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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action you should take, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in SIM Technology Group Limited, you should at once hand this circular, together with the enclosed form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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**SIM Technology Group Limited**  
**( 農訊科技集團有限公司 ) \***

*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 2000)**

**GENERAL MANDATES**  
**TO ISSUE AND TO REPURCHASE SHARES**  
**RE-ELECTION OF DIRECTORS**  
**AMENDMENT TO BYE-LAWS**  
**AND**  
**NOTICE OF ANNUAL GENERAL MEETING**

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This circular includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") for the purpose of giving information with regard to SIM Technology Group Limited. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

A notice convening the annual general meeting of SIM Technology Group Limited to be held at Caine Room, 7/F, Conrad Hotel, 88 Queensway, Hong Kong, on Friday, 21 April 2006 at 10:00 a.m. is set out on pages 4 to 7 of this circular. Whether or not you are able to attend the annual general meeting in person, you are requested to complete the form of proxy accompanying the notice of the annual general meeting in accordance with the instructions printed thereon and return it to the Company's principal place of business in Hong Kong at Suites 5005-5006, 50th Floor, Central Plaza, No. 18 Harbour Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjourned meeting. Completion and delivery of the form of proxy shall not preclude shareholders from attending and voting in person at the meeting or any adjourned meeting should they so wish.

\* *For identification purpose only*

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LETTER FROM THE BOARD OF DIRECTORS

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**SIM Technology Group Limited**  
**(晨訊科技集團有限公司)\***

*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 2000)**

*Directors:*

Ms Yeung Man Ying (*Chairman*)  
Mr Wong Cho Tung  
Mr Tsang Hen Loon, Raymond  
Mr Zhang Jianping  
Mr Wong Hei, Simon  
Mr Wong Sun  
Ms Tang Rongrong  
Mr Heng Kwoo Seng \*  
Mr Wang Chengwei \*  
Mr Zhuang Xingfang \*

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

*Principal place of business:*

Suites 5005-5006, 50th Floor  
Central Plaza  
No. 18 Harbour Road  
Wanchai  
Hong Kong

\* *Independent non-executive directors*

23 March 2006

*To the Shareholders*

Dear Sir or Madam,

**GENERAL MANDATES  
TO ISSUE AND TO REPURCHASE SHARES,  
RE-ELECTION OF DIRECTORS,  
AMENDMENT TO BYE-LAWS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the annual general meeting of SIM Technology Group Limited (the “Company”) to be held on 21 April 2006 at Caine Room, 7/F, Conrad Hotel, 88 Queensway, Hong Kong (the “Annual General Meeting”), the notice of which (the “Notice of the Annual General Meeting”) is set out on pages 4 to 7 of this circular. These include the ordinary resolutions to (i) grant the Board of Directors of the Company (the “Directors”) general mandates to issue new shares and repurchase existing shares of the Company, (ii) re-elect the Directors who are due to retire at the Annual General Meeting. In addition, a special resolution will be proposed to approve the amendment to the Bye-laws of the Company (the “Bye-laws”).

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## LETTER FROM THE BOARD OF DIRECTORS

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### GENERAL MANDATES TO ISSUE AND TO REPURCHASE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed in the terms set out in Resolution 5A of the Notice of the Annual General Meeting whereby, if passed, the Directors will be given a general and unconditional mandate to allot, issue and otherwise deal with further new shares of the Company of HK\$0.10 each (the “Shares”) representing up to 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the resolution. In addition, if the resolution to authorise the Directors to repurchase of the Shares is passed, an ordinary resolution will be proposed to authorise the Directors to allot, issue and otherwise deal with further Shares up to an amount equal to the aggregate nominal amount of the Shares purchased under the Repurchase Mandate (as defined below).

At the Annual General Meeting, an ordinary resolution will be proposed in the terms set out in Resolution 5B of the Notice of the Annual General Meeting for the renewal of the general mandate to the Directors to exercise the powers of the Company to repurchase Shares up to a limit of 10 per cent. in aggregate of the Company’s issued share capital at the date of passing the resolution the (“Repurchase Mandate”). The mandate allows the Company to make purchases only during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by its Bye-laws or any applicable law or; (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the shareholders in a general meeting of the Company.

An explanatory statement as required under the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) giving certain information regarding the Repurchase Mandate is set out in Appendix I to this circular.

### RE-ELECTION OF DIRECTORS

At the Annual General Meeting, Messrs. Wong Cho Tung, Wong Hei, Simon, Tang Rongrong and Heng Kwoo Seng will retire from office by rotation in accordance with the Bye-laws and they, being eligible, will offer themselves for re-election.

Details of the Directors who are prepared to be re-elected at the Annual General Meeting are set out in Appendix II to this Circular.

### AMENDMENT TO THE BYE-LAWS

To reflect the new Code on Corporate Governance Practices (the “Code”) as set out in Appendix 14 to the Listing Rules, a special resolution will be proposed at the Annual General Meeting to delete Bye-law 86(2) in its entirety and replace it with the following:

“The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Members in general meeting. Any

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## LETTER FROM THE BOARD OF DIRECTORS

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Director so appointed by the Board shall hold office only until the next following general meeting of the Company (in the case of filling a causal vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board), and shall then be eligible for re-election at that meeting.”

### PROCEDURE FOR DEMANDING A POLL

Pursuant to Bye-law 66 of the Bye-laws, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:

- (i) by the chairman of such meeting; or
- (ii) by at least three Members present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any Member or Members present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the meeting; or
- (iv) by a Member or Members present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right; or
- (v) if required by the rules of the Designated Stock Exchange, by any Director or Director who, individually or collectively, hold proxies in respect of shares representing five per cent. (5%) or more of the total voting rights at such meeting if required by the rules of the Designated Stock Exchange.

### RECOMMENDATION

The Directors believe that the all the resolutions set out in the Notice of the Annual General Meeting are in the best interests of the Company and its shareholders. Accordingly, the Directors recommend the shareholders to vote in favour of them.

Yours faithfully,  
**Yeung Man Ying**  
*Chairman*

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## NOTICE OF ANNUAL GENERAL MEETING

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**SIM Technology**

### **SIM Technology Group Limited** **(晨訊科技集團有限公司)\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 2000)**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of SIM Technology Group Limited will be held at Caine Room, 7/F, Conrad Hotel, 88 Queensway, Hong Kong on 21 April 2006 at 10:00 a.m. for the purpose of transacting the following business:

#### **ORDINARY RESOLUTIONS**

1. To receive and adopt the audited Financial Statements of the Company and the Reports of the Directors and the Auditors for the year ended 31 December 2005.
2. To declare a final dividend for the year ended 31 December 2005.
3. To re-elect the retiring Directors and to authorise the Directors to fix their remuneration.
4. To re-appoint Messrs. Deloitte Touche Tohmatsu as the Auditors of the Company and to authorise the Directors to fix their remuneration.
5. As special business, to consider and, if thought fit, pass with or without amendments the following resolutions as Ordinary Resolutions:

A. **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for shares, which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors of the Company and shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options, including warrants to subscribe for shares, which might require the exercise of such powers after the end of the Relevant Period;

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## NOTICE OF ANNUAL GENERAL MEETING

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(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than (i) pursuant to a Rights Issue (as hereinafter defined) or; (ii) any issue of shares of the Company on the exercise of the subscription rights attaching to any warrants which may be issued by the Company from time to time; or (iii) on the exercise of any options granted under the share option schemes of the Company or (iv) an issue of shares in lieu of the whole or part of a dividend on shares in accordance with the Bye-laws of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution, and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Bye-laws of the Company to be held; and
- (iii) the passing of an ordinary resolution of the Company in general meeting revoking or varying the authority set out in this resolution.

“Rights Issue” means an offer of shares of the Company (the “Shares”) open for a period fixed by the Directors of the Company to holders of Shares whose names appear on the Register of Members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

**B. “THAT:**

(a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (for the purpose of this resolution, “Relevant Period” shall have the same meaning as assigned to it under resolution number 5A, as set out in the notice convening this Meeting) of all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities may be listed and which is recognised by the Securities and Futures Commission and the Stock

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## NOTICE OF ANNUAL GENERAL MEETING

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Exchange for this purpose under the Code on Share Repurchases, subject to and in accordance with all applicable laws and/or the requirements of the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved; and

- (b) the aggregate nominal amount of securities authorised to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution and the said approval shall be limited accordingly.
- C. “**THAT** conditional on the passing of the resolutions set out in paragraphs 5A and 5B of the notice convening this meeting, the general mandate granted to the Directors of the Company and for the time being in force to exercise the powers of the Company to allot, issue and deal with additional shares of the Company pursuant to the resolution set out in paragraph 5A of the notice convening this meeting be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to the resolution set out in paragraph 5B of the notice convening this meeting, provided that such extended amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution.”

### SPECIAL RESOLUTION

6. “**THAT** Bye-law 86(2) be deleted in its entirety and replaced by the following:

The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Members in general meeting. Any Director so appointed by the Board shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board), and shall then be eligible for re-election at that meeting.”

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## NOTICE OF ANNUAL GENERAL MEETING

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As at the date of this notice, the executive Directors are Ms Yeung Man Ying, Mr Wong Cho Tung, Mr Tsang Hen Loon, Raymond, Mr Zhang Jianping, Mr Wong Hei, Simon, Mr Wong Sun and Ms Tang Rongrong and the independent non-executive Directors of the Company are Mr Heng Kwoong Seng, Mr Wang Chengwei and Mr Zhuang Xingfang.

By Order of the Board  
**SIM Technology Group Limited**  
**WONG Cho Tung**  
*Director*

Hong Kong, 23 March 2006

*Principal place of business:*

Suites 5005-5006  
50th Floor  
Central Plaza  
No. 18 Harbour Road  
Wanchai  
Hong Kong

*Notes:*

1. Any member of the Company holding two or more shares of the Company entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. In the case of joint holders of any share, any one of such person may vote at the meeting, either in person or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders are present at the meeting, the vote of the person, whether attending in person or by proxy, whose name stands first on the Register of Members of the Company in respect of such share shall be accepted to the exclusion of the vote(s) of the other joint holder(s).
3. To be valid, the form of proxy, together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of that power or authority must be deposited at the Company's principal place of business in Hong Kong at Suites 5005-5006, 50th Floor, Central Plaza, No.18 Harbour Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting. Completion and return of the form of proxy will not preclude any member from attending and voting at the Annual General Meeting (or any adjournment thereof) in person.
4. The Register of Members of the Company will be closed from Tuesday, 18 April 2006 to Friday, 21 April 2006 (both days inclusive) during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend to be approved at the meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-6, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m. on Thursday, 13 April 2006.

\* *For identification purpose only*



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## **APPENDIX I EXPLANATORY STATEMENT ON REPURCHASE OF SHARES**

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The following is the explanatory statement required to be sent to shareholders of the Company under Rule 10.06(1)(b) of the Listing Rules concerning the regulations of the repurchases by companies of their own securities on the Stock Exchange to provide requisite information to you for you to make an informed decision in relation to the Repurchase Mandate.

### **1. SHARE CAPITAL**

As at 20 March 2006, being the latest practicable date prior to the printing of this circular (the “Latest Practicable Date”), the issued share capital of the Company comprised 1,500,000,000 Shares.

Subject to the passing of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 150,000,000 Shares.

### **2. REASONS FOR REPURCHASES**

The Directors believe that the proposed mandate is in the best interests of the Company and its shareholders. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Share and will only be made when the Directors believe that such repurchase will benefit the Company and its shareholders.

### **3. FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum of Association and Bye-laws and the laws of Bermuda. Bermuda law provides that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant Shares, or out of the funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose. The amount of premium payable on a repurchase may only be paid out of either the funds of the Company that would otherwise be available for dividend or distribution or out of the share premium account of the Company.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31 December 2005 in the event that the repurchase of Shares were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the repurchase of Shares to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

#### **4. SHARE PRICES**

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the ten months preceding the Latest Practicable Date were as follows:

<b>Month</b>	<b>Highest HK\$</b>	<b>Lowest HK\$</b>
<b>2005</b>		
June (the month in which of the Shares became listed on the Stock Exchange)	1.650	1.370
July	1.480	1.240
August	1.660	1.300
September	1.900	1.550
October	1.710	1.290
November	1.750	1.380
December	1.760	1.490
<b>2006</b>		
January	2.250	1.490
February	2.550	2.075
March (up to the Latest Practicable Date)	3.400	2.400

#### **5. UNDERTAKING**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the proposed resolution and in accordance with the Listing Rules and the applicable laws of Bermuda.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company or its subsidiaries under the proposed resolution if such resolution is approved by the shareholders.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the proposed resolution is approved by the shareholders.

#### **6. HONG KONG CODE ON TAKEOVERS AND MERGERS**

If on the exercise of the power to repurchase Shares pursuant to the proposed resolution, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). As a result, a shareholder or group of shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

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**APPENDIX I EXPLANATORY STATEMENT ON REPURCHASE OF SHARES**

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As at the Latest Practicable Date, Info Dynasty Group Limited, Simcom Limited, Intellipower Investments Limited, Ms Yeung Man Ying, Mr Wong Cho Tung, Mr Wong Hei, Simon and Mr Wong Sun (together the “Concert Group”) were together beneficially interested in 1,125,000,000 Shares, representing 75.00% of the issued share capital of the Company. In the event that the Directors should exercise in full the Repurchase Mandate, the shareholding of the Concert Group will be increased to approximately 83.33% of the issued share capital of the Company. The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the proposed resolution.

**7. SHARE REPURCHASES MADE BY THE COMPANY**

The Company has not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

**Mr Wong Cho Tung (王祖同)** (“Mr Wong”), aged 61, is President and executive Director of the Company. Mr. Wong’s primary focus in the Group involves the overall management and supervision of the Group’s business, ranging from product development, marketing operation, supply chain management to the formulation of business strategies. Mr Wong is also a director of Shanghai Sunrise Electronic Technology Co., Limited (“Shanghai Sunrise”), Sunrise Electronic Industry Limited (“SEIL”), SIM Technology Group (BVI) Limited and SIM Technology HK Limited (“SIM Technology (HK)”). In 1986, Mr Wong together with his spouse, Ms Yeung Man Ying, founded Sunrise Technology Limited (“Sunrise Technology (HK)”), a company which engaged in the distribution of electronic components. In 1993, Shanghai Sunrise was incorporated as a subsidiary of Sunrise Technology (HK). The significance of Shanghai Sunrise is that it is one of the main operating subsidiaries of the Group. Under the leadership of Mr Wong, Sunrise Technology (HK) has expanded into one of the larger distributors of electronic components in China. In May 2001, Sunrise Technology (HK), Sunrise Technology Group Limited and their subsidiaries (together, the “Sunrise Group”) attracted Avnet Sunrise Limited and Avnet Asia Pte Limited (“Avnet”) to acquire the Sunrise Group’s components distribution business. After the successful acquisition of the component distribution business by Avnet, Mr Wong was appointed as a senior vice president of Avnet Asia Pte Limited. Mr Wong graduated in 1968 from the Beijing University of Aeronautics and Astronautics, specializing in field of Electrical Engineering. Mr Wong has decades of experience in the electrical, electronics and telecommunications industry. Prior to co-founding Sunrise Technology (HK), Mr Wong had held several positions in various companies such as manufacturing plants in Sichuan Province, the Computer Centre of South China Institute of Technology in Guangzhou, as well as the Mass Transit Railway Corporation in Hong Kong. Mr Wong’s responsibilities in these companies included electrical product design as well as computer hardware and software system development and modification.

Mr Wong is the spouse of Ms Yeung Man Ying, Chairman and executive Director of the Company and the father of Mr Wong Hei, Simon and Mr Wong Sun, executive Directors.

Mr Wong also holds directorship in Info Dynasty Group Limited, the controlling shareholder of the Company. Save as disclosed above, Mr Wong does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company.

At the Latest Practicable Date, Mr Wong was interested in 1,125,000,000 Shares within the meaning of Part XV of the Securities and Future Ordinance (“SFO”). Pursuant to the service agreement entered into between Mr Wong and the Company, Mr Wong is entitled to a fixed salary of HK\$1 per annum which is subject to review by the Remuneration Committee of the Company (the “Remuneration Committee”) after completion of twelve months of service. The service agreement also provides that, subject to the decision of the Remuneration Committee, the Company may also grant to Mr Wong options to subscribe for Shares in accordance with the share option schemes adopted by the Company.

Under the service agreement between the Company and Mr Wong, Mr Wong's appointment will be for a term of three years from 31 May 2005, subject to retirement by rotation and re-election at general meetings of the Company as and when required under the Bye-laws of the Company.

**Mr Wong Hei, Simon (王曦)**, aged 33, is an executive Director and executive vice president of the Company, the managing director of SIM Technology (HK), director of Shanghai Sunrise, SEIL, Simcom International Holdings Limited, Suncom International Holdings Limited and Max Vision Limited and is responsible for the sales and marketing of the Group. Mr Wong Hei, Simon has over 10 years of experience in the electronics and telecommunications industry and extensive experience in investment and business management. Prior to joining Sunrise Technology (HK), the original holding company of Shanghai Sunrise, in 1995, he worked at the headquarters of National Semiconductor in the Silicon Valley. In May 2001, the electronic components distribution business of the Sunrise Group was acquired by Avnet upon which Mr Wong Hei, Simon was appointed as the managing director of Chinatronic Technology Limited. Mr Wong Hei, Simon joined the Group as a director of SEIL since February 2000 and subsequently became a director of Shanghai Sunrise in October 2003. He obtained a bachelor's degree in science from Boston University in 1995, specializing in electrical engineering.

Mr Wong Hei, Simon is the son of Mr Wong, executive Director and President of the Company and Ms Yeung Man Ying, Chairman and executive Director of the Company and the brother of Mr Wong Sun, executive Director of the Company. Save as disclosed above, Mr Wong Hei, Simon does not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, apart from holding 1 share in Info Dynasty Group Limited, an associated corporation, Mr Wong Hei, Simon had no other interest in Shares within the meaning of Part XV of the SFO. Pursuant to the service agreement entered into between Mr Wong Hei, Simon and the Company, Mr Wong Hei, Simon is entitled to (i) a fixed salary of Renminbi 480,000 per annum which is subject to review by the Remuneration Committee after completion of twelve months of services; (ii) a discretionary bonus as determined by the Remuneration Committee of the Company by reference to the performance of the Company and its subsidiaries (the "Group") and Mr Wong Hei, Simon; and (iii) subject to the decision of the Remuneration Committee, the Company may also grant to Mr Wong Hei, Simon options to subscribe for Shares in accordance with the share option schemes adopted by the Company. The emolument of Mr Wong Hei, Simon is determined with reference to the level of remuneration package normally granted to senior executives in the industry of comparable caliber and job responsibilities.

Under the service agreement between Mr Wong Hei, Simon and the Company, Mr Wong Hei, Simon's appointment will be for a term of three years from 31 May 2005, subject to retirement by rotation and re-election at general meetings of the Company as and when required under the Bye-laws of the Company.

**Ms Tang Rongrong (唐融融)** ("Ms Tang"), aged 52, is an executive Director of the Company, and director and deputy general manager of Shanghai Sunrise. Ms Tang has nearly 20 years of experience in human resources management, administration and corporate

operation. Prior to joining the Group in 1995, Ms Tang was a physician of 江西省贛州市第一人民醫院 (Jiangxi Ganzhou First People's Hospital) and the head of technology and deputy chief physician of 南昌市計劃生育指導所 (Nanchang Birth Planning Institute). Since then, Ms Tang has served as the manager and deputy general manager of the personnel and administration department of Shanghai Sunrise. Ms Tang graduated from 贛南醫專科學校 (Gannan Medical College) in 1978. Ms Tang does not have any relationship with any other Directors, senior management, substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, apart from holding interests in share options with underlying Shares totaling 750,000 Shares, Ms Tang does not have interests in Shares within the meaning of Part XV of the SFO. Pursuant to the services agreement entered into between Ms Tang and the Company, Ms Tang is entitled to (i) a fixed salary of Renminbi 240,000 per annum, which is subject to review by the Remuneration Committee after completion of twelve months of services; (ii) a discretionary bonus as determined by the Remuneration Committee by reference to the performance of the Group and Ms Tang; and (iii) subject to the decision of the Remuneration Committee, the Company may also grant to Ms Tang's options to subscribe for Shares in accordance with the share option schemes adopted by the Company. The emolument of Ms Tang is determined by reference to the level of remuneration package normally granted to senior executives in the industry of comparable caliber and job responsibilities.

Under the service agreement between Ms Tang and the Company, Ms Tang's appointment will be for a term of three years from 31 May 2005, subject to retirement by rotation and re-election at general meetings of the Company as and when required under the Bye-laws of the Company.

**Mr Heng Kwoo Seng (邢詒春)** ("Mr Heng"), aged 58, is an independent non-executive Director and chairman of the Audit Committee of the Company. Mr Heng is the managing partner of Morison Heng, Chartered Accountants and Certified Public Accountants in Hong Kong. Mr Heng has the appropriate professional qualifications as required under Rule 3.10(2) of the Listing Rules as he is a fellow member of the Institute of Chartered Accountants in England and Wales and an associate member of the Hong Kong Institute of Certified Public Accountants. Mr Heng is currently an independent non-executive director of a number of listed companies in Hong Kong including, Winfair Investment Company Limited, The Thai-Asia Fund Limited, The Thai Asset Fund Limited, Lee & Man Paper Manufacturing Limited, Lee & Man Holding Limited, China Fire Safety Enterprise Group Holdings Limited, Tack Fat Group International Limited, Soundwill Holdings Limited and Minth Group Limited. Mr Heng is also the company secretary of AEON Stores (Hong Kong) Co., Limited and China Life Insurance Company Limited. Mr Heng was appointed as an independent non-executive Director in January 2005. Mr Heng does not have any relationship with any other Directors, senior management, substantial or controlling shareholders of the Company and does not have any interest in Shares within the meaning of Part XV of the SFO.

Pursuant to the appointment letter entered into between Mr Heng and the Company, the Director's fee of Mr Heng as Independent non-executive Director is US\$20,000 per annum. Under the appointment letter between Mr Heng and the Company, Mr Heng's appointment was for an initial term of one year commencing on 25 January 2005 renewable for further successive periods of one year and will be for a maximum term of three years from 25 January 2005, subject to retirement by rotation and re-election at general meetings of the Company as and when required under the Bye-laws of the Company. The Director's fee of Mr Heng is determined by reference to his duties and responsibilities and the prevailing market condition.

Mr Heng, being an independent non-executive Director of the Company eligible for re-election at the Annual General Meeting, has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules, the Company is of the view that Mr Heng meets the independence guidelines set out in Rule 3.13 of the Listing Rules and is independent in accordance with the terms of the guidelines.

Further details of the interests of above Directors required to be disclosed under Part XV of the SFO will be set out in the Annual Report of the Company to be despatched to shareholders in due course.

Each of Mr Wong Cho Tung, Mr Wong Hei, Simon, Ms Tang Rongrong and Mr Heng Kwo Seng has confirmed to the Board of Directors that the details set out in paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules are not relevant to him or her and therefore no information needs to be disclosed by any of them in relation to those paragraphs. Each of Mr Wong Cho Tung, Mr Wong Hei, Simon, Ms Tang Rongrong and Mr Heng Kwo Seng further confirmed to the Board of Directors that save as disclosed above, there is no other matter that needs to be brought to the shareholders' attention in relation to their re-election as Directors.