and allowances	Bonus	Share-based payments	Retirement benefits contributions	Total emoluments
		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
		千港元	千港元	千港元	千港元	千港元
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	-	581	-	-	581
Mr Zhang Jianping	張劍平先生	-	1,162	1,421	74	4,472
Ms Tang Rongrong	唐融融女士	-	508	553	3	1,306
Mr Chan Tat Wing, Richard	陳達榮先生	-	1,300	540	60	1,900
Independent non-executive directors	獨立非執行董事					
Mr Dong Yunting (Note 2)	董雲庭先生(附註2)	91	-	-	-	91
Mr Liu Hing Hung	廖慶雄先生	156	-	-	-	156
Mr Xie Linzhen	謝麟振先生	156	-	-	-	156
Mr Zhuang Xingfang (Note 2)	庄行方先生(附註2)	65	-	-	-	65
		468	3,551	2,057	2,514	137
						8,727

Notes:

- (1) Incentive performance bonus for the year ended 31 December 2011 was determined by the remuneration committee having regard to the performance of directors and the Group's operating results.
- (2) Mr Zhuang Xingfang resigned as independent non-executive director on 1 June 2011 and Mr Dong Yunting was appointed as independent non-executive director on 1 June 2011.

附註：

- (1) 截至二零一一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) 庄行方先生已於二零一一年六月一日辭任獨立非執行董事職務，而董雲庭先生於二零一一年六月一日獲委任為獨立非執行董事。

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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 2010
截至二零一零年十二月三十一日止年度

		Salaries and allowances	Bonus	Share-based payments	Retirement benefits scheme contributions	Total emoluments
	Directors' fees	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)			
			(附註)			
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	-	553	-	-	553
Mr Zhang Jianping	張劍平先生	-	1,106	1,382	64	3,975
Ms Tang Rongrong	唐融融女士	-	484	346	10	1,381
Mr Chan Tat Wing, Richard	陳達榮先生	-	1,300	-	60	1,886
Independent non-executive directors	獨立非執行董事					
Mr Liu Hing Hung	廖慶雄先生	156	-	-	-	156
Mr Xie Linzhen	謝麟振先生	156	-	-	-	156
Mr Zhuang Xingfang	庄行方先生	156	-	-	-	156
		468	3,443	1,728	134	8,263

Note: Incentive performance bonus for the year ended 31 December 2010 was determined by the remuneration committee having regard to the performance of directors and the Group's operating results.

附註：截至二零一零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。

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

The five highest paid individuals included three (2010: three) directors for the year ended 31 December 2011, whose emoluments are included in the above. The emoluments of the remaining two (2010: two) individuals are 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
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000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**

截至二零一一年十二月三十一日止年度，五名最高薪酬人士包括三名(二零一零年：三名)董事，其酬金已載於上文。餘下兩名(二零一零年：兩名)最高薪酬人士之酬金如下：

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
726	968
1,678	1,405
627	536
87	127
3,118	3,036

彼等之酬金在以下所列範圍：

2011 二零一一年 Number of employees 僱員人數	2010 二零一零年 Number of employees 僱員人數
–	–
–	1
2	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 (CREDIT) CHARGE

12. 稅項(計入)扣除

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
PRC Enterprise Income Tax (Over)under provision in PRC Enterprise Income Tax in prior years	中國企業所得稅 過往年度中國企業所得稅 (超額)不足撥備	5,014	28,286
		(16,815)	1,788
Deferred tax credit (Note 21)	遞延稅項計入(附註21)	(11,801) (1,773)	30,074 (894)
Income tax (credit) expense for the year	本年度所得稅(計入)支出	(13,574)	29,180

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 2011 and 2010 respectively. Two other wholly-owned 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 24% (2010: 22%) 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") and Smartwireless Technology Limited are classified as New and High Technology Enterprise and are entitled to adopt a tax rate of 15% for both years. The tax charge provided has been made after taking into account these tax incentive.

由於本公司及其附屬公司在香港並無產生應課稅溢利，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。截至二零一一年及二零一零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。本公司其他兩家全資附屬公司上海羅捷斯迪電子有限公司(「羅捷斯迪」)及麥維訊電子(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24%(二零一零年：22%)稅率繳納企業所得稅。上海晨興希姆通電子科技有限公司(「上海晨興希姆通」)和北京華創智豐科技有限公司被評為「高新技術企業」，因此兩個年度有權享用15%的適用稅率。稅項開支撥備已計及該等稅務優惠。

12. TAXATION (CREDIT) CHARGE (CONTINUED)**12. 稅項(計入)扣除(續)**

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 25% (2010: 10% to 25%).

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

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25%(二零一零年：10%至25%)。

本年度稅項(計入)扣除與綜合收益表中所示之除稅前(虧損)溢利對賬如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
(Loss) profit before taxation	除稅前(虧損)溢利	(41,626)	266,804
Taxation at the PRC income tax rate of 25% (2010: 25%)	按中國企業所得稅稅率25%計算(二零一零年：25%)	(10,407)	66,701
Tax effect of expenses not deductible for tax purpose	不可扣稅之開支之稅務影響	5,852	10,858
Tax effect of income not taxable for tax purpose	無須課稅之收入之稅務影響	(9,262)	(10,907)
Tax effect of tax losses not recognised (Over)underprovision in respect of prior years	未確認稅務虧損之稅務影響 過往年度(超額)不足撥備	31,658	7,141
Utilisation of tax losses previously not recognised	動用過往未確認之稅務虧損	(16,815)	1,788
Effect of tax exemptions granted to PRC subsidiaries	中國附屬公司之稅務豁免之影響	(2,411)	(22,698)
Income tax on concessionary rate	按優惠稅率計算之所得稅	(9,629)	(12,664)
		(2,560)	(11,039)
Taxation (credit) charge for the year	本年度稅項(計入)扣除	(13,574)	29,180

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13. (LOSS) PROFIT FOR THE YEAR

13. 本年度(虧損)溢利

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
(Loss) profit for the year is arrived at after charging (crediting):	本年度(虧損)溢利 已扣除(計入):		
Auditor's remuneration	核數師酬金	2,000	1,950
Amortisation of intangible assets (included in cost of sales)	無形資產攤銷 (計入銷售成本)	187,379	168,788
Less: Amount capitalised in development costs	減: 已資本化開發成本	(1,421)	(1,188)
		185,958	167,600
Amortisation of land use rights	土地使用權攤銷	2,085	2,290
Depreciation of property, plant and equipment	物業、廠房及設備折舊	51,769	43,540
Less: Amount capitalised in development costs	減: 已資本化開發成本	(3,560)	(3,130)
		48,209	40,410
Write-down of inventories (included in cost of sales)	存貨撇減 (計入銷售成本)	31,725	6,513
Costs of inventories recognised as expenses (included in cost of sales)	確認為開支的存貨成本 (計入銷售成本)	3,038,696	3,505,281
Staff costs:	員工成本:		
Directors' emoluments (Note 11)	董事酬金(附註11)	8,727	8,263
Other staff costs	其他員工成本		
– Salaries and other benefits	– 工資及其他福利	372,659	238,629
– Retirement benefits scheme contributions	– 退休福利計劃供款	71,298	47,820
– Share-based payments	– 以股份付款	7,682	14,076
		460,366	308,788
Less: Amount capitalised in development costs	減: 已資本化開發成本	(147,952)	(126,567)
		312,414	182,221

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14. DIVIDENDS

14. 股息

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Dividends recognised as distribution during the year:	於年內確認為分派之股息：		
2010 Final dividend, paid – HK3.0 cents per share	已付二零一零年 末期股息—每股3.0港仙	51,733	–
2009 Final dividend, paid – HK2.2 cents per share	已付二零零九年 末期股息—每股2.2港仙	–	34,415
Interim dividend, paid – HK1.0 cent per share (2010: HK2.5 cents)	已付中期股息—每股1.0港仙 (二零一零年：2.5港仙)	17,048	39,195
		68,781	73,610
Final dividend of HK3.0 cents, proposed and paid for the year ended 31 December 2010	截至二零一零年十二月三十一日止年度建議及派付之末期股息每股3.0港仙	–	47,089

Note: The Board does not recommend the payment of a final dividend for the year ended 31 December 2011 (2010: HK3.0 cents).

附註：董事會並不建議派付截至二零一一年十二月三十一日止年度之末期股息(二零一零年：3.0港仙)。

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15. (LOSS) EARNINGS PER SHARE

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

(Loss) earnings

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

(虧損) 盈利

計算每股基本及攤薄(虧損)盈利之(虧損)盈利(本年度本公司股東應佔(虧損)溢利)

Number of shares

Weighted average number of ordinary shares for the purpose of the computation of basic (loss) earnings per share

股份數目

計算每股基本(虧損)盈利之普通股加權平均數

Effect of dilutive potential shares – share options weighted average number of ordinary shares for the purpose of diluted (loss) earnings per share

潛在攤薄股份之影響 – 購股權計算每股攤薄(虧損)盈利之普通股加權平均數

The computation of diluted loss per share for the year ended 31 December 2011 does not assume the exercise of the Company's share options as it would reduce loss per share.

For the year ended 31 December 2010, weighted average number of ordinary shares for the purpose of the computation of diluted earnings per share had accounted for the effect of share options with dilutive effect.

15. 每股(虧損)盈利

本公司股東應佔每股基本及攤薄(虧損)盈利乃按以下數據計算：

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
(25,478)	233,349
'000 千股	'000 千股
1,584,022	1,556,040
-	66,399
1,584,022	1,622,439

計算截至二零一一年十二月三十一日止年度的每股攤薄虧損並未假設行使本公司的購股權，因為其將減少每股虧損。

截至二零一零年十二月三十一日止年度，就計算每股攤薄盈利而言之普通股加權平均數已計入具攤薄影響之購股權影響。

16. INVESTMENT PROPERTIES

16. 投資物業

		HK\$'000 千港元
FAIR VALUE	公平值	
At 1 January 2010	於二零一零年一月一日	221,217
Increase in fair value recognised in profit or loss	於損益確認之公平值增加	15,310
Exchange differences	匯率差異	7,305
At 31 December 2010	於二零一零年十二月三十一日	243,832
Increase in fair value recognised in profit or loss	於損益確認之公平值增加	17,702
Exchange differences	匯率差異	11,489
At 31 December 2011	於二零一一年十二月三十一日	273,023

The Group's investment properties are held under medium-term leases in the PRC. The investment properties are commercial buildings located at 633 JinZhong Road, Changning District, Shanghai, the PRC.

The fair value of the Group's investment properties at 31 December 2011 and 2010 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. The valuation was arrived at by reference to the discounted cash flow projections based on 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.

As at 31 December 2011, the Group has pledged investment properties having a fair value of approximately HK\$39,114,000 (2010: HK\$36,303,000) to secure general banking facilities granted to the Group.

本集團位於中國之投資物業乃根據中期租約持有。投資物業乃位於中國上海市長寧區金鐘路633號的商業大廈。

本集團投資物業於二零一一年及二零一零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。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。

於二零一一年十二月三十一日，本集團之投資物業的公平值約為39,114,000港元(二零一零年：36,303,000港元)已予抵押，作為本集團獲得一般銀行融資之擔保。

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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 2010	於二零一零年一月一日	17,145	167,129	4,786	183,199	28,873	6,052	407,184
Exchange differences	匯率差異	541	5,278	138	5,766	911	175	12,809
Additions	添置	42,173	104	163	12,859	67,280	1,830	124,409
Transfer	轉撥	(22,641)	20,390	-	-	2,251	-	-
Disposals	出售	-	-	(416)	(917)	-	-	(1,333)
At 31 December 2010	於二零一零年 十二月三十一日	37,218	192,901	4,671	200,907	99,315	8,057	543,069
Exchange differences	匯率差異	1,709	8,858	206	9,200	4,561	345	24,879
Additions	添置	201,357	-	-	24,596	148,749	3,079	377,781
Transfer	轉撥	(173,261)	173,261	-	-	-	-	-
Disposals	出售	-	-	-	(340)	(24)	(439)	(803)
At 31 December 2011	於二零一一年 十二月三十一日	67,023	375,020	4,877	234,363	252,601	11,042	944,926
DEPRECIATION	折舊							
At 1 January 2010	於二零一零年一月一日	-	19,921	4,126	112,416	11,366	3,901	151,730
Exchange differences	匯率差異	-	799	121	4,026	555	126	5,627
Charge for the year	本年度折舊	-	8,181	225	24,793	9,408	933	43,540
Eliminated on disposals	於出售時對銷	-	-	(416)	(801)	-	-	(1,217)
At 31 December 2010	於二零一零年 十二月三十一日	-	28,901	4,056	140,434	21,329	4,960	199,680
Exchange differences	匯率差異	-	1,530	187	6,859	1,156	208	9,940
Charge for the year	本年度折舊	-	12,302	244	27,863	10,085	1,275	51,769
Eliminated on disposals	於出售時對銷	-	-	-	(340)	(22)	(372)	(734)
At 31 December 2011	於二零一一年 十二月三十一日	-	42,733	4,487	174,816	32,548	6,071	260,655
CARRYING VALUES	賬面值							
At 31 December 2011	於二零一一年 十二月三十一日	67,023	332,287	390	59,547	220,053	4,971	684,271
At 31 December 2010	於二零一零年 十二月三十一日	37,218	164,000	615	60,473	77,986	3,097	343,389

**17. PROPERTY, PLANT AND EQUIPMENT
(CONTINUED)**

Property, plant and equipment other than construction in progress are depreciated on its cost less their residual values 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 mainly represented buildings under construction which are situated in the PRC.

As at 31 December 2011, the Group has pledged buildings having a carrying value of approximately HK\$74,428,000 (2010: HK\$75,688,000) to secure general banking facilities granted to the Group.

17. 物業、廠房及設備(續)

物業、廠房及設備乃按其成本減其剩餘價值，並以直線法及下列年率折舊：

	5%
	The shorter of the lease terms and 5 years
	租賃期限及5年期限之較短者
	20% – 25%
	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。在建工程主要指位於中國在建中之樓宇。

於二零一一年十二月三十一日，本集團已抵押賬面值約為74,428,000港元(二零一零年：75,688,000港元)之樓宇，作為本集團獲得一般銀行融資之擔保。

18. LAND USE RIGHTS

18. 土地使用權

		HK\$'000 千港元
COST	成本	
At 1 January 2010	於二零一零年一月一日	86,588
Transfer from deposits paid for land use rights	轉自支付土地使用權的 按金	11,678
Exchange differences	匯率差異	3,591
		<hr/>
At 31 December 2010	於二零一零年十二月三十一日	101,857
Exchange difference	匯率差異	4,677
		<hr/>
At 31 December 2011	於二零一一年十二月三十一日	106,534
		<hr/>
AMORTISATION	攤銷	
At 1 January 2010	於二零一零年一月一日	3,289
Amortisation	攤銷	2,290
Exchange differences	匯率差異	170
		<hr/>
At 31 December 2010	於二零一零年十二月三十一日	5,749
Amortisation	攤銷	2,085
Exchange difference	匯率差異	299
		<hr/>
At 31 December 2011	於二零一一年十二月三十一日	8,133
		<hr/>
CARRYING AMOUNTS	賬面值	
At 31 December 2011	於二零一一年十二月三十一日	98,401
		<hr/>
At 31 December 2010	於二零一零年十二月三十一日	96,108
		<hr/>

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.

As at 31 December 2011, the Group has pledged land use rights having a carrying value of approximately HK\$15,819,000 (2010: HK\$15,464,000) to secure general banking facilities granted to the Group.

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。

於二零一一年十二月三十一日，本集團之土地使用權的賬面值約為15,819,000港元(二零一零年：15,464,000港元)已予抵押，作為本集團獲得一般銀行融資之擔保。

19. GOODWILL

19. 商譽

HK\$'000
千港元**COST AND CARRYING VALUES****成本及賬面值**

At 1 January 2010, 31 December 2010 and 31 December 2011
於二零一零年一月一日、二零一零年十二月三十一日
及二零一一年十二月三十一日

28,321

For the purposes of impairment testing, goodwill has been allocated to the CGU of sale of handsets and 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 16.83% (2010: 17.27%). The cash flows beyond the 5-years period are extrapolated having a steady 3% growth rate for both years. 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, as well as segment assets of sale of handsets and solutions segment as disclosed in note 7, is 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，商譽已分配至手機及解決方案之現金產生單位。有關現金產生單位之可收回金額已根據使用價值計算釐定。有關計算方式以管理層核准之財務預算為基礎作現金流量預測，涵蓋年期為5年，並使用16.83%（二零一零年：17.27%）的貼現率。超過5年的現金流量推斷連續兩年有穩定的3%增長。增長幅度是根據相關行業增長預測和相關行業平均長期增長率。一個為使用價值計算的關鍵假設是根據過往表現及管理層對市場發展期望的預算增長率。如附註7所述，並無就商譽及出售手機及解決方案分部的分部資產作出減值。管理層相信，任何可能改變的假設並不會導致上述現金產生單位總額超過上述現金產生單位的總計可收回金額。

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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	成本					
At 1 January 2010	於二零一零年一月一日	85,198	548,223	71,339	27,514	732,274
Additions	添置	6,699	157,375	-	-	164,074
Exchange differences	匯率差異	1,822	15,329	-	-	17,151
Write-off	撇銷	-	(156,840)	-	-	(156,840)
At 31 December 2010	於二零一零年十二月三十一日	93,719	564,087	71,339	27,514	756,659
Additions	添置	3,031	182,692	-	-	185,723
Exchange differences	匯率差異	2,889	25,815	-	-	28,704
Write-off	撇銷	-	(385,294)	-	-	(385,294)
At 31 December 2011	於二零一一年十二月三十一日	99,639	387,300	71,339	27,514	585,792
AMORTISATION	攤銷					
At 1 January 2010	於二零一零年一月一日	59,337	472,587	20,881	-	552,805
Charge for the year	本年度攤銷	10,173	139,354	10,090	9,171	168,788
Exchange differences	匯率差異	1,367	13,086	-	-	14,453
Write-off	撇銷	-	(156,840)	-	-	(156,840)
At 31 December 2010	於二零一零年十二月三十一日	70,877	468,187	30,971	9,171	579,206
Charge for the year	本年度攤銷	8,899	158,366	10,943	9,171	187,379
Exchange differences	匯率差異	2,266	21,803	-	-	24,069
Write-off	撇銷	-	(385,294)	-	-	(385,294)
At 31 December 2011	於二零一一年十二月三十一日	82,042	263,062	41,914	18,342	405,360
CARRYING AMOUNT	賬面值					
At 31 December 2011	於二零一一年十二月三十一日	17,597	124,238	29,425	9,172	180,432
At 31 December 2010	於二零一零年十二月三十一日	22,842	95,900	40,368	18,343	177,453

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。本集團的許可證費、專有技術及客戶合約乃購自第三方。

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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 investment properties	Intangible assets	Total
		已資本化 開發成本	存貨及應收 貿易賬款撇減	投資物業重估	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 2010	於二零一零年一月一日	(8,235)	3,438	(25,610)	(3,268)	(33,675)
Exchange differences	匯率差異	(282)	394	(887)	–	(775)
(Charge) credit to profit or loss	(扣除自)計入損益	(1,038)	5,760	(3,828)	–	894
At 31 December 2010	於二零一零年十二月三十一日	(9,555)	9,592	(30,325)	(3,268)	(33,556)
Exchange differences	匯率差異	(465)	400	(1,469)	–	(1,534)
(Charge) credit to profit or loss	(扣除自)計入損益	(1,756)	7,954	(4,425)	–	1,773
At 31 December 2011	於二零一一年十二月三十一日	(11,776)	17,946	(36,219)	(3,268)	(33,317)

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21. DEFERRED TAX (CONTINUED)

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 2011, other than the deferred tax assets and liabilities mentioned above, subsidiaries of the Group had unused tax losses of approximately HK\$192,353,000 (2010: HK\$75,365,000) 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\$169,953,000 (2010: HK\$58,484,000) that will expire by 2016 (2010: 2015). 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\$567,019,000 (2010: HK\$498,685,000) 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)

以下乃就財務報告所作之遞延稅項餘額之分析：

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
17,946	9,592
(51,263)	(43,148)
(33,317)	(33,556)

於二零一一年十二月三十一日，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192,353,000港元(二零一零年：75,365,000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169,953,000港元(二零一零年：58,484,000港元)將於二零一六年(二零一零年：二零一五年)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567,019,000港元(二零一零年：498,685,000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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截至二零一一年十二月三十一日止年度**22. AVAILABLE-FOR-SALE INVESTMENTS****22. 可供出售投資**

Available-for-sale investments comprise: 可供出售投資包括：

Unlisted equity securities in the PRC 於中國之非上市股本證券

The above unlisted equity investments represent investments in unlisted equity securities issued by a private entity incorporated in the PRC. They are measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably.

上述非上市股本投資代表投資於中國註冊成立的一個私人實體發行的非上市股本證券。因為合理公平值估計的範圍極大，本公司的董事認為其公平值不能可靠地計量，因此於報告期末按成本減去減值而計量。

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
16,605	15,876

23. INVENTORIES**23. 存貨**

Raw materials	原料
Work in progress	在製品
Finished goods	製成品

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
340,632	347,536
49,058	30,159
231,039	62,318
620,729	440,013

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截至二零一一年十二月三十一日止年度

24. PROPERTIES UNDER DEVELOPMENT FOR SALES

24. 發展中的銷售物業

		HK\$'000 千港元
At 1 January 2010	於二零一零年一月一日	-
Transfer from deposits paid for land use rights	轉自支付土地使用權的按金	97,546
Additions	添置	9,815
Exchange differences	匯率差異	3,080
		<hr/>
At 31 December 2010	於二零一零年十二月三十一日	110,441
Additions	添置	89,775
Exchange differences	匯率差異	6,556
		<hr/>
At 31 December 2011	於二零一一年十二月三十一日	<u>206,772</u>

The properties under development for sales of the Group are situated in the PRC and located on land use rights under medium-term leases. In the opinion of the directors, the properties under development for sales are expected to be completed within 1 year.

本集團發展中的銷售物業位於中國及座落於按中期租約持有土地使用權的土地上。董事認為，發展中的銷售物業預期可於一年內落成。

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25. OTHER CURRENT FINANCIAL ASSETS

The normal credit period taken on sales of goods is 0-90 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:

Trade receivable	應收貿易賬款
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
Notes and bills receivables (Note)	應收票據及賬單(附註)
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

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

25. 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報告期末之賬齡分析：

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
83,370	103,747
9,238	1,689
5,827	655
6,434	2,126
12,982	23,882
117,851	132,099
(12,339)	(21,679)
105,512	110,420
609,155	124,304
3,783	–
6,599	–
11,984	–
631,521	124,304

附註：應收票據及賬單為自客戶收取由銀行發出之承兌票據。

25. OTHER CURRENT FINANCIAL ASSETS (CONTINUED)

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.

Included in the Group's trade receivable balance are debtors with aggregate carrying amount of HK\$7,539,000 (2010: HK\$11,892,000) 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 there was 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 162 days (2010: 216 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
181 – 365 days	181至365天
Total	總計

25. 其他流動金融資產(續)

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的判斷(包括每名客戶之信貸評級及過往還款記錄)而制定。

本集團之應收貿易賬款結餘內包含賬面總值為7,539,000港元(二零一零年：11,892,000港元)的應收賬款，於報告日期為已過期而本集團並無就減值虧損作撥備，因此等款項已於本報告日期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品。該等應收賬款之平均賬齡為162天(二零一零年：216天)。

已過期但未減值的應收貿易賬款之賬齡

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
–	195
3,402	191
1,161	293
662	4,072
2,314	7,141
7,539	11,892

**25. OTHER CURRENT FINANCIAL ASSETS
(CONTINUED)****25. 其他流動金融資產(續)****Movement in the allowance for doubtful debts****呆賬撥備之變動**

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	21,679	10,486
Impairment losses recognised on receivables	就應收賬款確認之減值虧損	-	11,051
Exchange differences	匯兌差異	827	553
Impairment losses reversed	減值虧損撥回	(10,167)	(411)
Balance at end of the year	年末結餘	12,339	21,679

Included in the allowance for doubtful debts are individually impaired trade receivables with an aggregate balance of HK\$4,111,000 (2010: HK\$13,794,000) which have either been placed under liquidation or in severe financial difficulties. The Group does not hold any collateral over these balances.

呆賬撥備中包括個別減值的應收貿易賬款合計餘額4,111,000港元(二零一零年: 13,794,000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有任何抵押品。

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

其他應收賬款為無擔保、不計息及於要求時償還。按金主要為應付第三方供應商的貿易按金。

As at 31 December 2011, the Group has pledged notes receivables having a carrying value of approximately HK\$340,905,000 (2010: nil) to secure general banking facilities granted to the Group.

於二零一一年十二月三十一日，本集團已抵押賬面值約為340,905,000港元(二零一零年: 零)的應收票據，作為本集團獲得一般銀行融資的擔保。

Included in the trade receivables of HK\$36,395,000 (2010: HK\$14,068,000) at 31 December 2011 and notes receivable of HK\$41,604,000 at 31 December 2010 respectively are denominated in USD, which are not denominated in the functional currency of the respective group entities.

於二零一一年十二月三十一日的36,395,000港元(二零一零年: 14,068,000港元)應收貿易賬款以及於二零一零年十二月三十一日的41,604,000港元應收票據皆以美元計值，而非以集團公司各自的功能貨幣計值。

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26. 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 1.5% (2010: 0.8%) per annum. Included in the bank balances and cash and pledged bank deposits was an amount of HK\$446,987,000 (2010: HK\$999,885,000) denominated in RMB, which is not freely convertible into other currencies.

The Group's bank deposits of HK\$171,890,000 (2010: HK\$616,828,000) as at 31 December 2011 were pledged to secure the short-term general banking facilities granted by banks. The bank deposits will mature on clearance of the letter of credit.

At 31 December 2011, bank balances of HK\$224,525,000 (2010: HK\$148,616,000) are denominated in USD, which are not denominated in the functional currency of the respective group entities.

27. 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 30-60 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

26. 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1.5% (二零一零年：0.8%) 計息。銀行結餘及現金以及已抵押銀行存款內包括一項以人民幣計值之款項446,987,000港元(二零一零年：999,885,000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171,890,000港元(二零一零年：616,828,000港元)於二零一一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。

於二零一一年十二月三十一日，以美元計值的銀行結餘為224,525,000港元(二零一零年：148,616,000港元)，有關款項並非以集團公司各自的功能貨幣計值。

27. 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報告期末本集團之應付貿易賬款及票據之賬齡分析：

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
651,230	357,207
184,506	42,571
2,102	4,556
33,464	16,023
871,302	420,357

**27. CURRENT FINANCIAL LIABILITIES
(CONTINUED)**

At 31 December 2011, included in the trade payables, HK\$285,273,000 (2010: HK\$291,732,000) are denominated in USD, which are not denominated in the functional currency of the respective group entities.

As 31 December 2011, included in other payables, HK\$47,028,000 (2010: HK\$27,349,000) are deferred income on government grants, which are released to income over actual expenditure used in research and development activities.

27. 流動金融負債(續)

於二零一一年十二月三十一日，應付貿易賬款內包括以美元計值之款項285,273,000港元(二零一零年：291,732,000港元)，有關款項並非以集團公司各自的功能貨幣計值。

於二零一一年十二月三十一日，其他應付賬款內包括政府項目收入之遞延收入47,028,000港元(二零一零年：27,349,000港元)，且該等收入按研發活動之實際開支調撥至收入。

28. BANK BORROWINGS**28. 銀行借貸**

Secured bank loans

有擔保銀行貸款

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 investment properties, property, plant and equipment, land use rights, notes receivables and bank deposits as disclosed in notes 16, 17, 18, 25 and 26 respectively.

於報告期末，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，如分別於附註16、17、18、25及26所披露，銀行借貸將以投資物業、物業、廠房及設備、土地使用權、應收票據及銀行存款作為擔保。

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
511,472	640,335

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29. SHARE CAPITAL

29. 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 2010, 31 December 2010 and 31 December 2011	於二零一零年一月一日、 二零一零年十二月三十一日 及二零一一年十二月三十一日	3,000,000	300,000
Issued:	已發行：		
At 1 January 2010	於二零一零年一月一日	1,528,706	152,871
Exercise of share options	行使購股權	40,919	4,091
At 31 December 2010	於二零一零年十二月三十一日	1,569,625	156,962
Exercise of share options	行使購股權	20,694	2,070
Issue of shares upon listing of Taiwan Depository Receipts on the Taiwan Stock Exchange Corporation (Note 1)	因台灣存託憑證在台灣 證券交易所上市而 發行股份(附註1)	137,500	13,750
Repurchase of shares (Note 2)	購回股份(附註2)	(22,820)	(2,282)
At 31 December 2011	於二零一一年十二月三十一日	1,704,999	170,500

Notes:

- (1) On 18 April 2011, the Company issued 137,500,000 new shares through Taiwan Depository Receipts on the Taiwan Stock Exchange Corporation at a price of HK\$1.61 per share.
- (2) During the year ended 31 December 2011, the Company repurchased its own shares through The Stock Exchange of Hong Kong Limited as follows:

附註：

- (1) 於二零一一年四月十八日，本公司在台灣證券交易所透過台灣存託憑證，以每股1.61港元的價格發行137,500,000股新股。
- (2) 截至二零一一年十二月三十一日止年度，本公司透過香港聯合交易所有限公司購回其本身股份如下：

Month of repurchase 購回月份		Number of ordinary shares of HK\$0.1 each 每股面值 0.1 港元的 普通股數目 '000 千股	Price per share 每股價格		Aggregate consideration paid 已支付 代價合共 HK\$'000 千港元
			Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
June 2011	二零一一年六月	16,590	0.86	0.75	13,195
July 2011	二零一一年七月	6,230	0.90	0.84	5,422

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截至二零一一年十二月三十一日止年度**29. SHARE CAPITAL (CONTINUED)****29. 股本(續)**

Notes: (continued)

附註：(續)

The repurchased shares were cancelled in current year and the issued share capital of the Company was reduced by the nominal value thereof. The premium payable on repurchase of the shares of HK\$16,335,000 was charged to the share premium account. An amount equivalent to the nominal value of the shares cancelled has been transferred from the retained profits of the Company to the capital redemption reserve.

已購回股份已於本年度註銷，而本公司的已發行股本亦已扣除此等股份之面值。購回股份所支付之16,335,000港元溢價已於股份溢價賬扣除。與已註銷股份面值相同之金額已由本公司之保留溢利轉移至資本贖回儲備。

The repurchases of the Company's shares during the year ended 31 December 2011 were effected by the directors, pursuant to the mandate from shareholders, with a view to benefiting shareholders as a whole by enhancing the net asset value per share and earnings per share of the Group.

截至二零一一年十二月三十一日止年度，購回本公司股份乃由董事根據股東授權進行，旨在透過提高每股資產淨值及本集團之每股盈利而使整體股東獲益。

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

本年度發行之該等股份在各方面均具有相同權益。

30. RESERVES**30. 儲備****Properties revaluation reserve****物業重估儲備**HK\$'000
千港元

At 1 January 2010, 31 December 2010 and 2011	於二零一零年一月一日、二零一零年及二零一一年十二月三十一日	73,739
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Translation reserve**換算儲備**HK\$'000
千港元

At 1 January 2010	於二零一零年一月一日	118,504
Exchange differences arising on translation to presentation currency	換算至呈列貨幣產生的匯率差異	50,433
At 31 December 2010	於二零一零年十二月三十一日	168,937
Exchange differences arising on translation to presentation currency	換算至呈列貨幣產生的匯率差異	68,165
At 31 December 2011	於二零一一年十二月三十一日	237,102

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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\$6,406,000 (2010: HK\$6,049,000), in which approximately HK\$2,299,000 (2010: HK\$1,852,000) were capitalised in development costs.

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 2-10 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6,406,000港元(二零一零年: 6,049,000港元), 其中約2,299,000港元(二零一零年: 1,852,000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:

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
4,804	2,636
2,968	2,338
7,772	4,974

租賃之平均年期商定為兩年, 而租金固定期平均為兩年。

本集團作為出租人

所有持有之物業均有租客承擔未來2至10年租賃期。

於報告期末, 本集團與租客訂約之未來最低租金款項如下:

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
16,450	14,890
42,251	52,566
6,588	10,118
65,289	77,574

32. COMMITMENTS**32. 承擔**

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Expenditure contracted for but not provided in the consolidated financial statements in respect of:	已簽約但未於綜合財務報表撥備之支出：		
– building construction for production plant of the Group	– 本集團生產廠房之建設工程	–	18,934
– properties under development for sale	– 發展中的銷售物業	30,163	–
		30,163	18,934

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 2011 and 2010.

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.

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.

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。所有於香港的本集團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。於二零一一年及二零一零年十二月三十一日，並無沒收之供款可用作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。

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:

(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.
- (v) Subject to the vesting period set out in page 142 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.

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) 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。
- (v) 根據本報告第142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) 承授人毋須就獲授之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。

34. SHARE OPTION SCHEMES (CONTINUED)**34. 購股權計劃(續)****(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.
- (iv) 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.
- (v) 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.
- (vi) 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.

(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之最高股份數目，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%。
- (iv) 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。
- (v) 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。
- (vi) 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	Name of scheme	Date of grant	Exercisable period	Exercise price per share	Outstanding at 1 January 2010	Exercised during the year	Forfeited during the year	Outstanding at 1 January 2011	Exercised during the year	Forfeited during the year	Outstanding at 31 December 2011
				每股	於二零一零年一月一日	本年度行使	本年度沒收	於二零一一年一月一日	本年度行使	本年度沒收	於二零一一年十二月三十一日
			(Note i)	HK\$	尚未行使	(Note ii)	(Note iii)		(Note ii)	(Note ii)	尚未行使
			(附註i)	港元		(附註ii)	(附註iii)		(附註ii)	(附註ii)	
Directors											
董事											
Zhang Jianping 張劍平	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	-	-	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	1,364,000	(564,000)	-	800,000	-	-	800,000
	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	(2,500,000)	-	7,500,000	(300,000)	-	7,200,000
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)	-	-	-	-	-
	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	1,300,000	(500,000)	-	800,000	-	-	800,000
	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	-	-	3,000,000
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	-	-	3,000,000
					22,728,000	(4,028,000)	-	18,700,000	(300,000)	-	18,400,000

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34. SHARE OPTION SCHEMES (CONTINUED)

34. 購股權計劃(續)

Category of participants	Name of scheme	Date of grant	Exercisable period	Exercise price per share	Outstanding	Exercised	Forfeited	Outstanding	Exercised	Forfeited	Outstanding
					at 1 January 2010	during the year	during the year	at 1 January 2011	during the year	during the year	at 31 December 2011
參與者類別	計劃名稱	授出日期	行使期	行使價	於二零一零年一月一日尚未行使	本年度行使	本年度沒收	於二零一一年一月一日尚未行使	本年度行使	本年度沒收	於二零一一年十二月三十一日尚未行使
			(Note i) (附註i)	每股 HK\$ 港元		(Note ii) (附註ii)	(Note iii) (附註iii)		(Note ii) (附註ii)	(Note ii) (附註ii)	
Employees of the Group 本集團僱員	Pre-IPO Options	30.5.2005	1.4.2006 – 29.5.2015	1.02	7,801,500	(4,391,000)	(438,000)	2,972,500	(951,000)	(298,500)	1,723,000
	首次公開發售前購股權計劃	二零零五年五月三十日	二零零六年四月一日至二零一五年五月二十九日								
	Post-IPO Options	12.5.2006	1.1.2007 – 11.5.2016	3.675	6,437,500	-	(470,000)	5,967,500	-	(1,195,000)	4,772,500
	首次公開發售後購股權計劃	二零零六年五月十二日	二零零七年一月一日至二零一六年五月十一日								
	Post-IPO Options	13.11.2007	1.4.2008 – 12.11.2017	1.64	12,820,000	(4,250,000)	(1,332,000)	7,238,000	(94,000)	(2,052,000)	5,092,000
	首次公開發售後購股權計劃	二零零七年十一月十三日	二零零八年四月一日至二零一七年十一月十二日								
	Post-IPO Options	28.3.2008	15.4.2009 – 27.3.2018	0.81	47,946,000	(13,273,000)	(3,957,000)	30,716,000	(8,402,000)	(1,529,000)	20,785,000
	首次公開發售後購股權計劃	二零零八年三月二十八日	二零零九年四月十五日至二零一八年三月二十七日								
	Post-IPO Options	3.9.2009	15.4.2010 – 2.9.2019	0.79	91,200,000	(14,977,000)	(3,891,500)	72,331,500	(10,947,500)	(5,608,500)	55,775,500
首次公開發售後購股權計劃	二零零九年九月三日	二零一零年四月十五日至二零一九年九月二日									
Total 總計					188,933,000	(40,919,000)	(10,088,500)	137,925,500	(20,694,500)	(10,683,000)	106,548,000
Exercisable at the end of the year 於年末可予行使								31,205,500			49,537,000
Weighted average exercise price (HK\$) 加權平均行使價(港元)					0.964	0.913	0.958	0.973	0.813	1.285	0.972

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, 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.

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，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。

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34. SHARE OPTION SCHEMES (CONTINUED)

Notes: (continued)

(i) (continued)

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.

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) During the year ended 31 December 2011, 951,000 (2010: 4,855,000) Pre-IPO options have exercised and 19,743,500 (2010: 36,064,000) Post-IPO options have exercised. The weighted average share price on exercise dates and the weighted average share price immediately before exercise dates are HK\$1.548 (2010: HK\$2.066) per share.

(iii) During the year ended 31 December 2011, 298,500 (2010: 438,000) options granted under the Pre-IPO Options and 10,384,500 (2010: 9,650,500) options granted under Post-IPO Options were forfeited upon the resignation of employees.

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. For the year ended 31 December 2011, an amount of share option expense of approximately HK\$10,196,000 (2010: HK\$16,566,000) has been recognised with a corresponding adjustment recognised in the Group's share option reserve.

34. 購股權計劃(續)

附註：(續)

(i) (續)

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。

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曆年每年將獲歸屬25%之購股權。

(ii) 截至二零一一年十二月三十一日止年度，有951,000份(二零一零年：4,855,000份)首次公開發售前購股權已行使，且有19,743,500份(二零一零年：36,064,000份)首次公開發售後購股權已行使。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1.548港元(二零一零年：2.066港元)。

(iii) 截至二零一一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之298,500份(二零一零年：438,000份)購股權，另有根據首次公開發售後購股權計劃授出之10,384,500份(二零一零年：9,650,500份)購股權於僱員辭任後被沒收。

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。截至二零一一年十二月三十一日止年度，購股權支出金額約10,196,000港元(二零一零年：16,566,000港元)已予確認，並在本集團之購股權儲備確認相應調整。

35. RELATED PARTY TRANSACTIONS

On 4 November 2010, the Group signed a sale and purchase agreement with a related company, which is controlled by Mr Wong Sun, the son of Mr Wong Cho Tung and Ms Yeung Man Ying who are directors of the Company, on disposing 40% equity interest of Shenyang SIM Real Estate Limited at a consideration of US\$8,000,000 (approximately HK\$62,400,000). The disposal is completed in December 2011.

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	離職後福利
Share-based payments	以股份支付

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.

36. NON-CASH TRANSACTIONS

During the year 31 December 2011, the purchase consideration of property, plant and equipment amounting to HK\$20,226,000 (2010: nil) was paid by the Group and included in deposits paid for property, plant and equipment as at 31 December 2010. Also, the purchase consideration of property, plant and equipment amounting to HK\$35,916,000 (2010: nil) was remained unsettled and included in other payables, deposits received and accruals as at 31 December 2011.

35. 關連人士交易

於二零一零年十一月四日，本集團與由王晨先生（本公司董事王祖同先生及楊文瑛女士之子）擁有的關連公司已簽訂買賣協議，以8,000,000美元（約為62,400,000港元）出售於晨訊置業（沈陽）有限公司的40%股權。該出售事項已於二零一一年十二月完成。

主要管理人員之報酬

於本年度，在附註11所披露的董事酬金以外的主要管理人員酬金如下：

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
5,608	4,485
137	203
2,514	1,476
8,259	6,164

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。

36. 非現金交易

於二零一一年十二月三十一日年度，本集團已支付購置物業、廠房及設備的代價共20,226,000港元（二零一零年：零），並已計入截至二零一零年十二月三十一日止就物業、廠房及設備支付的按金中。此外，購置物業、廠房及設備的代價中尚有35,916,000港元（二零一零年：零）未繳付，並已計入截至二零一一年十二月三十一日止的其他應付賬款、已收按金及應計款項中。

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37. PARTICULARS OF PRINCIPAL SUBSIDIARIES

37. 主要附屬公司之詳情

Particulars of the subsidiaries of the Company at 31 December 2011 and 2010 are as follows:

於二零一一年及二零一零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		
			2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年	
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 上海晨興希姆通電子科技 有限公司 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 display modules in the PRC 在中國生產及銷售顯示模塊
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 handsets and solutions and wireless communication modules in the PRC 在中國從事設計及開發手機及解決方案及無線通訊模塊
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

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綜合財務報表附註For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度37. PARTICULARS OF PRINCIPAL
SUBSIDIARIES (CONTINUED)

37. 主要附屬公司之詳情(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		
			2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年	
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
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 handsets and solutions and wireless communication modules in the PRC 在中國從事設計及開發手機及解決方 案及無線通訊模塊
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	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

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

For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度

37. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

37. 主要附屬公司之詳情(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		
			2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年	
Simcom Wireless ¹ 芯訊通無線 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 in the PRC 在中國從事設計及開發無線通訊模塊
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
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 handsets and solutions and wireless communication modules in the PRC 在中國從事設計及開發手機及解決方案及無線通訊模塊
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

Notes to the Consolidated Financial Statements
綜合財務報表附註For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度37. PARTICULARS OF PRINCIPAL
SUBSIDIARIES (CONTINUED)

37. 主要附屬公司之詳情(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		
			2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年	
Shenyang SIM Real Estate Limited ¹ 農訊置業(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	-	-	60% (Note) (附註)	100%	Properties development in the PRC 在中國從事物業發展
Shenyang SIM Simcom Technology Limited ³ 沈陽農訊希姆通科技有限公司 ³	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 handsets and solutions and wireless communication modules in the PRC 在中國從事設計及開發手機及解決方 案及無線通訊模塊
Shenzhen Simcom Technology Limited ³ 深圳希姆通科技有限公司 ³	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 農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
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%	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 2011
截至二零一一年十二月三十一日止年度

**37. PARTICULARS OF PRINCIPAL
SUBSIDIARIES (CONTINUED)**

37. 主要附屬公司之詳情(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		
			2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年	
Shanghai Xinkang Electronic Technology Limited ³ 上海芯康電子科技有限公司 ³	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%	100%	Not yet commence business 尚未營業
Shenyang SIM Simcom Trading Limited ³ 沈陽晨訊希姆通貿易有限公司 ³	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%	100%	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 高仕有限公司	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%	60%	Investment holding 投資控股
Smartwireless Technology Limited ² 北京華創智豐科技有限公司 ²	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%	60%	Design and development of handsets and solutions in the PRC 於中國設計及開發手機及解決方案
Shanghai Mobile Phone Public Testing Platform Co., Ltd ² 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	-	-	87.5%	87.5%	Design and development of handsets and solutions in the PRC 於中國設計及開發手機及解決方案

Notes to the Consolidated Financial Statements
綜合財務報表附註For the year ended 31 December 2011
截至二零一一年十二月三十一日止年度37. PARTICULARS OF PRINCIPAL
SUBSIDIARIES (CONTINUED)

37. 主要附屬公司之詳情(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		
			2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年	
Shenyang Chenda Precision Industry Co., Ltd ³ 瀋陽晨達精密組件有限公司 ³	15 November 2010 The PRC 二零一零年十一月十五日 中國	Registered and contributed capital RMB30,000,000 註冊及實繳資本 人民幣30,000,000元	-	-	90%	90%	Manufacturing and sales of display modules in the PRC 於中國生產及銷售顯示模塊
Wuxi SIMCom IOT Limited ³ 希姆通物聯網科技(無錫) 有限公司 ³	17 January 2011 The PRC 二零一一年一月十七日 中國	Registered and contributed capital RMB5,000,000 註冊及實繳資本 人民幣5,000,000元	-	-	100%	-	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 Domestic Company registered in the PRC.

- 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 在中國註冊之全內資企業。

Note: On 4 November 2010, the Group signed a sale and purchase agreement with a related company, which is beneficially owned by Mr Wong Sun, the director of the Company, on disposing 40% equity interest in Shenyang SIM Real Estate Limited. The disposal is completed in December 2011.

附註: 於二零一零年十一月四日, 本集團與由王晨先生(本公司董事)實益擁有的關連公司已簽訂買賣協議, 出售於晨訊置業(沈陽)有限公司的40%股權。該出售事項已於二零一一年十二月完成。

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 2011
截至二零一一年十二月三十一日止年度

For the year ended 31 December

截至十二月三十一日止年度

		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	2010 二零一零年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
RESULTS	業績					
Revenue	收入	2,896,996	2,988,617	2,983,532	4,043,031	3,334,099
Profit (loss) before taxation	除稅前溢利(虧損)	256,623	171,937	148,622	266,804	(41,626)
Income tax (expense) credit	所得稅(開支)計入	(15,908)	(28,120)	(15,002)	(29,180)	13,574
Profit (loss) for the year	本年度溢利(虧損)	240,715	143,817	133,620	237,624	(28,052)
Attributable to:	以下人士應佔：					
Owners of the Company	本公司股東	240,715	143,817	128,975	233,349	(25,478)
Non-controlling interests	非控股權益	—	—	4,645	4,275	(2,574)
		240,715	143,817	133,620	237,624	(28,052)

As at 31 December

於十二月三十一日

		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	2010 二零一零年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元
ASSETS AND LIABILITIES	資產與負債					
Total assets	總資產	1,955,211	1,932,259	2,647,445	3,151,322	3,841,468
Total liabilities	總負債	(710,210)	(596,868)	(1,102,976)	(1,332,232)	(1,766,578)
		1,245,001	1,335,391	1,544,469	1,819,090	2,074,890
Equity attributable to owners of the Company	本公司股東應佔權益	1,245,001	1,335,391	1,526,986	1,791,065	1,986,466
Non-controlling interests	非控股權益	—	—	17,483	28,025	88,424
		1,245,001	1,335,391	1,544,469	1,819,090	2,074,890

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 XIE Linzhen
Mr DONG Yunting

AUDIT COMMITTEE

Mr LIU Hing Hung (*Chairman*)
Mr XIE Linzhen
Mr DONG Yunting

REMUNERATION COMMITTEE

Mr LIU Hing Hung (*Chairman*)
Mr XIE Linzhen
Mr DONG Yunting
Mr WONG Cho Tung

COMPANY SECRETARY

Ms WONG Tik

AUDITORS

Deloitte Touche Tohmatsu

LEGAL ADVISERS AS TO HONG KONG LAWS

Leung & Lau

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

Unit 2908, 29th Floor,
248 Queen's Road East
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
謝麟振先生
董雲庭先生

審核委員會

廖慶雄先生 (*主席*)
謝麟振先生
董雲庭先生

薪酬委員會

廖慶雄先生 (*主席*)
謝麟振先生
董雲庭先生
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

香港法律之法律顧問

梁寶儀劉正豪律師行

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
皇后大道東 248 號
29 樓 2908 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

晨訊科技集團有限公司*

SIM Technology Group Limited