



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2006  
截至二零零六年十二月三十一日止年度

### 1. GENERAL INFORMATION

The Company was incorporated in Bermuda as a limited company under the Companies Act 1981 of Bermuda (as amended) with limited liability. Its ultimate 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 introduction to the annual report.

The functional currency of the Company is Renminbi. The consolidated financial statements are presented in Hong Kong dollar, as the directors consider that it is 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 sales of liquid crystal display (“LCD”) modules, complete mobile handsets, handsets design solutions (in Semi Knock-Down (“SKD”)/Complete Knock-Down (“CKD”) form), and wireless communication module solutions.

### 2. APPLICATION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

In the current year, the Group has applied, for the first time, a number of new International Accounting Standards (“IASs”), IFRSs, amendments and interpretations (hereinafter collectively referred to as “new IFRSs”) issued by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”) of the IASB that are effective for accounting periods beginning on or after 1 December 2005 or 1 January 2006. The adoption of the new IFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

### 1. 一般資料

本公司乃根據百慕達1981年公司法(經修訂)於百慕達註冊成立為有限公司。其最終控股公司為於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引言一節內披露。

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

本公司為一家投資控股公司。其附屬公司之主要業務為液晶顯示模塊、完整移動手機、手機設計解決方案(形式為半製成組裝套件/組裝零件)及無線通信模塊解決方案之製造、設計、開發及銷售。

### 2. 採納國際財務報告準則

於本年度，本集團已首次應用由國際會計準則委員會及國際會計準則委員會國際財務報告詮釋委員會所頒佈的一系列由二零零五年十二月一日或二零零六年一月一日或以後開始的會計期間生效的新訂國際會計準則、國際財務報告準則、修訂及詮釋(以下統稱「新國際財務報告準則」)。採納新國際財務報告準則對本期間及過往會計期間業績及財務狀況編製及呈列方式並無重大影響。因此，無需對過往期間作出調整。



## 2. APPLICATION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

The Group has not early applied the following new standards, amendment and interpretations that were issued but are not yet effective. The directors of the Company anticipate that the application of these new standards, amendments and interpretations will have no material effect on the results of the operations and financial position of the Group.

IAS 1 (Amendment)  
國際會計準則第1號(修訂)

Capital disclosures<sup>1</sup>  
資本披露<sup>1</sup>

IFRS 7  
國際財務報告準則第7號

Financial instruments: Disclosures<sup>1</sup>  
金融工具：披露<sup>1</sup>

IFRS 8  
國際財務報告準則第8號

Operating segments<sup>2</sup>  
經營分部<sup>2</sup>

IFRIC 7

Applying the restatement approach under IAS 29

國際財務報告詮釋委員會第7號

Financial Reporting in Hyperinflationary Economies<sup>3</sup>  
應用國際會計準則第29號「惡性通貨膨脹經濟財務報告」的重列方法<sup>3</sup>

IFRIC 8

Scope of IFRS 2<sup>4</sup>

國際財務報告詮釋委員會第8號

國際財務報告準則第2號範圍<sup>4</sup>

IFRIC 9

Reassessment of embedded derivatives<sup>5</sup>

國際財務報告詮釋委員會第9號

再評估嵌入衍生工具<sup>5</sup>

IFRIC 10

Interim financial reporting and impairment<sup>6</sup>

國際財務報告詮釋委員會第10號

中期財務報告及減值<sup>6</sup>

IFRIC 11

IFRS 2: Group and treasury share transactions<sup>7</sup>

國際財務報告詮釋委員會第11號

國際財務報告準則第2號：集團及庫存股份交易<sup>7</sup>

IFRIC 12

Service concession arrangements<sup>8</sup>

國際財務報告詮釋委員會第12號

服務經營權安排<sup>8</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2007.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2009.

<sup>3</sup> Effective for annual periods beginning on or after 1 March 2006.

<sup>4</sup> Effective for annual periods beginning on or after 1 May 2006.

<sup>5</sup> Effective for annual periods beginning on or after 1 June 2006.

<sup>6</sup> Effective for annual periods beginning on or after 1 November 2006.

<sup>7</sup> Effective for annual periods beginning on or after 1 March 2007.

<sup>8</sup> Effective for annual periods beginning on or after 1 January 2008.

本集團並未提早採納以下已頒布惟未生效的新準則及修訂及詮釋。本公司董事預期採納該等新準則、修訂和詮釋不會對本集團的經營業績及財務狀況構成重大影響。

<sup>1</sup> 適用於二零零七年一月一日或以後開始之年度期間。

<sup>2</sup> 適用於二零零九年一月一日或以後開始之年度期間。

<sup>3</sup> 適用於二零零六年三月一日或以後開始之年度期間。

<sup>4</sup> 適用於二零零六年五月一日或以後開始之年度期間。

<sup>5</sup> 適用於二零零六年六月一日或以後開始之年度期間。

<sup>6</sup> 適用於二零零六年十一月一日或以後開始之年度期間。

<sup>7</sup> 適用於二零零七年三月一日或以後開始之年度期間。

<sup>8</sup> 適用於二零零八年一月一日或以後開始之年度期間。



### 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.

#### **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 income statement 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.

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

### 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。

綜合財務報表已按歷史成本基準編製。

#### **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。

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



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Revenue recognition

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

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

Interest income 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 estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

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

#### Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity are recorded in its functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. 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 translation of monetary items, are recognised in profit or loss in the period in which they arise.

### 3. 重大會計政策(續)

#### 收入確認

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

貨品銷售於貨品已交付及其所有權已移交時確認。

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

退回增值稅於本集團可收取退回增值稅之權利已確立時確認為收入。

#### 外幣

於編製每間個別集團實體的財務報表時，倘交易的貨幣與實體的功能貨幣不同，則以其功能貨幣(實體經營業務的主要經濟環境)按交易日期適用的匯率換算入賬。於每個結算日，以外幣為面值的貨幣項目按結算日適用的匯率換算。惟外幣列值以歷史成本入賬的非貨幣項目則不予換算。

於結算及換算貨幣項目所產生的匯兌差異，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 foreign operations are translated into the presentation currency of the Company (i.e. Hong Kong dollars) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year. Exchange differences arising are recognised as a separate component of equity (the translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

#### 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 and expense that are taxable or deductible in other years and it further excludes items that are never taxable and deductible. The Group's liability for current tax is calculating using tax rate that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which 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 tax 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，本集團境外業務的資產及負債均以結算日適用匯率換算為本公司的呈列貨幣(即港元)，而其收入及開支則以本年度平均匯率予以換算。產生的匯兌差異確認為一個股本的獨立構成部份(換算儲備)。該匯兌差異於該境外業務被出售期間於損益賬內確認。

#### 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。應課稅溢利不包括已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，故與綜合收益賬所列溢利不同。本集團本期稅項負債乃按已於結算日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差異入賬，以資產負債表負債法處理。遞延稅項負債一般就所有應課稅暫時差額確認，遞延稅項資產則按可能出現可供動用可扣減暫時差額之所有應課稅溢利而予以確認。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)

The carrying amount of deferred tax assets is reviewed at each balance sheet date 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 is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised based on tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

#### Leasing

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

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the relevant lease terms. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

#### Government subsidies

Government subsidies are recognised as income when received and the conditions for the grants are met.

#### Retirement benefit costs

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

#### Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses.

### 3. 重大會計政策(續)

#### 稅項(續)

遞延稅項資產之賬面值乃於每個結算日進行檢討，並予以相應扣減，直至並無足夠應課稅溢利可供收回全部或部分資產為止。

遞延稅項按預期於清還負債或變現資產年度採用之已頒行或大致上已頒行之稅率計算。遞延稅項從收益賬中扣除或計入收益賬，除非遞延稅項關乎直接從股本扣除或直接計入股本之項目，則在該情況下遞延稅項亦於股本中處理。

#### 租賃

倘租賃期條款將所有權絕大部分風險及回報轉讓予承租人，則租賃被分類為融資租賃。所有其他租賃被分類為經營租賃。

根據經營租賃而應付之租金，在有關之租賃期內以直線法在收益賬中支銷。就訂立經營租賃作為獎勵已收及應收之利益亦於租賃期內以直線法分攤。

#### 政府撥款

政府撥款於收到並在符合撥款之條件後確認為收入。

#### 退休福利成本

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

#### 物業、廠房及設備

除在建工程外，物業、廠房及設備按成本減其後累計折舊以及任何累計減值虧損列賬。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Property, plant and equipment (CONTINUED)

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

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

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

#### 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.

#### Impairment of assets

At each balance sheet date, 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 an asset is estimated in order to determine the extent to the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

### 3. 重大會計政策(續)

#### 物業、廠房及設備(續)

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

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

出售或棄用物業、廠房及設備時所產生之盈虧為出售所得款項與資產賬面值之差額，並於損益賬內確認。

#### 土地使用權

土地使用權指根據經營租賃安排持有之預付租賃款的租賃權之土地以直線法於租賃期內攤銷。

#### 資產減值

於每個結算日，本集團檢討其有形及無形資產賬面值，以釐定是否有任何證據顯示該等資產蒙受減值虧損。倘若任何該等證據存在，須對每一項資產之可收回款項作出估計，以決定減值虧損(如有)之數額。倘若未能估計個別資產之可收回款項，本集團則估計該項資產所屬性質賺取現金單位之可收回款項。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Impairment of assets (CONTINUED)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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 immediately in profit or loss.

#### 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 expenditure is recognised only if it is anticipated that the development costs incurred on a clearly-defined project will be recovered through future commercial activity. The resultant asset is amortised on a straight-line basis over its useful life, and carried at cost less subsequent accumulated amortisation and any accumulated impairment losses.

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

### 3. 重大會計政策(續)

#### 資產減值(續)

可收回款項為公平價值減出售成本或使用價值(以兩者之較高者為準)。於評估使用價值時，估計未來現金流量乃使用除稅前貼現率貼現至其現值，以反映金額時間價值之現行市場評估及資產特定之風險。

倘若一項資產(或賺取現金單位)之可收回款項估計為少於其賬面值，該項資產(賺取現金單位)之賬面值削減至其可收回款項。減值虧損即時於損益內確認。

當減值虧損其後撥回時，該項資產之賬面值增至其可收回款項之經修訂估計金額，但所增加之賬面值不得超過該項資產於以往年度原未確認減值虧損所釐定之賬面值。撥回減值虧損即時於損益內確認。

#### 研究及開發支出

研究活動之支出於產生之期間確認為開支。

只有當清晰界定的項目所產生的開發成本預計將通過未來商業活動收回的，開發支出產生的內部產生的無形資產方予以確認。該資產按直線法於可用年限內攤銷，並按成本減其後的累計攤銷和任何累計減值虧損入賬。

內部產生的無形資產初步確認的金額為自該無形資產達到確認標準當日起發生的支出金額總和。如並無可予確認的內部產生的無形資產，開發支出於發生當期記入損益。





### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Research and development expenditure (CONTINUED)

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

#### 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 the consolidated income statement when the asset is derecognised.

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### Financial instruments

Financial assets and financial liabilities are recognised on the consolidated balance sheet 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)

#### 研究及開發支出(續)

初步確認後，內部產生的無形資產按成本減累計攤銷及累計減值呈列，如同獨立收購的無形資產的處理方法。

#### 獨立收購的無形資產

獨立收購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記賬。有限定可使用年期的無形資產按其估計可使用年期以直線法計提攤銷。

於終止確認無形資產時產生的任何收益或虧損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在綜合收益表內確認。

#### 存貨

存貨按成本及可變現淨值兩者中之較低者入賬。成本包括直接原料及直接勞工成本及將存貨運往現址及達致現況所耗用之間接成本。成本按加權平均方法計算。可變現淨值乃指預期之售價減去估計產品完成時之所有成本以及市場推廣、銷售及分銷所招致之成本。

#### 金融工具

當一家集團公司成為工具合約條文之一方，金融資產及金融負債於綜合資產負債表內確認。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費，即時於損益賬確認。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (CONTINUED)

##### Financial assets

The Group's financial assets are classified as loans and receivables. The accounting policy adopted in respect of loan and receivables is set out 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. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade receivables, notes and bills receivable, other receivables and deposits and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment losses. 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. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction 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 the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

### 3. 重大會計政策(續)

#### 金融工具(續)

##### 金融資產

本集團之金融資產分類為貸款和應收款項。貸款和應收款項所採用的會計政策呈列如下。

##### 貸款及應收款項

貸款及應收款項為並未於交投活躍之市場內報價而附帶固定或可議定付款之非衍生金融資產。於初步確認後之每個結算日，貸款及應收款項(包括貿易應收款項、應收債券及票據，其他應收款項及按金和銀行結餘)使用實際利率法按攤銷成本減任何可識別減值虧損列賬。當有客觀證據顯示該等資產已減值，則於損益賬內確認減值虧損，並以資產之賬面值與按原本實際利率貼現之估計未來現金流量之現值兩者之差額計量。當於確認減值後發生一項事件可以客觀地與資產可收回款項增加形成關係，減值虧損於其後期間撥回，但受所撥回於減值日期資產之賬面值，不得超過該項資產原未確認減值之已攤銷成本所限制。

#### 金融負債及股本

本集團所發行之金融負債及股本工具乃根據所訂立合約安排之內容，及金融負債和股本工具之定義予以分類。股本工具為證明於本集團資產之餘額權益經扣除其所有負債後之任何合約。就金融負債及股本工具採納之會計政策載列如下。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial liabilities and equity (CONTINUED)

##### Financial liabilities

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

##### Equity instruments

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

#### Derecognition

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

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

#### Equity 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 each balance sheet date, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in profit or loss with a corresponding adjustment to share option reserve.

### 3. 重大會計政策(續)

#### 金融負債及股本(續)

##### 金融負債

金融負債包括銀行及其他借貸、貿易應付款項、其他應付款項及已收按金，初步按公平價值計量，而其後則使用實際利率法按攤銷成本計量。

##### 股本工具

本公司發行之股本工具以已收所得款項扣除直接發行成本後記錄。

#### 終止確認

若從資產收取現金流的權利已到期，或金融資產已轉讓及本集團已將其於金融資產擁有權的絕大部份風險及回報轉移，則金融資產將被終止確認。於終止確認金融資產時，資產賬面值與已收及應收代價及已直接於權益確認的累計損益的總和兩者之差，將於損益賬確認。

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

#### 以股份付款之交易

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

於每個結算日，本集團修正其最終預算歸屬購股權數量之估計。損益帳確認修正估計之影響並於購股權儲備中作相對應的調整。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Equity share-based payment transactions (CONTINUED)

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

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet dates, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

#### Impairment of intangible assets

Determining whether intangible assets is impaired requires an estimation of the future cash flows expected to arise from the products developed and a suitable discount rate in order to calculate present value. The carrying amount of intangible assets at 31 December 2006 was HK\$113,356,000 (2005: HK\$46,958,000) with no impairment loss recognised.

### 5. FINANCIAL INSTRUMENTS

#### Financial risk management objectives and policies

The Group's major financial instruments include trade receivables and payables, notes receivables, other receivables and payables, deposits received, 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.

### 3. 重大會計政策(續)

#### 以股份付款之交易(續)

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. 估計未明朗因素的主要來源

有關未來的主要假設，以及於結算日進行估計不明朗因素之其他主要來源在下文論述，兩者在對下個財政年度資產及負債之賬面值作出重大調整均具有重大風險。

#### 無形資產減值

釐定無形資產是否減值，需要估計未來預計從開發產品中產生的現金流以及用於計算現值的一個適當的折扣率以便計算目前的價值。於二零零六年十二月三十一日無形資產賬面值為113,356,000港元(二零零五年：46,958,000港元)，並無確認減值虧損。

### 5. 金融工具

#### 財務風險管理目標及政策

本集團之主要金融工具包括應收及應付貿易賬款、應收票據、其他應收及應付款項、已收按金、銀行結餘及銀行借款。該等金融工具詳情於各有關附註披露。下文載列與該等金融工具有關之風險及如何降低該等風險之政策。管理層管理及監控該等風險，以確保及時和有效地採取適當之措施。



## 5. FINANCIAL INSTRUMENTS (CONTINUED)

### Financial risk management objectives and policies (CONTINUED)

#### Currency risk

The Group's transactions are mainly denominated in Renminbi (the functional currency of most group companies). Certain transactions of the Group are denominated in United States dollars and the exchange rate fluctuation between Renminbi and United States dollars is not significant.

Certain trade receivables and payables and bank balances of the Group are denominated in United States dollars and is therefore exposed to United States dollar currency risk. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

#### Credit risk

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

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 31 December 2006 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated balance sheet. 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 each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. The Group's bank balances and cash are deposited with banks in Hong Kong and the PRC and the Group has limited the exposure to any single financial institution. The credit risk on liquid funds is limited because the counterparties are banks with good credit-rating. The Group has concentration of credit risks with exposure limited to certain counterparties and customers. As at 31 December 2006, three (2005: four) customers comprised over 50% of the Group's trade receivables. 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)

### 財務風險管理目標及政策(續)

#### 貨幣風險

本集團之交易主要以人民幣(大部份集團公司之功能貨幣)。本集團某些交易以美元結算，人民幣及美元之匯率波動並不重大。

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，管理層監控外匯風險，並會考慮於必要時對沖重大外幣風險。

#### 信貸風險

本集團之信貸風險主要歸因於應收貿易賬款、其他應收賬款、應收票據及賬單，以及銀行存款結餘。

本集團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資產負債表之資產之賬面金額倘對方於二零零六年十二月三十一日未能履行彼等之承擔。為盡量降低信貸風險，本集團管理層已委派一組人員負責制訂信貸限額、信貸審批及其他監控措施，以確保採取跟進措施收回逾期未付之債項。此外，於每結算日，本集團定期評估每項個別貿易應收款之可收回金額，以確保就不可收回金額所作出足夠之減值虧損。本集團之銀行存款餘額及現金存於香港及中國之銀行，本集團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，因為對方均為具良好評級之銀行。本集團之信貸風險集中限於若干合作方及客戶。於二零零六年十二月三十一日，三名(二零零五年：四名)客戶佔本集團的應收貿易賬款超過百分之五十。管理層將密切監控客戶往後之結算及不會向對手方授出長久信貸期。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)

### Fair value

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 of the balance sheet date.

## 6. REVENUE

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

## 7. BUSINESS AND GEOGRAPHICAL SEGMENTS

### Business segments

The Group is currently organised into four revenue streams—sale of LCD modules and others, sale of wireless communication module solutions, sale of complete mobile handsets and sale of handset design solutions (in SKD/CKD form). These revenue streams are the basis on which the Group reports its primary segment information.

## 5. 金融工具(續)

### 公平值

董事認為於綜合財務報表中以成本攤銷列賬之金融資產和金融負債之面值與其於結算日之公平值相若。

## 6. 收入

收入指所售貨品扣除退貨後之已收及應收款項。

## 7. 業務及地區分類

### 業務分類

本集團現時分有四個收入來源—銷售液晶顯示模塊及其他；銷售無線通訊模塊解決方案；銷售完整移動手機以及銷售手機設計解決方案(形式為半製成組裝套件/組裝零件)。該等收入來源為本集團分類資料之主要呈報基準。



## 7. BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

## 7. 業務及地區分類(續)

### Business segments (CONTINUED)

Segment information about these businesses is presented below:

#### Income statement

For the year ended 31 December 2006

### 業務分類(續)

此等業務的分類資料呈報如下：

#### 收益表

截至二零零六年十二月三十一日止年度

		Sale of LCD modules and others 銷售液晶 顯示模塊 及其他 HK\$'000 千港元	Sale of wireless communication module solutions 銷售無線 通訊模塊 解決方案 HK\$'000 千港元	Sale of complete mobile handsets 銷售完整 移動手機 HK\$'000 千港元	Sale of handset design solutions (in SKD/CKD form) 銷售手機 設計解決 方案(形式 為半製成 組裝套件/ 組裝零件) HK\$'000 千港元	Elimination 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Revenue	收入						
External sales	對外銷售	690,422	550,227	16,533	2,161,682	-	3,418,864
Inter-segment sales	分類之間銷售	4,551	-	-	-	(4,551)	-
		<b>694,973</b>	<b>550,227</b>	<b>16,533</b>	<b>2,161,682</b>	<b>(4,551)</b>	<b>3,418,864</b>
Result	業績						
Segment result	分類業績	<b>23,031</b>	<b>110,765</b>	<b>1,453</b>	<b>273,204</b>	<b>-</b>	<b>408,453</b>
Interest income	利息收入						10,658
Unallocated corporate expenses	未分配公司開支						(27,230)
Finance costs	融資成本						(313)
Profit before taxation	除稅前溢利						391,568
Taxation	稅項						(18,695)
Profit for the year	本年度溢利						<b>372,873</b>

Inter-segment sales are charged at prevailing market prices.

分類之間銷售額按當時市價計算。



## 7. BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

## 7. 業務及地區分類(續)

## Business segments (CONTINUED)

Balance sheet

At 31 December 2006

## 業務分類(續)

資產負債表

於二零零六年十二月三十一日

		Sale of LCD modules and others 銷售 液晶顯示 模塊及其他 HK\$'000 千港元	Sale of wireless communication module solutions 銷售無線 通訊模塊 解決方案 HK\$'000 千港元	Sale of complete mobile handsets 銷售完整 移動手機 HK\$'000 千港元	Sale of handset design solutions (in SKD/CKD form) 銷售手機 設計解決 方案(形式 為半製成 組裝套件/ 組裝零件) HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Assets	資產					
Segment assets	分類資產	379,361	55,654	268	426,609	861,892
Unallocated corporate assets	未分配公司 資產					972,021
Consolidated total assets	合併總資產					1,833,913
Liabilities	負債					
Segment liabilities	分類負債	179,578	-	-	-	179,578
Segment liabilities attributable to business segments other than sale of LCD modules and others	除銷售液晶顯示 模塊及其 他以外之 業務分類 應佔之 分類負債					508,710
Unallocated corporate liabilities	未分配公司 負債					25,478
Consolidated total liabilities	合併總負債					713,766





## 7. BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

## 7. 業務及地區分類(續)

### Business segments (CONTINUED)

Other information

For the year ended 31 December 2006

### 業務分類(續)

其他資料

截至二零零六年十二月三十一日止年度

		Sale of LCD modules and others 銷售液晶 顯示模塊 及其他 HK\$'000 千港元	Sale of wireless communication module solutions 銷售無線 通訊模塊 解決方案 HK\$'000 千港元	Sale of complete mobile handsets 銷售完整 移動手機 HK\$'000 千港元	Sale of handset design solutions (in SKD/CKD form) 銷售手機 設計解決 方案(形式 為半製成 套件/ 組裝零件) HK\$'000 千港元	Elimination 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Additions of property, plant and equipment	添置物業、 廠房及設備	30,363	21,142	4	19,681	-	71,190
Additions of intangible assets	添置無形資產	-	21,127	-	120,842	-	141,969
Depreciation of property, plant and equipment	物業、廠房及 設備之折舊	10,488	2,816	2	1,826	-	15,132
Amortisation of intangible assets	無形資產攤銷	1,306	5,437	-	69,092	-	75,835
(Reversal of) allowances for bad and doubtful debts	呆壞賬(撥回)撥備	(108)	-	-	1,025	-	917
Write-down of inventories	撇銷 存貨	2,326	1,752	53	6,885	-	11,016
Loss on disposal of property, plant and equipment	出售物業、 廠房及設 備虧損	44	677	5	1,961	-	2,687



## 7. BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

## 7. 業務及地區分類(續)

### Business segments (CONTINUED)

#### Income statement

For the year ended 31 December 2005

### 業務分類(續)

#### 收益表

截至二零零五年十二月三十一日止年度

		Sale of LCD modules and others 銷售液晶 顯示模塊 及其他	Sale of wireless communication module solutions 銷售無線 通訊模塊 解決方案	Sale of complete mobile handsets 銷售完整 移動手機	Sale of handset design solutions (in SKD/CKD form) 銷售手機 設計解決 方案(形式 為半製成 套件/ 組裝零件)	Elimination 對銷	Consolidated 綜合
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue	收入						
External sales	對外銷售	752,338	221,417	261,425	1,484,405	-	2,719,585
Inter-segment sales	分類之間銷售	185,095	-	-	-	(185,095)	-
		937,433	221,417	261,425	1,484,405	(185,095)	2,719,585
Result	業績						
Segment result	分類業績	43,904	22,427	47,886	219,730	-	333,947
Interest income	利息收入						5,663
Unallocated corporate expenses	未分配公司 開支						(26,609)
Finance costs	融資成本						(4,516)
Profit before taxation	除稅前溢利						308,485
Taxation	稅項						(13,424)
Profit for the year	本年度溢利						295,061

Inter-segment sales are charged at prevailing market prices.

分類之間銷售按當時市價計算。



## 7. BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

## 7. 業務及地區分類(續)

### Business segments (CONTINUED)

Balance sheet

At 31 December 2005

### 業務分類(續)

資產負債表

於二零零五年十二月三十一日

		Sale of LCD modules and others 銷售液晶 顯示模塊 及其他	Sale of wireless communication module solutions 銷售無線 通訊模塊 解決方案	Sale of complete mobile handsets 銷售完整 移動手機	Sale of handset design solutions (in SKD/CKD form) 銷售手機 設計解決 方案(形式 為半製成 套件/ 組裝零件)	Consolidated 綜合
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Assets	資產					
Segment assets	分類資產	458,483	26,880	5,527	291,282	782,172
Unallocated corporate assets	未分配公司 資產					679,745
Consolidated total assets	合併總資產					1,461,917
Liabilities	負債					
Segment liabilities	分類負債	85,928	-	-	-	85,928
Segment liabilities attributable to business segments other than sale of LCD modules and others	除液晶顯示模 塊及其他之 銷售外業務 分類應佔之 分類負債					337,632
Unallocated corporate liabilities	未分配公司負債					18,485
Consolidated total liabilities	合併總負債					442,045



## 7. BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

## 7. 業務及地區分類(續)

### Business segments (CONTINUED)

Other information

For the year ended 31 December 2005

### 業務分類(續)

其他資料

截至二零零五年十二月三十一日止年度

		Sale of LCD modules and others 銷售液晶 顯示模塊 及其他	Sale of wireless communication module solutions 銷售無線 通訊模塊 解決方案	Sale of complete mobile handsets 銷售完整 移動手機	Sale of handset design solutions (in SKD/CKD form) 銷售手機 設計解決 方案(形式 為半製成 套件/ 組裝零件)	Elimination 對銷	Consolidated 綜合
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Additions of property, plant and equipment	添置物業、 廠房及設備	18,790	2,211	257	18,970	-	40,228
Additions of intangible assets	添置無形資產	5,453	3,085	-	55,167	-	63,705
Depreciation of property, plant and equipment	物業、廠房及 設備之折舊	8,112	436	25	2,766	-	11,339
Amortisation of intangible assets	無形資產攤銷	8,665	9,459	637	23,429	-	42,190
Allowances for bad and doubtful debts	呆壞賬撥備	1,723	139	-	3,126	-	4,988
Write-down (reversal) of inventories	撇銷(撥回)存貨	1,285	2,472	-	(1,900)	-	1,857
Loss on disposal of property, plant and equipment	出售物業、廠房 及設備虧損	314	21	-	119	-	454

### Geographical segment

The Group's operations and assets are substantially located in the PRC. Accordingly, no analysis of the carrying amount of segment assets, additions to property, plant and equipment and intangible assets is presented.

### 地區分類

本集團主要經營業務及資產在中國。因此，並無就所呈列之分類資產、添置物業、廠房及設備以及無形資產之賬面值作出分析。



## 8. OTHER INCOME

## 8. 其他收入

		<b>2006</b> 二零零六年 <b>HK\$'000</b> 千港元	2005 二零零五年 HK\$'000 千港元
Refund of VAT ( <i>Note</i> )	退回增值稅 ( <i>附註</i> )	<b>56,452</b>	46,752
Government subsidies	政府撥款	<b>5,129</b>	3,800
Interest income	利息收入	<b>10,658</b>	5,663
Net foreign exchange gain	淨匯兌收益	<b>18,805</b>	11,004
		<b>91,044</b>	67,219

*Note:* Shanghai Simcom Limited ("Shanghai Simcom") and Shanghai Speedcomm Technology Limited ("Shanghai Speedcomm") are engaged in the business of distribution of self-developed and produced software. Under the current PRC tax regulation, it is entitled to a refund of VAT paid for sales of self-developed software in the PRC.

*附註：* 希姆通信息技術(上海)有限公司(「上海希姆通」)及上海思必得通訊技術有限公司(「上海思必得」)均從事分銷自行開發及生產之軟件。根據現行中國稅務規例，其有權獲退還於中國銷售自行開發軟件銷售之增值稅。

## 9. FINANCE COSTS

## 9. 融資成本

		<b>2006</b> 二零零六年 <b>HK\$'000</b> 千港元	2005 二零零五年 HK\$'000 千港元
Interests on borrowings wholly repayable within five years	須於五年內全數償還之 借貸利息	<b>313</b>	4,516



## 10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

## 10. 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 2006  
截至二零零六年十二月三十一日止年度

		Directors' fees 董事袍金	Salaries and allowances 薪酬及津貼	Bonus 花紅 (Note) (附註)	Share-based payments 股份付款	Retirement benefits schemes 退休福利計劃供款	Total emoluments 總酬金
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>Executive directors</b>	<b>執行董事</b>						
Ms Yeung Man Ying	楊文瑛女士	-	-	-	-	-	-
Mr Wong Cho Tung	王祖同先生	-	-	-	-	-	-
Mr Tsang Hen Loon, Raymond	曾憲龍先生	-	2,080	1,150	579	96	3,905
Mr Zhang Jianping	張劍平先生	-	470	235	579	34	1,318
Mr Wong Hei, Simon	王曦先生	-	470	235	-	-	705
Mr Wong Sun	王晨先生	-	-	-	-	-	-
Ms Tang Rongrong	唐融融女士	-	211	164	145	34	554
<b>Non-executive directors</b>	<b>非執行董事</b>						
Mr Heng Kwo Seng	邢詒春先生	156	-	-	-	-	156
Mr Wang Chengwei	汪誠蔚先生	156	-	-	-	-	156
Mr Zhuang Xingfang	庄行方先生	156	-	-	-	-	156
		<b>468</b>	<b>3,231</b>	<b>1,784</b>	<b>1,303</b>	<b>164</b>	<b>6,950</b>

Note: Incentive performance bonus for the year ended 31 December 2006 was determined by the remuneration committee having regard to the performance of directors and the Group's operating results.

附註：二零零六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。



## 10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (CONTINUED)

## 10. 董事及僱員酬金(續)

### Directors' emoluments (CONTINUED)

### 董事酬金(續)

For the year ended 31 December 2005  
截至二零零五年十二月三十一日止年度

		Directors' fees 董事袍金	Salaries and allowances 薪酬及津貼	Bonus 花紅 (Note) (附註)	Share-based payments 股份付款	Retirement benefits schemes contributions 退休福利計劃供款	Total emoluments 總酬金
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>Executive directors</b>	<b>執行董事</b>						
Ms Yeung Man Ying	楊文瑛女士	-	-	-	-	-	-
Mr Wong Cho Tung	王祖同先生	-	-	-	-	-	-
Mr Tsang Hen Loon, Raymond	曾憲龍先生	-	2,080	-	498	96	2,674
Mr Zhang Jianping	張劍平先生	-	461	29	498	30	1,018
Mr Wong Hei, Simon	王曦先生	-	461	29	-	-	490
Mr Wong Sun	王晨先生	-	-	-	-	-	-
Ms Tang Rongrong	唐融融女士	-	231	67	125	30	453
<b>Non-executive directors</b>	<b>非執行董事</b>						
Mr Heng Kwo Seng	邢詒春先生	146	-	-	-	-	146
Mr Wang Chengwei	汪誠蔚先生	146	-	-	-	-	146
Mr Zhuang Xingfang	庄行方先生	146	-	-	-	-	146
		438	3,233	125	1,121	156	5,073

Note: Incentive performance bonus was paid before 31 May 2005.

附註：於二零零五年五月三十一日前支付之表現獎勵花紅。

**10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (CONTINUED)****10. 董事及僱員酬金(續)****Employees' emoluments**

The five highest paid individuals included two (2005: two) directors for the year ended 31 December 2006, whose emoluments are included in the above. The emoluments of the remaining individuals are as follows:

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

**僱員酬金**

五名最高薪酬僱員於截至二零零六年十二月三十一日止年度包括兩名(二零零五年:兩名)董事,其酬金已載於上文。餘下最高薪酬人士之酬金如下:

2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
2,209	2,201
1,071	789
647	764
115	110
<b>4,042</b>	<b>3,864</b>

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 has waived any emoluments in both years.

彼等之酬金在以下所列範圍:

2006 二零零六年 Number of employees 僱員人數	2005 二零零五年 Number of employees 僱員人數
–	1
2	1
1	1

本年度,本集團並未向任何董事或五名最高薪酬僱員支付任何酬金,作為勸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。





## 11. TAXATION

## 11. 稅項

		<b>2006</b> 二零零六年 <b>HK\$'000</b> 千港元	2005 二零零五年 HK\$'000 千港元
PRC income tax	中國企業所得稅	<b>14,764</b>	9,594
Deferred tax charge ( <i>note 18</i> )	遞延稅項開支 ( <i>附註 18</i> )	<b>3,931</b>	3,830
Income tax expense for the year	年內所得稅開支	<b>18,695</b>	13,424

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

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



## 11. TAXATION (CONTINUED)

Pursuant to relevant laws and regulations in the PRC, the Company's PRC subsidiaries, Shanghai Simcom and Shanghai Speedcomm are entitled to an exemption 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. No provision for PRC income tax has been made for Shanghai Speedcomm for both years as the fiscal year ended 31 December 2006 was its first profit-making year. During the year ended 31 December 2006, Shanghai Simcom was classified as Key Production Enterprise and was entitled to use an applicable tax rate of 10%. No provision for PRC income tax had been made for Shanghai Simcom for year ended 31 December 2005 as fiscal year ended 31 December 2004 was its first profit-making year. The other subsidiaries of the Company, Shanghai Suncom Logistics Limited ("Suncom Logistics") and Max Vision (Shanghai) Limited ("Shanghai Max Vision") are entitled to use of a tax rate of 15% because they were registered in the area of Shanghai Wai Gao Qiao Free Trade Zone (上海外高橋保稅區). Pursuant to a permit issued by the Shanghai Tax Authority dated 21 April 2006, Shanghai Sunrise Electronic Technology Co. Ltd. ("Shanghai Sunrise") was entitled to a tax rate of 18% for the fiscal years 2005 and 2006 because it was classified as foreign investment enterprise engaging in technology and knowledge intensive business. The tax charge provided has been made after taking these tax incentives into account.

PRC income tax was calculated at 27% of the estimated assessable profit of the Company's other PRC subsidiaries for both 2005 and 2006.

## 11. 稅項(續)

根據中國之相關法律及法規，本公司之中國附屬公司上海希姆通及上海思必得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。由於截至二零零六年十二月三十一日止財政年度乃首個獲利年度，因此上海思必得於兩個年度並無就中國企業所得稅作出撥備。於截至二零零六年十二月三十一日止年度期間，上海希姆通被評為「重點生產企業」，並有權使用10%的適用稅率。由於截至二零零四年十二月三十一日止財政年度乃首個獲利年度，因此上海希姆通於截至二零零五年十二月三十一日止年度並無就中國企業所得稅作出撥備。本公司其他附屬公司上海羅捷斯迪電子有限公司(「上海羅捷斯迪」)及麥維訊貿易(上海)有限公司(「上海麥維訊」)由於在上海外高橋保稅區註冊，因此可按15%稅率繳納企業所得稅。根據上海稅務局於二零零六年四月二十一日頒授之許可，上海晨興電子科技有限公司(「上海晨興」)可於二零零五年及二零零六年之財政年度使用18%之稅率，因為該公司被歸類為參與科技及知識密集業務之外資企業。於計及該等稅務優惠後，已作稅項開支撥備。

本公司其他中國附屬公司於二零零五及二零零六年期間按估計應課稅溢利之27%計算中國企業所得稅。



## 11. TAXATION (CONTINUED)

## 11. 稅項 (續)

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

本年度稅項開支與綜合收益賬中所示之除稅前溢利對賬如下：

		<b>2006</b> 二零零六年 <b>HK\$'000</b> 千港元	2005 二零零五年 HK\$'000 千港元
Profit before taxation	除稅前溢利	<b>391,568</b>	308,485
Taxation at the PRC income tax rate of 27% (2005: 27%)	按中國企業所得稅稅率 27% 計算之稅項 (二零零五年：27%)	<b>105,723</b>	83,291
Tax effect of expenses that are not deductible in determining taxable profit	釐訂應課稅溢利時不可扣減之開支之稅務影響	<b>8,308</b>	5,722
Tax effect of income not taxable for tax purpose	毋須就稅務目的課稅之收入之稅務影響	<b>(17,789)</b>	(13,410)
Tax effect of tax losses not recognised	未確認稅務虧損之稅務影響	<b>3,617</b>	3,394
Income tax on concessionary rate	按優惠稅率計算之所得稅	<b>(3,845)</b>	(1,098)
Effect of tax exemption granted	獲授稅項豁免之影響	<b>(77,319)</b>	(64,475)
Taxation for the year	本年度稅項	<b>18,695</b>	13,424



## 12. PROFIT FOR THE YEAR

## 12. 本年度溢利

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Profit for the year is arrived at after charging:	本年度溢利乃經扣除下列各項：		
Auditors' remuneration	核數師薪酬	1,700	1,200
Amortisation of intangible assets (included in cost of sales)	無形資產攤銷(計入銷售成本)	75,835	42,190
Amortisation of land use right	土地使用權攤銷	282	282
Depreciation of property, plant and equipment	物業、廠房及設備折舊	19,971	12,806
Less: Amount capitalised in development costs	減：已資本化開發成本	(4,839)	(1,467)
		<b>15,132</b>	11,339
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	2,687	454
Allowances for bad and doubtful debts	呆壞賬撥備	917	4,988
Write-down of inventories (included in cost of sales)	撇銷存貨(計入銷售成本)	11,016	1,857
Costs of inventories recognised as expenses	已確認為開支之存貨成本	2,827,101	2,226,304
Staff costs:	員工成本：		
Directors' emoluments (note 10)	董事酬金(附註10)	6,950	5,073
Other staff costs	其他員工成本		
– Salaries and other benefits	– 薪資及其他福利	153,664	104,961
– Retirement benefits scheme contributions	– 退休福利計劃供款	20,134	14,314
		<b>180,748</b>	124,348
Less: Amount capitalised in development costs	減：已資本化開發成本	(70,345)	(20,692)
		<b>110,403</b>	103,656



### 13. DIVIDENDS

### 13. 股息

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
Dividends recognised as distribution during the year:	本年度確認為分配之股息：		
Final dividend, paid – HK14 cents per share (2005: Nil)	已付末期股息—每股14港仙 (二零零五年：零)	210,501	–
Dividends paid by a subsidiary to its then shareholders prior to Reorganisation (Note a)	於重組前一間附屬公司向其當時之股東支付股息(附註a)	–	181,435
		<b>210,501</b>	181,435
Interim dividend, paid – HK6.8 cents per share (2005: Nil)	已付中期股息—每股6.8港仙 (二零零五年：零)	102,488	–
		<b>312,989</b>	181,435
The Company	本公司		
Final dividend, proposed – HK10.5 cents per share (2005: HK14 cents) (Note b)	建議末期股息—每股10.5港仙 (二零零五年：每股14港仙)(附註b)	158,374	210,000

Notes:

附註：

- (a) The board of directors of a subsidiary, STG approved the payments of dividends amounting to US\$6,401,000 (equivalent to approximately HK\$49,927,000) to its then sole shareholder, Info Dynasty, in January 2005 and US\$16,860,000 (equivalent to approximately HK\$131,508,000) to Info Dynasty and Simcom Limited in May 2005. Info Dynasty and Simcom Limited were the shareholders of STG before the Reorganisation which was completed on 3 June 2005.
- (b) The final dividend of HK10.5 cents (2005: HK14 cents) per share has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

- (a) 本公司一間附屬公司STG董事會於二零零五年一月批准向其當時之唯一股東 Info Dynasty 支付6,401,000美元(相等於約49,927,000港元)之股息，並於二零零五年五月向Info Dynasty及Simcom Limited支付16,860,000美元(相等於約131,508,000港元)之股息。於重組(於二零零五年六月三日完成)前，Info Dynasty及Simcom Limited乃STG之股東。
- (b) 董事已建議支付末期股息每股10.5港仙(二零零五年：每股14港仙)，惟須經股東於應屆股東週年大會批准，方可作實。



## 14. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the parent is based on the following data:

### Earnings

Earnings for the purposes of basic and diluted earnings per share (profit for the year attributable to equity holders of the parent)

### 盈利

計算每股基本及攤薄盈利之盈利(母公司股東應佔之本年度溢利)

### Number of shares

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

Share options

### 股份數目

計算每股基本盈利之普通股加權平均數

購股權

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

計算每股攤薄盈利之普通股加權平均數

Weighted average number of ordinary shares for the purpose of the computation of diluted earnings per share for the year ended 31 December 2006 has been accounted for the effect of the share based payments for the options with dilutive effect.

The calculation of weighted average number of ordinary shares for the year ended 31 December 2005 were based on the assumption that the Reorganisation had been completed on 1 January 2005.

## 14. 每股盈利

母公司普通股股東應佔每股基本及攤薄盈利乃按以下數據計算：

<b>2006</b> 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
<b>372,873</b>	290,662
<b>'000</b> 千股	'000 千股
<b>1,504,923</b>	1,315,068
<b>33,358</b>	-
<b>1,538,281</b>	1,315,068

計算截至二零零六年十二月三十一日止年度每股攤薄盈利之普通股加權平均數已計入具攤薄效應期權以股份為基準作出支付之影響。

截至二零零五年十二月三十一日止年度普通股加權平均數之計算，乃假設重組已於二零零五年一月一日完成。



## 15. PROPERTY, PLANT AND EQUIPMENT

## 15. 物業、廠房及設備

		Construction in progress 在建工程	Buildings 樓宇	Leasehold improvements 租賃物業 裝修	Equipment, furniture and fixtures 設備、傢俬 及裝置	Plant and machinery 廠房及機器	Motor vehicles 汽車	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>COST</b>		<b>成本</b>						
At 1 January 2005	於二零零五年一月一日	5,067	31,735	617	42,061	12,077	3,349	94,906
Additions	添置	12,938	-	1,977	17,838	6,543	932	40,228
Acquired on acquisition of a subsidiary	於收購附屬公司時 的收購	-	-	409	455	-	-	864
Exchange differences	匯兌差額	97	610	21	800	232	65	1,825
Transfer	轉撥	(7,802)	7,802	-	-	-	-	-
Disposals	出售	-	(738)	(183)	(92)	(39)	-	(1,052)
At 31 December 2005	於二零零五年 十二月三十一日	10,300	39,409	2,841	61,062	18,813	4,346	136,771
Additions	添置	17,318	-	436	46,592	5,894	950	71,190
Exchange differences	匯兌差額	362	1,385	85	2,129	661	133	4,755
Transfer	轉撥	(27,154)	27,154	-	-	-	-	-
Disposals	出售	-	-	-	(434)	(2,908)	(528)	(3,870)
At 31 December 2006	於二零零六年 十二月三十一日	826	67,948	3,362	109,349	22,460	4,901	208,846
<b>DEPRECIATION</b>		<b>折舊</b>						
At 1 January 2005	於二零零五年一月一日	-	599	397	15,176	1,101	1,359	18,632
Charge for the year	本年度折舊	-	1,425	1,074	8,306	1,403	598	12,806
Exchange differences	匯兌差額	-	27	17	383	37	32	496
Eliminated on disposals	於出售時對銷	-	(436)	(118)	(32)	(6)	-	(592)
At 31 December 2005	於二零零五年 十二月三十一日	-	1,615	1,370	23,833	2,535	1,989	31,342
Charge for the year	本年度折舊	-	3,121	1,323	13,382	1,360	785	19,971
Exchange differences	匯兌差額	-	112	60	1,068	113	79	1,432
Eliminated on disposals	於出售時對銷	-	-	-	(332)	(323)	(475)	(1,130)
At 31 December 2006	於二零零六年 十二月三十一日	-	4,848	2,753	37,951	3,685	2,378	51,615
<b>CARRYING VALUES</b>		<b>賬面值</b>						
At 31 December 2006	於二零零六年 十二月三十一日	826	63,100	609	71,398	18,775	2,523	157,231
At 31 December 2005	於二零零五年 十二月三十一日	10,300	37,794	1,471	37,229	16,278	2,357	105,429



## 15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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

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

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

## 15. 物業、廠房及設備(續)

物業、廠房及設備乃按直線法及按下列年率折舊：

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

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

## 16. LAND USE RIGHT

## 16. 土地使用權

		HK\$'000 千港元
COST	成本	
At 1 January 2005	於二零零五年一月一日	10,420
Charge for the year	本年度折舊	(282)
Exchange differences	匯兌差額	196
		<hr/>
At 31 December 2005	於二零零五年十二月三十一日	10,334
Charge for the year	本年度折舊	(282)
Exchange differences	匯兌差額	432
		<hr/>
At 31 December 2006	於二零零六年十二月三十一日	<u>10,484</u>

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

本集團之土地使用權乃根據中國之中期租約持有，並按50年租約年期攤銷。





## 17. INTANGIBLE ASSETS

## 17. 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	Total 總計 HK\$'000 千港元
<b>COST</b>				
	<b>成本</b>			
At 1 January 2005	於二零零五年一月一日	15,016	54,676	69,692
Additions	添置	–	63,705	63,705
Exchange differences	匯兌差額	–	1,251	1,251
At 31 December 2005	於二零零五年十二月三十一日	15,016	119,632	134,648
Additions	添置	26,533	115,436	141,969
Exchange differences	匯兌差額	–	4,203	4,203
At 31 December 2006	於二零零六年十二月三十一日	41,549	239,271	280,820
<b>AMORTISATION</b>				
	<b>攤銷</b>			
At 1 January 2005	於二零零五年一月一日	7,372	37,001	44,373
Charge for the year	本年度折舊	4,791	37,399	42,190
Exchange differences	匯兌差額	–	1,127	1,127
At 31 December 2005	於二零零五年十二月三十一日	12,163	75,527	87,690
Charge for the year	本年度折舊	7,000	68,835	75,835
Exchange differences	匯兌差額	76	3,863	3,939
At 31 December 2006	於二零零六年十二月三十一日	19,239	148,225	167,464
<b>CARRYING VALUES</b>				
	<b>賬面值</b>			
At 31 December 2006	於二零零六年十二月三十一日	22,310	91,046	113,356
At 31 December 2005	於二零零五年十二月三十一日	2,853	44,105	46,958

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

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：

Licence fee	1-5 years	許可證費	1至5年
Development costs	9 months	開發成本	9個月



## 18. DEFERRED TAX

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

		<b>Development cost capitalised 已資本化 開發成本 HK\$'000 千港元</b>	<b>Write-down of inventories and trade receivables 存貨及應收 貿易賬款撇銷 HK\$'000 千港元</b>
At 1 January 2005	於二零零五年一月一日	-	3,108
Charge to consolidated income statement	於綜合收益表內支銷	(3,308)	(522)
At 31 December 2005	於二零零五年十二月三十一日	(3,308)	2,586
(Charge) credit to consolidated income statement	於綜合收益表內(支銷)計入	(4,376)	445
At 31 December 2006	於二零零六年十二月三十一日	(7,684)	3,031

At 31 December 2006, other than the deferred tax assets and liabilities mentioned above, subsidiaries of the Group had unused tax losses of approximately HK\$33,240,000 (2005: HK\$19,844,000) available for offset against future profit. No deferred tax asset has been recognised due to the unpredictability of future profit streams of that subsidiary. The estimated tax losses as at 31 December 2006 may be carried forward indefinitely.

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：

		<b>Development cost capitalised 已資本化 開發成本 HK\$'000 千港元</b>	<b>Write-down of inventories and trade receivables 存貨及應收 貿易賬款撇銷 HK\$'000 千港元</b>
At 1 January 2005	於二零零五年一月一日	-	3,108
Charge to consolidated income statement	於綜合收益表內支銷	(3,308)	(522)
At 31 December 2005	於二零零五年十二月三十一日	(3,308)	2,586
(Charge) credit to consolidated income statement	於綜合收益表內(支銷)計入	(4,376)	445
At 31 December 2006	於二零零六年十二月三十一日	(7,684)	3,031

於二零零六年十二月三十一日，除上述遞延稅項資產及負債外，本集團之附屬公司擁有可供抵消未來溢利之未用稅項虧損約33,240,000港元(二零零五年：19,844,000港元)。因該附屬公司之未來溢利流之不可預見性，故並未確認任何遞延稅項資產。於二零零六年十二月三十一日，預期稅項虧損可無限期結轉。

## 19. INVENTORIES

## 19. 存貨

		<b>2006 二零零六年 HK\$'000 千港元</b>	<b>2005 二零零五年 HK\$'000 千港元</b>
Raw materials	原料	<b>308,575</b>	250,075
Work in progress	在製品	<b>78,095</b>	110,856
Finished goods	製成品	<b>76,066</b>	41,478
		<b>462,736</b>	402,409



## 20. CURRENT FINANCIAL ASSETS

The normal credit period taken on sales of goods is 0-30 days.

The following is an aged analysis of trade receivables, notes and bills receivable at the balance sheet date:

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	應收貿易款項
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
Notes and bills receivable ( <i>Note</i> )	應收票據及賬單(附註)

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

Other receivables and deposits are repayable on demand.

At 31 December 2006, included in the trade receivables, HK\$23,789,000 (2005: HK\$55,419,000) are denominated in United States dollars, which are not denominated in the functional currency of the respective group entities.

## 20. 流動金融資產

銷售貨品的一般信貸期為零至30日。

以下為於結算日應收貿易款項、應收票據及賬單之賬齡分析：

2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
<b>89,423</b>	103,373
<b>17,110</b>	19,465
<b>2,743</b>	4,765
<b>4,027</b>	3,589
<b>4,795</b>	3,324
<b>118,098</b>	134,516
<b>(7,791)</b>	(7,365)
<b>110,307</b>	127,151
<b>17,518</b>	77,735
<b>1,269</b>	5,640
–	433
–	8,610
–	9,615
<b>18,787</b>	102,033

附註：應收票據及賬單為收取客戶由銀行發出之承兌票據。

其他應收款項及按金須於要求償還時支付。

於二零零六年十二月三十一日，應收貿易款項內包括以美元計值之款項為23,789,000港元（二零零五年：55,419,000港元），有關款項不以集團個別公司的功能貨幣計值。



## 21. BANK BALANCES AND CASH

The bank balances and cash of the Group are mainly denominated in Renminbi, Hong Kong dollars and United States dollars. The bank balances receive interest at an average rate of 1.7% (2005: 1.5%) per annum. Included in the bank balances and cash was amounts in Renminbi of HK\$643,006,000 (2005: HK\$472,758,000), which is not freely convertible into other currencies.

At 31 December 2006, HK\$174,716,000 (2005: HK\$84,696,000) are denominated in United States dollars, which are not denominated in the functional currency of the respective group entities.

## 22. CURRENT FINANCIAL LIABILITIES

Trade payables, and 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 payables at the respective balance sheet dates is as follows:

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

At 31 December 2006, included in the trade payables, HK\$326,792,000 (2005: HK\$191,572,000) are denominated in United States dollars, which are not denominated in the functional currency of the respective group entities.

## 21. 銀行結餘及現金

本集團之銀行結餘及現金主要以人民幣、港幣及美元列值。銀行結餘收取平均年利率1.7% (二零零五年：1.5%)。銀行結餘及現金內包括一項人民幣款項643,006,000港元(二零零五年：472,758,000港元)，該等款項不可自由轉換為其他貨幣。

於二零零六年十二月三十一日，以美元計值之款項為174,716,000港元(二零零五年：84,696,000港元)，有關款項不以集團個別公司的功能貨幣計值。

## 22. 流動金融負債

應付貿易款項、其他應付款項、已收按金及應計款項主要包括就貿易目的而拖欠之款項以及持續成本。

應付貿易款項主要包括未償還之貿易採購。貿易採購之一般信貸期為30至60日。本集團之貿易應付款項於各結算日之賬齡分析如下：

2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
499,105	180,139
45,542	104,226
2,938	22,412
28,864	25,612
<b>576,449</b>	<b>332,389</b>

於二零零六年十二月三十一日，應付貿易款項內包括以美元計值之款項為326,792,000港元(二零零五年：191,572,000港元)，有關款項不以集團個別公司的功能貨幣計值。



## 23. BANK BORROWINGS

## 23. 銀行借款

		<b>2006</b> 二零零六年 <b>HK\$'000</b> 千港元	2005 二零零五年 HK\$'000 千港元
Secured bank borrowings due within one year	於一年內到期之銀行借款	-	9,615

At 31 December 2005, bank borrowings were secured by notes receivable of the Group and bear fixed interest rate at 5.3% per annum.

於二零零五年十二月三十一日，銀行借款乃由本集團應收票據作抵押及以固定年利率5.3%計息。



## 24. SHARE CAPITAL

## 24. 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 2005	於二零零五年一月一日	1,000	100
Increase during the year (note a(i))	本年度增加(附註a(i))	2,999,000	299,900
At 31 December 2005 and 31 December 2006	於二零零五年十二月三十一日及 二零零六年十二月三十一日	3,000,000	300,000
Issued:	已發行：		
At 1 January 2005	於二零零五年一月一日	1,000	-
Issue of shares on the Reorganisation Credited as fully paid from contributed surplus account	於重組時發行股份 來自實繳盈餘賬而 入賬為繳足股份	1,500 -	150 100
Issue of shares by capitalisation of share premium account (note a(ii))	透過股份溢價賬資本化而 發行之股份(附註a(ii))	1,122,500	112,250
Placing and public offer of shares (note b)	配售及公開發售股份 (附註b)	375,000	37,500
At 31 December 2005	於二零零五年十二月三十一日	1,500,000	150,000
Exercise of share options (note c)	行使購股權(附註c)	8,326	833
At 31 December 2006	於二零零六年十二月三十一日	1,508,326	150,833



## 24. SHARE CAPITAL (CONTINUED)

## 24. 股本(續)

*Notes:*

- (a) Pursuant to the written resolutions passed by the shareholders of the Company on 30 May 2005:
- (i) the authorised share capital of the Company was increased from HK\$100,000 to HK\$300,000,000 by the creation of an additional 2,999,000,000 shares, rank pari passu in all respects with the shares then in issue of HK\$0.10 each.
- (ii) conditional on the share premium account of the Company being credited as a result of the placing and public offer of the Company's shares, the directors were authorised to capitalise a sum of HK\$112,250,000 standing to the credit of the share premium account of the Company by applying such sum in paying up in full 1,122,500,000 shares for the allotment and issue to the persons whose names appear on the register of members of the Company at the close of business on 8 June 2005 pro-rata as nearly as may be to their then existing shareholders in the Company.
- (b) On 29 June 2005, by means of placing and public offer, the Company issued a total of 375,000,000 new shares of HK\$0.10 each at a price of HK\$1.7 per share.
- (c) During the year, the Company issued a total 8,326,000 new shares of HK\$0.10 each at price of HK\$1.02 per share to eligible employees upon exercise of share options.

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

*附註：*

- (a) 根據本公司股東於二零零五年五月三十日通過之書面決議案：
- (i) 透過增設2,999,000,000股股份(該等股份在各方面均與當時已發行之每股面值0.10港元之股份享有同等權益)，本公司之法定股本由100,000港元增至300,000,000港元。
- (ii) 待本公司之股份溢價賬因配售及公開發售本公司股份而進賬後，董事獲授權將本公司股份溢價賬之進賬額112,250,000港元撥作資本，據此將該款項按面值全數繳足1,122,500,000股股份，以向於二零零五年六月八日辦公時間結束時名列本公司股東名冊之人士按當時於本公司之股權比例配發及發行該等股份。
- (b) 於二零零五年六月二十九日，透過配售及公開發售方式，本公司按每股1.7港元之價格，發行合共375,000,000股每股面值0.10港元之新股份。
- (c) 本年度本公司以每股1.02港元之價格向行使購股權之合資格僱員發行共8,326,000股每股面值0.10港元之新股份。

本年度發行之該等股份在各方面均具有相同權益。



## 25. ACQUISITION OF SUBSIDIARIES

## 25. 收購附屬公司

### Acquisition in 2006

On 24 January 2006, the Group acquired 100% equity interests in Max Vision Limited and its wholly-owned subsidiary for a consideration of HK\$2. The transactions have been accounted for using the purchase method of accounting.

The net assets acquired in the transactions are as follows:

Other receivables, deposits and prepayments  
Bank balances and cash  
Other payables, deposits received and accruals

Total consideration satisfied by cash

Net cash inflow arising on acquisition of subsidiaries

The subsidiaries acquired contributed approximately HK\$577,647,000 to the Group's revenue and profit of approximately HK\$5,569,000 from operating activities for the period between the date of acquisition and the balance sheet date.

As the revenue and results of the acquired subsidiaries before acquisition were not significant to the Group, the total group revenue and result, as if the acquisition had been completed on 1 January 2006, are not disclosed as the information does not give additional value.

In the opinion of management, the carrying amounts approximated the fair values on the date of acquisition.

### 於二零零六年進行之收購

於二零零六年一月二十四日，本集團收購天景有限公司及其全資附屬公司，代價為2港元。是項交易乃使用收購會計法入賬。

交易中收購之淨資產如下：

Acquirees' carrying  
amount before  
combination  
and fair value  
被收購方於合併前之  
賬面值及公平價值  
HK\$'000  
千港元

其他應收賬款、按金及預付款項	241
銀行結餘及現金	2,110
其他應付賬款、已收按金及 應計款項	(2,351)
	-
收購附屬公司所產生之現金流入淨額	2,110

已收購之附屬公司於收購日期至結算日之期間之經營活動為本集團帶來約577,647,000港元之收入及約5,569,000港元之溢利。

由於已收購公司於收購前之收入及業績對本集團並無重大影響，由於提供有關之資料並無作用，故並無按假設收購已於二零零六年一月一日完成披露集團收入及業績合計之資料。

管理層認為，有關之賬面值與其於收購日之公平值相若。





## 25. ACQUISITION OF SUBSIDIARIES (CONTINUED)

### Acquisition in 2005

On 31 January 2005, the Group acquired 100% of the issued share capital of SIM Technology HK Limited, Simcom International Holdings Limited and Suncom International Holdings Limited by issue of 231 shares of US\$1 each of STG. The transactions have been accounted for using the purchase method of accounting.

The net assets acquired in the transactions are as follows:

## 25. 收購附屬公司(續)

### 於二零零五年進行之收購

於二零零五年一月三十一日，本集團收購晨訊科技香港有限公司、Simcom International Holdings Limited 及 Suncom International Holdings Limited 之 100% 已發行股本，代價為發行 231 股每股面值 1 美元之 STG 股份。此項交易乃以收購會計法入賬。

交易中收購之淨資產如下：

		<b>Acquirees' carrying amount before combination and fair value</b>
		被收購方於合併前之 賬面值及公平價值
		HK\$'000
		千港元
Property, plant and equipment	物業、廠房及設備	864
Other receivables	其他應收賬款	1,780
Bank and cash balances	銀行及現金結餘	21,718
Other payables, deposits received and accruals	其他應付賬款、已收按金及 應計款項	(30,030)
		(5,668)
Interests in associates ( <i>Note</i> )	於聯營公司之權益(附註)	52,294
Total consideration satisfied by 231 shares of STG @ US\$1	以 231 股每股面值 1 美元之 STG 股份償付之總代價	46,626
Net cash inflow arising on acquisition of subsidiaries	收購附屬公司所產生之 現金流入淨額	21,718

In the opinion of management, the carrying amounts approximated the fair values on the date of acquisition.

管理層認為，於收購日之賬面值與公平價值相若。



## 25. ACQUISITION OF SUBSIDIARIES (CONTINUED)

Mr Wong Cho Tung and Ms Yeung Man Ying are the shareholders of the related company.

*Note:* Interest in associates represented 25% net assets value of Shanghai Simcom and Suncom Logistics which are non-wholly owned subsidiaries of the Company as at the date of acquisition. The Group owned 100% equity interests in Shanghai Simcom and Suncom Logistics upon the completion of the acquisition.

The subsidiaries acquired do not have significant contribution to the Group's turnover and result for the year between the date of acquisition and the balance sheet date.

As the revenue and results of the acquired subsidiaries before the acquisition were not significant to the Group, the total group revenue and result, as if the acquisition had been completed on 1 January 2005, are not disclosed as the information does not give additional value.

## 26. MAJOR NON-CASH TRANSACTION

For the year ended 31 December 2005, the Group had the following major non-cash transactions:

- (a) Amounts due to a related company and directors amounting to US\$672,100 and US\$5,827,900 respectively (equivalent to HK\$5,242,000 and HK\$45,458,000 respectively) had been capitalised as issued and fully paid capital of the Company.
- (b) The Group acquired 100% the issued share capital of SIM Technology HK Limited, Simcom International Holdings Limited and Suncom International Holdings Limited in consideration of the allotment and issue of 231 shares of US\$1 each of STG. Details of acquisition is set out in note 25.

## 25. 收購附屬公司(續)

王祖同先生及楊文瑛女士為關連公司之股東。

*附註：*本集團於收購日於聯營公司之權益為上海希姆通及上海羅捷斯迪(為本公司之非全資附屬公司)資產淨值之25%。本集團於收購後擁有上海希姆通及上海羅捷斯迪100%股本權益。

已收購附屬公司於收購日至結算日之間之年度並未對本集團之營業額及業績作出重大貢獻。

由於已收購公司之收入及業績對本集團並無重大影響，由於提供有關之資料並無作用，故並無按假設收購已於二零零五年一月一日完成披露集團收入及業績合計之資料。

## 26. 主要非現金交易

於二零零五年十二月三十一日止年度，本集團之主要非現金交易如下：

- (a) 應付一間關連公司及董事款項分別為672,100美元及5,827,900美元(分別相當於5,242,000港元及45,458,000港元)已資本化為本公司之已發行及繳足股本。
- (b) 本集團收購晨訊科技香港有限公司、Simcom International Holdings Limited及Suncom International Holdings Limited之100%已發行股本權益，代價為配發及發行231股每股面值1美元之STG股份。收購之詳情載於附註25。



## 27. OPERATING LEASE ARRANGEMENT

### The Group as lessee

The Group made minimum lease payments under operating leases in respect of office premises of approximately HK\$8,467,000 (2005: HK\$8,487,000), in which approximately HK\$3,507,000 (2005: HK\$2,941,000) were capitalised in development cost.

At the balance sheet date, 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.

## 27. 經營租約安排

### 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8,467,000港元(二零零五年: 8,487,000港元), 其中約3,507,000港元(二零零五年: 2,941,000港元)已於開發成本中資本化。

於結算日, 本集團根據不可撤銷經營租賃付之最低租金款項承擔之到期日期如下:

2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
8,194	6,803
4,417	9,260
<b>12,611</b>	16,063

租賃之平均年期商定為二年, 而租金則固定為平均二年期。



## 28. COMMITMENTS

## 28. 承擔

		2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
<b>Capital commitment</b>	<b>資本承擔</b>		
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	– 興建樓宇	–	18,507
Expenditure authorised but not contracted for:	已授權但未簽約之資本支出：		
– building construction	– 興建樓宇	–	4,174
<b>Other commitment</b>	<b>其他承擔</b>		
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：		
– land use right	– 土地使用權	<b>42,301</b>	–



## 29. RETIREMENT BENEFITS SCHEMES

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 2006 and 2005.

The Group's subsidiaries in the PRC, in compliance with the applicable regulations of the PRC, participated 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 schemes. 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 represents contribution payable to the schemes by the Group at rates specified in the rules of the schemes.

## 29. 退休福利計劃

本集團根據強制性公積金計劃條例為其所有香港僱員設立一項強積金計劃。所有於香港的僱員均須加入強積金計劃。供款按僱員基本薪金的某一百分比作出，並根據強積金計劃之規則於應予支付時在損益賬扣除。強積金計劃之資產與本集團的其他資產分開處理，由一獨立管理之基金持有。在向強積金計劃供款時，本集團僱主供款將全數歸屬於僱員所有。於二零零六年及二零零五年十二月三十一日，並無失效之供款以供來年扣減應付供款。

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。

本年度本集團向計劃供款總額及於收益表扣除之成本，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。



### 30. SHARE OPTION SCHEMES

The Company had two share option schemes, including pre-initial public offering share option scheme (the “Pre-IPO Options”) and post-initial public offering scheme option scheme (the “Post-IPO Options”) for directors and eligible employees of the Group. The terms and conditions of the Pre-IPO Options and Post-IPO Options are set out below.

#### (A) Pre-IPO Options

The major terms of the Pre-IPO Options are summarised as follows:

- (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 above 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.

### 30. 購股權計劃

本公司為其董事和合資格僱員提供兩項購股權計劃，包括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。首次公開發售前購股權計劃及首次公開發售後購股權計劃之條款及條件於下面載列。

#### (A) 首次公開發售前購股權計劃

首次公開發售前購股權計劃之主要條款概要如下：

- (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，以及董事可能認為合適之該等其他人士。
- (iii) 首次公開發售前購股權計劃可授出之購股權所涉及的股份最高限額不可超過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) 根據上述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。



### 30. SHARE OPTION SCHEMES (CONTINUED)

#### (A) Pre-IPO Options (CONTINUED)

- (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 (as defined in the Prospectus).
- (viii) The life of the Pre-IPO Options shall be valid and effective from 30 May 2005 to 14 June 2005, after which time no further options will be granted but the provisions of the Pre-IPO Options shall remain in full force and effect in all other respects.

#### (B) Post-IPO Options

The major terms of the Post-IPO Options are summarised as follows:

- (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) The maximum number of shares in respect of which options might be granted under the Post-IPO Options and other share option schemes of the Company must not exceed 10% of the shares in issue as at the listing date (30 June 2005) and in any event the total maximum number of shares which might be issued or issuable upon exercise of all outstanding options under the Post-IPO Options and Other Schemes of the Company should not exceed 30% of the issued share capital of the Company from time to time.

### 30. 購股權計劃(續)

#### (A) 首次公開發售前購股權計劃(續)

- (vi) 承授人毋須就授予購股權支付任何代價。
- (vii) 購股權之行使價為發售價格(招股章程之訂價)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各方面仍具十足效力及生效。

#### (B) 首次公開發售後購股權計劃

首次公開發售後購股權計劃之主要條款概述如下：

- (i) 計劃之目的是為向參與者提供獎勵。
- (ii) 參與者包括本集團全職僱員或執行董事及董事會可能認為合適之該等其他人士。
- (iii) 根據首次公開發售後購股權計劃及本公司其他購股權計劃可予授出之最高股份數目，不得超過於上市日期(二零零五年六月三十日)已發行股份之10%，及無論如何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數目，不得超過不時根據首次公開發售後購股權計劃及本公司其他購股權計劃可予發行最高股份數目之30%。



### 30. SHARE OPTION SCHEMES (CONTINUED)

#### (B) Post-IPO Options (CONTINUED)

- (iv) No minimum period for which an option must be held before it became exercisable was required.
- (v) The acceptance of an option, if accepted, must be made within 5 business days from the date of grant. No consideration is required to be paid by the grantee for the grant of options.
- (vi) The exercise price of an option must be the highest of:
- the closing price of the share on the grant date;
  - the average of the closing price of the shares for the 5 trading days immediately preceding the grant date; and
  - the nominal value of the shares.
- (vii) The life of the Post-IPO Options was effective for 10 years 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.

### 30. 購股權計劃(續)

#### (B) 首次公開發售後購股權計劃(續)

- (iv) 並無就購股權設定行使前必須持有之最短期間。
- (v) 購股權之接納必須於授出日期起計五個營業日內作出。承授人毋須就獲授之購股權支付代價。
- (vi) 購股權之行使價必須為以下之最高者：
- 於授出日期聯交所每日報價表所列本公司股份之收市價；
  - 緊接授出日期前五個交易日聯交所每日報價表所列股份之平均收市價；及
  - 股份之面值。
- (vii) 首次公開發售後購股權計劃之年期將為期十年，至二零一五年五月二十九日為止，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。





### 30. SHARE OPTION SCHEMES (CONTINUED)

### 30. 購股權計劃(續)

The following table disclose details of the options under Pre-IPO Options and 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根據首次公開發售後購股權計劃持有之購股權之詳情及該等權益之變動：

Category of participants 參與者類別	Name of scheme 計劃名稱	Date of grant 授出日期	Exercisable period 行使期 (Note i) (附註i)	Exercise price per share 每股行使價 HK\$ 港元	Outstanding at 1 January 2005 於二零零五年 一月一日 尚未行使	Granted during the year 本年度授出	Forfeited during the year 本年度失效	Outstanding at 1 January 2006 於二零零六年 一月一日 尚未行使	Granted during the year 本年度授出	Exercised during the year 本年度行使	Forfeited during the year 本年度失效	Outstanding at 31 December 2006 於二零零六年 十二月三十一日 尚未行使
					(Note ii) (附註ii)	(Note iii) (附註iii)	(Note ii) (附註ii)	(Note iv) (附註iv)	(Note iii) (附註iii)	(Note iii) (附註iii)		
<b>Directors 董事</b>												
Tsang Hen Loon, Raymond 曾憲龍	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	30.5.2005 – 29.5.2015 二零零五年五月三十日至 二零一五年五月二十九日	1.020	-	3,000,000	-	3,000,000	-	(750,000)	-	2,250,000
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	30.5.2005 – 29.5.2015 二零零五年五月三十日至 二零一五年五月二十九日	1.020	-	3,000,000	-	3,000,000	-	(750,000)	-	2,250,000
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	30.5.2005 – 29.5.2015 二零零五年五月三十日至 二零一五年五月二十九日	1.020	-	750,000	-	750,000	-	(186,000)	-	564,000
					-	6,750,000	-	6,750,000	-	(1,686,000)	-	5,064,000
<b>Employees of the Group 本集團僱員</b>												
	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	30.5.2005 – 29.5.2015 二零零五年五月三十日至 二零一五年五月二十九日	1.020	-	37,250,000	(3,650,000)	33,600,000	-	(6,640,000)	(5,225,000)	21,735,000
	Post-IPO Options 首次公開發售後 購股權計劃	12.5.2006 二零零六年 五月十二日	12.5.2006 – 29.5.2015 二零零六年五月十二日至 二零一五年五月二十九日	3.675	-	-	-	-	12,000,000	-	(2,730,000)	9,270,000
Total 總計					-	44,000,000	(3,650,000)	40,350,000	12,000,000	(8,326,000)	(7,955,000)	36,069,000
Exercisable at the end of the year 於年終可予行使												1,636,500
Weighted average exercise price (HK\$) 加權平均行使價(港元)												1.599
					-	1.020	1.020	1.020	3.675	1.020	1.599	1.599



## 30. SHARE OPTION SCHEMES (CONTINUED)

## Notes:

- (i) In relation to each grantee of the options granted under 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.

In relation to each grantee of the options granted under Post-IPO Options, 25% of the options will vest in each of the four calendar years from 1 January 2007.

- (ii) On 30 May 2005 and 12 May 2006, the Company granted 44,000,000 share options under Pre-IPO Options and 12,000,000 share options under Post-IPO Options, respectively to certain directors of the Company and employees of the Group. No consideration was received for the grant of the options.

- (iii) During the year ended 31 December 2006, 5,225,000 (2005: 3,650,000) options granted under the Pre-IPO Options and 2,730,000 (2005: Nil) options granted under Post-IPO Options were forfeited upon the resignation of employees. The market price immediate before the date of grant of the Post-IPO Options was HK\$3.800 per share. No market price is available immediate before the date of grant of the Pre-IPO Options as the options were granted before listing.

- (iv) During the year ended 31 December 2006, 8,326,000 Pre-IPO Options have been exercised at the exercise price of HK\$1.02 per share. The weighted average share price on exercise dates and the weighted average share price immediately before exercise dates are HK\$3.752 per share and HK\$3.755 per share respectively.

Fair value of share options granted to employees determined at the date of grant is expensed over the vesting period, with a corresponding adjustment to the Group's share option reserve. In the current year, an amount of share option expense of approximately HK\$9,170,000 (2005: HK\$6,670,000) has been recognised with a corresponding adjustment recognised in the Group's share option reserve.

## 30. 購股權計劃(續)

## 附註：

- (i) 有關根據首次公開發售前購股權計劃授予每位承授人之購股權而言，於二零零六年四月一日至二零零六年十二月三十一日之期間，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將分別歸屬其25%之購股權。

就根據首次公開發售後購股權計劃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歷年每年將獲歸屬25%之購股權。

- (ii) 於二零零五年五月三十日及二零零六年五月十二日，本公司根據首次公開發售前購股權計劃授出44,000,000份購股權及根據首次公開發售後購股權計劃授出12,000,000份購股權予本公司若干董事及本集團若干僱員。授出之購股權並沒有收取任何代價。

- (iii) 於二零零六年十二月三十一日止年度內，有根據首次公開發售前購股權計劃授出5,225,000份(二零零五年：3,650,000份)購股權，另有根據首次公開發售後購股權計劃授出之2,730,000份購股權(二零零五年：無)於僱員辭任後失效。緊接授出首次公開發售後購股權日期前每股之市價為3.800港元。由於首次公開發售前購股權計劃乃於上市前授出，故並無緊接授出首次公開發售前購股權計劃日期前之市價。

- (iv) 於二零零六年十二月三十一日止年度內，有8,326,000份首次公開發售前購股權計劃按每股1.02港元之行使價被行使。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分別為每股3.752港元及每股3.755港元。

於授出日期釐定向僱員授出之購股權之公平價值，於歸屬期內支銷，並於本集團之購股權儲備作相應調整。於本年度，購股權支出金額約9,170,000港元(二零零五年：6,670,000港元)已予確認，並在本集團之購股權儲備確認相應調整。



### 30. SHARE OPTION SCHEMES (CONTINUED)

In current year, share options were granted under Post-IPO Options on 12 May 2006. The fair values of Post-IPO Options (2005: Pre-IPO Options) determined at the date of grant using the Black-Scholes option pricing model was approximately HK\$18,465,000 (2005: HK\$28,000,000).

The following assumptions were used to calculate the fair values of share options:

	Post-IPO Options	Pre-IPO Options
Share price (Note i)	HK\$3.65	HK\$1.70
Exercise price	HK\$3.675	HK\$1.02
Expected life of options (Note ii)	6 years	10 years
Expected volatility (Note iii)	68.0%	33.3%
Expected dividend yield	6.4%	3.9%
Risk free rate	3.8%	3.8%

The Black-Scholes option pricing model requires the input of highly subjective assumptions, including the volatility of share price. The changes in subjective input assumptions can materially affect the fair value estimate.

Notes:

- (i) In 2006, the share price represented the Company's share price at the date of grant of the Post-IPO Options. In 2005, the share price of the Company's shares at the date of grant of Pre-IPO Options was estimated to be HK\$1.7 per share, which is equal to the offer price of the listing shares.
- (ii) The expected options life is 10 years and 6 years from the date of grant for Pre-IPO Options and Post-IPO Options respectively.
- (iii) In 2006, the expected volatility was determined by calculating the historical volatility of the Company's share price over 90 trade days immediately before the date of grant for Post-IPO Options. In 2005, the expected volatility was determined by calculating the historical volatility of the price of listed companies with similar business as the Group, due to lack of historical data.

### 30. 購股權計劃(續)

於本年度，購股權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授出。採用柏力克－舒爾斯購股權定價模式釐定於授出日期之首次公開發售後購股權計劃(二零零五年：首次公開發售前購股權計劃)公平價值約為18,465,000港元(二零零五年：28,000,000港元)。

採用下列假設計算購股權公平價值：

	首次公開發售後 購股權計劃	首次公開發售前 購股權計劃
股價(附註i)	3.65港元	1.70港元
行使價	3.675港元	1.02港元
購股權預計有效 年期(附註ii)	6年	10年
預計波動(附註iii)	68.0%	33.3%
預計股息率	6.4%	3.9%
無風險利率	3.8%	3.8%

柏力克－舒爾斯購股權定價模式需要作出高度主觀之假設，包括股價波動。各項主觀假設之變動均會嚴重影響估計公平價值。

附註：

- (i) 於二零零六年，股價指於首次公開發售後購股權計劃授出日期本公司之股份價格。於二零零五年，於首次公開發售前購股權計劃授出日期，本公司之股份之股價估計為每股1.7港元，與上市股份之發售價相等。
- (ii) 預期購股權年期分別為自首次公開發售前購股權計劃授出日期起10年及首次公開發售後購股權計劃授出日期起6年。
- (iii) 於二零零六年，預期波動乃經計算與本公司股價於緊接首次公開發售後購股權計劃授出日期之前90個交易日之價格歷史波動釐定。於二零零五年，由於缺少歷史資料，預期波動乃經計算與本集團經營相類業務之上市公司之價格歷史波動釐定。

**31. RELATED PARTY TRANSACTIONS****31. 關連人士交易**

The Group had entered into the following transactions with related parties that are not members of the Group:

本集團與並非本集團成員公司之關連人士訂立以下交易：

		<b>Notes</b> <i>附註</i>	<b>2006</b> <b>二零零六年</b> <b>HK\$'000</b> 千港元	2005 二零零五年 HK\$'000 千港元
<b>Income statement</b>	<b>收益表</b>			
Rental expenses paid to a related company	向關連公司支付之租金			
– Shanghai Sunrise House Property Company Limited	– 上海晨興房產開發有限公司	(a)	–	14
Commission fee paid to a related company	向關連公司支付之佣金費用			
– Shanghai Xinzhan Limited	– 上海鑫展信息設備工程有限公司	(a)	–	192
Interest expense paid to a related company	向關連公司支付之利息支出			
– Shanghai Sunrise Display Limited	– 上海晨顯電子有限公司	(b)	–	556

*Notes:*

- (a) Mr Wong Cho Tung and Ms Yeung Man Ying have controlling power over Shanghai Xinzhan Limited and Shanghai Sunrise House Property Company Limited.
- (b) Mr Wong Cho Tung and Ms Yeung Man Ying are beneficial owners of the company.

*附註：*

- (a) 王祖同先生及楊文瑛女士擁有上海鑫展信息設備工程有限公司及上海晨興房產開發有限公司全數投票控制權。
- (b) 王祖同先生及楊文瑛女士為該公司之實益擁有人。



### 31. RELATED PARTY TRANSACTIONS (CONTINUED)

Mr Wong Cho Tung and Ms Yeung Man Ying are the directors of the Company.

The remuneration of key management other than the directors' remuneration as disclosed in note 10 during the year was as follows:

Short term benefits	短期福利
Post employment benefits	受僱後福利
Share-based payments	股份為基礎付款

The remuneration of directors and key executives is determined by the remuneration committee having regard to factors including the Group's operating results, responsibilities and performance of individuals and market trends.

### 31. 關連人士交易(續)

王祖同先生和楊文瑛女士均為本公司之董事。

除於附註10內披露之董事酬金外，本年度主要管理層之酬金如下：

2006 二零零六年 HK\$'000 千港元	2005 二零零五年 HK\$'000 千港元
5,034	4,105
191	197
1,159	1,287
<b>6,384</b>	5,589

董事及主要行政人員之酬金由薪酬委員會經考慮因素包括本集團經營業績、個人所承擔之責任及其表現及市場趨勢釐定。



### 32. PARTICULARS OF PRINCIPAL SUBSIDIARIES

### 32. 主要附屬公司之詳情

Particulars of the subsidiaries of the Company at 31 December 2006 are as follows:

於二零零六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	
STG	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%	–	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%	Investment holding 投資控股
Shanghai Sunrise* 上海晨興	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%	Manufacturing and sales of LCD in the PRC 在中國生產及銷售液晶顯示模塊
Shanghai Simcom* 上海希姆通	5 December 2002 The PRC 二零零二年 十二月五日 中國	Registered and contributed capital US\$1,500,000 註冊及實繳資本 1,500,000 美元	–	100%	Design and development of mobile handsets, handset design solutions (in SKD/CKD form) and wireless communication module solutions in the PRC 在中國從事設計及開發移動手機、手機設計解決方案(形式為半製成組裝套件/組裝零件)及無線通訊模塊解決方案



### 32. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

### 32. 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	
Suncom Logistics* 上海羅捷斯迪	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%	Procurement, manufacture outsourcing, sales and marketing of the Group's products and logistics services in the PRC 於中國採購、製造、 外包、銷售及推廣 本集團產品及 從事物流服務
Simcom International Holdings Limited	2 October 2003 BVI 二零零三年 十月二日 英屬處女群島	Ordinary share US\$1 普通股 1美元	–	100%	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%	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%	Provision of administrative services 提供行政服務

32. PARTICULARS OF PRINCIPAL  
SUBSIDIARIES (CONTINUED)

## 32. 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	
Shanghai Speedcomm* 上海思必得	16 December 2005 The PRC 二零零五年 十二月十六日 中國	Registered and contributed capital RMB7,500,000 註冊及實繳資本 人民幣7,500,000元	-	100%	Design and development of mobile handsets, handset design solutions (in SKD/CKD form) and wireless communication module solutions in the PRC 在中國從事設計及開發 移動手機、手機設計解決 方案(形式為半製成組裝 套件/組裝零件)及 無線通訊模塊解決方案
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%	Investment holding 投資控股
Shanghai Max Vision* 上海麥維訊	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%	Procurement, outsourcing, sales and marketing of the Group's products and logistics services in the PRC 在中國採購、外包、 銷售及推廣本集團 產品及從事物流服務





### 32. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

### 32. 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	
Shanghai Simcom Wireless Solutions Limited* 芯訊通無線科技(上海)有限公司	31 October 2006 The PRC 二零零六年 十月三十一日 中國	Registered and contributed capital US\$200,000 註冊及實繳資本 200,000美元	-	100%	Not yet commence business 尚未營業
Shanghai SIM Technology Limited* 晨訊科技(上海)有限公司	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%	Investment holding of land use right 土地使用權之投資控股
Shanghai Simcom Electronic Limited* 上海芯通電子有限公司	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%	Not yet commence business 尚未營業

\* Wholly foreign owned enterprises registered in the PRC.

\* 在中國註冊之全外資企業

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。