Investors should also note that we commissioned iSuppli Corporation, a market intelligence company which offers electronics and technology research and advisory services, to prepare certain information, statistics and data on touch pad, fingerprint and wireless charging industries for inclusion in this prospectus.

SOURCES OF INFORMATION

iSuppli Corporation

iSuppli Corporation, a company founded in 1999 and based in El Segundo, California, operates as a market intelligence company which offers electronics and technology research and advisory services, as well as produces analysis reports and databases. iSuppli Corporation is an Independent Third Party. Our Company commissioned iSuppli Corporation to conduct market analyses of, and produce the iSuppli Touch Report and the iSuppli WC Report.

The information, data, and forecasts contained in the iSuppli Touch Report came from primary and secondary sources. Primary market research methods included interviews with key touch pad manufacturers, component suppliers, and customers. Unit system and touch pad market statistics are based on reported sales and/or derived from the proprietary market share data and databases of iSuppli Corporation. iSuppli Corporation also utilised company financial statements and other public data sources. Historical patterning, econometric analyses, and price-volume analyses were all used to analyse and explain market data and trends.

Analyses and forecasts contained in the iSuppli Touch Report are based on the following assumptions at the time of compiling such report:

- The macro economy will continue on a slow recovery path, with investment neither dropping precipitously from current levels nor suddenly increasing.

- Technological developments in touch pads, touch screens, and fingerprint sensors will continue at a rate appropriate to the current level of investment in research and development.

- Windows 7 is released on schedule in fall 2009.

- Mobile computing will grow in popularity such that the markets for laptop computers and handheld communication devices will grow.

The information, data, and forecasts contained in the iSuppli WC Report came from primary and secondary sources. Primary market research methods included: interviews with key wireless charging technology providers, semiconductor vendors, wireless charging solution providers, and device OEMs. Unit sales and market statistics are based on the discussion between solution vendors and/or derived from iSuppli proprietary expertise in the power industry and iSuppli proprietary databases. iSuppli also utilises other public data sources. Historical technology patterning, econometric analyses, and price-volume analyses were all utilised to analyse and explain market data and trends.

Analyses and forecasts contained in the iSuppli WC Report are based on the following assumptions at the time of compiling such report:

● An industry wide wireless charging standard will soon be established to address the interoperability and compatibility issues.

● The mobile handset market will continue to grow, and reach 1.5 billion units by 2013.

● PMP/MP3 players and Digital Still Cameras (DSCs) are reaching market saturation.

● The Mobile PC category will continue to experience robust growth.

● After-market wireless charger manufacturers will continue to innovate and provide complete solutions for the needs of charging devices with different power profiles simultaneously.

DisplaySearch, LLC

DisplaySearch is a provider of information, consulting and conferences on the display supply chain and display-related industries. DisplaySearch offers regional and global analysis of display products, including technology assessments, trend reports, studies and surveys. DisplaySearch is an Independent Third Party. Information disclosed in this prospectus from DisplaySearch is extracted from a report not commissioned by our Company or the Sole Sponsor.

International Biometric Group, LLC

IBG is a research, consulting and systems integration firm addressing the identity management and security needs of government and commercial clients. IBG is an Independent Third Party. Information disclosed in this prospectus from IBG is extracted from a report not commissioned by our Company or the Sole Sponsor.

IMS Research

IMS Research is a supplier of market research to the global electronics industry. IMS Research is an Independent Third Party. Information disclosed in this prospectus from IMS Research is extracted from a report not commissioned by our Company or the Sole Sponsor.

ResearchInChina

ResearchInChina is a provider of China business intelligence with services including strategic planning, product and sales forecasting, risk and sensitivity management, and as investment research. ResearchInChina is an Independent Third Party. Information disclosed in this prospectus from ResearchInChina is extracted from a report not commissioned by our Company or the Sole Sponsor.

TOUCH PAD MARKET

Overview

A touch pad, also called a trackpad, is a pointing device used to translate a user's finger position and motion into effect on a display screen. At present, most laptop computers use touch pads as a "cursor navigator". For a long time, touch pads have become a standard accessory of most notebook computers due to advantages such as stable performance and convenient operation.

Capacitive touch pad technology has been widely used since 2004 in high-volume consumer electronic devices including notebooks, netbooks and other handheld devices.

Touch Pad Worldwide Sales Revenues

Set forth below is the global touch pad sales revenue from 2005 to 2008, and the estimates by iSuppli Corporation for 2009 to 2010.

Worldwide touch pad sales revenues by leading touch pad vendors

2005	2006	2007	2008	2009E	2010E
		(US$'000)			
293,170	376,752	494,804	549,484	534,629	556,696

Source: iSuppli Touch Report

Touch Pad Analysis by Vendor

The pie chart below shows the worldwide touch pad sales revenue in the year 2008 by the leading vendors.

Worldwide Touch Pad Sales Revenue by Leading Touch Pad Vendors in 2008
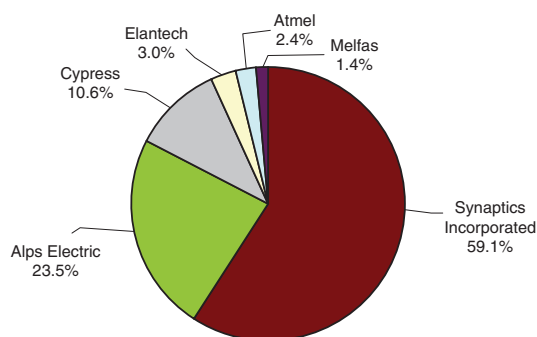
Source: iSuppli Touch Report

The global leader in terms of worldwide touch pad sales in 2008 is our major customer, Synaptics, as indicated in the above chart, followed by Alps Electric, Cypress and Elantech.

Development of Touch Pad

In general, there were four major technologies for touch pads, namely, resistive, surface capacitive, pixel-embedded and infrared optical. Interest in touch screens surged since the mid 2000s and many previously obscure technologies simultaneously reached commercial viability. These included projected capacitive, camera-based optical, optical waveguide, force-sensing and bending-wave touchpads. With the expiration of key patents from 3M and Elo, a number of new players have entered into surface capacitive and SAW touch pad market.

Touch Pad Supply Chain

Touch technology companies and controller IC providers play the dominant role as touch pad suppliers. Some of these companies rely on outsourced semiconductor manufacturing and assembly services, generally delivered in China and Southeast Asia where dozens of contract manufacturing firms are located.

In the case of notebooks, the touch pad supplier sells a touch pad module to the electronics manufacturing services (EMS) provider or original design manufacturer (ODM) which will incorporate it into the product. A more recent alternative is to supply a simpler product – just the controller IC and a programmable interface – to the EMS/ODM or directly to the ODM.

Major Types of Touch Pad Technologies

Currently, there are four key types of technology relevant to touch pads, namely, capacitive, optical, pixel-embedded and resistive.

Capacitive is the near-exclusive type of technology used for touch pads in notebook computers, PMPs and mobile phones, etc. Resistive was used in the first track pad and is the main technology in touch screens, but does not serve the high-volume touch pad markets. Optical and pixel-embedded types are emerging technologies for touch pads.

As mentioned above, capacitive technology dominates the touch pad market. Compared to resistive, capacitive is significantly more durable and accurate, although more expensive. Most importantly, resistive touch pads have much more difficulty executing multi-touch, which will be increasingly required. As a result, resistive type offers no true competition in touch pads. Optical and pixel-embedded technologies are newly developed and more expensive than capacitive technology. Although they offer the potential for more sophisticated performance, mass adoption is unlikely in the near future at its present pricing.

Being the most optimal technology for portable computers, capacitive technology sees its opportunities along with the expansion of the notebook computer markets. It also allows innovative formats for mobile devices such as the click wheel. Moreover, technological advancement due to the growth of touch screens benefits touch pads and is expected to propel the expansion of the touch

button market. Nonetheless, the interaction between the markets for touch screens and touch pads proffers mixed potential. In products that are increasingly incorporating a touch screen (such as mobile phones), there may be no need for a touch pad. However, our Directors are of the view that such substitution will not be extensive in the near future due to the fundamentally different cost profiles between touch pads and touch screens. Nonetheless, a company that supplies touch technologies for all modes – touch screens and touch pads alike (on both portable computers and in mobile devices) – will have an excellent opportunity to create a strategic product mix that serves expanding markets in each mode.

Key Applications of Touch Pads

There are two major market segments for the application of touch products, namely, portable laptop computers and mobile devices.

The dominant application is portable laptop computers where it serves as the integrated mouse function.

Mobile devices are an evolving market segment for touch pads. In addition to the use in mobile phones and smart phones, the most common use of touch pads is in PMPs and MP3 players where the touch pad is used to navigate through playlists and function menus.

Capacitive Touch Pad Market Forecasts

Portable Computer Outlook

The most important platform for touch pads is portable laptop computers (including netbooks) and some smaller computing devices. Despite the economic downturn in recent years, the portable laptop computers market is expected to continue to grow in 2010, according to iSuppli Corporation. Set forth below is the unit shipment of portable laptop computers from 2006 to 2008 and the estimate by iSuppli Corporation for 2009 to 2013.

Portable laptop computer unit shipment

	2006	2007	2008	2009E	2010E	2011E	2012E	2013E
				(thousand units)				
Notebooks (excluding netbooks)	79,107	102,056	131,743	143,499	163,873	185,131	210,187	234,836
% Growth	N.A.	29.0%	29.1%	8.9%	14.2%	13.0%	13.5%	11.7%
Netbooks	456	1,442	7,873	12,479	15,185	19,892	21,284	22,560
% Growth	N.A.	216.2%	446.0%	58.5%	21.7%	31.0%	7.0%	6.0%

Source: iSuppli Touch Report

Touch pads are essentially found in the majority of notebooks currently. The market for these devices is expected to expand. Meanwhile, the market for touch pads in handheld devices like handheld computers, PMPs, MP3 players, mobile phones and smart phones is also expanding.

The overall market size of capacitive touch pads is estimated to reach approximately 379 million units in 2009 according to iSuppli Corporation and further increase to approximately 775 million units in 2013, representing a CAGR of approximately 19.6%. Set forth below is the unit shipment of touch pads from 2006 to 2008, and the estimate by iSuppli Corporation for 2009 to 2013.

Touch pad unit shipment by applications

	2006	2007	2008	2009E	2010E	2011E	2012E	2013E
				(thousand units)				
Notebook (excluding netbook)	79,186	102,158	131,875	143,929	164,200	185,464	210,377	235,071
Netbook	456	1,443	7,881	12,491	15,200	19,912	21,305	22,582
PMP/MP3	46,400	59,500	119,810	125,360	135,913	140,493	152,630	160,729
Mobile/smart phone	11,000	63,109	77,708	97,499	131,129	198,197	248,096	356,504
Total touch pad	**137,043**	**226,211**	**337,274**	**379,281**	**446,443**	**544,066**	**632,408**	**774,886**

Source: iSuppli Touch Report

Worldwide sales revenue of touch pads for portable laptop computers have been falling from 2007 to 2009 according to iSuppli Corporation despite the growth in unit shipment during the same period. However, with the increase in unit sales of the high-price unlimited-touch touch pads, such decreasing trend is expected to turn round from 2010 onwards as forecasted by iSuppli Corporation. Set forth below is the global touch pad sales revenue from 2006 to 2008, and the estimate by iSuppli Corporation for 2009 to 2013.

Worldwide touch pad sales revenue

	2006	2007	2008	2009E	2010E	2011E	2012E	2013E
				(US$'000)				
Notebook (excluding netbook)	336,541	408,632	402,218	373,137	379,928	430,415	531,195	706,323
Netbook	1,643	4,763	23,643	31,853	34,594	42,372	44,316	49,908
PMP/MP3 players	34,800	41,650	83,867	75,216	75,840	72,907	73,662	72,140
Mobile/smart phone	7,150	39,759	46,625	56,550	70,731	99,424	115,744	154,676
Total touch pad	**380,134**	**494,804**	**556,352**	**536,756**	**561,093**	**645,118**	**764,916**	**983,048**

* Touchpad module in the case of notebook/netbook; IC and interface only in the case of mobile devices.

Source: iSuppli Touch Report

According to iSuppli Corporation, the market size of capacitive touch pads is estimated to reach approximately US$537 million in 2009 and is expected to grow to approximately US$983 million in 2013, representing a CAGR of approximately 16.3%.

Touch Pad Analysis by Region

Nearly all touch pads are delivered to the region of end-product assembly. With the advantage of low-cost and short production cycles, Asia Pacific has been the major production base worldwide providing assembly services or electronics manufacturing services. As a result, Asia Pacific is the major market of touch pads. iSuppli Corporation estimated that in 2008, approximately 90% of touch

pads are delivered in Asia Pacific, approximately 9% in Europe, the Middle East and Africa and approximately 1% in Americas.

Touch Pad Analysis by Market

The mobile device market is more volatile and this market is rapidly changing because of the rise in touch screens. All players in this market are offering touch screen products in addition to touch buttons, wheel, etc.

Our Touch Product Business Overview

The average unit price for our capacitive touch pads decreased during the Track Record Period. Our Directors are of the view that the decrease in the average unit price for our capacitive touch pads was mainly attributable to factors including general industry price trends, the reduction in sizes of PCBs used in touch pads due to technological advancement, the general reduction in prices of raw materials for producing touch products, as well as increased competition in the touch products market.

Touch pads have existed for more than a decade and there have been lowering costs, increasing competition and declining price trend when compared with the time they were first introduced to the market. Our Directors however believe that, as supported by the forecast of iSuppli Touch Report, the product life-cycle of touch pads is at a growth stage and the overall market size of capacitive touch pad is still forecasted to grow and will reach a CAGR of 19.6% in 2013 from 2009. Our Directors believe that the sustainability of our Group's business growth is maintained by our diversified business portfolio, innovative R&D team and visionary management. Our Group has already tapped into the capacitive touch screen market which has an increasing market share over conventional resistive touch screens. Being an experienced manufacturing solutions provider for capacitive touch products, our Directors believe that our Group is well positioned to capitalise on growing market adoption for both capacitive touch pads and touch screens.

Our Group's competitors in respect of capacitive touch products include (i) a NASDAQ listed company which provides electronics manufacturing services to original equipment manufacturers, which also provides design resources to end-to-end vertically integrated global supply chain services, including packaging and transportation worldwide; (ii) a Thailand listed company which is a contract manufacturer with its production bases in Thailand and engaged in the provision of various assembly services in the electronics industries which includes PCBA, COB and IC assembly; and (iii) a Thailand company which provides electronics manufacturing services in microelectronics module assembly (including PCBA, testing and box build assembly) and IC packaging and exclusive line assembly. Our Directors believe that there is increasing number of players in the capacitive touch market.

TOUCH SCREEN MARKET

Overview

The market for touch technology remains strong with expected future growth considerably exceeding that of the general display industry. According to DisplaySearch, shipments of touch modules are expected to increase to approximately 1.4 billion units by 2015 from approximately 483 million units in 2009, representing a CAGR of approximately 16.9%, which is approximately 3.4

times faster than the growth of the display industry. Touch module revenues are expected to rise from approximately US$3.66 billion in 2009 to approximately US$9.08 billion by 2015, representing a CAGR of approximately 13.9%, which is approximately 10.3 times faster than the growth of the display industry. Also, sensor revenues are expected to rise from approximately US$2.77 billion in 2009 to approximately US$6.61 billion by 2015, representing a CAGR of approximately 13.4%, which is approximately 9.9 times faster than the growth of the display industry.

Unit shipment and revenue of touch module and touch sensor
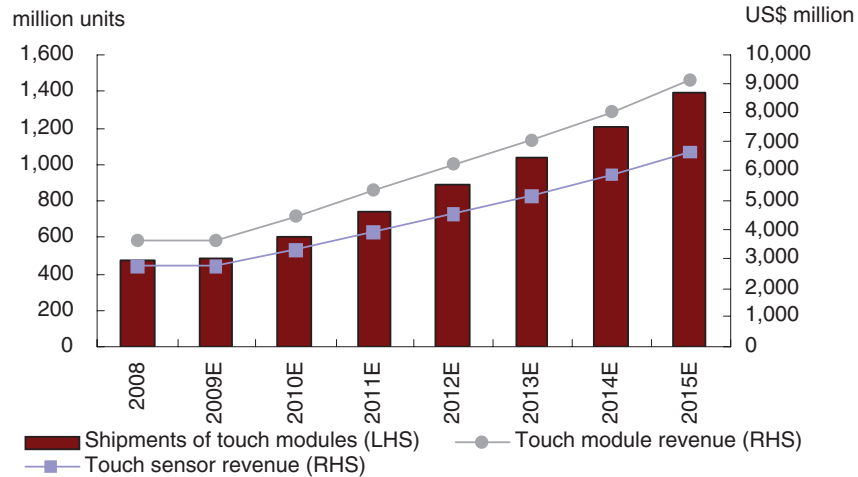
Source: DisplaySearch

Contrary to the shipment growth, the overall average selling price of touch modules and sensors is expected to fall from approximately US$7.78 and approximately US$5.85 in 2008 respectively to approximately US$6.51 and approximately US$4.74 in 2015 respectively, according to DisplaySearch. Set forth below is the average selling price of touch modules and sensors.

Average selling price of touch modules and sensors
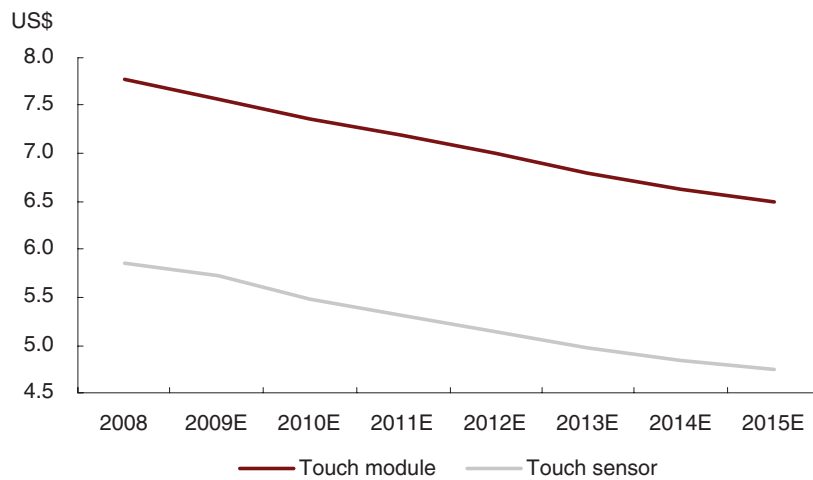
Source: DisplaySearch

Our Directors believe that the touch screen market is in the growth stage of the product life cycle as evidenced by, among others, reducing costs, rising sales volume and increasing public awareness.

Major Touch Screen Technologies

According to DisplaySearch, there are over a dozen touch screen technologies, which generally fall into ten categories, namely, resistive, projected capacitive, surface capacitive, infrared, optical (image sensor) touch, acoustic wave, digitiser, in-cell, combo (projected capacitive-cum-digitiser) and others.
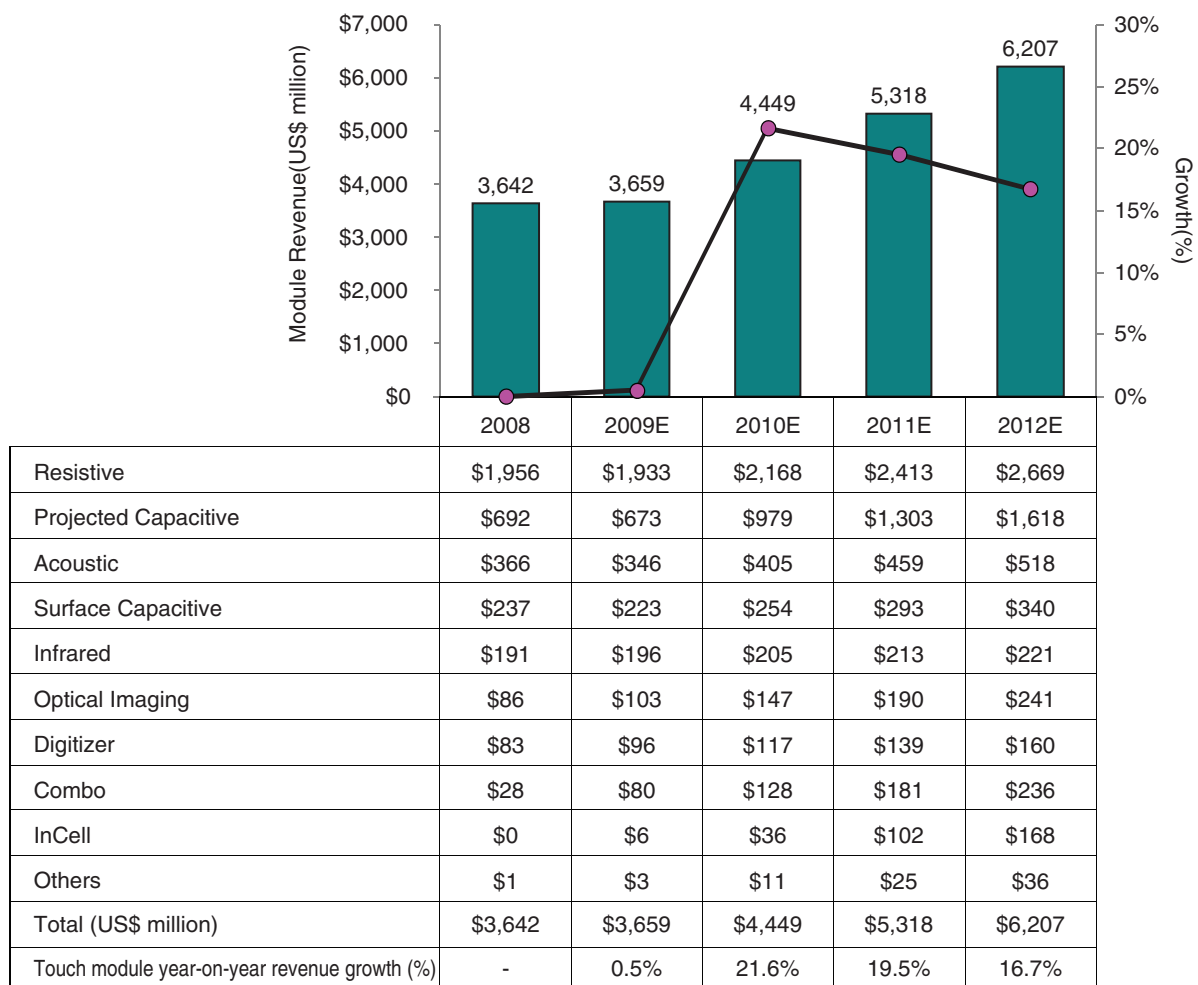
At present, the dominant technology for touch screen is resistive technology according to DisplaySearch. Compared with others, resistive technology offers excellent touch resolution and is of comparatively lower cost. Nonetheless, the transmissivity and durability of resistive technology is not as good as capacitive technologies. Moreover, multi-touch is not typically applied in resistive technology but can be applied in projected capacitive, infrared, optical imaging, combo and in-cell technologies. Although the majority of touch screen suppliers manufacture resistive type touch screens, more and more suppliers started to produce projected capacitive touch screen in 2008.

Given the many competing touch technologies including new solutions being commercialised, the choice of technology is highly dependent on applications and/or size requirements. According to DisplaySearch, the touch screen market is expected to be driven by (i) the reduction in costs of labour, related components and materials, (ii) the availability of new user interfaces that utilise touch technology, particularly the multi-touch technology, (iii) innovation for touch panel technology, materials, and adjunct technologies, and (iv) improvements in software and hardware which promote the use of touch technology such as Window 7 and multi-touch.

In terms of revenue, resistive technology is the most popular with 2008 revenue amounting to approximately US$1,956 million. Set forth below is the revenue trends for the ten major technologies for touch screen for 2008 and the estimate by DisplaySearch for 2009 to 2012.

Revenue trends for the ten major technologies for touch screen

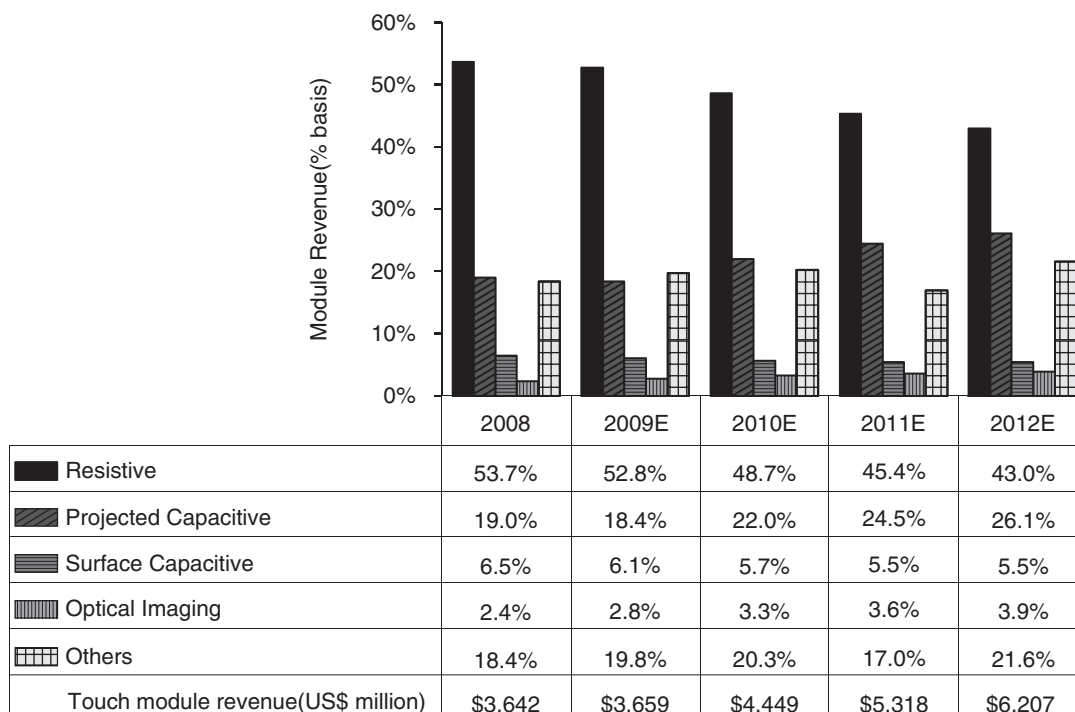|	2008	2009E	2010E	2011E	2012E
Resistive	$1,956	$1,933	$2,168	$2,413	$2,669
Projected Capacitive	$692	$673	$979	$1,303	$1,618
Acoustic	$366	$346	$405	$459	$518
Surface Capacitive	$237	$223	$254	$293	$340
Infrared	$191	$196	$205	$213	$221
Optical Imaging	$86	$103	$147	$190	$241
Digitizer	$83	$96	$117	$139	$160
Combo	$28	$80	$128	$181	$236
InCell	$0	$6	$36	$102	$168
Others	$1	$3	$11	$25	$36
Total (US$ million)	$3,642	$3,659	$4,449	$5,318	$6,207
Touch module year-on-year revenue growth (%)	-	0.5%	21.6%	19.5%	16.7%

Source: DisplaySearch

In terms of revenue, resistive type of touch screen had a share of approximately 53.7% in 2008 and its market share is expected to show a declining trend from 2009 to 2012 accordingly to DisplaySearch. Nonetheless, projected capacitive technology is expected to take up the market in the next few years. Set forth below is the relative share of the ten major technologies for touch screen in terms of revenue for 2008 and the estimate by DisplaySearch for 2009 to 2012.

Relative share of the ten major technologies for touch screen in terms of revenue

	2008	2009E	2010E	2011E	2012E
Resistive	53.7%	52.8%	48.7%	45.4%	43.0%
Projected Capacitive	19.0%	18.4%	22.0%	24.5%	26.1%
Surface Capacitive	6.5%	6.1%	5.7%	5.5%	5.5%
Optical Imaging	2.4%	2.8%	3.3%	3.6%	3.9%
Others	18.4%	19.8%	20.3%	17.0%	21.6%
Touch module revenue(US$ million)	$3,642	$3,659	$4,449	$5,318	$6,207

Source: DisplaySearch

Major Applications of Touch Screen

Touch technology is growing across many different applications including consumer electronics, commercial products and industrial equipment.

According to DisplaySearch, mobile phone is expected to continue to be the leading application among various applications, accounting for approximately 60.8% and 32.9% of aggregate module shipment and revenues, respectively, during 2009-2015. The next three largest specific applications in terms of shipment in order are portable game players, PMP/ MP3 players, and portable navigation devices. Set forth below is the forecasted CAGR and relative share in terms of major applications in respect of (i) unit shipment of touch modules; (ii) touch module revenue and (iii) touch sensor revenue for the period of 2009 to 2015 according to DisplaySearch.

Estimated CAGR and relative share in terms of major applications for 2009 to 2015

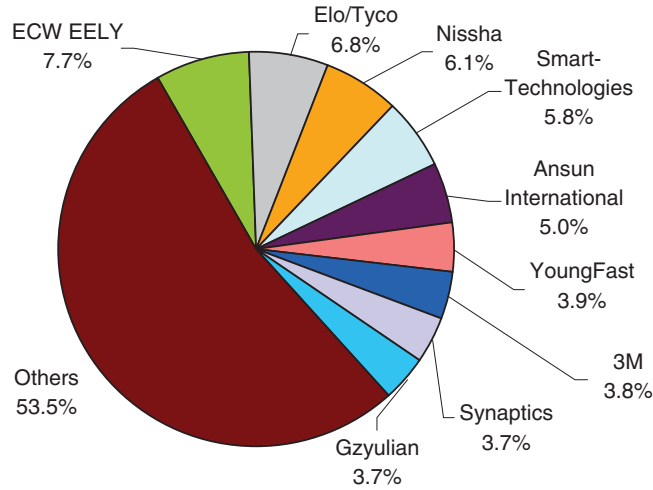| Application	Unit shipment		Module revenue		Sensor revenue	
	CAGR	Share	CAGR	Share	CAGR	Share
Mobile Phone	23.9%	60.8%	23.0%	32.9%	22.5%	28.6%
Game – Portable	9.6%	7.1%	7.0%	3.5%	7.2%	4.3%
PMP/MP3 Player	20.7%	4.5%	16.1%	4.6%	16.6%	2.9%
Portable Navigation Device	3.2%	3.6%	0.4%	1.7%	0.4%	2.0%
ATM/Financial	5.7%	1.1%	4.2%	4.1%	3.8%	4.5%
Medical	10.2%	1.1%	11.0%	3.3%	10.8%	3.7%
POI and Self Check-in	14.0%	1.0%	15.7%	5.8%	15.5%	6.3%
Notebook PC	23.9%	0.8%	24.9%	6.9%	24.6%	7.6%
Mini-note/Ultra-mobile PC	30.3%	0.5%	43.5%	2.0%	42.3%	2.1%

Source: DisplaySearch

Currently, touch screen phones are roughly split between two types of technologies: capacitive and resistive. Resistive technology has existed for over 15 years and has initially been deployed for the first round of touch screen phones due to its relatively low cost and simple implementation. However, as mobile handset OEMs deliver multimedia capabilities (e.g. high-definition video, full Internet browsing, etc.), they will require more sophisticated interaction, such as 3D graphical user interfaces. Resistive technology offers limited gestures and multimedia support. On the contrary, capacitive technology, whose cost curve is expected to decline to comparable levels as resistive technology over time, offers the following advantages over resistive technology for multimedia smartphones including (i) flexible and light-weight; (ii) better clarity; (iii) more durable because users do not physically compress the screen to see a touch; and (iv) utilised in a variety of applications including point-of-sale systems, industrial controls, public information kiosks, etc. In this regard, first-movers and dominant suppliers of capacitive touch screen technology are expected to grow along with the overall market.

Fragmented Market for Touch Screen

The touch screen industry is fragmented with well over 100 sensor and module suppliers. Overall, shipment leaders are those who typically focus on resistive technology. Nonetheless, revenue differs greatly from shipment share due to the relative cost among resistive and other more expensive technologies. Set forth below is the market share of major suppliers of touch modules in terms of revenue in 2008.

**Market share of major suppliers of touch modules in terms of revenue in 2008**

ECW EELY
7.7%

Elo/Tyco
6.8%

Nissha
6.1%

Smart-
Technologies
5.8%

Ansun
International
5.0%

YoungFast
3.9%

3M
3.8%

Synaptics
3.7%

Gzyulian
3.7%

Others
53.5%

Source: DisplaySearch

In terms of revenue by region in 2008, China ranks first with revenue amounting to approximately US$933 million due to larger sizes and more expensive touch technologies. Taiwan and Japan rank second and third respectively with revenue amounting to approximately US$758 million and US$691 million respectively. Set forth below is the revenue of touch modules by region in 2008.

Revenue of touch modules by region in 2008

USA
19%

China
29%

Japan
20%

Korea
2%

Rest of the World
8%

Taiwan
22%
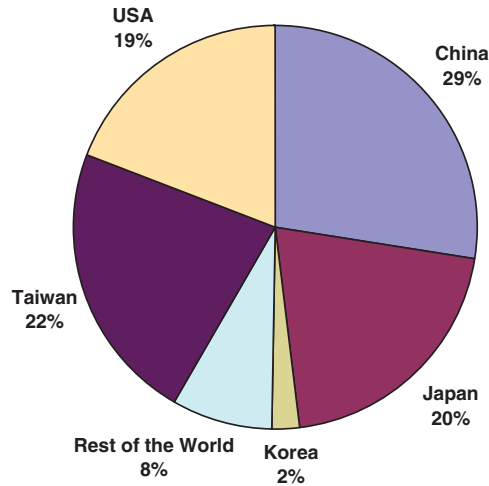
Source: DisplaySearch

FINGERPRINT DEVICE MARKET

Overview

Biometrics refers to methods for uniquely recognising humans based upon one or more intrinsic physical or behavioural traits. In information technology, in particular, biometrics is used as a form of identity access management and access control. Set forth below is the annual biometric industry revenues estimated by IBG for 2009 to 2014.

Estimated annual biometric industry revenues for 2009 to 2014
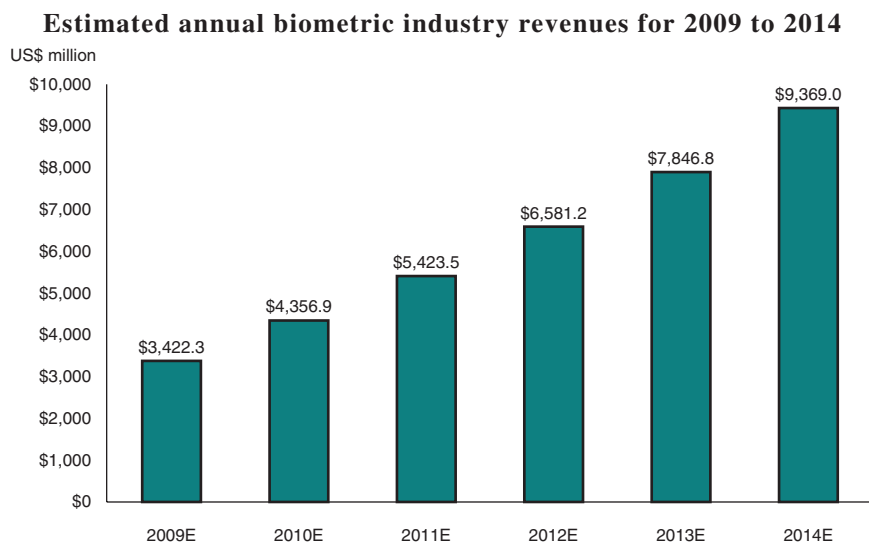
Source: IBG MATERIAL. "Forecasted annual biometric industry revenues for 2009 to 2014"

Among various biometric technologies, fingerprint deployments are the dominant segment. Fingerprint technology is used to verify availability for public services, access computers and mobile devices, enter restricted areas, authorise transactions, and confirm identity in interactions with authorities. Most fingerprint deployments provide one-to-one verification of a claimed identity. For large-scale identification applications, in which a fingerprint is searched against a database of thousands or millions of fingerprints, are classified as automated fingerprint identification systems. Set forth below is the annual revenues by various biometric technologies estimated by IBG for 2009 to 2014.

Estimated annual revenues by various biometric technologies for 2009 to 2014

	2009E	2010E	2011E	2012E	2013E	2014E
	(US$ million)					
AFIS/Live-Scan	1,309.1	1,489.9	1,816.5	2,154.4	2,525.9	2,965.8
Fingerprint	971.0	1,380.9	1,740.1	2,064.1	2,422.9	2,827.2
Face Recognition	390.0	510.8	675.4	848.5	1,097.3	1,417.8
Middleware	275.0	327.7	413.8	525.2	625.2	732.6
Iris Recognition	174.4	287.8	360.8	480.5	578.3	730.3
Voice Recognition	103.8	109.3	113.5	136.3	167.5	189.7
Vein Recognition	83.0	102.1	132.2	172.2	199.5	235.7
Hand Geometry	62.0	62.8	63.7	68.2	76.0	85.0
Other Modalities	54.0	85.6	107.5	131.8	154.2	184.9
Annual Total	**3,422.3**	**4,356.9**	**5,423.5**	**6,581.2**	**7,846.8**	**9,369.0**

Source: IBG MATERIAL, "Forecasted annual revenues by various biometric technologies for 2009 to 2014"

**Overview of Fingerprint Sensor Market**

A fingerprint sensor is an electronic device used to capture a digital image of the fingerprint pattern. The captured image is called a live scan. The live scan is digitally processed to create a biometric template (a set of extracted features) which is stored and used for matching. The major fingerprint sensor types are (i) optical sensor which captures a visual image of the fingerprint by using a light source, a prism and a detector platen; (ii) silicon sensor which converts physical fingerprint information into electrical signals by means of capacitive, thermal, electric field (also known as radio frequency or RF) or pressure (piezoelectric); and (iii) ultrasound sensor which uses acoustic waves to measure the density of a finger image pattern.

With the improvements in technology, fingerprint sensors have become more convenient in applications such as safes or notebooks which use fingerprint sensors to replace passwords, pin numbers or physical keys. The price erosion and demand for enhanced security level also fuel the demand for fingerprint sensors. IMS Research estimated the sales of fingerprint sensors to grow from approximately US$228.6 million in 2008 to approximately US$426 million by 2013, representing a CAGR of approximately 13.3% from 2008 to 2013. In particular, revenues for fingerprint sensors used in notebooks are expected to double from approximately US$126 million in 2008 to approximately US$235.7 million in 2013 according to IMS Research. Set forth below is the global sales value of fingerprint sensors for 2008, and the estimate for 2009 to 2013 according to IMS Research.

Global sales value of fingerprint sensors
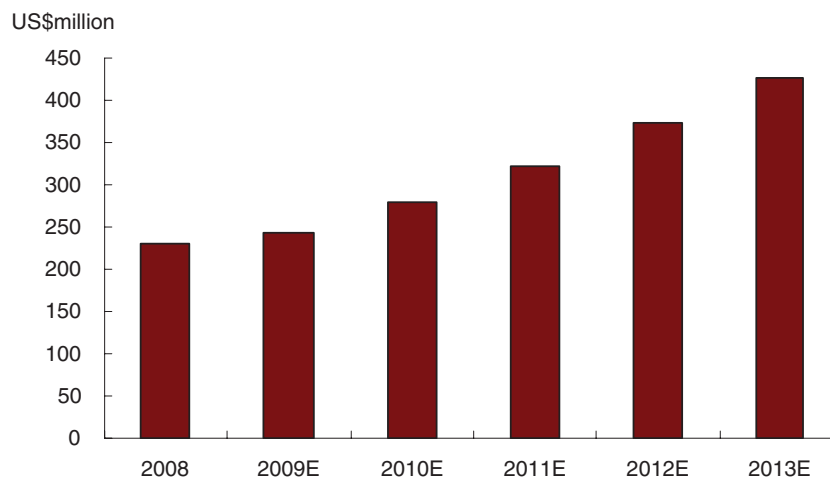
Source: IMS Research

Our Directors believe that fingerprint sensors for portable laptop computers and handheld computers are in the growth stage of the product life cycle as evidenced by, among others, steady expansion through technology improvements, rising user awareness, declining price and increasing sales volume. Our Directors are of the view that our Group is ready to capitalise on the promising business prospects of the fingerprint sensor market.

The dominant fingerprint sensor technology is the silicon type with approximately 76.7% market share in 2008, according to IMS Research. With an estimated CAGR in sales of approximately 14.8% from US$175.3 million in 2008 to US$349.1 million in 2013, silicon sensors are expected to remain the dominant fingerprint sensor over the next few years.

Fingerprint Sensor Application

According to IMS Research, fingerprint sensor application can be classified into three segments, namely (i) physical access sector (access control, door locks, safes & vaults, time & attendance and others); (ii) logical access sector (mobile phones, notebooks, PC peripherals, USB memory and others); and (iii) public sector uses. IMS Research estimates that the public sector accounted for only 2.4% of the market (amounting to approximately US$5.4 million) in 2008 and that growth will be the lowest among these three segments over the next few years.

There are two major applications of logical access for fingerprint sensors including mobile phones and notebooks. According to IMS Research, the notebook sector was estimated to account for approximately US$126.8 million, or 71.3% of total logical access application revenue in 2008 and will remain the dominant application over the next few years with an estimated CAGR in sales of 13.2% from 2008 to US$235.7 million in 2013.

According to IMS Research, access control was estimated to account for approximately 70.5% of total physical access fingerprint sensor application revenue in 2008 and will remain the dominant application through 2013.

WIRELESS CHARGING MARKET

Overview

There are four key types of wireless charging, namely (i) conductive technology which needs electrical contacts; (ii) inductive coupling which allows short-range power transmission yet requires proper shielding to control radio frequency interference; (iii) near-field magnetic resonance which allows short to medium range power transmission but no product has yet been commercialised; (iv) far-field magnetic resonance which allows long range power transmission but incurs tremendous energy loss through radiation with safety concerns such that, similar to the near-field magnetic resonance type, no product has yet been commercialised. Among the aforesaid four key types of technology, inductive coupling technology and conductive technology offer the highest efficiency of approximately 70% (as compared to 30% to 40% for near-field magnetic resonance and even lower for far-field magnetic resonance).

According to the iSuppli WC Report, at present, inductive coupling technology is the most widely adopted technology. Although there is no standard formed, all commercial products based on inductive coupling are based on companies' proprietary technologies. iSuppli WC Report also states that 2010 is expected to mark the real birth of wireless charging with meaningful shipment volume. For consumer electronics, wireless charging will start as accessories or options for customers. Manufacturers need to fully integrate wireless charging into the PCB design and the most efficient and effective way to drive adoption is having a standard to ensure interoperability.

Furthermore, Microsoft Corporation has also filed a patent with the U.S. Patent and Trademark Office for wireless charging devices in August 2008. We believe this indicates the growth potentials of the wireless charging market and a recognition of its importance by the international computer and consumer electronics brands.

Application of Wireless Charging Devices

Wireless charging technology is mainly applied for consumer electronics including mobile phones, PMP/MP3 players, digital still cameras and portable computers. According to the iSuppli WC Report, mobile phone is expected to be most readily enabled with wireless charging technology. Set forth below is the level of penetration of wireless charging technology into different applications of consumer electronics from 2010 (when shipment is expected to become meaningful for wireless charging devices) to 2013, as estimated by iSuppli Corporation.

Wireless charging penetration by application from 2010 to 2013

|	2010E (million units)	2011E (million units)	2012E (million units)	2013E (million units)
Mobile phones	9.2	57.2	177.3	293.0
PMP/MP3 players	0.5	2.2	6.9	19.5
Digital still cameras	0.1	0.7	2.2	4.0
Mobile PCs	0.2	0.8	2.8	7.1
Total	**10.0**	**60.8**	**189.2**	**323.6**

Source: iSuppli WC Report

Mobile phone will contribute a dominant portion of wireless charging enabled devices among the four applications due to its high volume and OEMs' participation to enhance market awareness. Although PMP/MP3 player market is saturating, this segment has more unified form factor and similar power consumption profile encourages accessory manufacturers to design products for this spectrum.

Size for Wireless Charging Market

The combined revenue of product specific solutions and after market solutions shows a CAGR of approximately 178.4% from approximately US$598.6 million in 2010 to approximately US$12,915.4 million in 2013. Wireless charging has tremendous opportunity to get into various portal consumer products once there is an industry standard. Set forth below is the total addressable size for the wireless charging market from 2010 (when shipment is expected to become meaningful for wireless charging devices) to 2013, as estimated by iSuppli Corporation.

Total addressable market size for the wireless charging from 2010 to 2013
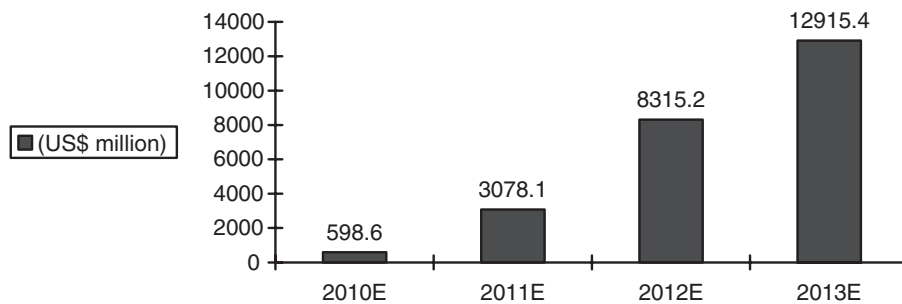
Source: iSuppli WC Report

PLASMA LIGHTING MARKET

Plasma lamps are a relatively new (as of 2009) type of highly efficient electrodeless lamp energised by radio frequency (RF) power. The first practical plasma lamps were the sulphur lamps which suffered from a number of practical problems yet have gradually been overcome by manufacturers such as Ceravision and Luxim, and high-efficiency plasma (HEP) lamps have been introduced to the general lighting market.

High-efficiency plasma lighting is the class of plasma lamps that have system efficiencies of 90 lumens per watt or more. Lamps in this class are potentially the most energy-efficient light source for outdoor, commercial and industrial lighting. This is due not only to their high system efficiency but also to the small light source they present enabling very high luminaire efficiency.

Many modern plasma lamps have very small light sources – far smaller than high-intensity discharge (HID) bulbs or fluorescent tubes – leading to much higher luminaire efficiencies also. While HID lamps and fixtures can save 75% to 90% of lighting energy when they replace incandescent lamps and fixtures, plasma lamps have even higher luminaire efficiencies than HID lamps.

Recent development of solid-state high-intensity lighting technology not only enables efficiency, but also long stable life, full spectrum intensity which can be digitally controlled and is user-friendly. It is therefore applicable in commercial, industrial, infrastructure, projection display, front projector applications (such as HDTV, video wall and home theatre), medical, microscopy, inspection, entertainment, etc. Plasma lighting can also be applied as street lamp. The road light market of mainland China reached 28 million street lamps in 2009 with about 1.5 million to 2 million street lamps will be installed or replaced.