THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your 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 (the "**Company**"), you should at once hand this circular and the accompanying form of proxy to the purchaser, the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company and its subsidiaries. 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.

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)

RENEWAL OF THE 10% GENERAL LIMIT ON THE GRANT OF OPTIONS UNDER THE SHARE OPTION SCHEME AND NOTICE OF SPECIAL GENERAL MEETING

A notice convening the special general meeting of the Company to be held at 10:00 a.m. on Friday, 12 December 2008 at Room 3203, 32/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong is set out on pages 8 to 9 of this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time of the meeting 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. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting in person should you so wish.

* *For identification purposes only*

27 November 2008

CONTENTS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

"10% General Limit"	the limit imposed under Clause 10.1 of the rules of the Share Option Scheme on the total number of Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company, being 10% of the Company's issued share capital as at the Listing Date, which may be "refreshed" pursuant to the rules of the Share Option Scheme
"Board"	the board of Directors
"Company"	SIM Technology Group Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange
"Directors"	directors of the Company
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Latest Practicable Date"	24 November 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"Listing Date"	30 June 2005, the date on which the Shares first commenced trading on the Main Board of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China
"Pre-IPO Share Option Scheme"	the pre-listing share option scheme adopted by the Company on 30 May 2005
"Share(s)"	ordinary share(s) of HK$0.10 each in the capital of the Company
"Shareholder(s)"	holder(s) for the time being of the Share(s)

"Share Option Scheme"	the share option scheme of the Company adopted by the Company on 30 May 2005
"Special General Meeting"	the special general meeting of the Company convened to be held at 10:00 a.m. on Friday, 12 December 2008 at Room 3203, 32/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong, the notice of which is set out on pages 8 to 9 of this circular and any adjournment thereof
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"HK$"	Hong Kong dollars
"%"	per cent.

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

(Incorporated in Bermuda with limited liability)

(Stock Code: 2000)

Executive Directors:
Ms Yeung Man Ying *(Chairman)*
Mr Wong Cho Tung
Mr Wong Hei, Simon
Mr Zhang Jianping
Ms Tang Rongrong
Mr Chan Tat Wing, Richard

Non-executive Directors:
Mr Tsang Hen Loon, Raymond
Mr Wong Sun

Independent non-executive Directors:
Mr Liu Hing Hung
Mr Wang Chengwei
Mr Zhuang Xingfang

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal place of business in Hong Kong:
Suites 5005-5006, 50th Floor
Central Plaza,
No. 18 Harbour Road
Wanchai, Hong Kong

27 November 2008

To the Shareholders

Dear Sir or Madam,

RENEWAL OF THE 10% GENERAL LIMIT ON THE GRANT OF OPTIONS UNDER THE SHARE OPTION SCHEME AND NOTICE OF SPECIAL GENERAL MEETING

INTRODUCTION

The purposes of this circular are to provide you with information regarding the proposed renewal of the 10% General Limit and to give you notice of the Special General Meeting.

* *For identification purposes only*

SHARE OPTION SCHEME – RENEWAL OF THE 10% GENERAL LIMIT

Under the rules of the Share Option Scheme:

(1) the total number of Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company is subject to the 10% General Limit;

(2) the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 30% of the Shares in issue from time to time ("**30% Overall Limit**"); and

(3) unless approved by the Shareholders in general meeting, the total number of Shares issued and to be issued upon the exercise of options granted to each participant (other than a substantial shareholder or an independent non-executive director of the Company or any of their respective associates, who shall be subject to a lower threshold) of the Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the issued share capital of the Company in issue.

The Company may seek approval from the Shareholders in general meeting for refreshing the 10% General Limit so that the total number of Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company shall be re-set at 10% of the Shares in issue as at the date of the approval of the limit as "refreshed".

In this connection, options previously granted under the Share Option Scheme and any other share option schemes of the Company (including options outstanding, cancelled, lapsed or exercised) will not be counted for the purpose of calculating the 10% General Limit as "refreshed".

The existing 10% General Limit is 150,000,000 Shares, being 10% of the Shares in issue as at the Listing Date. As at the Latest Practicable Date, options carrying the rights to subscribe for a total of 105,000,000 Shares had been granted under the Share Option Scheme, out of which options carrying the rights to subscribe for a total of 10,865,000 Shares have lapsed or been forfeited and no option has been exercised. The Company also has the Pre-IPO Share Option Scheme. As at the Latest Practicable Date, options carrying the rights to subscribe for a total of 44,000,000 Shares had been granted under the Pre-IPO Share Option Scheme, out of which options carrying the rights to subscribe for a total of 12,225,000 Shares have lapsed or been forfeited and options carrying the rights to subscribe for a total of 17,490,000 Shares have been exercised. No further option can be granted under the Pre-IPO Share Option Scheme. Unless the 10% General Limit is "refreshed", only 1,000,000 Shares may be issued pursuant to the grant of further options under the Share Option Scheme.

Apart from the Share Option Scheme and the Pre-IPO Share Option Scheme and the options granted under the Share Option Scheme and the Pre-IPO Share Option Scheme, the Company has no other share option scheme or any outstanding options to subscribe for Shares.

If the 10% General Limit is "refreshed", on the basis of 1,517,490,000 Shares in issue as at the Latest Practicable Date and assuming that, prior to the Special General Meeting, no Shares are issued (whether upon exercise of options granted under the Share Option Scheme, the Pre-IPO Share Option Scheme or otherwise) or repurchased by the Company, the 10% General Limit will be re-set at 151,749,000 Shares.

On the basis of 1,517,490,000 Shares in issue as at the Latest Practicable Date, the 30% Overall Limit represents a total of 455,247,000 Shares. As at the Latest Practicable Date, the total number of Shares which may fall to be issued upon the exercise of all outstanding options granted since the adoption of the Share Option Scheme and the Pre-IPO Share Option Scheme and yet to be exercised is 108,420,000 Shares (representing approximately 7.14% of the Shares in issue as at the Latest Practicable Date). Accordingly, the "refreshed" 10% General Limit does not exceed the 30% Overall Limit as at the Latest Practicable Date.

The refreshment of the 10% General Limit will be conditional upon:

(a) the passing of an ordinary resolution by the Shareholders to approve the refreshment of the 10% General Limit at the Special General Meeting; and

(b) the Listing Committee of the Stock Exchange granting the listing of, and the permission to deal in, such number of Shares, representing 10%. of the issued Shares as at the Special General Meeting, which may fall to be allotted and issued pursuant to the exercise of the options to be granted under the refreshed 10% General Limit.

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, such number of Shares, representing 10%. of the issued Shares as at the Special General Meeting, which may fall to be allotted and issued pursuant to the exercise of the options to be granted under the refreshed 10% General Limit.

The purpose of the Share Option Scheme is to provide incentives for employees of the Company and its subsidiaries to work with commitment towards enhancing the value of the Company and its Shares for the benefit of its Shareholders and to compensate employee of the Company and its subsidiaries for their contribution based on their individual performance and that of the Company. Given that the existing 10% General Limit is in depletion, the Share Option Scheme cannot continue to serve its intended purpose for the benefits of the Group and its Shareholders unless the 10% General Limit is "refreshed" in accordance with the rules of the Share Option Scheme.

The Directors consider that it will be for the benefit of the Company and its Shareholders as a whole that eligible participants of the Share Option Scheme are granted rights to obtain equity holdings of the Company through the grant of options under the Share Option Scheme. This will motivate the eligible participants to contribute to the success of the Group. For these reasons, the Directors will propose the passing of an ordinary resolution at the Special General Meeting for "refreshing" the 10% General Limit.

SPECIAL GENERAL MEETING

Set out on pages 8 to 9 of this circular is a notice convening the Special General Meeting at which ordinary resolution will be proposed to approve the renewal of the 10% General Limit.

You will find enclosed a form of proxy for use at the Special General Meeting. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time of the meeting 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. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting in person should you so wish.

PROCEDURE FOR DEMANDING A POLL

Pursuant to Bye-law 66 of the Bye-laws of the Company, 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 Shareholders present in person (or in the case of a Shareholder 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 Shareholder or Shareholders present in person (or in the case of a Shareholder 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 Shareholders having the right to vote at the meeting; or

(iv) by a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy and holding Shares 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 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.

RECOMMENDATION

The Directors consider that the renewal of the 10% General Limit is in the best interests of the Company and the Shareholders and recommend the Shareholders to vote in favour of the relevant resolution set out in the notice of the Special General Meeting.

Yours faithfully,
For and on behalf of the Board
SIM Technology Group Limited
Yeung Man Ying
Chairman

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

(Incorporated in Bermuda with limited liability)

(Stock Code: 2000)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of SIM Technology Group Limited ("**Company**") will be held at 10:00 a.m. on Friday, 12 December 2008 at Room 3203, 32/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong to consider and, if thought fit, pass the following resolution, with or without amendments, as an ordinary resolution:

ORDINARY RESOLUTION

"**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") granting the listing of, and permission to deal in, such number of shares of the Company which may fall to be allotted and issued pursuant to the exercise of the options which may be granted under the share option scheme adopted by the Company on 30 May 2005 ("**Share Option Scheme**"), representing 10 per cent. of the issued share capital of the Company as at the day on which this resolution is passed, pursuant to Clause 10.2.1 of the Share Option Scheme:

(a) approval be and is hereby granted for refreshing the 10 per cent. mandate under the Share Option Scheme ("**Refreshed Scheme Mandate**") provided that the total number of shares of the Company which may be allotted and issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company under the limit as refreshed hereby shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the day on which this resolution is passed (options previously granted under the Share Option Scheme and any other share option schemes of the Company (including options outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) shall not be counted for the purpose of calculating the Refreshed Scheme Mandate); and

* *For identification purposes only*

(b) the directors of the Company or a duly authorised committee thereof be and they are hereby authorised: (i) at their absolute discretion, to grant options to subscribe for shares of the Company within the Refreshed Scheme Mandate in accordance with the rules of the Share Option Scheme, and (ii) to allot, issue and deal with Shares pursuant to the exercise of options granted under the Share Option Scheme within the Refreshed Scheme Mandate."

By order of the board of directors of
SIM Technology Group Limited
Yeung Man Ying
Chairman

Hong Kong, 27 November 2008

Head office and principal place of business in Hong Kong:
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. A form of proxy for use at the above meeting is enclosed herewith.

2. In the case of joint holders of a share, 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, this 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 Special General Meeting (or any adjournment thereof) in person.

As at the date hereof, the executive directors of the Company are Ms Yeung Man Ying, Mr Wong Cho Tung, Mr Wong Hei, Simon, Mr Zhang Jianping, Ms Tang Rongrong and Mr Chan Tat Wing, Richard, the non-executive directors of the Company are Mr Tsang Hen Loon, Raymond and Mr Wong Sun, and the independent non-executive directors of the Company are Mr Liu Hing Hung, Mr Wang Chengwei and Mr Zhuang Xingfang.