

Solomon Systech (International) Limited

HKSE : 2878

Annual Report 2011年報



**SOLOMON  
SYSTECH**

**F**  **OCUSED**

**TO ACHIEVE** 專注目標 創建成功

**SUCCESS**

*solutions in silicon*

# CORPORATE PROFILE

## 公司簡介

Solomon Systech (International) Limited and its subsidiaries as a Group is a leading semiconductor company providing integrated circuit products and system solutions that enable a wide range of display applications for mobile phones, portable devices, LCD TVs, consumer electronic products, industrial appliances and green energy applications such as LED lighting.

Solomon Systech (International) Limited及其附屬公司為一個具領導地位的半導體集團，提供顯示器集成電路晶片及系統解決方案，廣泛應用於各類流動電話、便攜式裝置、液晶體電視、消費電子產品、工業用設備及環保能源應用如LED照明產品。

## VISION

### 願景

Provide the ultimate silicon solution for every display system

為每個顯示系統提供最終的晶片解決方案

## FOCUSED TO ACHIEVE SUCCESS

### 專注目標 創建成功

The camera is only as good as the photographer, requiring an individual with the imagination and focus to capture that spectacular shot. Solomon Systech can be likened to such an individual, determined to focus on high-growth display applications, including smartphones, smart TVs and smart devices, to capture opportunities and create its own picture of success.

一部多優秀的相機，都必須藉一流的攝影師之手，運用其無限的想像力及專注力，方能捕捉璀璨一刻。晶門科技就好比一位關鍵的攝影師，矢志於專注發展高增長的亮點顯示應用範疇，包括智能手機、智能電視及智能產品等，以捕捉商機，建構一個個成功的畫面。



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# FINANCIAL HIGHLIGHTS

## 財務摘要

		<b>2011</b> US\$ million 百萬美元	2010 US\$ million 百萬美元	Change 變動
Sales	銷售額	<b>51.6</b>	84.7	(39%)
Gross profit	毛利	<b>15.8</b>	25.6	(38%)
Gross profit margin	毛利率	<b>30.5%</b>	30.2%	0.3 pt
Net profit / (loss)	純利 / (虧損淨額)	<b>(17.6)</b>	1.0	
Earnings/(loss) per share (US cent)	每股盈利 / (虧損) (美仙)	<b>(0.72)</b>	0.04	
Book to bill ratio	訂單出貨比率	<b>1.0</b>	1.0	
Total assets	總資產	<b>126.5</b>	154.2	(18%)
Shareholders' funds	股東權益	<b>117.4</b>	135.0	(13%)

Sales amounted to US\$51.6 million  
銷售額為 51.6 百萬美元

Gross profit margin was 30.5%  
毛利率為 30.5%

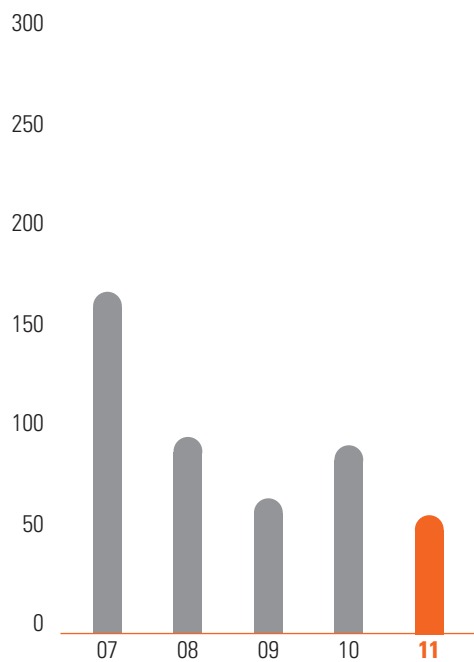
Net loss was US\$17.6 million  
虧損淨額為 17.6 百萬美元

Basic loss per share was 0.72 US cent (5.6 HK cents)  
每股基本虧損為 0.72 美仙 (5.6 港仙)

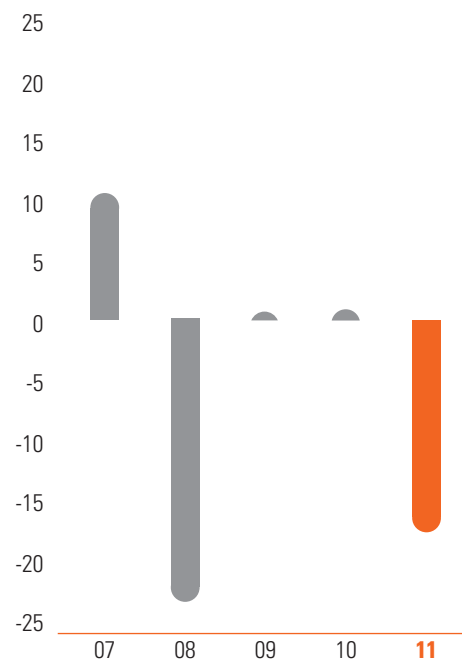
Book to bill ratio for the year ended 31 December 2011 was about 1.0  
截至 2011 年 12 月 31 日止年度訂單出貨比率約為 1.0

The Board of Directors resolved not to propose any final dividend for the year ended 31 December 2011  
董事會決議不建議宣派截至 2011 年 12 月 31 日止年度之末期股息

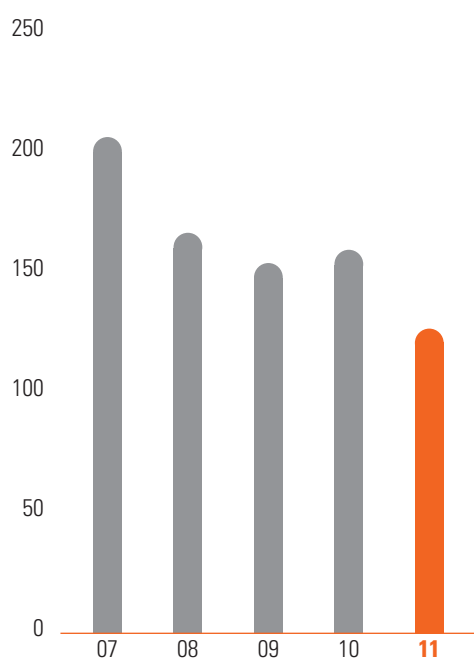
**SALES (US\$m)**  
銷售額(百萬美元)



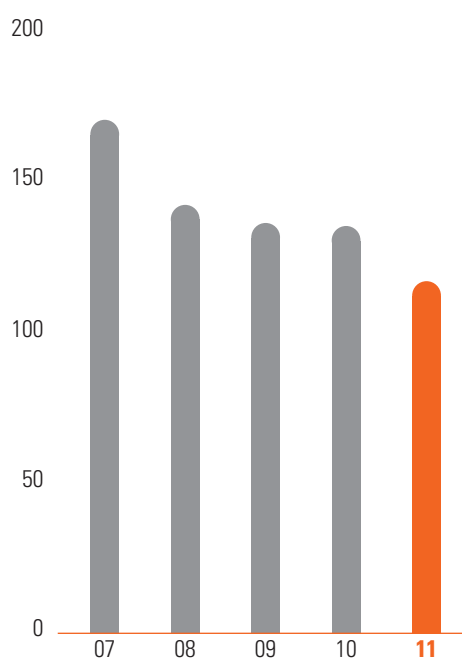
**NET PROFIT/ LOSS (US\$m)**  
純利/虧損淨額(百萬美元)



**TOTAL ASSETS (US\$m)**  
總資產(百萬美元)



**SHAREHOLDERS' FUNDS (US\$m)**  
股東權益(百萬美元)





**OUR** ultimate goal is to ride on our solid foundation and create further values for our stakeholders.

我們的目標是在過往的成功基礎上，為各持份者創造更高價值。





FOCUS ON

CREATING  
INCREASING  
VALUES

專注 創造更高價值



**There are opportunities even in a slow market. What matters is whether or not you are ready and stay focused to maximize these opportunities for success. Solomon Systech is well-prepared for this, just as what Yi Jing<sup>1</sup> says, “公用射隼于高墉之上，獲之，無不利。<sup>2</sup>”**

儘管市場放緩，但仍有商機湧現，重點在於是否已作好準備，專注善用這些商機以取得成功。晶門科技已準備就緒，把握商機。正如易經<sup>1</sup>所述：「公用射隼于高墉之上，獲之，無不利。<sup>2</sup>」

**SUN, Patrick** 辛定華  
Chairman 主席

2011 was a challenging year for the global semiconductor and electronics industry. As a key player in the industry supply chain, Solomon Systech was not spared from the industry turmoil. However, we do see promising opportunities despite the slow market, as best indicated by the strong growth and development in certain key application areas of our business: smartphones, smart TVs and smart devices.

Like the well-equipped and focused leader in the Yi Jing hexagram, the Group has, through its continuing transformation over the past few years, started to focus its resources to build competitive advantages in specific business areas with promising prospects. The Group believes that staying focused is the key to success. Only by being focused can one see clearly how to best leverage and enhance one's core competence to drive growth; and only by focusing one's resources, attention and marketing efforts on these targeted higher-growth areas, can an enterprise deliver excellence to its stakeholders.

The Group has already built a strong foundation in these focused areas – in terms of technical competence, talent and customer base. The Group is continuing to strengthen this foundation and further enhance its competitive edge in these targeted areas, to capture the surging opportunities in 2012 and beyond.

1. Yi Jing or Book of Changes is one of the oldest of the Chinese classic texts.
2. Yi Jing's Resolve Hexagram (Above 6) describes a leader standing on a high wall, with a keen focus and armed with a bow and arrows. He is at the ready, poised to hunt down his target – a falcon swiftly soaring in the sky.

2011年對全球半導體及電子業而言是挑戰重重的一年。作為行業供應鏈的重要一員，晶門科技亦不能幸免受到影響。儘管如此，我們認為在市場放緩的情況下仍有理想商機，這點可見於我們若干主要業務應用範疇，包括智能手機、智能電視及智能產品的強勁增長及發展。

易經的解卦內所述的一名領袖準備充足，行事專注，本集團亦一樣，透過於過往數年持續轉型，開始集中資源發展前景理想的特定業務範疇，以建立競爭優勢。本集團相信，保持專注是成功之道。只有專注方能讓我們清楚如何盡用及加強核心能力，推動增長；亦只有集中資源、注意力及市場推廣力度於此等較高增長範疇，才能為企業的利益持份者帶來最佳回報。

本集團已從技術能力、人才及客戶基礎數方面，為這些專注範疇建立穩固基礎，並正持續加強此基礎及進一步提升本集團於此等目標範疇的競爭優勢，以把握於2012年及往後湧現的商機。

1. 易經乃中國最古老的經典文獻之一。
2. 易經的解卦（上六）描述一名領袖站於高牆之上，凝神貫注，手握弓箭，準備就緒待時而動，射向其目標——在空中盤旋的隼。



## CORPORATE GOVERNANCE STRUCTURE

企業管治架構



As Chairman of the Board, I continued to lead fellow members in reviewing the Group's strategies and directions, as well as enhancing external relations and corporate governance, with the aim of balancing and safeguarding the interests of all stakeholders including the Group, shareholders, customers, business partners, employees and the community.

### Welcome New Board Members

The Board of Directors would like to extend a warm welcome to Mr. Yiu Tin Chong, Joseph ("Mr. Yiu"), who joined the Board in July 2011 as an Independent Non-executive Director. Mr. Yiu was also appointed as a member of the Investment Committee and Remuneration Committee of the Company.

With Mr. Yiu, one more Independent Non-executive Director has been added to our Board to further strengthen the Company's corporate governance, and to provide an additional source of impartial business advice and guidance. Moreover, we would like to leverage Mr. Yiu's in-depth industry experience and business connections. Mr. Yiu is the Chairman Emeritus of and an adviser to Freescale Semiconductor Hong Kong Ltd ("FSHKL"). Before his stint at FSHKL, Mr. Yiu worked for Motorola Group for more than 26 years. We believe that Mr. Yiu's extensive experience and expertise in the industry will greatly benefit the Company.

作為董事會主席，本人繼續帶領各董事會成員檢討公司的策略和發展方向，並致力加強對外關係和企業管治，力求在各利益持份者，包括本集團、股東、客戶、業務夥伴、員工及社會之間取得平衡並保障各方利益。

### 董事會增添新成員

董事會歡迎姚天從先生（「姚先生」）自2011年7月起加盟董事會，出任獨立非執行董事。姚先生亦同時獲委任為本公司投資委員會及薪酬委員會成員之一。

隨著姚先生加盟，本集團董事會增添多一名獨立非執行董事，有助進一步加強本公司的企業管治、提供更多公正的業務建議及指導，以及注入豐富的行業經驗及業務聯繫。姚先生現任飛思卡爾半導體香港有限公司榮譽主席及顧問。此前，姚先生在摩托羅拉集團服務超過26年。我們相信，姚先生的豐富經驗及行業專業知識將為本公司帶來莫大裨益。

# CHAIRMAN'S STATEMENT (continued)

## 主席報告(續)

### Corporate Governance

As Chairman of the Board, I and other Non-executive Directors are responsible for monitoring the performance and implementation of the business strategies of the Group and ensuring that effective corporate governance practices are diligently implemented, while the Managing Director of the Group and other senior executives are responsible for day-to-day business operations.

As at 31 December 2011, the Board comprised ten directors, of whom two are Executive Directors, four are Non-executive Directors and four are Independent Non-executive Directors.

Under the Board, there are four committees – the Audit Committee, the Remuneration Committee, the Nomination Committee and the Investment Committee. Led by different members of the Board, each committee is dedicated to achieving and maintaining high corporate governance standards, which are critical to ensuring the integrity of the Company's operations and maintaining the trust of investors in the Company.

In 2011, the Board made further progress in the evolution of its corporate governance practices. The "Corporate Governance Report" pursuant to Appendix 23 of Listing Rules in this Annual Report provides greater detail on the subject.

### Social Responsibility

All of Solomon Systech's products have been RoHS compliant for years, and the Group itself has earned the ISO 14000 certification for its environmental management systems. The Group continues to participate within and promote the green movement in its products as well as within the industry and in the community at large. The Group's Green Power business, which provides energy-saving LED lighting solutions, underscores its commitment to protecting the environment.

As a good corporate citizen, Solomon Systech has been active in fulfilling its corporate social responsibilities to the community. The Group is very gratified to have been honored with the "Caring Company" award from The Hong Kong Council of Social Service for the seventh consecutive year in recognition of our active involvement in social and community-related activities. The Group and its staff contributed more than HK\$119,000 during the year to various charities. The Group also supported environmental campaigns and participated in different activities including "Walks for Millions," "Greening for the Chest" and "Earth Hour 2011," while implementing various green initiatives in our workplace. More information about the Group's corporate social responsibility activities can be found in the "Social Responsibility" section on page 36.

### 企業管治

作為董事會主席，本人及其他非執行董事主要負責監督本集團的業務表現及策略的執行，確保本集團採納並嚴格執行有效的企業管治常規，日常經營業務則為本集團董事總經理及其他高級管理人員的主要職責。

截至2011年12月31日，董事會由十名董事組成，其中兩位為執行董事、四位為非執行董事及四位為獨立非執行董事。

董事會設有四個委員會，包括審核委員會、薪酬委員會、提名委員會及投資委員會。各委員會均由不同董事會成員帶領，致力使本集團達致及維持高度企業管治水平，此舉對維持集團在業務方面的誠信及贏取投資者對公司的信任至為重要。

於2011年，董事會於改善企業管治常規方面取得更大進展。有關詳情刊載於本年報內根據上市規則附錄23所編製的「企業管治報告」中。

### 社會責任

晶門科技的產品多年來一直遵守RoHS標準，集團本身亦取得ISO14000環境管理系統認證，並將繼續參與推廣業內及社區的環保活動。我們的環保能源業務包括節能LED照明解決方案，彰顯本集團銳意保護環境的承諾。

身為良好的企業公民，晶門科技一直積極履行其肩負的社會責任。集團非常榮幸能夠連續第七年獲社會服務聯會頒發成為「商界展關懷」公司，印證本集團積極參與社會公益活動。年內，集團及員工向多個慈善團體共捐出119,000港元，又積極支持環保活動，參與多項活動包括「百萬行」、「環保為公益」及「2011地球1小時」等，並於工作地點推行多項環保措施。更多有關集團企業社會責任的活動詳情載於第36頁「社會責任」一節。

## Shareholder Value


The Group's sales in 2011 amounted to US\$51.6 million. The Board resolved not to propose any final dividend for the year ended 31 December 2011.

The Group will continue to periodically review our development plans and cash position to ensure an optimum capital structure for maintaining a good balance between the interests of shareholders and the Group's business needs.

## Prospects

Despite the fact that the macroeconomic issues which led to market volatility in 2011 look set to continue in 2012 and the worldwide semiconductor industry in general is predicted to register slow growth, we see positive signs. The smart products, including smartphones, smart TVs and smart devices, which the Group has focused on developing display solutions, are expected to show strong double-digit growth and enjoy great prospects.

We shall strive to maintain our focus on these higher growth areas to launch more innovative products and technologies, so as to extend our reach and explore more business opportunities. At the same time we shall continue to be vigilant in monitoring changes in the global market. Our ultimate goal will be to create increasing value for our shareholders and to build on our success.



**SUN, Patrick** 辛定華  
Chairman 主席

Hong Kong, 21 March 2012  
香港, 2012年3月21日

## 股東價值

集團於2011年錄得銷售額51.6百萬美元。董事會決議不建議宣派截至2011年12月31日止年度的末期股息。

集團將繼續定期檢討其發展計劃及現金水平，以維持優良的資本架構，確保集團達致一個平衡股東利益及業務需要的最佳股本架構。

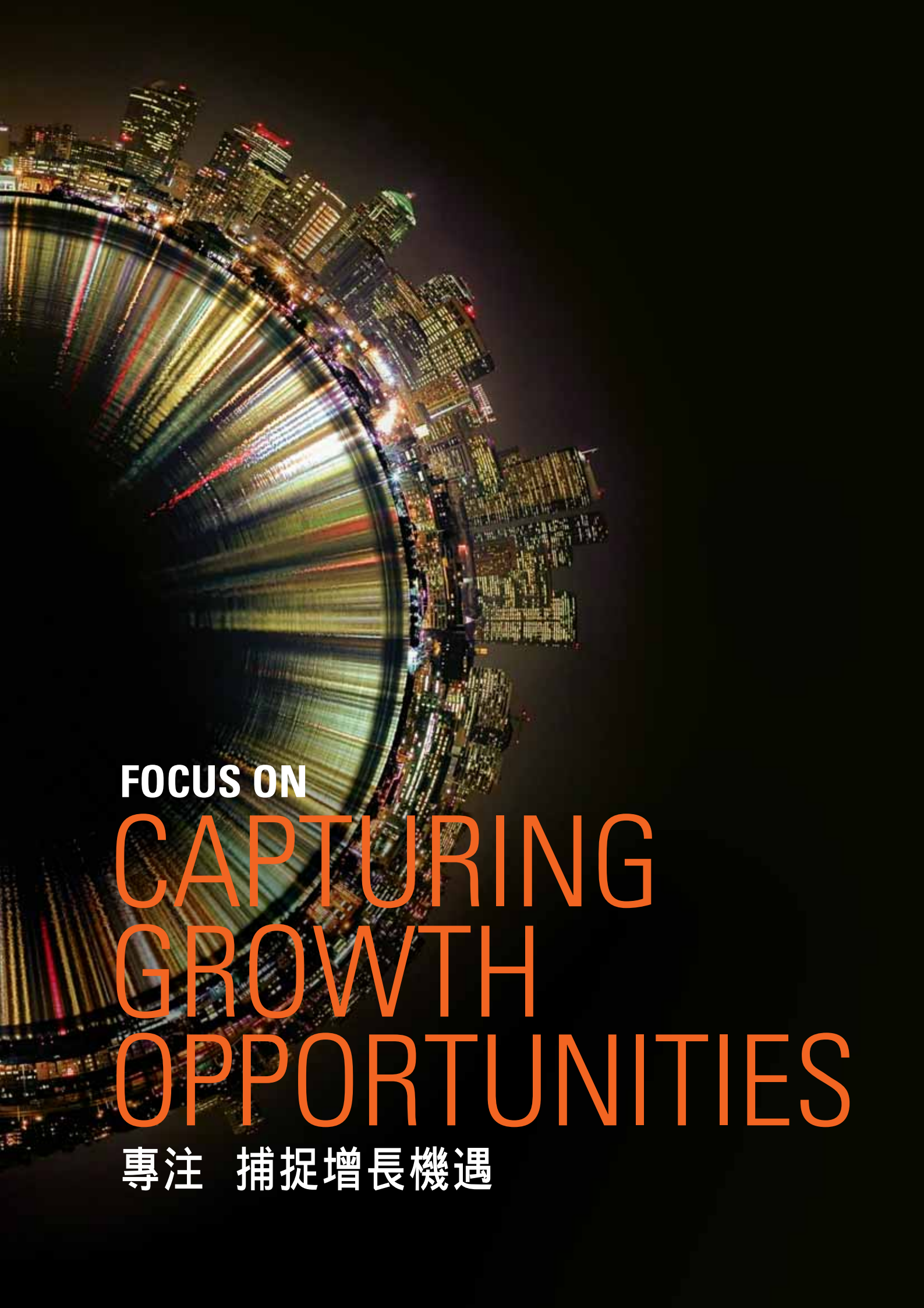
## 前景

雖然宏觀經濟環境令2011年市場反覆，而且預期會延續至2012年，全球半導體行業普遍預期會增長緩慢，但我們相信市場存有商機。集團集中發展顯示方案的智能產品，包括智能手機、智能電視及智能產品等，預計會錄得雙位數強勁增長，前景美好。

我們會致力專注於此等較高增長範疇，推出更多創新產品及科技，以擴大我們的市場覆蓋及把握更多商機。與此同時，我們繼續會密切注視全球市場動向，最終目標是希望可以在過往的成功基礎上，進一步提高股東價值。



**WE** focus on developing selected segments with higher growth potential.  
我們專注發展較高增長潛力的業務範疇。



**FOCUS ON**

**CAPTURING  
GROWTH  
OPPORTUNITIES**

**專注 捕捉增長機遇**



**With our growth-driving strategies and plans well in place, combined with the strong commitment and dedicated effort of our seasoned team of professionals, we are determined to strive for focused growth and a return to profitability.**

憑藉妥善周詳的業務增長策略及計劃，加上經驗豐富的專業團隊的不斷努力，我們決心專注亮點業務，致力推動增長並創造盈利。

**LEUNG Kwong Wai, Humphrey**  
*Managing Director*

梁廣偉  
董事總經理

### Our Business in 2011

The Group encountered a very challenging market situation in 2011. The volatile global economy greatly undermined consumer confidence, leading to reduced market demand and a conservative market response to new product applications, which has significantly impacted the whole industry. The second half of the year, the traditional industry busy season, did not materialize in 2011. Our performance for the year was adversely affected and we shipped approximately 100 million units of products and system solutions.

Although 2011 was a difficult year for Solomon Systech, there were a number of positive developments. We have always closely monitored market and technology trends and invested in R&D to ensure we could extend our display IC product portfolio to include technologically-leading high-end products and value-added solutions targeting higher-growth market segments. This ever-improving strategy has guided our investment in the development of capacitive touch panel driver ICs, high-speed display interface controller ICs, e-paper technology for electronic shelf labels and green power products and solutions. In 2011, despite the decline in overall unit shipments of our products, we managed to achieve satisfactory growth and development in these products. In 2012, we intend to maintain our focus on these higher-growth areas.

### 2011年業務

本集團於2011年面對極具挑戰的市場環境。全球經濟波動，大大打擊消費者信心，導致市場需求減少，對新產品應用亦傾向保守，對整個行業帶來顯著影響。下半年一向是傳統行業旺季，但此景況在2011年卻未復見。我們於年內的表現因而受到嚴重影響，我們的產品及系統解決方案的付運量約為100百萬件。

對晶門科技來說，儘管2011年是困難的一年，但仍能達致不少理想的發展。我們一直密切監察市場及科技趨勢，並投資於研發工作，以確保我們的顯示集成電路晶片產品組合得以擴闊，應付以高增長市場為目標的尖端科技高端產品及增值解決方案的需求。集團不斷求進的策略，促使我們投資於電容式觸摸屏驅動器集成電路晶片、高速顯示器介面控制器集成電路晶片、用於電子貨架標籤的電子紙技術以及環保能源產品及解決方案等發展。於2011年，雖然本集團的整體產品付運量下跌，但我們仍能在以上產品達致令人滿意的增長及發展。於2012年，我們將繼續專注於這些較高增長的亮點業務。

## Focusing on Higher-growth Product Applications

### Smartphones & Tablets

Today we are at the beginning of a new tech cycle called the Mobile Internet Era, in which better connected smartphones and tablets are the key growth drivers in the consumer electronics market. Unit shipments of smartphones are predicted to grow at a CAGR of around 40% to over 600 million units in 2012; while for tablets, the unit shipments is expected to grow at a CAGR of around 50% to more than 100 million units in 2012. The roll out of Windows 8 in 2012 is also expected to give another boost to these smart electronic products. These market trends have induced a surge in the demand for high speed, high resolution and multi-touch display drivers. With the launch of our innovative capacitive touch panel driver ICs, high resolution display driver ICs and high-speed display interface controller ICs in 2011 and our continued introduction of related new technologies and products, Solomon Systech is poised to capture these rising opportunities.

### Smart TVs

The smart TV is often referred to as the technological convergence of computers, television sets and set-top boxes. It functions as the third screen for home entertainment and communication center, after the PC and the mobile phone. At CES 2012, some international brands launched their new 3D smart TVs with higher definition as well as enhanced Internet and multimedia capabilities to capture this booming market. The smart TV segment is projected to grow robustly, with global shipments estimated to reach around 53 million units in 2012. Subsequent to our strategic investment in C2 Microsystems Inc. in August 2011, we now have innovative smart TV SoC and system solutions ready to meet the burgeoning market demand.

We also see strong potentials in the pocket projector market, with revenues estimated to be growing at a CAGR of 70%. Our Display System Solution business unit, with its innovative SoC multimedia processors already securing many design wins and volume shipments in the pocket projector market in 2011, also plans to incorporate C2's leading-edge smart TV technology into smart projectors. With our projector product portfolio greatly strengthened, we are ready to capture this rising trend and bring in more revenue.

## 專注於較高增長亮點產品應用

### 智能手機及平板電腦

現在，我們正處於「移動互聯網時代」——一個全新科技周期的開端，消費電子產品市場的主要增長動力，來自連接效果更佳智能手機及平板電腦。預期2012年智能手機付運量將按複合年增長率約40%增長，至超過六億件；至於平板電腦，預期2012年付運量按複合年增長率約50%增長至超過一億件。此外，預期視窗8於2012年面世後，將進一步刺激智能電子產品的需求，並因此令市場對高速、高解像及多點觸控顯示驅動器的需求急升。隨著我們於2011年推出嶄新的電容式觸摸屏驅動器集成電路晶片、高解像顯示驅動器集成電路晶片及高速顯示器介面控制器集成電路晶片，加上不斷推出相關的新科技及產品，晶門科技已準備就緒，把握湧現的商機。

### 智能電視

智能電視被認為是結合了電腦、電視機及機頂盒科技的產品。智能電視可說是繼個人電腦及流動電話之後，用於家庭娛樂及通訊中心的第三屏幕。於2012年國際消費電子展(CES)上，多個國際品牌推出全新的3D智能電視，配備高清及升級的互聯網及多媒體功能，以把握此蓬勃發展的市場機遇。智能電視市場預期將強勁增長，2012年的全球付運量料達53百萬件。集團於2011年8月策略性投資於C2 Microsystems Inc.，創新的智能電視適用的系統單晶片及系統解決方案現已準備就緒，應付殷切的市場需求。

袋裝投影機市場亦顯示強勁的增長潛力，收益的複合年增長率預期將達70%。顯示系統解決方案業務方面，其創新的SoC多媒體處理器於2011年袋裝投影機市場贏得多個設計項目，並進行批量付運。我們亦計劃將C2領先的智能電視技術用於智能投影機。憑藉更強大的投影產品組合，本集團已準備就緒，把握此業務的增長趨勢，帶來更大收益。

# MANAGING DIRECTOR'S REVIEW (continued)

## 董事總經理回顧(續)

### Smart Devices

The rising need for intelligent information transfer together with the advancement of wireless connectivity technology has boosted the growth of smart devices and applications. In this market segment we shall focus on capturing the growth momentum of two of our green-smart products – Electronic Shelf Label display driver IC and LED lighting modules.

Electronic Shelf Label is one of the key applications for e-paper technology. Updating pricing with paper labels is extremely slow and labor intensive; while the bistability of e-paper means the labels draw no power except when they are updated, making it a potentially explosive growth arena.

LED lighting is gaining significant momentum as an alternative to incandescent and fluorescent lighting, particularly as the cost of LED lighting technology continues its rapid decline. LED lighting is expected to capture more than half of the global lighting market in the next decade, while including more intelligent features.

The Group will continue to strengthen the product portfolio and related technologies of Electronic Shelf Label and intelligent LED lighting solutions to drive growth.

### 智能產品

市場對智能資訊傳送的需求上升，加上無線連接技術持續改善，推動智能產品及應用的增長。本集團將專注把握此市場中兩項環保智能產品——電子貨架標籤顯示驅動器集成電路晶片及LED照明模組的增長勢頭。

電子貨架標籤是電子紙技術其中一項主要的應用。更新紙標籤的價格極度緩慢，並需動用大量人手，而電子紙則擁有雙重穩定性，僅在更新標籤時方需要電，故迅即成為極具增長潛力的範疇。

LED照明是白熱燈及日光燈的替代品，加上LED照明技術的成本持續大幅下降，有助其迅速增長。預期LED照明將於未來十年佔全球照明市場超過一半份額，亦將配備更多智能功能。

本集團將繼續加強電子貨架標籤以及智能LED照明解決方案的產品組合及相關技術，以推動增長。



## The Business Units & Focused Product Applications

The following table provides a clear view of how the product offerings of the Group's business units could best address the growing needs of the three major focused application areas:

## 業務單元及專注產品應用範疇

下表清楚列出本集團各業務的產品組合如何有效地滿足三大專注應用範疇的需要：

<b>SMARTPHONES</b> 智能手機	<b>SMART TVs</b> 智能電視	<b>SMART DEVICES</b> 智能產品
<p data-bbox="327 656 480 712"><b>Mobile Display</b> 移動顯示</p> <ul data-bbox="212 734 480 969" style="list-style-type: none"> <li>• High resolution LCD drivers 高清LCD驅動器</li> <li>• Touch panel controllers 觸摸屏控制器</li> <li>• MIPI high speed display interface controllers MIPI高速顯示器介面控制器</li> </ul> 	<p data-bbox="715 656 956 712"><b>Display System Solution</b> 顯示系統解決方案</p> <ul data-bbox="639 734 1018 969" style="list-style-type: none"> <li>• SoC total system solutions for smart TVs &amp; smart projectors 用於智能電視及智能投影機的SoC全面系統解決方案</li> <li>• 3D display controllers for active shutter glasses 用於主動快門式眼鏡的3D顯示控制器</li> </ul> 	<p data-bbox="1177 656 1358 712"><b>Advanced Display</b> 先進顯示</p> <ul data-bbox="1074 734 1457 969" style="list-style-type: none"> <li>• Bistable display driver controllers for ESL 電子貨架標籤適用的雙穩態顯示驅動控制器</li> <li>• PMOLED driver IC for various smart products like health care products 多種智能產品如健康產品適用的PMOLED驅動器集成電路晶片</li> </ul> 
<p data-bbox="316 1270 496 1326"><b>Advanced Display</b> 先進顯示</p> <ul data-bbox="220 1348 507 1482" style="list-style-type: none"> <li>• PMOLED driver IC PMOLED驅動器集成電路晶片</li> <li>• AMOLED driver IC AMOLED驅動器集成電路晶片</li> </ul> 	<p data-bbox="770 1270 898 1326"><b>Green Power</b> 環保能源</p> <ul data-bbox="639 1348 863 1415" style="list-style-type: none"> <li>• LED backlight solutions LED背光解決方案</li> </ul>  <p data-bbox="767 1597 901 1653"><b>Large Display</b> 大型顯示</p> <ul data-bbox="639 1675 951 1776" style="list-style-type: none"> <li>• Source and gate drivers for large display panels 大型顯示屏幕的源及柵驅動器</li> </ul> 	<p data-bbox="1201 1270 1329 1326"><b>Green Power</b> 環保能源</p> <ul data-bbox="1074 1348 1366 1415" style="list-style-type: none"> <li>• Intelligent LED lighting solutions 智能LED照明解決方案</li> </ul>  

# MANAGING DIRECTOR'S REVIEW (continued)

## 董事總經理回顧(續)

### Focusing on Building Our Strengths

To attain our goal of achieving focused growth in these target product segments, the Group executed strategic steps in Q4 of 2011 to enhance our core competence and build a strong base for future growth.

### Enhancing Market Outreach

The Group realigned internal resources to strengthen the sales and marketing functions in order to enhance market outreach. We shall also add resources to further improve the field application engineering services and technical support provided to customers.

### Optimizing Design Engineering Resources

The Group has always placed a heavy emphasis on R&D as we believe it is the key to success, especially for a technology company like us. Along with the resources realignment in Q4 of 2011, the Group has optimized its design engineering resources aiming to streamline the operations and improve the quality and speed of new product introduction, with special focus on the target product display applications.

### Strengthening New Technology Development

To pave the way for future growth, during 2011, special efforts were focused on developing next-generation display driving technologies related to our target higher-growth product display applications. Examples include touch panel IP such as in-cell touch, metal oxide TFT, integration of touch functions, a new Android software platform, full-HD video processing and smart LED lighting control.

To ensure success in the focused growth areas, the Group has set up core teams to be responsible for the strategic executions of specific business development plans. Regular meetings are held to monitor, review and discuss the progress to ensure thorough execution to achieve our set objectives.

### 專注加強實力

為了於以上目標產品市場取得增長，本集團於2011年第四季執行各項策略，加強核心競爭力及為未來增長奠定穩固基礎。

### 擴大市場覆蓋

本集團已重新調配資源，加強市場推廣及營銷能力，務求擴大市場覆蓋。我們亦會增加資源，進一步改善為客戶提供的產品應用工程服務及技術支援。

### 優化設計工程資源

本集團一向重視研發，因為我們相信這對我們這一類科技公司而言，是成功的關鍵。配合於2011年第四季進行的資源調配，集團已優化設計工程資源，以求精簡營運、提高品質及加快新產品推出，尤其專注於各目標產品顯示應用業務。

### 加強新技術開發

2011年，集團特別專注開發與高增長目標產品顯示應用有關的新一代顯示驅動技術，包括觸摸屏知識產權如內嵌式觸控、金屬氧化物TFT、集成觸控功能、全新Android軟件平台、全高清視像處理及智能LED照明控制等，為未來增長鋪路。

為了確保專注的業務取得增長，本集團成立各個核心團隊，負責執行特定業務發展計劃，定期開會監察、檢討及協商進度，確保計劃執行順利並達到預定目標。

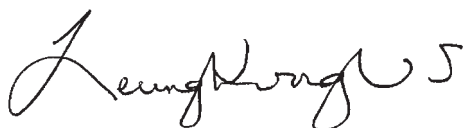
## China as a Key Market

China is an increasingly important market to the global semiconductor and electronics industry and it provides great market potential for our three focused product display applications of smartphones, smart TVs and smart devices. These applications are among the key priority areas under China's 12th Five-Year Plan. Domestic consumption has been identified as the key growth driver for the nation's economy, and these focused applications for consumer electronics products should get a boost. Moreover, the demand for our energy saving smart applications such as LED lighting display solutions will grow, as energy conservation and the environmental protection industry is one of the seven priority industries of the country.

## Looking Ahead

We see great opportunities despite a slow market. Our strategic focus for 2012 is to: (1) generate more revenue and gain a strong foothold within the three focused higher-growth product display applications; (2) bolster our technical competence and develop new products and technologies; and (3) strengthen the market outreach for our target areas and enhance our customer services.

With our growth-driving strategies and plans well in place, combined with the strong commitment and dedicated effort of our seasoned team of professionals, we are determined to strive for focused growth and a return to profitability.



**LEUNG Kwong Wai** 梁廣偉  
Managing Director 董事總經理

Hong Kong, 21 March 2012  
香港，2012年3月21日

## 中國作為目標市場

中國對全球半導體及電子行業來說，是愈見重要的市場，為集團專注的三大產品顯示應用範疇：智能手機、智能電視及智能產品提供龐大市場潛力。這些範疇亦是中國第十二個五年計劃的重點優先項目。內需已被確認為國家經濟發展的主要動力，而集團專注的各個消費電子產品顯示應用，預期會大行其道。而且，由於節能及環保行業也是國家的七大重點行業之一，市場對節能智能產品如LED照明顯示方案的需求會日益殷切。

## 展望

雖然市場放緩，我們預期仍有龐大機會。2012年我們的業務焦點包括：(1) 提高收益，並在三大專注的高增長產品顯示應用範疇建立穩固市場地位；(2) 提升技術水平，開發更多新產品及技術；及(3) 強化目標產品的市場覆蓋，並加強客戶服務。

憑藉妥善周詳的業務增長策略及計劃，加上經驗豐富的專業團隊的努力不懈，我們決心專注亮點業務，致力推動增長並創造盈利。



**FOCUS ON**

# DELIVERING EXCELLENCE

**專注 實踐卓越表現**



**WE** are dedicated to enhancing R&D capabilities to deliver innovative technologies and products to our customers.

我們致力提升研發技術，為客戶提供更多創新科技及產品。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FINANCIAL REVIEW

#### 財務回顧

##### Sales and Gross Profit

For the year ended 31 December 2011, the Group's sales totaled US\$51.6 million (2010 : US\$84.7 million), decreased by 39% over the previous year. The overall market demand was not strong in 2011 due to a cautious outlook for economic growth in the aftermath of the Japan earthquake and lingering European sovereign debt issues. The book to bill ratio was maintained at about 1.0 (2010 : 1.0). The Group recorded a 30% decrease year-on-year in shipment quantity and a 13% year-on-year decrease in the blended average selling price of its products.

Gross profit was US\$15.8 million (2010 : US\$25.6 million) as a result of the drop in sales.

The Group's gross margin maintained at about 30.5% in 2011 (2010 : 30.2%), notwithstanding a provision for obsolete or slow moving inventory amounted to US\$2.9 million (including US\$1.6 million on inventory scrap) which lowered the gross margin by 5.6 percentage points. The Group has redoubled its efforts to improve its manufacturing productivity through product yield improvement.

##### Costs and Expenses

The Group's total expenses, including R&D costs, S&D expenses and administrative expenses, were US\$29.9 million, up by US\$1.3 million, of which US\$0.7 million was related to the Group's one-time spending on the realignment of resources in late 2011.

The Group continued to invest in R&D and business development, and remained selective in its R&D spending. Its R&D costs were US\$17.2 million, up 14% year-on-year.

S&D expenses were lowered by 23% from US\$4.7 million in 2010 to US\$3.6 million in the current year.

Administrative expenses were US\$9.1 million (2010 : US\$8.9 million).

##### Other Income and Finance Income/Cost – Net

During 2011, the Group recorded interest income of US\$1.1 million as well as dividends and other income of US\$0.5 million from financial assets at fair value through profit or loss totaling US\$1.6 million. However, a net unrealizable loss of US\$3.2 million (2010 : US\$0.1 million) was recorded from the investment in the FVTPL portfolio as at 31 December 2011.

##### Net Profit and Loss

Taking into account US\$2.0 million loss resulted from sharing the results of associated companies, the Group recorded a net loss attributable to the Company's equity holders of US\$17.6 million (2010 profit : US\$1.0 million).

##### 銷售額及毛利

截至2011年12月31日止年度，本集團的銷售額為51.6百萬美元(2010:84.7百萬美元)，比去年減少39%，因受到日本大地震及歐洲主權債務危機持續影響，整體市場需求於2011年並不強勁，訂單出貨比率維持於約1.0(2010:1.0)。本集團錄得付運量較去年同期減少30%，而產品混合平均售價較去年同期下跌13%。

基於銷售額下跌，毛利為15.8百萬美元(2010:25.6百萬美元)。

雖然2011年過時或滯銷存貨撥備達2.9百萬美元(含1.6百萬美元存貨報廢)，導致毛利率減少5.6個百分點，但本集團毛利率仍維持於約30.5%(2010:30.2%)。集團一直加倍努力透過改善產品良率以提高本集團的生產力。

##### 成本及開支

本集團總開支(包括研發成本、銷售及分銷開支加上行政開支)增加1.3百萬美元，共29.9百萬美元，當中0.7百萬美元為本集團於2011年年底重整資源的一次性開銷。

本集團繼續投資於研發及業務發展，並在選擇研發重點時保持審慎。研發成本為17.2百萬美元，較去年同期高約14%。

銷售及分銷開支由2010年的4.7百萬美元下跌23%至本年的3.6百萬美元。

行政開支為9.1百萬美元(2010:8.9百萬美元)。

##### 其他收入及投資收入/成本—淨額

於2011年內，本集團錄得1.1百萬美元利息收入，以及通過損益以反映公平價值的財務資產的股息與其他收益0.5百萬美元合共1.6百萬美元。但本集團之FVTPL投資組合按2011年12月31日市價作基準估值錄得未變現淨虧損為3.2百萬美元(2010:0.1百萬美元)。

##### 盈虧淨額

計算應佔聯營公司虧損2.0百萬美元後，本集團錄得本公司權益擁有人應佔虧損為17.6百萬美元(2010溢利:1.0百萬美元)。

## Liquidity and Financial Resources

Total cash and bank deposits and equivalents of the Group amounted to US\$72.1 million at 2011 year-end, compared to US\$79.6 million (including other financial assets) as at 31 December 2010. The change in cash position was mainly a result of (1) net outflow from operations amounting to US\$5.2 million resulted from loss for the year adjusted for non-cash items notwithstanding the decrease in working capital; (2) receipt of US\$5.5 million in early 2011 as the proceeds from the disposal of an available-for-sale financial asset in late 2010; (3) payment of US\$1.0 million related to the prepaid operating lease in connection with the land use rights in Beijing, China; (4) addition of fixed assets US\$1.0 million (5) subscription for approximately 24.0% newly issued shares of C2 at a cash consideration of US\$9 million; (6) interest income received US\$1.1 million; and (7) proceeds received on the disposal of FVTPL US\$1.8 million. As a result, net cash used in operating activities during the year was US\$5.3 million (2010: US\$2.4 million).

Regarding the use of cash reserves, the Group will continue to allocate funds for product development, securing production capacity, strengthening infrastructure in mainland China to broaden its customer base and capture market and sales opportunities, entering into strategic corporate ventures and meeting general corporate purposes. As at 31 December 2011, there was no major borrowing by the Group other than US\$0.7 million in a mortgaged bank loan for the purchase of office property in Hsinchu, Taiwan in 2008. The Group's cash balance was mainly invested in various deposits at banks.

Most of the Group's trade receivables and trade payables are quoted in US dollars. The Group closely monitors foreign exchange rates and constantly seeks to obtain favorable exchange rates for conversion of US dollars into other currencies for paying local operating expenses. During the year, the Group did not use any derivative instruments to hedge against foreign currency exposure as the Directors considered the exposure to be insignificant.

The Board of the Company resolved not to propose any final dividend for the year ended 31 December 2011.

## Capital Expenditure and Contingent Liabilities

The Group entered into a Subscription Agreement on 9 August 2011 to subscribe for approximately 24.0% newly issued shares of C2 at a cash consideration of US\$9 million. The subscription was completed simultaneously with the execution of the Agreement and payment was made accordingly.

In 2011, other capital expenditure amounted to US\$1.0 million, the majority of which was related to the Group's set up in Beijing, purchase of equipment for the Group's manufacturing subsidiary in Dongguan and licenses for product development. As at 31 December 2011, there was US\$1.3 million capital expenditure approved but not contracted for and US\$1.0 million capital expenditure contracted but not provided for in respect of the building construction in Beijing, China.

Aside from the aforesaid, the Group had no other material capital commitment or contingent liability.

## 流動資金及財務資源

截至2011年年底，集團的總現金、銀行存款及現金等價物為72.1百萬美元，而截至2010年12月31日止則為79.6百萬美元（包括其他財務資產）。現金狀況改變的主要原因是（1）雖然營運資金減少，但因年內虧損，所以於非現金項目調整後，經營現金為淨流出5.2百萬美元；（2）2011年初收訖5.5百萬美元於2010年底出售之可供出售財務資產款項；（3）付訖中國北京土地使用權之預付經營租賃款1.0百萬美元；（4）增加投資1.0百萬美元於固定資產；（5）以現金9百萬美元作價認購約24.0% C2新發行之股份；（6）利息收入共1.1百萬美元；及（7）出售FVTPL所得款1.8百萬美元。因此，本集團年內經營活動使用的現金淨額為5.3百萬美元（2010: 2.4百萬美元）。

本集團將利用現金儲備，繼續主要投資於產品開發、提升產能、加強中國內地的基建以擴闊客戶基礎及把握市場及銷售商機、進行若干策略性企業投資及用作一般企業用途。於2011年12月31日，除了因2008年購置位於台灣新竹之新辦公室物業產生的0.7百萬美元按揭貸款外，集團概無任何主要借貸。集團之現金主要投資於銀行各類存款。

本集團的主要應收及應付款均以美元結算。集團密切監察外幣兌換率，以確保能夠以有利的兌換率將美元兌換成其他貨幣，支付當地的營運開支。於本年度內，由於董事會認為集團的外匯風險不高，因此集團並無運用任何衍生工具以對沖其外匯風險。

董事會決議不建議派截至2011年12月31日止年度的末期股息。

## 資本開支及或然負債

本集團於2011年8月9日簽訂一份認購協議，以現金9百萬美元作價認購約24.0% C2新發行之股份。認購於協議簽訂時同步完成，認購款項適時付訖。

於2011年度，其他資本開支達1.0百萬美元，當中大部分用於本集團在北京設立新據點、為集團於東莞之附屬公司購買設備以及支付用於產品開發之特許證照。於2011年12月31日，共有1.3百萬美元已批准但未商定合約之資本開支及1.0百萬美元已商定合約但尚未撥備之資本開支，用於本集團在中國北京土地興建。

除前述之外，本集團概無其他重大資本承擔或或然負債。

# MANAGEMENT DISCUSSION AND ANALYSIS (continued)

## 管理層討論及分析 (續)

### BUSINESS PERFORMANCE & OUTLOOK

#### 業務回顧及展望

#### 2011 NEW PRODUCTS AND DESIGN WINS

##### 2011年新產品及成功設計項目

#### MOBILE DISPLAY

##### 移動顯示

The Mobile Display business unit provides innovative display driver ICs, touch panel ICs and display interface controllers which support key technologies including STN/TFT LCD display and capacitive touch panel display, AMOLED, a-Si TFT and LTPS advanced panel technologies. Applications covered include small to medium-sized LCD displays for high resolution smartphones, tablets, PND, AV applications, MID and other portable equipment.

移動顯示業務單元提供創新的顯示驅動器集成電路晶片、觸摸屏集成電路晶片及顯示器介面控制器，用於支援包括STN/TFT LCD display及電容式觸摸屏等主要技術、AMOLED、a-Si TFT及LTPS等先進面板技術。應用範疇包括用於高解像度智能手機、平板電腦、個人導航裝置、影音應用、移動互聯網設備及其他便攜式設備的中小型LCD顯示器。

#### ADVANCED DISPLAY

##### 先進顯示

The Advanced Display business unit includes OLED Display and New Display product families which support OLED display and e-paper display technologies. The products are widely applied within different product segments, including MP3/MP4 players, portable media players, mobile phones, industrial appliances, healthcare products, electronic shelf labels, e-cards, e-advertisements, storage devices and decorative display applications, etc.

先進顯示業務單元包括的OLED顯示器及新型顯示器兩大產品類別，支援OLED顯示器及電子紙顯示技術。該等產品現廣泛應用於不同產品類別，包括MP3/MP4播放器、便攜式媒體播放器、流動電話、工業用設備、健康護理產品、電子貨架標籤、電子卡、電子廣告、儲存裝置及裝飾顯示設備等。

#### NEW PRODUCTS

##### 新產品



Capacitive Touch Panel Controller  
電容式觸摸屏控制器



High-speed Display Interface Controller  
高速顯示器介面控制器



Bistable Display Driver  
雙穩態顯示驅動器



OLED Character Display  
OLED字符顯示

#### DESIGN-WINS

##### 成功設計項目



Android Tablet  
Android平板電腦



Smartphone  
智能手機



Card Phone  
卡片電話



Electronic Shelf Label  
電子貨架標籤



Cordless Phone  
無線電話



Health Care Product  
健康產品



Mobile Phone  
流動電話



## DISPLAY SYSTEM SOLUTION

### 顯示系統解決方案

The Display System Solution business unit delivers total system solutions that can provide high quality image processing functions at highly competitive cost, high-speed interfaces for mobile display devices, and cost competitive multimedia solutions with integrated wireless communication system technology. Applications covered include mobile phones, Android based mobile internet devices, pico projectors, pocket projectors, mainstream projectors, personal navigation devices, smart TVs, 3D displays, IP cameras, eBooks, digital photo frames, etc.

顯示系統解決方案業務單元提供全面系統解決方案，可提供具高價格競爭力的高質素影像處理功能、應用於移動顯示設備的高速介面，以及具價格競爭力、採用綜合無線通訊系統技術的多媒體解決方案。應用範疇包括流動電話、Android MID、微型投影機、袋裝投影機、主流投影機、個人導航裝置、智能電視、3D立體顯示屏、IP相機、電子書、數碼相架等。

## GREEN POWER

### 環保能源

The Green Power business unit focuses on providing energy-saving LED driver ICs and LED power module solutions for LED lighting and LED backlighting unit applications. Applications include light bulbs, spotlights, street lamps, LED backlighting for TVs, etc.

環保能源業務單元提供節能LED驅動器集成電路晶片及LED電源模組解決方案，用作LED照明及LED背光元件應用。應用範疇包括燈泡、射燈、街燈、電視機的LED背光元件等。

## LARGE DISPLAY

### 大型顯示

The Large Display business unit addresses large display applications such as LCD TVs, LCD monitors and notebook computers. The unit focuses on providing large TFT driver IC solutions.

大型顯示業務單元支援大屏幕顯示應用，例如LCD電視、LCD電腦屏幕及筆記本電腦。該業務單元主要提供大屏幕TFT驅動器集成電路晶片解決方案。



Full HD 1080p Multimedia Processor  
全高清1080p多媒體處理器



Offline LED Driver IC  
離線LED驅動器集成電路晶片



LED Tube Power Module  
LED燈管模組



Gate Driver IC  
柵驅動器集成電路晶片



Source Driver IC  
源驅動器集成電路晶片



Android MID



Drive Recorder  
行駛記錄儀



Dimmable Light Bulb  
可調光燈泡



Spotlight  
射燈



Source and Gate Driver ICs for large panels  
應用於大屏幕的源驅動器和柵驅動器集成電路晶片



Pocket Projector  
袋裝投影機



3D Active Shutter Glasses  
3D主動快門式眼鏡



Streetlight  
路燈



Tube Light  
燈管



**WE** continue to strengthen sales and marketing strategies, aiming to reach out to more potential customers.  
我們繼續加強銷售及市場推廣策略，以吸引更多客戶。





**FOCUS ON**

# EXTENDING OUR REACH

**專注 擴闊市場覆蓋**

# MANAGEMENT DISCUSSION AND ANALYSIS (continued)

## 管理層討論及分析 (續)

### BUSINESS PERFORMANCE & OUTLOOK (continued)

#### 業務回顧及展望 (續)

#### Business Performance

In 2011, the Group shipped approximately 99.4 million display IC units, a year-on-year decrease of around 30% (2010: 142.2 million units). The reduction was primarily due to a cautious outlook towards economic growth translated into customer driven schedule delays and lower quantity orders. Despite the challenging business environment, there were still some product segments which reported strong growth during the year and have great development potential. The Group managed to achieve good progress in these focused areas and lay a strong foundation to facilitate future growth.

#### 業務回顧

於2011年，本集團付運了約99.4百萬件顯示器集成電路晶片，較去年減少約30% (2010：142.2百萬件)。付運量減少主要由於客戶對未來經濟增長持審慎態度，以致延後訂單及減少訂單數量。儘管經營環境充滿挑戰，但仍有部分產品類別於年內錄得強勁增長，具有龐大發展潛力。集團在這些業務範疇取得良好進展，奠下穩健基礎，有利推動未來增長。

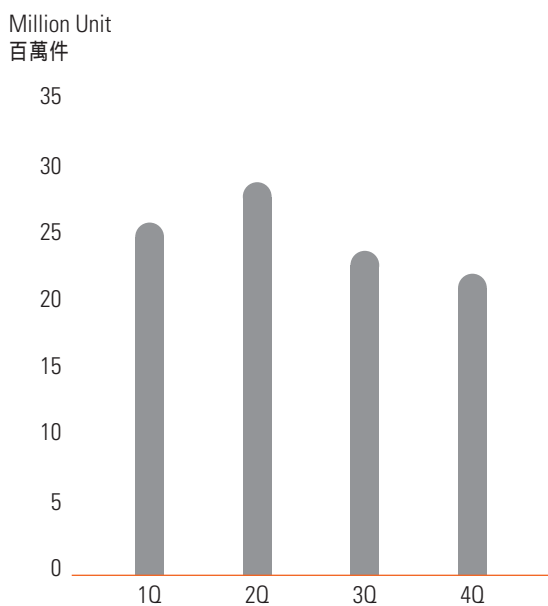
#### PRODUCT SHIPMENT (BY BUSINESS UNIT)

產品付運量 (按業務單元)

Units Shipped (million)	付運量 (百萬件)	2011	2010	Change 變動
Mobile Display	移動顯示	32.7	72.1	(55%)
Advanced Display	先進顯示	63.4	67.0	(5%)
Large Display	大型顯示	—	—	—
Display System Solution	顯示系統解決方案	3.0	2.9	1%
Green Power	環保能源	0.3	0.2	48%
<b>Total</b>	<b>總數</b>	<b>99.4</b>	<b>142.2</b>	<b>(30%)</b>

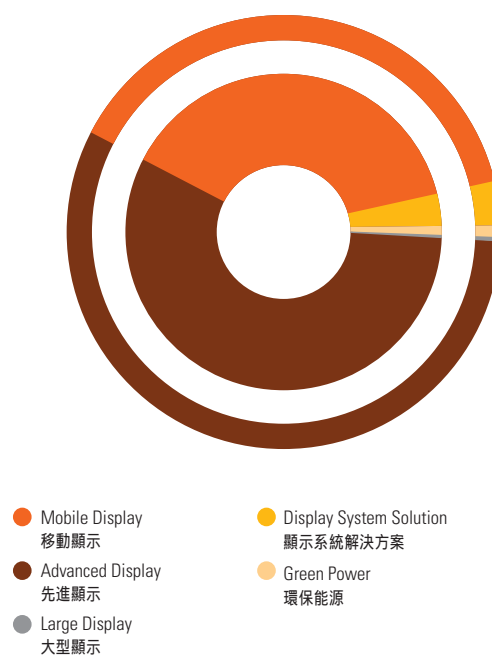
#### 2011 PRODUCT SHIPMENT (BY QUARTER)

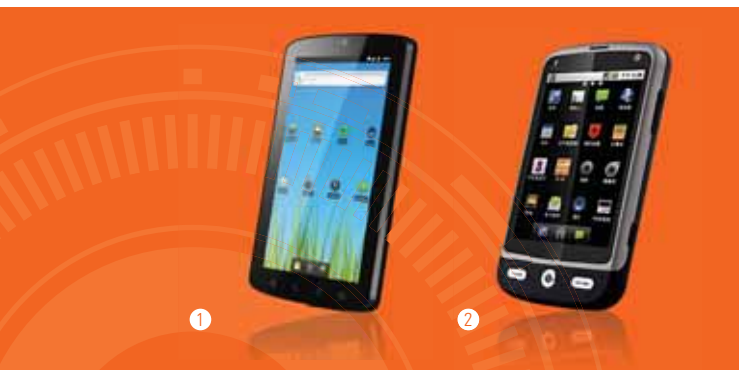
2011年產品付運量 (按季度)



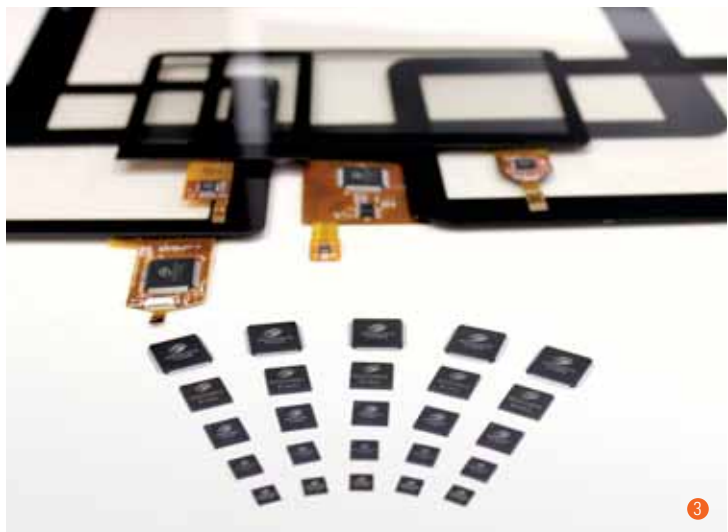
#### 2011 PRODUCT SHIPMENT (BY BUSINESS UNIT)

2011年產品付運量 (按業務單元)





1. *Android Tablet*  
Android 平板電腦
2. *Android Smartphone*  
Android 智能手機
3. *Capacitive Touch Panel Controllers*  
電容式觸摸屏控制器



## Mobile Display

The Mobile Display business, which includes LCD driver ICs, capacitive touch panel controller ICs and display interface controller ICs, constituted around one-third of the total unit shipments, or 32.7 million units, in 2011, a year-on-year decline of approximately 55% (2010: 72.1 million units). Apart from the cautious outlook of customers, the decline was also due to the fact that the Group's Mobile Display business was in the process of shifting its focus from feature phones to higher-growth products, in particular smartphones and tablets. A number of these new products were still under development, or have just been launched in the second half of the year and have not yet been able to contribute significantly to business earnings.

The Group believes that there is huge market potential for smart electronic products, in particular smartphones and tablets with high definition, medium size display and multi-touch functions. In 2011, our capacitive touch panel driver IC business has quickly accounted for almost 5% of the total unit shipments in only its second year of commercial shipment.

To focus on the higher-growth business of display applications for smartphones, the Group has also added new innovative solutions to its growing display interface controller family for driving high resolution display applications, including high-speed MIPI 4-lane display interface controllers which support AMOLED, a-Si LCD and LTPS advanced display panel technologies. Shipments for these high speed display interface controllers started in Q3 of 2011 and the Group has managed to win several high volume projects for the next two years.

## 移動顯示

移動顯示業務包括 LCD 驅動器集成電路晶片、電容式觸摸屏控制器集成電路晶片及顯示器介面控制器集成電路晶片，於 2011 年佔總付運量約三分之一，共 32.7 百萬件，較去年下跌約 55% (2010 : 72.1 百萬件)。除了因客戶持審慎態度以外，集團正處於將移動顯示業務的重點由功能型電話轉移至高增長產品，尤其是智能手機及平板電腦的過程中，亦是付運量下跌的原因之一。這些新產品仍處於開發階段，或剛於本年度下半年推出，故未能為業務盈利帶來重大貢獻。

集團相信，智能電子產品的市場潛力龐大，尤其是附有高清、中型顯示器及多點觸控功能的智能手機及平板電腦。2011 年，我們的電容式觸摸屏驅動器集成電路晶片業務雖只是第二年開始商業付運，但已迅速佔總付運量近 5%。

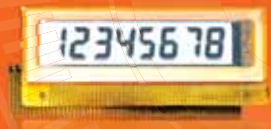
為集中發展較高增長的智能手機業務，集團亦為顯示器介面控制器系列引入更多創新的解決方案，以支持高解像度顯示應用，其中包括高性能 MIPI 四通道顯示器介面控制器，用於支援 AMOLED、a-Si LCD 和 LTPS 等先進屏幕顯示技術。該等高速顯示器介面控制器已於 2011 年第三季開始付運，集團亦已為未來兩年贏得數個有潛力成為大批量的項目。

# MANAGEMENT DISCUSSION AND ANALYSIS (continued)

## 管理層討論及分析 (續)

### BUSINESS PERFORMANCE & OUTLOOK (continued)

#### 業務回顧及展望 (續)



4



5



6



7

4. Bistable Display Driver  
雙穩態顯示器驅動器

5. Health Care Product  
健康護理產品

6. Card Phone  
卡片電話

7. Electronic Shelf Label  
電子貨架標籤

### Advanced Display

The Advanced Display product family, which includes OLED and e-paper display driver ICs, has become our main product family, contributing over 60% of the total unit shipments in 2011. During the year, the Advanced Display business unit shipped a total of around 63.4 million units, a slight decrease from 67 million units in 2010. This was mainly caused by fewer unit shipments of PMOLED display ICs resulting from a reduction in the demand for sub-displays of feature phones. Nonetheless, the e-paper display market has experienced satisfactory growth and we are optimistic about its market potential.

While continuing as the leader in the PMOLED display ICs, the Group has strived to expand into new applications targeting different market segments, ranging from mobile phones and consumer electronics such as MP3 players, bluetooth headsets and pocket WiFi, to industrial applications including power meters, USB bank keys, as well as office equipment and health care products. Executing this strategy, the Group has secured design-wins for name-card sized mobile phones, smartphones and health care products during the year.

As for its e-paper business, the Group maintains a positive view about its potentials. In 2011, the Group successfully secured additional world-leading electronic shelf label makers as customers. The Group intends to enrich the product portfolio of its e-paper business and also develop more advanced technologies to ensure that we stay ahead of the competition.

### 先進顯示

先進顯示產品類別包括 OLED 及電子紙顯示驅動集成電路晶片，現為集團最重要的業務，佔 2011 年總付運量超過 60%。年內，先進顯示業務單元付運了約 63.4 百萬件，較 2010 年的 67 百萬件輕微下跌，主要由於功能型電話分屏顯示的需求減少，導致 PMOLED 顯示器集成電路晶片的付運量減少所致。雖然如此，電子紙顯示市場錄得令人滿意的增長，我們對這市場的未來發展充滿信心。

集團繼續維持其在 PMOLED 顯示器集成電路晶片市場的領導地位，同時致力擴大至新的應用層面，針對不同市場，包括流動電話及消費電子產品如 MP3 播放器、藍芽耳機及 pocket WiFi，以至工業用設備如電錶、USB 電子銀行密碼鑰匙、文儀用品和健康護理產品等。基於此策略，集團成功於年內贏得多個產品設計項目，包括名片大小的手機、智能手機及健康護理產品。

至於電子紙業務，集團對該業務的潛力感到樂觀。於 2011 年，集團成功取得多名世界領先的電子貨架標籤製造商為客戶。集團將豐富電子紙業務的產品種類，並開發更多先進科技，以進一步提升競爭力。



8



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11



12

8. Android MID

10. 3D Active Shutter Glasses  
3D主動快門式眼鏡

12. Smart Watch  
智能手錶

9. Pocket Projector  
袋裝投影機

11. Network Security Camera  
網絡攝像器

## Large Display

The operation of the Large Display business unit commenced in 2010. In 2011, the Large Display business unit completed design and qualification for source driver and gate driver ICs for large panel displays for a major manufacturer. Initial volume shipment of the products is expected in the first half of 2012. This transaction has not only laid the foundation for a long-term business relationship with the manufacturer as well as its holding group, but is also expected to open up new business opportunities covering their diverse products.

## Display System Solution

Just below the Mobile Display business in terms of total unit shipments is the Display System Solution business unit, with approximately 3 million IC unit shipments in 2011, a slight increase from 2010 (2010: 2.9 million units).

The Display System Solution business unit has played a key role in the Group's success in transforming its business from IC component sales to delivering total system solutions. The solutions offered by this business unit, such as image processors and graphic controllers, support the latest consumer applications, including pico projectors, pocket projectors, mobile phones, baby monitors, MP4 players, IP cameras, digital photo frames and other portable consumer electronic devices. In 2011, the Group garnered a significant number of design-wins, including advanced 3D active shutter glasses, smart watches, network security camera, Android MID and drive recorders, etc.

## 大型顯示

集團於2010年開始發展大型顯示業務單元。於2011年，大型顯示業務單元為一主要生產商完成設計及驗證應用於大型顯示屏的源驅動器及柵驅動器集成電路晶片。預期產品將於2012年上半年首次付運。這項交易不僅為集團與該生產商及其控股公司建立長期業務關係奠下基礎，亦會為集團開拓更多新商機，覆蓋不同產品。

## 顯示系統解決方案

按總付運量計，顯示系統解決方案業務僅次於移動顯示業務，於2011年的付運量約3百萬件集成電路晶片，較2010年微升（2010：2.9百萬件）。

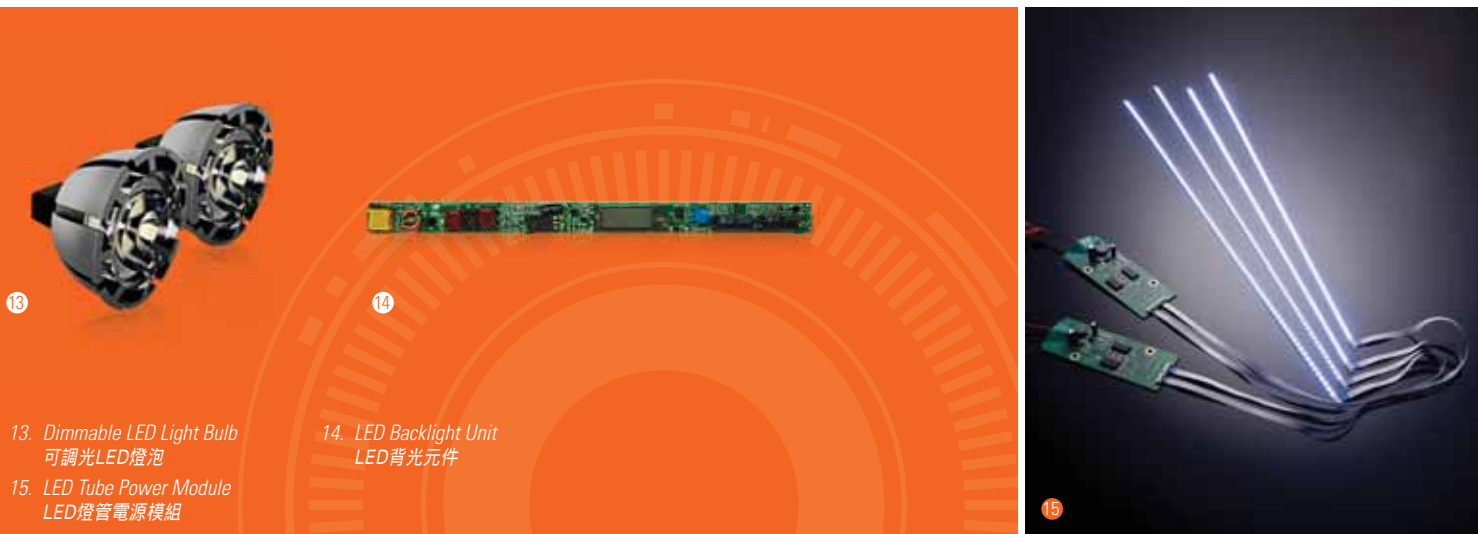
顯示系統解決方案業務乃集團成功由從事集成電路晶片組件銷售轉型為提供全面系統解決方案的重要一環。此業務提供的解決方案如影像處理器及圖像控制器等，能支援最新消費品包括微型投影機、袋裝投影機、流動電話、嬰兒監察器、MP4播放器、網路攝影機、數碼相架及其他便攜式消費電子產品之應用。於2011年，本集團贏得多個新的設計項目，包括先進的3D主動快門式眼鏡、智能手錶、網絡攝像器、Android MID及行車記錄儀等。

# MANAGEMENT DISCUSSION AND ANALYSIS (continued)

## 管理層討論及分析 (續)

### BUSINESS PERFORMANCE & OUTLOOK (continued)

#### 業務回顧及展望 (續)



13. Dimmable LED Light Bulb  
可調光LED燈泡

15. LED Tube Power Module  
LED燈管電源模組

14. LED Backlight Unit  
LED背光元件

Most importantly, the Group has successfully secured some of the world's leading pocket projector brands as customers. Volume shipments of these products are expected to start in early 2012. Determined to capture the great market potential of pocket projectors, the Group has been working to incorporate the leading-edge technology of C2 to produce unique system solutions for smart projectors. We aim to further enhance the portfolio of our projector business segment and bring in new streams of revenue.

### Green Power

In 2011, the Green Power business unit recorded a significant year-on-year increase in unit shipments of close to 50% owing to rising demand for LED lighting modules.

The Group sees a booming LED lighting market as energy saving has become a hot topic in recent years. In alignment with our strategy to stay focused on the higher-growth product segments, the Green Power business unit introduced various new products and solutions during the year, including offline LED driver ICs and LED tube power modules, and achieved design wins for LED lighting products including dimmable light bulbs, spotlights, streetlights and tube lights. The team also worked on the development of LED backlight solutions to support our target LCD customers.

The Group will continue to advance its technology and develop more new products to tap into this growing segment, in particular smart LED lighting and industrial LED lighting products. We believe that the Green Power business will be able to bring in new sources of revenue in the coming years.

更重要的是，集團贏得多個全球領先的袋裝投影機品牌為其客戶，預期將於2012年初開始批量付運此等產品。集團銳意把握袋裝投影儀的龐大市場潛力，致力引入C2的嶄新技術以生產智能投影機適用的獨特系統解決方案。集團將進一步加強其投影機業務的產品組合，帶來新的收益來源。

### 環保能源

於2011年，由於市場對LED照明模組的需求增加，環保能源業務的付運量亦隨之按年大幅上升接近50%。

隨著節能近年成為熱門話題及設計要求，集團預期LED照明市場將蓬勃發展。為配合集團專注發展高增長業務的策略，環保能源業務於年內引入多項新產品及解決方案，包括離線LED驅動集成電路晶片及LED燈管電源模組，並贏得多個LED照明產品設計項目，包括可調光燈泡、射燈、街燈及燈管。有關團隊亦發展LED背光解決方案，為目標LCD客戶提供支援。

集團將繼續提升其技術及發展更多新產品，以進軍此持續增長的市場，特別針對智能LED照明及工業LED照明產品。集團相信，環保能源業務將於未來帶來新收益來源。



## Investing in Booming Smart TV Market

The Group entered into a Subscription Agreement on 9 August 2011 to subscribe for newly issued shares of C2, an IC design company which specializes in the development and sales of multimedia SoC solutions for Smart TVs. The investment is a strategic move aiming to capture the booming smart TV market and also to enable the Group to capitalize on the synergies created to further strengthen the Group's overall competitiveness and business development. During the year, the Group worked closely with C2 and we expect to have volume shipment in 2012 to bring in additional sales revenue.

## Outlook

In 2012, the Group will focus on developing selected product applications with higher-growth potential. Apart from investing more resources to strengthen technical competence in order to introduce more innovative and high quality products and system solutions, the Group will continue to enhance its sales and marketing as well as customer services aiming to increase outreach to these focused growth areas and build success. As at 31 December 2011, the Group registered a backlog of orders at around 23.3 million units for 1H 2012.

### Smartphones & Tablets

Recognizing the great market potential of smartphones and tablets, the Group will continue to shift its business focus from feature phones to higher-growth smartphones, in particular those with high definition, medium size display and multi-touch functions.

To achieve this, the Group aims to introduce more advanced multi-touch display technology, like in-cell touch sensing technology, and also further enhance its single-chip capacitive touch panel controller family as well as its high-speed display interface controller family targeting ultra-high resolution smartphones.

### Smart TVs

With the first smart TV incorporating C2's innovative SoC already launched into the market in early 2012, the Group expects a sales contribution from this surging smart TV SoC market to begin very soon.

In addition to system solutions for smart TV, the Group has been developing system solutions for smart projectors, which will incorporate C2's smart TV technology, to cater for the burgeoning needs from commercial, educational and home-entertainment markets. The Group will ride on the success of its pocket projector business in 2011 to outreach to more leading customers.

## 投資於蓬勃發展的智能電視市場

集團於2011年8月9日訂立認購協議，認購C2的新股，該公司專門開發及銷售智能電視適用的多媒體系統單晶片解決方案。是次投資是一項策略性舉措，讓集團得以把握蓬勃發展的智能電視市場，同時善用所產生的協同效益，進一步加強集團的整體競爭力，並促進業務發展。年內，集團與C2緊密合作，預期於2012年達致批量付運，帶來額外收益。

## 展望

於2012年，集團將專注發展具較高增長潛力的特定產品應用範疇。除了投放更多資源於加強技術水平，以推出更多創新及優質的產品及系統解決方案外，集團亦將繼續加強其銷售及市場推廣以及客戶服務，務求擴大於此等高增長範疇的覆蓋，達致成功。於2011年12月31日，集團2012年上半年的手頭訂單約為23.3百萬件。

### 智能手機及平板電腦

有見智能手機及平板電腦市場潛力龐大，集團將繼續將業務重心由功能型手機移至增長潛力較高的智能手機，特別是附有高清、中型顯示器及多點觸控功能的智能手機。

為此，集團計劃推出更多先進的多點觸控顯示技術，如內嵌式觸感應技術，以及進一步加強為超高清智能手機而設的單晶片電容式觸控控制器系列及高速顯示器介面控制器系列。

### 智能電視

隨著第一部採用C2創新SoC的智能電視於2012年初推出市場，本集團預期此持續增長的智能電視SoC市場即將帶來銷售貢獻。

除智能電視應用外，集團亦採用C2的智能電視技術，發展智能投影機適用的系統解決方案，以滿足來自商業、教育及家庭娛樂市場的殷切需求。集團將建基於袋裝投影機業務於2011年取得的成功，網羅更多頂尖客戶。

# MANAGEMENT DISCUSSION AND ANALYSIS (continued)

## 管理層討論及分析 (續)

### BUSINESS PERFORMANCE & OUTLOOK (continued)

#### 業務回顧及展望 (續)

##### Other Smart Devices

Apart from smartphones and smart TVs, the Group also plans to tap into the smart devices market, in particular electronic shelf labels which deploy e-paper display technology, and also intelligent LED lighting.

Having secured a few world-leading electronic shelf label makers as customers in 2011, the Group will expand into this growing segment in 2012. The Group will continue to enrich its product portfolio and also enhance related technologies to ensure that we stay ahead of the competition.

For LED lighting, the Group plans to launch smart LED lighting power ICs and modules, targeting international brands and the mid-range to high-end market which is expected to have the greatest growth potential.

##### Research and Development

Research and development capability is a core competence of the Group. Continual investment in target areas testifies to the Group's determination to develop and offer innovative products, expand business, capture new opportunities and stay ahead of the competition. In 2011, the Group spent roughly US\$17.2 million on R&D, representing about 57% of total expenses in 2011 and 33% of sales for the year. As at 31 December 2011, the Group had an R&D workforce of 229, representing approximately 53% of our entire staff. The personnel mix included IC designers and product engineers as well as system application and software engineers to meet the requirements for operating total system solution businesses.

##### Numerous IP Developed and Patents Granted

In 2011, many IP were developed or under development, including (1) semiconductor IP such as self-testing error correction for embedded display memory, multi-channel frame rate control, a high speed multi-channel MIPI/MDDI interface adapter, analog-to-digital converters with temperature sensing, an image processor for sharpness enhancement, color saturation enhancement, color correction and contrast enhancement, a temperature compensating oscillator, a 2D graphic accelerator for Android, a UHS-SD host controller, a MIPI-CSI2-receiver and multi-standard IR receiver/transmitter, etc; (2) application IP including low voltage multi-touch mutual capacitive sensing technology, self capacitance sensing technology, an enhanced inversion driving scheme for LCD displays, active power factor correction for dimmable

##### 其他智能產品

除了智能手機及智能電視外，集團亦計劃進軍智能產品市場，尤其是採納電子紙顯示技術的電子貨架標籤及智能LED照明市場。

集團於2011年贏得數個全球領先的電子貨架標籤製造商為其客戶，將於2012年擴展此增長的業務範疇。集團將繼續豐富其產品組合以及提升相關技術，確保競爭優勢。

LED照明方面，集團計劃推出針對國際品牌及中至高端市場的智能LED照明電源集成電路晶片及模組，預期其增長潛力將最為龐大。

##### 研發

研發能力是集團其中一項主要優勢。本集團持續投資於目標範疇，顯示其決心透過開發和提供創新產品擴展業務，爭取更多商機及進一步提升競爭力。集團於2011年於研發方面的支出約為17.2百萬美元，佔年內總開支約57%及銷售額約33%。於2011年12月31日，集團的研發團隊共229名員工，約佔集團員工總數的53%。團隊包括集成電路晶片設計師及產品工程師，以及系統應用及軟件工程師，以配合經營全面系統解決方案業務的需要。

##### 開發多項知識產權並獲授多項專利

於2011年，集團已發展或正在發展多項知識產權，包括(1)半導體IP如內嵌顯示記憶體之自行測試錯誤糾正、多頻道幀速率控制、高速多頻道MIPI/MDDI界面轉接器、附帶溫度感應的AD轉換器、提升顏色鮮明度、飽和度、調色及對比的影像處理器、溫度補償振動器、Android 2D圖像加速器、UHS-SD主機控制器、MIPI-CSI2-接收器及多標準紅外線接收器/傳送器等；(2)應用IP包括低壓多觸控互電容式感應技術、自電容型感應技術、LCD顯示轉換驅動結構強化版、可調光LED照明控制及驅動的功率因素修正、靈活電子紙顯示控制器、3D快門式眼鏡控制器、雙輸出MIPI傳送器及多源驅動支援的MIPI TCON等；及(3)系統IP包括16-bits MCU幀錯器

LED lighting control and driving, a flexible e-paper display controller, a 3D shutter glass controller, a MIPI transmitter with dual output and a MIPI TCON with multiple source driver support, etc; and (3) system IP including 16-bits MCU debugger and programming tools, a touch panel application platform, multimedia framework for Android 2.3, a multimedia framework for Linux 2.6.x, a multimedia player for Linux 2.6.x, an optimized OpenGL ES library for Android 2.x, an optimized SKIE library for Android 2.x, a USB composite driver with audio/video support, a programmable Android launcher and low power management for embedded system, etc.

In 2011, the Group had eight patents granted for display driving IP and two patent disclosures under drafting for filing at patent offices in the USA, China, Taiwan, and Korea. We also published a technical paper covering TFT source drivers for smartphones. Also, the Group released several articles to technology media to share our views about the global and China's electronics industry, as well as our know-how on capacitive touch panel, multimedia solutions for Android applications as well as dimmable LED solutions.

### **Optimization of Design Engineering Resources**

At the end of 2011, as part of the overall strategy to stay focused to achieve success, the Design Engineering unit of the Group, which leads the R&D functions, has realigned its resources aiming to achieve optimized performance, streamline methodology and strengthen design capability and quality, in order to develop more innovative technologies and products to support the higher growth product segments more effectively and efficiently and also better service the needs of customers.

In addition to internal resources optimization, the Design Engineering unit of the Group also aims to strengthen collaboration with external parties, including academic institutions, industry and government organizations and private entities, to better leverage their respective strengths and to achieve synergies.

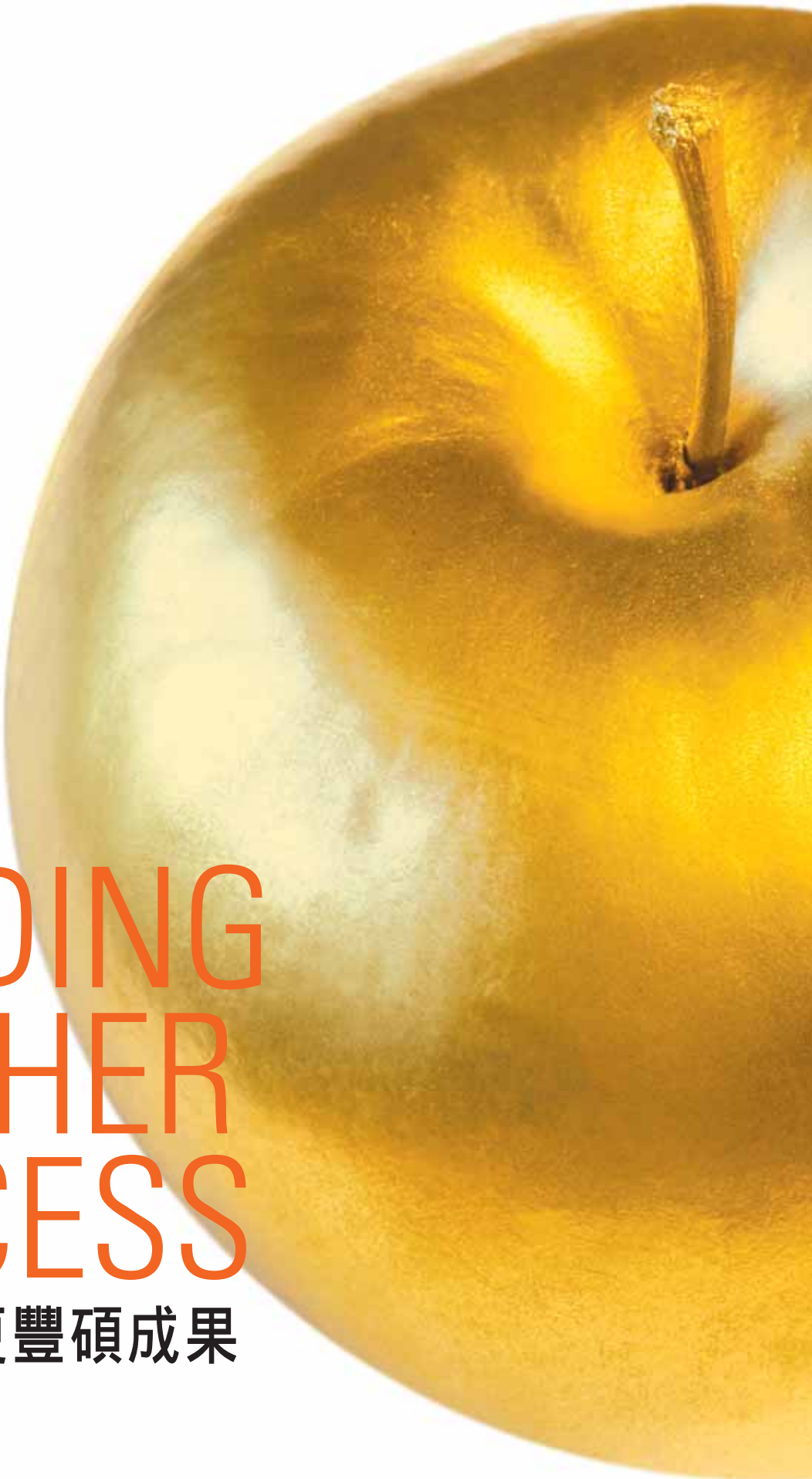
及程式工具、觸控面板應用平台、Android 2.3多媒體框架及Linux 2.6.x多媒體框架、Linux 2.6.x多媒體播放器、Android 2.x OpenGL ES library改良版、Android 2.x SKIE library改良版、附影音支援的USB綜合驅動、可編程式Android啟動工具及內嵌系統低功耗管理等。

於2011年，集團獲八項顯示驅動IP的專利及正在編寫兩項向美國、中國、台灣及韓國專利辦事處遞交的專利披露。我們亦發表了一份有關智能手機TFT源驅動器的技術文章。此外，集團向技術媒體發表了數篇文章，分享對於全球及中國電子行業的觀點，以及有關電容式觸摸屏、Android應用的多媒體解決方案及可調光LED解決方案的專業知識。

### **優化設計工程部資源**

於2011年底，根據整體策略，務求專注目標以達致成功，集團重整帶領研發的設計工程部門的資源，以優化表現，精簡研發方法，提升設計能力和品質，促使集團開發出更多創新技術及產品，更有效地支援高增長業務範疇，以及為客戶提供更佳服務。

設計工程部門亦以加強與外界合作為目標，包括學術機構、行業及政府機構和私人團體，以善用各自優勢，創造協同效益。



**FOCUS ON**

**BUILDING  
FURTHER  
SUCCESS**

**專注 創造更豐碩成果**



**WITH** strategies well in place, we are committed to generating satisfactory returns to our shareholders and achieving future success.

我們已制定一系列的策略，專注於為股東帶來滿意回報，創建美好未來。

# MANAGEMENT DISCUSSION AND ANALYSIS (continued)

## 管理層討論及分析 (續)

### SOCIAL RESPONSIBILITY

#### 社會責任



1. Greening for the Chest  
環保為公益
2. The Community Chest's  
"Walks for Millions"  
Cheque & Award  
Presentation Ceremony  
香港公益金「百萬行」  
支票遞交儀式暨頒獎禮
3. Named "Caring Company"  
for 7th consecutive year  
連續七年獲頒為「商界展關  
懷」公司

Solomon Systech is committed to being a responsible corporate citizen through actions that care and protect the environment. We have developed and implemented management and operational policies in fulfillment of legal requirements for protecting the environment and minimizing pollution based on ISO 14001 Environmental Management System. Beyond this, we have also taken the initiative to introduce different measures and organize a wide range of activities to encourage our staff to help protect our earth. The Hong Kong head office and other regional offices participated in Earth Hour 2011 by dressing in black and switching off the lights during lunch for one hour to support the event.

In addition, our staff is engaged and equipped to build "sustainability thinking" into their everyday work. We proactively promote energy saving ideas in the workplace. Through simple but feasible measures such as weekly "green tips", regular lights-out sessions during lunch hour and sending friendly reminders to switch off computers and unplug electronic devices before long weekends, the electricity consumption has been successfully reduced. We have also set up a comprehensive electronic documentation system to promote e-filing and e-approval and reduce paper consumption.

In addition to protecting the environment, the Group has been named as a "Caring Company" for the seventh consecutive year by the Hong Kong Council of Social Service in recognition for our active involvement in social and community-related activities. The Group and our staff raised a total of HK\$119,000 (approximately US\$15,000) in donations via different charitable and green events in 2011, including "Walks for Millions", "Dress Casual Day" and "Greening for the Chest" organized by The Community Chest.

作為負責任的企業公民，晶門科技一直關注及致力保護環境。集團根據 ISO 14001 環境管理系統，發展及實施符合保護環境及減少污染法規的管理和營運策略。我們又採取多項措施，組織各類活動，鼓勵員工參與環保。香港總部及其他區域辦事處參加了2011年地球一小時活動，包括穿上黑衣以及在午餐時間關燈一小時。

此外，集團員工亦在日常工作中建立「可持續發展」的思維。我們積極在工作環境之中推廣節能概念，透過簡單而可行的方法，例如每周環保提示、午餐時間關燈及於長周末之前提醒員工關閉電腦及拔掉電子產品電源，成功減少整體耗電量。我們亦設立全面電子化文件系統，以推廣電子存檔及電子批核，減少用紙。

除了保護環境之外，集團連續第七年獲社會服務聯會頒為「商界展關懷」公司，表揚集團積極參與社會公益活動。透過多個慈善及環保活動，包括香港公益金舉辦的「百萬行」、「便服日」及「環保為公益」等，集團及員工於2011年籌募共119,000港元(約15,000美元)。

# EMPLOYEES 員工

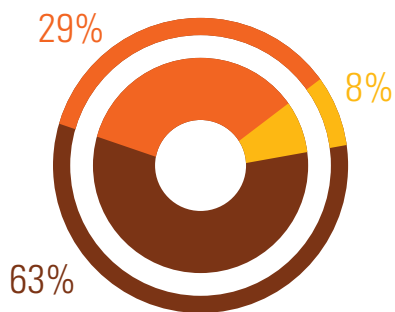


1. 5-Year Service Award Presentation  
頒發五年服務獎
2. 10-Year Service Award Presentation  
頒發十年服務獎

As at 31 December 2011, the Group had a work force of 436 employees, 45% were based in the Hong Kong head office with the rest located in China, Japan, Singapore, Taiwan and the USA. There was a 9% decrease in headcount compared to 2010 due to business and operations realignment.

於2011年12月31日，集團擁有436名員工，其中45%駐於香港總辦事處，其餘員工則分別駐於中國、日本、新加坡、台灣及美國。由於業務及營運重整，整體員工數目較2010年減少9%。

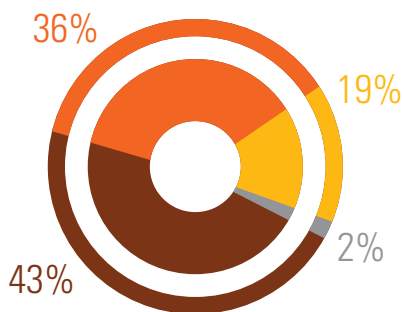
## FUNCTION 職能



- Product Development  
產品開發
- Quality & Manufacturing  
品質管理及製造
- Others  
其他

- 257 technical engineering staff  
257名技術工程師
- 360 staff<sup>1</sup> worldwide as at 31 December 2011  
於2011年12月31日，全球聘有共360名員工<sup>1</sup>

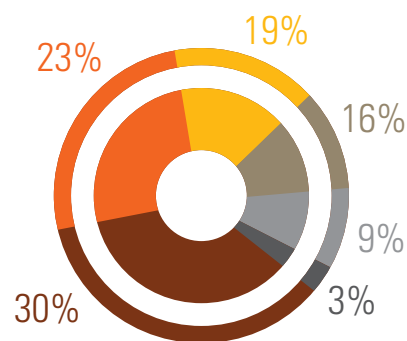
## EDUCATION 教育程度



- Bachelor's Degree  
學士學位
- Master's Degree or above  
碩士學位或以上
- Diploma / Certificate  
文憑 / 證書
- Others  
其他

- 36% Master's Degree or above  
36%持碩士學位或以上
- 79% Bachelor's Degree or above  
79%持學士學位或以上

## EXPERIENCE 經驗



- >20 years
  - 16-20 years
  - 11-15 years
  - 6-10 years
  - 1-5 years
  - <1 years
- Senior management with > 25 years of working experience  
高級管理層擁有逾25年工作經驗
  - Average 11 years of working experience  
員工平均擁有11年工作經驗

1. Data in all charts excludes 76 staff of the manufacturing subsidiary  
圖表中所有數據不包括負責生產之附屬公司的76名員工

# MANAGEMENT DISCUSSION AND ANALYSIS (continued)

## 管理層討論及分析 (續)

### EMPLOYEES (continued)

#### 員工 (續)



3. BBQ  
燒烤活動  
4. Cake Making Class  
蛋糕製作班

Close to 80% of the Group's employees hold bachelor's degree or above, and more than one-third have master's degree or higher academic qualifications. The Group's emphasis on R&D is also reflected in the make-up of our workforce, as 63% are engineers who specialize in product development. The entire team has, on average, 11 years of working experience.

As a technology company that relies on intellectual excellence, we highly value our human resources. To reward and retain talent, the Group offers competitive remuneration to employees and constantly provides employees with training, career development programs and a first-rate working environment to make sure they enjoy working with the Group and are motivated to contribute their efforts to the Group's success.

#### Remuneration and Awards

Remuneration of employees includes basic salaries, bonuses and fringe benefits. The Group believes in motivating, retaining and rewarding employees and attracting new talent with the right incentives, cash or share based, to make sure their interests are aligned with those of the Group. Selected employees were granted shares under the Share Award Plan, subject to vesting, to recognize their past performance and contribution, and as an incentive for their continuing contribution to the Group. In addition, the Group also implements a cash reward program, namely the NPI Incentive Program, to reward development teams for success in introducing new products to the market that excel in time-to-market and revenue contribution. There are also Patent Awards and First Order Awards, which aim to encourage and reward technological innovation, time-to-market reduction and revenue generation for new products.

集團有接近80%的員工擁有學士學位或以上，並有超過三分之一持碩士學位或以上學歷。集團著重研發的文化亦反映於員工組合之中，多達63%的員工為專注產品開發的工程師。整體員工平均擁有11年工作經驗。

作為一家重視專業知識的科技公司，集團高度重視人才。為鼓勵員工及提高他們的歸屬感，本集團為員工提供具競爭力的薪酬，並致力提供培訓、職業發展計劃及一流的工作環境，務求令他們更投入工作，為集團的成功發展盡展所長。

#### 酬金及獎勵

集團員工的酬金包括基本薪金、花紅及福利。集團相信，現金或股份獎勵計劃可令員工的利益及集團的利益連成一線，以獎勵、穩定及鼓勵員工，並吸納新的人才。按照股份獎勵計劃，個別員工會獲授具歸屬限制的公司股份，以表揚他們的傑出表現及鼓勵他們繼續為集團作出貢獻。除此之外，集團亦實施了一項名為「NPI獎勵計劃」的現金獎勵計劃，以適當獎金嘉許成功將新產品適時推出市場並帶來收入貢獻的研發小組。集團亦頒發「專利權獎」和「首張訂單獎」，以鼓勵及獎賞員工創新科技，適時推出新產品及創造收入。



## Training

The Group's most important assets are its employees. Thus, offering the right training to employees to help them realize their full potential and ability to cope with changes and challenges tops the operational agenda of the management. In 2011, the Group spent about HK\$350,000 (approximately US\$45,000) on training and related sponsorship. An average of more than 40 training hours a year per person were provided to employees. The various topics covered included language skills, product and technical knowledge, marketing and leadership skills, and environmental protection. Training was conducted with external consultants and internal experienced employees as instructors. Apart from in-house training, the Group encourages employees to take external job-related courses and sponsors a portion of the course fee.

All new employees are required to take mandatory programs on topics including internal control and information protection, ISO and quality management systems, as a part of job orientation. Specifically designed for new hires, these programs familiarize them with the Group's operations and emphasis on quality. All training and development programs primarily serve three main purposes: enhancing an employee's skills, strengthening an employee's understanding of the Group's culture and internal procedures, and providing professional development to employees.

## Staff Recreation Club

Apart from implementing measures and schemes to encourage dedication to work, the Group believes building a corporate culture that creates a closely knit team is also very important. The Staff Recreation Club of the Group has thus been active in organizing activities for employees including sports competitions such as basketball, leisure gatherings such as the Anniversary dinner, Christmas party, barbecues, and leisure activities such as cake-making courses. The Group believes such activities can enhance relationships among employees and help foster a sense of belonging to the "big family".

The Group also cares about work safety and the health of our staff. Occupational safety and health measures are in place to facilitate assessment of workstation risks and related occupational safety standards, and staff members are provided with health training.

The Group values our pool of industry talent and rewards our members for excellent performance. Through offering employees job satisfaction, we hope to instill in them a sense of ownership of the company and our mission.

## 培訓

員工乃集團最重要的資產。因此，給予員工合適的培訓，協助他們盡展所長，提升面對轉變及迎接挑戰的能力，一直是管理層的首要任務之一。於2011年，集團投放在培訓和相關贊助費用約350,000港元（約45,000美元）。年內，每名員工平均接受了超過40小時的培訓。培訓由外界專業顧問和公司內部資深員工主理，培訓內容範圍廣泛，包括語言技巧、產品及技術知識、市場推廣及領袖才能、以至環境保護等。除了一般內部培訓之外，集團更鼓勵員工報讀外間舉辦而與工作相關的課程，並贊助部份費用。

集團為各新入職員工提供強制培訓如內部監控、資訊保護、ISO及品質管理系統等，旨在讓他們熟悉集團的運作及培養對品質的堅持。這些培訓和發展活動有三大主要目的，分別為：提升員工的技術水準、加強員工對公司文化和內部程序的認識，以及為員工提供專業發展機會。

## 員工康樂會

集團積極鼓勵員工投入工作之餘，更深深明白建立企業文化對培育團隊精神非常重要。集團的員工康樂會不時為員工舉辦各種活動，包括運動比賽如籃球比賽，以及週年紀念晚宴、聖誕聯歡會、燒烤等休閒聚會，以及蛋糕製作班等聯誼活動。集團深信這些活動可以進一步加強員工的關係，培育「大家庭」的感覺。

集團亦十分關注工作環境安全及員工健康。為此，本集團已實施職業安全及健康措施，協助評估工作環境的風險和相關職業安全標準，以及為員工提供健康及衛生培訓。

集團非常重視其業界精英團隊，並對員工的成績予以肯定和嘉許。透過為員工帶來工作滿足感，從而加強員工對公司的歸屬感和使命感。

# BOARD OF DIRECTORS AND SENIOR MANAGEMENT

## 董事會及高級管理層



### Non-executive Chairman



**Mr. SUN, Patrick**, aged 53, is the Non-executive Chairman and an Independent Non-executive Director of the Company. He is also the Chairman of the Nomination Committee and Remuneration Committee and a member of the Audit Committee of the Company. He was appointed an Independent Non-executive Director of China CNR Corporation Limited (SSE: 601299) on 3 February 2012. He is also an Independent Non-executive Director of China NT Pharma Group Company Limited (HKSE: 1011), China Railway Group Limited (HKSE: 0390), Trinity Limited (HKSE: 0891) and Sihuan Pharmaceutical Holdings Group Ltd. (HKSE: 0460) respectively and also a Non-executive Director of Renhe Commercial Holdings Company Limited (HKSE: 1387). Mr. Sun is the Vice-Chairman of the Chamber of Hong Kong Listed Companies. He was a member of Takeovers & Mergers Panel and the Takeovers Appeal Committee, Deputy Chairman of the Listing Committee and a member of the Council of The Stock Exchange of Hong Kong Limited. From 2000 to 2002, he was the Senior Country Officer and Head of Investment Banking for Hong Kong of JPMorgan Chase. He was the Chief Executive Officer and Executive Director of Value Convergence Holdings Limited (HKSE: 0821), an Executive Director of SW Kingsway Capital Holdings Limited (HKSE: 0188), Group Executive Director and Head of Investment Banking for Greater China of Jardine Fleming Holdings Limited, Independent Non-executive Director of The Link Real Estate Investment Trust (HKSE: 0823), and Independent Non-executive Director of Everbright Pramerica Fund Management Co., Ltd.

### Managing Director



**Dr. LEUNG Kwong Wai**, aged 55, is the Founder and Managing Director of the Group. He also serves as the Group Chief Executive Officer ("CEO"). He is acting as the Authorized Representative (pursuant to Listing Rule 3.05), Chairman of the Investment Committee and a member of the Nomination Committee of the Company. Dr. Leung is a director of C2 Microsystems Inc., EPD Technology Limited and Shenzhen aigo Research and Development Co., Ltd respectively, the associated companies of the Group and a director of the wholly-owned subsidiaries of the Group namely Ample Pacific Limited, Broadwood Global Limited, Cornway International Limited, In Achieve Limited, Loyal Creative Limited, Mentor Ventures Limited, Pac-Pacific Limited, Solomon Systech Inc., Solomon Systech Limited, Solomon Systech Japan Company Limited, Solomon Systech Taiwan Limited, Systech Technology China Limited, WE3 Ventures Limited and WE3 Technology Company Limited.

Before 1999, Dr. Leung was the Director of Operations of Motorola Semiconductors Hong Kong Limited. Currently, he is a Director of the Hong Kong Chapter of Society of Information Display, Vice Chairman of the Hong Kong Electronic Industries Association, Vice President of the Hong Kong Semiconductor Industry Council, Director of the Board of Directors of Hong Kong Applied Science and Technology Research Institute Company Limited and

### 非執行主席

辛定華先生，53歲，為本公司非執行主席及獨立非執行董事。他亦為本公司提名委員會和薪酬委員會的主席及審核委員會委員。他於2012年2月3日獲委任為中國北車股份有限公司（上海證券股份代碼：601299）的獨立非執行董事。他現時分別為中國泰凌醫藥集團有限公司（香港股份編號：1011）、中國中鐵股份有限公司（香港股份編號：0390）、利邦控股有限公司（香港股份編號：0891）和四環醫藥控股集團有限公司（香港股份編號：0460）的獨立非執行董事，亦是人和商業控股有限公司（香港股份編號：1387）的非執行董事。辛先生為香港上市公司商會副主席。他曾是收購及合併委員會及收購上訴委員會的成員、上市委員會副主席及香港聯合交易所有限公司理事會成員。辛先生於2000年至2002年任職摩根大通香港區高級地區主管兼投資銀行主管。他亦曾出任滙盈控股有限公司（香港股份編號：0821）的行政總裁兼執行董事、滙富金融控股有限公司（香港股份編號：0188）的執行董事、Jardine Fleming Holdings Limited大中華地區集團執行董事兼投資銀行業務主管、領匯房地產投資信託基金（香港股份編號：0823）的獨立非執行董事及 Everbright Pramerica Fund Management Co., Ltd.的獨立非執行董事。

### 董事總經理

梁廣偉博士，55歲，為本集團的創辦人兼董事總經理，他同時執行集團行政總裁的職務。他為本公司之授權代表（依據上市規則第3.05條）、投資委員會主席及提名委員會委員。梁博士分別為集團聯營公司：C2 Microsystems Inc., EPD Technology Limited和深圳市愛國者嵌入式系統科技有限公司的董事及集團全資附屬公司：Ample Pacific Limited、博活環球有限公司、Cornway International Limited、達晉有限公司、來建有限公司、Mentor Ventures Limited、通洋有限公司、Solomon Systech Inc.、晶門科技有限公司、Solomon Systech Japan Company Limited、晶門科技股份有限公司、晶門電子科技中國有限公司、WE3 Ventures Limited和維駿科技有限公司的董事。

1999年以前，梁博士為萬力半導體香港有限公司營運總監。目前，他是國際資訊顯示會（Society of Information Display）香港分會理事長、香港電子業商會副主席、香港半導體行業協會副會長、香港應用科技研究院有限公司董事局董事和納米及先進材料研究院有限公司的董事局董事。梁博士獲領2001年香港青年工業家獎及2003年傑出理大校友獎。於2004年，

Director of the Board of Directors of Nano and Advanced Materials Institute Limited. Dr. Leung received the Young Industrialist Award for Hongkong in 2001, the Outstanding Polytechnic University Alumni Award in 2003, the Outstanding Achievement Award in the 10 Years' China IC Design Industry Development in 2004, and was conferred Honorary Fellowship by the Hong Kong University of Science and Technology in 2007.

### Executive Director 執行董事



**Mr. LAI Woon Ching**, aged 58, joined the Group at its inception in 1999 and is currently the Vice President, China Operations & Quality and Manufacturing respectively of Solomon Systech Limited. Mr. Lai is a director of each of the wholly-owned subsidiaries of the Group namely Cornway International Limited, Jing Guang Semiconductors (Dongguan) Limited, Solomon Systech (Shenzhen) Limited, Systech Technology China Limited and Solomon Systech (Beijing) Limited. Mr. Lai is a member of the Investment Committee of the Company.

### Non-executive Directors



**Dr. LAM Pak Lee**, aged 62, was the Non-executive Chairman of the Company from 2004 to 2006. He has resigned his position as Non-executive Chairman with effect from 1 January 2007 but remains as a Non-executive Director of the Company. He is also the Founder, Chairman and CEO of Quanta Computer Inc. (TSE: 2382), and Chairman of Quanta Storage Inc. (TSE: 6188).



**Mr. SHEU Wei Fu**, aged 42, was appointed as Alternate Director to Dr. Lam Pak Lee, who is a Non-executive Director of the Company, with effect from 1 July 2007. He has been the Special Assistant to Dr. Lam since 1998.



**Mr. LAI Weide**, aged 52, has been a Non-executive Director and a member of the Remuneration Committee of the Company since October 2010. Mr. Lai is the Deputy General Manager of CEC, the substantial shareholder of the Company, the Chairman of Nanjing CEC-PANDA Information Industry Co., Ltd., Nanjing Panda Electronics Company Limited (SSE: 600775 & HKSE: 00553) and Nanjing Huadong Electronics Information & Technology Co., Ltd. (SZSE: 000727). He was the General Manager of the Assets Management Department of CEC, Chairman of the supervisory committee of China National Software and Service Company Limited (SSE: 600536), a director of Shanghai Huahong (Group) Co., Ltd. and a director of Shenzhen SED Electronics Group Co., Ltd.

梁博士榮獲中國半導體行業協會頒發傑出成就獎，及於2007年獲香港科技大學頒授榮譽院士銜。

黎垣清先生，58歲，自本集團於1999年成立時加入工作。他現時為晶門科技有限公司副總裁 中國業務和品質及製造。黎先生是集團全資附屬公司：Cornway International Limited、東莞晶廣半導體有限公司、晶門科技（深圳）有限公司、晶門電子科技中國有限公司及晶門科技（北京）有限公司的董事。黎先生為本公司投資委員會委員。

### 非執行董事

林百里博士，62歲，於2004年至2006年間為本公司非執行主席，他於2007年1月1日起辭任主席一職，同時繼續擔任公司的非執行董事。林博士為廣達電腦股份有限公司（台灣股份編號：2382）的創辦人、董事長兼行政總裁及廣明光電股份有限公司（台灣股份編號：6188）的董事長。

許維夫先生，42歲，為本公司非執行董事林百里博士之替代董事，由2007年7月1日起生效。許先生自1998年起擔任林博士的特別助理。

賴偉德先生，52歲，自2010年10月起為本公司的非執行董事及薪酬委員會委員。賴先生是本公司的主要股東中國電子副總經理、南京中電熊貓信息產業集團有限公司、南京熊貓電子股份有限公司（上海證券股份代碼：600775及香港股份編號：00553）及南京華東電子信息科技股份有限公司（深圳證券股份代碼：000727）董事長。賴先生曾任中國電子資產經營部總經理、中國軟件與技術服務股份有限公司（上海證券股份代碼：600536）監事會主席、上海華虹（集團）有限公司董事及深圳桑達電子集團有限公司董事。

# BOARD OF DIRECTORS AND SENIOR MANAGEMENT (continued)

## 董事會及高級管理層 (續)

### Non-executive Directors (continued)



**Mr. LI Xiaochun**, aged 47, has been a Non-executive Director and a member of the Audit Committee of the Company since October 2010. Mr. Li is the Chief Financial Officer of CEC. Mr. Li was a director of Industrial Bank Co. Ltd. (SSE: 601166), and also the General Manager of the Finance Department of China Aerospace Science & Industry Corporation, the Chairman of Aerospace Science and Industry Finance Limited, a director of Aerospace Information Co., Ltd., Chairman of China Electronics Financial Co., Ltd. and a director of Nanjing Panda Information Holdings Limited.



**Mr. ZHAO Guiwu**, aged 49, has been a Non-executive Director and a member of the Investment Committee and Nomination Committee of the Company since October 2010. Mr. Zhao is the General Manager of the Integrated Circuit Business Group of CEC, the Chairman of Shanghai Beiling Co., Ltd. (SSE: 600171), the Non-executive Vice-chairman of China Electronics Corporation Holdings Company Limited (HKSE: 00085), and the Vice-chairman of Shanghai Huahong (Group) Co., Ltd. He was the Deputy Manager of the Strategic Planning Department and the General Manager of the Planning Development (Strategic Projects Department) of CEC, the Chief of the Planning Division of the Department of Corporate Planning of China Electronics Technology Group Corporation and the Deputy General Manager of CETC (Deqing) Huaying Electronics Co., Ltd.

### Independent Non-executive Directors

#### Mr. SUN, Patrick

(refer to Non-executive Chairman on P.40)



**Mr. CHOY Kwok Hung, Patrick**, aged 69, has been an Independent Non-executive Director of the Company since 2004 and he is also a member of the Audit Committee, Investment Committee as well as Remuneration Committee. Mr. Choy is a director of Beijing LED Lighting Engineering Co. Ltd., an associated company of the Group. Mr. Choy retired from Motorola as Corporate Vice President. He is currently an Executive Director and Chairman of China Financial Leasing Group Limited (HKSE: 2312), the Founder and Chairman of Global Strategy Group. Mr. Choy is a member of the Chinese People's Political Consultative Conference (CPPCC), National Committee since 2003. Mr. Choy was an Independent Non-executive Director of Road King Infrastructure Limited (HKSE: 1098) and Evergro Properties Limited of which the shares are listed on the Singapore Exchange (D09.SI).

### 非執行董事 (續)

李曉春先生，47歲，自2010年10月起為本公司之非執行董事及審核委員會委員。李先生現任中國電子總會計師，他曾為興業銀行股份有限公司董事（上海證券股份代碼：601166）、中國航天科工集團公司財務部部長、航天科工財務有限公司董事長、航天信息股份有限公司董事、中國電子財務有限責任公司董事長及南京中電熊貓信息產業集團有限公司董事。

趙貴武先生，49歲，自2010年10月起為本公司的非執行董事及投資委員會和提名委員會委員。趙先生現任中國電子集成電路事業部主任，亦分別為上海貝嶺股份有限公司（上海證券股份代碼：600171）董事長、中國電子集團控股有限公司（香港股份編號：00085）非執行副主席及上海華虹（集團）有限公司副董事長。他曾任中國電子戰略規劃部副總經理及規劃計畫部（重大項目部）總經理、中國電子科技集團公司企業策劃部規劃處處長及中電科技（德清）華瑩電子有限公司副總經理。

### 獨立非執行董事

#### 辛定華先生

(請參閱第40頁非執行主席一節)

蔡國雄先生，69歲，自2004年起出任本公司的獨立非執行董事，並為本公司審核委員會、投資委員會及薪酬委員會委員。蔡先生為集團聯營公司北京愛爾益地照明工程有限公司的董事。蔡先生於退休前為 Motorola 企業副總裁。他現為中國金融租賃集團有限公司（香港股份編號：2312）的執行董事兼主席及環球策略有限公司的創辦人兼董事長。自2003年起，蔡先生為中國人民政治協商會議（中國政協）全國委員會成員。他曾為路勁基建有限公司（香港股份編號：1098）及於新加坡上市的惠升置業有限公司（D09.SI）的獨立非執行董事。



**Mr. WONG Yuet Leung, Frankie**, aged 63, who had been a Non-executive Director of the Company since 2004, was re-designated as an Independent Non-executive Director with effect from 1 January 2007. He is also the Chairman of Audit Committee of the Company. He is currently a Non-executive Director of SOCAM Development Limited (formerly known as Shui On Construction and Materials Limited) (HKSE: 0983) and Shui On Land Limited (HKSE: 272). He resigned as a Non-executive Director of CIG Yangtze Ports PLC (HKSE: 8233) on 21 November 2011. Mr. Wong was a Non-executive Director of Walcom Group Limited (WALG), a company listed on the AIM Board of London Stock Exchange plc. and also a Non-executive Director of Cosmedia Group Holdings Limited and China Central Properties Limited, companies that were delisted from the AIM Board of London Stock Exchange plc in December 2008 and June 2009 respectively.



**Mr. YIU Tin Chong, Joseph**, aged 62, was appointed as an Independent Non-executive Director of the Company on 6 July 2011. He is also a member of the Investment Committee and Remuneration Committee of the Company. Mr. Yiu is the Chairman Emeritus of Freescale Semiconductor Hong Kong Ltd ("FSHKL") and an advisor to FSHKL on regional business strategy, government affairs and corporate governance. Following the separation of Freescale Semiconductor Group from Motorola Group in 2004, he was named Senior Vice President of FSHKL and General Manager of Asia Pacific region. Before transiting to Freescale Semiconductor Group, Mr. Yiu worked for Motorola Group for over 26 years, both in the USA and Asia. His rich work experience covers automotive electronics, computer systems, wireless communication and semiconductor products, both in the technical field and management role. His last position with Motorola Group was Corporate Vice President and General Manager of Motorola Semiconductors Hong Kong Limited.

### Honorable Adviser



**Professor KAO Kuen, Charles**, aged 78, was an Independent Non-executive Director of the Company until 1 March 2008 and has been acting as the honorable adviser of the Company. Known as "the father of fiber optics", Prof. Kao was awarded the 2009 Nobel Prize in Physics.

### Company Secretary



**Mrs. FUNG Lui Kit Har, Keziah**, aged 51, Vice President, Finance. Mrs. Fung joined Solomon Systech Limited in 2000 as Finance Director and is currently acting as the Company Secretary and the Authorized Representative of the Company pursuant to Rule 3.05 of the Listing Rules. Mrs. Fung is a director of Ample Pacific Limited, Loyal Creative Limited, Pac-Pacific Limited and Solomon Systech Pte. Limited, the wholly-owned subsidiaries of the Group.

黃月良先生，63歲，自2004年起出任本公司的非執行董事，並於2007年1月1日調任為獨立非執行董事。他亦是本公司審核委員會主席。他現時為瑞安建業有限公司（香港股份編號：0983）及瑞安房地產有限公司（香港股份編號：272）的非執行董事。他於2011年11月21日辭任中國基建港口有限公司（香港股份編號：8233）的非執行董事一職。黃先生曾是英國倫敦證券交易所上市的華擴達集團（「WALG」）的非執行董事以及中天集團控股有限公司及中華匯房地產有限公司的非執行董事，這兩家公司分別於2008年12月和2009年6月於英國倫敦證券交易所終止上市。

姚天從先生，62歲，於2011年7月6日獲委任為本公司之獨立非執行董事。他亦為本公司投資委員會及薪酬委員會委員。姚先生現任飛思卡爾半導體香港有限公司（「飛思卡爾香港」）榮譽主席，就區域業務拓展策略、政府關係及企業管治等多方面提供諮詢服務。於2004年，隨着飛思卡爾半導體集團從摩托羅拉集團分拆出來，姚先生被委任為飛思卡爾香港高級副總裁及亞太區總經理。在此以前，姚先生在摩托羅拉集團服務超過26年，跡遍美國和亞洲地區。他的廣泛工作經歷涵蓋了汽車電子、計算機系統、無線通訊及半導體產品等領域，從技術研發到企業管理，均有豐富的經驗。姚先生在離任摩托羅拉集團時為集團副總裁及萬力半導體香港有限公司總經理。

### 榮譽顧問

高錕教授，78歲，於2008年3月1日前擔任本公司的獨立非執行董事，現為本公司的榮譽顧問。被喻為「光纖之父」的高教授，於2009年獲頒授諾貝爾物理學獎。

### 公司秘書

馮雷潔霞女士，51歲，副總裁 — 財務，於2000年加入晶門科技有限公司出任財務總監。馮女士目前兼任本公司公司秘書的職務及為依據上市規則第3.05條所委任之授權代表，她亦為本集團全資附屬公司，包括Ample Pacific Limited、來建有限公司、通洋有限公司及Solomon Systech Pte. Limited的董事。

# BOARD OF DIRECTORS AND SENIOR MANAGEMENT (continued)

## 董事會及高級管理層 (續)

### Senior Management

**Mr. CHEUNG Wai Kuen, Kenny**, aged 46, joined the Group in 2008 and is currently the Vice President, Business Operations of Solomon Systech Limited, and a director of WE3 Technology Company Limited and 維深通訊 (深圳) 有限公司, the wholly-owned subsidiaries of the Group. Mr. Cheung was an Executive Director of the Company from 2009 to 2010.

**Mr. HUANG Hsing Hua**, aged 53, joined the Group in 2003 and is currently the Vice President, Sales of Solomon Systech Limited. Mr. Huang is a director of Solomon Systech Limited and Solomon Systech Taiwan Limited, the wholly-owned subsidiaries of the Group. Mr. Huang has been an Executive Director of the Company from 2004 to 2010.

**Mr. LEONG, John Peter**, aged 51, Vice President, Corporate Development. Mr. Leong joined Solomon Systech Limited in 2006. Mr. Leong is a director of EPD Technology Limited and Shenzhen aigo Research and Development Co., Ltd., associated companies of the Group, and also a director of In Achieve Limited, a wholly-owned subsidiary of the Group.

**Mr. LO Wai Ming**, aged 49, joined the Group since its inception in 1999 and is currently the Vice President, Business Operations of Solomon Systech Limited. Mr. Lo is a director of Kitronix Limited and Beijing LED Lighting Engineering Co. Ltd., the associated companies of the Group. Mr. Lo is also a director of each of the wholly-owned subsidiaries of the Group namely Broadwood Global Limited, Cornway International Limited, Mentor Ventures Limited, Solomon Systech Japan Company Limited, Solomon Systech (Shenzhen) Limited and Solomon Systech Taiwan Limited. Mr. Lo has been an Executive Director of the Company from 2004 to 2010.

**Mr. WANG Wah Chi, Raymond**, aged 46, Vice President, Business Operations. He rejoined Solomon Systech Limited in 2006 as Business Operations Director.

**Dr. LAI Wai Yan, Stephen**, aged 65, joined the Group as Design Engineering Director of Solomon Systech Limited at its inception in 1999. Dr. Lai retired with effect from 1 January 2012 and remains as an adviser in Design Technology of the Group.

**Ms. LO Oi Yee, Mabel**, aged 47, Human Resources Director. She joined Solomon Systech Limited in 2000 as Human Resources Manager.

**Mr. NG Chung Yee**, aged 41, Design Engineering Director. He joined Solomon Systech Limited at its inception in 1999 as Product Manager.

**Mr. TSUI Wai Hung, Ken**, aged 43, Design Engineering Director. He joined Solomon Systech Pte. Limited, the wholly owned subsidiary of the Group in 2004 as Design Engineering Manager. He is also a director of Solomon Systech Pte. Limited.

**Mr. WONG Ka Kei**, aged 46, Planning & Customer Services Director. He joined Solomon Systech Limited in 2005 as Business Process Solutions Manager.

### 高級管理人員

張惠權先生，46歲，副總裁 — 業務營運，於2008年加入本集團，現時為集團全資附屬公司維駿科技有限公司及維深通訊 (深圳) 有限公司的董事。張先生於2009年至2010年期間曾為本公司執行董事。

黃心華先生，53歲，副總裁 — 營業，於2003年加入本集團。黃先生現時為集團全資附屬公司晶門科技有限公司及晶門科技股份有限公司的董事。黃先生於2004年至2010年期間曾為本公司執行董事。

梁家俊先生，51歲，副總裁 — 企業發展，於2006年加入晶門科技有限公司。梁先生分別為集團聯營公司 EPD Technology Limited 和深圳市愛國者嵌入式系統科技有限公司的董事及集團全資附屬公司達晉有限公司的董事。

盧偉明先生，49歲，副總裁 — 業務營運。自本集團於1999年成立時起加入。盧先生現時為集團聯營公司：奇創力有限公司及北京愛爾益地照明工程有限公司的董事。盧先生亦為集團全資附屬公司：博活環球有限公司、Cornway International Limited、Mentor Ventures Limited、Solomon Systech Japan Company Limited、晶門科技 (深圳) 有限公司及晶門科技股份有限公司的董事。盧先生於2004年至2010年期間為本公司執行董事。

王華志先生，46歲，副總裁 — 業務營運，於2006年重新加入晶門科技有限公司出任業務營運總監。

黎惠恩博士，65歲，技術總監，自本集團於1999年成立時加入。黎博士自2012年1月1日起榮休，並繼續於集團內出任設計技術方面的顧問。

盧愛兒女士，47歲，人力資源總監，於2000年加入晶門科技有限公司出任人力資源經理。

吳宗宜先生，41歲，技術總監，於1999年晶門科技有限公司成立時加入並出任產品經理。

徐偉雄先生，43歲，技術總監，於2004年加入集團全資附屬公司Solomon Systech Pte. Limited出任技術經理。他亦為該公司董事。

黃家驥先生，46歲，策劃及客戶服務總監，於2005年加入晶門科技有限公司出任業務流程經理。

## Changes in Information of Directors

Pursuant to the disclosure requirement under Rule 13.51B (1) of the Listing Rules, changes in information of Directors of our Company are as follows:

- Mr. Sun, Patrick was appointed as the Chairman of Remuneration Committee of the Company in place of the retired Director, Mr. Chang Ching Yi, Steven with effect from 14 February 2011.
- Mr. Sun, Patrick in March 2010 was appointed as an Independent Non-Executive Director of China NT Pharma Group Company Limited (HKSE:1011) which has been listed on the Stock Exchange since April 2011. Mr. Sun was also appointed as a Non-executive Director of Renhe Commercial Holdings Company Limited (HKSE: 1387) on 1 December 2011 and an Independent Non-executive Director of China CNR Corporation Limited (SSE: 601299) on 3 February 2012.
- Mr. Wong Yuet Leung, Frankie was appointed as a Non-executive Director of Shui On Land Limited (HKSE: 272) with effect from 17 August 2011 and was redesignated as a Non-executive Director of SOCAM Development Limited (formerly known as Shui On Construction and Materials Limited) (HKSE: 0983) with effect from 1 September 2011. He resigned as a Non-executive Director of CIG Yangtze Ports PLC (HKSE: 8233) on 21 November 2011.
- Mr. Yiu Tin Chong, Joseph, was appointed as an Independent Non-executive Director of the Company on 6 July 2011. Mr. Yiu is also a member of the Investment Committee and Remuneration Committee.
- Mr. Zhao Guiwu resigned as Chairman of Beijing Huahong IC Design Co., Ltd with effect from 31 May 2011.

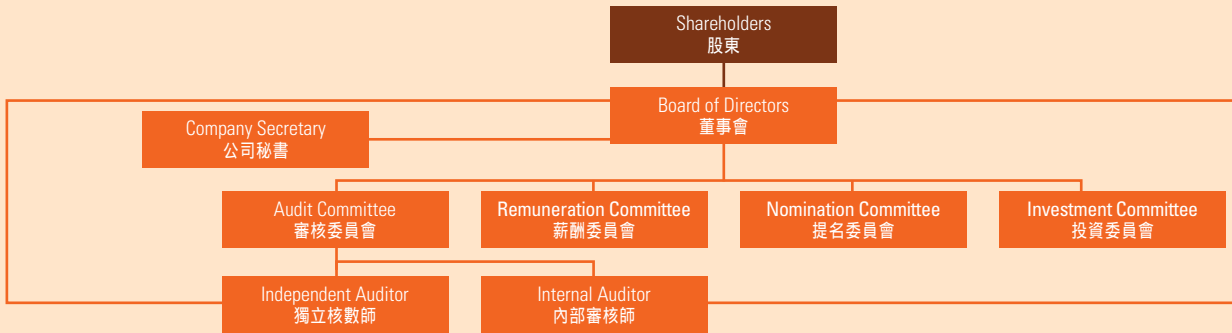
## 董事資料變更

根據上市規則第 13.51B(1) 條的資料披露規定，本公司董事資料的變更如下：

- 於 2011 年 2 月 14 日起，辛定華先生獲委任本公司為薪酬委員會主席，取代已退任董事張景溢先生。
- 辛定華先生於 2010 年 3 月獲中國泰凌醫藥集團有限公司（香港股份編號：1011）委任為獨立非執行董事。該公司於 2011 年 4 月於聯交所上市。辛先生亦於 2011 年 12 月 1 日獲人和商業控股有限公司（香港股份編號：1387）委任為非執行董事，並於 2012 年 2 月 3 日獲中國北車股份有限公司（上海證券股份代碼：601299）委任為獨立非執行董事。
- 黃月良先生於 2011 年 8 月 17 日獲瑞安房地產有限公司（香港股份編號：272）委任為非執行董事，並於 2011 年 9 月 1 日調任為瑞安建業有限公司（香港股份編號：0983）非執行董事。他於 2011 年 11 月 21 日辭任中國基建港口有限公司（香港股份編號：8233）的非執行董事一職。
- 於 2011 年 7 月 6 日起，姚天從先生獲委任為本公司之獨立非執行董事。姚先生亦為本公司投資委員會及薪酬委員會委員。
- 於 2011 年 5 月 31 日起，趙貴武先生辭任北京華虹集成電路設計有限公司董事長一職。



**CORPORATE GOVERNANCE STRUCTURE**  
企業管治架構



**Voluntary Key Practices Adopted by the Company**

- Procedures for dealings in the Company’s securities for Directors and relevant employees of the Group was adopted by the Company
- Four Independent Non-executive Directors were appointed to the Board aiming at to further strengthen the Company’s corporate governance
- No Independent Non-executive Directors served more than nine years

**本公司自願採納的主要常規**

- 本公司已採納就董事及有關僱員買賣本公司證券程序
- 本公司於董事會委任了四名獨立非執行董事以加強本公司的企業管治
- 沒有獨立非執行董事在任超過九年

**Corporate Governance Practices**

The Board of Directors and the management of the Group are committed to achieving and maintaining high standards of corporate governance, which is considered as critical in safeguarding the integrity of its business operations and maintaining investors’ trust in the Company. The management also actively and constantly observes latest corporate governance developments in Hong Kong and overseas, particularly in the UK and USA. Throughout the year, the Company has complied with all applicable code provisions as set out in the Code on Corporate Governance Practices in Appendix 14 of the Listing Rules and there was no deviation from the Code Provisions.

**企業管治常規**

董事會及集團的管理層承諾達到及保持高度企業管治，這也是保護廉潔營商環境和提高投資者對本公司的信心的關鍵因素。管理層亦會主動和時常留意香港與海外（特別是英國及美國）的最新企業管治發展。本公司全年已遵守上市規則附錄 14 所載的企業管治常規守則，且並無任何偏離守則條文的情況。

**Directors’ Securities Transactions**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules as the code for directors’ securities transactions. All the Directors have confirmed their compliance with the required standards set out in the Model Code during the year. Regarding the shares held by directors, the details are listed on pages 61 and 72 in the “Report of the Directors” of this Annual Report. Pursuant to Appendix 14 paragraph A.5.4, the Group established its own written guidelines on no less exacting terms than the Model Code for Directors and relevant employees who are likely to be in possession of unpublished price sensitive information in respect of their dealings in the securities of the Company. All Directors and relevant employees conformed to the Group’s own guidelines throughout the year 2011.

**董事的證券交易**

本公司已採納上市規則附錄 10 所載上市發行人董事進行證券交易的守則作為董事進行證券交易的守則。全體董事已向本公司確認彼等於年內一直遵守標準守則所載的規定。就董事所持有的股份而言，有關詳情乃列於本年報第 61 至 72 頁之「董事會報告」一節。根據附錄 14 第 A.5.4 段，本集團已就董事及有關員工可能在買賣本公司證券時取得尚未公開的股價敏感資料，制訂其不低於標準守則的書面指引。於 2011 年全年，所有董事及有關員工已確認遵守本集團之內部指引。



## Board of Directors

The Board comprises two Executive Directors (including the Managing Director), four Non-Executive Directors and four Independent Non-executive Directors (including the Chairman). As at 31 December 2011, the Board comprised the following members:

## 董事會

董事會的成員目前計有兩名執行董事(包括董事總經理), 四名非執行董事及四名獨立非執行董事(包括主席)。於2011年12月31日, 董事會由以下成員組成:

	Position 職位	Date of first appointment to the Board 首次獲委任為董事會成員的日期	Date of last re-election as Director 最近一次膺選連任為董事的日期	Current function/ Experience/ Profile 目前職責 / 經驗 / 簡介
LEUNG Kwong Wai	Executive Director & Managing Director	21 November 2003	9 June 2010	<ul style="list-style-type: none"> <li>development of corporate strategies and operation direction</li> <li>overseeing the Group's compliance and internal control matters</li> </ul>
梁廣偉	執行董事及董事總經理	2003年11月21日	2010年6月9日	<ul style="list-style-type: none"> <li>企業策略及營運方針的發展</li> <li>監督本集團的合規及內部監控事宜</li> </ul>
LAI Woon Ching 黎垣清	Executive Director 執行董事	25 February 2004 2004年2月25日	13 May 2009 2009年5月13日	<ul style="list-style-type: none"> <li>daily operation of the Group and strategic planning</li> <li>本集團的日常營運及策略規劃</li> </ul>
LAI Weide	Non-executive Director	11 October 2010	30 May 2011	<ul style="list-style-type: none"> <li>Deputy General Manager of CEC, the Chairman of Nanjing CEC-PANDA Information Industry Co., Nanjing Panda Electronics Company Limited (SSE: 600775 &amp; HKSE: 00553) and Nanjing Huadong Electronics Information &amp; Technology Co., Ltd (SZSE: 000727)</li> <li>中國電子副總經理、南京中電熊猫信息產業集團有限公司、南京熊猫電子股份有限公司董事長(上海證券股份代碼: 600775及香港股份編號: 00553)及南京華東電子信息科技股份有限公司(深圳證券股份代碼: 000727)董事長</li> </ul>
賴偉德	非執行董事	2010年10月11日	2011年5月30日	
LAM Pak Lee	Non-executive Director	25 February 2004	13 May 2009	<ul style="list-style-type: none"> <li>Founder, Chairman and CEO of Quanta Computer Inc., (TSE: 2382) the largest notebook computer ODM company in the world</li> <li>Leader/ entrepreneur in the electronics industry</li> <li>全球第一大筆記型電腦研發設計公司, 廣達電腦股份有限公司(台灣股份編號: 2382)</li> <li>電子行業領導者 / 企業家</li> </ul>
林百里	非執行董事	2004年2月25日	2009年5月13日	
SHEU Wei Fu (alternate to Lam Pak Lee)	Non-executive Director	1 July 2007	N/A	<ul style="list-style-type: none"> <li>Strategic management</li> </ul>
許維夫 (林百里之替代董事)	非執行董事	2007年7月1日	不適用	<ul style="list-style-type: none"> <li>策略的管理</li> </ul>
LI Xiaochun 李曉春	Non-executive Director 非執行董事	11 October 2010 2010年10月11日	30 May 2011 2011年5月30日	<ul style="list-style-type: none"> <li>Chief Financial Officer of CEC</li> <li>中國電子總會計師</li> </ul>
ZHAO Guiwu	Non-executive Director	11 October 2010	30 May 2011	<ul style="list-style-type: none"> <li>General Manager of the Integrated Circuit Business Group of CEC</li> <li>中國電子集成電路事業本部主任</li> </ul>
趙貴武	非執行董事	2010年10月11日	2011年5月30日	
SUN, Patrick	Non-executive Chairman/ Independent Non-executive Director	25 February 2004	9 June 2010	<ul style="list-style-type: none"> <li>Professionally qualified and experienced investment banker</li> </ul>
辛定華	非執行主席 / 獨立非執行董事	2004年2月25日	2010年6月9日	<ul style="list-style-type: none"> <li>具備專業資格及經驗豐富的投資銀行家</li> </ul>
CHOY Kwok Hung, Patrick	Independent Non-executive Director	25 February 2004	9 June 2010	<ul style="list-style-type: none"> <li>Corporate finance and investment at company board level</li> <li>董事會級之企業財務及投資</li> </ul>
蔡國雄	獨立非執行董事	2004年2月25日	2010年6月9日	
YIU Tin Chong, Joseph <sup>1</sup>	Independent Non-executive Director	6 July 2011	N/A	<ul style="list-style-type: none"> <li>Strategic management in IC industry</li> </ul>
姚天從 <sup>1</sup>	獨立非執行董事	2011年7月6日	不適用	<ul style="list-style-type: none"> <li>IC行業的策略的管理</li> </ul>
WONG Yuet Leung, Frankie <sup>2</sup>	Independent Non-executive Director	3 February 2004	30 May 2010	<ul style="list-style-type: none"> <li>Corporate finance, investment and general management at company board level</li> <li>董事會級之企業財務、投資及管理</li> </ul>
黃月良 <sup>2</sup>	獨立非執行董事	2004年2月3日	2010年5月30日	

1. Mr. Yiu Tin Chong, Joseph was appointed as an Independent Non-executive Director of the Company with effect from 6 July 2011.
2. Mr. Wong Yuet Leung, Frankie was re-designated from a Non-executive Director to an Independent Non-executive Director effective from 1 January 2007.

1. 姚天從先生於2011年7月6日起獲委任為本公司之獨立非執行董事。
2. 黃月良先生自2007年1月1日起由非執行董事調任為本公司之獨立非執行董事。

# CORPORATE GOVERNANCE REPORT (continued)

## 企業管治報告(續)

The size and composition of the Board are reviewed from time to time, taking into account the scope and nature of operations of the Company, to ensure that the size of the Board is adequate to provide a diversity of views and facilitate effective decision-making. The Directors come from diverse background with varied expertise in finance, industry and business fields. The biographical details of all Directors and the relationships among them are set out in the “Board of Directors and Senior Management” on pages 40 to 44 of this annual report and the Company’s website. Save as disclosed in the section of “Board of Directors and Senior Management”, none of the Directors has any financial, business, family or other material or relevant relationships among members of the Board.

The composition of the Board is well balanced with each Director having sound industrial knowledge, extensive corporate and strategic planning experience and/or expertise relevant to the business of the Group. All Directors bring a variety of experience and expertise to the Company.

### Independent Non-executive Chairman and Managing Director

The roles of the Independent Non-executive Chairman (the “Chairman”), Mr. Sun, Patrick, and the Managing Director, Dr. Leung Kwong Wai are segregated as stipulated in the Listing Rules, in order to ensure a clear distinction between the responsibilities of the Chairman and the Managing Director.

There are clear demarcations of responsibility and authority between the Chairman and the Managing Director which ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

In 2011, the Chairman, Mr. Sun, Patrick, was responsible for ensuring that all directors act in the best interest of shareholders. He was fully accountable to the shareholders and contributed to the Board and the Group on all top-level or strategic decisions. Specifically, he was assigned with four key roles to perform, namely leading the Board, advising the Group on key strategies, ensuring the Group’s effective communication with stakeholders and implementing a high standard of corporate governance.

The Managing Director, Dr. Leung Kwong Wai, is responsible for managing the Group and executing the strategies adopted by the Board. He functions as the Chief Executive Officer who leads the Group’s management team in accordance with the directions set by the Board. He is responsible for ensuring that a proper internal control system is in place and that the Group’s business conforms to applicable laws and regulations. The Managing Director chairs the monthly operations and financial reviews and also bi-weekly management staff meetings, as well as the quarterly employees’ communication meeting.

本集團會不時檢討董事會的規模及組成，當中會考慮本公司的業務範圍及性質，以確保董事會的規模足以提供不同的觀點，並作出有效決策。董事擁有不同背景，具備金融、行業及商業領域的專業知識。所有董事的履歷詳情及彼等之間的關係載於本年報第40至44頁之「董事會及高級管理層」及本公司網站。除「董事會及高級管理層」一節所披露者外，概無董事與董事會成員間有任何財務、商業、家族或其他重大或相關關係。

董事會的成員各有所長，而每名董事對於本集團所從事業務均具備充分行業知識、豐富的企業及策略規劃經驗及/或專門知識。所有董事均能為本公司帶來各種經驗及專長。

### 獨立非執行主席及董事總經理

獨立非執行主席(「主席」)辛定華先生及董事總經理梁廣偉博士的職位之職責，根據上市規則的規定，已作區分，藉以確保獨立非執行主席與董事總經理的責任明確劃分。

主席及董事總經理的職責及權限有明確區分，可確保權力均衡，加強問責性，以及提高董事會作出獨立決策的能力。

在2011年，主席辛定華先生的職責是確保全體董事均以股東的最佳利益行事。主席並對股東負全責，在所有高層次或策略決定上，向董事會及本集團提供建議。主席獲具體地委予四項主要職務，包括領導董事會、就本集團之主要策略提供意見、確保本集團與股東進行有效溝通及實行高標準之企業管治。

董事總經理梁廣偉博士負責管理本集團運作，以及執行董事會採納的策略。他以行政總裁的角色帶領本集團的管理層按照董事會的指示履行職務。他須確保本集團具備適當的內部監控體系，及本集團的業務遵守適用的法律和規例經營。董事總經理在每月召開的業務及財務檢討會議和每兩星期召開的高級管理層會議擔任主席，並會主持每季召開的員工溝通會。

## Functions of the Board of Directors

The Board is responsible for the oversight of the management of the Company's business and affairs with the goal of maximizing long-term shareholder's value, while balancing broader stakeholder interests. Schedule of matters reserved for the Board include:

- Strategy and management
- Group structure and capital
- Financial reporting and control
- Internal controls
- Major contracts
- Corporate communications
- Board membership and other appointments
- Remuneration
- Authority and delegation
- Corporate governance
- Company policies

Matters not specifically reserved for the Board and relate primarily to the daily operations of the Group are delegated to the management under the supervision of respective directors and the leadership of the Managing Director.

## Non-executive Directors

The Non-executive Directors bring a wide range of skills, industries and business experience to the Group. At least once a year, Non-executive Directors and also Independent Non-executive Directors will have a private discussion with the Chairman on the Group's matters without the presence of the Executive Directors (including the Managing Director). In addition, Non-executive Directors, according to the Group's policy, may access the Group's employees at anytime they think appropriate. During the year, the Group's management also met with certain Non-executive Directors to seek their views on certain business or operational matters.

During the year 2011, one more Independent Non-executive Director has been added to the Board making a total of four Independent Non-executive Directors in excess of the requirement under Rules 3.10(1) and 3.11 of the Listing Rules so that there is a strong independent element on the Board, which can effectively exercise independent judgement pursuant to A.3 of the Appendix 14 Code Provisions so as to further strengthen the Company's corporate governance. In addition, the extensive industry experience and expertise of Mr. Yiu, the newly appointed Independent Non-executive Director, will provide additional source of impartial business advice and guidance that can greatly benefit the Company.

## 董事會的職責

董事會負責監督本公司對業務及事務的管理，目標為盡量提升長期股東價值，同時均衡更廣泛的股東權益。董事會議審議的事宜包括：

- 策略及管理
- 集團的架構及資本
- 財務報告及監控
- 內部監控
- 主要合約
- 企業傳訊
- 董事會成員及其他任命
- 薪酬
- 職權及授權
- 企業管治
- 公司政策

其他非特定之董事會職責以及有關本集團主要的日常運作事務，則在各董事監督下及董事總經理領導下委派管理層處理。

## 非執行董事

非執行董事為本集團帶來各方面的技術、行業及業務經驗。非執行董事及獨立非執行董事就本集團事宜與主席進行不少於每年一次的私下討論，執行董事(包括董事總經理)並不列席。此外，根據本集團之政策，非執行董事可於彼等認為合適時隨時接觸本集團之員工。本集團的管理層亦不時會見若干非執行董事，尋求他們在若干業務或營運事宜的意見。

2011年內，董事會增添了一名獨立非執行董事，共有四名獨立非執行董事，超越上市規則第3.10(1)和3.11條之規定，從而令董事會具備更強的獨立元素，更有效達成聯交所上市規則附錄14的上市守則A.3段所載的獨立判斷，進一步加強本公司的企業管治。此外，新委任之獨立非執行董事姚先生的豐富行業經驗及專業知識將為本公司帶來更多中肯的業務意見及指導，會為本公司帶來莫大的裨益。

# CORPORATE GOVERNANCE REPORT (continued)

## 企業管治報告(續)

Among the four Independent Non-executive Directors, Messrs. Sun, Patrick and Wong Yuet Leung, Frankie have appropriate professional qualifications or accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules.

All Independent Non-executive Directors bring their wealth of experience to the Board and make active contribution to the Group. They closely monitor the Group's development and freely express their opinions at the Board meetings. All Independent Non-executive Directors, except as disclosed in this annual report, do not have any business with or financial interests in the Group and confirmed their independence to the Group pursuant to Rule 3.13 of the Listing Rules. The Company considers all Independent Non-executive Directors to be independent in accordance with the independence guidelines set out in the Listing Rules.

Subject to re-election according to the procedures set out in the Company's Articles of Association, the Company has entered into service contracts with each of the Directors:

本公司四名獨立非執行董事中，辛定華先生和黃月良先生均擁有上市規則第3.10(2)條所規定的適當之專業資格或會計或有關財務管理專門技能。

所有獨立非執行董事都憑藉他們豐富的經驗為董事會效力，並積極為本集團作出貢獻。他們密切監察本集團的發展，並在董事會會議上自由發表意見。所有獨立非執行董事(除本年報所披露者外)與本集團之間並無任何業務或財務方面的利益關係，彼亦根據上市規則第3.13條，確定他們是獨立於本集團。本公司認為所有獨立非執行董事根據上市規則之獨立指引是獨立於本集團。

受本公司組織章程細則所載的膺選連任程序的規限，本公司與各董事訂立服務合約：

		<b>From</b> 開始	<b>To</b> 結束
SUN, Patrick 辛定華	Renew 續約	1 July 2011 2011年7月1日	30 June 2012 2012年6月30日
CHOY Kwok Hung, Patrick 蔡國雄	Renew 續約	1 July 2011 2011年7月1日	30 June 2012 2012年6月30日
WONG Yuet Leung, Frankie 黃月良	Renew 續約	1 July 2011 2011年7月1日	30 June 2012 2012年6月30日
YIU Tin Chong, Joseph 姚天從	Initial 首次定約	6 July 2011 2011年7月6日	30 June 2012 2012年6月30日
LAI Weide 賴偉德	Renew 續約	1 January 2012 2012年1月1日	31 December 2012 2012年12月31日
LAM Pak Lee 林百里	Renew 續約	1 July 2011 2011年7月1日	30 June 2012 2012年6月30日
LI Xiaochun 李曉春	Renew 續約	1 January 2012 2012年1月1日	31 December 2012 2012年12月31日
ZHAO Guiwu 趙貴武	Renew 續約	1 January 2012 2012年1月1日	31 December 2012 2012年12月31日

Non-executive Directors and Independent Non-executive Directors are encouraged to take educational courses at the expenses of the Group on duties of the Board and corporate governance.

本集團鼓勵非執行董事及獨立非執行董事修讀有關董事會職務及企業管治之教育課程，該等費用均由本集團承擔。

## Directors' Appointment, Re-election and Removal

At every annual general meeting of the Company, one-third of the directors for the time being, or, if their number is not three or 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 retire from office at least once every three years or within such other period as the rules of the Stock Exchange may from time to time prescribe. A retiring director shall be eligible for re-election and shall continue to act as a director throughout the meeting at which he retires.

In accordance with Article 95 of the Company's Articles of Association, Mr. Yiu Tin Chong, Joseph appointed as addition to the Board, shall hold office until the forthcoming annual general meeting and being eligible, offer himself for re-election.

In accordance with Article 112 of the Company's Articles of Association, Mr. Sun, Patrick, Dr. Leung Kwong Wai and Mr. Lai Woon Ching, will retire by rotation at the forthcoming annual general meeting and being eligible, offer themselves for re-election.

## Board Meetings and Board Practices

The Board has scheduled to meet at least four times a year, and the Board will also meet on other occasions when a board-level decision on a particular matter is required. The meetings are structured to allow open discussion. All Directors participate in discussing the strategy, operational and financial performance and internal control of the Group.

The company secretary of the Company (the "Company Secretary") assists the Chairman to prepare the agenda of the meeting and each Director may request to include any relevant matters in the agenda. Generally, at least 14 days' notice is given for the regular meetings by the Company. All substantive agenda items have comprehensive briefing papers, which are circulated at least three days before each Board meeting.

The Company Secretary is responsible for distributing detailed documents to Directors prior to the Board meetings to ensure that the Directors are able to make informed decisions regarding the matters discussed in the meetings so that they may receive accurate, timely and clear information.

All Directors may access to the advice and services of the Company Secretary who regularly updates the Board on governance and regulatory matters. The Company Secretary is also responsible for ensuring the procedures of the Board meetings are observed and providing the Board opinions on matters in relation to the compliance with the procedures of the Board meetings.

## 董事的委任、重選及罷免

於本公司的每次股東週年大會上，三分之一當時的董事，或倘其人數並非三或三的倍數，則最接近的人數不少於三分之一，須輪席退任。每一位董事最少需要每三年或聯交所不時規定之期限退任。退任董事可參加重選連任，並在其退任董事的會議中繼續以董事資格行事。

根據本公司的組織章程細則第95條，本公司董事會新委任之董事姚天從先生於即將舉行的股東週年大會上退任，並符合資格及願意膺選連任。

根據本公司的組織章程細則第112條，本公司之董事辛定華先生、梁廣偉博士和黎垣清先生於即將舉行的股東週年大會上輪席退任，並符合資格及願意膺選連任。

## 董事會會議及董事會常規

董事會每年召開至少四次會議，於需要就某事項作出董事會決議時，董事會亦將於其他情況下召開會議。會議的形式有利於進行坦誠討論。所有董事參與討論本集團的策略、營運及財務表現以及內部監控。

本公司的公司秘書（「公司秘書」）協助主席編製會議議程，每名董事可要求將任何有關事項列入議程。一般而言，本公司舉行定期會議前需要發出至少14天的通知。所有主要議程項目有全面簡介文件，並於每次董事會會議前最少三天傳閱。

公司秘書負責於董事會會議前分派詳細文件予董事，以確保董事能夠就會議上討論的事項作出知情決定，以便彼等可獲得準確、及時及清晰的資料。

所有董事可獲得公司秘書的建議及服務，公司秘書將就管治及監管事項定期向董事會提供更新資料。公司秘書亦負責確保董事會會議依程序進行，並就有關遵守董事會會議程序的事項向董事會提供意見。

# CORPORATE GOVERNANCE REPORT (continued)

## 企業管治報告(續)

If a substantial shareholder or a Director has a conflict of interest in a matter to be considered by the Board, the Company will not deal with the matter by way of written resolution or by a Board committee (except if that Board committee was specifically established for such purpose). The Independent Non-executive Director with no material interest in the matter will attend the meeting to deal with the matter if it is considered appropriate. Other than the exceptionals allowed under the Listing Rules, any Director who or whose associates have any material interest in any proposed Board resolutions will not be counted as a quorum in the relevant Board meeting or no vote for the Board resolutions.

All the Board committees adopted the same principles and procedures used in the Board meetings.

### Board Committees

To assist the Board in the execution of its duties, the Board has delegated specific functions to four Board Committees. The principal committees of the Board are the Audit Committee, Remuneration Committee, Nomination Committee and Investment Committee, details of which are as follows:

倘若主要股東或董事在董事會將予考慮的事項中存在利益衝突，本公司不會透過書面決議案或經由董事委員會(特別為此目的而組建的董事委員會除外)處理該事項。倘認為適當，於該事項中無重大權益的獨立非執行董事將出席處理該事項的會議。除上市規則准許的例外情況外，在所呈的任何董事會決議案中擁有任何重大權益的任何董事或其聯繫人，均不得計入有關董事會會議的法定人數內，亦不得就有關董事會決議案投票。

所有董事委員會均採納董事會會議中所採用的相同原則及程序。

### 董事委員會

董事會向四個董事委員會委派指定職責，以便董事會執行其職務。主要董事委員會為審核委員會、薪酬委員會、提名委員會及投資委員會，詳情載列如下：

		<b>Audit Committee</b> 審核委員會	<b>Remuneration Committee</b> 薪酬委員會	<b>Nomination Committee</b> 提名委員會	<b>Investment Committee</b> 投資委員會
SUN, Patrick	辛定華	√	√	√	
CHOY Kwok Hung, Patrick	蔡國雄	√	√		√
WONG Yuet Leung, Frankie	黃月良	√			
YIU Tin Chong, Joseph	姚天從		√		√
LAI Weide	賴偉德		√		
LAM Pak Lee	林百里				
SHEU Wei Fu (alternate to Lam Pak Lee)	許維夫 (林百里的替代董事)				
LI Xiaochun	李曉春	√			
ZHAO Guiwu	趙貴武			√	√
LEUNG Kwong Wai	梁廣偉			√	√
LAI Woon Ching	黎垣清				√

## Audit Committee

The Audit Committee comprises three Independent Non-executive Directors and one Non-executive Director and is chaired by Mr. Wong Yuet Leung, Frankie. Mr. Wong has many years of experience of corporate finance and investment at company board level who meets the requirement of having appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules for the purpose of such appointment. In addition, Mr. Sun, Patrick, member of the Audit Committee, is also an experienced investment banker with appropriate professional qualifications as required under Rule 3.10(2) of the Listing Rules.

The Committee meets not less than twice a year to review and discuss the internal audit findings, internal controls, interim and annual consolidated financial statements respectively. It may hold additional meetings from time to time to discuss special projects or other issues it considers necessary. The independent auditor and internal auditor of the Group may request a meeting if they consider it necessary.

The Audit Committee will conduct, on behalf of the Board, annual review of the adequacy of resources, qualifications and experience of staff for the Company's accounting and financial reporting function, and training programs and budget.

The authorities of the Audit Committee include (1) investigating any activity within its terms of reference; (2) seeking any information it requires from any employee; and (3) obtaining outside legal or other independent professional advice if required.

The main duties of the Audit Committee are as follows:

- To consider the appointment of the independent auditor, the audit fee, and any question of resignation or dismissal
- To discuss with the independent auditor the nature and scope of the audit
- To review and monitor the independent auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards
- To develop and implement policy on the engagement of an independent auditor to supply non-audit services
- To review the Group's interim and annual consolidated financial statements before submission to the Board
- To discuss problems and reservations arising from the interim review and final audit and any matters that the independent auditor may wish to discuss
- To review the independent auditor's management letter and the management's response
- To review the Group's statement on internal control system prior to endorsement by the Board

## 審核委員會

審核委員會的委員包括三名獨立非執行董事及一名非執行董事。審核委員會由黃月良先生擔任主席。黃先生具有多年董事會級之企業財務及投資經驗，故該項委任具備符合上市規則第3.10(2)條的規定之適當的專業資格或會計或有關財務管理的專門技術。而辛定華先生亦為審核委員會委員之一。辛先生是一名經驗豐富的投資銀行家，同樣具備該項委任之上市規則第3.10(2)條的規定的專業資格。

委員會每年舉行不少於兩次會議，以審閱和商議內部審核結果、內部監控、中期及全年綜合財務報表。委員會亦會不時舉行額外的會議，商討有關委員會認為有需要討論的特別事項或其他事宜。本集團聘請的獨立核數師和集團內部審核師若認為有需要，可要求召開會議。

審核委員會將代表董事會每年審核是否有足夠的資源、合資格及具經驗的員工擔任集團的會計及財務報告職能，以及培訓計劃和預算。

審核委員會的權力包括(1)調查屬於其職權範圍內的任何活動；(2)向任何員工尋求委員會所需的任何資料；以及(3)在有需要時向外尋求法律或其他獨立專業意見。

審核委員會之主要職務如下：

- 考慮委任獨立核數師、核數師酬金以及任何有關其辭任或解僱的事宜
- 與獨立核數師商討有關審核性質及範圍
- 審閱及監察獨立核數師的獨立性及客觀性，以及根據適用準則有效地進行審核程序
- 訂立及執行對委聘獨立核數師提供非審核服務的政策
- 於本集團的中期及全年綜合財務報表呈交董事會前，審閱有關財務報表
- 討論有關中期審閱及年度審核所產生的問題和異議，以及獨立核數師提出討論的任何事宜
- 審閱獨立核數師的致管理層建議報告及管理層的回應
- 於董事會批核前，審閱本集團有關內部監控體系的陳述

# CORPORATE GOVERNANCE REPORT (continued)

## 企業管治報告(續)

- To review the internal audit plan, and ensure that the internal audit function is adequately resourced and has appropriate standing with the Group
- To consider the major findings of any internal investigation or internal audit reports and the management's response
- To conduct (on behalf of the Board) annual review of the adequacy of resources, qualifications and experience of staff for the Company's accounting and financial reporting function, and training programs and budget
- To consider other topics, as defined by the Board

Throughout the year, the Audit Committee discharged its prescribed responsibilities, reviewed and discussed the financial results and internal control system of the Group.

### Remuneration Committee

The Remuneration Committee comprises one Non-executive Director and three Independent Non-executive Directors. A majority of the votes in the Remuneration Committee are exercisable by Independent Non-executive Directors. The Committee does not deal with the remuneration of Non-executive Directors which shall be a matter for the executive directors of the Board. No director or senior executive will be involved in any discussion in connection with his or her own remuneration. The Committee also consults the Independent Non-executive Chairman about their proposals relating to the remuneration of other Executive Directors and has access to professional advice if considered necessary. The Committee consulted the head of human resources in respect of human resources policy and market as well as other company information.

The meetings of the Remuneration Committee shall normally be held not less than once a year to review and approve principally the remuneration of Executive Directors of the Company. The Committee, currently chaired by Mr. Sun, Patrick, has delegated to the Managing Director the authority to approve the remuneration of all the employees of the Group below the rank of Executive Director. For policy related remuneration schemes, they will be decided by the Board.

The main duties of the Remuneration Committee are as follows:

- To determine the framework and broad policy for the remuneration of the Chairman (if of executive), Managing Director and Executive Directors
- To approve remuneration package for any new hire or the respective bonus in excess of an amount as specified by the Committee from time to time
- To delegate relevant responsibility and to receive adequately detailed reports of all exercises of such delegated responsibility
- To review the appropriateness and relevance of the remuneration policy
- To approve the performance related pay schemes operated by the Group

- 檢討內部審核計劃，並確保內部審核機制能夠充份發揮功效及得到本集團適當的重視
- 考慮任何內部調查及內部審核報告的重要結果，以及管理層的回應
- 每年審核(代表董事會)是否有足夠的資源，合資格及具經驗的員工擔任集團的會計及財務報告職能，以及培訓計劃和預算
- 考慮董事會界定的其他議題

於整個年度內，審核委員會已履行其職責，審閱及討論本集團的財務業績及內部監控體系。

### 薪酬委員會

薪酬委員會的委員包括一名非執行董事及三名獨立非執行董事。獨立非執行董事在委員會內佔大比數投票權。委員會不會處理非執行董事的酬金事宜，釐定非執行董事的酬金屬於董事會執行董事的職務。董事或高級行政人員將不會參與有關其酬金的任何討論。委員會亦會向主席諮詢有關其他執行董事酬金的意見，並在有需要時，尋求專業意見。委員會會向人力資源部主管諮詢有關人事政策、市場及其他公司資料。

薪酬委員會每年召開不少於一次會議，主要是檢討和核准本公司執行董事的酬金。委員會現時由辛定華先生擔任主席，並已向董事總經理授予權力，以核准屬於執行董事職級以下本集團全體員工的酬金。董事會將作出有關薪酬政策事宜的決定。

薪酬委員會之主要職務如下：

- 就主席(如為執行主席)、董事總經理及執行董事之薪酬制定標準及政策
- 批准任何新聘員工之薪酬或其花紅可超越委員會所定之金額上限
- 委派有關職務及審閱就履行該等職務而編撰之詳盡報告
- 審閱薪酬政策的合適性及相關性
- 批准本集團所訂下與表現掛鈎的獎賞機制



- To review all share incentive plans for approval by the Board
- To ensure the contractual terms on termination with senior executives and any payments thereof are fair to the individual and the Group
- To give due regard to legal requirements, tax provisions and recommendations of the Listing Rules and guidelines in respect of remuneration package for senior executives
- To review annually and take note of the remuneration trends of the Group and obtain reliable and up-to-date information about remuneration packages of other closely comparable companies
- To report its proceedings to the Board after each meeting

In 2011, the Remuneration Committee determined the remuneration policy for the Executive Directors, assessed their performances as well as approved their employment contracts with the Group. Details of remuneration of directors can be obtained in note 9 of the consolidated financial statements.

### Nomination Committee

In 2011, the Nomination Committee comprised the Chairman (also the Chairman of the Committee), the Managing Director and one Non-executive Director. The Committee generally meets before the annual general meeting, or at other times as required by the Chairman of the Committee.

The Nomination Committee, chaired by Mr. Sun, Patrick, will identify qualified candidates to fill the Board membership whenever such vacancy arises. It will nominate such candidates for the Board to consider, and regularly review the composition of the Board as well as make suggestions on any change that may be required.

The main duties of the Nomination Committee are as follows:

- To review the structure, size and composition of the Board regularly and to make recommendations to the Board with regard to any changes required
- To evaluate the balance of skills, knowledge and experience of the Board
- To identify and nominate any candidate for the Board's approval
- To review the leadership needs and succession plans of the Group in relation to both directors and senior executives
- To make recommendations for the appointment and removal of the Chairman, Managing Director or any director
- To make recommendations to the Board on the re-appointment of any Non-Executive Director at the conclusion of his specified term of office
- To report its proceedings to the Board after each meeting

- 審核所有股份獎勵計劃以待董事會批准
- 確保與高級行政人員終止合約之條款及因此而應付之任何款項對個別人士及本集團而言均屬公平合理
- 就高級行政人員之薪酬考慮有關法律的規定、稅項條文及上市規則之建議及指引
- 每年審閱及留意本集團之薪酬趨勢，並取得其他類似可比較本公司之可靠及最新酬金資料
- 於每次會議後向董事會匯報其進度

於2011年，薪酬委員會已釐定執行董事的薪酬政策、評估其表現及批准其與本集團的聘用合約。董事之薪酬詳情載於綜合財務報表附註9內。

### 提名委員會

於2011年，提名委員會的委員包括主席（亦為委員會之主席）、董事總經理及一名非執行董事。委員會會議須於股東週年大會前或委員會主席要求的其他時間舉行。

提名委員會由辛定華先生擔任主席，並會物色合資格候選人出任董事，以填補空缺。委員會就提名候選人提呈董事會考慮，並定期檢討董事會成員組成及提交需要作出變動的建議。

提名委員會之主要職務如下：

- 定期檢討董事會之架構、規模及組成，並就任何所需的改動向董事會提供建議
- 評估董事會於技能、知識及經驗上的平衡
- 物色及提名任何候選人待董事會批准
- 檢討本集團董事及高級行政人員所需的領導才能及繼任安排
- 就委任及撤換主席、董事總經理或任何董事提供建議
- 就非執行董事之指定任期屆滿時，就重新委任該名董事向董事會提出建議
- 於每次會議後向董事會匯報其進度

# CORPORATE GOVERNANCE REPORT (continued)

## 企業管治報告(續)

### Investment Committee

The Investment Committee comprises two Executive Directors, one Non-executive Director and two Independent Non-executive Director. It shall meet at the request of any member of the Committee and its meetings will be facilitated by the Vice President, Corporate Development, and the Vice President, Finance will participate in the discussion.

The Investment Committee, currently chaired by Dr. Leung Kwong Wai, will evaluate and approve any equity investment of US\$2 million or less with the support from the head of Corporate Development. Any equity investment exceeding that amount will be proposed by the Committee for the Board's approval. The Committee is authorized, at the expense of the Group, to seek external professional advice it considers necessary and to arrange external advisers to attend its meetings. The Committee will also periodically report the status and performance of investments to the Board.

The main duties of the Investment Committee are as follows:

- To assist the Board in discharging its duties and responsibilities in relation to investment activities (excluding treasury or cash management)
- To assist the Board with all of its policy setting responsibilities related to investment
- To establish and document the basic investment principles and beliefs held by the Committee as well as the Code of Ethics for avoiding possible conflict of interest
- To have all necessary access and authority to seek information from management to fulfill its objectives, duties and responsibilities
- To review the appointment of external professional advisers
- To review and monitor investment performance
- To review and advise on additions to and dispositions of existing investments
- To review annually the terms of reference of the Committee and to recommend to the Board any required changes
- To submit an annual work report to the Board summarizing the Committee's activities, findings, recommendations and results for the past year

### 投資委員會

投資委員會的委員包括兩名執行董事、一名非執行董事及兩名獨立非執行董事。委員會須於任何委員會委員提出要求時召開會議，會議由企業發展部副總裁作出安排，財務副總裁亦會參與討論。

投資委員會現時由梁廣偉博士擔任主席，在企業發展部主管的協助下，評估及批准任何二百萬美元或以下的資本投資。任何超越該金額的資本投資將會由委員會提呈以待董事會通過。委員會獲授權可以集團費用於其認為有需要時尋求外界專業意見及安排該等顧問出席會議。委員會就投資的狀況及表現定期向董事會匯報。

投資委員會之主要職務如下：

- 協助董事會履行其於投資(不包括庫務或現金管理)方面的職責及責任
- 協助董事會制定所有有關投資責任的政策
- 訂立委員會遵循的基本投資原則及條例，及設立道德行為守則以避免可能發生的利益衝突
- 有權向管理層接觸及尋求資料以達致履行其目標、職務及責任
- 審閱委任外界的專業顧問
- 審閱及監察投資表現
- 審閱投資及就增加和出售現有的投資提供意見
- 每年檢討委員會的職權範圍及建議董事會作出任何所需的改動
- 向董事會呈交年度工作報告，概述委員會的活動、調查結果、建議及上年度的成果

## Board Meetings Attendance Record

The following table shows the number and the attendance records of the regular Board meetings held during the year:

## 董事會會議出席記錄

以下列表為年內董事參與各董事會會議次數：

		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Investment Committee 投資委員會
Number of meetings held	會議次數	6	2	2	2	6
<b>Members of the Board</b>	<b>董事會成員</b>	<b>Number of meetings attended (Attendance rate)</b> 出席會議次數 (出席率)				
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>					
SUN, Patrick (Non-executive Chairman)	辛定華 (非執行主席)	6 (100%)	2 (100%)	2 (100%)	2 (100%)	
CHOY Kwok Hung, Patrick	蔡國雄	6 (100%)	2 (100%)	2 (100%)		6 (100%)
WONG Yuet Leung, Frankie	黃月良	5 (83%)	2 (100%)			
YIU Tin Chong, Joseph <sup>1</sup>	姚天從 <sup>1</sup>	3 (100%)		—		3 (100%)
<b>Executive Directors</b>	<b>執行董事</b>					
LEUNG Kwong Wai (Managing Director)	梁廣偉 (董事總經理)	6 (100%)			2 (100%)	6 (100%)
LAI Woon Ching	黎垣清	6 (100%)				6 (100%)
<b>Non-executive Directors</b>	<b>非執行董事</b>					
LAI Weide	賴偉德	1 (17%)		2 (100%)		
LAM Pak Lee / SHEU Wei Fu (alternate to Lam Pak Lee)	林百里 / 許維夫 (林百里的替代董事)	2 (33%)				
LI Xiaochun	李曉春	5 (83%)	1 (50%)			
ZHAO Guiwu	趙貴武	5 (83%)			2 (100%)	6 (100%)

1. Mr. Yiu Tin Chong, Joseph was appointed as Independent Non-executive Director of the Company with effect from 6 July 2011.

1. 姚天從先生於2011年7月6日起獲委任為本公司之獨立非執行董事。

## Accountability and Audit Financial Reporting

The Directors of the Company acknowledge their responsibility to present a balanced, clear and understandable assessment in the consolidated financial statements of the annual and interim reports. The Directors have prepared the consolidated financial statements on a going concern basis, with supporting assumptions or qualifications as necessary. When the Directors are aware of material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern, such uncertainties will be clearly and prominently set out and discussed at length in this Corporate Governance Report.

## 問責性及審核

### 財務報告

本公司董事確認，彼等有責任在年報及中期報告的綜合財務報表中提供客觀持平、清晰及簡明的評估。董事已按持續經營基準編製綜合財務報表，並於有需要時輔以假設或保留意見。倘董事知悉有重大不明朗事件或情況可能會嚴重影響本公司持續經營的能力，董事必須在企業管治報告中清楚披露及詳細討論該等不明朗因素。

# CORPORATE GOVERNANCE REPORT (continued)

## 企業管治報告(續)

### Internal Controls

The internal controls within the Group are designed to help the Group achieve key initiatives, and represent the Group's efforts in protecting its physical assets, information and technology. The presence of internal controls empowers the Group to implement best business practices in dynamic and challenging business environments. In brief, the Group's internal controls cover a number of in-house procedures and policies. Examples are compliance with the Group's Code of Conduct, adherence to procedure manuals, confidentiality and information disclosure, documentation, authentication of transactions and so on. The Group has set up an Anti-Fraud policy since 2006. Under such policy, employees can report any concerns, including misconduct, impropriety or fraud to senior management or the Anti-Fraud Management Team. In 2011, no incident of fraud or misconduct was reported from employees or stakeholders that has material effect on the Group's financial statements and overall operations.

During 2011, the Audit Committee with the help of the Corporate Audit Manager conducted reviews of the Group's system of internal control and Audit Committee was satisfied that the Group had complied with the Code Provisions.

The Board assessed the effectiveness of internal control for the year ended 31 December 2011, including financial and operational controls, and risk management functions, by considering reviews performed by the Audit Committee, executive management and the internal auditor; and the independent auditor's management letters, if any. The Board also reviewed the Group's operating and financial performance against the financial budget on a quarterly basis while executive management closely monitored the financial performance on a monthly basis.

The Internal Audit Team follows a risk-based approach. Different audit areas are assigned risk ratings and an audit plan is formulated accordingly so that priority and appropriate audit frequency is given to areas with higher risks. The annual internal audit work plan is reviewed and endorsed by the Audit Committee. The Internal Audit Team independently conducts regular financial and operational reviews on the Group and reports directly to the chairman of the Audit Committee regularly. Summary of major findings and control weaknesses, if any, are reviewed by the Audit Committee at least twice every year. The Internal Audit Team monitors the follow-up actions agreed upon in response to its recommendations.

### Independent Auditor

The Group's independent auditor is PricewaterhouseCoopers. PwC HK is responsible for auditing and forming an independent opinion on the Group's annual consolidated financial statements. Apart from the statutory audit of the annual consolidated financial statements, PwC HK was also engaged to perform a review on the interim consolidated financial statements of the Company for the six months ended 30 June 2011 as well as advise the Group on taxation and related matters.

### 內部監控

本集團的內部監控旨在協助本集團達成目標，致力保障其資產、資訊及科技。內部監控能讓本集團在瞬息萬變及富挑戰的營商環境下實踐最佳的營商方法。概括而言，本集團的內部監控涵蓋多個內部程序及政策，例如遵守本集團行為守則、依循程序手冊、保密及資料披露、文件儲存、交易認證等。自2006年，本集團已制定反欺詐政策。根據此政策，員工可向高級管理層或反欺詐組舉報任何涉及失當行為、不當或欺詐行為。於2011年，並無員工或權益人士舉報任何足以對本公司財務報表及整體業務運作構成重大影響的欺詐或失當行為。

於2011年在集團審核經理的協助下，審核委員會已審核本集團之內部監控系統，並確認本集團已遵守常規守則。

截至2011年12月31日止，董事會參考由審核委員會、行政管理層及內部核數師之檢討；及獨立核數師致管理層的建議報告（如有），對內部監控，包括財務、營運監控及風險管理功能之成效作出評估。董事會亦會每季以財務預算作審核本集團運作及財務表現，同時行政管理層亦會緊密監察每月的實際財務表現。

內部審核小組遵從風險監控之方法，對不同的審核部份劃分不同的風險評級及制定權衡風險的審核方案，對較高風險的部分適當予以較優先及較頻密之審核。審核委員會已經審核及批准年度內部審核計劃，內部審核小組亦會定期為集團的財務和營運作出獨立審閱及向審核委員會主席提交報告。審核委員會至少每年兩次，就主要之查核結果及監控弱點（如有）作出檢討。內部審核小組亦會對落實執行之建議作出監督。

### 獨立核數師

本公司之獨立核數師乃羅兵咸永道會計師事務所。羅兵咸香港所負責審核及對年度綜合財務報表發出獨立意見。除對年度綜合財務報表作出法定審核外，羅兵咸香港亦獲聘為審閱本公司截至2011年6月30日止六個月中期綜合財務報表，並就稅務法規及有關事宜提供意見。

The fees payable by the Group to the independent auditor in respect of audit and non-audit services provided by them for the year ended 31 December 2011 are US\$172,000 and US\$27,000 respectively.

## Others

### Code of Conduct

Since it was founded in July 1999, the Group has always held a strong belief that its future success relies on its trustworthiness, goodwill and integrity in dealing with customers, suppliers, employees, shareholders, the industry and governments. The Group has therefore established a set of Code of Conduct for all of its employees to follow. Adherence to the Code of Conduct is the responsibility of each employee of the Group and is a condition of continued employment. The Code of Conduct deals with key subject areas such as proper use of the Group's funds and assets, customer/ supplier/ government relationships, conflicts of interest and operating procedures.

### Corporate Transparency and Investor Relations

The Company reports to shareholders semi-annually on the Group's business and financial conditions. It is the Company's intention to hold analyst conferences immediately after the announcements of the Group's interim and annual results, and media meetings on the following day. In 2011, the Company made the Group's seventh annual results announcement and the eighth interim results announcement since listing. The management interacted directly with investors, analysts and the media, and provided them with insightful information and answers to their queries. On 30 May 2011, the Company held its Annual General Meeting at 29A, Admiralty Centre I, 18 Harcourt Road, Hong Kong at 4:00pm. During the said annual general meeting, the following items were discussed:

- Report of the Directors and Independent Auditor's Report for the year ended 31 December 2010
- Re-election of directors
- Authorization to fix the directors' remuneration
- Appointment of independent auditor and authorization to Board of Directors to fix their remuneration
- An ordinary resolution to grant a general mandate to the Directors to repurchase shares up to a maximum of 10% of the existing issued share capital
- An ordinary resolution to grant a general mandate to the Directors to allot, issue or deal with new shares up to a maximum of 10% of the existing issued share capital
- An ordinary resolution to extend the general mandate granted to the Directors to issue new shares by the number of shares repurchased.

All resolutions related to the above items were duly passed.

截至2011年12月31日止年度，本集團付予獨立核數師有關審核及非審核服務之費用分別為172,000美元及27,000美元。

## 其他事項

### 行為守則

自1999年7月創立以來，本集團一直深信其未來的成就，有賴客戶、供應商、員工、股東、同業和政府對其之信用、商譽和誠信的信心。因此，本集團設立了行為守則供員工依從。遵守該行為守則是本集團每位員工的責任，亦是持續聘任的條件。本集團行為守則涉及主要範疇，包括妥善運用本集團資金和資產、與客戶/供應商/政府的關係、利益衝突和營運程序等。

### 企業透明度和投資者關係

本公司每半年向股東報告其集團的業務和財務狀況。本公司於公佈本集團的中期及全年業績後隨即召開分析員會議和在公佈業績之後一天舉行新聞發佈會。於2011年，本公司發表了自上市後本集團的第七份全年業績及第八次中期業績。管理層主動與投資者、分析員和傳媒溝通，向他們提供具深度的資訊和解答他們的詢問。本公司於2011年5月30日下午四時假座香港金鐘夏愨道18號海富中心1期29A室舉行股東週年大會，並在會上討論下列項目：

- 截至2010年12月31日止年度之董事會報告及獨立核數師報告
- 重選董事
- 授權釐定董事酬金
- 委任獨立核數師及授權董事會釐定核數師酬金
- 普通決議案：授予董事一般授權，以購回本公司股本中現有已發行股份最多達10%的股份
- 普通決議案：授予董事一般授權，以配發、發行或處理本公司股本中現有已發行股份最多達10%的新股
- 普通決議案：擴大授予董事一般授權，以發行相等於購回本公司股份數目的新股

有關上述項目的所有決議案已適當地通過。

# CORPORATE GOVERNANCE REPORT (continued)

## 企業管治報告(續)

For the year under review, the Company conducted meetings and conference calls with investors and analysts. As part of its efforts to promote its image and reputation, the Group leveraged the networks and experience of a public relations firm.

The views of investors are invaluable to the Company. To improve its communication with investors, the Company has been collecting ideas from shareholders and feedback from the investment community since listing. The Company also appreciates the opportunity to meet shareholders face-to-face. The Company's Articles of Association has accommodated the use of websites for communication with shareholders since 2009.

To the best knowledge of the Company, as at 31 December 2011, CEC held more than 27% of the Company's shares, the Board as a whole held roughly 7%, and the remaining approximately 66%, is believed to be in public hands.

The website of the Group ([www.solomon-systech.com](http://www.solomon-systech.com)) is also updated constantly to inform investors and the general public of the latest information of the Group, for example, the important dates for shareholders in the coming year. Further information for shareholders can be found on pages 154 to 155 of this report.

### Shareholders' Rights

The Company's shareholders' rights are at all times highly regarded by the Group. The Group will make sure the Company's shareholders know how to exercise their rights. The Group provides effective channels for the Company's shareholders to communicate their ideas to the Group and exert their rights.

With regard to general enquiry, a shareholder may contact the Company's Share Registrar directly. Information on proceedings at general meetings, votes of members, proxies, dividends and reserves, transfer of shares and other information are detailed in the Company's Memorandum and Articles of Association, which is accessible for inspection at the Company's Share Registrar. The contact details of the Share Registrar on page 154 of this annual report. In the event that a shareholder wishes to put forward a proposal to the Board, he may put forth his enquiry in writing to the Corporate Communications Department of the Group who will act on the subject matter accordingly.

於回顧年內，本公司舉行了投資者及分析員會議及電話會議。本集團亦借助公關公司的網絡和經驗，致力推廣本集團的企業形象和知名度。

投資者的意見對本公司來說是非常寶貴。為了加強與投資者的溝通，自上市以來，本公司經常收集股東的意見及了解市場資訊。本公司亦珍惜與股東面對面會晤的機會。自2009年起，本公司的組織章程細則容許運用網站與股東溝通。

據本公司所知，截至2011年12月31日止，中國電子持有本公司股份27%以上，董事會的董事合共持有大約7%本公司的股份，餘下約66%的股份，則相信是由公眾人士所持有。

本集團的網站([www.solomon-systech.com](http://www.solomon-systech.com))亦會定期更新資料，向投資者和公眾人士提供本集團的最新訊息，例如股東於來年需注意的重要日期。有關股東須知的其他資料可參閱本年報第154至155頁。

### 股東權利

本集團時刻重視本公司之股東權利，並會協助他們了解如何行使應有的權利。本集團設有溝通渠道，讓本公司股東表達對本集團的意見或行使其權利。

股東可直接聯絡本公司的股份過戶登記處，查詢一般資料。有關股東大會的程序、投票方法、委任代表、股息及儲備、股份轉讓及其他資料，已載列於本公司的組織章程大綱及細則，組織章程大綱及細則可於本公司的股份過戶登記處查閱。股份過戶登記處的聯絡資料載於本年報第154頁。如股東欲向董事會提呈任何建議，可致函本集團的企業傳訊部，以妥善處理有關事宜。

# REPORT OF THE DIRECTORS



## 董事會報告

The Directors submit their report together with the audited financial statements of the Company and its subsidiaries for the year ended 31 December 2011.

### Principal activities and geographical analysis of operation

The principal activity of the Company is investment holding. The activities of the subsidiaries are set out in note 18 to the consolidated financial statements.

An analysis of the Group's performance for the year by segment is set out in note 6 to the consolidated financial statements.

### Results and appropriations

The results of the Group for the year are set out in the consolidated income statement on page 76.

The Board of the Company does not recommend the payment of a final dividend.

### Reserves

Movements in the reserves of the Group and of the Company during the year are set out in note 26 to the consolidated financial statements.

### Donations

Charitable and other donations made by the Group during the year amounted to US\$15,000.

### Property, plant and equipment

Details of the movements in property, plant and equipment of the Group and of the Company are set out in note 16 to the consolidated financial statements.

### Share capital

Details of the movements in share capital of the Company are set out in note 24 to the consolidated financial statements.

### Distributable reserves

Distributable reserves of the Company as at 31 December 2011, comprising share premium reserve of US\$108,672,000 that is subject to the regulation of Section 34 of the Cayman Islands Companies Law and the Articles of Association of the Company, the equity compensation reserve of US\$16,427,000 and accumulated losses of US\$4,801,000 totaling US\$120,298,000 are available for distribution to the Company's shareholders.

董事謹提呈本公司及其附屬公司截至2011年12月31日止年度的經審核綜合財務報表。

### 主要業務及按地區分析的營運

本公司的主要業務為投資控股。附屬公司的業務載於綜合財務報表附註18。

本集團本年度按分部劃分的表現分析載於綜合財務報表附註6。

### 業績及分派

本集團本年度的業績載於第76頁綜合損益表。

本公司董事會不建議派付末期股息。

### 儲備

本集團及本公司於年內的儲備變動載於綜合財務報表附註26。

### 捐獻

本集團於年內作出的慈善及其他捐獻達15,000美元。

### 物業、機器及設備

本集團及本公司的物業、機器及設備變動詳情載於綜合財務報表附註16。

### 股本

本公司的股本變動詳情載於綜合財務報表附註24。

### 可分派儲備

本公司於2011年12月31日的可分派儲備，包括股份溢價儲備108,672,000美元（受開曼群島公司法第34條及本公司的組織章程細則規限）、股本權益報酬儲備16,427,000美元及累積虧損4,801,000美元合共120,298,000美元可供分派予本公司股東。

# REPORT OF THE DIRECTORS (continued)

## 董事會報告(續)

### Pre-emptive rights

There is no provision for pre-emptive rights under the Company's Articles of Association and there is no restriction against such rights under the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

### Five-year financial summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years ended 31 December is set out on page 149.

### Purchase, sale or redemption of Company's listed shares

There was no purchase, sale or redemption of the Company's listed shares by the Company or any of its subsidiaries for the year ended 31 December 2011.

### Share options

Share options have been granted to directors, senior management and employees of the Group under the Share Option Scheme approved by the shareholders of the Company at an Extraordinary General Meeting on 25 February 2004. The terms of the Share Option Scheme are in accordance with the provisions of the Chapter 17 of the Listing Rules. The Share Option Scheme is valid and effective for a period of 10 years commencing on 19 March 2004, being the date of adoption of such scheme by the Board of Directors of the Company.

On 30 September 2011, options to subscribe for 9,600,000 new shares of the Company were granted by the Company to directors of the Company and senior management of the group at a nominal consideration of HK\$1.0 payable by each grantee under the Share Option Scheme. These options are exercisable during the period from 1 October 2012 to 30 September 2014, at the exercise price of HK\$0.1634 per share.

### 優先購買權

本公司的組織章程細則，並無優先購買權的條文規定本公司須按比例向現有股東提供發售新股份，而開曼群島法例亦無限制該等權利。

### 五年財務摘要

本集團截至12月31日止最近五個財政年度的業績和資產及負債摘要載於第149頁。

### 購買、出售或贖回本公司上市股份

截至2011年12月31日止年度內，本公司或其任何附屬公司年內並無購買、出售或贖回本公司上市股份。

### 購股權

根據於2004年2月25日舉行的股東特別大會上獲本公司股東批准的購股權計劃，本公司曾向董事、本集團管理層及僱員授出購股權。購股權計劃的條款是遵照上市規則第17章的條文。購股權計劃由2004年3月19日(即本公司董事會採納該購股權計劃之日)起生效，為期10年。

於2011年9月30日，本公司根據購股權計劃按每名承授人以象徵式代價1.0港元，授出可認購本公司合共9,600,000股新股份的購股權予本公司董事及本集團管理層。該購股權可於2012年10月1日至2014年9月30日期間行使，其行使價為每股0.1634港元。



		Share options outstanding as at 31 December 2011 (in thousand units) 於2011年12月31日已授出之購股權 (以千位計)						Exercise period 行使期		
		Held on 1 January 2011 於2011年 1月1日 持有	Lapsed during the year 年內 已失效	Granted during the year 年內 已授出	Exercised during the year 年內 已行使	Held on 31 December 2011 於2011年 12月31日 持有	Exercise price HK\$ 行使價 港元	Grant date 授出日期	Begins 開始	Ends 結束
<b>Independent Non-executive Directors</b> 獨立非執行董事										
Sun, Patrick	辛定華	1,000	—	—	—	1,000	0.6320	13 July 2009 2009年7月13日	1 July 2010 2010年7月1日	30 June 2012 2012年6月30日
		1,200	—	—	—	1,200	0.6200	28 June 2010 2010年6月28日	1 July 2011 2011年7月1日	30 June 2013 2013年6月30日
		—	—	1,200	—	1,200	0.1634	30 September 2011 2011年9月30日	1 October 2012 2012年10月1日	30 September 2014 2014年9月30日
		2,200	—	1,200	—	3,400				
Choy Kwok Hung, Patrick	蔡國雄	1,000	—	—	—	1,000	0.6320	13 July 2009 2009年7月13日	1 July 2010 2010年7月1日	30 June 2012 2012年6月30日
		1,200	—	—	—	1,200	0.6200	28 June 2010 2010年6月28日	1 July 2011 2011年7月1日	30 June 2013 2013年6月30日
		—	—	1,200	—	1,200	0.1634	30 September 2011 2011年9月30日	1 October 2012 2012年10月1日	30 September 2014 2014年9月30日
		2,200	—	1,200	—	3,400				
Yiu Tin Chong, Joseph	姚天從	—	—	1,200	—	1,200	0.1634	30 September 2011 2011年9月30日	1 October 2012 2012年10月1日	30 September 2014 2014年9月30日
		—	—	1,200	—	1,200				
Wong Yuet Leung, Frankie	黃月良	1,000	—	—	(1,000)	—	0.2750	24 July 2008 2008年7月24日	1 July 2009 2009年7月1日	30 June 2011 2011年6月30日
		1,000	—	—	—	1,000	0.6320	13 July 2009 2009年7月13日	1 July 2010 2010年7月1日	30 June 2012 2012年6月30日
		1,200	—	—	—	1,200	0.6200	28 June 2010 2010年6月28日	1 July 2011 2011年7月1日	30 June 2013 2013年6月30日
		—	—	1,200	—	1,200	0.1634	30 September 2011 2011年9月30日	1 October 2012 2012年10月1日	30 September 2014 2014年9月30日
		3,200	—	1,200	(1,000)	3,400				
<b>Subtotal</b>	<b>小計</b>	<b>7,600</b>	<b>—</b>	<b>4,800</b>	<b>(1,000)</b>	<b>11,400</b>				

# REPORT OF THE DIRECTORS (continued)

## 董事會報告(續)

### Share options (continued)

### 購股權(續)

		Share options outstanding as at 31 December 2011 (in thousand units) 於2011年12月31日已授出之購股權(以千位計)					Exercise period 行使期			
		Held on 1 January 2011 於2011年 1月1日 持有	Lapsed during the year 年內 已失效	Granted during the year 年內 已授出	Exercised during the year 年內 已行使	Held on 31 December 2011 於2011年 12月31日 持有	Exercise price HK\$ 行使價 港元	Grant date 授出日期	Begins 開始	Ends 結束
<b>Non-executive and Executive Directors</b> 非執行及執行董事										
Lam Pak Lee	林百里	1,000	—	—	(1,000)	—	0.2750	24 July 2008	1 July 2009	30 June 2011
		1,000	—	—	—	1,000	0.6320	2008年7月24日 13 July 2009	2009年7月1日 1 July 2010	2011年6月30日 30 June 2012
		1,200	—	—	—	1,200	0.6200	2009年7月13日 28 June 2010	2010年7月1日 1 July 2011	2012年6月30日 30 June 2013
		—	—	1,200	—	1,200	0.1634	2010年6月28日 30 September 2011 2011年9月30日	2011年7月1日 1 October 2012 2012年10月1日	2013年6月30日 30 September 2014 2014年9月30日
		3,200	—	1,200	(1,000)	3,400				
Leung Kwong Wai	梁廣偉	408	(408)	—	—	—	1.4300	7 February 2007	1 April 2009	31 March 2011
		612	—	—	—	612	1.4300	2007年2月7日 7 February 2007	2009年4月1日 1 April 2010	2011年3月31日 31 March 2012
		1,000	—	—	(1,000)	—	0.2750	2007年2月7日 24 July 2008	2010年4月1日 1 July 2009	2012年3月31日 30 June 2011
		1,000	—	—	—	1,000	0.6320	2008年7月24日 13 July 2009	2009年7月1日 1 July 2010	2011年6月30日 30 June 2012
		1,200	—	—	—	1,200	0.6200	2009年7月13日 28 June 2010	2010年7月1日 1 July 2011	2012年6月30日 30 June 2013
		—	—	1,200	—	1,200	0.1634	2010年6月28日 30 September 2011 2011年9月30日	2011年7月1日 1 October 2012 2012年10月1日	2013年6月30日 30 September 2014 2014年9月30日
		4,220	(408)	1,200	(1,000)	4,012				
Lai Woon Ching	黎垣清	20	(20)	—	—	—	1.4300	7 February 2007	1 April 2009	31 March 2011
		30	—	—	—	30	1.4300	2007年2月7日 7 February 2007	2009年4月1日 1 April 2010	2011年3月31日 31 March 2012
		1,000	—	—	—	1,000	0.6320	2007年2月7日 13 July 2009	2010年4月1日 1 July 2010	2012年3月31日 30 June 2012
		1,200	—	—	—	1,200	0.6200	2009年7月13日 28 June 2010	2010年7月1日 1 July 2011	2012年6月30日 30 June 2013
		—	—	1,200	—	1,200	0.1634	2010年6月28日 30 September 2011 2011年9月30日	2011年7月1日 1 October 2012 2012年10月1日	2013年6月30日 30 September 2014 2014年9月30日
		2,250	(20)	1,200	—	3,430				
<b>Subtotal</b>	<b>小計</b>	<b>9,670</b>	<b>(428)</b>	<b>3,600</b>	<b>(2,000)</b>	<b>10,842</b>				

Share options outstanding as at 31 December 2011 (in thousand units) 於2011年12月31日已授出之購股權 (以千位計)						Exercise period 行使期			
	Held on 1 January 2011 於2011年 1月1日 持有	Lapsed during the year 年內 已失效	Granted during the year 年內 已授出	Exercised during the year 年內 已行使	Held on 31 December 2011 於2011年 12月31日 持有	Exercise price HK\$ 行使價 港元	Grant date 授出日期	Begins 開始	Ends 結束
<b>Others</b>									
其他									
Senior management and employees 高級管理層及僱員	1,100	(1,100)	—	—	—	1.4300	7 February 2007	1 April 2009	31 March 2011
	1,578	—	—	—	1,578	1.4300	2007年2月7日	2009年4月1日	2011年3月31日
	5,000	—	—	—	5,000	0.6320	7 February 2007	1 April 2010	31 March 2012
	4,800	—	—	—	4,800	0.6200	2007年2月7日	2010年4月1日	2012年3月31日
	—	—	1,200	—	1,200	0.1634	13 July 2009	1 July 2010	30 June 2012
							2009年7月13日	2010年7月1日	2012年6月30日
							28 June 2010	1 July 2011	30 June 2013
							30 September 2011	1 October 2012	30 September 2014
							2010年6月28日	2011年7月1日	2013年6月30日
							2011年9月30日	2012年10月1日	2014年9月30日
<b>Subtotal</b>	小計	12,478	(1,100)	1,200	—	12,578			
<b>Total</b>	總計	29,748	(1,528)	9,600	(3,000)	34,820			

### Valuation of options

The Company has been using the Black-Scholes Valuation Model to value the share options granted. Details of the key parameters used in the Model and the corresponding fair values of the options granted during the year should be referred to note 25(a) to the consolidated financial statements.

### 購股權價值

本公司採用畢蘇購股權訂價模式計算已授出購股權的價值。本年度應用此模式的主要參考數據及對應該等授出的購股權之公平值詳情參見綜合財務報表附註25(a)。

# REPORT OF THE DIRECTORS (continued)

## 董事會報告(續)

### Share options (continued)

The details of the options granted to the respective parties during 2011 and 2010 are as follows:

### 購股權(續)

於2011年及2010年內授予相關人士的購股權詳情如下：

		2011		2010	
		Number	Value	Number	Value
		(in thousand units)	US\$'000	(in thousand units)	US\$'000
		數量	價值	數量	價值
		(以千位計)	千美元	(以千位計)	千美元
Sun, Patrick	辛定華	1,200	7.4	1,200	24.2
Choy Kwok Hung, Patrick	蔡國雄	1,200	7.4	1,200	24.2
Wong Yuet Leung, Frankie	黃月良	1,200	7.4	1,200	24.2
Yiu Tin Chong, Joseph	姚天從	1,200	7.4	—	—
Lai Weide	賴偉德	—	—	—	—
Lam Pak Lee	林百里	1,200	7.4	1,200	24.2
Sheu Wei Fu (alternate to Lam Pak Lee)	許維夫(林百里的替代董事)	—	—	—	—
Li Xiaochun	李曉春	—	—	—	—
Zhao Guiwu	趙貴武	—	—	—	—
Leung Kwong Wai	梁廣偉	1,200	7.4	1,200	24.2
Lai Woon Ching	黎垣清	1,200	7.4	1,200	24.2
Subtotal for Directors	董事小計	8,400	51.8	7,200	145.2
Subtotal for senior management, employees and others	管理層、員工及其他小計	1,200	7.4	4,800	96.8
<b>Total</b>	<b>總計</b>	<b>9,600</b>	<b>59.2</b>	<b>12,000</b>	<b>242.0</b>

### Directors

The directors during the year and up to the date of this report were:

#### Independent Non-executive Directors

Mr. Sun, Patrick (Chairman)  
 Mr. Choy Kwok Hung, Patrick  
 Mr. Wong Yuet Leung, Frankie  
 Mr. Yiu Tin Chong, Joseph (appointed on 6 July 2011)

#### Non-executive Directors

Dr. Lam Pak Lee  
 Mr. Sheu Wei Fu (alternate to Dr. Lam Pak Lee)  
 Mr. Lai Weide  
 Mr. Li Xiaochun  
 Mr. Zhao Guiwu

#### Executive Directors

Dr. Leung Kwong Wai (Managing Director)  
 Mr. Lai Woon Ching

In accordance with Article 95 of the Company's Articles of Association, Mr. Yiu Tin Chong, Joseph appointed as an addition to the Board, shall hold office until the forthcoming annual general meeting and being eligible, offer himself for re-election.

### 董事

本年度內及截至本報告日期止之董事如下：

#### 獨立非執行董事

辛定華先生(主席)  
 蔡國雄先生  
 黃月良先生  
 姚天從先生(於2011年7月6日獲委任)

#### 非執行董事

林百里博士  
 許維夫先生(林百里博士之替代董事)  
 賴偉德先生  
 李曉春先生  
 趙貴武先生

#### 執行董事

梁廣偉博士(董事總經理)  
 黎垣清先生

根據本公司的組織章程細則第95條，本公司董事會新委任之董事姚天從先生將於即將舉行的股東週年大會上退任，並符合資格及願意膺選連任。

In accordance with Article 112 of the Company's Articles of Association, Mr. Sun, Patrick, Dr. Leung Kwong Wai and Mr. Lai Woon Ching will retire by rotation at the forthcoming annual general meeting and being eligible, offer themselves for re-election.

Messrs. Sun, Patrick, Choy Kwok Hung, Patrick and Wong Yuet Leung, Frankie are Independent Non-executive Directors and their service contracts were renewed in 2011 for a term expiring on 30 June 2012 while Mr. Yiu Tin Chong, Joseph was newly appointed Independent Non-executive Director with a service contract for a fixed term effective from date of appointment till 30 June 2012.

### **Directors' service contracts**

None of the directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable within one year without payment of compensation, other than statutory compensation.

### **Directors' interests in contracts**

No contracts of significance in relation to the Group's business to which the Company, or its subsidiaries, was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### **Biographical details of directors and senior management**

Brief biographical details of directors and senior management are set out on pages 40 to 44.

### **Directors' and Chief Executive's interests and short positions in the shares and underlying shares of the Company or any associated corporation**

As at 31 December 2011, the interests and short positions of each director and chief executive in the shares and underlying shares of the Company or its associated corporations (within the meaning of the Securities and Futures Ordinance), as recorded in the register required to be kept by the Company under Section 352 of Part XV of the SFO or as notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

根據本公司的組織章程細則第112條，本公司之董事辛定華先生、梁廣偉博士和黎垣清先生將於即將舉行的股東週年大會上輪席退任，並符合資格及願意膺選連任。

辛定華先生、蔡國雄先生及黃月良先生為獨立非執行董事，已於2011年續簽訂其服務合約，任期至2012年6月30日止，新委任的獨立非執行董事姚天從先生的固定條款服務合約則由委任日起到2012年6月30日止。

### **董事的服務合約**

擬於即將舉行的股東週年大會上膺選連任的董事，概無與本公司或其任何附屬公司簽訂不可於一年內免付補償（法定補償除外）而終止的服務合約。

### **董事於合約的權益**

於本年底或年內任何時間，本公司或其任何附屬公司並沒有為訂約方或本公司董事於當中直接或間接擁有重大權益且涉及本集團業務的重大合約。

### **董事及高級管理層的履歷詳情**

董事及高級管理層的履歷載於第40至第44頁。

### **董事及最高行政人員於本公司或任何相聯法團之股份及相關股份中的權益及淡倉**

於2011年12月31日，各董事及行政總裁於本公司或其相聯法團（定義見證券及期貨條例）的股份及相關股份中擁有登記於根據SFO第XV部第352條規定本公司須存置的登記名冊上，或須根據上市公司董事進行證券交易的標準守則知會本公司及聯交所的權益及淡倉如下：

# REPORT OF THE DIRECTORS (continued)

## 董事會報告(續)

### Directors' and Chief Executive's interests and short positions in the shares and underlying shares of the Company or any associated corporation (continued)

董事及最高行政人員於本公司或任何相聯法團之股份及相關股份中的權益及淡倉(續)

				Ordinary shares of HK\$0.10 each in the Company as at 31 December 2011 於2011年12月31日本公司每股面值0.10港元的普通股			
				Shares	Options <sup>1</sup>	Total	% of the
				股份	購股權 <sup>1</sup>	總計	issued shares
							capital of the
							Company
							佔本公司
							已發行
							股本百分比
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>						
Sun, Patrick	辛定華	Long	權益	—	3,400,000	3,400,000	0.14%
Choy Kwok Hung, Patrick	蔡國雄	Long	權益	2,712,000	3,400,000	6,112,000	0.25%
Yiu Tin Chong, Joseph	姚天從	Long	權益	—	1,200,000	1,200,000	0.05%
Wong Yuet Leung, Frankie	黃月良	Long	權益	1,000,000	3,400,000	4,400,000	0.18%
<b>Non-executive Directors</b>	<b>非執行董事</b>						
Lai Weide	賴偉德	Long	權益	—	—	—	—
Lam Pak Lee	林百里	Long	權益	1,800,000	3,400,000	5,200,000	0.21%
Sheu Wei Fu (alternate to Lam Pak Lee)	許維夫 (林百里的替代董事)	Long	權益	—	—	—	—
Li Xiaochun	李曉春	Long	權益	—	—	—	—
Zhao Guiwu	趙貴武	Long	權益	—	—	—	—
<b>Executive Directors</b>	<b>執行董事</b>						
Leung Kwong Wai	梁廣偉	Long	權益	119,400,308	4,012,000	123,412,308	5.02%
Lai Woon Ching	黎垣清	Long	權益	26,899,032	3,430,000	30,329,032	1.23%

1. These are options granted under the Share Option Scheme with more details on pages 137 to 138.

1. 該等購股權為根據購股權計劃(詳情見第137至138頁)授出之購股權。

Saved as disclosed above, at no time during the year, the Directors and chief executive (including their spouse and children under 18 years of age) had any interest in, or had been granted, or exercised, any rights to subscribe for shares of the Company and its associated corporation required to be disclosed pursuant to the SFO.

除上文所披露者外,於年內任何時間,董事及行政總裁(包括彼等之配偶及年齡在18歲以下的子女)概無擁有或獲授予或行使根據SFO須予披露可認購本公司及其相聯法團之股份的任何權利。

Mr. Choy Kwok Hung, Patrick ("Mr. Choy"), Independent Non-executive Director and Mr. Lo Wai Ming ("Mr. Lo"), who resigned from the role as Executive Director of the Company effective 1 December 2010 but remained as a member of senior management of the Group, through investment vehicles under their control invested in BJ-LED, an associated company of the Group, at the same time in 2009 and same term of the Group's investment in BJ-LED. The investment vehicles hold 9% and 4% respectively in BJ-LED as at 31 December 2010. BJ-LED proposed a fund raising of CNY10,000,000 to increase the capital contribution to CNY20,000,000 in March 2011. Both Mr. Choy and Mr. Lo participated in the said fund raising and both Mr. Choy's and Mr. Lo's ownership in BJ-LED was substantially increased. Mr. Choy and Mr. Lo declared that their respective percentage beneficial ownership in BJ-LED was 15.3% and 11.5% respectively as at 31 December 2011.

獨立非執行董事蔡國雄先生(「蔡先生」)和集團高級管理層成員盧偉明先生(「盧先生」)(盧先生於2010年12月1日辭去執行董事職務但仍為集團高級管理層成員)透過彼等控制的投資公司,與本集團於2009年時同一時間以同等條件投資於BJ-LED,本集團的一家聯營公司。於2010年12月31日,該等投資公司分別持有BJ-LED之9%和4%的擁有權。在2011年3月, BJ-LED建議由人民幣10,000,000增資到人民幣20,000,000。蔡先生與盧先生均參與該項增資。蔡先生與盧先生於BJ-LED之擁有權因此大幅提升,蔡先生與盧先生申報他們於2011年12月31日分別實益擁有BJ-LED 15.3%及11.5%。

Saved as disclosed above, at no time during the year was the Company, its subsidiaries or its associated corporation a party to any arrangement to enable the directors and chief executive of the Company (including their spouse and children under 18 years of age) to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company or its associated corporation other than Dr. Leung Kwong Wai who holds shares of certain subsidiaries solely for the purpose of ensuring that the relevant subsidiary has more than one member.

### Substantial shareholders' interests and/ or short positions in the shares and underlying shares of the Company

The register of substantial shareholders required to be kept by the Company under section 336 of Part XV of the SFO shows that as at 31 December 2011, the Company had been notified of the following substantial shareholders' interests and short positions in the shares or underlying shares of the Company, being interests of 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the directors and chief executive of the Company.

除上文所披露者外，於年內任何時間，除梁廣偉博士純粹為確保有關附屬公司有一名以上股東而持有若干附屬公司的股份外，概無本公司、其附屬公司或其相聯法團為任何安排的其中一方，讓本公司董事及行政總裁（包括彼等之配偶及年齡在18歲以下的子女）持有本公司或其相聯法團的股份或相關股份或債權證的任何權益或淡倉。

### 主要股東在本公司的股份及相關股份之權益及 /或淡倉

根據SFO第XV部第336條須存置的主要股東登記名冊所示，於2011年12月31日，本公司已獲知會下列主要股東的權益及淡倉（即於本公司已發行股本擁有5%或以上權益）。該等權益為上文披露的本公司董事及行政總裁權益以外者。

#### Ordinary shares of HK\$0.10 each in the Company as at 31 December 2011

於2011年12月31日本公司每股面值0.10港元的普通股

Name 股東名稱	Capacity 身份	Position 權益狀況	Number of shares held 所持股份數目	% of the issued share capital of the Company 佔本公司已發行 股本百分比
China Electronics Corporation 中國電子信息產業集團有限公司	Interest of controlled corporation 受控制公司權益	Long 權益	664,288,000	27.04%

Note:

China Electronics Corporation was controlling the entire issued share capital of 中國電子進出口總公司 ("CEC-IE"), which in turn was holding 100% interest in 華電有限公司 ("HDC"). The long position of 664,288,000 shares as at 31 December 2011 held by HDC represented the same parcel of shares in which China Electronics Corporation and CEC-IE deemed to be interested in by virtue of the SFO.

附註：

中國電子信息產業集團有限公司控制中國電子進出口總公司全數已發行股本，而中國電子進出口總公司則持有華電有限公司的100%權益。依據SFO，於2011年12月31日，由華電有限公司所持有的664,288,000公司股份之權益使中國電子信息產業集團有限公司及中國電子進出口總公司被視為擁有同一批股份權益。

Saved as disclosed above, the Company had not been notified of any interest or short positions in the shares or underlying shares of the Company as at 31 December 2011.

除上文所披露者外，於2011年12月31日，本公司並無獲知會於本公司股份或相關股份中擁有任何權益或淡倉。

# REPORT OF THE DIRECTORS (continued)

## 董事會報告(續)

### Management contracts

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

### Major suppliers and customers

The percentages of purchases and sales for the year attributable to the Group's major suppliers and customers are as follows:

#### Purchases

- |                                   |     |
|-----------------------------------|-----|
| • the largest supplier            | 23% |
| • five largest suppliers combined | 70% |

#### Sales

- |                                   |     |
|-----------------------------------|-----|
| • the largest customer            | 17% |
| • five largest suppliers combined | 52% |

None of the Directors of the Company, their associates or any shareholder (which to the knowledge of the Directors own more than 5% of the Company's share capital) had an interest in the major suppliers or customers noted above.

### Related parties and connected transactions

A summary of the related party transactions entered into by the Group during the year ended 31 December 2011 were contained in note 34 to the consolidated financial statements. The following transactions between certain connected parties (as defined in the Listing Rules) and the Group have been entered into and/or are ongoing for which relevant announcements, if necessary, had been made by the Company in accordance with Chapter 14A of the Listing Rules.

#### Connected transactions

- (a) EDRI, an associate of CEC - to carry out the building design and government reporting process services for the Group in relation to the construction of an advanced semi-conductor integrated circuit research and development and business centre on the land situated at E12F1, E12 Street, East District, Beijing Economic-Technological Development Area, the PRC.
- (b) HES, an indirect subsidiary of CEC - in connection with the grant of the Licence to the Group.

#### Continuing connected transaction

- (c) SFCC, an indirect subsidiary of CEC - the provision of the design engineering development services by the Group.

### 管理合約

年內概無簽訂或現存有關於本公司全部或任何主要部分業務的管理及行政的合約。

### 主要供應商及客戶

本集團主要供應商及客戶應佔本年度的採購及銷售百分比如下：

#### 採購

- |           |     |
|-----------|-----|
| • 最大供應商   | 23% |
| • 五大供應商合計 | 70% |

#### 銷售

- |          |     |
|----------|-----|
| • 最大客戶   | 17% |
| • 五大客戶合計 | 52% |

概無本公司之董事、其聯繫人或任何股東(就董事所知擁有本公司股本5%以上者)於上述主要供應商或客戶中擁有權益。

### 關聯方及關連交易

截至2011年12月31日止年度，本集團訂立的關聯方交易摘要載於綜合財務報表附註34。按照上市規則第14A章，若干關連人士(按上市規則定義)與本集團進行的下列交易經已訂立/或持續進行，而本公司已根據上市規則的規定作出相關公佈(如需要)。

#### 關連交易

- (a) 中國電子的關連企業第十一設計院 — 就位於中國北京經濟技術開發區路東區E12街區E12F1地塊建設先進半導體集成電路研發及業務中心項目提供建築物工程設計及政府手續報建服務。
- (b) 中國電子的間接附屬公司華大九天 — 就授權本集團使用軟件事宜。

#### 持續關連交易

- (c) 中國電子的間接附屬公司桑菲 — 本集團向桑菲提供設計工程開發服務。



The aforesaid connected transactions and continuing connected transaction have been reviewed by Independent Non-executive Directors of the Company. The independent non-executive directors confirmed that the aforesaid connected transactions were entered into are (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; (c) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Company and its shareholders as a whole.

The Company's independent auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his unqualified letter containing his findings and conclusions in respect of the continuing connected transactions between the Group and SFCCL in accordance with paragraph 14A.38 of the Listing Rules. A copy of the independent auditor's letter has been provided by the Company to the Stock Exchange.

### **Sufficiency of public float**

Based on the information that is publicly available to the Company and within the knowledge of the Directors, it is confirmed that there is sufficient public float of more than 25% of the Company's issued shares as at 21 March 2012.

上述關連交易及持續關連交易已由本公司獨立非執行董事審閱。獨立非執行董事確認上述關連交易是(a)在本集團的一般及通常業務過程中訂立的;(b)以正常商業條款或以不遜於本集團從獨立第三方可得或獲取的條款訂立;(c)根據管制有關協議且為公平和合理並符合本公司股東整體利益的條款訂立。

根據香港會計師公會發佈的香港鑒證業務準則3000號「歷史財務資料審核或審閱以外的鑒證工作」並參考實務說明740號「香港上市規則規定的持續關連交易的核數師函件」,本公司獨立核數師已受聘對本集團持續關連交易作出報告。根據聯交所證券上市規則第14A.38條,核數師已就本集團與桑菲的持續關連交易,發出無保留意見的函件,並載有其發現和結論。本公司已將獨立核數師函件副本向香港聯合交易所提供。

### **充足的公眾持股量**

根據本公司可循公開途徑獲得的資料及據董事所知,已確認於2012年3月21日,本公司超過25%的已發行股份由公眾人士持有,故公眾持股量充足。

# REPORT OF THE DIRECTORS (continued)

## 董事會報告(續)

### Compliance with the Code on Corporate Governance Practices

The Company has complied with the applicable Code on Corporate Governance Practices set out in Appendix 14 of the Listing Rules during the year ended 31 December 2011.

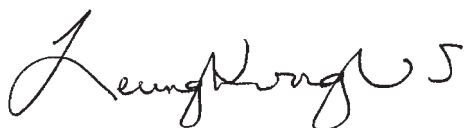
### Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers

The Company has its own written guidelines on securities transactions by Directors and relevant employees on no less exacting terms than the required standard set out in Appendix 10 of the Listing Rules. Having made specific enquiry to all Directors, all of them were in compliance with such guidelines during the year ended 31 December 2011.

### Independent Auditor

The consolidated financial statements for the year ended 31 December 2011 have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board  
代表董事會



**LEUNG Kwong Wai** 梁廣偉  
Managing Director 董事總經理

Hong Kong, 21 March 2012  
香港，2012年3月21日

### 遵守企業管治常規守則

於截至2011年12月31日止年度內，本公司一直遵守上市規則附錄14所載的所有適用企業管治常規守則。

### 遵守上市證券發行人之董事證券買賣有關之標準守則

本公司亦就董事及有關員工進行的證券交易制訂其本身的書面指引，條款與上市規則附錄10所載的規定標準同樣嚴格。本公司已向全體董事作出具體查詢，於截至2011年12月31日止年度內，彼等均一直遵守該等指引。

### 獨立核數師

截至2011年12月31日止年度的綜合財務報表已由羅兵咸永道會計師事務所審核。羅兵咸永道會計師事務所須告退，並符合資格及願意應聘連任。

# INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



羅兵咸永道

## TO THE SHAREHOLDERS OF SOLOMON SYSTECH (INTERNATIONAL) LIMITED

(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Solomon Systech (International) Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 76 to 148, which comprise the consolidated and company balance sheets as at 31 December 2011, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants 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.

### 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, 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 Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. 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.

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 judgement, 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 Company and of the Group as at 31 December 2011, and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

### PricewaterhouseCoopers

*Certified Public Accountants*

Hong Kong, 21 March 2012

.....  
*PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong*  
*T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com*

# INDEPENDENT AUDITOR'S REPORT (continued)

## 獨立核數師報告 (續)



羅兵咸永道

### 致 SOLOMON SYSTECH (INTERNATIONAL) LIMITED 股東

(於開曼群島註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審計載於第76至148頁Solomon Systech (International) Limited(以下簡稱「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於2011年12月31日的綜合和公司資產負債表與截至該日止年度的綜合損益表、綜合全面收入報表、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。

#### 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香港會計師公會頒佈的香港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。

#### 核數師的責任

我們的責任是根據我們的審計對該等綜合財務報表作出意見，並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上或承擔任何責任。

我們已根據香港會計師公會頒佈的香港審計準則進行審計。該等準則要求我們遵守道德規範，並規劃及執行審計，以合理確定綜合財務報表是否不存在任何重大錯誤陳述。

審計涉及執行程序以獲取有關綜合財務報表所載金額及披露資料的審計憑證。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，以設計適當的審計程序，但目的並非對公司內部控制的有效性發表意見。審計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，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

#### 意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映貴公司及貴集團於2011年12月31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。

#### 羅兵咸永道會計師事務所

執業會計師

香港，2012年3月21日

羅兵咸永道會計師事務所，香港中環太子大廈廿二樓  
總機：+852 2289 8888，傳真：+852 2810 9888，www.pwchk.com

# CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表



<b>76</b>	<b>CONSOLIDATED INCOME STATEMENT</b>	<b>綜合損益表</b>
<b>77</b>	<b>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME</b>	<b>綜合全面收入報表</b>
<b>78</b>	<b>CONSOLIDATED BALANCE SHEET</b>	<b>綜合資產負債表</b>
<b>80</b>	<b>BALANCE SHEET</b>	<b>資產負債表</b>
<b>81</b>	<b>CONSOLIDATED STATEMENT OF CHANGES IN EQUITY</b>	<b>綜合權益變動表</b>
<b>82</b>	<b>CONSOLIDATED CASH FLOW STATEMENT</b>	<b>綜合現金流量表</b>
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83	2 Key events	2 主要事項
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105	4 Financial risk management	4 財務風險管理
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140	26 Reserves	26 儲備
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145	30 Bank loan	30 銀行貸款
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146	32 Cash used in operations	32 經營使用的現金
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# CONSOLIDATED INCOME STATEMENT

## 綜合損益表

For the year ended 31 December 2011  
截至2011年12月31日止年度

		Note 附註	2011 US\$'000 千美元	2010 US\$'000 千美元
Sales	銷售額	6	51,600	84,735
Cost of sales	銷售成本	7	(35,844)	(59,160)
Gross profit	毛利		15,756	25,575
Research and development costs	研究及開發成本	7	(17,227)	(15,083)
Selling and distribution expenses	銷售及分銷開支	7	(3,575)	(4,661)
Administrative expenses	行政開支	7	(9,115)	(8,883)
Other income	其他收入		148	56
Finance income/(costs) – net	投資收入／(成本) – 淨額	8	(14,013)	(2,996)
Share of results of associated companies	應佔聯營公司盈虧	17	(1,582)	4,734
Profit/(loss) before income tax	除稅前溢利／(虧損)		(17,589)	741
Income tax (expenses)/credit	所得稅(支出)／退回	10	(2)	299
Profit/(loss) attributable to the equity holders of the Company	本公司權益持有人應佔溢利／(虧損)		(17,591)	1,040
Earnings/(loss) per share attributable to the equity holders of the Company: (expressed in US cent per share)	本公司權益持有人應佔的每股盈利／(虧損): (以美仙, 每股呈列)	12		
– Basic	– 基本		(0.72)	0.04
– Diluted	– 攤薄		(0.72)	0.04
Dividend	股息	13	—	—

The notes on pages 83 to 148 form an integral part of these consolidated financial statements.

第83至148頁的附註為此等綜合財務報表的組成部份。

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 綜合全面收入報表

For the year ended 31 December 2011  
截至2011年12月31日止年度

		<b>2011</b>	2010
		<b>US\$'000</b>	US\$'000
		<b>千美元</b>	千美元
Profit/(loss) for the year	本年度溢利／（虧損）	<b>(17,591)</b>	1,040
Other comprehensive income/(loss) for the year:	本年度其他全面收入／（虧損）：		
– Currency translation differences	– 外幣換算差額	<b>(233)</b>	769
Total comprehensive income/(loss) attributable to the equity holders of the Company	本公司權益持有人應佔全面收入／（虧損）	<b>(17,824)</b>	1,809

The notes on pages 83 to 148 form an integral part of these consolidated financial statements.

第83至148頁的附註為此等綜合財務報表的組成部份。

# CONSOLIDATED BALANCE SHEET

## 綜合資產負債表

As at 31 December 2011  
於 2011 年 12 月 31 日

	Note 附註	2011 US\$'000 千美元	2010 US\$'000 千美元
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill and intangible assets	14	—	—
Prepaid operating lease	15	1,253	1,185
Property, plant and equipment	16	5,904	8,518
Investments in associated companies	17	7,533	990
Available-for-sale financial assets	19	2,506	2,506
Derivative financial instruments	17	442	—
		<b>17,638</b>	13,199
<b>Current assets</b>			
Inventories	21	7,087	13,778
Trade and other receivables	22	9,358	22,477
Financial assets at fair value through profit or loss	23	20,139	25,034
Other financial assets	20	2,476	1,278
Pledged bank deposits		130	130
Short-term fixed deposits	20	17,976	27,219
Cash and cash equivalents	20	51,660	51,102
		<b>108,826</b>	141,018
<b>Total assets</b>		<b>126,464</b>	154,217
<b>EQUITY</b>			
<b>Capital and reserves attributable to the equity holders of the Company</b>			
Share capital	24	31,658	31,619
Reserves	26		
Own shares held		(167)	(279)
Others		85,927	103,621
<b>Total equity</b>		<b>117,418</b>	134,961



# CONSOLIDATED BALANCE SHEET (continued)

## 綜合資產負債表 (續)

As at 31 December 2011  
於 2011 年 12 月 31 日

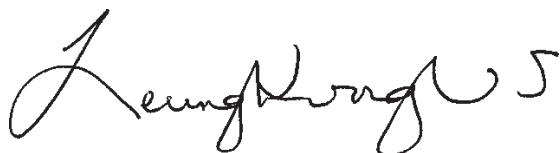
	Note 附註	2011 US\$'000 千美元	2010 US\$'000 千美元
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Obligations under finance leases	27	7	35
Bank loan	30	572	686
Deferred income tax liabilities	28	50	50
		629	771
<b>Current liabilities</b>			
Obligations under finance leases	27	7	12
Trade and other payables	29	7,183	17,161
Bank loan	30	92	95
Deferred income		135	217
Current income tax liabilities		1,000	1,000
		8,417	18,485
<b>Total liabilities</b>		9,046	19,256
<b>Total equity and liabilities</b>		126,464	154,217
<b>Net current assets</b>		100,409	122,533
<b>Total assets less current liabilities</b>		118,047	135,732

The notes on pages 83 to 148 form an integral part of these consolidated financial statements.

第83至148頁的附註為此等綜合財務報表的組成部份。

On behalf of the Board

代表董事會



**LEUNG Kwong Wai**

梁廣偉

Managing Director

董事總經理



**LAI Woon Ching**

黎煊清

Director

董事

# BALANCE SHEET

## 資產負債表

As at 31 December 2011  
於 2011 年 12 月 31 日

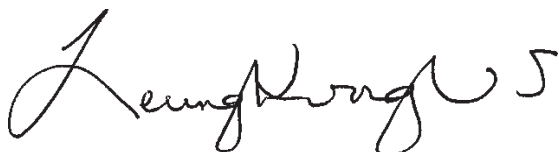
	Note 附註	2011 US\$'000 千美元	2010 US\$'000 千美元
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	16	—	—
Investments in subsidiaries	18(a)	56,713	66,364
		56,713	66,364
<b>Current assets</b>			
Trade and other receivables		331	376
Amounts due from subsidiaries	18(b)	32,399	20,536
Financial assets at fair value through profit or loss	23	14,576	17,286
Other financial assets	20	2,476	1,278
Short-term fixed deposits	20	13,824	26,218
Cash and cash equivalents	20	31,862	31,498
		95,468	97,192
<b>Total assets</b>		<b>152,181</b>	<b>163,556</b>
<b>EQUITY</b>			
<b>Capital and reserves attributable to the equity holders of the Company</b>			
Share capital	24	31,658	31,619
Reserves	26	120,298	131,795
<b>Total equity</b>		<b>151,956</b>	<b>163,414</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Deferred income tax liabilities	28	—	—
<b>Current liabilities</b>			
Amounts due to subsidiaries	18(b)	119	48
Accrued expenses and other payables		106	94
		225	142
<b>Total liabilities</b>		<b>225</b>	<b>142</b>
<b>Total equity and liabilities</b>		<b>152,181</b>	<b>163,556</b>
<b>Net current assets</b>		<b>95,243</b>	<b>97,050</b>
<b>Total assets less current liabilities</b>		<b>151,956</b>	<b>163,414</b>

The notes on pages 83 to 148 form an integral part of these consolidated financial statements.

第83至148頁的附註為此等綜合財務報表的組成部份。

On behalf of the Board

代表董事會



**LEUNG Kwong Wai**

梁廣偉

Managing Director

董事總經理



**LAI Woon Ching**

黎煊清

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2011年12月31日止年度

		Attributable to the equity holders of the Company 本公司權益持有人應佔								Total equity 總權益
		Share capital 股本	Share premium 股份溢價	Own shares held 所持 本身股份	Merger reserve 合併儲備	Exchange reserve 匯兌儲備	Equity compensation reserve 股本權益 報酬儲備	Other reserve 其他儲備	Retained earnings/ (accumulated losses) 保留盈利/ (累計虧損)	Total equity 總權益
		US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元
At 1 January 2010	於2010年1月1日	31,542	82,855	(858)	2,082	650	15,804	230	3,526	135,831
<b>Comprehensive income</b>	<b>全面收入</b>									
Profit for the year	年內溢利	—	—	—	—	—	—	—	1,040	1,040
Currency translation differences	外幣換算差額	—	—	—	—	769	—	—	—	769
<b>Total comprehensive income</b>	<b>全面收入總計</b>	—	—	—	—	769	—	—	1,040	1,809
<b>Transactions with owners</b>	<b>股東交易</b>									
2009 final dividend paid, net of portion for own shares held	已派2009年度末期股息，扣除所持本身股份部分	—	—	—	—	—	—	—	(3,166)	(3,166)
Shares issued from exercise of share options (note 24)	購股權行使而發行的股份（附註24）	77	135	—	—	—	—	—	—	212
Shares purchased for Share Award Plan	回購股份用於股份獎勵計劃	—	—	(174)	—	—	—	—	—	(174)
Equity compensation	股本權益報酬	—	—	753	—	—	449	—	(753)	449
<b>Total transactions with owners</b>	<b>全部股東交易</b>	77	135	579	—	—	449	—	(3,919)	(2,679)
At 31 December 2010	於2010年12月31日	31,619	82,990	(279)	2,082	1,419	16,253	230	647	134,961
At 1 January 2011	於2011年1月1日	31,619	82,990	(279)	2,082	1,419	16,253	230	647	134,961
<b>Comprehensive loss</b>	<b>全面虧損</b>									
Loss for the year	年內虧損	—	—	—	—	—	—	—	(17,591)	(17,591)
Currency translation differences	外幣換算差額	—	—	—	—	(233)	—	—	—	(233)
<b>Total comprehensive loss</b>	<b>全面虧損總計</b>	—	—	—	—	(233)	—	—	(17,591)	(17,824)
<b>Transactions with owners</b>	<b>股東交易</b>									
Shares issued from exercise of share options (note 24)	購股權行使而發行的股份（附註24）	39	68	—	—	—	—	—	—	107
Equity compensation	股本權益報酬	—	—	112	—	—	174	—	(112)	174
<b>Total transactions with owners</b>	<b>全部股東交易</b>	39	68	112	—	—	174	—	(112)	281
At 31 December 2011	於2011年12月31日	31,658	83,058	(167)	2,082	1,186	16,427	230	(17,056)	117,418

The notes on pages 83 to 148 form an integral part of these consolidated financial statements.

第83至148頁的附註為此等綜合財務報表的組成部份。

# CONSOLIDATED CASH FLOW STATEMENT

## 綜合現金流量表

For the year ended 31 December 2011  
截至 2011 年 12 月 31 日止年度

	Note 附註	2011 US\$'000 千美元	2010 US\$'000 千美元
<b>Operating activities</b>	<b>經營活動</b>		
Cash used in operations	32(a)	(5,237)	(2,702)
Hong Kong income tax refunded		—	301
Overseas income tax paid		(2)	(2)
Interest paid on the bank loan		(12)	(12)
Interest element of finance lease rental payments		(1)	(1)
<b>Net cash used in operating activities</b>	<b>經營活動使用的現金淨額</b>	<b>(5,252)</b>	<b>(2,416)</b>
<b>Investing activities</b>	<b>投資活動</b>		
Purchases of property, plant and equipment	16	(971)	(4,143)
Proceeds from disposal of property, plant and equipment	32(b)	40	22
Payment for an operating lease		(998)	(242)
Investment in an associated company	17	(8,537)	—
Investment in the derivative financial instruments in an associated company	17	(463)	—
Proceeds from disposal of an available-for-sale financial asset	19	5,532	—
Decrease in short-term fixed deposits		9,243	18,099
Decrease/(increase) in financial assets at fair value through profit or loss		1,768	(4,918)
(Increase)/decrease in other financial assets		(1,198)	1,435
Interest received		1,144	1,568
<b>Net cash generated from investing activities</b>	<b>投資活動產生的現金淨額</b>	<b>5,560</b>	<b>11,821</b>
<b>Financing activities</b>	<b>融資活動</b>		
Purchase of ordinary shares for Share Award Plan (Payment of)/proceeds from capital element of finance leases		—	(174)
Dividend paid		(33)	34
Proceeds from exercise of share options		107	212
Repayment of bank loan		(117)	(13)
<b>Net cash used in financing activities</b>	<b>融資活動使用的現金淨額</b>	<b>(43)</b>	<b>(3,107)</b>
Net increase in cash and cash equivalents		265	6,298
Exchange gain on cash and cash equivalents		293	6
<b>Cash and cash equivalents at 1 January</b>	<b>於 1 月 1 日的現金及現金等價物</b>	<b>51,102</b>	<b>44,798</b>
<b>Cash and cash equivalents at 31 December</b>	<b>於 12 月 31 日的現金及現金等價物</b>	<b>51,660</b>	<b>51,102</b>
<b>Analysis of balances of cash and cash equivalents: – Bank balances and cash</b>	<b>現金及現金等價物的結餘分析： – 銀行結餘及現金</b>	<b>51,660</b>	<b>51,102</b>

The notes on pages 83 to 148 form an integral part of these consolidated financial statements.

第 83 至 148 頁的附註為此等綜合財務報表的組成部份。

### 1. General information

Solomon Systech (International) Limited and its subsidiaries are fabless semiconductor companies specializing in the design, development and sales of proprietary integrated circuit products and system solutions that enable a wide range of display applications for mobile phones, portable devices, LCD TVs, consumer electronic products, industrial appliances and green energy applications such as LED lighting.

The Company was incorporated in the Cayman Islands on 21 November 2003 as an exempted company with limited liability under the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and the address of its principal office in Hong Kong Special Administrative Region is 6/F., No.3 Science Park East Avenue, Hong Kong Science Park, Shatin, New Territories, Hong Kong.

The Company has been listed on the main board of the Stock Exchange since 8 April 2004.

These consolidated financial statements are presented in US dollars, unless otherwise stated.

### 2. Key events

Beijing LED Lighting Engineering Co., Ltd., the associated company that the Group had 47% ownership as at 31 December 2010, proposed a fund raising of CNY10,000,000 (approximately US\$1,546,000) to increase the capital contribution to CNY20,000,000 (approximately US\$3,091,000) in March 2011. Following the decision of the Investment Committee of the Company, the Group decided not to participate in the said fund raising exercise. Approval Certificate for the revised ownership was obtained from the Beijing Municipal Government in May 2011 and the Group's percentage ownership was subsequently diluted to 23.5%. Equity method of accounting continues to be used for consolidating BJ-LED to the financial results of the Group.

A Subscription Agreement was entered by the Group on 9 August 2011 to subscribe for approximately 24.0% newly issued shares of C2 Microsystems Inc., an IC design company which specializes in the development and sales of multimedia SoC solutions for smart TV, at a cash consideration of US\$9 million. The subscription was completed simultaneously with the execution of the Agreement. C2 has been accounted for under equity method of accounting.

### 1. 一般資料

Solomon Systech (International) Limited及其附屬公司為無晶圓廠半導體公司，專門設計、開發、銷售專有集成電路晶片及系統解決方案，能廣泛應用於各類流動電話、便攜式裝置、液晶體電視、消費電子產品、工業用設備及環保能源應用如LED照明產品。

本公司於2003年11月21日根據開曼群島公司法第22章(1961年法律3，經綜合及修訂)在開曼群島註冊成立為一間獲豁免有限公司。本公司註冊辦事處的地址為P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands，而其香港特別行政區總辦事處的地址為香港新界沙田香港科學園科技大道東3號6樓。

本公司自2004年4月8日起，一直在聯交所主板上市。

除另有列明外，此等綜合財務報表以美元作呈列單位。

### 2. 主要事項

在2011年3月，本集團於2010年12月31日持有47%權益之聯營公司—北京愛爾益地照明工程有限公司，建議增資10,000,000人民幣(約1,546,000美元)，令出資額增加至20,000,000人民幣(約3,091,000美元)。根據本公司投資委員會的決定，本集團決定不參與是次增資。北京人民政府於2011年5月發出權益修訂批准證書，本集團持有之權益之後被攤薄至23.5%。本集團繼續以權益會計法合併BJ-LED賬目至本集團的財務業績。

本集團於2011年8月9日簽訂一份認購協議，以9百萬美元作價認購C2 Microsystems Inc.，一家專注於開發及銷售智能電視的多媒體系統單晶片解決方案之集成電路晶片設計公司約24.0%新發行之股份。認購於協議簽訂時同步完成。C2之賬目已採用權益會計法處理入賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 3.1. Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss and derivative financial instruments.

The preparation of the consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The area involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5.

#### (a) New, revised and amended standards and interpretations to existing standards effective in 2011

The Group has adopted the following new, revised and amended standards and interpretations to existing standards that have been issued and are effective for the Group's financial year commencing on 1 January 2011:

HKAS 24 (Revised)  
香港會計準則第 24 號 (修訂)

Related party disclosures  
關聯方披露

HKAS 32 (Amendment)  
香港會計準則第 32 號 (修正)

Classification of rights issues  
供股的分類

HKFRS 1 (Amendment)  
香港財務報告準則第 1 號 (修正)

Limited exemption from comparative HKFRS 7 disclosures for first-time adopters  
香港財務報告準則第 7 號的比較數字披露，對首次採納者的某些豁免

HK(IFRIC) - Int 19  
香港 (國際財務報告準則詮釋委員會) - 詮釋 19

Extinguishing financial liabilities with equity instruments  
以權益工具抵償財務負債

HK(IFRIC) - Int 14 (Amendment)  
香港 (國際財務報告準則詮釋委員會) - 詮釋 14 (修正)

Prepayments of a minimum funding requirement  
最低資金需求的預付款

Various improvements to HKFRSs published by HKICPA in May 2010

其他香港會計師公會於 2010 年 5 月公佈的對香港財務報告準則的各項改進

### 3. 主要會計政策概要

編製本綜合財務報表時採用的主要會計政策載於下文。除另有列明外，此等政策已貫徹應用於所有呈報年度。

#### 3.1. 編製基準

本公司綜合財務報表已按照香港會計師公會頒佈的香港財務報告準則編製。綜合財務報表乃根據歷史成本常規編製，並按重估通過損益以反映公平價值的財務資產及衍生金融工具調整。

編製符合香港財務報告準則的綜合財務報表須採用若干關鍵會計估算，亦須管理層在應用本集團會計政策的過程中作出判斷。涉及較多判斷或較複雜程度的地方、或在假設及估算對本綜合財務報表屬重要的範疇，均於附註 5 中披露。

#### (a) 於 2011 年生效的新準則、修訂和修正準則及對現有準則之詮釋

本集團已採納下列於 2011 年 1 月 1 日開始的財政年度生效之新準則、修訂和修正準則及對現有準則之詮釋：

### 3.1. Basis of preparation (continued)

The adoption of the NEW HKFRSs did not result in substantial changes to the accounting policies of the Group and had no material effect on how the results and financial positions for the current or prior accounting periods have been prepared and presented.

#### (b) New, revised and amended standards that are not effective and have not been early adopted by the Group

The following new, revised and amended standards have been issued, but not effective for the financial year beginning 1 January 2011 and have not been early adopted by the Group:

### 3.1. 編製基準 (續)

採納新香港財務報告準則對本集團之會計政策並無重大改變，亦沒有對現有和前期的業績及財務狀況編製和呈報構成重大影響。

#### (b) 尚未生效且本集團並無提前採納的新準則、修訂和修正準則

下列新準則、修訂和修正準則已頒佈但於2011年1月1日開始的財政年度尚未生效，且本集團並無提前採納：

		Effective for annual period beginning or after 開始或之後的年度期間生效
HKAS 1 (Amendment) 香港會計準則第 1 號 (修正)	Presentation of items of other comprehensive income 列載其他全面收入的項目	1 July 2012 2012年7月1日
HKAS 12 (Amendment) 香港會計準則第 12 號 (修正)	Deferred tax: Recovery of underlying assets 遞延稅項：收回相關資產	1 January 2012 2012年1月1日
HKAS 19 (Revised 2011) 香港會計準則第 19 號 (2011 修訂)	Employee benefits 員工福利	1 January 2013 2013年1月1日
HKAS 27 (Revised 2011) 香港會計準則第 27 號 (2011 修訂)	Separate financial statements 獨立財務報表	1 January 2013 2013年1月1日
HKAS 28 (Revised 2011) 香港會計準則第 28 號 (2011 修訂)	Investments in associates and joint ventures 於聯營公司及合資公司之投資	1 January 2013 2013年1月1日
HKAS 32 (Amendment) 香港會計準則第 32 號 (修正)	Offsetting financial assets and financial liabilities 財務資產及財務負債的抵銷	1 January 2014 2014年1月1日
HKFRS 9 香港財務報告準則第 9 號	Financial instruments 金融工具	1 January 2015 2015年1月1日
HKFRS 10 香港財務報告準則第 10 號	The consolidated financial statements 綜合財務報表	1 January 2013 2013年1月1日
HKFRS 11 香港財務報告準則第 11 號	Joint arrangements 共同安排	1 January 2013 2013年1月1日
HKFRS 12 香港財務報告準則第 12 號	Disclosure of interests in other entities 披露於其他實體之權益	1 January 2013 2013年1月1日

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 3. Summary of significant accounting policies (continued)

#### 3.1. Basis of preparation (continued)

### 3. 主要會計政策概要 (續)

#### 3.1. 編製基準 (續)

		Effective for annual period beginning or after 開始或之後的年度期間生效
HKFRS 13 香港財務報告準則第 13 號	Fair value measurement 公平值計量	1 January 2013 2013 年 1 月 1 日
HKFRS 1 (Amendment) 香港財務報告準則第 1 號 (修正)	First-time adoption of HKFRSs - severe hyperinflation and removal of fixed dates for first-time adopters 首次採納香港財務報告準則—嚴重通脹及 首次採納者固定日子的廢除	1 July 2011 2011 年 7 月 1 日
HKFRS 7 (Amendment) 香港財務報告準則第 7 號 (修正)	Disclosures - transfers of financial assets 披露事項—轉讓財務資產	1 July 2011 2011 年 7 月 1 日
HKFRS 7 (Amendment) 香港財務報告準則第 7 號 (修正)	Disclosures - offsetting financial assets and financial liabilities 披露事項—財務資產及財務負債的抵銷	1 January 2013 2013 年 1 月 1 日

The Group has already commenced an assessment of the impact of the above new, revised and amended standards but is not yet in a position to state whether these new, revised and amended standards would have a significant impact on its results of operations and financial position.

本集團已經開始對上列之新準則、修訂和修正準則進行評估，目前尚未確定該等新準則、修訂和修正準則是否對經營業績及財務狀況構成重大影響。



### 3.2. Consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries made up to 31 December.

#### (a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. The Group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise from circumstances such as enhanced minority rights or contractual terms between shareholders, etc. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Inter-company transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognized in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Group applies the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owner of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognized amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

### 3.2. 綜合賬目

綜合財務報表包括本公司及其所有附屬公司所編製截至12月31日止的財務報表。

#### (a) 附屬公司

附屬公司指本集團對其財務及營運政策有監管權的所有實體(包括特殊用途實體)，一般附有超過半數投票權以上的持股量。在評估本集團是否控制另一實體時，會考慮目前是否存在可行使或轉換的潛在投票權及其影響。如本集團不持有超過50%投票權，但有能力基於實質控制權而管控財務和營運政策，也會評估是否存在控制權。實質控制權可來自情況如增加少數股東權益的數目或股東之間的合約條款等情況。附屬公司自控制權轉移至本集團之日起全面綜合入賬。附屬公司於控制權終止之日起停止綜合入賬。

集團內公司之間的交易、交易的結餘及收支予以對銷。來自集團內公司間交易的利潤和損失(確認於資產)亦予以對銷。附屬公司的會計政策已按需要作出調整，以確保與本集團採用的政策一致。

本集團利用購買法將業務合併入賬。購買的對價為所轉讓之資產、對被收購方的前所有人產生的負債及本集團權益的公平值。所轉讓的對價包括從或然對價安排所產生之任何資產和負債的公平值。在業務合併中所購買可辨認的資產以及所承擔的負債及或有負債，首先以彼等於購買日期的公平值計量。就個別收購基準，本集團可按公平值或按非控制性權益應佔被購買方可辨認的淨資產之比例，計量被收購方的非控制性權益。購買相關成本在產生時支銷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 3. Summary of significant accounting policies (continued)

#### 3.2. Consolidation (continued)

If the business combination is achieved in stages, the acquiree's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date through consolidated income statement.

Any contingent consideration to be transferred by the Group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized in accordance with HKAS 39 either in consolidated income statement or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in the consolidated financial statements (note 3.6).

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognized in consolidated income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associated company, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to consolidated income statement.

### 3. 主要會計政策概要 (續)

#### 3.2. 綜合賬目 (續)

如業務合併分階段進行，收購方之前在被收購方持有的權益按收購日期的公平值在綜合損益表中重新計量。

本集團將轉讓的任何或有對價按收購日期的公平值計量。被視為資產或負債的或有對價公平值之其後變動，根據香港會計準則39的規定，在綜合損益表中或作為其他全面收入的變動確認。分類為權益的或有對價不重新計量，其之後的結算在權益中入賬。

商譽初步計量為轉讓的對價與非控制性權益的公平值總額，超過所購買可辨認資產和承擔負債淨值的差額。若該對價低於所收購附屬公司淨資產的公平值，該差額在綜合財務報表中確認(附註3.6)。

不構成失去控制性之與非控制性權益進行的交易視為權益交易(即股東以股東身份進行的交易)。所支付的任何對價與相關應佔所收購附屬公司淨資產賬面值的差額記錄為權益。向非控制性權益的處分之盈虧亦記錄在權益中。

當集團不再持有控制權，在主體的任何保留權益重新計量至於失去控制權當日之公平值，賬面值的變動在綜合損益表中確認。公平值為就保留權益的後續入賬而言的初始賬面值，作為聯營公司、合營或財務資產。此外，之前在其他全面收入中確認的任何數額猶如本集團已直接處置相關資產和負債。這意味著之前在其他全面收入中確認的數額被重新分類至綜合損益表。

### 3.2. Consolidation (continued)

Investments in subsidiaries are accounted for at cost less impairment. Cost also includes direct attributable costs of investment.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

#### (b) Associated companies

Associated companies are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associated companies are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investments in associated companies include goodwill identified on acquisition.

The Group's share of post-acquisition profits or losses is recognized in the consolidated income statement, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in associated companies equal or exceed its interest in the associated companies, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associated companies.

Dilution gains or losses arising in investments in associated companies are recognized in the consolidated income statement.

### 3.2. 綜合賬目 (續)

附屬公司投資按成本扣除減值列賬。成本亦包括投資的直接成本。

如股息超過宣派股息期內附屬公司的總綜合收益，或如在獨立財務報表的投資帳面值超過合併財務報表中被投資公司淨資產(包括商譽)的帳面值，則必須對附屬公司投資作減值測試。

#### (b) 聯營公司

聯營公司指本集團對其有重大影響力但無控制權的實體，通常附帶20%至50%投票權的持股量。於聯營公司的投資以權益會計法入賬。根據權益會計法，此投資初始按成本確認，及其賬面值被增加或減少以確認投資者於收購日後應佔被投資公司之盈虧。本集團於聯營公司之投資包括收購時已識別的商譽。

本集團應佔收購後的盈虧於綜合損益表內確認。而本集團應佔收購後其他全面收入之變動(連同投資賬面值相應的調整)則會於其他全面收入內確認。當本集團應佔聯營公司的虧損等於或超過其於聯營公司的權益(包括任何其他無抵押應收款)時，除了惟本集團已代聯營公司承擔法律或推定性的責任或已付款者外，本集團不會確認進一步的虧損。

於聯營公司的投資所產生的攤薄盈虧於綜合損益表內確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 3. Summary of significant accounting policies (continued)

#### 3.3. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Directors and senior management led by the Group Chief Executive Officer who makes strategic decisions.

#### 3.4. Foreign currency translation

##### (a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in USD, which is the Company's functional and presentation currency.

##### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated income statement.

All foreign exchange gains and losses are presented in the consolidated income statement.

Changes in the fair value of monetary securities denominated in foreign currency classified as available-for-sale are analyzed between translation differences resulting from changes in the amortized cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in the amortized cost are recognized in the consolidated income statement and other changes in the carrying amount are recognized in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognized in the consolidated income statement as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available-for-sale, are included in other comprehensive income.

### 3. 主要會計政策概要 (續)

#### 3.3. 分部呈報

業務分部的呈報方式與最高營運決策層提供的內部報告一致。本集團最高營運決策層為制定策略決策的集團行政總裁領導下的執行董事及高級管理層，負責分配資源及評估業務分部的業績。

#### 3.4. 外幣換算

##### (a) 功能及呈報貨幣

載於本集團各實體財務報表內的项目均採用該實體經營業務所在的主要經濟環境的貨幣（「功能貨幣」）計算。綜合財務報表以美元呈報，美元為本公司的功能及呈報貨幣。

##### (b) 交易及結餘

外幣交易均採用交易當日或項目重新計量的估值日期的匯率換算為功能貨幣。因該等交易的結算及以外幣為單位的貨幣資產及負債按年終的匯率換算所產生的匯兌盈虧，均於綜合損益表內確認。

所有匯兌盈虧於綜合損益表內呈列。

以外幣為單位被分類為可供出售的貨幣性證券的公平值變動，按照證券的攤銷成本變動與該證券賬面值的其他變動所產生的匯兌差額進行分析。與攤銷成本變動有關的匯兌差額於綜合損益表內確認，賬面值的其他變動則於其他全面收入中確認。

非貨幣性財務資產及負債，如通過損益以反映公平價值的權益的換算差額呈報為公平值盈虧的一部份於綜合損益表內確認。非貨幣性資產，例如被分類為可供出售的財務資產的權益的換算差額包括在其他全面收入內。

### 3.4. Foreign currency translation (continued)

#### (c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognized in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognized in equity.

### 3.4. 外幣換算 (續)

#### (c) 集團公司

功能貨幣與呈報貨幣不同的所有集團實體(該等實體均無嚴重通脹經濟下的貨幣)的業績及財務狀況,均按下列方式換算為呈報貨幣:

- (i) 各資產負債表呈列的資產及負債,均按該資產負債表的結算日的收市匯率換算;
- (ii) 各損益表的收支按平均匯率換算(除非該平均匯率未能合理反映各交易日的匯率所帶來的累積影響,在此情況下,則按照交易日的匯率換算該等收支);及
- (iii) 所產生的所有匯兌差額均於其他全面收入內確認。

因收購海外實體而產生的商譽及公平值調整,均視作該海外實體的資產及負債,並按收市匯率換算。所產生的所有匯兌差額於權益確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 綜合財務報表附註 (續)

#### 3. Summary of significant accounting policies (continued)

##### 3.5. Property, plant and equipment

All property, plant and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged in the consolidated income statement during the financial period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate cost to their residual values over their estimated useful lives using the following depreciation rates:

Freehold land	永久業權土地	Not amortized 不予攤銷
Building	樓宇	2%
Leasehold improvements	租賃物業裝修	20% or over the unexpired lease period, whichever is shorter 20% 或按未屆滿租期 (以較短者為準)
Furniture, fixtures, licenses and equipment	傢具、固定裝置、特許許可證及設備	33.33%
Machinery and laboratory equipment	機器及實驗室設備	12.50% to 33.33%
Motor vehicles	汽車	33.33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 3.7).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the consolidated income statement.

#### 3. 主要會計政策概要 (續)

##### 3.5. 物業、機器及設備

所有物業、機器及設備均按歷史成本減去折舊及減值虧損列賬。歷史成本包括收購有關項目而直接應佔的開支。

其後所產生的成本僅會在與項目有關的未來經濟利益很有可能流入本集團，且該項目的成本能可靠計量時，計入資產賬面值或確認為一項獨立資產（視何者適用而定）。已被更換部份的賬面值從賬目中剔除。所有其他維修及保養均於該費用產生的財政期內於綜合損益表支銷。

物業、機器及設備的折舊均採用直線法，將其成本與其剩餘價值差額，以下列之折舊率於其估計可使用期內攤銷，有關詳情列載如下：

資產的剩餘價值及可使用年期於各結算日予以審閱及恰當地作出調整。

若資產的賬面值高於其估計可收回價值，其賬面值即時撇減至可收回金額（附註3.7）。

出售盈虧按所得款與賬面值的差額釐定，並在綜合損益表內確認。

### 3.6. Intangible assets

#### (a) Goodwill

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures and represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognized immediately as an expense and is not subsequently reversed.

#### (b) Patents and intellectual property

Patents and intellectual property are shown at historical cost. Patents and intellectual property have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost of patents and intellectual property over their estimated useful lives of no more than five years.

### 3.7. Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows or CGU. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at balance sheet date.

### 3.6. 無形資產

#### (a) 商譽

商譽產生自收購附屬公司、聯營公司和合營企業，並相當於所轉讓對價超過本集團在被收購方的可辨認資產、負債和或有負債淨公平值權益與非控制權益在被收購方公平值的數額。

就減值測試而言，在業務合併中購入的商譽會分配至每個現金產生單元或現金產生單元組，即預期可從合併中獲取的協同利益。商譽被分配的每個單元或單元組指在主體內商譽被監控作內部管理用途的最底層次。商譽在經營分部層次進行監控。

對商譽的減值每年進行檢討，或如事件或情況轉變顯示可能存在減值，則更頻密地檢討。商譽賬面值與可收回數額(使用價值與公平值減出售成本較高者)比較。任何減值須即時確認及不得在之後期間撥回。

#### (b) 專利及知識產權

專利及知識產權是按歷史成本呈列。專利及知識產權有固定的可使用年期，並按成本減累計攤銷列賬。攤銷的計算是採用直線法，估計專利及知識產權使用不多於為五年之年期，以作成本分攤。

### 3.7. 非財務資產的減值

沒有確定使用年期之資產無需攤銷，但需要每年就減值進行測試。當有事件出現或情況改變顯示資產賬面值可能無法收回時，就必須為資產進行減值檢討。減值虧損按資產賬面值高於其可收回金額之差額確認。可收回金額以資產之公平值扣除銷售成本或使用價值兩者之間較高者為準。於評估減值時，資產按可分開識別現金流量或現金產生單元的最低層次進行組合。除商譽外，已蒙受減值的非財務資產在結算日均就減值是否可以回撥進行檢討。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 3. Summary of significant accounting policies (continued)

#### 3.8. Financial assets

##### (a) Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Financial assets at fair value through profit or loss

FVTPL and other financial assets are financial assets designated by management as fair value through profit or loss upon initial recognition. Financial assets are classified in this category because they are managed and their performance are evaluated on a fair value basis, in accordance with the Group's investment strategy. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets, if expected to be settled in 12 months, otherwise, they are classified as non-current.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables include trade and other receivables, cash and cash equivalents and fixed deposits in the balance sheet (notes 3.11 and 3.12).

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

### 3. 主要會計政策概要 (續)

#### 3.8. 財務資產

##### (a) 分類

本集團的財務資產分為以下類別：通過損益以反映公平價值、貸款及應收款和可供出售。分類乃視乎購入有關財務資產的目的而釐定。管理層會於初始確認時釐定財務資產的類別。

(i) 通過損益以反映公平價值的財務資產

FVTPL及其他財務資產指初始時管理層定為通過損益以反映公平價值的財務資產。該財務資產以此項分類乃基於其管理及表現符合集團投資策略以公平值作基準。衍生工具除被指定為作對沖用途之外，均視為作買賣用途。本類別之資產，若預期在12個月內結算，被界定為流動資產，否則分類為非流動資產。

(ii) 貸款及應收款

貸款及應收款為固定或可釐定付款、且在活躍市場並無報價的非衍生財務資產。此等項目包括在流動資產內，惟到期日為結算日後超過12個月者，則為非流動資產。於資產負債表中貸款及應收款包括應收款及其他應收款、現金及現金等價物和定期存款(附註3.11及3.12)。

(iii) 可供出售財務資產

可供出售財務資產為被指定為此類別或並無歸入任何其他類別的非衍生工具。除非管理層計劃在結算日後12個月內出售有關投資，否則列為非流動資產。



### 3.8. Financial assets (continued)

#### (b) Recognition and measurement

Regular purchases and sales of financial assets are recognized on trade-date i.e. the date on which the Group commits to purchase or sell the asset. Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the consolidated income statement. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and FVTPL are subsequently carried at fair value. Loans and receivables are carried at amortized cost using the effective interest method.

Dividend income and gains or losses arising from changes in the fair value of the FVTPL category are presented in the consolidated income statement as “finance income/costs - net” when the Group’s right to receive payments is established in the year in which they arise respectively.

Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognized in other comprehensive income.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognized in equity are included in the consolidated income statement as “finance income/costs - net”. Interest on available-for-sale financial assets calculated using the effective interest method is recognized in the consolidated income statement as part of “finance income/costs - net”.

Dividends on available-for-sale financial assets are recognized in the consolidated income statement as “finance income/costs - net” when the Group’s right to receive payments is established.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

### 3.8. 財務資產 (續)

#### (b) 確認及計量

定期買賣的財務資產於交易日確認，交易日即本集團承諾買賣資產的日期。對於並非通過損益以反映其公平價值的所有財務資產，投資初始按公平值加交易成本確認。通過損益以反映其公平價值的財務資產，初始按公平值確認，其交易成本於綜合損益表支銷。當從投資所收取現金流量的權利已到期或已轉讓，且本集團已將所有權的全部風險及回報實際轉讓，則終止確認財務資產。可供出售的財務資產和FVTPL其後均按公平值列賬。貸款及應收款均以實際利率法按攤銷成本列賬。

股息收入及來自FVTPL類別的公平值變動所產生的盈虧，當本集團確定收取有關款項的權利時，列入產生期間綜合損益表內的「投資收入／成本－淨額」中。

貨幣證券及分類為可供出售的非貨幣證券的公平值變動於其他全面收入確認。

當分類為可供出售的證券售出或減值時，在權益中確認的累計公平值調整列入綜合損益表內作為「投資收入／成本－淨額」。可供出售的財務資產的利息是按實際利率法計算，於綜合損益表內確認為「投資收入／成本－淨額」其中之一。

當集團收取有關款項的權利確定時，可供出售財務資產的股息將於綜合損益表作為「投資收入／成本－淨額」確認。

可於活躍市場交易的金融工具(如：公開交易的衍生產品)，其公平值是基於結算日的市場報價。本集團所持有的財務資產的市場報價是當時的買價；恰當的財務負債的市場報價是當時的賣價。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 3. Summary of significant accounting policies (continued)

#### 3.8. Financial assets (continued)

The fair value of financial instruments that are not publicly traded in market but with active valuation from reputable financial institution (for example, structured products linked to equity price) is determined by reference to the dealer's quote or input from reputable financial institutions.

Available-for-sale financial assets that do not have quoted market prices in any active markets and those fair values cannot be reliably measured are stated at cost less impairment loss.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indication that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in the consolidated income statement, is removed from equity and recognized in the consolidated income statement. Impairment losses recognized in the consolidated income statement on equity instruments are not reversed through the consolidated income statement. Impairment testing of trade receivables is described in note 3.11.

### 3. 主要會計政策概要 (續)

#### 3.8. 財務資產 (續)

不在市場公開交易的金融工具，但能於有信譽的金融機構提供活躍估值(如：與證券掛鈎的結構性產品)，其公平值的釐定是恰當參考發行商的報價或有信譽的金融機構的資料。

沒有任何活躍市場報價之可供出售財務資產其公平值未能可靠地估算者，以成本扣除減值虧損呈列。

本集團於各結算日評估是否有客觀證據顯示有單項或一組財務資產出現減值。就歸類為可供出售的財務資產的權益證券而言，若證券的公平值大幅或長期下跌至低於其成本值，會被視為證券已經顯示減值。倘若可供出售財務資產存在任何此等證據，累計虧損(按收購成本與當時公平值之間的差額，減有關財務資產以往已於綜合損益表內確認的任何減值虧損計算)會自權益中剔除及於綜合損益表內確認。於綜合損益表就股本工具確認的減值虧損不會在綜合損益表內撥回。應收款的減值測試在附註3.11中說明。

### 3.9. Derivative financial instruments

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair values.

Changes in the fair value of the derivative instruments which do not qualify for hedge accounting are recognized immediately within “finance income/costs – net” in the consolidated income statement.

### 3.10. Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials and subcontracting charges. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

### 3.11. Trade and other receivables

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and defaults or delinquency in payments are considered indicators that the receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of a provision account, and the amount of the loss is recognized in the consolidated income statement within “selling and distribution expenses”. When a trade receivable is uncollectible, it is written off against the provision account of trade receivables. Subsequent recoveries of amounts previously written off are credited against “selling and distribution expenses” in the consolidated income statement.

### 3.9. 衍生金融工具

衍生金融工具初始按簽訂合約日的公平值確認，其後再按其公平值重新計量。

不適用對沖交易會計法的衍生金融工具的公平值變動，將立即於綜合損益表「投資收入／成本－淨額」中確認。

### 3.10. 存貨

存貨按成本及可變現淨值兩者中較低者列賬。成本採用加權平均法釐定。製成品及在製品的成本包括原材料及分包費用。可變現淨值指於日常業務過程中的估計售價，減適用的變動銷售開支。

### 3.11. 應收款及其他應收款

應收款及其他應收款初始按公平值確認，其後採用實際利率法按攤銷成本減去減值撥備計量。倘有客觀證據顯示本集團將不能根據應收款的原訂條款收回全部到期款項，則會為該等應收款及其他應收款設定減值撥備。債務人出現重大財務困難、債務人可能破產或進行財務重組，以及沒有履行償還欠款，均被視為是應收款減值的跡象。撥備金額為資產賬面值與估計未來現金流量按原實際利率貼現之現值的差額。資產賬面值的扣減是透過使用撥備削減，其虧損於綜合損益表中的「銷售及分銷開支」內入賬確認。如一項應收款無法收回，其會予應收款內的備付賬戶撇銷。之前已撇銷的款項如其後收回，將撥回綜合損益表中的「銷售及分銷開支」內。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 3. Summary of significant accounting policies (continued)

#### 3.12. Cash and cash equivalents

In the consolidated cash flow statement, cash and cash equivalents include cash at bank and in hand, deposits held at call with banks and fixed deposits with original maturity within 3 months or less. The cash and cash equivalents meet the definition of loans and receivables and are measured at amortized cost using the effective interest method.

#### 3.13. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares and share options are shown in equity as a deduction from the proceeds.

Where any group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from the equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in the equity attributable to the Company's equity holders.

### 3. 主要會計政策概要 (續)

#### 3.12. 現金及現金等價物

在綜合現金流量表中，現金及現金等價物包括銀行存款及手頭現金、銀行通知存款和原有存款期為三個月內的定期存款。現金及現金等價物符合貸款及應收款定義，並以實際利率法攤銷成本計量。

#### 3.13. 股本

普通股乃列作權益。發行新股份或購股權應佔的直接邊際成本於所得款項扣除後列入權益入賬。

如任何集團公司購入本公司的權益股本(庫存股份)，所支付的代價，包括任何直接應佔的邊際成本(扣除所得稅)，於本公司權益持有人應佔的權益中扣除，直至股份被註銷或重新發行為止。如股份其後被重新發行，任何已收取的代價，扣除任何直接應佔的邊際交易成本及相關的所得稅影響，應包括在本公司權益持有人的應佔權益內。

### 3.14. Current and deferred income tax

The income tax for the year comprises current and deferred tax. Tax is recognized in the consolidated income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except for deferred income tax liabilities where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

### 3.14. 本期和遞延所得稅

本年度的所得稅包括本期和遞延稅項。稅項在利潤表中確認，但與其他全面收入中或直接在權益中確認的項目有關者則除外。在該情況下，稅項亦分別在其他全面收入或直接在權益中確認。本期所得稅依據本公司及其附屬公司營運和產生應課稅收入之國家於結算日已頒佈或實質頒佈的稅務法例計算。管理層就適用稅務法例詮釋所規限的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關支付的稅款設定撥備。

遞延所得稅採用負債法就資產及負債的稅基與其在綜合財務報表中的賬面值之差額產生的暫時差額全數撥備。然而，若遞延所得稅來自在交易（不包括企業合併）中對資產或負債的初始確認，而在交易進行時並無對會計損益或應課稅盈虧造成影響，則毋須為該遞延所得稅入賬。遞延所得稅採用於結算日已頒佈或實質上已頒佈，且預期於有關遞延所得稅資產變現或遞延所得稅負債獲清償時適用的稅率（及法例）予以釐定。

遞延所得稅資產是就很可能有未來應課稅溢利而就此可使用暫時差額作出確認。

遞延所得稅就於附屬公司投資產生的暫時差額作出撥備，惟在本集團可控制暫時差額的撥回時間及暫時差額在可預見將來很有可能不會撥回的情況下則除外。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 3. Summary of significant accounting policies (continued)

#### 3.15. Employee benefits

##### (a) Pension obligations

The Group operates defined contribution plans, under which the Group pays fixed contributions into separate entities. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

##### (b) Share-based compensation

The Group operates equity-settled, share-based compensation plans. The fair value of the employee services received in exchange for the grant of the shares or share options is recognized as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the shares or share options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of shares or share options that are expected to vest. At each balance sheet date, the Group revises its estimates of the number of shares or share options that are expected to become exercisable. It recognizes the impact of the revision of original estimates, if any, in the consolidated income statement, and a corresponding adjustment to equity over the remaining vesting period.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Under the Share Award Plan, directors and employees of the Group are entitled to receive shares in the Company. Detail of the Plan and the outstanding shares can be referred to note 25(b) to the consolidated financial statements.

The Company also adopted the Share Option Scheme under which options may be granted to subscribe for the Company's shares. Please refer to note 25(a).

### 3. 主要會計政策概要 (續)

#### 3.15. 僱員福利

##### (a) 退休金責任

本集團現參與界定為退休金供款計劃，據此，本集團向獨立實體支付定額供款。若該基金並無持有足夠資產向所有僱員就其在當期及以往期間的服務支付福利，本集團亦無法律或推定性的責任支付進一步供款。

##### (b) 以股份為基礎的補償

本集團設有以權益償付、以股份為基礎的補償計劃。僱員提供服務而獲授予股份或購股權的公平值乃確認為開支。於歸屬期內列作開支的總金額乃參照已授出的股份或購股權的公平值釐定，不包括任何非市場歸屬條件（例如盈利能力和銷售增長目標）的影響。非市場歸屬條件包括在關於預期股份或購股權歸屬數目的假設中。於各結算日，本集團修改其預期可行使股份和購股權數目，並於綜合損益表內確認修改原來估計數字（如有）的影響，以及在餘下歸屬期對權益作出相應調整。

於購股權獲行使時，已收取的所得款項（扣除任何直接應佔交易成本）均計入股本（面值）及股份溢價中。

根據股份獎勵計劃，本集團董事及僱員有權取得本公司股份。股份獎勵計劃的詳情及股份餘額可參閱綜合財務報表附註25(b)。

本公司亦採納購股權計劃，據此，購股權可予授出以認購本公司股份。有關購股權計劃的詳情可參閱附註25(a)。

### 3.15. Employee benefits (continued)

#### (c) Employee leave entitlements

Employee entitlements to annual leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognized until the time of leave.

#### (d) Profit-sharing and bonus plans

The Group recognizes a liability and an expense for profit-sharing bonus based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### 3.16. Provisions

Provisions for restructuring costs and legal claims are recognized when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as an interest expense.

### 3.15. 僱員福利 (續)

#### (c) 僱員應享假期

僱員應享年假在僱員享有時確認。本集團為截至結算日僱員已提供服務而享有年假的估計負債作出撥備。

僱員應享病假及分娩假期於僱員正式休假時才予確認。

#### (d) 分享溢利及花紅計劃

本集團根據一項計算公式，就花紅及分享溢利確認負債及費用。該公式參考本公司股東的應佔溢利作出若干調整。本集團依合約或過往慣例產生推定性的責任時確認撥備。

### 3.16. 撥備

在出現以下情況時，就重組費用及法律索償作出撥備：本集團因過去事件承擔現有法律或推定性的責任，而清償有關責任需導致資源流出的可能性極高，以及有關金額已被可靠估計。惟不會就未來營運虧損確認撥備。

倘出現多項類似責任，清償有關責任導致資源流出的可能性乃經考慮整體責任類別後予以釐定。即使就同類責任中任何一個項目相關的資源流出的可能性甚低，仍須確認撥備。

撥備採用稅前利率按照預期需償付有關責任的開支的現值計量，該利率反映當時市場對貨幣時間值和有關責任特定風險的評估。隨著時間過去而增加的撥備確認為利息開支。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 3. Summary of significant accounting policies (continued)

#### 3.17. Trade payables and other payables

Trade payables and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

#### 3.18. Revenue recognition

Revenue comprises the fair value of consideration received or receivable for the sale of products in the ordinary course of the Group's activities. Revenue is shown net of discount and after eliminating sales within the Group. The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

##### (a) Sales of products

The Group manufactures and sells proprietary IC products and system solutions. Sales of products are recognized on the transfer of risks and rewards of ownerships, which generally coincides with the time of shipment/delivery.

##### (b) Interest income

Interest income is recognized using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income.

##### (c) Other income

Other income is recognized when the Group's right to receive payments is established.

### 3. 主要會計政策概要 (續)

#### 3.17. 應付款及其他應付款

應付款及其他應付款初始以公平值確認，其後採用實際利率法按攤銷成本計量。

#### 3.18. 收入確認

收入指本集團在日常經營活動中銷售產品的已收款或應收款的公平值。收入在扣除折扣及對銷本集團內部銷售後以淨值列賬。當收入的金額能夠可靠計量，未來經濟利益很有可能流入有關實體，本集團每項營運活動均符合具體準則時(如下文所述)，本集團確認收入。本集團會根據其以往業績並考慮客戶類別、交易種類和每項安排的特點作出估計。

##### (a) 產品銷售

本集團生產及銷售專有IC及系統解決方案。產品銷售於擁有權的風險及回報轉讓時予以確認，一般與裝運/付運時間同時發生。

##### (b) 利息收入

利息收入採用實際利率法，按時間分攤基準確認。倘若應收款出現減值，本集團則會將賬面值減至可收回金額，即估計的未來現金流量按該工具之原實際利率貼現值，並繼續將貼現計算並確認為利息收入。

##### (c) 其他收入

其他收入是當本集團被確定為有權收取款項時確認。



### 3.19. Leases (as the lessee)

#### (a) Operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

- (i) Prepayments made under operating lease are amortized to the consolidated income statement on a straight-line basis over the period of the lease, or when there is impairment, the impairment is expensed in the consolidated income statement.
- (ii) Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement on a straight-line basis over the period of the lease.

#### (b) Finance lease

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other short-term and other long-term payables. The interest element of the finance lease payment is charged to the consolidated income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

### 3.20. Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognized in the consolidated income statement over the period necessary to match them with the costs that they are intended to compensate.

### 3.19. 租賃（作為承租人）

#### (a) 經營租賃

擁有權的大部份風險及回報權利由出租人保留的租賃乃列為經營租賃。

- (i) 根據經營租賃所支付的預付款項會按直線法於租期內在綜合損益表內列作開支。當有需要作出減值撥備時，減值差額於綜合損益表支銷。
- (ii) 根據經營租賃所支付的款項(扣除來自出租人的任何收入)會按直線法於租期內在綜合損益表內列作開支。

#### (b) 融資租賃

本集團有物業、機器及設備租賃。由本集團承擔擁有權的大部份風險及回報的物業、機器及設備租賃乃列為融資租賃。融資租賃乃於租賃開始時按租賃物業的公平值與最低租金現值兩者中較低者資本化。

每筆租金均會於負債與財務費用之間分配，以達到尚未支付融資餘額的固定比率。相應的租金責任(扣除融資費用)乃計入其他短期及其他長期應付款。融資成本的利息部份會於有關租期內於綜合損益表中確認，並藉此制訂各期間負債餘額的固定定期利率。從融資租賃而獲得的物業、機器及設備乃按使用期及租賃期兩者中較短者作折舊計算。

### 3.20. 政府補貼

倘可合理保證將獲得補貼及本集團符合所有附帶條件，則按公平值確認政府補貼。

政府補貼之有關成本予以遞延，並配合其計劃補償的成本支銷期間在綜合損益表內確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 3. Summary of significant accounting policies (continued)

#### 3.21. Research and development

Research expenditure is expensed as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognized as intangible assets when the following criteria are fulfilled:

- it is technically feasible to complete the intangible asset so that it will be available for use or sale;
- management intends to complete the intangible asset and use or sell it;
- there is an ability to use or sell the intangible asset;
- it can be demonstrated how the intangible asset will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- the expenditure attributable to the intangible asset during its development can be reliably measured.

Other development expenditures are expensed as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period. Development costs with a finite useful life that have been capitalized as an intangible asset are amortized from the commencement of the point at which the asset is ready for use on a straight-line basis over its useful life, not exceeding five years.

Development assets are tested for impairment annually in accordance with HKAS 36 - Impairment of Assets.

#### 3.22. Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders or directors.

### 3. 主要會計政策概要 (續)

#### 3.21. 研究及開發

研發開支乃於產生時支銷。產生於項目開發的開支(於設計及測試新的和經改良的產品相關)被確認為無形資產，需符合以下準則：

- 技術上可完成的無形資產，能供使用或出售；
- 管理層計劃完成的無形資產並作使用或出售；
- 能供使用或出售的無形資產；
- 能證明極有可能於未來產生經濟效益的無形資產；
- 能以合適的技術、財政及其他資源完成開發，從而能供使用或出售；及
- 歸屬於無形資產開發時的開支能被可靠的計量。

其他研發開支於產生時支銷。以往確認為開支的研發成本於往後期間不會確認為資產。已資本化且可使用年期有限的研發成本於有關產品投入使用時，按直線法於其預期利益期間(不超過五年)攤銷。

研發資產需每年根據香港會計準則第36號－資產減值作減值測試。

#### 3.22. 股息分派

分派予本公司股東的股息會於本公司股東或董事批准派發股息的期間內於本集團財務報表中確認為負債。

## 4. Financial risk management

### 4.1. Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and price risk), credit risk, liquidity risk and cash flow and fair value interest rate risk.

#### (a) Market risk

##### (i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the HKD. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities in foreign operations.

Since the HKD is pegged to USD, the management considered that the Group does not have any material foreign exchange exposure in this regard.

##### (ii) Price risk

The Group is exposed to price risk because investments held by the Group are classified on the consolidated balance sheet as FVTPL. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity financial instruments, the Group diversifies its portfolio and invests only in high turnover blue chips with good dividend yield.

At 31 December 2011, the Group held listed equity securities and marketable bonds (note 23). If the equity/bond price had increased/decreased by 10% with all other variables held constant, the post-tax loss for the year would have been approximately US\$1,195,000 lower/higher (2010 post-tax profit: US\$1,599,000 higher/lower) as a result of gain/loss on listed equity securities and marketable bonds classified as at fair value through profit or loss.

The Group's investments in equity-linked deposits also exposed the Group to equity securities price risk as their fair value were mainly linked to the share prices of the underlying shares traded in Hong Kong Stock Market.

## 4. 財務風險管理

### 4.1. 財務風險因素

本集團因其業務須承受各種不同的財務風險：市場風險（包括外匯風險和價格風險）、信貸風險、流動資金風險和現金流量及公平值利率風險。

#### (a) 市場風險

##### (i) 外匯風險

本集團經營跨國業務，承受各類貨幣所產生的外匯風險，其風險主要來自港元。外匯風險因日後進行的商業交易，已確認海外業務的資產和負債而產生。

因港元與美元掛鉤，管理層認為本集團外匯風險不高。

##### (ii) 價格風險

本集團承受價格風險，因為本集團持有的投資為分類於綜合資產負債表中之FVTPL。本集團並沒有商品價格之風險。本集團處理投資於股本金融工具上所產生之價格風險是透過分散不同的投資組合及投資於高流量和高息率的藍籌證券。

於2011年12月31日，本集團持有上市股票及可買賣債券（附註23）。如股票／債券價格上升／下降10%（其他變數保持不變），年內其除稅後虧損約會減少／增加1,195,000美元（2010除稅後溢利：增加／減少1,599,000美元），由分類為通過損益以反映公平價值的財務資產之上市股本證券及可買賣債券的收益或損失所導致。

本集團與股票掛鉤的定期存款亦承受股本證券價格風險，因其公平值主要與在香港股票市場交易的股票價格掛鉤。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 4. Financial risk management (continued)

#### 4.1. Financial risk factors (continued)

The investments in the available-for-sales financial assets are exposed to price risk. As all of the available-for-sale financial assets held by the Group do not have quoted market price in any active market and are stated at cost less impairment loss. The price risk is therefore reflected in the impairment loss.

##### (b) Credit risk

Customers of the Group are mainly well-known distributors and manufacturers with sound financial background. In addition, the Group has policies in place to ensure that sales of products are made to customers with appropriate credit days and within their respective credit limits.

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables. Deposits are only placed with reputable banks and financial institutions. For credit exposures to customers, Group management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

The maximum exposure to credit risk at the reporting date is the carrying value of the trade and other receivables. The Group has been monitoring the receivables aging closely. As at 31 December 2011, past due amount accounted for 36% (2010: 18%) of total trade receivables and US\$153,000 provision for impairment was made to these receivables (2010: Nil).

### 4. 財務風險管理 (續)

#### 4.1. 財務風險因素 (續)

本集團可供出售財務資產有價格風險。因本集團持有的全部可供出售財務資產沒有任何活躍市場報價，並以成本扣除減值虧損呈列。因此價格風險於減值虧損中反映。

##### (b) 信貸風險

本集團的客戶主要為具穩健財務背景的分銷商及製造商。此外，本集團已有一套既定政策，確保產品於適當信貸期及信貸額內銷售予客戶。

信貸風險以組合方式處理。信貸風險產生於現金及現金等價物，和銀行及金融機構的存款，同時集團亦承受客戶的信貸風險，包括應收而未收取款項。存款只會存放於商譽良好的銀行及金融機構。至於客戶的信貸，本集團的管理層會考慮客戶之財務狀況、過往經驗及其他因素以評估客戶之信貸質素。

應收款及其他應收款於報告日的賬面值為最高之信貸風險。本集團緊密查察應收款之賬齡。於2011年12月31日，逾期之應收款佔應收款總計的36% (2010: 18%)，當中153,000美元之應收款已作撥備 (2010: 無)。

#### 4.1. Financial risk factors (continued)

##### (c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in funding by keeping committed credit lines available.

The table below analyses the Group's and the Company's financial liabilities into relevant maturity groups based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal to their carrying balances, as the impact of discounting is not significant.

#### 4.1. 財務風險因素 (續)

##### (c) 流動資金風險

本集團採用審慎的流動資金風險管理，維持足夠的現金及透過取得足夠的已承諾信貸額而獲得資金。由於本集團的基本業務性質變化大，故其致力保持有可供動用的承諾信貸額以維持資金來源的靈活性。

本集團及本公司之財務負債按結算日至合約到期日餘下的限期分類為不同的到期組合列載如下。於列表中披露之金額為未貼現的合約現金流量。因貼現率並無對此帶來重大影響，於12個月內到期的餘額相等於其面值。

		Group 本集團		Company 本公司	
		2011 US\$'000 千美元	2010 US\$'000 千美元	2011 US\$'000 千美元	2010 US\$'000 千美元
<b>Due within 12 months</b>	<b>於 12 個月內到期</b>				
Trade and other payables	應付款及其他應付款	7,183	17,161	106	94
Bank loan including interest portions	銀行貸款 (包括利息部分)	103	107	—	—
Obligations under finance leases	融資租賃責任	7	12	—	—
Amounts due to subsidiaries	應付附屬公司款	—	—	119	48
<b>Due after 12 months</b>	<b>於 12 個月之後到期</b>				
Bank loan including interest portions	銀行貸款 (包括利息部分)	604	729	—	—
Obligations under finance leases including interest portions	融資租賃責任 (包括利息部分)	8	36	—	—

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 4. Financial risk management (continued)

#### 4.1. Financial risk factors (continued)

##### (d) Cash flow and fair value interest rate risk

Except for the cash and cash equivalents, bank deposits, other financial assets and certain bonds and notes classified as FVTPL, the Group has no other significant interest-bearing assets or liabilities.

The bonds and notes were issued at fixed interest rates which exposed the Group to fair value interest rate risk.

Other financial assets consist of structured deposits, which were linked to foreign currencies. The structured deposits were issued at fixed interest rates which exposed the Group to fair value interest rate risk.

The investments in available-for-sale financial assets and FVTPL as at 31 December 2011 did not have material interest rate risk.

Since there is no significant borrowing in the Group and the cash and cash equivalents and bank deposits are under short maturity terms, the cash flow and fair value interest rate risk is considered to be low.

#### 4.2. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or repurchase shares.

During 2011, the Group had no material borrowing. The reduction in shareholders' funds is mainly due to the loss for the year.

### 4. 財務風險管理 (續)

#### 4.1. 財務風險因素 (續)

##### (d) 現金流量及公平值利率風險

除現金及現金等價物、銀行存款、其他財務資產和分類為FVTPL的債券及票據外，本集團並無重大計息資產或負債。

債券及票據以固定利率發行，本集團承受公平值利率風險。

本集團的其他財務資產包括與外幣掛鈎的結構性存款。該等結構性存款以固定利率發行，本集團承受公平值利率風險。

投資於可供出售的財務資產及FVTPL於2011年12月31日無重大利率風險。

由於本集團並無重大借貸，以及現金及現金等價物和銀行存款的限期條款均屬短期，故現金流量及公平值利率風險被視為不高。

#### 4.2. 資金風險管理

本集團管理資金的目標為確保本集團持續營運以提供回報予股東及利益予其他相關者，並維持最佳的資金結構以減低資金成本。

為維持或調整資金結構，本集團可能會調整派付股息之金額、退還資金予股東或回購股份。

於2011年，本集團並無重大借貸。股東權益減少主要原因是年內的虧損。

### 4.3. Fair value estimation

The Group's investments in financial instruments are measured in the balance sheet at fair value. The fair value measurements are disclosed by level of the following fair value measurement hierarchy:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices);
- Level 3 - inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presented the assets (liabilities: Nil) that were measured at fair value at 31 December 2011 of the Group and the Company:

		Group 本集團				Company 本公司			
		Level 1 第1層級	Level 2 第2層級	Level 3 第3層級	Total 總計	Level 1 第1層級	Level 2 第2層級	Level 3 第3層級	Total 總計
		US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元	US\$'000 千美元
<b>Assets</b>	<b>資產</b>								
Derivative financial instruments	衍生金融工具	—	—	442	442	—	—	—	—
Financial assets at fair value through profit or loss:	通過損益以反映其公平價值的財務資產：								
Unlisted	非上市								
Equity-linked deposits	與股票掛鈎的定期存款	—	348	—	348	—	348	—	348
Deposit notes	存款票據	—	7,842	—	7,842	—	3,342	—	3,342
Marketable bonds	可買賣債券	4,080	—	—	4,080	3,017	—	—	3,017
Listed in Hong Kong	於香港上市								
Equity securities	股票	7,267	—	—	7,267	7,267	—	—	7,267
Fund	基金	602	—	—	602	602	—	—	602
Other financial assets	其他財務資產	—	2,476	—	2,476	—	2,476	—	2,476
		11,949	10,666	442	23,057	10,886	6,166	—	17,052

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group was the current bid price. These instruments were included in level 1.

### 4.3. 公平值估計

本集團的金融工具之投資於資產負債表中以公平值計量並按下列公平值計量的級別分類法披露：

- 第1層級－相同資產或負債於活躍市場的報價（未經調整）；
- 第2層級－除包括於第1層級的報價外，可直接（即價格）或間接（即由價格衍生）觀察出資產或負債的輸入資料；
- 第3層級－非由可觀察的市場數據的資產或負債的輸入資料（即：非可觀察的輸入資料）。

本集團及本公司於2011年12月31日之以公平價值計量的資產（負債：無）列載如下：

可於活躍市場交易的金融工具的公平價乃基於結算日的公開市場報價。交投活躍市場乃可隨時報價及可自交易所、券商、經紀人、行業集團、定價服務或規管機構定期取得及該等價格乃按公平基準實際及定期發生市場交易。本集團持有的財務資產採用的公開市場報價乃當時的買價。此類工具分類於第1層級。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 綜合財務報表附註 (續)

#### 4. Financial risk management (continued)

##### 4.3. Fair value estimation (continued)

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter instruments) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The fair value of financial instruments is established by using advanced financial valuation technique by the reputable financial institutions. Valuation technique can range from simple discounted cash flow analysis to complex pricing model such as Binomial Option Pricing Model Monte Carlo Simulation Method, Black-Scholes Option Pricing Model, etc.

Available-for-sale financial assets that do not have quoted market prices in any active markets and those fair values cannot be reliably measured are stated at cost less impairment.

The carrying value less impairment provision of cash, bank loan, other financial assets, trade receivables and payables approximate their fair values.

#### 4. 財務風險管理 (續)

##### 4.3. 公平值估計 (續)

不在活躍市場交易的金融工具(如：不透過交易所買賣之工具)的公平值採用估值方法確定。該等估值方法盡量使用可觀察之市場數據，並盡可能少依賴公司個別估算。如所需的輸入資料全是可觀察的，此項工具分類於第2層級。

如一項或多項主要輸入資料並非基於可觀察的市場數據，此項工具則分類於第3層級。

有信譽的金融機構採用先進的財務估值方法確定金融工具的公平值。估值方法可從簡單的現金流量折現法到複雜的定價模型如二項式期權定價模式、蒙地卡羅模擬法、布萊克－蘇科爾期權定價模式等。

沒有任何活躍市場報價之可供出售財務資產其公平值未能可靠地估算者，以成本扣除減值虧損呈列。

現金、銀行貸款、其他財務資產、應收款及應付款的賬面值減去減值撥備，與其公平值接近。



## 5. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are addressed below.

### 5.1. Income tax

The Group is subject to income tax in several jurisdictions. Significant judgement is required in determining the worldwide provision for income tax. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for anticipated tax audit issues based on estimates of whether additional tax will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax provision and deferred tax assets and liabilities in the period in which such determination is made.

### 5.2. Equity compensation

In determining the total expenses for the Group's share-based compensation plans, the Group estimates the number of options or shares that are expected to become exercisable or vested at the date of grant. At each balance sheet date before the options or shares become fully exercisable or vested, the Group will revise the total expenses where the number of share options or shares that are expected to become exercisable or vested is different from previously estimated.

### 5.3. Estimated impairment of investments in associated companies

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 3.6. The recoverable amounts of goodwill arising from acquisition of associated companies have been determined based on the higher of fair value less cost-to-sell or value-in-use calculations. These calculations require the use of estimates (note 17).

## 5. 關鍵會計估算及判斷

估算及判斷會持續予以評估，並以過往經驗及其他因素（包括在某些情況下對未來事件的合理預計）為依據。

本集團對未來作估算及假設。根據定義，會計估算的結果極少與相關的實際結果相同。所作的估算及假設可能存在重大風險，並導致下一財政期間的資產及負債賬面值有重大調整的項目在下文論述。

### 5.1. 所得稅

本集團需繳納若干司法權區的所得稅。釐定各地所得稅撥備涉及重大判斷。許多發生交易，對其最終稅項的釐定難以作出確定的計算。本集團根據對預計有否額外稅項的負擔，就預期稅項審計事項確認為負債。倘該等事項的最終稅項結果與初始記錄金額有別，該差異將影響釐定稅項期間的所得稅撥備及遞延稅項資產及負債。

### 5.2. 股本權益報酬

就本集團的股本權益報酬計劃釐定總開支時，本集團估計於授出當日預期可予行使的購股權或歸屬的股份數目。於購股權全面行使或股份全面歸屬前的各結算日，倘預期可予行使的購股權或歸屬的股份數目與先前的估計有別，則本集團將會修訂其總開支。

### 5.3. 於聯營公司投資的減值估算

依據附註3.6所列示的會計政策，本集團每年就商譽是否遭受任何減值進行測試。收購聯營公司產生的商譽的可收回金額以計算資產之公平值扣除銷售成本或使用價值兩者之間較高者為準。此等計算須運用估算（附註17）。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 5. Critical accounting estimates and judgements

(continued)

#### 5.4. Provision for impairment of trade receivables

The Group makes provision for impairment of trade receivables based on an assessment of the recoverability of trade receivables. Provisions are applied to trade receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of impairment requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of trade receivables and provision for impaired receivables in the year in which such estimate has been changed.

#### 5.5. Provision for obsolete or slow moving inventories

The Group makes provision for obsolete or slow moving inventories based on consideration of obsolescence of raw materials and work in progress and the net realizable value of finished goods. The identification of inventory obsolescence and estimated selling price in the ordinary course of business require the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventory and provision in the year in which such estimate has been changed.

### 5. 關鍵會計估算及判斷 (續)

#### 5.4. 應收款減值撥備

本集團根據應收款可收回情況的評估為應收款作出減值撥備。倘出現事項或情況有變而顯示不一定可收回餘款時，則須就應收款撥備。識別減值須運用判斷及作出估算。倘預期金額有別於原先估計數值，則有關差額將影響估計數值出現變動年度之應收款的賬面值及應收款減值撥備。

#### 5.5. 過時或滯銷存貨的撥備

本集團根據原材料及在製品的過時情況及製成品的可變現淨值為過時或滯銷存貨作出撥備。識別存貨過時情況及於日常業務過程中的估計售價須運用判斷及作出估算。倘預期金額有別於原先估計數值，則有關差額將影響估計數值出現變動年度之存貨的賬面值及撥備。

## 6. Segment information – Group

During the year, the Group has been principally engaged in the design, development and sales of proprietary IC products and system solutions that enabled a wide range of display applications for mobile phones, portable devices, LCD TVs, consumer electronic products, industrial appliances and green energy applications such as LED lighting.

The Group has been operating in one single operating segment, i.e. the design, development and sales of proprietary IC products and system solutions.

The chief operating decision-makers have been identified as the executive director and senior management led by the Group CEO (Managing Director). The executive director and senior management reviewed the Group's internal reporting to assess performance and allocate resources. A management approach has been used for the operating segment reporting.

Sales amounted to US\$51,600,000 and US\$84,735,000 for the years ended 31 December 2011 and 2010 respectively.

The Company is domiciled in Hong Kong. The Group mainly operates in Hong Kong. The Group mainly sells to customers located in Hong Kong, Taiwan, Europe and Korea.

### (a) Sales – Group

		2011 US\$'000 千美元	2010 US\$'000 千美元
Hong Kong	香港	17,719	19,878
Taiwan	台灣	8,837	12,857
Europe	歐洲	7,944	4,725
Korea	韓國	6,678	31,761
China	中國	3,756	8,782
Japan	日本	3,080	3,561
South East Asia	東南亞	2,414	1,814
USA	美國	905	1,205
Others	其他	267	152
		<b>51,600</b>	<b>84,735</b>

Sales are classified based on the places/countries in which customers are located.

## 6. 分部資料 – 本集團

於年內，本集團主要從事設計、開發及銷售專有IC及系統解決方案，能廣泛應用於各類流動電話、便攜式裝置、液晶體電視、消費電子產品、工業用設備及環保能源應用如LED照明產品。

本集團一直在單一業務經營，即設計、開發及銷售專有IC及系統解決方案。

本集團最高營運決策層為集團行政總裁(董事總經理)暨領導下的執行董事和高級管理層。執行董事和高級管理層檢討本集團內部報告以評估業績及分配資源。管理層基於該等報告確定業務分部。

截至2011及2010年12月31日止年度，銷售額分別為51,600,000美元及84,735,000美元。

本公司的所在地位於香港。本集團主要於香港經營其業務。本集團之產品主要銷售予位於香港、台灣、歐洲及韓國的客戶。

### (a) 銷售額 – 本集團

銷售額按客戶所在地區/國家分類。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 6. Segment information – Group (continued)

### 6. 分部資料 – 本集團 (續)

#### (b) Total assets – Group

#### (b) 總資產 – 本集團

		2011 US\$'000 千美元	2010 US\$'000 千美元
Hong Kong	香港	98,850	127,701
China	中國	13,925	15,383
USA	美國	7,438	21
Taiwan	台灣	5,288	9,771
Others	其他	963	1,341
		<b>126,464</b>	<b>154,217</b>

Assets are listed based on where the assets are located. Others comprise Japan and South East Asia.

資產是根據資產的所在地予以分配。其他包括日本及東南亞。

#### (c) Capital expenditures – Group

#### (c) 資本開支 – 本集團

		Investments In 投資於							
		Prepaid operating lease 預付經營租賃款		Property, plant and equipment 物業、機器及設備		Derivative financial instruments 衍生金融工具		Associated companies 聯營公司	
		2011 US\$'000 千美元	2010 US\$'000 千美元	2011 US\$'000 千美元	2010 US\$'000 千美元	2011 US\$'000 千美元	2010 US\$'000 千美元	2011 US\$'000 千美元	2010 US\$'000 千美元
Hong Kong	香港	—	—	443	538	—	—	—	—
China	中國	37	1,185	391	2,311	—	—	—	—
South East Asia	東南亞	—	—	126	1,270	—	—	—	—
USA	美國	—	—	—	—	463	—	8,537	—
Others	其他	—	—	11	24	—	—	—	—
		<b>37</b>	<b>1,185</b>	<b>971</b>	<b>4,143</b>	<b>463</b>	<b>—</b>	<b>8,537</b>	<b>—</b>

Capital expenditures are listed based on where the assets are located.

資本開支是根據資產的所在地予以分配。

## 7. Expenses by nature – Group

Expenses included in cost of sales, research and development costs, selling and distribution expenses and administrative expenses are analyzed as follows:

		2011 US\$'000 千美元	2010 US\$'000 千美元
Cost of inventories sold	售出存貨成本	32,330	59,090
Product engineering costs	產品工程成本	3,047	2,288
Gain on disposal of property, plant and equipment	出售物業、機器及設備的收益	(1)	(14)
Provision for obsolete or slow moving inventories	過時或滯銷存貨的撥備	2,864	181
Provision for impairment of trade receivables	應收款減值撥備	153	—
Auditor's remuneration	核數師酬金	172	160
Operating leases for land and buildings	土地及樓宇的經營租賃	1,372	1,307
Amortization of prepaid operating lease	攤銷預付經營租賃款	26	—
Depreciation of owned property, plant and equipment	自置物業、機器及設備的折舊	2,972	2,993
Depreciation of leased property, plant and equipment	租賃物業、機器及設備的折舊	9	8
Employee benefit expenses (excluding Directors' emoluments)	僱員福利開支 (董事酬金除外)	19,243	16,797
Directors' emoluments	董事酬金	683	1,215
Net exchange gain	匯兌收益	(284)	(62)

## 7. 按性質分類的開支 – 本集團

包括在銷售成本、研究及開發成本、銷售及分銷開支和行政開支內的開支分析如下：

## 8. Finance income/costs – net – Group

		2011 US\$'000 千美元	2010 US\$'000 千美元
Gain on disposal of an available-for-sale financial asset	出售可供出售財務資產的收益	—	3,186
Gain on disposal of financial assets at fair value through profit or loss	出售通過損益以反映公平價值的 財務資產的收益	81	141
Interest income from deposits	存款利息收入	1,108	1,167
Dividend income	股息收入	308	240
Unrealizable loss on derivative financial instruments	衍生金融工具未變現的虧損	(21)	—
Unrealizable gain or loss from financial assets at fair value through profit or loss:	通過損益以反映公平價值的 財務資產未變現的盈虧：		
– Fair value gain	– 公平值收益	79	1,063
– Fair value loss	– 公平值虧損	(3,287)	(1,123)
Interest element of finance leases	融資租賃的利息部份	(1)	(1)
Interest expense of bank loan	銀行貸款的利息支出	(12)	(12)
Others	其他	163	73
Financial income/(costs) - net		(1,582)	4,734

## 8. 投資收入／成本 – 淨額 – 本集團

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 9. Employee benefit expenses – Group

### 9. 僱員福利開支 – 本集團

#### (a) Employee benefit expenses – Group

#### (a) 僱員福利開支 – 本集團

		2011 US\$'000 千美元	2010 US\$'000 千美元
Wages and salaries	工資及薪金	16,684	14,608
Discretionary bonuses	酌情花紅	23	97
Equity compensation – shares and share options	股本權益報酬 – 股份及購股權	76	172
Pension costs – defined contribution plans <sup>(i)</sup>	退休金成本 – 界定供款計劃 <sup>(i)</sup>	638	604
Other employee benefits	其他僱員福利	1,822	1,316
		<b>19,243</b>	<b>16,797</b>

(i) Forfeited contributions to certain defined contribution plans will be utilized to reduce contributions. During the year, there was US\$10,000 of contribution being forfeited (2010: US\$21,000).

(i) 已放棄之供款可用作扣減界定供款計劃的供款。於年內，被放棄的供款為10,000美元(2010: 21,000美元)。

#### (b) Directors' emoluments

The remuneration of every director of the Company including the equity compensation charged to the consolidated income statement under the requirements of HKFRS 2 "Share-based payment" is set out below:

#### (b) 董事酬金

本公司每名董事的酬金(包括根據香港財務報告準則第2號「以股份為基礎的付款」在綜合損益表內支銷的股本權益報酬)列載如下：

		Directors' emoluments for the year ended 31 December 2011 截至2011年12月31日止年度董事之酬金						
		Employer's contribution to pension scheme 僱主的退休金計劃供款				Equity compensation <sup>(ii)</sup> 股本權益報酬 <sup>(ii)</sup>		Total 總計
		Fees 袍金 US\$'000 千美元	Salary 薪金 US\$'000 千美元	Other benefits <sup>(i)</sup> 其他福利 <sup>(i)</sup> US\$'000 千美元	Employer's contribution to pension scheme 僱主的退休金計劃供款 US\$'000 千美元	Subtotal 小計 US\$'000 千美元	Equity compensation <sup>(ii)</sup> 股本權益報酬 <sup>(ii)</sup> US\$'000 千美元	Total 總計 US\$'000 千美元
Sun, Patrick	辛定華	34	—	—	—	34	14	48
Choy Kwok Hung, Patrick	蔡國雄	29	—	—	—	29	14	43
Yiu Tin Chong, Joseph	姚天從	12	—	—	—	12	14	26
Wong Yuet Leung, Frankie	黃月良	27	—	—	—	27	14	41
Lai Weide	賴偉德	3	—	—	—	3	—	3
Lam Pak Lee	林百里	19	—	—	—	19	14	33
Sheu Wei Fu (alternate to Lam Pak Lee)	許維夫 (林百里的替代董事)	—	—	—	—	—	—	—
Li Xiaochun	李曉春	8	—	—	—	8	—	8
Zhao Guiwu	趙貴武	7	—	—	—	7	—	7
Leung Kwong Wai	梁廣偉	—	285	3	13	301	14	315
Lai Woon Ching	黎垣清	—	138	1	6	145	14	159
Total	總計	139	423	4	19	585	98	683

**(b) Directors' emoluments** (continued)**(b) 董事酬金** (續)

		Directors' emoluments for the year ended 31 December 2010 截至2010年12月31日止年度董事之酬金						
		Fees 袍金 US\$'000 千美元	Salary 薪金 US\$'000 千美元	Other benefits <sup>(i)</sup> 其他福利 <sup>(i)</sup> US\$'000 千美元	Employer's contribution to pension scheme 僱主的 退休金 計劃供款 US\$'000 千美元	Subtotal 小計 US\$'000 千美元	Equity compensation <sup>(ii)</sup> 股本 權益報酬 <sup>(ii)</sup> US\$'000 千美元	Total 總計 US\$'000 千美元
Sun, Patrick	辛定華	34	—	—	—	34	26	60
Choy Kwok Hung, Patrick	蔡國雄	30	—	—	—	30	26	56
Wong Yuet Leung, Frankie	黃月良	29	—	—	—	29	26	55
Chang Ching Yi, Steven	張景溢	9	—	—	—	9	14	23
Lai Weide	賴偉德	2	—	—	—	2	—	2
Lam Pak Lee	林百里	19	—	—	—	19	26	45
Sheu Wei Fu (alternate to Lam Pak Lee)	許維夫 (林百里的替代董事)	—	—	—	—	—	—	—
Li Xiaochun	李曉春	3	—	—	—	3	—	3
Zhao Guiwu	趙貴武	2	—	—	—	2	—	2
Leung Kwong Wai	梁廣偉	—	259	7	12	278	42	320
Cheung Wai Kuen, Kenny	張惠權	—	165	2	1	168	33	201
Huang Hsing Hua	黃心華	—	111	3	4	118	28	146
Lai Woon Ching	黎垣清	—	122	1	6	129	28	157
Lo Wai Ming	盧偉明	—	110	2	5	117	28	145
<b>Total</b>	<b>總計</b>	<b>128</b>	<b>767</b>	<b>15</b>	<b>28</b>	<b>938</b>	<b>277</b>	<b>1,215</b>

(i) Other benefits include leave pay, insurance premium and other allowances.

(i) 其他福利包括假期工資、保險費及其他津貼。

(ii) This represents the amount charged to the consolidated income statement under the requirements of HKFRS 2. Equity compensation granted in prior years with vesting term extended into the year has an impact to the current year.

(ii) 股本權益報酬指根據香港財務報告準則第2號的規定於綜合損益表內支銷的金額。包括於以前年度授予之股本權益其歸屬期伸延至本年度之金額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 9. Employee benefit expenses – Group (continued)

#### (c) Equity compensation to Directors

More details for the Equity Compensation Scheme can be referred to note 25 to the consolidated financial statements. Details of the share options granted to each of the directors of the Company and their corresponding fair values are listed as below:

### 9. 僱員福利開支 – 本集團 (續)

#### (c) 董事的股本權益報酬

有關股本權益報酬的其他資料可參閱綜合財務報表附註 25。已授予本公司各董事的購股權，以及其相應的公平值列載如下：

		2011		2010	
		Number of share options granted 已授出購股權數目 (in thousand units) (以千位計)	Fair value of the share options at grant date <sup>(i)</sup> 於授出日期購股權的公平值 <sup>(i)</sup> US\$'000 千美元	Number of share options granted 已授出購股權數目 (in thousand units) (以千位計)	Fair value of the share options at grant date <sup>(i)</sup> 於授出日期購股權的公平值 <sup>(i)</sup> US\$'000 千美元
Sun, Patrick	辛定華	1,200	7.4	1,200	24.2
Choy Kwok Hung, Patrick	蔡國雄	1,200	7.4	1,200	24.2
Yiu Tin Chong, Joseph	姚天從	1,200	7.4	—	—
Wong Yuet Leung, Frankie	黃月良	1,200	7.4	1,200	24.2
Lai Weide	賴偉德	—	—	—	—
Lam Pak Lee	林百里	1,200	7.4	1,200	24.2
Sheu Wei Fu (alternate to Lam Pak Lee)	許維夫 (林百里之替代董事)	—	—	—	—
Li Xiaochun	李曉春	—	—	—	—
Zhao Guiwu	趙貴武	—	—	—	—
Leung Kwong Wai	梁廣偉	1,200	7.4	1,200	24.2
Lai Woon Ching	黎垣清	1,200	7.4	1,200	24.2
Others <sup>(ii)</sup>	其他 <sup>(ii)</sup>	—	—	3,600	72.6
<b>Total</b>	<b>總計</b>	<b>8,400</b>	<b>51.8</b>	<b>10,800</b>	<b>217.8</b>

(i) These represent the full fair value at grant date to be amortized in the next 12 months for the share option and may differ from the total charge to the consolidated income statement of the year.

(ii) Directors of the Company in previous year.

(i) 呈現於授出日期的全部公平值將根據購股權予其後12個月內予以攤銷，有關之公平值可能有別於本年度於綜合損益表內所扣除的總額。

(ii) 本公司以前年度的董事。



**(d) Five highest paid individuals in Group**

The five individuals whose emoluments were the highest in the Group for the year include two (2010: two) directors whose emoluments are reflected in the analysis above.

The emoluments paid to the remaining 3 highest paid individuals are as follows:

		2011	2010
Number of individuals (excluding Directors of the Company)	最高薪人士數目 (本公司董事以外)	3	3
		2011 US\$'000 千美元	2010 US\$'000 千美元
Basic salaries, other allowances and benefits in kind	基本薪金及其他津貼 和福利	495	494
Discretionary bonuses	酌情花紅	—	—
Employer's contribution to pension scheme and long service payment	僱主的退休金計劃供款及 付給長期服務金	159	15
Equity compensation	股本權益報酬	654 14	509 35
		668	544

The emoluments fell within the following bands:

酬金金額介乎以下範圍：

		Number of individuals	
		2011	2010
US\$150,001 to US\$200,000	150,001 美元至 200,000 美元	1	2
US\$200,001 to US\$250,000	200,001 美元至 250,000 美元	1	1
US\$250,001 to US\$300,000	250,001 美元至 300,000 美元	1	0

During the year, no emoluments have been paid to the Directors of the Company or the five highest paid individuals as an inducement to join or upon joining the Group (2010: Nil).

於年內，並無向本公司董事或五名最高薪人士支付任何酬金，作為吸引加入本集團或於加盟本集團時的獎勵(2010: 無)。

**(d) 集團內五名最高薪人士**

本集團五名最高薪人士包括兩名(2010: 兩名)董事，其酬金已於上述分析中反映。

餘下之三名最高薪人士的酬金如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 10. Income tax – Group

Hong Kong income tax has been provided at the rate of 16.5% (2010: 16.5%) while overseas income tax has been provided at the rates of taxation prevailing in the countries in which the Group operates.

No provision for Hong Kong income tax has been made as the Group has no estimated assessable profits for the years ended 31 December 2011 and 2010.

### 10. 所得稅 – 本集團

香港所得稅已分別根據稅率16.5% (2010: 16.5%) 而海外所得稅則根據本集團營運所在國家的適用稅率計算。

本集團於2011及2010年12月31日止年度內因無估計應課稅溢利而毋須作香港所得稅撥備。

		2011 US\$'000 千美元	2010 US\$'000 千美元
Current income tax:	本期所得稅：		
– Hong Kong	– 香港	—	—
– Overseas	– 海外	2	2
Write-back of income tax provision in prior years	以往年度估算所得稅的回撥	—	(301)
Deferred income tax (note 28)	遞延所得稅 (附註 28)	—	—
Income tax expenses/(credit)	所得稅支出 / (退回)	2	(299)

The tax on the Group's profit/loss before income tax differs from the theoretical amount that would arise using the income tax rate of Hong Kong, the Group's principal place of operation, as follows:

本集團有關除稅前溢利/虧損的所得稅項與假設採用香港(本集團的主要營運地點)的稅率而計算的理論稅額的差額如下：

		2011 US\$'000 千美元	2010 US\$'000 千美元
Profit/(loss) before income tax	除稅前溢利 / (虧損)	(17,589)	741
Income tax calculated at a tax rate of 16.5%	所得稅按 16.5% 稅率計算	(2,902)	122
Income not subject to tax	毋須課稅的收入	(317)	(831)
Expenses not deductible for tax purposes	不可作扣稅的開支	845	334
Income tax losses not recognized	未確認所得稅項之虧損	2,376	377
Write-back of income tax provision in prior years	以往年度估算所得稅的回撥	—	(301)
Income tax expenses/(credit)	所得稅支出 / (退回)	2	(299)

Deferred income tax assets are recognized for tax losses carry-forward to the extent that the realization of the related tax benefit through future taxable profits is probable. The Group did not recognize deferred income tax assets of US\$7,986,000 (2010: US\$5,611,000) in respect of losses amounting to US\$48,403,000 (2010: US\$34,006,000) that can be carried forward against future taxable profits. These tax losses have no expiry date.

因應稅項虧損之遞延所得稅資產會就未來應課稅溢利很有可能變現時作出確認。本集團未確認因應48,403,000美元(2010: 34,006,000美元)之稅項虧損的遞延所得稅資產7,986,000美元(2010: 5,611,000美元)，作為抵銷未來的應課稅溢利。該稅項虧損並無指定過期日。

### 11. Profit or loss attributable to the equity holders of the Company

The profit or loss attributable to the equity holders of the Company is dealt with in the financial statements of the Company to the extent of US\$11,739,000 loss in 2011 (2010 profit: US\$3,321,000).

### 11. 本公司權益持有人應佔溢利或虧損

本公司權益持有人應佔溢利或虧損於2011年本公司之財務報表列載為虧損11,739,000美元(2010溢利: 3,321,000美元)。

## 12. Earnings/loss per share

### (a) Basic earnings/loss per share

The basic earnings/loss per share for the year is calculated based on the Group's loss in 2011 attributable to the equity holders of the Company of US\$17,591,000 (2010 profit: US\$1,040,000) and the weighted average number of 2,452,286,337 (2010: 2,442,244,818) ordinary shares in issue excluding own shares held during the year.

### (b) Diluted earnings/loss per share

The diluted earnings/loss per share is calculated based on the Group's profit/loss attributable to the equity holders of the Company and the weighted average number of ordinary shares after adjusting for the effects of all dilutive potential ordinary shares including allocated but excluding unallocated own shares held during the years.

During the year ended 31 December 2011, the conversion of all dilutive share options outstanding and inclusion of allocated own shares held would have an anti-dilutive effect on the loss per share. Hence, there was no dilutive effect on the calculation of the diluted loss per share in 2011 (2010: 4,898,336 shares affected on the diluted earnings per share).

The information related to the weighted average number of ordinary shares is as follows:

		Number of shares 股份數目	
		2011	2010
Weighted average number of ordinary shares in issue	已發行加權平均普通股股數	2,452,286,337	2,442,244,818
Allocated own shares held under Share Award Scheme	根據股份獎勵計劃，已分配所持本身股份	1,102,927	6,935,562
Conversion of all dilutive share options outstanding	兌換所有可予發行具攤薄影響的流通購股權	—	4,898,336
Adjusted weighted average number of ordinary shares for diluted earnings/loss per share calculation	用作計算每股攤薄盈利／虧損的調整後平均普通股股數	2,453,389,264	2,454,078,716

## 13. Dividend

No dividend related to the years ended 31 December 2011 and 2010 was declared or paid during the year 2011. In addition, the Board resolved not to propose any final dividend for the year ended 31 December 2011.

## 12. 每股盈利／虧損

### (a) 每股基本盈利／虧損

每股基本盈利／虧損是根據本公司的權益持有人應佔本集團2011年之虧損17,591,000美元(2010溢利: 1,040,000美元)及本年內已發行普通股加權平均數2,452,286,337股(2010: 2,442,244,818股)計算。

### (b) 每股攤薄盈利／虧損

每股攤薄盈利／虧損乃根據本公司的權益持有人應佔本集團盈利／虧損及已就期內所有具攤薄影響的潛在普通股(包括已獲分配但除卻未獲分配所持本身股份)作出調整後之已發行加權平均普通股數計算。

於2011年12月31日止年度內，兌換所有可予發行具攤薄影響的流通購股權加上已獲分配所持本身股份於計算每股攤薄虧損是產生反攤薄影響。因此，2011年度並無每股攤薄虧損造成攤薄影響(2010: 4,898,336股影響每股攤薄盈利)。

加權平均普通股數的有關資料列載如下：

## 13. 股息

2011年內，並沒有宣派或派付任何關於截至2011及2010年12月31日止年度之股息。再者，董事會決議不建議宣派截至2011年12月31日止年度之末期股息。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 14. Goodwill and intangible assets – Group

### 14. 商譽及無形資產 – 本集團

		Goodwill 商譽 US\$'000 千美元	Patents and intellectual property 專利及知識產權 US\$'000 千美元	Total 總計 US\$'000 千美元
At 1 January 2010	於 2010 年 1 月 1 日			
Cost	成本	—	4,500	4,500
Accumulated amortization	累計攤銷	—	(4,500)	(4,500)
Net book amount	賬面淨值	—	—	—
Year ended 31 December 2010	截至 2010 年 12 月 31 日			
Opening net book amount	期初賬面淨值	—	—	—
Impairment charge	減值開支	—	—	—
Closing net book amount	期末賬面淨值	—	—	—
At 31 December 2010	於 2010 年 12 月 31 日			
Cost	成本	—	4,500	4,500
Accumulated amortization	累計攤銷	—	(4,500)	(4,500)
Net book amount	賬面淨值	—	—	—
<b>Year ended 31 December 2011</b>	<b>截至 2011 年 12 月 31 日</b>			
Opening net book amount	期初賬面淨值	—	—	—
Impairment charge	減值開支	—	—	—
Closing net book amount	期末賬面淨值	—	—	—
<b>At 31 December 2011</b>	<b>於 2011 年 12 月 31 日</b>			
Cost	成本	—	4,500	4,500
Accumulated amortization	累計攤銷	—	(4,500)	(4,500)
Net book amount	賬面淨值	—	—	—

### 15. Prepaid operating lease – Group

The prepaid operating lease represents payments of land use rights to the Beijing Municipal Bureau of Land and Resources. Land use rights are carried at cost less accumulated amortization and impairment losses. Amortization is provided to write off the cost of lease prepayment on a straight-line basis over the period of the rights which is 50 years.

### 15. 預付經營租賃款 – 本集團

預付經營租賃款為付予北京市國土資源和房產管理局的土地使用權費用。土地使用權以成本減累計攤銷及減值虧損列賬。攤銷以直線法於50年的使用權期間將預付經營租賃款作成本攤銷。

		2011 US\$'000 千美元	2010 US\$'000 千美元
At 1 January	於 1 月 1 日	1,185	—
Addition	添置	37	1,185
Amortization	攤銷	(26)	—
Exchange difference	匯兌差額	57	—
At 31 December	於 12 月 31 日	1,253	1,185
Cost	成本	1,279	1,185
Accumulated amortization	累計攤銷	(26)	—
Balance at 31 December	於 12 月 31 日的賬面值	1,253	1,185

## 16. Property, plant and equipment

## 16. 物業、機器及設備

		Group 本集團					Company 本公司	
		Land and building <sup>(i)</sup> 土地及樓宇 <sup>(i)</sup> US\$'000 千美元	Leasehold improvements 租賃物業裝修 US\$'000 千美元	Furniture, fixtures, licenses and equipment 傢具、固定裝置、特許許可證及設備 US\$'000 千美元	Machinery and laboratory equipment 機器及實驗室設備 US\$'000 千美元	Motor vehicles 汽車 US\$'000 千美元	Total 總計 US\$'000 千美元	Furniture, fixtures and office equipment 傢具、固定裝置及辦公室設備 US\$'000 千美元
<b>At 1 January 2010</b>	<b>於 2010 年 1 月 1 日</b>							
Cost	成本	1,662	2,532	12,255	18,243	189	34,881	611
Accumulated depreciation	累計折舊	(20)	(2,183)	(10,698)	(15,211)	(148)	(28,260)	(611)
Net book amount	賬面淨值	1,642	349	1,557	3,032	41	6,621	—
<b>Year ended 31 December 2010</b>	<b>截至 2010 年 12 月 31 日止年度</b>							
Opening net book amount	期初賬面淨值	1,642	349	1,557	3,032	41	6,621	—
Exchange differences	匯兌差額	168	16	(229)	808	—	763	—
Additions	添置	—	46	1,727	2,186	184	4,143	—
Disposals	註銷	—	—	(7)	(1)	—	(8)	—
Depreciation	折舊	(20)	(109)	(1,013)	(1,836)	(23)	(3,001)	—
Closing net book amount	期末賬面淨值	1,790	302	2,035	4,189	202	8,518	—
<b>At 31 December 2010</b>	<b>於 2010 年 12 月 31 日</b>							
Cost	成本	1,834	2,604	13,411	21,563	247	39,659	611
Accumulated depreciation	累計折舊	(44)	(2,302)	(11,376)	(17,374)	(45)	(31,141)	(611)
Net book amount	賬面淨值	1,790	302	2,035	4,189	202	8,518	—
<b>Year ended 31 December 2011</b>	<b>截至 2011 年 12 月 31 日止年度</b>							
Opening net book amount	期初賬面淨值	1,790	302	2,035	4,189	202	8,518	—
Exchange differences	匯兌差額	(59)	(1)	7	(512)	—	(565)	—
Additions	添置	—	23	575	373	—	971	—
Reclassification	重分類	—	96	(1)	(95)	—	—	—
Disposals	註銷	—	(1)	(37)	(1)	—	(39)	—
Depreciation	折舊	(21)	(132)	(1,104)	(1,645)	(79)	(2,981)	—
Closing net book amount	期末賬面淨值	1,710	287	1,475	2,309	123	5,904	—
<b>At 31 December 2011</b>	<b>於 2011 年 12 月 31 日</b>							
Cost	成本	1,772	2,820	13,702	19,631	254	38,179	611
Accumulated depreciation	累計折舊	(62)	(2,533)	(12,227)	(17,322)	(131)	(32,275)	(611)
Net book amount	賬面淨值	1,710	287	1,475	2,309	123	5,904	—

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 綜合財務報表附註 (續)

#### 16. Property, plant and equipment (continued)

- (i) Bank loan is secured by the land and building. Freehold land in Taiwan of US\$732,000 (2010: US\$757,000) was included in the land and building.
- (ii) Depreciation expense of US\$1,399,000 (2010: US\$1,530,000) has been charged in cost of sales, US\$1,136,000 (2010: US\$1,125,000) in research and development costs and US\$446,000 (2010: US\$346,000) in administrative expenses.
- (iii) The net book value of furniture, fixtures, licenses and equipment of US\$1,475,000 (2010: US\$2,035,000) includes an amount of US\$16,000 (2010: US\$45,000) in respect of assets held under finance leases.

#### 16. 物業、機器及設備 (續)

- (i) 銀行貸款以土地及樓宇作抵押。於台灣擁有永久業權的土地732,000美元(2010: 757,000美元)，包括在土地及樓宇中。
- (ii) 折舊開支1,399,000美元(2010: 1,530,000美元)已於銷售成本中支銷，而1,136,000美元(2010: 1,125,000美元)則於研究及開發成本中入賬及446,000美元(2010: 346,000美元)於行政開支中入賬。
- (iii) 在淨值為1,475,000美元(2010: 2,035,000美元)之傢具、固定裝置、特許可證及設備內包括了淨值為16,000美元(2010: 45,000美元)的租賃資產。

## 17. Investments in associated companies – Group

## 17. 於聯營公司的投資 – 本集團

		2011 US\$'000 千美元	2010 US\$'000 千美元
At 1 January	於 1 月 1 日	990	4,493
Investment during the year	年內投資	8,537	—
Transfer to available-for-sale financial assets	轉撥至可供出售財務資產	—	(1,951)
Share of results of associated companies	應佔聯營公司盈虧	(1,994)	(427)
Provision for impairment loss	減值撥備	—	(1,125)
At 31 December	於 12 月 31 日	7,533	990

### (a) Investment during the year

A Subscription Agreement was entered by the Group on 9 August 2011 to subscribe for approximately 24.0% newly issued shares of C2 at a cash consideration of US\$9 million. The details of the net assets of C2 as of the date of subscription of the shares are as follows:

### (a) 年內投資

本集團於2011年8月9日簽訂一份認購協議，以9百萬美元作價認購約24.0% C2新發行之股份。於認購股份當日 C2之資產淨值如下：

		Fair value 公平值 US\$'000 千美元	Unaudited 未經審計 2011 C2 Carrying amount in the books of the associated company 於聯營公司 賬項所列之面值 US\$'000 千美元
Cash and cash equivalents	現金及現金等價物	9,620	9,620
Intangible assets	無形資產	33,631	1,156
Property, plant and equipment	物業、機器及設備	349	349
Inventories	存貨	166	166
Trade and other receivables	應收款及其他應收款	1,077	1,077
Trade and other payables	應付款及其他應付款	(9,272)	(9,272)
Net assets	資產淨值	35,571	3,096
Share of fair value of net assets	應佔資產淨值之公平值	8,537	
Share of fair value of derivative financial instruments	應佔衍生金融 工具之公平值	463	
Cash consideration	現金償付	(9,000)	
Goodwill	商譽	—	

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 17. Investments in associated companies – Group

(continued)

#### (b) Aggregated assets & liabilities and the results of the year

The aggregated assets (excluding goodwill) and liabilities together with the results of the year of the Group's associated companies, all of which are unlisted, are as follows:

### 17. 於聯營公司的投資 – 本集團 (續)

#### (b) 總資產及負債和年度業績

本集團於聯營公司 (所有均為非上市公司) 的總資產 (不包括商譽) 及負債和年度業績列載如下:

Associated Companies 聯營公司	Place of incorporation and operation 註冊成立及營運地點	Principal activities 主要業務	Particulars of issued shares held 持有已發行股份的詳情	As at 31 December 2011 於 2011 年 12 月 31 日		For the year ended 31 December 2011 截至 2011 年 12 月 31 日止年度		Interest held 持有權益
				Assets 資產 US\$'000 千美元	Liabilities 負債 US\$'000 千美元	Revenue 收入 US\$'000 千美元	Profit/(loss) 溢利/(虧損) US\$'000 千美元	
Beijing LED Lighting Engineering Co., Ltd 北京愛爾益地照明工程有限公司	PRC 中國	LED system design and contract installation LED 系統設計及工程安裝	23.5% of the registered and paid-up capital of CNY20,000,000 人民幣 20,000,000 已註冊及繳足資本之 23.5% 權益	3,217	250	2,621	190	23.5%
C2 Microsystems Inc.	USA 美國	Design, development and sales of multimedia SoC solutions for Smart TV. 設計、開發及銷售智能電視的 SoC 解決方案	34,403,670 of Series C Preferred Shares of US\$0.001 each 34,403,670 股，每股面值 0.001 美元的 C 系列優先股	4,514	5,465	1,391	(9,692)	24.0%
EPD Technology Limited	Hong Kong 香港	Design, development, manufacturing & distribution of E-paper display modules 設計、開發、製造及分銷電子紙顯示屏模組	100,000 ordinary shares of HK\$1 each 100,000 股，每股面值 1 港元的普通股	30	2,400	42	(107)	40.0%
Kitronix Limited 奇創力有限公司	Hong Kong 香港	Design, development, manufacturing & distribution of LCD modules 設計、開發、製造及分銷液晶顯示屏模組	9,500,000 ordinary shares of HK\$1 each 9,500,000 股，每股面值 1 港元的普通股	2,452	248	—	(1,386)	25.0%
Shenzhen aigo Research and Development Co., Ltd 深圳市愛國者嵌入式系統科技有限公司	PRC 中國	Design, development and distribution of mobile multimedia solutions 設計、開發及銷售流動多媒體解決方案	20% of the registered and paid-up capital of CNY 5,000,000 人民幣 5,000,000 已註冊及繳足資本之 20% 權益	278	290	94	(628)	20.0%



**(b) Aggregated assets & liabilities and the results of the year** (continued)

**(b) 總資產及負債和年度業績** (續)

Associated Companies 聯營公司	Place of incorporation and operation 註冊成立及營運地點	Principal activities 主要業務	Particulars of issued shares held 持有已發行股份的詳情	As at 31 December 2010 於2010年12月31日		For the year ended 31 December 2010 截至2010年12月31日止年度		Interest held 持有權益
				Assets US\$'000 千美元	Liabilities US\$'000 千美元	Revenue US\$'000 千美元	Loss US\$'000 千美元	
Beijing LED Lighting Engineering Co., Ltd 北京愛爾益地照明工程有限公司	PRC 中國	LED system design and contract installation LED系統設計及工程安裝	47% of the registered and paid-up capital of CNY10,000,000 人民幣10,000,000已註冊及繳足資本之47%權益	1,671	523	2,154	(250)	47.0%
EPD Technology Limited	Hong Kong 香港	Design, development, manufacturing & distribution of E-paper display modules 設計、開發、製造及分銷電子紙顯示屏模組	100,000 ordinary shares of HK\$1 each 100,000股，每股面值1港元的普通股	135	2,412	34	(124)	40.0%
Kitronix Limited 奇創力有限公司	Hong Kong 香港	Design, development, manufacturing & distribution of LCD modules 設計、開發、製造及分銷液晶顯示屏模組	9,500,000 ordinary shares of HK\$1 each 9,500,000股，每股面值1港元的普通股	4,223	809	3,810	(1,633)	25.0%
Shenzhen aigo Research and Development Co., Ltd 深圳市愛國者嵌入式系統科技有限公司	PRC 中國	Design, development and distribution of mobile multimedia solutions 設計、開發及銷售流動多媒體解決方案	20% of the registered and paid-up capital of CNY5,000,000 人民幣5,000,000已註冊及繳足資本之20%權益	810	370	256	(494)	20.0%

**18. Investments in subsidiaries**

**18. 於附屬公司的投資**

**(a) Investments in subsidiaries**

**(a) 於附屬公司的投資**

		2011 US\$'000 千美元	Company 本公司 2010 US\$'000 千美元
Investments in unlisted shares, at cost	非上市股份投資，按成本	68,449	68,412
Provision for impairment loss	減值撥備	(11,736)	(2,048)
		56,713	66,364

Following the capital injection schedule, US\$1,800,000 was injected to SSBJ during the year. The balance of US\$2 million of registered capital has been paid up in February 2012.

根據資本注入時間表，1,800,000美元已於年內注入晶門北京。餘下的2百萬美元註冊資本已於2012年2月注入。

The provision for impairment was concluded from the assessment of the cash flow position of the subsidiaries, taking into consideration of the forecasted performance and development of those subsidiaries by management.

減值撥備經管理層對附屬公司未來表現及發展的現金流量情況評估後而作出。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 18. Investments in subsidiaries (continued)

#### (b) Amounts due from/to subsidiaries

		Company 本公司	
		2011 US\$'000 千美元	2010 US\$'000 千美元
Amounts due from subsidiaries	應收附屬公司款	34,826	22,904
Provision for impairment loss	減值撥備	(2,427)	(2,368)
		<b>32,399</b>	<b>20,536</b>
Amounts due to subsidiaries	應付附屬公司款	(119)	(48)

The amounts due from/to subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

The carrying value of the amounts due from/to subsidiaries approximate their respective fair values.

### 18. 於附屬公司的投資 (續)

#### (b) 應收／應付附屬公司款

應收／應付附屬公司款為無抵押、免息及無固定償還期限。

應收／應付附屬公司款的賬面值與公平值接近。

#### (c) Particulars of subsidiaries

The following is a list of the principal subsidiaries at 31 December 2011:

#### (c) 有關附屬公司的詳情

於2011年12月31日，本集團的主要附屬公司列載如下：

Name 公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法定地位	Principal activities and place of operation 主要業務及營運地點	Particulars of capital 股本詳情	Interest held 持有權益
<b>Directly held:</b> 直接持有：				
Solomon Systech Limited 晶門科技有限公司	HK, LLC 香港，有限公司	Design, development, distribution of IC and system solutions, HK 設計、開發及分銷集成 電路晶片與系統解決方案，香港	188,585,271 ordinary shares of HK\$1 each 188,585,271 股每股面值 1 港元的普通股	100%
Ample Pacific Limited	BVI, LLC BVI，有限公司	Investment holding, HK 投資控股，香港	50,000 ordinary shares of US\$1 each 50,000 股每股面值 1 美元的普通股	100%
Broadwood Global Limited 博活環球有限公司	BVI, LLC BVI，有限公司	Investment holding, HK 投資控股，香港	50,000 ordinary shares of US\$1 each 50,000 股每股面值 1 美元的普通股	100%
Cornway International Limited	BVI, LLC BVI，有限公司	Investment holding, HK 投資控股，香港	50,000 ordinary shares of US\$1 each 50,000 股每股面值 1 美元的普通股	100%
In Achieve Limited 達晉有限公司	BVI, LLC BVI，有限公司	Investment holding, HK 投資控股，香港	50,000 ordinary shares of US\$1 each 50,000 股每股面值 1 美元的普通股	100%
Mentor Ventures Limited	BVI, LLC BVI，有限公司	Investment holding, HK 投資控股，香港	50,000 ordinary shares of US\$1 each 50,000 股每股面值 1 美元的普通股	100%
Pac-Pacific Limited 通洋有限公司	HK, LLC 香港，有限公司	Investment holding, HK 投資控股，香港	2 ordinary shares of HK\$1 each 2 股每股面值 1 港元的普通股	100%
WE3 Ventures Limited	BVI, LLC BVI，有限公司	Investment holding, HK 投資控股，香港	108,930 ordinary shares of US\$0.01 each 108,930 股每股面值 0.01 美元的普通股	100%

**(c) Particulars of subsidiaries** (continued)**(c) 有關附屬公司的詳情** (續)

Name 公司名稱	Place of incorporation and kind of legal entity 註冊成立地點及法定地位	Principal activities and place of operation 主要業務及營運地點	Particulars of capital 股本詳情	Interest held 持有權益
<b>Indirectly held:</b> <b>間接持有：</b>				
Jing Guang Semiconductors (Dongguan) Limited 東莞晶廣半導體有限公司	PRC, LLC 中國，有限公司	Manufacturing of IC, China 製造集成電路晶片，中國	US\$7,500,000 registered and paid up capital 7,500,000 美元已註冊及繳足資本	100%
Loyal Creative Limited 來建有限公司	HK, LLC 香港，有限公司	Investment holding, HK 投資控股，香港	1 ordinary share of HK\$1 each 1 股每股面值 1 港元的普通股	100%
Solomon Systech (Beijing) Limited 晶門科技（北京）有限公司	PRC, LLC 中國，有限公司	Design and distribution of IC, China 設計及分銷集成電路晶片，中國	US\$8,000,000 registered capital, US\$6,000,000 paid up 8,000,000 美元已註冊資本， 6,000,000 美元已繳足	100%
Solomon Systech Inc.	USA, LLC 美國，有限公司	Market research, USA 市場研究，美國	20,000 ordinary shares of US\$1 each 20,000 股每股面值 1 美元的普通股	100%
Solomon Systech Japan Company Limited	Japan, LLC 日本，有限公司	Market research, Japan 市場研究，日本	10,000 ordinary shares of JPY1,000 each 10,000 股每股面值 1 千日元的普通股	100%
Solomon Systech Pte. Limited	Singapore, LLC 新加坡，有限公司	Design and distribution of IC, Singapore 設計及分銷集成電路晶片， 新加坡	480,000 ordinary shares of SGD1 each 480,000 股每股面值 1 新加坡元的普通股	100%
Solomon Systech (Shenzhen) Limited 晶門科技（深圳）有限公司	PRC, LLC 中國，有限公司	Design and distribution of IC, China 設計及分銷集成電路晶片， 中國	HK\$8,000,000 registered and paid up capital 8,000,000 港元已註冊及繳足資本	100%
Solomon Systech Taiwan Limited 晶門科技股份有限公司	ROC, LLC 中華民國，有限公司	Market research, Taiwan 市場研究，台灣	5,000,000 ordinary shares of NT\$10 each 5,000,000 股每股面值 10 新台幣的普通股	100%
Systech Technology China Limited 晶門電子科技中國有限公司	HK, LLC 香港，有限公司	Investment holding, HK 投資控股，香港	10,000 ordinary shares of HK\$1 each 10,000 股每股面值 1 港元的普通股	100%
WE3 Technology Company Limited 維駿科技有限公司	HK, LLC 香港，有限公司	Design, development & distribution of handset solutions, HK 設計、發展及分銷手提電話 解決方案，香港	32,390,000 ordinary shares of HK\$1 each 32,390,000 股每股面值 1 港元的普通股	100%
維深通訊（深圳）有限公司	PRC, LLC 中國，有限公司	Design and development of electronic & wireless application, China 設計及發展電子和無線電應用， 中國	HK\$600,000 registered and paid up capital 600,000 港元已註冊及繳足資本	100%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 19. Available-for-sale financial assets – Group

### 19. 可供出售財務資產 – 本集團

		2011 US\$'000 千美元	2010 US\$'000 千美元
Unlisted shares, at cost	非上市股份，按成本	4,941	4,781
Transfer from an investment in associated company	由聯營公司的投資 轉入	—	2,506
Disposal	出售	—	(2,346)
		4,941	4,941
Provision for impairment loss	減值撥備	(2,435)	(2,435)
		2,506	2,506

There is no disposal of available-for-sale financial assets during 2011. A disposal was made in 2010. The proceeds from disposal of the available-for-sale financial asset is listed below:

於2011年內並無處分可供出售財務資產。一項投資已於2010年內出售。出售可供出售財務資產的所得款項列載如下：

		2011 US\$'000 千美元	2010 US\$'000 千美元
Unlisted shares, at cost	非上市股份，按成本	—	2,346
Provision for impairment loss	減值撥備	—	—
Unlisted shares – net	非上市股份 – 淨值	—	2,346
Gain on disposal (note 8)	出售的收益 (附註 8)	—	3,186
Proceeds from disposal	出售所得款項	—	5,532

## 20. Cash and cash equivalents, short-term fixed deposits and other financial assets

## 20. 現金及現金等價物、短期定期存款及其他財務資產

		Group 本集團		Company 本公司	
		2011 US\$'000 千美元	2010 US\$'000 千美元	2011 US\$'000 千美元	2010 US\$'000 千美元
Cash at bank and in hand	銀行存款及現金	18,716	24,375	4,775	5,447
Short-term bank deposits <sup>(i)</sup>	短期銀行存款 <sup>(i)</sup>	32,944	26,727	27,087	26,051
Cash and cash equivalents	現金及現金等價物	51,660	51,102	31,862	31,498
Short-term fixed deposits <sup>(ii)</sup>	短期定期存款 <sup>(ii)</sup>	17,976	27,219	13,824	26,218
Other financial assets <sup>(iii)</sup>	其他財務資產 <sup>(iii)</sup>	2,476	1,278	2,476	1,278
		72,112	79,599	48,162	58,994

(i) The effective interest rate on short-term bank deposits was 0.9% per annum (2010: 0.5% per annum); these deposits have an average maturity of 35 days (2010: 19 days).

(ii) The effective interest rate on short-term fixed deposits was 1.5% per annum (2010: 1.3% per annum); these deposits have an average maturity of 197 days (2010: 169 days).

(iii) Other financial assets represent the structured bank deposits. These deposits had interest rate ranging from 1.6% to 1.85% (2010: 0.3% to 0.75%) and an average maturity of 123 days (2010: 29 days) in 2011.

The carrying amounts of the Group's and the Company's cash and cash equivalents, short-term fixed deposits and other financial assets are denominated in the following currencies:

(i) 短期銀行存款的實際年利率為0.9% (2010: 年利率為0.5%) ; 該等存款的平均期限為35日 (2010: 19日) 。

(ii) 短期定期存款的實際年利率為1.5% (2010: 年利率為1.3%) ; 該等存款的平均期限為197日 (2010: 169日) 。

(iii) 其他財務資產為結構性銀行存款。於2011年內，此等存款的年利率自1.6%至1.85% (2010: 0.3%至0.75%)，平均期限為123日 (2010: 29日) 。

本集團及本公司之現金及現金等價物、短期定期存款及其他財務資產的賬面值按不同幣值分配如下：

		Group 本集團		Company 本公司	
		2011 US\$'000 千美元	2010 US\$'000 千美元	2011 US\$'000 千美元	2010 US\$'000 千美元
USD	美元	53,264	66,898	41,518	51,868
HKD	港元	3,694	3,720	3,157	1,733
CNY	人民幣	11,744	5,052	478	1,854
Other currencies	其他幣值	3,410	3,929	3,009	3,539
		72,112	79,599	48,162	58,994

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 21. Inventories – Group

### 21. 存貨 – 本集團

		2011 US\$'000 千美元	2010 US\$'000 千美元
Finished goods	成品	4,349	5,216
Raw materials and work in progress	原材料及在製品	9,624	14,216
		<b>13,973</b>	19,432
Provision for obsolete or slow moving inventories	過時或滯銷存貨的撥備	<b>(6,886)</b>	(5,654)
		<b>7,087</b>	13,778

The cost of inventories recognized as an expense and included in cost of sales amounted to US\$32,330,000 (2010: US\$59,090,000).

確認為開支並計入銷售成本的存貨成本達32,330,000美元(2010: 59,090,000美元)。

Movements on the provision for obsolete or slow moving inventories are as follows:

過時或滯銷存貨的撥備的變動分析如下：

		2011 US\$'000 千美元	2010 US\$'000 千美元
At 1 January	於1月1日	5,654	6,026
Scrap of inventories against provision	存貨報廢	<b>(1,632)</b>	(553)
Provision for obsolete or slow moving inventories charged to consolidated income statement	於綜合損益表支銷的過時或滯銷存貨的撥備	<b>2,864</b>	181
At 31 December	於12月31日	<b>6,886</b>	5,654

## 22. Trade and other receivables – Group

## 22. 應收款及其他應收款 – 本集團

		2011 US\$'000 千美元	2010 US\$'000 千美元
Trade receivables	應收款	6,492	13,242
Provision for impairment	減值撥備	(153)	—
Trade receivables - net	應收款 – 淨額	6,339	13,242
Receivables from related parties (note 34)	關聯方應收款 (附註 34)	57	85
Deposits, prepayments and other receivables <sup>(i)</sup>	訂金、預付款及其他應收款 <sup>(i)</sup>	2,860	9,150
Prepayments to related parties (note 34)	關聯方預付款 (附註 34)	102	—
		<b>9,358</b>	<b>22,477</b>

(i) The figure of 2010 included US\$5,532,000 proceeds on disposal of an available-for-sale financial asset in the year 2010.

(i) 2010年的數字包括5,532,000美元於2010年度出售可供出售財務資產的應收未收款。

As at 31 December 2011, the Group's trade receivables from corporate customers were mainly on credit terms of 30 to 90 days. The ageing analysis of trade receivables not impaired (include receivables from related parties) based on overdue days is as follows:

於2011年12月31日，本集團對公司客戶之應收款信貸期主要為30日至90日。減值撥備前應收款(包括關聯方應收款)以過期日起的賬齡分析如下：

		2011 US\$'000 千美元	2010 US\$'000 千美元
Current	即期	4,106	10,876
1 - 30 days	1 日至 30 日	1,806	2,330
31 - 60 days	31 日至 60 日	448	120
61 - 90 days	61 日至 90 日	10	—
91 - 180 days	91 日至 180 日	26	—
181 - 365 days	181 日至 365 日	—	1
		<b>2,290</b>	<b>2,451</b>
		<b>6,396</b>	<b>13,327</b>

As at 31 December 2011, trade receivables of US\$2,290,000 (2010: US\$2,451,000) were considered past due if measured strictly against the credit terms offered. The overdue sum is not impaired since the majority of the overdue sum has been settled after the balance sheet date.

於2011年12月31日，逾期之應收款為2,290,000美元(2010: 2,451,000美元)。如應收款到期日超於本集團所付予之信貸限期，將分類為逾期未收。該等逾期未收之款項並未作減值，因大部分逾期未收之款項於結算日後已收訖。

As at 31 December 2011, US\$153,000 of trade receivables was impaired and provided for (2010: Nil).

於2011年12月31日，153,000美元之應收款已被減值及撥備(2010: 無)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 22. Trade and other receivables – Group (continued)

The ageing of these impaired receivables by overdue date is as follows:

		2011 US\$'000 千美元	2010 US\$'000 千美元
91 - 180 days	91 日至 180 日	147	—
181 - 365 days	181 日至 365 日	6	—
		<b>153</b>	—

Movements on the Group's provision for impairment of trade receivables are as follows:

### 22. 應收款及其他應收款 – 本集團 (續)

已被減值應收款以逾期日起的賬齡分析如下：

本集團之應收款減值撥備之變動如下：

		2011 US\$'000 千美元	2010 US\$'000 千美元
At 1 January	於 1 月 1 日	—	—
Provision for impairment of receivables	應收款減值撥備	153	—
At 31 December	於 12 月 31 日	<b>153</b>	—

The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

本集團之應收款及其他應收款的賬面值按不同幣值之分配如下：

		2011 US\$'000 千美元	2010 US\$'000 千美元
USD	美元	6,898	20,857
HKD	港元	1,244	805
CNY	人民幣	1,018	603
Other currencies	其他幣值	198	212
		<b>9,358</b>	22,477

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. The Group does not hold any collateral as security.

於報告日的最高信貸風險為以上提及的每一類應收款的賬面值。本集團並沒有持有任何附帶的抵押品。



## 23. Financial assets at fair value through profit or loss

## 23. 通過損益以反映公平價值的財務資產

		Group 本集團		Company 本公司	
		2011 US\$'000 千美元	2010 US\$'000 千美元	2011 US\$'000 千美元	2010 US\$'000 千美元
<b>Unlisted</b>	<b>非上市</b>				
Equity-linked deposits	與股票掛鈎的定期存款	348	1,481	348	1,481
Deposit notes	存款票據	7,842	6,515	3,342	2,000
Investment fund	投資基金	—	1,048	—	—
<b>Marketable bonds</b>	<b>可買賣債券</b>	<b>4,080</b>	<b>7,106</b>	<b>3,017</b>	<b>4,921</b>
<b>Listed in Hong Kong</b>	<b>於香港上市</b>				
Equity securities	股票	7,267	8,291	7,267	8,291
Fund	基金	602	593	602	593
		<b>20,139</b>	<b>25,034</b>	<b>14,576</b>	<b>17,286</b>

Changes in fair values of FVTPL are recorded in finance income/costs — net in the consolidated income statement (note 8).

The fair values of listed financial instruments are based on quoted market prices at the balance sheet date. The equity-linked deposits are structured products linked to equity price which are not listed but with active valuation from reputable financial institution. The fair values of these unlisted financial instruments are determined by reference to the dealer's quote or input from reputable financial institutions.

The carrying amounts of FVTPL are denominated in the following currencies:

FVTPL之公平值之變動紀錄於綜合損益表中的投資收入／成本－淨額(附註8)。

上市的金融工具之公平值是基於結算日的市場報價。與股票掛鈎的定期存款是與非上市股票價值掛鈎的結構性產品，但可於有良好商譽的金融機構提供報價。該等非上市金融工具的公平值之釐定是取決於合適的參考發行商的報價或良好商譽的金融機構資料。

FVTPL的賬面值按不同幣值之分配如下：

		Group 本集團		Company 本公司	
		2011 US\$'000 千美元	2010 US\$'000 千美元	2011 US\$'000 千美元	2010 US\$'000 千美元
<b>Monetary:</b>	<b>貨幣性：</b>				
USD	美元	10,273	13,706	4,710	5,958
HKD	港元	950	1,115	950	1,115
Other currencies	其他幣值	1,649	1,922	1,649	1,922
<b>Non-monetary:</b>	<b>非貨幣性：</b>				
HKD	港元	7,267	8,291	7,267	8,291
		<b>20,139</b>	<b>25,034</b>	<b>14,576</b>	<b>17,286</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 24. Share capital

### 24. 股本

		2011		2010	
		Number of shares 股份數目	US\$'000 千美元	Number of shares 股份數目	US\$'000 千美元
Authorized:	法定：				
– Ordinary shares of HK\$0.10 each	— 每股面值 0.10 港元的普通股	5,000,000,000	64,433	5,000,000,000	64,433
Issued and fully paid:	已發行及繳足：				
At 1 January	於 1 月 1 日	2,453,302,351	31,619	2,447,302,351	31,542
Exercise of share options	購股權獲行使	3,000,000	39	6,000,000	77
At 31 December	於 12 月 31 日	2,456,302,351	31,658	2,453,302,351	31,619

## 25. Employee compensation scheme

### (a) The Share Option Scheme

The Company adopted the Share Option Scheme at an extraordinary meeting held on 25 February 2004 and a meeting of the Board on 19 March 2004 under which options may be granted to subscribe for the Company's shares. The terms of the Scheme are in accordance with the provisions of the Chapter 17 of the Listing Rules on the Stock Exchange.

On 30 September 2011, options to subscribe for 9,600,000 new shares of the Company were granted by the Company to directors of the Company and senior management of the Group at a nominal consideration of HK\$1.0 payable by each grantee under the Share Option Scheme. These options are exercisable during the period from 1 October 2012 to 30 September 2014 at the exercise price of HK\$0.1634 per share.

Movements in the number of share options outstanding and their related exercise prices are as follows:

Grant date 授出日期	Exercise price per share HKS 每股行使價 港元	Held at 1 January 2011 於 2011 年 1 月 1 日 持有	Movement during the year 年內之變動				Held at 31 December 2011 於 2011 年 12 月 31 日 持有	Expiry date 到期日
			Granted 已授出	Exercised <sup>(i)</sup> 已行使 <sup>(i)</sup>	Forfeited and cancelled 已放棄並註銷	Lapsed 已失效		
7 February 2007 2007 年 2 月 7 日	1.4300	1,528	—	—	—	(1,528)	—	31 March 2011 2011 年 3 月 31 日
7 February 2007 2007 年 2 月 7 日	1.4300	2,220	—	—	—	—	2,220	31 March 2012 2012 年 3 月 31 日
24 July 2008 2008 年 7 月 24 日	0.2750	3,000	—	(3,000)	—	—	—	30 June 2011 2011 年 6 月 30 日
13 July 2009 2009 年 7 月 13 日	0.6320	11,000	—	—	—	—	11,000	30 June 2012 2012 年 6 月 30 日
28 June 2010 2010 年 6 月 28 日	0.6200	12,000	—	—	—	—	12,000	30 June 2013 2013 年 6 月 30 日
30 September 2011 2011 年 9 月 30 日	0.1634	—	9,600	—	—	—	9,600	30 September 2014 2014 年 9 月 30 日
		29,748	9,600	(3,000)	—	(1,528)	34,820	

(i) Options exercised in 2011 resulted in 3,000,000 shares (2010: 6,000,000 shares) being issued at a weighted average price of HK\$0.275 each (2010: HK\$0.275 each).

## 25. 股本權益報酬計劃

### (a) 購股權計劃

本公司亦已採納分別於2004年2月25日舉行的股東特別大會上及於2004年3月19日舉行的董事會會議上批准的購股權計劃，據此，可授出購股權以認購本公司股份。該計劃的條款是遵照聯交所上市規則第17章的條文。

於2011年9月30日，本公司根據購股權計劃按每名承授人以象徵式代價1.0港元，授出可認購本公司合共9,600,000股新股份的購股權予本公司董事及本集團管理層。該購股權可於2012年10月1日至2014年9月30日期間行使，其行使價為每股0.1634港元。

尚未行使購股權數目的變動及其有關行使價列載如下：

(i) 2011年購股權行使導致以每股加權平均價0.275港元(2010: 每股0.275港元)發行了3,000,000股股份(2010: 6,000,000股股份)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 25. Employee compensation scheme (continued)

#### (a) The Share Option Scheme (continued)

The Company has been using the Black-Scholes Valuation Model to value the share options granted. The key parameters used in the Model and the corresponding fair values of the options granted during 2011 and 2010 are listed below:

		2011	2010
Date of grant	授出日期	30 September 9月30日	28 June 6月28日
Number of share options granted	已授出購股權數目	9,600,000	12,000,000
Total option value	購股權總值	US\$59,000 HK\$459,000	US\$242,000 HK\$1,877,000
Share price at date of grant (HK\$)	授出日期的股價 (港元)	0.1570	0.6200
Exercise price (HK\$)	行使價 (港元)	0.1634	0.6200
Expected life of options	購股權的預期限期	2 years 2年	2 years 2年
Annualized volatility	年化波幅	57.7%	48.2%
Risk free interest rate	無風險利率	0.19%	0.76%
Dividend payout rate	派息率	—	1.6%

The Black-Scholes Valuation Model is used to estimate the fair values of European share options. The fair values calculated are inherently subjective and uncertain due to the assumptions made and the limitations of the Model used. The value of an option varies with different variables of certain subjective assumptions. Any change in variables so adopted may materially affect the estimation of the fair value of an option.

The volatility measured at the standard deviation of continuously compounded share returns is based on statistical analysis of daily closing share prices over the last two years.

### 25. 股本權益報酬計劃 (續)

#### (a) 購股權計劃 (續)

本公司利用畢蘇購股權訂價模式計算已授出的購股權。於2011年及2010年內已授出購股權的公平值及應用此模式的主要參考數據如下：

畢蘇購股權訂價模式是用來估算歐式購股權的公平值。計算出的公平值受給定假設和模式自身限制而具有固有的主觀性及不確定。購股權的價值會隨著某些主觀假設的不同變數而改變。所採用的變數的任何改變可能會對購股權公平值的估算造成重大影響。

波幅乃基於過去兩年每日股份收市價的統計分析之股份複合回報之標準差計算出來。

## (b) The Share Award Plan

The Share Award Plan was adopted by the Company at an extraordinary general meeting held on 25 February 2004 and the Board on 19 March 2004 with an initial pool of 46,223,520 shares held by HSBC Institutional Trust Services (Asia) Limited as Trustee for the benefit of the directors and employees.

Under the terms and conditions of the grant, 40% of the shares will be vested 1 year from the grant date and the remaining 60% will be vested 2 years from the grant date. The pool of shares brought forward at the time of listing of the Company has been allocated to grantees. At 31 December 2011, the number of shares allocated but remained unvested under the Trustee for directors and employees of the Group was 1,967,520 while the total number of shares held by the Trustee was 1,544,000.

Shares held by Trustee under the Share Award Plan are listed below:

		Number of shares 股份數目	
		2011	2010
At 1 January	於 1 月 1 日	3,543,520	10,547,520
Share purchased by the Trustee from market	受托人於市場購入之股份	—	2,000,000
Shares vested during the year	於年內歸屬的股份	(1,576,000)	(9,004,000)
At 31 December	於 12 月 31 日	1,967,520	3,543,520

The following is a summary of the shares granted, vested and forfeited during the year since the set up of the Share Award Plan:

			Number of shares (in thousand unit) 股份數目 (以千位計)				
			2011	2010	2009	2008	2004-2007
Granted during the year	年內授出	Cumulative Total 累計總數 71,700	1,100	860	2,800	15,670	51,270
Forfeited	已放棄	(7,632)	—	(88)	(476)	(2,126)	(4,942)
Vested	已歸屬	(62,524)	—	(328)	(2,324)	(13,544)	(46,328)
Allocated but not vested	已授出但未歸屬	1,544	1,100	444	—	—	—

The Group has adopted the requirements under HKFRS 2 to account for the equity compensation expenses of the shares granted at the date of grant at fair value.

## (b) 股份獎勵計劃

股份獎勵計劃於2004年2月25日舉行的股東特別大會獲本公司及於2004年3月19日獲董事會採納，初始涉及46,223,520股股份，由HSBC Institutional Trust Services (Asia) Limited以受託人身份持有，受益人則為董事及僱員。

根據股份授予受益人的條款及條件，40%股份將於授出日期後一年歸屬，而餘下60%則於授出日期後兩年歸屬。本公司上市時於股份獎勵計劃中所餘下的股份已分配予承授人。於2011年12月31日，已授予本集團的董事及僱員但仍未歸屬的股份為1,544,000股，而受託人持有的全部受託股份為1,967,520股。

作為受託人所持有的股份獎勵計劃內之股份如下：

以下為自設立股份獎勵計劃以來於年內已授出、已歸屬及已放棄股份的概要：

本集團已遵照香港財務報告準則第2號之要求，為股本權益報酬開支按股份授出日期的適用公平值入賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 26. Reserves

### 26. 儲備

		Group 本集團							
		Share premium 股份溢價 US\$'000 千美元	Own shares held 所持 本身股份 US\$'000 千美元	Merger reserve 合併儲備 US\$'000 千美元	Exchange reserve 匯兌儲備 US\$'000 千美元	Equity compensation reserve 股本權益 報酬儲備 US\$'000 千美元	Other reserve 其他儲備 US\$'000 千美元	Retained earnings/ (accumulated losses) 保留盈利/ (累計虧損) US\$'000 千美元	Total 總計 US\$'000 千美元
At 1 January 2010	於 2010 年 1 月 1 日	82,855	(858)	2,082	650	15,804	230	3,526	104,289
<b>Comprehensive income</b>	<b>全面收入</b>								
Profit for the year	年內溢利	—	—	—	—	—	—	1,040	1,040
Currency translation differences	外幣換算差額	—	—	—	769	—	—	—	769
Total comprehensive income	全面收入總計	—	—	—	769	—	—	1,040	1,809
<b>Transactions with owners</b>	<b>股東交易</b>								
2009 final dividend paid, net of portion for own shares held	已派 2009 年度末期股息，扣除所持本身股份部份	—	—	—	—	—	—	(3,166)	(3,166)
Shares issued from exercise of share options	購股權獲行使而發行的股份	135	—	—	—	—	—	—	135
Shares purchased for Share Award Plan	回購股份用於股份獎勵計劃	—	(174)	—	—	—	—	—	(174)
Equity compensation	股本權益報酬	—	753	—	—	449	—	(753)	449
Total transactions with owners	全部股東交易	135	579	—	—	449	—	(3,919)	(2,756)
At 31 December 2010	於 2010 年 12 月 31 日	82,990	(279)	2,082	1,419	16,253	230	647	103,342
At 1 January 2011	於 2011 年 1 月 1 日	82,990	(279)	2,082	1,419	16,253	230	647	103,342
<b>Comprehensive loss</b>	<b>全面虧損</b>								
Loss for the year	年內虧損	—	—	—	—	—	—	(17,591)	(17,591)
Currency translation differences	外幣換算差額	—	—	—	(233)	—	—	—	(233)
Total comprehensive loss	全面虧損總計	—	—	—	(233)	—	—	(17,591)	(17,824)
<b>Transactions with owners</b>	<b>股東交易</b>								
Shares issued from exercise of share options	購股權獲行使而發行的股份	68	—	—	—	—	—	—	68
Equity compensation	股本權益報酬	—	112	—	—	174	—	(112)	174
Total transactions with owners	全部股東交易	68	112	—	—	174	—	(112)	242
At 31 December 2011	於 2011 年 12 月 31 日	83,058	(167)	2,082	1,186	16,427	230	(17,056)	85,760

		Company 本公司			
		Share premium 股份溢價 US\$'000 千美元	Equity compensation reserve 股本權益 報酬儲備 US\$'000 千美元	Retained earnings/ (accumulated losses) 保留盈利/ (累計虧損) US\$'000 千美元	Total 總計 US\$'000 千美元
At 1 January 2010	於 2010 年 1 月 1 日	108,469	15,804	6,783	131,056
<b>Comprehensive income</b>	<b>全面收入</b>				
Profit for the year	年內溢利	—	—	3,321	3,321
<b>Transactions with owners</b>	<b>股東交易</b>				
2009 final dividend paid	已派 2009 年度末期股息	—	—	(3,166)	(3,166)
Shares issued from exercise of share options	購股權獲行使而發行的股份	135	—	—	135
Equity compensation	股本權益報酬	—	449	—	449
Total transactions with owners	全部股東交易	135	449	(3,166)	(2,582)
At 31 December 2010	於 2010 年 12 月 31 日	108,604	16,253	6,938	131,795
At 1 January 2011	於 2011 年 1 月 1 日	<b>108,604</b>	<b>16,253</b>	<b>6,938</b>	<b>131,795</b>
<b>Comprehensive loss</b>	<b>全面虧損</b>				
Loss for the year	年內虧損	—	—	(11,739)	(11,739)
<b>Transactions with owners</b>	<b>股東交易</b>				
Shares issued from exercise of share options	購股權獲行使而發行的股份	68	—	—	68
Equity compensation	股本權益報酬	—	174	—	174
Total transactions with owners	全部股東交易	68	174	—	242
At 31 December 2011	於 2011 年 12 月 31 日	<b>108,672</b>	<b>16,427</b>	<b>(4,801)</b>	<b>120,298</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 27. Obligations under finance leases – Group

### 27. 融資租賃責任 – 本集團

		2011 US\$'000 千美元	2010 US\$'000 千美元
Wholly repayable within five years	須於五年內悉數償還	14	47
Current portion	即期部份	(7)	(12)
Non-current portion	非即期部份	7	35

At 31 December 2011, the Group's finance lease liabilities were repayable as follows:

於2011年12月31日，本集團融資租賃責任的償還情況如下：

		2011 US\$'000 千美元	2010 US\$'000 千美元
Within one year	於一年內	7	12
In the second to fifth year	第二至五年	8	36
Future finance charges on finance leases	融資租賃的未來融資費用	15 (1)	48 (1)
Present value of finance lease liabilities	融資租賃責任的現值	14	47
The present value of finance lease liabilities:	融資租賃責任的現值：		
– Within one year	– 於一年內	7	12
– In the second to fifth year	– 第二至五年	7	35
		14	47



## 28. Deferred income tax

Deferred income tax is recognized using liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements using a principal tax rate of 16.5% (2010: 16.5%).

The movement on the deferred income tax liabilities account is as follows:

	Note 附註	Group 本集團		Company 本公司	
		2011 US\$'000 千美元	2010 US\$'000 千美元	2011 US\$'000 千美元	2010 US\$'000 千美元
At 1 January		50	50	—	—
Credited to the income statement	10	—	—	—	—
At 31 December		50	50	—	—

The movement in deferred income tax liabilities during the year is as follows:

		Group 本集團	Company 本公司
		Accelerated tax depreciation 加速稅項 折舊 US\$'000 千美元	Accelerated tax depreciation 加速稅項 折舊 US\$'000 千美元
At 1 January 2010	於 2010 年 1 月 1 日	50	—
Credited to the income statement	於 損益表內貸出	—	—
At 31 December 2010	於 2010 年 12 月 31 日	50	—
Credited to the income statement	於 損益表內貸出	—	—
At 31 December 2011	於 2011 年 12 月 31 日	50	—

## 28. 遞延所得稅

遞延所得稅的確認是採用負債法，即採用主要稅率 16.5% (2010: 16.5%) 就基於資產及負債的稅項與綜合財務報表該稅項面值之間的暫時差額作全數撥備。

遞延所得稅負債賬目的變動列載如下：

年內，遞延所得稅負債的變動列載如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 29. Trade and other payables – Group

### 29. 應付款及其他應付款 – 本集團

		2011 US\$'000 千美元	2010 US\$'000 千美元
Trade payables	應付款	4,114	11,835
Accrued expenses and other payables <sup>(i)</sup>	應計開支及其他應付款 <sup>(i)</sup>	2,863	5,311
Amounts due to related parties (note 34)	關聯方應付款 (附註 34)	206	15
		<b>7,183</b>	<b>17,161</b>

(i) The figure of 2010 included CNY6,222,000 (approximately US\$943,000) balance payment of the prepaid operating lease in respect of the land use rights in Beijing, China.

(i) 2010年的數字包括於中國北京投得土地使用權之應付預付經營租賃款餘額6,222,000人民幣(約943,000美元)。

At 31 December 2011, the ageing analysis of the trade payables based on overdue days is as follows:

於2011年12月31日，應付款以逾期日期的賬齡分析如下：

		2011 US\$'000 千美元	2010 US\$'000 千美元
Current	即期	3,434	8,524
1 - 30 days	1 日至 30 日	673	3,201
31 - 60 days	31 日至 60 日	2	36
61 - 90 days	61 日至 90 日	—	34
Over 90 days	超過 90 日	5	40
		<b>4,114</b>	<b>11,835</b>

The carrying amounts of the Group's trade and other payables are denominated in the following currencies:

本集團之應付款及其他應付款的不同幣值之分配如下：

		2011 US\$'000 千美元	2010 US\$'000 千美元
USD	美元	4,533	13,126
CNY	人民幣	1,291	1,550
HKD	港元	1,107	1,820
Other currencies	其他幣值	252	665
		<b>7,183</b>	<b>17,161</b>

### 30. Bank loan – Group

At 31 December 2011, the Group had a bank borrowing of NTD19,901,000 (2010: NTD22,646,000), approximately US\$664,000 (2010: US\$781,000) in connection with a mortgaged office property in Hsinchu, Taiwan acquired in late 2008. The bank borrowing matures by 14 January 2019 and bears an interest rate of long-term funding determined by the Council of Economic Planning and Development of Taiwan Government plus 0.41%.

The carrying amount of the bank borrowing approximated its fair value as it was subject to a floating rate and is wholly denominated in Taiwan dollars.

### 31. Banking facilities – Group

At 31 December 2011, the unused banking facilities of the Group amounted to US\$3,603,000 (2010: US\$12,462,000).

### 30. 銀行貸款 – 本集團

於2011年12月31日，本集團有一項為2008年底台灣新竹購買新辦公室的按揭貸款19,901,000新台幣(2010: 22,646,000新台幣)，約664,000美元(2010: 781,000美元)。該項銀行貸款到期日為2019年1月14日，貸款利率乃根據台灣政府行政院經濟建設委員會所訂的中長期資金運用利率加0.41%。

因承受浮動利率並全部以台幣呈列，銀行貸款的賬面值與公平值接近。

### 31. 銀行信貸 – 本集團

於2011年12月31日，本集團獲銀行信貸額約3,603,000美元(2010: 12,462,000美元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 32. Cash used in operations – Group

### 32. 經營使用的現金 – 本集團

#### (a) Reconciliation of profit/loss before income tax to the cash used in operations

#### (a) 除稅前溢利／虧損與經營所使用的現金之對賬

	Note 附註	2010 US\$'000 千美元	2009 US\$'000 千美元
Profit/(loss) before income tax		(17,589)	741
Depreciation of property, plant and equipment	16	2,981	3,001
Amortization of prepaid operating lease	15	26	—
Share of results of associated companies	17	1,994	427
Finance costs		13	13
Equity compensation		174	449
Gain on disposal of available-for-sale financial assets		—	(3,186)
Provision for impairment loss of investment in associated companies	17	—	1,125
Provision for impairment of trade receivables	22	153	—
Gain on disposal of property, plant and equipment	32(b)	(1)	(14)
Gain on deemed disposal of an associated company		—	(555)
Gain on disposal of financial assets at fair value through profit or loss	8	(81)	(141)
Fair value decrease in derivative financial instrument		21	—
Fair value decrease in financial assets at fair value through profit or loss		3,208	60
Interest income from deposit	8	(1,108)	(1,167)
		(10,209)	753
Decrease/(increase) in trade and other receivables		7,398	(3,890)
Decrease/(increase) in inventories		6,691	(3,476)
(Decrease)/increase in trade and other payables		(9,117)	3,911
Cash used in operations		(5,237)	(2,702)

#### (b) Proceeds from disposal of property, plant and equipment

#### (b) 出售物業、機器及設備的所得款項

	Note 附註	2011 US\$'000 千美元	2010 US\$'000 千美元
Net book amount	16	39	8
Gain on disposal of property, plant and equipment	7	1	14
Proceeds from disposal of property, plant and equipment		40	22

### 33. Commitments – Group

#### (a) Capital commitments

Capital expenditure committed at the balance sheet date but not yet contracted for and incurred is as follows:

		2011 US\$'000 千美元	2010 US\$'000 千美元
Approved but not contracted for <sup>(i)</sup>	已批准但未商定合約 <sup>(i)</sup>	1,313	2,250
Contracted but not provided for	已商定合約但未撥備	968	—

- (i) As at 31 December 2011, there was US\$1,313,000 (2010: US\$2,250,000) capital expenditure approved but not contracted for in respect of the preliminary set up of the land in Beijing, China to prepare for construction.

Except the above disclosure, the Group had no other material capital commitments.

#### (b) Operating lease commitments – the Group as lessee

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

		2011 US\$'000 千美元	2010 US\$'000 千美元
Not later than 1 year	不超過一年	785	1,265
Later than 1 year and not later than 5 years	超過一年，但不超過五年	408	753
Later than 5 years	超過五年	—	—
		1,193	2,018

### 33. 承擔 – 本集團

#### (a) 資本承擔

於結算日，已承諾但尚未商定合約或未動用的資本開支列載如下：

		2011 US\$'000 千美元	2010 US\$'000 千美元
Approved but not contracted for <sup>(i)</sup>	已批准但未商定合約 <sup>(i)</sup>	1,313	2,250
Contracted but not provided for	已商定合約但未撥備	968	—

- (i) 截至2011年12月31日，共有1,313,000美元(2010: 2,250,000美元)已獲批准但尚未商定合約之資本開支，用於集團在中國北京土地興建之基礎準備。

除上述已披露者外，本集團概無其他重大資本承擔。

#### (b) 經營租賃承擔 – 本集團為承租人

根據不可撤銷經營租賃，未來最低租金總額列載如下：

		2011 US\$'000 千美元	2010 US\$'000 千美元
Not later than 1 year	不超過一年	785	1,265
Later than 1 year and not later than 5 years	超過一年，但不超過五年	408	753
Later than 5 years	超過五年	—	—
		1,193	2,018

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 綜合財務報表附註 (續)

### 34. Related parties transactions

The Company understands that CEC, a state-owned information technology conglomerate under the administration of the central government of the PRC, owns approximately 27% of the issued shares of the Company during the year and is thus a substantial shareholder of the Company. Transactions between the Group and the subsidiaries or associates of CEC are regarded as transactions with related parties.

The following transactions were carried out with related parties:

			2011 US\$'000 千美元	2010 US\$'000 千美元
Sales: Subsidiary of CEC	銷售： 中國電子的附屬公司		512	687
Purchases of services: Subsidiary of CEC	購買服務： 中國電子的附屬公司		250	265

Year-end balances arising from sales/purchases of goods/services:

### 34. 關聯方交易

本公司知悉中國電子是直接隸屬於中國中央政府管理的國有電子信息技術企業集團，於年內擁有約27%本公司之發行股份，乃本公司之主要股東。本集團與中國電子附屬公司或其聯繫人的交易構成關聯方交易。

以下交易為關聯方之交易：

由貨物／服務的銷售／採購構成的年終結餘：

		Note 附註	2011 US\$'000 千美元	2010 US\$'000 千美元
Receivables from related parties: Subsidiaries of CEC	關聯方應收款： 中國電子的附屬公司	22	57	85
Prepayments to related parties: Subsidiaries of CEC	關聯方預付款： 中國電子的附屬公司	22	102	—
Payables to related parties: Subsidiaries of CEC	關聯方應收款： 中國電子的附屬公司	29	206	15

### 35. Approval of the consolidated financial statements

The consolidated financial statements were approved by the Board of Directors on 21 March 2012.

### 35. 綜合財務報表審批

本綜合財務報表已於2012年3月21日經董事會審批。

# FIVE-YEAR FINANCIAL SUMMARY

## 五年財務摘要

US\$ million	百萬美元	2011	2010	2009	2008	2007
Sales	銷售	51.6	84.7	61.8	92.8	165.0
Gross profit	毛利	15.8	25.6	20.4	16.9	39.5
Net profit/(loss)	純利／（虧損淨額）	(17.6)	1.0	0.7	(23.4)	10.2
Assets and liabilities	資產及負債					
– Total assets	– 總資產	126.5	154.2	150.2	162.3	202.4
– Total liabilities	– 總負債	9.0	19.3	14.4	18.5	30.3
– Shareholders' funds	– 股東權益	117.4	135.0	135.8	143.8	172.1
US cents	美仙					
Earnings/(loss) per share	每股盈利／（虧損）					
– Basic <sup>(i)</sup>	– 基本 <sup>(i)</sup>	(0.72)	0.04	0.03	(0.97)	0.42
– Diluted <sup>(ii)</sup>	– 攤薄 <sup>(ii)</sup>	(0.72)	0.04	0.03	(0.96)	0.41
Dividends per share	每股股息	—	—	0.13	0.39	0.39
Net asset per share <sup>(i)</sup>	每股資產淨值 <sup>(i)</sup>	4.79	5.53	5.59	5.95	7.02

(i) The basic earnings/loss and net assets per share are based on the weighted average of 2,453,274,184, 2,416,930,170, 2,429,743,177, 2,442,244,818 and 2,452,286,337 ordinary shares in issue excluding own shares held during each of the years ended 31 December 2007, 2008, 2009, 2010 and 2011 respectively.

(ii) For 2007, 2008, 2009, 2010 and 2011, the diluted earnings/loss per share information is based on 2,476,967,789, 2,437,669,973, 2,457,281,028, 2,454,078,716 and 2,453,389,264 ordinary shares respectively, which are the adjusted weighted average number of ordinary shares outstanding assuming conversion of all dilute/potential share options outstanding but excluding unallocated own shares held during the year.

(i) 每股基本盈利／虧損及每股資產淨值是分別根據截至2007年、2008年、2009年、2010年及2011年12月31日止年度各年的已發行普通股加權平均數2,453,274,184股、2,416,930,170股、2,429,743,177股、2,442,244,818股及2,452,286,337股計算。

(ii) 於2007年、2008年、2009年、2010年及2011年，每股攤薄盈利／虧損的資料分別按2,476,967,789股、2,437,669,973股、2,457,281,028股、2,454,078,716股及2,453,389,264股普通股計算，而每股攤薄盈利／虧損乃根據假設年內所有尚未行使購股權已作轉換的已發行經調整加權平均普通股計算，惟不包括年內未獲分配所持本身股份。

# DEFINITIONS AND GLOSSARY

## 釋義及詞彙

Agreement/Subscription Agreement	The subscription agreement that the Group entered into on 9 August 2011 to subscribe for 24.0% newly issued shares of C2
AMOLED	Active-matrix organic light-emitting diode
BJ-LED	Beijing LED Lighting Engineering Co., Ltd., a company established in the PRC
Board	Board of Directors
BVI	The British Virgin Islands
C2	C2 Microsystems Inc., a company incorporated under the laws of the State of Delaware, USA
CAGR	Compound annual growth rate
CEC	China Electronic Corporation, a state-owned information technology conglomerate under the administration of the central government of the PRC, a substantial shareholder of the Company
China	Mainland China
Code Provisions	Code on Corporate Governance Practices
CNY	Chinese Yuan, Renminbi
Company	Solomon Systech (International) Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
Director(s)	the director(s) of the Company
EDRI	The IT Electronics Eleventh Electronics Design and Research Institute Scientific and Technological Engineering Corporation Limited, a company established in the PRC
ESL	Electronic Shelf Labels
FVTPL	Financial assets at fair value through profit or loss
Group	the Company and its subsidiaries
HES	Beijing Huada Emyprean Software Co., Ltd., a company established in the PRC
HK\$/HKD	Hong Kong dollars
Hong Kong/HK	Hong Kong Special Administrative Region
HKAS	Hong Kong Accounting Standards
HKFRS	Hong Kong Financial Reporting Standards
HKICPA	Hong Kong Institute of Certified Public Accountants
HK (IFRIC)	Hong Kong (International Financial Reporting Standards Interpretations Committee)
IP	Intellectual property
IC	Integrated circuits
LCD	Liquid crystal display
LCD TV	Liquid crystal display television
Listing Rules	The Rules Governing the Listing of Securities on the Stock Exchange



協議／認購協議	本集團於2011年8月9日簽訂的一份認購協議認購約24.0% C2新發行之股份
AMOLED	主動矩陣有機發光二極體
BJ-LED	北京愛爾益地照明工程有限公司，一家成立於中國的公司
董事會	本公司之董事會
BVI	英屬處女群島
C2	C2 Microsystems Inc.，一家根據美國特拉華州法律成立之公司
CAGR	複合年增長率
中國電子	中國電子信息產業集團有限公司，一家直接隸屬於中國中央政府管理的國有電子信息技術企業集團，乃本公司之主要股東
中國	中國大陸
常規守則	企業管治常規守則
人民幣	中國元、人民幣
本公司	Solomon Systech (International) Limited，一家成立於開曼群島的有限責任公司，其股票於聯交所主板上市
董事	本公司之董事
第十一設計院	信息產業電子第十一設計研究院科技工程股份有限公司，於中國註冊成立之公司
ESL	電子貨架標籤
FVTPL	通過損益以反映公平價值的財務資產
本集團	本公司及其附屬公司
華大九天	北京華大九天軟件有限公司，於中國註冊成立之公司
HK\$/港元	香港元
香港／HK	香港特別行政區
香港會計準則	香港會計準則
香港財務報告準則	香港財務報告準則，或香港會計準則、香港財務報告準則和香港(國際財務報告準則詮釋委員會)的統稱
香港會計師公會	香港會計師公會
香港(國際財務報告準則詮釋委員會)	香港(國際財務報告準則詮釋委員會)
IP	知識產權
IC	集成電路
LCD	液晶顯示器
LCD TV	液晶電視
上市規則	聯交所證券上市規則

## DEFINITIONS AND GLOSSARY (continued)

### 釋義及詞彙 (續)

LED	Light emitting diode
LLC	Limited liabilities company
MID	Mobile internet device
Model Code	Model Code for Securities Transactions by Directors of Listed Issuers
NEW HKFRS	New, revised and amended standards and interpretations to existing standards
NT\$/NTD	New Taiwan dollars
OLED	Organic light-emitting diode
PMOLED	Passive-matrix organic light-emitting diode
PRC	The People's Republic of China
PwC HK	PricewaterhouseCoopers, the independent auditor of the Company
R&D	Design, development and engineering
ROC	Republic of China
RoHs	Restriction of Hazardous Substances
S&D	Selling and distribution
SFCCL	Shenzhen Sang Fei Consumer Communications Co., Ltd., a company established in the PRC
SFO	Securities and Futures Ordinance
SGD	Singapore dollars
Singapore	The Republic of Singapore
SoC	System-on-Chip
SSBJ	Solomon Systech (Beijing) Limited
SSL	Solomon Systech Limited, the major operating subsidiary of the Group
TFT	Thin film transistor
the Stock Exchange	The Stock Exchange of Hong Kong Limited
UK	United Kingdom
USA	United States of America
US\$/USD	US dollars

LED	發光二極體
有限公司	有限公司
MID	移動互聯網設備
標準守則	證券交易的守則
新香港財務報告準則	新準則、修訂和修正準則及對現有準則之詮釋
新台幣	新台幣
OLED	有機發光二極體
PMOLED	被動矩陣有機發光二極體
中國	中華人民共和國
羅兵咸香港	羅兵咸永道會計師事務所，本公司的獨立核數師
研發／R&D	設計、開發及工程
ROC	中華民國
RoHs	危害性物質限制指令
銷售及分銷	銷售及分銷開支
桑菲	深圳市桑菲消費通信有限公司，於中國註冊成立之公司
SFO	證券及期貨條例
新加坡元	新加坡元
新加坡	新加坡共和國
SoC	系統單晶片
晶門北京	晶門科技(北京)有限公司
SSL	晶門科技有限公司，本集團主要營運附屬公司
TFT	薄膜電晶體液晶顯示器
聯交所	香港聯合交易所有限公司
英國	英國
美國	美利堅合眾國
US\$/美元	美國元

**Financial Calendar**

**Financial Year End**

31 December

**Announcement of Interim Results**

18 August 2011

**Announcement of Annual Results**

21 March 2012

**Closure of Register of Members**

21 – 24 May 2012

**Annual General Meeting**

24 May 2012

**Share Listing**

**Listing Venue**

Main Board of The Stock Exchange of Hong Kong Limited

**Listing Date**

8 April 2004

**HKSE Stock Code**

2878

**Board Lot**

2,000 shares

**Trading Currency**

HKD

**Issued Shares**

2,456,302,351 (as at 31 December 2011)

**Share Registrars**

Tricor Investor Services Limited

26/F Tesbury Centre

28 Queen's Road East

Wanchai

Hong Kong

Tel: (852) 2980 1333

Fax: (852) 2810 8185

Webiste: www.tricoris.com

**財務日誌**

**財政年度結算日**

12月31日

**公佈中期業績**

2011年8月18日

**公佈全年業績**

2012年3月21日

**暫停辦理過戶登記手續日期**

2012年5月21日至24日

**股東週年大會**

2012年05月24日

**上市資料**

**上市地點**

香港聯合交易所有限公司主板

**上市日期**

2004年4月8日

**香港股份編號**

2878

**買賣單位**

2,000股

**交易貨幣**

港元

**已發行股份**

2,456,302,351 (於2011年12月31日)

**股份登記**

卓佳證券登記有限公司

香港

灣仔

皇后大道東28號

金鐘匯中心26樓

電話：(852) 2980 1333

傳真：(852) 2810 8185

網址：www.tricoris.com

### **Independent Auditor**

PricewaterhouseCoopers

### **Solicitors**

ReedSmith Richards Butler

### **Principal Office**

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Hong Kong Science Park  
Shatin, New Territories  
Hong Kong  
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Fax: (852) 2267 0800

### **Authorized Representatives**

Dr. Leung Kwong Wai  
Mrs. Fung Lui Kit Har, Keziah

### **Company Secretary**

Mrs. Fung Lui Kit Har, Keziah  
FCMA, CGMA, FHKCPA, ACS, ACIS  
Vice President, Finance

### **Investor Relations**

Mr. John Leong  
Vice President, Corporate Development  
Email: [ir@solomon-systech.com](mailto:ir@solomon-systech.com)

### **Corporate Communications**

Ms. Jessica Lee  
Corporate Communications Manager  
Tel: (852) 2207 1672  
Fax: (852) 2207 1372  
Email: [communication@solomon-systech.com](mailto:communication@solomon-systech.com)

### **Website**

[www.solomon-systech.com](http://www.solomon-systech.com)

### **獨立核數師**

羅兵咸永道會計師事務所

### **法律顧問**

禮德齊伯禮律師行

### **總辦事處**

香港  
新界沙田  
香港科學園  
科技大道東3號6樓  
電話：(852) 2207 1111  
傳真：(852) 2267 0800

### **授權代表**

梁廣偉博士  
馮雷潔霞女士

### **公司秘書**

馮雷潔霞女士  
FCMA, CGMA, FHKCPA, ACS, ACIS  
副總裁－財務

### **投資者關係**

梁家俊先生  
副總裁－企業發展  
電郵：[ir@solomon-systech.com](mailto:ir@solomon-systech.com)

### **企業傳訊**

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企業傳訊經理  
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傳真：(852) 2207 1372  
電郵：[communication@solomon-systech.com](mailto:communication@solomon-systech.com)

### **網址**

[www.solomon-systech.com](http://www.solomon-systech.com)

This 2011 Annual Report (“Annual Report”) (bilingual version in English and Chinese) has been posted on the Company’s website at [www.solomon-systech.com](http://www.solomon-systech.com).

Shareholders who have chosen to receive the Company’s Corporate Communications (including but not limited to annual report, summary financial report (where applicable), interim report, summary interim report (where applicable), notice of meeting, listing document, circular and proxy form) via the Company’s website and for any reason have difficulty in gaining access to the Annual Report posted on the Company’s website will promptly upon request be sent by post the Annual Report in printed form free of charge.

**Shareholders may at any time change their choice of means of receipt and language of the Corporate Communications.**

Shareholders may request for printed copy of the Annual Report or change their choice of means of receipt and language of the Corporate Communications by sending reasonable notice in writing to the Company’s share registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong or by sending an email to [solomon2878-ecom@hk.tricorglobal.com](mailto:solomon2878-ecom@hk.tricorglobal.com).

2011年報(「年報」)的中英文合併本已登載於本公司網站 [www.solomon-systech.com](http://www.solomon-systech.com)。

選擇透過本公司網站收取本公司的公司通訊(其中包括但不限於年報、財務摘要報告(如適用)、中期報告、中期摘要報告(如適用)、會議通告、上市文件、通函及代表委任表格),及因任何理由以致在接收載於本公司網站的公司通訊上出現困難的股東,可即時要求以郵寄方式獲免費發送年報的印刷本。

**股東可隨時更改收取本公司公司通訊的方式及語言版本的選擇。**

股東可在給予本公司合理時間的書面通知,要求索取年報的印刷本或更改收取本公司之公司通訊的方式及語言版本的選擇,該書面通知應交予本公司之香港股份過戶登記處—卓佳證券登記有限公司,地址為香港灣仔皇后大道東28號金鐘匯中心26樓,或將該通知電郵至 [solomon2878-ecom@hk.tricorglobal.com](mailto:solomon2878-ecom@hk.tricorglobal.com)。

2004 Annual Report  
2004年報



Best of Hong Kong  
2005 International ARC Awards  
2005年ARC國際獎項 —  
香港最佳年報大獎

2005 Annual Report  
2005年報



Annual Report Printing Champion,  
The 18th Hong Kong Print Awards  
Gold Winner,  
2006 International ARC Awards  
第十八屆香港印製大獎 — 年報印刷冠軍  
2006年ARC國際獎項 — 金獎

2006 Annual Report  
2006年報



Gold Winner,  
2007 International ARC Awards  
Gold Winner,  
2007 Galaxy Awards  
2007年ARC國際獎項 — 金獎  
2007年Galaxy獎項 — 金獎

2007 Annual Report  
2007年報



2008 Annual Report  
2008年報



2009 Annual Report  
2009年報



Gold Winner,  
2010 International ARC Awards  
2010年ARC國際獎項 — 金獎

2010 Annual Report  
2010年報



LACP Vision Awards  
Platinum Award –  
Semiconductor & Equipment  
Gold Award –  
Best Letter to Shareholders  
(Asia-Pacific Region)  
白金獎 — 半導體及設備  
金獎 — 最佳致股東函件(亞太地區)

## **Solomon Systech (International) Limited**

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[www.solomon-systech.com](http://www.solomon-systech.com)

This Annual Report is printed on environmental friendly paper. 

本年報以環保紙印製