



Sunny Optical Technology (Group) Company Limited 舜宇光學科技(集團)有限公司

(Incorporated in the Cayman Islands with limited liability 於開曼群島註冊成立的有限公司)
(Stock Code 股份代號: 2382)



07

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Corporate Profile

公司簡介

Sunny Optical Technology (Group) Company Limited (the “Company”), and together with its subsidiaries, (the “Group”) (Stock Code: 2382) is a leading integrated optical components and products manufacturer in the People’s Republic of China (“PRC” or “China”). The Group is principally engaged in the design, research, development, manufacturing of optical and optical-related products, which include three main categories, namely:

- optical components (such as glass/plastic lenses, plates, prisms and various lens sets);
- optoelectronic products (such as mobile phone camera modules and other optoelectronic modules); and
- optical instruments (such as microscopes, surveying instruments and other analytical instruments).

The Group has established long-standing relationship with world renowned consumer electronic product brands such as Samsung, Panasonic, Konica Minolta, Lenovo, Olympus and Carl Zeiss. Its products are currently sold to customers in over 40 countries and regions.

With its strong design capabilities, manufacturing know-how and efficient vertically-integrated business model, the Group is one of the few companies in the PRC that is capable of effectively integrating optical, mechanical and electronic technologies with a large scale production. The Group’s mission is to become the leading integrated optical products manufacturer in the world. The Group’s optical components business was recognised by renowned companies, such as Olympus, Samsung, Konica-Minolta, etc. It has obtained Green Partner Certification from Sony. Moreover, the Group’s optoelectronic products business was accredited by Lenovo Mobile Communication Technology Ltd., Han Wang Technology Co., Ltd., Skyworth’s Mobile Communication Co., Ltd., and Ningbo Sanxing Communication Equipment Co., Ltd. as outstanding supplier or strategic partner.

舜宇光學科技(集團)有限公司(「本公司」, 及其附屬公司(為「本集團」)(股票代號: 2382)為中華人民共和國(「中國」)領先的綜合光學零件及產品生產商。本集團主要從事設計、研究、開發與製造光學及光學相關產品, 產品可分為三大類, 分別為:

- 光學零件(包括玻璃/塑膠鏡片、平面鏡片、稜鏡及各種鏡頭);
- 光電產品(包括手提電話相機模組及其他光電模組); 及
- 光學儀器(包括顯微鏡、測量儀器及其他分析儀器)。

本集團與國際知名客戶如三星、松下、柯尼卡美能達、聯想、奧林巴斯及卡爾蔡司等建立了長期緊密的業務關係, 本集團產品遍銷40多個國家及地區。

本集團強大的研究開發實力, 加上專業的光學產品生產知識及有效的垂直整合商業模式, 使得本集團成為中國少數能有效整合光學、機械及電子技術以作大量製造的廠商。本集團的遠景是成為國際領先的綜合光學產品製造商。憑藉優良的產品, 集團的光學事業得到知名客戶的認可, 如奧林巴斯、三星、柯尼卡美能達等。並且該事業亦獲得了索尼公司的綠色合作伙伴認證。另外, 本集團的光電事業獲得了聯想行動通訊科技有限公司, 漢王科技股份有限公司, 創維移動通信技術(深圳)有限公司及寧波三星通訊設備有限公司等公司的優秀供應商或策略夥伴等榮譽。

Four-year Financial Summary

(in Renminbi ("RMB") millions, except per share amounts)

四年財務概要

(人民幣百萬元，每股金額除外)

	Year ended 31 December			
	2007	2006	2005	2004
	二零零七年	二零零六年	二零零五年	二零零四年
	Consolidated			
	綜合			
Operating Results 經營業績				
Revenue 銷售收入	1,381.9	900.7	588.3	307.9
Gross profits 毛利	376.6	247.8	180.4	113.0
Finance costs 融資成本	(3.8)	(2.9)	(4.7)	(0.1)
Profit before taxation 除稅前溢利	236.3	166.0	123.2	88.1
Income tax charge 所得稅支出	(10.4)	—	(14.6)	(30.3)
Profit for the year 年內溢利	225.9	166.0	108.6	57.8
Attributable to: 歸屬:				
— Equity holders of the Company 一本公司股權持有人	225.4	117.2	82.4	44.1
— Minority interests 一少數股東權益	0.5	48.8	26.2	13.7
	225.9	166.0	108.6	57.8
Earnings per share (in RMB) 每股盈利(人民幣)	0.25	0.20	0.15	0.08
Assets and Liabilities 資產及負債				
Non-current assets 非流動資產	441.0	312.7	226.8	190.7
Current assets 流動資產	1,127.6	472.7	461.2	204.5
Total assets 資產總值	1,568.6	785.4	688.0	395.2
Bank borrowings 銀行借貸	—	—	104.1	22.0
Other liabilities 其他負債	273.6	430.5	252.3	162.2
Total liabilities 負債總額	273.6	430.5	356.4	184.2
Net assets 資產淨值	1,295.0	354.9	331.6	211.0
Equity holders' fund 股權持有人資金	1,288.8	354.9	190.5	158.1
Minority interests 少數股東權益	6.2	—	141.1	52.9
Total equity 權益總額	1,295.0	354.9	331.6	211.0

Four-year Financial Summary

(in Renminbi ("RMB") millions, except per share amounts)

四年財務概要

(人民幣百萬元，每股金額除外)

Year ended 31 December

截至十二月三十一日止年度

2007	2006	2005	2004
二零零七年	二零零六年	二零零五年	二零零四年

Consolidated

綜合

Key Financial Ratio 主要財務比率

Gross profit margin 毛利率(%)	27.3	27.5	30.7	36.7
Net profit margin 純利率(%)	16.3	18.4	18.5	18.8
Gearing ratio 負債比率(%)	—	—	15.1	5.6
Current ratio 流動比率(times 倍)	4.1	1.1	1.6	1.1
Quick ratio 速動比率(times 倍)	3.6	0.8	1.4	0.9

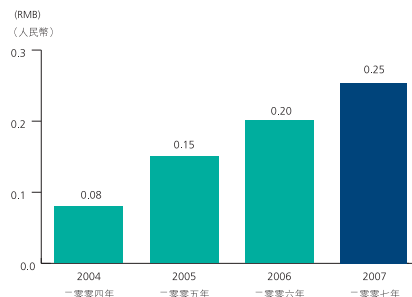
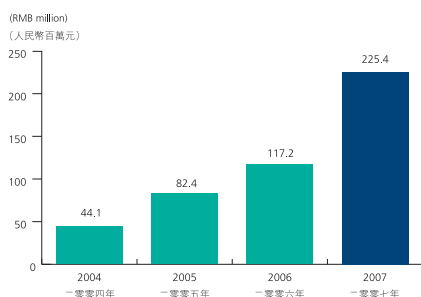
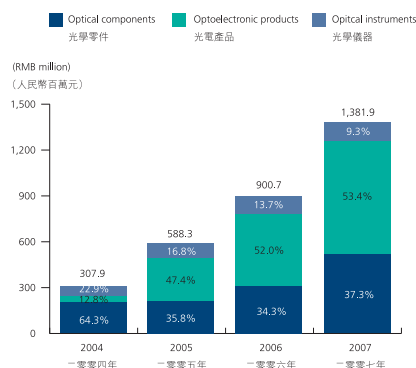
Return of equity

股本回報率

Revenue 銷售收入

Profit Attributable to Equity Holders 股權持有人應佔溢利

Earnings Per Share 每股盈利



The results of the Group for the three years ended 31 December 2006 and its assets and liabilities were extracted from the Company's Prospectus dated 4 June 2007, which also set out the details of the basis of preparation of the combined financial statements. The results of the Group for the year ended 31 December 2007 and its assets and liabilities as at 31 December 2006 and 2007 are set out on pages 67 to 68 in this Annual Report and the basis of preparation are described in Note 3 of the Consolidated Financial Statement.

本集團截至二零零六年十二月三十一日止三年度的業績以及資產及負債摘錄自本公司日期為二零零七年六月四日的售股章程，售股章程亦載有編製合併財務報表的基準。本集團截至二零零七年十二月三十一日止年度的業績以及二零零六年及二零零七年十二月三十一日的資產及負債載於本年報第67至68頁，而編製基準則載於綜合財務報表附註3。

Chairman's Statement

主席報告

The Group continued to maintain strong growth momentum in the year under review, driven by widening applications of optical products and instruments, increasing product competitiveness and continued support from globally renowned customers.

於回顧年度，光學產品及儀器用途更趨廣泛，產品競爭力得以提升，加上得到國際知名客戶長期支持，本集團維持強勁增長。



WANG Wenjian
Chairman

王文鑾
主席

Chairman's Statement

主席報告

Dear Shareholders,

The Group is pleased to present the first set of annual results to shareholders after its successful listing (the "Listing") on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 15 June 2007.

Business Review

The Group continued to maintain strong growth momentum in the year under review, driven by widening applications of optical products and instruments, increasing product competitiveness and continued support from globally renowned customers. For the year ended 31 December 2007, revenue of the Group amounted to RMB1,381.9 million, representing an increase of 53.4% over the previous year. Gross profit margin was maintained at a stable level of 27.3%, as compared to 27.5% in the previous year. Profit attributable to equity holders rose 92.3% year-on-year to RMB225.4 million. The Group is in a solid financial position. As of 31 December 2007, it had a net cash of approximately RMB543.7 million with no external debt.

In view of the impressive business performance, the Board of Directors (the "Board") proposed payment of a final dividend of RMB0.021 (equivalent approximately to HK\$0.022) per share.

Operational Performance

Year 2007 was a remarkable year, during which the Group achieved several major milestones on operational and technical development levels. Gross proceeds amounted to HK\$764.0 million from the Listing enabled us to expand production capacity, enhance research and development, retain a team of dedicated talent and strengthen our capital base for further development. It also brought us to a higher level of corporate governance and internal management that comply with international standards.

On operational front, the Group increased its competitiveness by enhancing its supply chain management during the year under review. It optimised production efficiency and shortened production cycle to facilitate timely delivery under a tight schedule. The Group utilised its vertically integrated design and production capabilities to deliver advanced, high quality and cost competitive products. It had successfully applied the chip-on-board ("COB") technology to manufacture smaller-sized handset camera modules with better image quality at lower costs. These products enabled the Group to stand on an elevated business platform to explore business opportunities with global cellphone manufacturers.

致股東：

本集團欣然向股東提呈自二零零七年六月十五日於香港聯合交易所有限公司(「聯交所」)主板成功上市(「上市」)後的首份年度業績。

業務回顧

於回顧年度，光學產品及儀器用途更趨廣泛，產品競爭力得以提升，加上得到國際知名客戶長期支持，本集團維持強勁增長。本集團截至二零零七年十二月三十一日止年度的銷售收入為人民幣1,381,900,000元，較去年上升53.4%。毛利率為27.3%，而去年則為27.5%，保持於穩定水平。股權持有人應佔溢利增至人民幣225,400,000元，年度升幅為92.3%。本集團財政狀況穩健，於二零零七年十二月三十一日，現金淨額約為人民幣543,700,000元。並無外債。

由於業務表現強勁，董事會(「董事會」)擬派付末期股息每股人民幣0.021元(約0.022港元)。

經營業績

二零零七年碩果豐盈，本集團於經營及技術發展方面達到多個重要里程碑。上市所得款項總額達764,000,000港元，讓本集團可擴充產能、加強研發、挽留優秀人才並強化資本基礎，為日後發展作好準備。全球股份發售亦使本集團的企業管治及內部管理水平更上一層樓，達致國際標準。

經營方面，於回顧年度，本集團改善供應鏈管理以提升競爭力，亦提高生產效率，縮短生產週期，縱使時間緊迫亦可準時付運。本集團利用垂直整合設計及生產能力生產先進優質但成本具競爭力的產品。本集團成功應用基板晶片(「COB」)技術以更低的成本生產體積較小但影像質素更佳的手機照相模組。該等產品使本集團站高一線，爭取與國際手機製造商合作的商機。

The Group also made further inroads in expanding its customer base in the PRC. It has become the first tier supplier to some major China brand cellphone players, such as Huawei, ZTE and Lenovo. Fuelled by rapid economic growth, rising penetration of camera mobile phones with innovative functions, we are confident of the development of the global mobile phones market. With the third-generation mobile communication technology's ("3G") era approaching, our optoelectronic business and optical business are well positioned to benefit under this favourable backdrop.

The widening applications of optical and optoelectronic products offer immense opportunities to the Group. We seized opportunities arising from the growing demand for automobile optical systems with a range of products designed for automobile use. In addition, the rising living standard in PRC has boosted the demand for closed circuit television ("CCTV"), thereby increasing the demand for optoelectronic products. The Group launched a number of optical systems for automobiles, such as front-view lenses and rear-view lenses. Samples of these products were also offered to several internationally renowned companies.

Awards and Accolades

Attesting to our high quality products, strong product R&D capabilities and superior customer services are a number of recognition awarded by some of our major clients. The following awards were given to the optoelectronic business:

- "2007 Best Supplier to Lenovo Mobile Communication Technology Ltd"
- "2007 Best Strategic Partner of Han Wang Technology Co., Ltd."
- "2007 Outstanding Supplier to Skyworth's Mobile Communication Co., Ltd."
- "2007 Outstanding Supplier to Ningbo Sanxing Communication Equipment Co., Ltd."
- "2007 Outstanding Supplier to Beijing Tianyu Communication Equipment Co., Ltd."

The optical component business also achieved remarkable performance, marked by the following awards:

- "Green Partner Certification" by Sony Corporation
- "2007 Outstanding Social Responsibility Award" by China Association of Enterprise with Foreign Investment

本集團亦積極於中國擴闊客戶基礎，現已成為華為、中興及聯想等多個中國主要品牌手機製造商的一線重要供應商。經濟迅速增長，加上具備創新功能的相機手機日趨普及，本集團對全球手機市場的發展充滿信心。隨著第三代移動通信技術（「3G」）年代來臨，本集團的光電業務及光學業務受惠於此有利環境。

光學及光電產品的用途越趨廣泛，為本集團帶來無限商機。本集團已設計一系列汽車專用產品，把握汽車光學系統需求增長帶來的機遇。此外，中國生活水平不斷提高，推動閉路電視（「CCTV」）需求增長，從而增加光電產品的需求。本集團已推出前視鏡及後視鏡等多種汽車光學系統，該等產品的樣本亦已提供予多家國際知名公司。

獎項及嘉許

本集團的優質產品、強大的產品研發能力及卓越的客戶服務備受多個主要客戶讚賞。其中光電業務榮獲下列獎項：

- 二零零七年聯想行動通訊科技有限公司最佳供應商
- 二零零七年漢王科技最佳戰略合作夥伴
- 二零零七年創維移動通信技術有限公司優秀供應商
- 二零零七年寧波三星通訊設備有限公司優秀供應商
- 二零零七年北京天宇朗通通信設備有限公司優秀供應商

光學零件業務亦取得驕人成績，獲頒下列獎項：

- 日本SONY公司頒發的綠色合作伙伴認證
- 中國外商投資企業協會頒發的二零零七年履行社會責任貢獻突出獎

Chairman's Statement

主席報告

Outlook

Going forward, the Group expects the overall market conditions faced by the Group to remain challenging. Optical components and optoelectronic products will continue to be the primary business focus of the Group in 2008. The Group will continue to expand its customer base, broaden its product portfolio, strengthen its technologically advanced manufacturing facilities, maintain product and service quality levels and offer flexible and reliable delivery of products at competitive prices. The Group will also further strengthen its supply chain management to control costs and enhance efficiencies.

The Group's strategy is to be a key supplier of optical and optical-related products to renowned brands, also called Mengpeijiao strategy, and to capitalise on opportunities that arise from the rapid growth of the optoelectronic industry in the PRC.

Appreciation

The many accomplishments in the year of 2007 attributed to the joint efforts of our employees. I would like to express my gratitude to the commitment, hard working and outstanding performance of our employees, and the continued support of our shareholders, customers and suppliers. We are committed to bringing fruitful returns to shareholders by delivering sustainable business growth.

Wang Wenjian

Chairman

Hong Kong, 6 April 2008

展望

展望將來，本集團預期整體市況仍然充滿挑戰。光學零件及光電產品於二零零八年繼續為本集團的主要業務。本集團會繼續擴闊客戶基礎、增加產品種類、提升先進生產設施、保持產品及服務水準，並以具競爭力的價格靈活可靠地付運產品。本集團亦會繼續加強供應鏈管理以控制成本及提升效率。

本集團的策略乃成為著名品牌的光學及光學相關產品主要供應商，亦稱為「名配角」戰略把握中國光電行業迅速增長帶來的機遇。

致謝

本集團於二零零七年的多項成就歸功於全體僱員。本人謹此對全體僱員盡忠職守和出眾的表現，以及本公司股東、客戶及供應商的長期支持深表謝意。本公司承諾繼續維持業務增長，為股東帶來優厚的回報。

王文鑾

主席

香港，二零零八年四月六日

Vertically Integrated Business Model

垂直整合業務模式



The Group is a leading integrated optical components and products manufacturer in the PRC, and is principally engaged in the design, research, development, manufacturing of optical and optical-related products.

集團為中國領先的綜合光學零件及產品生產商，主要從事設計、研究、開發與製造光學及光學相關產品。

Management Discussion and Analysis 管理層討論及分析

Business Overview

The Group is a leading integrated optical component and product manufacturer in terms of revenue and profitability in the PRC. The Group possesses strong design capabilities and an efficient production base to offer a comprehensive range of optical and optical-related products through its ability to integrate optical, mechanical and electronic technologies by utilising its expertise in vertically integrating its principal business segments of manufacturing optical components, optoelectronic products and optical instruments.

For the year ended 31 December 2007, the Group has recorded strong growth in sales mainly due to the strong demand for various types of optical components and optical-related products in the prevalent trend of image digitisation.

Financial Review

Revenue

For the year ended 31 December 2007, the Group's revenue increased by approximately 53.4% from approximately RMB900.7 million in the year of 2006 to approximately RMB1,381.9 million. Revenue from optical components reached approximately RMB515.2 million, representing a considerable growth of approximately 66.6% as compared with the year of 2006. Revenue from optoelectronic products surged by 57.7% from approximately RMB468.0 million for the year ended 31 December 2006 to approximately RMB738.2 million during the year of 2007. Revenue from optical instruments increased by 4.1% from approximately RMB123.4 million for the year of 2006 to approximately RMB128.5 million. The strong increase was mainly due to the increase in revenue from optoelectronic products by approximately RMB270.2 million and from optical components by approximately RMB205.9 million, as a result of the rising demand for mobile phones with camera function as well as demand for other end-products with optical-related application.

業務概覽

本集團在主營業務收入及盈利能力方面為中國領先的綜合光學零件及產品生產商。本集團具備強大的設計實力和高效生產基地，綜合光學、機械及電子技術，憑藉其擅於垂直整合資源的優勢，整合其光學零件、光電產品及光學儀器生產之主要業務分部，提供廣泛的光學及光學相關產品。

截至二零零七年十二月三十一日止年度，由於在圖像數字化的大趨勢下，市場對各種光學零件及光學相關產品的需求龐大。本集團銷售額因此大幅增長。

財務回顧

銷售收入

截至二零零七年十二月三十一日止年度，本集團的銷售收入由二零零六年約人民幣900,700,000元增加約53.4%至約人民幣1,381,900,000元。來自光學零件的銷售收入約為人民幣515,200,000元，較二零零六年大幅增長約66.6%。光電產品的銷售收入由截至二零零六年十二月三十一日約人民幣468,000,000元急升約57.7%至二零零七年約人民幣738,200,000元。光學儀器的銷售收入由二零零六年約人民幣123,400,000元上升4.1%至約人民幣128,500,000元。增長強勁主要是由於具相機功能手提電話及其他具有光學相關功能的終端產品需求持續增加，使光電產品銷售收入上升約人民幣270,200,000元以及光學零件銷售收入增加約人民幣205,900,000元。

3 Main Categories of Products Namely: 大類產品，分別為：

Diversified and Comprehensive Range
of Product Offering
多元化且種類齊全的產品



- optical components
光學零件



- optoelectronic products
光電產品

- optical instruments
光學儀器



Management Discussion and Analysis 管理層討論及分析

Costs of sales

For the year ended 31 December 2007, the costs of sales of the Group amounted to approximately RMB1,005.3 million. The costs of parts and components, direct labour and overhead represented approximately 74.5%, 12.9% and 12.6% of the total costs of sales respectively. For the year ended 31 December 2006, the total costs of sales amounted to approximately RMB652.9 million. The costs of parts and components, direct labour and overhead represented approximately 71.7%, 11.1% and 17.2% of the total costs of sales respectively.

Gross profit and margin

Gross profit increased by approximately 52.0% from around RMB247.8 million for the year ended 31 December 2006 to approximately RMB376.6 million for the year of 2007. With the benefit of economy of scale, effective cost control and decrease in the price of certain main raw materials, such as complementary MOS (CMOS) sensors, the Group was able to alleviate the pressure from decreasing gross profit margin of the existing products. As a result, the Group's gross profit margin was maintained at a stable level at approximately 27.3% in 2007, as compared to 27.5% in the previous year.

Other income

Other income increased significantly by approximately 822.0% from approximately RMB5.0 million for the year ended 31 December 2006 to approximately RMB46.1 million in 2007. The increase was mainly due to the interest income from share application and subsidy income.

Selling and distribution expenses

Selling and distribution expenses, which represented approximately 2.4% to the Group's revenue, increased by approximately 72.3% from approximately RMB19.1 million for the year ended 31 December 2006 to approximately RMB32.9 million for the year of 2007. The significant increase was primarily due to the increase in the costs for selling, marketing, and distribution personnel, and the increase in transportation fees and other expenses arising from the growth in sales activities from the optical component and optoelectronic products segments at 66.6% and 57.7% growth in sales respectively.

銷售成本

截至二零零七年十二月三十一日止年度，本集團的銷售成本約為人民幣1,005,300,000元。零部件成本、直接勞工成本及間接費用分別佔總銷售成本約74.5%、12.9%及12.6%。截至二零零六年十二月三十一日止年度，總銷售成本約為人民幣652,900,000元。零部件成本、直接勞工成本及間接費用分別佔總銷售成本約71.7%、11.1%及17.2%。

毛利及毛利率

毛利從截至二零零六年十二月三十一日止年度約人民幣247,800,000元上升約52.0%至二零零七年約人民幣376,600,000元。隨着規模生產效益的體現、成本控制手段的優化及主要原材料如互補金屬氧化物半導體CMOS芯片價格的下降，抵銷現有產品毛利率下降的壓力。因此，二零零七年本集團的毛利率維持在約27.3%的穩定水平，而去年則為27.5%。

其他收入

其他收入從截至二零零六年十二月三十一日止年度約人民幣5,000,000元大幅上升約822.0%至二零零七年約人民幣46,100,000元，該增長主要來自申請股票的利息收入和補貼收入。

銷售及分銷費用

銷售及分銷費用，佔本集團的收入約2.4%，從截至二零零六年十二月三十一日止年度約人民幣19,100,000元增加約72.3%至二零零七年約人民幣32,900,000元。有關費用大幅增加主要是因為光學零部件和光電產品分部銷售額分別增加66.6%和57.7%的情況下，銷售、市場推廣及分銷人員成本增加，以及運輸費用與其他開支的上升。

Research and development expenditure

Research and development expenditures, represented 2.1% to the Group's revenue, increased from approximately RMB12.3 million for the year ended 31 December 2006 to approximately RMB28.5 million for the year of 2007. Such increase mainly represented the increase in salary expenses of the research and development team and the number of research and development projects in respect of the Group's optical component, optoelectronic products and optical instrument businesses. Aspheric glass lens project named Glass Mould Press ("GMP") under optical components segment, COB technology and CCTV modules project under optoelectronic products segment and gas chromatographs under optical instruments segment are the major research and development projects for the Group during the year.

Administrative expenses

Administrative expenses, which represented approximately 8.8% to the Group's revenue, increased by approximately 117.4% from approximately RMB55.7 million for the year ended 31 December 2006 to approximately RMB121.1 million for the year of 2007. Such increase was mainly attributable to the non-recurring Global Offering expenses of RMB16.6 million.

Administrative expenses also included the increase in staff and administrative costs. Moreover, given the increased headcounts, the related welfare costs increased accordingly.

Income tax charge

Income tax increased from zero for the year ended 31 December 2006 to approximately RMB10.4 million for the year of 2007 due to the lapse of tax exemption periods of first 2 years that some of the Company's subsidiaries in the PRC had enjoyed under the applicable laws of the PRC as sino-foreign joint ventures and foreign owned enterprises.

研發費用

研發費用，佔本集團的收入約2.1%，由截至二零零六年十二月三十一日止年度約人民幣12,300,000元上升至二零零七年約人民幣28,500,000元。有關增長主要是由於本集團光學零件、光電產品及光學儀器業務的相關研發隊伍擴充所帶來的薪金開支及研發項目增加所致。年內主要的研發專案有光學零件分部的玻璃非球面專案GMP，光電產品分部的COB制程技術及閉路電視安防模組項目和光學儀器分部的氣相色譜儀。

行政費用

行政費用，佔本集團收入約8.8%，由截至二零零六年十二月三十一日止年度約人民幣55,700,000元增加約117.4%至二零零七年約人民幣121,100,000元。上升主要是由於非經常性的全球發售費用人民幣16,600,000元。

行政費用亦包括員工及行政成本的增加，同時由於僱員人數上升，相關福利成本亦相應提高。

所得稅開支

基於本公司部分中國附屬公司作為中外合資企業及外資企業根據中國有關法律所享有的首兩年免稅期屆滿，所得稅開支由截至二零零六年十二月三十一日止年度為人民幣零元增至二零零七年約人民幣10,400,000元。



Strong R&D Capabilities

研發超卓



With its strong research and development capabilities, manufacturing know-how and efficient vertically-integrated production processes, the Group is one of the few companies in the PRC that is capable of effectively integrating optical, mechanical and electronic technologies with a large scale production.

強大的研究開發實力，加上專業的光學產品生產知識及有效的垂直整合生產製程，使集團成為中國少數能有效整合光學、機械及電子技術以作大量製造的廠商。

PRC enterprise income tax for the Group under relevant laws is calculated based on applicable tax rates and profits before tax of the relevant subsidiaries of the Group and according to the tax benefits awarded by the PRC government. The effective tax rate for the Group for the year ended 31 December 2007 is approximately 4.4%.

Tax rates attributable to the Group's subsidiaries of China are shown as follows:

依照有關法律，本集團的中國企業所得稅乃根據本集團各相關附屬公司的適用稅率與稅前溢利以及中國政府給予的稅務優惠計算。截至二零零七年十二月三十一日止年度，本集團的實際稅率約為4.4%。

下表顯示本集團中國附屬公司的適用稅率：

	2006 二零零六年	2007 二零零七年	2008 二零零八年	2009 二零零九年
Zhejiang Sunny Optics Co., Ltd. 浙江舜宇光學有限公司	–	13.2%	12.5%	12.5%
Ningbo Sunny Instruments Co., Ltd. 寧波舜宇儀器有限公司	–	13.2%	12.5%	12.5%
Sunny Optics (Zhongshan) Co., Ltd. 舜宇光學(中山)有限公司	–	–	–	12.5%
Ningbo Sunny Opotech Co., Ltd. 寧波舜宇光電信息有限公司	–	–	12.5%	12.5%
Ningbo Sunny Infrared Technologies Company Ltd. 寧波舜宇紅外技術有限公司	33.0%	33.0%	25.0%	25.0%
Nanjing Sunny Optical Instruments Co., Ltd. 南京舜宇光學儀器有限公司	33.0%	33.0%	25.0%	25.0%
Shanghai Sunny Hengping Scientific Instrument Co., Ltd. 上海舜宇恒平科學儀器有限公司	N.A.	15.0%	15.0%	25.0%

Profit for the year

Profit for the year increased by approximately 36.1% from approximately RMB166.0 million for the year ended 31 December 2006 to approximately RMB225.9 million for the year of 2007. The increase in net profit was attributable to the increase in revenue and gross profit.

Net profit margin decreased slightly from approximately 18.4% for the year ended 31 December 2006 to approximately 16.3% for 2007. The adjustment in net profit margin was mainly attributable to the increase in effective tax rate, faster growth rates in cost of sales and other expenditure.

Profit attributable to the equity holders of the Company

In light of the foregoing and the completion of the reorganisation for the Listing in October 2006, profit attributable to the equity holders of the Company increased by approximately 92.3% from approximately RMB117.2 million for the year ended 31 December 2006 to approximately RMB225.4 million for the year of 2007.

年度溢利

年度溢利由截至二零零六年十二月三十一日止年度約人民幣166,000,000元增加約36.1%至二零零七年約人民幣225,900,000元。純利的增長主要是由於主營業務收入及毛利的增加。

純利率則由截至二零零六年十二月三十一日止年度約18.4%略微降至二零零七年約16.3%。純利率的少幅下降則主要是由於實際稅率提高，銷售費用與其他費用增長較快。

本公司股權持有人應佔溢利

基於上述各項目及為上市而進行的重組於二零零六年十月完成，本公司股權持有人應佔溢利由截至二零零六年十二月三十一日止年度約人民幣117,200,000元上升約92.3%至二零零七年約人民幣225,400,000元。

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Final dividend

The Board proposed a dividend of approximately RMB0.021 (equivalent to approximately HK\$0.022) per share to equity holders of the Company for the year ended 31 December 2007.

末期股息

截至二零零七年十二月三十一日止年度，董事會建議向本公司股權持有人派付約每股人民幣0.021元(約0.022港元)的股息。

Major Financial Ratios

The following table sets out the summary of the Group's major financial ratios as of 31 December 2006 and 2007:

主要財務比率

下表載列本集團於二零零六年及二零零七年十二月三十一日止的主要財務比率概要：

	2007 二零零七年	2006 二零零六年
Trade receivable turnover (days) 貿易應收款項周轉期(日)	73	58
Trade payable turnover (days) 貿易應付款項周轉期(日)	67	60
Inventory turnover (days) 存貨周轉期(日)	49	61
Gearing ratio 負債比率	—	—

Trade receivable turnover

The trade receivable turnover is calculated by dividing the trade receivables as of the end of the respective year by revenue for the year, multiplied by 365 days. With the exception of optoelectronic products customers, the Group typically grants a credit period of 60 to 90 days to its credible customers. The credit period granted to optoelectronic products customers is typically 60 days due to the differences in industry practice for optoelectronic products as compared to that for optical components and optical instruments. The trade receivable turnover days increased from 58 days as of 31 December 2006 to 73 days as of 31 December 2007. The significant growth in the Group's business has fostered longer and more well-established relationships with customers, especially engaging more and more internationally renowned clients and improving customers' quality of optoelectronic products segment, the Group granted a longer credit term to those customers. The Group's longer trade receivable turnover days is a sign of the Group's customer base gradually leaning towards more reputable and long-established ones.

貿易應收款項周轉期

貿易應收款項周轉期乃按有關年度終結時的貿易應收款項除以年度銷售收入，再乘以365日計算。除光電產品客戶外，本集團一般向有一定資信的客戶授出60至90天不等的信貸期。光電產品客戶一般是60天信貸期，主要原因是光電產品跟光學產品及光學儀器業務慣例上的不同。貿易應收款項周轉日數由二零零六年十二月三十一日的58日增至二零零七年十二月三十一日的73日。本集團業務大幅增長，與客戶的關係更為長久穩固，尤其是吸納更多國際知名客戶，加上光電產品分部的客戶質素改善，本集團給予該等客戶更長的信貸期。本集團貿易應收款項周轉期延長，顯示本集團的客戶基礎正逐步趨向於聲譽更高且具有悠久歷史的客戶。

Trade payable turnover

The trade payable turnover is calculated by dividing the trade payable as of the end of the respective year by cost of sales for the year, multiplied by 365 days. The trade payable turnover days increased from 60 days as of 31 December 2006 to 67 days as of 31 December 2007. With the exception of optoelectronic products suppliers, credit period offered by suppliers typically ranged from 60 to 90 days. With a larger business scale, especially for our optoelectronic products, stronger bargain power was achieved. In particular, our payment terms to one of the main optoelectronic products suppliers was changed from the way of letter of credit at sight to the way of letter of credit in 30 days.

Inventory turnover

The inventory turnover is calculated by dividing the inventory as of the end of the respective year by cost of sales for the year, multiplied by 365 days. The inventory turnover days decreased from 61 days as of 31 December 2006 to 49 days as of 31 December 2007. To control price fluctuation risks, the Group adopted minimum inventory level policy for the manufacturing of its optoelectronic products. During the year, the contribution of optoelectronic products to overall revenue of the Group was further increased. The inventory turnover decreased accordingly. As the Group adopted stringent measures in inventory management, the inventory turnover decreased accordingly.

Gearing ratio

The Group financed its business mainly through internally generated resources and in some cases, short-term loans from banks. To meet additional working capital requirements for business expansion, the Group obtained short-term bank loans during the year. All loans are paid off before the two years ended 31 December 2007; consequently, the gearing ratios were zero as of 31 December 2006 and 2007.

As of 31 December 2007, the Group did not have any material contingent liabilities or guarantees.

貿易應付款項周轉期

貿易應付款項周轉期乃按相關年度終結時的貿易應付款項除以年度銷售成本，再乘以365日計算。貿易應付款項周轉期由二零零六年十二月三十一日的60日增至二零零七年十二月三十一日的67日。除光電產品供應商外，本集團一般獲供應商給予60至90日不等的信貸期。隨著業務（尤其是光電產品）規模擴大，公司的議價能力加強。尤其是光電產品一主要供應商的付款期由即期信用證改為30日信用證。

存貨周轉期

存貨周轉日乃按相關年度終結時的存貨額除以年度銷售成本，再乘以365日計算。存貨周轉日數由二零零六年十二月三十一日的61日減至二零零七年十二月三十一日的49日。為控制價格波動風險，本集團就製造光電產品實施最低存貨水平政策。本年度光電產品佔本集團整體收益的比例進一步提高，存貨周轉日亦因而縮短。同時本集團對存貨管理實施嚴格監管，存貨周轉期因此相應縮短。

負債比率

本集團的業務資金主要來自內部資源，亦有部分來自銀行短期借貸。為了應付業務擴展的額外營運資金需求，本集團於年內獲取短期銀行貸款。截至二零零七年十二月三十一日止兩年度前已還清所有貸款，因此於二零零六年及二零零七年十二月三十一日的負債比率均為零。

於二零零七年十二月三十一日，本集團並無任何重大或然負債或擔保。



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Operational Review Products

The Group is principally engaged in the design, research and development, manufacturing and sale of optical and optical-related products, which can be broadly classified into three categories, namely: (i) optical components, including glass/aspheric plastic lenses, plates, prisms, various lens sets and infrared materials; (ii) optoelectronic products, including mobile phone camera modules and other optoelectronic modules; and (iii) optical instruments, including microscopes, surveying and analytical instruments etc.

Optical Components

For the year ended 31 December 2007, revenue from optical components reached approximately RMB515.2 million, representing a considerable growth of approximately 66.6% as compared with year 2006. It accounted for approximately 37.3% of the Group's revenue.

The revenue increase was a result of the robust growth in electronic consumer products which has in turn boosted the demand for lenses and lens sets. Furthermore, during the year, the Company strategically enhanced its sales by expanding its production capacity and utilisation rate, and developing new marketing channels.

During the year, the Group's rapid growth was attributable to the expansion of its customer base into renowned and well-established customers. Its new reputable customers are namely, Pentax Hongkong Ltd., NEC Display Solutions Ltd., Tamron Optical (FoShan) Co, Ltd. and Topcon Optical (Dongguan) Technology Ltd. etc.

In view of the growing market demand for electronic consumer products and the automobile industry, the Group expected the optical components business to be in line with market. As aforementioned, with increasing applications developed for optical components, several optical system projects have been developed, such as front-view lens and rear-view lens. Furthermore, the Group will continue to develop optical lens for digital cameras, scanners, mobile phones. During the year, the Group invested USD1.0 million in a Korean company. The Group cooperated with this company to commence the research and development of 3-time zoom, 3.0 mega pixel camera lens sets for mobile phones. It is expected that these camera lens sets will commence small scale production and launch for sale in 2008.

業務回顧 產品

本集團主要從事設計、研發、製造與銷售光學及光學相關產品。該等產品大致可分為三類，分別是(i)光學零件，包括玻璃／非球面塑膠鏡片、平面鏡片、稜鏡、各種鏡頭及紅外產品；(ii)光電產品，包括手提電話相機模組及其他光電模組；及(iii)光學儀器，包括顯微鏡、測繪及分析儀器。

光學零件

截至二零零七年十二月三十一日止年度，光學零件銷售收入約為人民幣515,200,000元，較二零零六年大幅增長約66.6%。本集團收入約37.3%來自該分部。

收入增加主要是由於電子消費產品發展強勁，帶動鏡片及鏡頭的需求上升。而且本公司於年內有策略地擴展產能及利用率，並開發新市場推廣途徑以增加銷售。

年內，本集團快速增長亦有賴客戶基礎擴展至更多著名且歷史悠久的客戶。著名新客戶包括香港賓得有限公司、NEC Display Solutions Ltd.、騰龍光學(佛山)有限公司及東京光學(東莞)科技有限公司等。

鑑於市場對電子消費產品及汽車業的需求持續向上，本集團預期光學零件業務發展與市場趨勢相符。基於上述因素，隨著光學部件獲廣泛應用，本集團已開發前視鏡及後視鏡等若干光學系統專案。此外，本集團將不斷發展數碼相機、掃描器及手提電話的光學鏡頭。本集團於本年度出資1,000,000美元參股一家韓國公司，聯合研發3百萬像素3倍變焦的手機鏡頭。此鏡頭預計在二零零八年開展小規模生產，並開始銷售。

Optoelectronic Products

For the year ended 31 December 2007, optoelectronic products, which accounted for approximately 53.4% of the Group's revenue, continued to be the primary revenue driver of the Group. Revenue from this segment surged around 57.7% from approximately RMB468.0 million for the year ended 31 December 2006 to approximately RMB738.2 million for the year of 2007.

In 2007, customers base of its optoelectronic products further expanded. First-tier domestic customers such as Tianyu, Lenovo and Huawei have become the Group's major customers. Moreover, with the Group's capability of developing integrated opt-mechanic-electronic products, it is capable of offering a wide range of optoelectronic camera modules from 0.16 million to 5.0 million pixel under chip scale package ("CSP") and COB technologies. In particular, optoelectronic camera modules with COB technology open the door for the Group to pursue cooperation with globally renowned mobile phone manufacturers.

The Group has successfully developed IP camera module.

During the year, the rapid business growth was attributable to new clients including Skyworth Mobile Communication Limited, Hisense Communication Co., Ltd. and Qingdao Haier Telecom Co., Ltd. etc.

Optical Instruments

The Group has focused on product research and development during the year. Revenue from optical instruments increased by approximately 4.1% from approximately RMB123.4 million for the year of 2006 to approximately RMB128.5 million. It accounted for 9.3% of the Group's total revenue.

In 2007, the Group invested RMB22.5 million to acquire the controlling stake of 64.29% in an instrument company named Shanghai Hengping Scientific Instrument Co., Ltd. (now known as Shanghai Sunny Hengping Scientific Instrument Co., Ltd.). The acquisition was made to diversify the range of analytical instrument products and to enhance the Group's R&D capability in this area. The company acquired contributed RMB10.3 million and RMB1.2 million to the segment's revenue and profit for the year.

The Group developed a wide variety of products during the year. For analytical instruments, there are UV-spectrophotometer, gas chromatographs and chemical oxygen demand analytical system. For balance instruments, there are electronic analytical balance, other electronic balances and counting balance. For microscopes, there are metallurgical microscope and enhancement on other microscopes.

光電產品

截至二零零七年十二月三十一日止年度，光電產品佔本集團銷售收入約53.4%，仍是本集團的主要銷售收入來源。光電產品銷售收入由截至二零零六年十二月三十一日止年度約人民幣468,000,000元激增約57.7%至二零零七年約人民幣738,200,000元。

於二零零七年，光電產品的客戶基礎得到進一步優化，天宇朗通、聯想及華為等國內一流製造商成為本集團的重要客戶。此外，憑藉本集團開發集光學、機械與電子一身產品的能力，以晶片規格封裝（「CSP」）及內建晶片（「COB」）技術，本集團現時可以生產16萬至5百萬像數的光電攝像模組。特別是基於COB制程的光電攝像模組為本集團打開了與全球頂級手機生產商的合作之門。

本集團亦順利完成IP相機模組的開發。

年內，本集團業務的蓬勃發展亦有賴創維移動通信技術（深圳）有限公司、青島海信通信有限公司及青島海爾通信有限公司等新客戶。

光學儀器

本集團年內專注於產品研發，因此來自光學儀器的銷售收入自二零零六年約人民幣123,400,000元上升約4.1%至約人民幣128,500,000元，佔本集團總銷售收入的9.3%。

於二零零七年本集團出資人民幣22,500,000元收購儀器公司上海恒平科學儀器有限公司（現名為上海舜宇恒平科學儀器有限公司）64.29%的股權，用於擴展分析儀器領域的產品，提高本集團該領域的研發能力。年內該公司對此部份貢獻銷售收入人民幣10,300,000元及利潤人民幣1,200,000元。

年內，本集團已開發多項產品，分析儀器方面有紫外分光光度計、色譜儀及化學需氧量分析系統，天秤儀器方面有電子分析天秤、其他電子天秤及計量天秤，顯微鏡方面有金相顯微鏡及其他顯微鏡的技術改良。

Broad Product Applications

產品應用廣泛



Optical Components
光學零件

Optical Instruments
光學儀器



Optoelectronic Products
光電產品

To be the key supplier of optical and optical-related products to renowned brands and to capitalise on opportunities that arise from the rapid growth of the optoelectronic industry in the PRC.

成為著名品牌的光學及光學相關產品主要供應商，把握中國光電行業迅速增長帶來的機遇。

In order to strengthen the Group's competitiveness, the Group cooperated with 3 industry experts to set up a company in Singapore in the year of 2008. The newly established company focuses mainly on R&D, production and sales of 3 dimension ("3D") optical vision measuring machines and microscopic interferometer.

Production

As of 31 December 2007, the Group's products were manufactured in its two production bases in Yuyao, Zhejiang, PRC and Zhongshan, Guangdong, PRC, respectively. The total operating site area owned by the Group is approximately 105,261 square meters.

Production capacity attributable to each segment are shown as follows:

	2007 二零零七年	2006 二零零六年	Change 改變
Lenses 鏡片	168 mn units 百萬塊	86 mn units 百萬塊	95%
Lens sets 鏡頭	144 mn units 百萬套	45 mn units 百萬套	220%
Optoelectronic products 光電產品	72 mn units 百萬件	16 mn units 百萬件	350%
Optical instruments 光學儀器	199 k sets 千組	146 k sets 千組	36%

Research & Development

As of 31 December 2007, the Group had a dedicated team of 208 research staff to constantly review and improve the Group's production know-how, develop more advanced technologies and products. Currently, the Group is engaged in several major R&D projects applicable to each of its major product categories.

In 2007, the Group commenced the production of camera modules with COB technology successfully. Improvement in molding technology of plastic aspheric lens also increased the capacity efficiency per mould.

Global Offering

As part of the expansion plan, the Group successfully listed its shares on the Main Board of the Stock Exchange of Hong Kong Limited on 15 June 2007. The offering was well-received by both retail and institutional investors. The retail tranche registered an over-subscription rate of approximately 290.6 times and the placing tranche was also significantly over-subscribed. The Listing has strengthened the Group's financial position, enlarged the shareholder base and enhanced the Group's brand recognition.

二零零八年本集團已聯合此領域三位專家，在新加坡設立一家公司，從事三維光學影像測量儀和顯微干涉儀的研發、生產和銷售，以加強本集團的競爭力。

生產

於二零零七年十二月三十一日，本集團的產品主要由分別位於中國浙江省餘姚市及中國廣東省中山市的兩個生產基地生產。本集團擁有的營運基地總地盤面積合共約105,261平方米。

下表顯示各分部的產能：

研究及開發

於二零零七年十二月三十一日，本集團聘用208位專職研究人員，持續檢討及改善本集團的生產技術，以開發更先進的技術及產品。目前，本集團正進行多項適用於各主要產品類別的重要研究及開發項目。

於二零零七年，本集團成功導入生產有COB技術的相機模組，塑膠非球面模具技術也得到進一步的優化，提高了單副模具的產出效率。

全球發售

作為本集團擴展規劃的一部分，本集團股份於二零零七年六月十五日於香港聯合交易所有限公司主板成功上市。該次發售獲得公眾市場及機構投資者的熱烈支持。公開發售部分錄得約290.6倍超額認購，而配售部分亦錄得大幅超額認購。該次上市增強了本集團的財政實力、擴大股東基礎以及提升本集團的品牌認知度。

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The aggregate gross proceeds to the Company from the Public Offer and the Placing (“Global Offering”) was approximately HK\$764.0 million. After deduction of underwriting fees for the new shares and the expenses paid by the Company in connection with the Global Offering, the Company properly allocated the proceeds for the use as mentioned in the prospectus dated on 4 June 2007. For the year ended 31 December 2007, the Group invested approximately RMB70.7 million for the expansion of production capability and capacity, approximately RMB30.9 million for the enhancement of research and development activities and facilities, approximately RMB28.0 million for the acquisition of land and the buildings erected thereon, approximately RMB1.3 million for the enhancement of information systems, approximately RMB130.0 million for the repayment of short term bank loans for working capital in July 2007. The remaining Listing proceeds of approximately RMB484.2 million was placed with financial institutions as short term deposits.

Outlook And Future Strategies

Consumer electronic products such as camera mobile phones, digital still cameras, digital video disc (“DVD”) players and CCTV, have sustained continuous growth trends. With optical applications becoming more common in consumer electronic products, global demand for optical components and related products has continued to increase with substantial room for further growth. Since the PRC has become the main global manufacturing base for consumer electronic products, these trends will continue to sustain immense opportunities for optical component manufacturers in the country. The Group, as a leading integrated optical component and product manufacturer, is well-poised to capture such opportunities.

The Group’s goal is to become a leading integrated optical products manufacturer in the world. In order to achieve this goal, the Group will continue to:

- *Enhance its R&D capability and develop more advanced and better quality products*
In 2008, the Group will accelerate the development of aspheric glass lens GMP; set up a separate department for assembling aspheric lens moulds; promote the use of auto focus/zoom function on camera modules, and develop 3D optical vision measuring machines and microscopic interferometers.

本公司的公開發售及配售(「全球發售」)所得款項總額為764,000,000港元。扣除新股包銷費用及本公司應付全球發售的開支後，本公司將所得款項按照二零零七年六月四日售股章程所述用途適當分配。截至二零零七年十二月三十一日止年度，本集團注資約人民幣70,700,000元開拓產能及產量、約人民幣30,900,000元加強研發活動及設施、約人民幣28,000,000元收購土地及其上的樓宇、約人民幣1,300,000元提升資訊系統、約人民幣130,000,000元於二零零七年七月償還營運資金短期銀行貸款。餘下的上市所得款項約人民幣484,200,000元存放於財務機構作短期存款。

展望及未來策略

消費電子產品如具照相功能的手提電話、數碼相機、數碼影碟(「DVD」)播放機及閉路電視等市場需求保持持續增長。隨著消費電子產品中的光學應用越來越普及，環球市場對光學零件及相關產品的需求亦將不斷增加，並有龐大的進一步增長空間。由於中國已成為全球主要的消費電子產品生產基地，這些趨勢將繼續為國內光學產品製造商提供發展的商機。作為領先的綜合光學零件及產品生產商，本集團已穩佔有利位置以把握當前商機。

本集團的目標是成為一家領先全球的綜合光學產品生產商。為了實現此目標，本集團會繼續致力於：

- *提高自身的研發能力和開發更先進及更優質的產品*
在二零零八年，本集團將加速玻璃非球面GMP技術的研發進展；成立專門的非球面模具加工中心；推動自動對焦／變焦技術在相機模組上的運用；完成三維光學影像測量儀和顯微干涉儀等的研發工作。

- *Leverage its professional knowledge and core competencies to expand product sales*

In 2008, the Group will launch the mass production of COB camera modules, CCTV, 3-time zoom, 3.0 mega pixel camera lens sets and modules of mobile phones, vehicle monitoring systems, and ultraviolet-visible-spectrophotometers etc.

- *Strengthen and expand its market network*

In 2008, apart from strengthening and optimising the marketing channels, the Korean subsidiary set up in 2007 will allow the Group to develop the sales and marketing function in order to penetrate into the Korean market. Moreover, the Group plans to set up selling points in Europe and the United States of America in order to capture more market share in these regions.

- *Reinforce human resources*

The Group will retain and recruit more technical staff with industry experience to strengthen its staff force.

- *Provide incentives and rewards to eligible participants who contribute to the success of the Group by granting share options*

Looking ahead, the management believes the year 2008 will be full of challenges due to the following reasons:

1. Currently, the Group's major revenue source is the domestic mobile phone industry in China in which we provide camera lens sets, camera modules and glass lenses for mobile phones to domestic manufacturers of mobile phones in China. The above products accounted for approximately 70% of the Group's overall revenue. In the first quarter of the year, the domestic mobile phone manufacturers in China recorded a decrease of approximately 20% in delivery volume and the Group's mobile-phone-related business was affected accordingly.
2. To a certain extent, the Group's operation is influenced by factors such as Renminbi appreciation, the increase in labour cost and increase in effective tax rate.

- 憑藉本身的專業知識和核心競爭能力，擴大產品銷售

在二零零八年，本集團將大量生產COB手機相機模組、閉路電視安防模組、3百萬像數3倍變焦手機鏡頭及模組、汽車監控成像系統、中高檔紫外分光光度計等產品。

- 加強及拓展市場網絡

在二零零八年，在鞏固和優化已有銷售管道的基礎上，要進一步發揮二零零七年成立的韓國公司在韓國市場的行銷功能滲入韓國市場，同時計劃在歐洲、美國成立銷售據點，擴大本集團在上述地區的市場份額。

- 加強人力資源

挽留及聘用更多具有行業經驗的技術人員以增強團隊實力。

- 向合資格參與者提供鼓勵及獎勵，推出購股權激勵計劃，激勵對本集團作出貢獻的員工

展望二零零八，集團管理層認為這是充滿挑戰的一年，這是基於以下原因：

1. 目前集團的主要營收來源於中國本土的手機產業，即向中國本土的手機廠商提供手機鏡頭、手機照相模組及手機玻璃鏡片，上述產品約佔集團整體營收的70%。今年1季度，中國本土手機廠商的出貨量按季下降約20%，相應地，集團與手機相關的業務也受到一定的拖累。
2. 人民幣升值、勞動力成本上升、有效稅率提高等因素也對集團的運營帶來了一定的負面影響。



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3. In year 2008, the Group will accelerate the development of aspheric glass lens — GMP; set up a separate department for developing and manufacturing aspheric lens moulds; promote the use of auto focus/zoom function on camera modules, and develop 3D optical vision measuring machines and microscopic interferometers. Despite the relatively large investment and expenditure during the year, these projects will bring along opportunities for our future development.

To tackle the above factors, the management of the Group has adopted the following measures:

1. Strive for new customers and new orders

We will try to gain orders from leading global mobile phone manufacturers to minimise the Group's risk in relying heavily on domestic mobile phone manufacturers for its mobile-phone-related business, and to increase the utilisation rate of production capacity.

2. Enhance the marketing of high-pixel camera lens sets and camera modules for mobile phones

With the capability of conducting mass production of camera lens sets and camera modules of 2.0 mega pixels or above for mobile phones, the Group will further enhance the marketing of the above products, increase the delivery proportion of high-pixel camera lens sets and camera modules and improve its overall gross profit margin.

3. Enlarge the portion of non-mobile-phone-related business in the Group's revenue

Presently, the Group's development trend of non-mobile-phone-related business with products such as glass lenses for digital cameras, vehicle monitoring lens sets, optical image heads and necks, CCTV security modules, DVD lenses and analytical instruments is promising. The Group will facilitate the rapid development of the above business by allocating more resources and enhance the portion of non-mobile-phone-related business in the Group's overall revenue.

4. Minimise the Group's exposure to pressure against Renminbi appreciation, the increase in labour cost and increase in effective tax rate by further increasing productivity, optimising supply chain and controlling operational costs.

3. 二零零八年，集團將加速玻璃非球面GMP技術的研發進展；成立專門的非球面模具加工中心；推動自動對焦／變焦技術在手機鏡頭及模組上的運用；完成三緯光學影像測量儀和顯微干涉儀的研發工作；這些項目今年的投入與費用都比較大，但也為今後的發展帶來了機會。

針對上述各種因素，集團管理層已採取了以下措施應對：

1. 竭盡全力開發新客戶，爭取新訂單

爭取獲得全球領先手機製造商的訂單，以分散集團與手機相關業務過分集中於中國本土手機廠商的風險並提高產能利用率。

2. 加強高像素手機鏡頭及相機模組的市場推廣力度

集團已具備量產2百萬及以上像素手機鏡頭及相機模組的能力，下一步要加強上述產品的市場推廣力度，提高高像素手機鏡頭及相機模組的出貨比例，改善集團的整體毛利率。

3. 擴大非手機相關業務在集團營收中的比例

目前，集團非手機相關業務，如用於數碼相機的玻璃鏡片、車載鏡頭、工業內窺鏡、CCTV安防模組、DVD鏡片、分析儀器等產品發展勢頭良好，集團將投入更多的資源來促進上述業務更快地發展，擴大非手機相關業務在集團營收中的比例。

4. 通過進一步提高生產效率，優化供應鏈，控制運營費用來消化因為人民幣升值、勞動力成本上升、有效稅率提高等因素給集團帶來的成本壓力。

5. Strive to develop new income sources for the Group by accelerating the progress of launching research and development projects to the market.

The Group's management believes these measures will alleviate the negative impacts of the above market factors.

Liquidity and Financial Resources

The Group's principal sources of liquidity and capital resources have been, and are expected to be internally generated cash flow given our stronger and healthier than ever financial position. The Group's principal uses of cash have been, and are expected to continue to be, operational costs and the expansion of production capacity and the Group's sales network.

Cash flows

The table below summaries the Group's cash flows for the year ended 31 December 2006 and 31 December 2007:

	2007 二零零七年 RMB million 人民幣百萬元	2006 二零零六年 RMB million 人民幣百萬元
Net cash from operating activities 經營活動所得現金淨額	160.1	258.2
Net cash used in investing activities 投資活動所用現金淨額	(208.9)	(129.0)
Net cash from (used in) financing activities 融資活動所得(所用)現金淨額	432.2	(101.8)

The Group, being a self-sufficient company, has its working capital mainly coming from net cash generated from operating activities and financing activities. The Directors expect that the Group will rely on net cash from operating activities and the net proceeds from the Global Offering to meet its working capital and other capital expenditure requirements in the near future. In the long run, the Group will be funded by net cash from operating activities and, if necessary, by additional equity financing or bank borrowings.

The Group recorded a net increase in cash and cash equivalent of approximately RMB383.4 million for the year ended 31 December 2007 and net decrease in cash and cash equivalents of approximately RMB27.3 million for the year of 2006.

5. 加速研發項目推向市場的進程，儘快給集團帶來新的收入來源。

集團管理層認為，這些對策的實施可以減少由於以上因素給集團運營帶來的負面影響。

流動資金及財政資源

鑑於財務狀況空前穩健，本集團流動資金及資本資源預期主要來自內部現金流。本集團的現金預期繼續主要用作經營成本以及擴展產能和銷售網絡。

現金流量

下表載列本集團於截至二零零六年十二月三十一日及二零零七年十二月三十一日止年度的現金流量概要：

本集團自給自足，營運資金主要來自經營及融資活動所得淨現金。董事預期本集團將依賴經營活動所得現金淨額及全球發售所得款項淨額應付短期內的營運資金及其他資本開支需求。長遠而言，本集團會以經營活動所得淨現金以及額外股權融資或銀行借貸(如有需要)所得資金經營。

本集團於截至二零零七年十二月三十一日止年度錄得現金及現金等值淨流入額約人民幣383,400,000元，而二零零六年年度則錄得現金及現金等值淨流出約人民幣27,300,000元。

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Operating activities

Cash inflow from operations is mainly derived from cash receipt from sales of the Group's products. Cash outflow from operations is principally generated for the purchase of raw materials, staff costs, selling and distribution expenses and administrative expenses. Net cash from operating activities was approximately RMB258.2 million and RMB160.1 million for the year ended 31 December 2006 and 31 December 2007 respectively. The decrease in net cash generated from operating activities was mainly because of the expansion of business scale, which is proven by our financial results from our stronger sales. Trade receivables balance increased accordingly. Moreover, the Group granted a longer credit term to those internationally renowned customers during the year.

Investing activities

The Group recorded a net cash outflow from investing activities of approximately RMB208.9 million for the year ended 31 December 2007, mainly for the purchase of property, plant and equipment. Approximately RMB28.0 million was paid in July 2007 for the acquisition of land and buildings erected thereon, which were previously leased by the Group for manufacture and research and development of optical instruments. Moreover, the Group has invested USD1.0 million, equivalent to RMB7.5 million (at an exchange rate as at 30 September 2007), in a Korean company, representing 8.56% shareholding. In addition, the Group has invested RMB22.5 million to acquire an instrument company named Shanghai Hengping Scientific Instrument Co., Ltd. (now known as Shanghai Sunny Hengping Scientific Instrument Co., Ltd.), with a controlling shareholding by 64.29%. It was purchased to diversify the range of analytical instrument products.

Financing activities

The Group also recorded a net cash inflow from financing activities of approximately RMB432.2 million for the year ended 31 December 2007. The inflow mainly came from the proceeds from the issue of new shares for approximately RMB745.1 million. Major outflow was the payment of dividend to shareholders of approximately RMB236.0 million as declared in the previous years.

Capital expenditures

Capital expenditure was mainly used for purchase of property, plant and equipment in order to expand production capacity with our larger business scale. For the year ended 31 December 2007, the Group's capital expenditure was approximately RMB170.3 million.

經營活動

營運所得現金主要來自本集團產品銷售現金收入。營運所用現金主要用於購買原材料、員工成本、銷售及分銷支出以及行政開支。截至二零零六年十二月三十一日及二零零七年十二月三十一日止年度的經營活動所得現金淨額分別約為人民幣258,200,000元及人民幣160,100,000元。經營活動所得現金淨額減少主要是由於業務規模擴大(本集團的財務業績足證銷售額強勁增長)，貿易應收款項結餘亦相應增加。此外，本集團於年內向部分信貸良好的國際知名客戶提供更長的信貸期。

投資活動

本集團於截至二零零七年十二月三十一日止年度的投資活動所耗現金淨額約人民幣208,900,000元，主要用於購置物業、機器及設備。本公司在二零零七年七月將約人民幣28,000,000元用於收購本集團過往租用作為生產及研發光學儀器之土地及上蓋物業。此外，本集團於本年度出資1,000,000美元，相等於人民幣7,500,000元(於二零零七年九月三十日之匯率)，參股一家韓國公司，佔其已發行股本的8.56%，此外，本集團出資人民幣22,500,000元收購一家儀器公司上海恒平科學儀器有限公司(現名為上海舜宇恒平科學儀器有限公司)64.29%的股權，用於擴展本集團光學分析儀器領域的產品。

融資活動

本集團截至二零零七年十二月三十一日止年度融資活動所得現金淨額約人民幣432,200,000元，主要來自發行新股份所得款項約人民幣745,100,000元，而主要流出則是向股東派付於過往年度所宣派共約人民幣236,000,000元的股息。

資本開支

資本開支主要用作購置物業、機器及設備以擴大產能，應付更大的業務規模。截至二零零七年十二月三十一日止年度，本集團的資本開支約為人民幣170,300,000元。

Capital Structure Indebtedness

Borrowings

The Group did not have any outstanding borrowings as of 31 December 2007.

Bank facilities

As of 31 December 2007, the Group had unutilised banking facilities of approximately RMB380.0 million and RMB80.0 million with Yuyao Branch of Agricultural Bank of China and Ningbo Branch of Pudong Development Bank, respectively.

Debt securities

As of 31 December 2007, the Group did not have any debt securities.

Contingent liabilities

As of 31 December 2007, the Group did not have any material contingent liabilities or guarantees.

Pledge of Assets

The Group did not have any pledge or charge on assets as of 31 December 2007 other than pledged bank deposits of approximately RMB1.7 million.

Capital commitments and other commitments

As of 31 December 2007, the future aggregate minimum lease payments under non-cancellable operating lease in respect of rental properties amounted to approximately RMB8.3 million and the Group had capital commitment in respect of acquisition of equipment amounted to approximately RMB31.7 million.

資本結構 債務

借貸

於二零零七年十二月三十一日，本集團並無任何未償還的借貸。

銀行信貸

於二零零七年十二月三十一日，本集團未動用的中國農業銀行餘姚支行及上海浦東發展銀行寧波支行的銀行信貸分別為人民幣380,000,000元及人民幣80,000,000元。

債務證券

於二零零七年十二月三十一日，本集團並無任何債務證券。

或然負債

於二零零七年十二月三十一日，本集團並無任何重大或然負債或擔保。

資產抵押

於二零零七年十二月三十一日，除已抵押銀行存款約人民幣1,700,000元外，本集團並無其他資產抵押或押記。

資本承擔及其他承擔

於二零零七年十二月三十一日，根據有關所租用物業的不可取消經營租約應付的未來最低租金總額約為人民幣8,300,000元，而本集團購買設備的資本承擔約為人民幣31,700,000元。



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Performance of Investments Made and Future Investment

The Group's investing activities mainly include the purchase of property, plant and equipment.

During the year ended 31 December 2007, the Group used approximately RMB208.9 million in investing activities, mainly in relation to the purchase of plants and equipment for the expansion of the production capacity for both optical components and optoelectronic products.

Sufficient capital expenditure investment is fundamental to the Group's expansion plans in order to meet the expected increase in demand for optical components and optoelectronic products.

The Company intends to invest approximately RMB275.0 million from its Global Offering for the expansion of production capability and capacity; approximately RMB173.0 million for the enhancement of research and development activities and facilities; approximately RMB28.0 million for the acquisition of land and the buildings erected thereon, which were previously leased by Sunny Group Limited for the manufacture and research and development of optical instruments; approximately RMB25.0 million for the enhancement of information systems; approximately RMB130.0 million for the repayment of short-term bank loans for working capital. The remaining amount will provide funding for working capital and other general corporate purposes.

To the extent that any part of the net proceeds to the Company from the Global Offering are not immediately used for the above purposes, the Directors may allocate such proceeds to short-term interest-bearing deposits and/or money-market instruments with authorised financial institutions and/or licensed banks in the PRC and Hong Kong.

The proceeds from the Global Offering amounted to RMB745.1 million, of which RMB260.9 million were used by the Company during the year and the unutilised proceeds was placed with financial institutions as short term deposits. Further information about the proceeds applied during the year is available on page 22 of this Annual Report.

The Group did not have any significant investment position in stocks, bonds and/or other or any material acquisition and disposal of subsidiaries and associates of the Group during the year covered by this Annual Report, save as disclosed the investment of funds from operating cash flow and the acquisition of Shanghai Sunny Hengping Scientific Instrument Co., Ltd by the Listing proceeds.

投資表現及未來投資計劃

本集團的投資活動主要包括購置物業、機器及設備。

截至二零零七年十二月三十一日止年度，本集團動用約人民幣208,900,000元進行投資活動，主要用作購置機器及設備，以擴大光學零件及光電產品的產能。

為配合預期光學零件和光電產品需求的增長，本集團必需對擴充計劃投入足夠的資本開支。

本公司計劃運用全球發售所得款項中約人民幣275,000,000元提升生產能力和產能；約人民幣173,000,000元用於加強研發活動和設施；約人民幣28,000,000元用於收購目前舜宇集團有限公司租用作為生產及研發光學儀器之土地及上蓋物業；約人民幣25,000,000元用於提升信息管理系統；約人民幣130,000,000元用於償還作為營運資金的短期銀行貸款；餘額用作營運資金和其他一般企業用途。

倘本公司自全球發售所得款項淨額的任何部分並未即時作上述用途，則董事可將該筆所得款項存放於中國及香港的認可財務機構及／或持牌銀行的短期計息存款及／或貨幣市場工具。

全球發售所得款項為人民幣745,100,000元，當中人民幣260,900,000元由本公司於年內動用，而未動用的所得款項則存放於金融機構作短期存款。有關年內所動用的所得款項其他資料載於本年報第22頁。

於本年報的回顧年內，除了以營運得來的現金投資基金及以上市募集資金收購上海舜宇恒平科學儀器有限公司，本集團並無大額投資任何股票、債券和其他金融衍生工具，亦無進行任何有關本集團附屬公司和聯營公司的重大收購和出售。

Off-Balance Sheet Transactions

As of 31 December 2007, the Group did not have any material off-balance sheet transactions.

Quantitative and Qualitative Disclosure about Market Risk

Interest rate risk

The Group is exposed to interest rate risks on its bank borrowings for working capital and capital expenditures that are associated with the Group's expansion and for other uses. Upward fluctuations in interest rates increase the cost of both existing and new debt. During the year ended 31 December 2007, the effective interest rate on bank loans was approximately 5.1% per annum. The Group has not entered into any type of interest rate agreements or derivative transactions to hedge against interest rate changes.

Foreign exchange rate fluctuation risk

The Group exports a significant portion of its products to and makes purchases from international markets where transactions are denominated in U.S. dollars or other foreign currencies. To reduce the risk, the Group has considered entering into certain foreign exchange trading facilities to hedge against its currency risks.

Credit risk

The Group's financial assets are bank balances and trade and other receivables, which represent the Group's maximum exposure to credit risk in relation to financial assets.

In order to minimise the credit risk in relation to trade receivables, the management has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors consider that the Group's credit risk is significantly reduced. The amounts presented in the balance sheet are net of allowances for doubtful receivables, if any, estimated by the management based on prior experience, their assessment of the current economic environment and future discounted cash flow to receive.

The Group has no significant concentration of credit risk for its trade receivables which spread over a large number of counterparties and customers.

資產負債表以外交易

於二零零七年十二月三十一日，本集團並無訂立任何重大的資產負債表以外交易。

市場風險的量化和質化披露

利率風險

本集團面對作為營運資金以及用於本集團拓展和其他用途的資本開支的銀行借貸利率風險。利率上調會增加現有及新增債務成本。截至二零零七年十二月三十一日止年度，銀行貸款實際年利率約為5.1%。本集團並無訂立任何類別的利率協議或衍生交易以對沖利率波動。

匯率波動風險

本集團大部分產品會出口銷售至國際市場，同時也自國際市場購買大量產品，以上交易以美元或其他外幣計算。為降低此風險，本集團已考慮訂立若干外匯交易工具以對沖貨幣風險。

信貸風險

本集團的金融資產為銀行結存以及交易和其他應收款項，即本集團所面對有關金融資產的最大信貸風險。

為減低有關貿易應收款項的信貸風險，管理層已委派專責隊伍，負責釐定信貸限額、審批信貸及其他監察程式，確保採取跟進行動收回過期債務。此外，本集團於各個結算日檢討各項貿易債務的可回收金額，確保已為不可收回金額計提足夠減值虧損。因此，董事認為本集團的信貸風險已大大降低。資產負債表所示金額已扣除呆壞賬撥備（如有），乃管理層根據過往經驗、對當時經濟環境的評估及將於日後收取的現金流量貼現值估計。

本集團的貿易應收款項分散於大量交易對手及客戶，故無重大信貸集中風險。



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The credit risk on liquid funds is limited because majority of the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Cash flow interest rate risk

The Group's cash flow interest rate risk relates primarily to variable-rate for bank deposits which are all short-term in nature. Therefore, any future variations in interest rates will not have a significant impact on the results of the Group.

Liquidity risk

The Group manages liquidity risk by maintaining adequate level of cash and cash equivalents by continuously monitoring forecast and actual cash flow and matching the maturity profiles of financial assets and liabilities.

Employees

As of 31 December 2007, the Group employed 8,677 full time employees (5,594 employees as of 31 December 2006). Their functions include management and administration, 1,059 employees, production, 7,439 employees, and supporting operations, 179 employees. The remuneration package of the Group's employees is based on individual experience and work profile. The packages including salary, bonuses and allowance, are reviewed annually by the management by taking into account the overall performance of the working staff and market conditions. The Group also participates in the Mandatory Provident Fund Scheme in Hong Kong and state-managed retirement benefit scheme in the PRC. The Group endeavours to provide training facilities for its employees. The scope of the induction and on-going training programmes includes management skill and technology training and other courses. Details of the employees' emoluments are set out in Note 12 to the consolidated financial statements of this Annual Report.

Dividend

The Directors recommend a payment from the distributable reserves of the Company a final dividend of RMB0.021 (equivalent to approximately HK\$0.022) per share in respect of the year ended 31 December 2007 to the shareholders whose names appear on the register of members of the Company at the close of business on 19 May 2008. The final dividend, payable on 29 May 2008, is subject to the approval of the shareholders of the Company at the forthcoming annual general meeting to be held on 21 May 2008.

由於本集團大部分交易對手為獲國際信貸評級機構評定有高信貸評級的銀行，故流動資金的信貸風險有限。

現金流量利率風險

本集團的現金流量利率風險主要與短期銀行存款的浮動利率有關。因此，日後任何利率升跌不會對本集團業績有重大影響。

流動資金風險

本集團持續監察預測及實際現金流量水平，並會配對各項金融資產與負債的到期狀況，以維持足夠的現金及現金等值，控制流動資金風險。

僱員

於二零零七年十二月三十一日，本集團擁有8,677名全職僱員（於二零零六年十二月三十一日有5,594名僱員），按職能劃分，包括管理和行政人員1,059名、生產人員7,439名和營運支援人員179名。本集團僱員的薪酬待遇乃根據個別經驗及職責釐定。管理層每年考慮僱員整體表現和市場狀況檢討有關薪酬待遇（包括薪金，花紅和津貼）審視計劃。本集團亦參加香港的強制性公積金計劃及中國的國家管理退休福利計劃。本集團竭誠為僱員提供培訓。就職及在職培訓計劃包括管理技巧與技術培訓以及其他課程。有關僱員酬金詳情，請參閱本年報綜合財務報表附註12。

股息

董事建議就截至二零零七年十二月三十一日止年度自本公司可分派儲備向二零零八年五月十九日營業時間結束時名列本公司股東登記名冊之股東支付末期股息每股人民幣0.021元（約0.022港元）。有關末期股息須於二零零八年五月二十九日支付，惟須於二零零八年五月二十一日舉行之應屆股東週年大會取得本公司股東批准。

Closure of Register of Members

The Register of Members of the Company will be closed from 19 May 2008 to 21 May 2008, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the final dividend, and be eligible to attend and vote at the forthcoming annual general meeting of the Company, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on 16 May 2008.

Share Option Scheme

On 25 May 2007, the Company adopted a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group. Eligible participants of Scheme include, without limitation, employees, Directors and shareholders of the Group. Up to 31 December 2007, no share option has been granted or agreed to be granted to any person under the Scheme.

暫停辦理股份過戶登記手續

本公司將由二零零八年五月十九日至二零零八年五月二十一日期間(包括首尾兩天)暫停辦理股份過戶登記手續。為符合資格獲派末期股息、出席應屆本公司股東週年大會及於會上投票，所有股份過戶文件連同有關股票，必須於二零零八年五月十六日下午四時三十分前，送呈本公司於香港之股份過戶登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712至1716號舖。

購股權計劃

於二零零七年五月二十五日，本公司採納購股權計劃(「計劃」)，目的為鼓勵和獎勵對本集團的成功有重大貢獻的合資格參與者。合資格參加者包括但不限於僱員、董事和本集團股東。截至二零零七年十二月三十一日，並無根據計劃向任何人士授出或同意授出購股權。



Directors and Senior Management

董事及高級管理層

Management

Board of Directors

The Board of Directors consists of 10 Directors comprising 4 executive Directors, 2 non-executive Directors and 4 independent non-executive Directors. The information on the Directors is set forth below.

Directors

Executive Directors

Mr Wang Wenjian (王文鑒), aged 60, is one of the founders of the Group, an executive Director and Chairman of the Board. He is responsible for the overall formulation of policies, decision-making and management of the Group. Mr Wang joined 餘姚縣城北光學儀器廠 (Yuyao County Chengbei Optical Instruments Factory*) in 1984 as the factory manager and had been its general manager since 1994 when it was transformed to a joint stock limited liability company. Mr Wang won the essay competition on running business in the PRC organised by the State Council Development Research Center and was awarded the title of 中國經營大師 (Chinese Business Master*) in 2004. Mr Wang obtained the title of 優秀創業企業家 (Outstanding Entrepreneur*) from 寧波市企業家協會 (Ningbo Entrepreneurs Association*) and 寧波市企業聯合會 (Ningbo Enterprise Unite League*) in 2006. Mr Wang acted as Honorary President of Yuyao Charity Federation in 2003 and as a guest professor of the College of Information Science and Engineering, Zhejiang University in 2005. He obtained qualification as a senior economist in 1996 from 寧波市人民政府 (Ningbo Municipal Government). Senior economist is a recognised qualification in the PRC and is normally granted to a person who has passed necessary examinations and has acquired substantial management experience. Mr Wang is currently a director of all the operating companies of the Group in the PRC.

Mr Ye Liaoning (葉遼寧), aged 42, is one of the founders of the Group, an executive Director and chief executive officer of the Company. He is responsible for formulating the Group's policy and making decisions and is also responsible for the overall daily administration of the Group. Mr Ye joined 餘姚縣城北光學儀器廠 (Yuyao County Chengbei Optical Instruments Factory*) in 1984 and had been its deputy general manager since 1995. Mr Ye has obtained the qualification of senior economist issued by the Personnel Bureau of Yuyao City in 2004. Senior economist is a recognised qualification in the PRC and is normally granted to a person who has passed necessary examinations and has acquired substantial management experience. Mr Ye obtained a diploma from 浙江廣播電視大學 (Zhejiang Radio & TV University) in 1999.

管理層

董事會

董事會由10名董事組成，其中包括4名執行董事、2名非執行董事及4名獨立非執行董事。董事資料載於下文。

董事

執行董事

王文鑒先生，60歲，本集團其中一名創辦人、執行董事兼董事會主席，負責本集團整體政策制訂、決策及管理。王先生於一九八四年加入餘姚縣城北光學儀器廠，任職工廠廠長，自一九九四年該公司轉制為股份有限公司後一直擔任總經理。二零零四年，王先生在國務院研究中心舉辦的中國營業論文比賽中獲勝，被譽為中國經營大師。王先生於二零零六年獲寧波市企業家協會與寧波市企業聯合會頒發「優秀創業企業家」稱號。王先生於二零零三年擔任餘姚市慈善總會榮譽會長，並於二零零五年擔任浙江大學信息科學與工程學院客席教授。彼於一九九六年獲寧波市人民政府頒發高級經濟師資格。高級經濟師為中國的認可資格，一般授予通過必需考核及具備豐富管理經驗的人士。彼現時為本集團所有中國營運公司的董事。

葉遼寧先生，42歲，本集團其中一名創辦人、本公司執行董事兼行政總裁，負責制訂本集團的政策及決策，並負責本集團整體日常行政管理。葉先生於一九八四年加入餘姚縣城北光學儀器廠，其後自一九九五年在該公司擔任副總經理。葉先生於二零零四年獲餘姚市人事局頒發高級經濟師資格。高級經濟師為中國的認可資格，一般授予通過必需考核及具備豐富管理經驗的人士。於一九九九年，葉先生取得浙江廣播電視大學頒發的文憑。

Mr Xie Minghua (謝明華), aged 59, is an executive Director. Mr Xie is responsible for formulating the Group's policy and making decisions, in particular, in respect of the optical component business of the Group. He graduated from Hangzhou University in 1982 with a bachelor's degree in physics. Prior to joining the Group in January 2003, Mr Xie was a senior officer in the relevant government departments and has approximately 17 years of experience in administration. Mr Xie was appointed as the director of the Office for Restructuring the Yuyao Economy by the Standing Committee of the National People's Congress in 1990. He was then appointed as the director of the Office of the People's Government of Yuyao City in 1994, and was appointed as the Authority of Yuyao Broadcasting & TV Bureau in 1997.

Mr Wu Jinxian (吳進賢), aged 52, is an executive Director. Mr Wu is responsible for formulating the Group's policy and making decisions, in particular, in respect of the optical instrument business of the Group. Prior to joining the Group in January 2001, Mr Wu worked in Yuyao Optoelectronic in 1986, and was a deputy manager in 1995. Mr Wu graduated from 餘姚市城北中學 (Yuyao Northern City Middle School*). He attended the training course on 全國質量體系與質量認證 (the State Quality System and Quality Certification*) held by China State Bureau of Quality and Technical Supervision from 1995 to 1996, and obtained qualification as qualified economist by Ningbo Bureau of Personnel in 1995.

謝明華先生，59歲，執行董事。謝先生負責制訂本集團政策及決策，尤其是有關本集團光學零件業務方面的政策及決策。彼於一九八二年畢業於杭州大學，獲得物理學學士學位。於二零零三年一月加入本集團前，謝先生於相關政府部門擔任高級主管，累積約17年行政經驗。謝先生於一九九零年獲全國人民代表大會常務委員會委任為餘姚市經濟體制改革辦公室主任，其後於一九九四年獲委任為當時的餘姚市人民政府辦公室主任，並於一九九七年獲委任為餘姚市廣播電視局局長。

吳進賢先生，52歲，執行董事。吳先生負責制訂本集團政策及決策，尤其是有關本集團光學儀器業務的相關政策及決策。於二零零一年一月加入本集團前，吳先生於一九八六年於餘姚光電工作，並於一九九五年擔任該公司的副總經理。吳先生畢業於餘姚市城北中學。彼於一九九五年至一九九六年期間參加由國家質量及技術監督局舉辦的全國質量體系與質量認證舉辦的培訓課程，並於一九九五年獲寧波市人事局頒發經濟師資格。

Directors and Senior Management

董事及高級管理層

Non-executive Directors

Mr Shao Yang Dong (邵仰東), aged 38, is a non-executive Director. Mr Shao is a managing director of and has 30.19% equity interest in Chengwei Ventures Evergreen Management, LLC (being a limited liability company incorporated in the Cayman Islands comprising individual partners and members), which manages Chengwei Ventures Evergreen Advisors Fund, LLC, Chengwei Ventures Evergreen Fund, L.P., and Chengwei Partners, L.P. Mr Shao was appointed as a director of each of Sunny Optics and Ningbo Instruments in May 2005, Sunny Zhongshan in October 2005, Sunny Opotech in November 2005 and Sunny Infrared in March 2006. Mr Shao was a director of AAC Acoustic Technologies Holdings Inc. from March 2004 to February 2007 and currently sits on the board of Oval Technologies Holdings, Inc.. He previously worked as a financial analyst at the investment banking division of Salomon Brothers Inc. Mr Shao obtained a bachelor's degree in economics (Magna Cum Laude) in 1993 from Columbia University, where he was elected Phi Beta Kappa. He also attended the Graduate School of Business at Stanford University and earned a master's degree in business administration in 2000. He was appointed as a non-executive Director in May 2007.

Mr Li Tyson Sandy Ying Lun (李英倫), aged 40, was a non-executive Director. Mr Li is one of the limited partners of Investor Group Asia L.P. and has approximately 3.23% equity interest therein. He is currently a vice president at Investor Growth Capital Asia Limited, a wholly-owned subsidiary of Investor AB. Based in Hong Kong, Mr Li has been with Investor Growth Capital Asia Limited since its inception in 2002. Mr Li was a vice president of imGO Limited, a holding company based in Hong Kong that focuses on technology investments. Prior to joining imGO, he was the vice president of Product Planning at Asia.com Inc., where he was responsible for their product line strategy and revenue models. Mr Li also worked at DiviCom (a digital video infrastructure provider that was subsequently acquired by Harmonic Inc.), based in Silicon Valley in their product management group. Mr Li began his career with Nortel Networks and during his tenure he was in the wireless division in product management and marketing roles in Hong Kong, Singapore and Ottawa. Mr Li was awarded a master's degree in business administration from the Wharton School of Business, University of Pennsylvania in 1998, and a bachelor's degree in applied science from Simon Fraser University in Vancouver, Canada in 1990. He was appointed as a non-executive Director in May 2007 and resigned as a non-executive Director in September 2007.

非執行董事

邵仰東先生，38歲，非執行董事。邵先生為 Chengwei Ventures Evergreen Management, LLC 的董事總經理，並持有該公司30.19%股權。Chengwei Ventures Evergreen Management, LLC 乃於開曼群島註冊成立的有限公司，由個別合夥人及管理 Chengwei Ventures Evergreen Advisors Fund, LLC、Chengwei Ventures Evergreen Fund, L.P. 及 Chengwei Partners, L.P. 的成員組成。邵先生分別於二零零五年五月、二零零五年十月、二零零五年十一月及二零零六年三月獲委任為浙江舜宇光學、寧波儀器、舜宇中山、舜宇光電信息及舜宇紅外的董事。邵先生自二零零四年三月至二零零七年二月期間為 AAC Acoustic Technologies Holdings Inc. 董事，彼現時為 Oval Technologies Holdings, Inc. 的董事會成員，彼曾擔任 Salomon Brothers Inc. 投資銀行部的財務分析師。邵先生於一九九三年獲得哥倫比亞大學經濟系 (Magna Cum Laude) 學士學位，並獲選為 Phi Beta Kappa，其後就讀於史丹福大學商業研究院，並於二零零零年獲得工商管理碩士學位。彼於二零零七年五月獲委任為非執行董事。

李英倫先生，40歲，非執行董事。李先生為 Investor Group Asia L.P. 的有限責任合夥人，持有該公司約3.23%股權。彼現時為 Investor AB 的全資附屬公司 Investor Growth Capital Asia Limited 副總裁。李先生自二零零二年 Investor Growth Capital Asia Limited 成立以來一直駐守香港服務該公司。李先生曾擔任香港科技投資控股公司 imGo Limited 副總裁，在此之前則擔任 Asia.com Inc. 產品計劃副總裁，負責產品系列策略及收益模式。李先生亦曾效力矽谷的 DiviCom (其後被 Harmonic Inc. 收購的數碼影像基建供應商) 的產品管理集團。李先生最初於 Nortel Networks 展開事業，期間於香港、新加坡及渥太華的無線分部工作，負責產品管理及市場推廣工作。李先生於一九九八年及一九九零年分別取得賓夕法尼亞大學 Wharton School of Business 工商管理碩士學位及加拿大溫哥華 Simon Fraser University 應用科學學士學位。彼於二零零七年五月獲委任為非執行董事，並於二零零七年九月辭任。

Mr Michael David Ricks, aged 46, is a non-executive Director. Mr Ricks is presently the chief executive officer of Investor Growth Capital Asia Limited and also a managing director of Investor Growth Capital Inc. Investor Growth Capital Asia Limited and Investor Growth Capital Inc. are both wholly-owned subsidiaries of Investor AB. Mr Ricks has been involved in the information technology and telecommunications business since the early 1980's, in both startups and established companies. Prior to joining Investor Growth Capital, Mr Ricks held executive positions at several international telecommunications companies. Mr Ricks holds a Master of Business Administration ("M.B.A.") from the University of Chicago Graduate School of Business and a Bachelor of Arts ("B.A.") from the University of California at San Diego. Mr Ricks currently serves as a director of a number of private companies on behalf of Investor AB.

Mr Ricks has not held any directorship in public listed companies or other major appointments and qualifications during the past three years or any position with the Company or any of its subsidiaries. He was appointed as a non-executive Director in September 2007.

Independent non-executive Directors

Dr Chang Mei Dick or Dr Dick Mei Chang (張未), aged 68, is an independent non-executive Director. Dr Chang currently sits on the board of each of AAC Acoustic Technologies Holdings Inc. and Avago Technologies Limited. Dr Chang has over 30 years' experience in the development, manufacturing and marketing of semiconductor and optoelectronic products. He joined Hewlett-Packard Company ("HP") in 1966 and worked in HP and Agilent Technologies, Inc. (after Agilent Technologies, Inc.'s spin-off from HP) until 2005. He was the president and general manager of the Semiconductor Products Group and a senior vice president of Agilent Technologies, Inc. before he left that company. Dr Chang graduated from the California Institute of Technology with a bachelor's degree in physics and Stanford University with a doctor's degree in philosophy. He was appointed as an independent non-executive Director in May 2007.

Michael David Ricks先生，46歲，非執行董事。Ricks先生現時為Investor Growth Capital Asia Limited行政總裁，同時亦是Investor Growth Capital Inc. 董事總經理。Investor Growth Capital Asia Limited及Investor Growth Capital Inc.均為Investor AB旗下的全資附屬公司。Ricks先生自80年代初開始投身資訊科技及電訊行業，擁有於創業型及成熟型企業工作之經驗。在加盟Investor Growth Capital之前，Ricks先生曾擔任多間國際電訊公司的行政職務。Ricks先生持有芝加哥大學商學院工商管理碩士學位及加州大學聖地亞哥分校文學士學位。Ricks先生現時代表Investor AB出任多間私營公司的董事。

Ricks先生於過去三年內概無擔任任何上市公司之董事職務或重要委任及資格，亦無擔任本公司或其任何附屬公司的任何職務。彼於二零零七年九月獲委任為非執行董事。

獨立非執行董事

張未博士，68歲，獨立非執行董事。張博士現時分別為AAC聲學科技股份有限公司及安華高科技有限公司的董事會成員。張博士於半導體及光電產品的開發、製造及市場推廣方面擁有逾30年經驗。彼於一九六六年加入Hewlett-Packard Company(「惠普」)，並曾於惠普及Agilent Technologies, Inc.(於Agilent Technologies, Inc.自惠普分拆後)工作至二零零五年。彼曾擔任半導體產品集團總裁兼總經理，而於離開Agilent Technologies, Inc.前，彼為該公司的高級副總裁。張博士畢業於加州理工學院，取得物理學學士學位，並於史丹福大學取得哲學博士學位。彼於二零零七年五月獲委任為獨立非執行董事。

Directors and Senior Management

董事及高級管理層

Mr Koji Suzuki (鈴木浩二), aged 66, is an independent non-executive Director. He joined Topcon Corporation (a company listed on the Tokyo and Osaka Stock Exchanges) in 1964 and was its president from June 2002 to June 2006. He is currently an adviser to the board of Topcon Corporation. Mr Suzuki graduated from Musashi Institute of Technology, Tokyo with a bachelor of engineering in industrial engineering management in 1964. He was the president of Japan Optical Measuring Instruments Manufacturers' Association from July 2002 to July 2006, the vice-president of Japan Medical-Optical Equipment Industrial Association from June 2002 to May 2006, and the director of Japan Surveying Instruments Manufacturers' Association from July 2002 to June 2006. He also has been a member of the Tokyo Chamber of Commerce and Industry since November 2004. He was awarded a Japan National Blue Medal of Honor in May 2006. He was appointed as an independent non-executive Director in May 2007.

Dr Liu Xu (劉旭), aged 44, is an independent non-executive Director. Dr Liu currently is the standing vice dean of the College of Information Science and Engineering, Zhejiang University. Dr Liu graduated from University Paul Cezanne, France with a doctor's degree in information and material science. He was then engaged in his postdoctoral research in instrument and meter science in Zhejiang University from 1990 to 1993 where he obtained a postdoctoral certificate. Dr Liu also holds a bachelor's degree in engineering from Zhejiang University. Dr Liu has over 15 years' experience in education, and has been an associate professor of Zhejiang University since 1992. In 1995, he became the head of the National Key Lab of Modern Optical Instrument. In addition, he is a director of a private company engaged in sales and manufacturing of optical engines of projection displays. He was appointed as an independent non-executive Director in May 2007.

Mr Zhang Yuqing (張余慶), aged 60, is an independent non-executive Director. Prior to joining the Group, Mr Zhang worked in 上海港務局 (Shanghai Port Bureau*) as the head of the financial division as well as the auditing division. He was appointed as a director of 上海華源企業發展股份有限公司 (Shanghai Worldbest Industry Development Co., Ltd.*) from 2001 to 2003 and acted as its chief financial officer. Mr Zhang graduated from 上海海運學院 (Shanghai Maritime University) in 1982 with a bachelor's degree in economics and is a certified public accountant of the Chinese Institute of Certified Public Accountants. He currently sits on the board of each of Rizhao Port Co., Ltd and Shanghai Xinmei Real Estate Co., Ltd. He was appointed as an independent non-executive Director in May 2007.

鈴木浩二先生，66歲，獨立非執行董事。鈴木先生自一九六四年起一直任職於東京及大阪證券交易所上市的Topcon Corporation，於二零零二年六月至二零零六年六月期間出任總裁，現為Topcon Corporation董事會顧問。鈴木先生在一九六四年畢業於東京武藏工業大學，取得工業工程管理工程學學士學位。彼自二零零二年七月至二零零六年七月期間擔任日本光學測定機工業會會長，自二零零二年六月至二零零六年五月期間為日本醫用光學機器工業會副會長以及自二零零二年七月至二零零六年六月期間為日本測量機器工業會董事。彼自二零零四年十一月起亦擔任東京商工會議所會員。彼於二零零六年五月獲授日本國家藍色榮譽勳章。彼於二零零七年五月獲委任為獨立非執行董事。

劉旭博士，44歲，獨立非執行董事。劉博士現為浙江大學信息科學與工程學院常務副院長，擁有法國Universite Paul Cezanne的信息與材料科學博士學位，並於一九九零年至一九九三年於浙江大學儀器儀表科學從事博士後研究工作，獲得博士後證書。劉博士亦擁有浙江大學工程學學士學位。劉博士擁有逾15年教育經驗，自一九九二年加入浙江大學擔任副教授，於一九九五年擔任現代光學儀器國家重點實驗室主任。此外，彼為一家從事銷售及生產投射顯示屏光學引擎的私人公司董事。彼於二零零七年五月獲委任為獨立非執行董事。

張余慶先生，60歲，獨立非執行董事。加入本集團前，張先生曾於上海港務局出任財務處及審計處處長。彼於二零零一年至二零零三年間獲委任為上海華源企業發展股份有限公司董事，並出任財務總監。張先生於一九八二年畢業於上海海運學院，取得經濟學學士學位，並為中國註冊會計師協會註冊會計師。彼現時為山東日照港股份有限公司及上海新梅置業股份有限公司的董事會成員。彼於二零零七年五月獲委任為獨立非執行董事。

Senior Management

Mr Li Siqing (李四清), aged 41, is the senior vice president of operations of the Company and a director of Sunny Japan Co. Ltd and Sunny Korea Company Limited. He is responsible for overseeing the overall operation of the Group. Mr Li obtained a master's degree in engineering from 西安光學精密機械研究所 (Xi'an Institute of Precise Optical Machinery*) in 1990, and a master's degree in business administration from Zhongshan University in 2003. Prior to joining the Group in November 2005, he worked in the Panyu Factory of Olympus and Concord Camera Inc of Shenzhen, and was subsequently appointed as the general manager of 鳳凰光學(廣東)有限公司 (Guangdong Phoenix Optics Company Limited*). Mr Li was awarded as qualified engineer by the local authority of Panyu City in 1996.

Mr Jack Hsieh (謝祖藏), aged 48, is the senior vice president of strategic investments of the Company. He is responsible for strategic investments and investor relations of the Company. Mr Hsieh obtained a bachelor's degree in business from 臺灣國立政治大學 (Taiwan National Chengchi University) in 1982. He has approximately 16 years of investment and management experience in the financial industry. Prior to joining the Group in January 2007, Mr Hsieh was a manager of the funds disposition department at the Taipei branch of Bankers Trust Company (美商信孚銀行臺北分行) and a vice president of Chinatrust Commercial Bank (臺灣中國信託商業銀行). He was also a deputy manager of finance at the Taiwan listed company, Premier Image Technology Corporation (普立爾科技股份有限公司), from 2000 to 2005.

Mr Sun Yang (孫泐), aged 34, is the vice president of finance of the Company. He is responsible for the financial matters of the Group, especially for the management of financial budgets, financial statements and cash flow. Mr Sun graduated from Ningbo University in 1995 with a bachelor's degree in economics. He then obtained a master's degree in economics from Shanghai University of Economics and Finance in 2005. Prior to joining the Group in March 2003, Mr Sun once worked in 寧波證券有限責任公司 (Ningbo Securities Company Limited*). He joined 浙江舜宇(集團)股份有限公司 (Zhejiang Sunny (Group) Joint Stock Company Limited*), originally known as Yuyao County Chengbei Optical Instruments Factory, as chief officer of its investment management centre in 2002. Mr Sun was granted a qualification for providing securities investment consultation services by China Securities Regulatory Commission in 1999.

高級管理層

李四清先生，41歲，本公司高級營運副總裁及舜宇日本株式會社及舜宇韓國株式會社的董事，負責管理本集團的整體運作。李先生於一九九零年於西安光學精密機械研究所取得工程學碩士學位，又於二零零三年於中山大學取得工商管理碩士學位。於二零零五年十一月加入本集團前，李先生於奧林巴斯番禺工場及深圳Concord Camera Inc工作，其後獲委任為鳳凰光學(廣東)有限公司總經理。李先生於一九九六年獲番禺市地方政府部門頒授工程師資格。

謝祖藏先生，48歲，本公司策略投資高級副總裁，負責本公司策略投資及投資者關係。謝先生於一九八二年畢業於臺灣國立政治大學，取得商學學士學位。彼擁有約16年的金融業投資及管理經驗。於二零零七年一月加入本集團前，謝先生曾為美商信孚銀行臺北分行資金調度部經理及臺灣中國信託商業銀行副主席。於二零零零年至二零零五年期間，彼亦為臺灣上市公司普立爾科技股份有限公司財務副總經理。

孫泐先生，34歲，本公司財務副總裁，負責本集團財務事宜，尤其以財務預算、財務報表及現金流量的管理為主。孫先生於一九九五年畢業於寧波大學，取得經濟學學士學位。又於二零零五年獲上海財經大學頒授經濟學碩士學位。於二零零三年三月加入本集團前，孫先生曾於寧波證券有限責任公司工作。孫先生於二零零二年加入浙江舜宇(集團)股份有限公司(原稱為餘姚縣城北光學儀器廠)，擔任投資管理中心總監。孫先生於一九九九年獲中國證券監督管理委員會頒贈資格，可提供證券顧問服務。

Directors and Senior Management

董事及高級管理層

Ms Lee Suk Yee (李淑儀), aged 36, is the qualified accountant and one of the joint company secretaries of the Company. Ms Lee joined the Group in 2007. Ms Lee is primarily responsible for overall financial management and company secretarial matters. Ms Lee has approximately 13 years of experience in the fields of finance, auditing and accounting. Prior to joining the Group in January 2007, Ms Lee was the head for financial disclosure compliance and reporting section of a listed bank in Hong Kong. Ms Lee has a bachelor's degree in business administration from the University of Wisconsin-Madison in the U.S.A. and a master degree in science in financial analysis from the Hong Kong University of Science and Technology. Ms Lee is a certified public accountant of The American Institute of Certified Public Accountants and an associate member of The Hong Kong Institute of Certified Public Accountants.

Mr Pan Weimin (潘為民), aged 53, is a deputy general manager of Sunny Zhongshan. He is responsible for assisting the general manager in the daily administration of Sunny Zhongshan. Prior to joining the Group in November 2001, Mr Pan worked in 江西光學儀器總廠 (Jiangxi Optics Instrument General Factory*) as a deputy factory manager. He joined Yuyao Optoelectronic in 1997. Mr Pan graduated from the school attached to Jiangxi Optics Instrument General Factory.

Mr Wu Jun (吳俊), aged 42, is the deputy general manager of Sunny Optics. He is responsible for assisting the general manager in the daily administration of Sunny Optics. Mr Wu graduated with a bachelor's degree in optical instruments from 上海機械學院 (Shanghai Institute of Mechanism) in 1986. He later earned the qualification as a senior engineer in 1997 from 浙江省人事廳 (Zhejiang Provincial Bureau of Personnel). Prior to joining the Group in November 2001, Mr Wu worked in 江西光學儀器總廠 (Jiangxi Optics Instrument General Factory*) for 9 years as research officer and chief of quality control. He also joined Yuyao Optoelectronic in 1997.

Mr Zhang Guoxian (張國賢), aged 42, is a deputy general manager of Sunny Optics. He is responsible for assisting the general manager in the daily administration of Sunny Optics. Mr Zhang joined the Group in 2001. He graduated from 餘姚環城中學 (Yuyao Wancheng School*) in 1983 and joined Yuyao Optoelectronic since his graduation.

李淑儀女士，36歲，本公司合資格會計師及其中一名公司聯席秘書。李女士在二零零七年加入本集團，主要負責整體財務管理及公司秘書事務。李女士擁有約13年財務、審核及會計經驗。在二零零七年一月加入本集團前，李女士曾於香港上市銀行擔任財務披露合規及報告主管。李女士在美國的University of Wisconsin-Madison取得工商管理學士學位，並在香港科技大學取得財務分析學碩士學位。李女士為美國註冊會計師工會的註冊會計師及香港會計師工會會員。

潘為民先生，53歲，舜宇中山副總經理，負責協助總經理處理舜宇中山日常行政的工作。在二零零一年十一月加入本集團以前，潘先生於江西光學儀器總廠出任副廠長。彼於一九九七年加入餘姚光電工作。潘先生畢業於江西光學儀器總廠子弟學校。

吳俊先生，42歲，浙江舜宇光學副總經理，負責協助總經理處理浙江舜宇光學日常管理事務。吳先生在一九八六年畢業於上海機械學院，取得光學儀器學士學位。其後吳先生在一九九七年於浙江省人事廳取得高級工程師資格。在二零零一年十一月加入本集團以前，吳先生於江西光學儀器總廠擔任研究員及品質監控主管達九年。彼於一九九七年加入餘姚光電。

張國賢先生，42歲，浙江舜宇光學副總經理，負責協助總經理處理浙江舜宇光學日常行政事務。張先生於二零零一年加入本集團。彼在一九八三年畢業於餘姚環城中學，並於畢業後加入餘姚光電工作。

Mr Wang Wenjie (王文杰), aged 40, is the general manager of Sunny Opotech and is responsible for the daily administration of Sunny Opotech. Mr Wang graduated from 浙江大學 (Zhejiang University) with a bachelor's degree in engineering in 1989. Prior to joining the Group in July 2002, he worked in Yuyao Optoelectronic since his graduation. Mr Wang was awarded by 餘姚市人事局 (Yuyao Personnel Bureau*) in 1998 as engineer.

Mr Zhang Baozhong (張寶忠), aged 39, is a deputy general manager of Sunny Opotech. He is responsible for assisting the general manager in the daily administration of Sunny Opotech. Mr Zhang graduated from 浙江大學 (Zhejiang University) with a bachelor's degree in engineering in 1990. Prior to joining the Group in November 2001, Mr Zhang worked in 寧波信高塑化有限公司 (Ningbo Xingao Suhua Co., Ltd.*) and he has been a senior engineer of Yuyao Optoelectronic.

Mr Chen Huiguang (陳惠廣), aged 44, is the chief administrator of the research and development team of the Company and a deputy general manager of Sunny Infrared. He is in charge of the research and development team of the Group and is also responsible for assisting the general manager in the daily administration of Sunny Infrared. Mr Chen obtained a bachelor's degree in optical instruments from 浙江大學 (Zhejiang University) in 1983. He also obtained a master's degree in engineering from Zhejiang University in 1992. Prior to joining the Group in November 2001, Mr Chen worked in 新天精密光學儀器有限公司 (Xintian Precision and Optical Instrument Company Limited*) and thereafter joined Yuyao Optoelectronic in 1999.

Mr Lou Guojun (樓國軍), aged 43, is the general manager of Ningbo Instruments and is responsible for the daily administration of Ningbo Instruments. He obtained a diploma in business enterprise operation management from 浙江廣播電視大學 (Zhejiang Radio & TV University) in 1999. He obtained the qualification as an economist in 2000 from the Personnel Bureau of Ningbo City. Prior to joining the Group in November 2001, Mr Lou worked in Yuyao Optoelectronic.

Mr Shen Xiaojiang (沈曉江), aged 38, is a deputy general manager of Ningbo Instruments. He is responsible for assisting the general manager in the daily administration of Ningbo Instruments. Mr Shen graduated with a bachelor's degree in mechanical manufacturing techniques and facilities from 廣東省湛江水產學院 (Guangdong Province Zhanjiang Fisheries College*) in 1991. Prior to joining the Group in November 2001, Mr Shen worked in Yuyao Optoelectronic. He obtained the qualification as an engineer in 1998 from 寧波市人民政府 (Ningbo Municipal Government).

王文杰先生，40歲，舜宇光電信息總經理，負責舜宇光電信息日常行政管理事務。王先生在一九八九年畢業於浙江大學，取得工程學學士學位。彼於畢業後在餘姚光電工作，並於二零零二年七月加入本集團。王先生於一九九八年獲餘姚市人事局頒授工程師資格。

張寶忠先生，39歲，舜宇光電信息副總經理，負責協助總經理處理舜宇光電信息日常行政管理事務。張先生在一九九零年畢業於浙江大學，取得工程學學士學位。於二零零一年十一月加入本集團前，張先生在寧波信高塑化有限公司工作，並為餘姚光電的高級工程師。

陳惠廣先生，44歲，本公司研發部部長及舜宇紅外副總經理，負責管理本集團的研發隊伍以及協助舜宇紅外總經理處理日常行政事務。陳先生在一九八三年於浙江大學取得光學儀器學士學位，並在一九九二年在浙江大學取得工程學碩士學位。在二零零一年十一月加入本集團以前，陳先生在新天精密光學儀器有限公司工作，其後於一九九九年加入餘姚光電工作。

樓國軍先生，43歲，寧波儀器總經理，負責處理寧波儀器日常行政管理事務。樓先生在一九九九年於浙江廣播電視大學取得商業企業經營管理文憑。樓先生於二零零零年獲寧波市人事局頒授經濟師資格。於二零零一年十一月加入本集團前，樓先生於餘姚光電工作。

沈曉江先生，38歲，寧波儀器副總經理，負責協助總經理處理寧波儀器日常行政管理事務。沈先生在一九九一年畢業於廣東省湛江水產學院，取得機械製造工藝與設備學士學位。在二零零一年十一月加入本集團以前，沈先生曾於餘姚光電工作，並於一九九八年獲寧波市人民政府頒授工程師的資格。

Directors and Senior Management

董事及高級管理層

Mr Huang Weibing (黃衛兵), aged 47, is a deputy general manager of Ningbo Instruments and the general manager of Nanjing Instruments. He is responsible for assisting the general manager in the daily administration of Ningbo Instruments and the daily administration of Nanjing Instruments. Mr Huang graduated with a diploma in electronics from Jiangsu Radio & Television University (Jiangsu Radio & Television University) in 1983. Prior to joining the Group in July 2005, Mr Huang has worked in Nanjing Jiangnan Yongxin Optical Company Limited* as deputy general manager.

Mr Liu Rui (劉銳), aged 40, is a vice president of the Company and the general manager of each of Sunny Optics and Sunny Infrared. He is responsible for the daily administration of each of Sunny Optics and Sunny Infrared. Mr Liu graduated from University of West Sydney with a master's degree in business administration in 2005. He obtained a bachelor's degree in chemistry engineering from Zhejiang University in 1989. Prior to joining the Group in February 2006, Mr Liu worked in Olympus (Shenzhen) Industrial Ltd. as planning manager.

Mr Zhao Zhiping (趙治平), aged 38, is the general manager of Sunny Zhongshan and is responsible for its daily administration. Mr Zhao graduated with a diploma in industrial economic management from Zhongnan University of Economics in 1990. Mr Zhao has approximately 15 years of experience in the optical industry. Prior to joining the Group in February 2006, Mr Zhao worked in Dongghua Xintai Optics Company Limited* and Guangdong Phoenix Optics Company Limited*.

Mr Ho Francis (何鐳), aged 43, is the chief technology officer of the Company. He is responsible for technology integration and research of the Group. He has approximately 14 years of experiences in optical research and development and project management. Mr Ho obtained a master's degree in applied physics from Catholic Louvain University in Belgium in 1989. He has extensive experience in optical research and development and project management. Mr Ho previously worked in Optoelectronic Laboratory of Industry Technology Research Institute in Xing Zhu, Taiwan. Prior to joining the Group in April 2007, he worked as overseas business manager at Geniuo Electronic Optical Co., Ltd. from July 2006. He also worked in other listed companies such as Meiloon, Lite-on Electronics and Primax Technology from 1994 to 2006, mainly responsible for research and development of consumer electronics and business application products.

黃衛兵先生，47歲，寧波儀器副總經理及南京儀器總經理，負責協助總經理處理寧波儀器日常行政管理事務，並負責南京儀器日常行政管理事務。黃先生在一九八三年畢業於江蘇廣播電視大學，取得電子學文憑。在二零零五年七月加入本集團以前，黃先生在南京江南永新光學有限公司出任副總經理。

劉銳先生，40歲，本公司副總裁以及浙江舜宇光學及舜宇紅外總經理，負責浙江舜宇光學及舜宇紅外的日常行政管理事務。劉先生在二零零五年畢業於University of West Sydney，取得工商管理碩士學位，及於一九八九年取得浙江大學化學工程學士學位。在二零零六年二月加入本集團以前，劉先生在奧林巴斯(深圳)工業有限公司出任統括部長。

趙治平先生，38歲，舜宇中山總經理，負責舜宇中山日常行政管理事務。趙先生在一九九零年畢業於中南財經大學，取得工業經濟管理文憑。趙先生擁有約15年光學業經驗。在二零零六年二月加入本集團以前，趙先生曾先後在東莞信泰光學有限公司及廣東鳳凰光學有限公司工作。

何鐳先生，43歲，本公司的首席技術主管，負責本集團的技術整合及研究。彼於光學研發及項目管理方面具有約14年經驗。何先生於一九八九年在比利時Catholic Louvain University獲得應用物理學碩士學位。彼擁有豐富的光學研發及項目管理經驗。何先生先前於台灣新竹工業技術研究院光電實驗室開展事業，於二零零七年四月加入本集團前，彼自二零零六年七月起擔任玉晶光電股份有限公司的海外事業經理。一九九四年至二零零六年期間，彼曾任職美隆、建興電子及致伸科技等其他上市公司，負責家用電器及商務應用產品研發工作。

Corporate Governance Report

企業管治報告

The Directors recognise the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability and to maximise the shareholders' benefits.

董事深信本集團的管理架構及內部監控程式必須具備優良的企業管治元素，方可促成有效問責，提升股東利益。

Code on Corporate Governance Practices

The Group has throughout the year adopted and complied with the code provision set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Listing Rules (the "CG Code") that regulates the functions and responsibilities of shareholders, Directors, management and staff and has made arrangement for the convening of general meetings and their process, meetings of Board of Directors and meetings of the committees of the Board of Directors. The CG Code also provides the remunerations of the Directors and Senior Management, internal control procedures, the appointment of external auditors, and financial reporting and financial management.

企業管治常規守則

本集團已採用及遵照上市規則附錄14所載企業管治常規守則（「企業管治守則」）的守則條文。該等條文包括規範股東、董事、管理層及僱員的職責，訂有召開股東大會與所涉程式、董事會會議與董事委員會會議的安排。企業管治守則亦規管董事與管理層薪酬、內部監控程式、委任外聘核數師及財務報告與財務管理。

The Group has also appointed a qualified accountant to oversee the financial reporting procedures and internal controls of the Group so as to ensure compliance with the Listing Rules. In addition, the Audit Committee has performed an internal control review regularly.

本集團亦已委任合資格會計師監察本集團的財務申報程式及內部監控，確保符合上市規則的規定。此外，審核委員會亦會定期檢討內部監控。

To further enhance the Group's corporate governance and its transparency, the Company has established the Remuneration Committee.

為進一步提升本集團的企業管治及透明度，本公司已設立薪酬委員會。

The Board Board Functions

The Board is responsible for the promotion of the success of the Company by directing and guiding its affairs in an accountable and effective manner. Board members have a duty to act in good faith, with due diligence and care, and in the best interests of the company and its shareholders.

董事會 董事會職能

董事會負責以盡責有效方式管理及督導業務，助本公司業務更進一步。董事會成員有責任真誠、勤勉及審慎工作，維護本公司及股東最佳利益。

Corporate Governance Report

企業管治報告

The types of decisions which are to be taken by the Board include:

1. Setting the Company's mission and values;
2. Formulating strategic directions of the Company;
3. Reviewing and guiding corporate strategy; setting performance objectives and monitoring implementation and corporate performance;
4. Monitoring and managing potential conflicts of interest of management and board members; and
5. Ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for monitoring risk, financial control, and compliance with the law.

Chairman and Chief Executive Officer

The CG Code requires that the roles of Chairman and Chief Executive Officer should be separated and not performed by the same individual.

During the year under review, Mr Wang Wenjian, who directs the strategic growth and development of the Group, with responsibility for reviewing implementation of the Board's policies and decisions and representing the Group in communications with the media and external parties, is the Chairman of the Group. Mr Ye Liaoning, who is responsible for overseeing the day-to-day operations of the Group and the implementation of the Board's policies and decision, including execution of annual business plan and investment plan, is the Chief Executive Officer of the Group. The roles of the Chairman (Mr Wang Wenjian) are separated from those of the Chief Executive Officer (Mr Ye Liaoning) in order to reinforce their respective independence, accountability and responsibility according to the CG Code A.2.1.

Board Composition

The Board should have a balance of skills and experience appropriate for the requirements of the business of the issuer. The board should ensure that changes to its composition can be managed without undue disruption. The Company is committed to the view that the Board should include a balanced composition of executive and non-executive Directors (including independent non-executive Directors) so that there is a strong independent element on the Board which can effectively exercise independent judgment. The Board currently comprises of 10 Directors, 4 executive Directors, namely Mr. Wang Wenjian, also the Chairman of the Board, Mr. Ye Liaoning, chief executive officer, Mr. Xie Minghua and Mr. Wu Jinxian; 2 non-executive Directors namely Mr. Shao Yang Dong and Mr. Michael David Ricks; and 4 independent non-executive Directors namely Mr. Chang Mei Dick, Mr. Koji Suzuki, Mr. Liu Xu and Mr. Zhang Yuqing. The Company is also committed to the view that the independent non-executive Directors should be of sufficient caliber and number for their views to carry weight. The independent non-executive Directors, biographical details of whom are set out in the Section headed "Directors and Senior Management" in this

董事會須作出的決策包括：

1. 訂立本公司目標及價值；
2. 制定本公司策略方針；
3. 檢討及督導企業策略；訂立表現目標及監察實施情況與企業表現；
4. 監察及管理管理層與董事會成員的潛在利益衝突；及
5. 確保本公司會計與財務申報系統一致，包括獨立審核，以及確保設有適當監控系統，尤其是監察風險、財務監控及守法的系統。

主席及行政總裁

企業管治守則規定須區分主席與行政總裁的職責，不應由一人兼任。

於回顧年度，本集團主席王文鑒先生帶領本集團進行策略性增長及發展，負責檢討董事會政策與決策的實施，並代表本集團與傳媒及外界人士溝通。本集團行政總裁葉遼寧先生負責監察本集團日常運作及董事會政策與決策的實施，包括執行年度業務計劃及投資計劃。根據守則條文A.2.1，主席王文鑒先生的角色與行政總裁葉遼寧先生清晰劃分，以加強彼等各自的獨立性、問責性及責任。

董事會成員

董事會須兼備發行人業務所需的技能及經驗，須確保董事會成員的更替不會造成不必要的業務中斷。本公司深信，董事會的執行與非執行董事（包括獨立非執行董事）人數應平衡，確保董事會高度獨立，可有效作出獨立判斷。董事會現時由十名董事組成，包括四名執行董事王文鑒先生（亦為董事會主席）、葉遼寧先生（行政總裁）、謝明華先生及吳進賢先生；兩名非執行董事邵仰東先生及Michael David Ricks先生；以及四名獨立非執行董事張未先生、鈴木浩二先生、劉旭先生及張余慶先生。本公司亦相信，獨立非執行董事的才幹與人數須達相當水準，使其意見具影響力。獨立非執行董事的履歷載於本年報「董事及高級管理層」一節，彼等並無涉及任何可嚴重影響彼等行使獨立判斷的業務或其他關係。董事會於本年報日期的成

Annual Report, are free from any business or other relationship which could interfere in any material manner with the exercise of their independent judgment. The Composition of the Board as at the date of this Annual Report is set out in the Section headed "Directors and Senior Management" and the term of appointments of the Directors is set out under the section "Directors' Report" herein.

The Board supervises the management of the business and affairs of the Company. The Board's primary duty is to ensure the validity of the Company and to ensure that it is managed in the best interests of the shareholders as a whole while taking into account the interests of other stakeholders.

The Board has established a specific committee with written terms of reference to assist it in the efficient implementation of its functions, namely, the Audit Committee, Remuneration Committee, Nomination Committee and Strategy and Development Committee. Specific responsibilities have been delegated to the above committees.

The Board delegates specific tasks to the Group's management including the implementation of strategies and decisions approved by the Board and the preparation of accounts for approval by the Board before public reporting.

The Chairman is responsible for developing strategic direction and development of the Group. The Chief Executive Office and other executive directors, working with and supported by the non-executive Directors, are responsible for managing the Group's business affairs, including the implementation of strategies adopted by the Board and attending to the formulation and successful implementation of Group's policies and assuming full accountability to the Board for all Group's operations.

Each of the executive, non-executive, and independent non-executive Directors has entered into a continuous service contract with the Company and is subject to the rotational retirement and re-election requirements of the Company's Articles of Association and the Code Provisions. None of the Directors has any financial, business, family relationships or any relationships in other material aspects with each other.

The independent non-executive Directors contribute to the Company with diversified industry expertise, advise the management on strategy development and ensure that the Board maintains high standards of financial and other mandatory reporting as well as provide adequate checks and balances to safeguard the interests of shareholders and the Company as a whole.

Each of independent non-executive Directors has given a written confirmation to the Company confirming that he has met the criteria set out in Rule 3.13 of the Listing Rules regarding the guidelines for the assessment of independence of directors. The Company believes that the independent non-executive Directors have all complied with the relevant guidelines as stipulated in such rule and are still considered as independent.

員載於本年報「董事及高級管理層」一節，而董事的委任條款則載於「董事服務合約」一節。

董事會監察本公司業務及事務的管理，主要職責為確保本公司合法行事，在考慮個別股東的利益同時保障整體股東的最佳利益。

董事會已成立指定委員會，制定彼等須輔助董事會有效履行職能的書面職權範圍。董事委員會包括審核委員會、薪酬委員會、提名委員會以及策略及發展委員會，各委員會已獲委派指定職責。

董事會向本集團管理層委派指定工作，包括執行董事會通過的策略及決策，在公開報告前編製供董事會審批的賬目。

主席負責釐定策略方針及本集團的發展，而行政總裁及其他執行董事則與非執行董事合作，負責管理本集團的業務狀況，包括執行董事會採用的策略，參與製定與順利推行本集團政策，以及就本集團的全部營運向董事會負全責。

執行、非執行及獨立非執行董事已各自與本公司訂立持續服務合約，須遵守本公司章程細則及守則條文有關輪值告退及膺選連任的規定。各董事間概無任何財務、業務、家庭關係或其他重大關係。

獨立非執行董事為本公司注入多樣化的業內知識，向管理層建議策略發展及確保董事會維持高水準的財務及其他強制性申報，提供足夠監控和協調，保障股東及本公司整體利益。

各獨立非執行董事已分別向本公司提交書面確認，確認彼等已遵照上市規則第3.13條有關評核董事獨立性的指引規定。本公司相信，全體獨立非執行董事均一直遵守該規則所載的相關指引，仍然視為保持獨立身份。

Corporate Governance Report

企業管治報告

Appointment, Re-Election and Removal

The Company has implemented a formal, considered and transparent procedure for the appointment of new directors to the board. The Company has also put in place plans for orderly succession for appointment to the board. All directors will be subject to re-election at regular intervals. The Board must explain the reasons for the resignation or removal of any director.

委任、重選及罷免

本公司已實施正式、審慎且具透明度的程式委任董事會新董事，亦已訂立計劃，確保董事會的委任承接有序。全體董事須定期重選。董事會須解釋任何董事的辭任或罷免。

The Attendance of Meetings of Board of Directors

Regular Board meetings were held. During the year, the Board convened 4 Board meetings in total based on the business developments and needs of the Company. In addition, special Board meetings would be held when necessary. The attendance of each Director at board meetings and other board committee meetings is as follows:

董事會會議出席紀錄

董事會定期舉行會議。年內，董事會基於業務發展及本公司需要共舉行4次董事會會議。此外，董事會亦會在有需要時舉行特別董事會會議。各董事出席董事會會議及其他董事委員會會議的紀錄如下：

Name of Director 董事名稱	Full Meeting of the Board of Directors No. of Attendance/ No. of Meetings 董事會全體會議 出席次數/會議次數	Remuneration	
		Committee of the Board of Directors No. of Attendance/ No. of Meetings 董事委員會薪酬委員會 出席次數/會議次數	Audit Committee of the Board of Directors No. of Attendance/ No. of Meetings 董事委員會審核委員會 出席次數/會議次數
Mr Wang Wenjian 王文鑿先生	4/4	N/A 不適用	N/A 不適用
Mr Ye Liaoning 葉遼寧先生	4/4	N/A 不適用	N/A 不適用
Mr Xie Minghua 謝明華先生	4/4	N/A 不適用	N/A 不適用
Mr Wu Jinxian 吳進賢先生	4/4	N/A 不適用	N/A 不適用
Mr Shao Yang Dong 邵仰東先生	4/4	1/1	3/3
Mr Li Tyson Sandy Ying Lun (Note 1) 李英倫先生(附註1)	1/4	N/A 不適用	1/3
Mr Michael David Ricks (Note 2) Michael David Ricks先生 (附註2)	3/4	N/A 不適用	2/3
Dr Chang Mei Dick 張耒博士	4/4	N/A 不適用	1/3
Mr Koji Suzuki 鈴木浩二先生	4/4	1/1	N/A 不適用
Dr Liu Xu 劉旭博士	4/4	N/A 不適用	3/3
Mr Zhang Yuqing 張余慶先生	4/4	1/1	3/3

Note 1: Mr Li Tyson Sandy Ying Lun, resigned as a director on 30 September 2007 and therefore, had not attended the meetings which were held after 30 September 2007.

Note 2: Mr Michael David Ricks, was appointed as a director on 30 September 2007 and therefore, did not attend the meetings which were held prior to 30 September 2007.

Directors are consulted to include matters in the agenda for regular Board meetings. Dates of regular Board meetings are scheduled at least 14 days in advance to provide sufficient notice to give all Directors an opportunity to attend. For all other Board meetings, reasonable notice will be given.

Nomination Committee

The Company has established a Nomination Committee with written terms of reference. The Nomination Committee comprises of 3 members, namely, Dr Dick Mei Chang and Dr Liu Xu (both are independent non-executive Directors) and Mr Wang (an executive Director). Dr. Chang was appointed as the chairman of the Nomination Committee.

The principal roles and functions of the Nomination Committee include:

- (a) to review the structure, size and composition of the Board on a regular basis and make recommendations to the Board regarding any proposed changes;
- (b) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorship;
- (c) to assess the independence of independent non-executive directors with regard to the requirements under the Listing Rules; and
- (d) to make recommendations to the Board on relevant matters related to the appointment or re-appointment of directors and succession planning for directors in particular the Chairman and the Chief Executive Officer.

The Nomination Committee held the first meeting on 6 April 2008 with the presence of all members to review the size, structure and composition of the Board and made its recommendations to the Board on the appointment of a member of Audit Committee and the re-appointment of Directors whom are subject to retirement by rotation and eligible for re-election at the forthcoming annual general meeting, and assessment of independence of Independent Non-executive Directors.

附註1：李英倫先生於二零零七年九月三十日辭任董事，故並無出席二零零七年九月三十日後舉行的會議。

附註2：Michael David Ricks先生於二零零七年九月三十日獲委任為董事，故並無出席二零零七年九月三十日前舉行的會議。

會向各董事諮詢須列入董事會常規會議議程的事項。董事會常規會議的日期須於召開前最少14日前落實，以充裕通知全體董事安排出席會議，而所有其他董事會議則會作出合理通知。

提名委員會

本公司已成立提名委員會，並訂有書面職責條款。提名委員會由3名成員組成，包括獨立非執行董事張未博士與劉旭博士以及執行董事王先生。張博士獲委任為提名委員會主席。

提名委員會之主要工作及職能包括下列各項：

- (a) 定期檢討董事會之架構、人數及組合，並就任何擬作出之變動向董事會提出建議；
- (b) 物色具備合適資格可擔任董事會成員之人士，並挑選提名有關人士出任董事或就此向董事會提供意見；
- (c) 根據上市規則之規定，評核獨立非執行董事之獨立性；及
- (d) 就委任或續聘董事以及董事（尤其是主席及行政總裁）繼任計劃之有關事宜向董事會提出建議。

提名委員會於二零零八年四月六日舉行第一次會議，全體成員均有出席有關會議。會上，提名委員會檢討董事會之人數、架構及組合，並就委任審計委員會成員及續聘須於應屆股東週年大會輪值告退並膺選連任之董事等事宜向董事會提供意見，及就獨立非執行董事之獨立性作評估。

Corporate Governance Report

企業管治報告

Remuneration Committee

The Company has established a Remuneration Committee with written terms of reference. The Remuneration Committee comprises of 3 members, namely, Mr Koji Suzuki and Mr Zhang Yuqing (both are independent non-executive Directors) and Mr Shao Yang Dong (who is a non-executive Director). Mr. Koji Suzuki was appointed as the Chairman of the Remuneration Committee.

The principal roles and functions of the Remuneration Committee include:

- (a) to make recommendations to the Board on the Company's policy and structure of the remuneration of directors and senior management;
- (b) to have the delegated responsibility to determine the specific remuneration packages of all Executive Directors and senior management and make recommendations to the Board of the remuneration of the Non-executive Directors;
- (c) to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;
- (d) to review and approve the compensation payable to Executive Directors and senior management in connection with any loss or termination of their office or appointment.

The meeting of the Remuneration Committee is held at least once a year and otherwise is required. All members attended the first meeting of the Committee held on 28 January 2008. The Remuneration Committee has reviewed and approved the remunerations and bonus payable to executive Directors and senior management for the financial year under review. The Remuneration Committee Chairman has reported to the Board on the proceedings of the meeting. Details of the amount of Directors' emoluments of 2007 are set out in Note 12 to the consolidated financial statements.

Audit Committee

The Company has established an Audit Committee with written terms of reference. The Group's audited final results for the year ended 31 December 2007 were reviewed by all the Audit Committee members, namely, Mr. Zhang Yuqing, Dr. Chang Mei Dick, Dr. Liu Xu, Mr. Michael David Ricks and Mr. Shao Yang Dong.

薪酬委員會

本公司已成立薪酬委員會，並訂有書面職責條款。薪酬委員會由3名成員組成，包括獨立非執行董事鈴木浩二先生與張余慶先生及非執行董事邵仰東先生。鈴木浩二先生獲委任為薪酬委員會主席。

薪酬委員會之主要工作及職能包括下列各項：

- (a) 就本公司董事及高級管理人員之薪酬政策及架構向董事會提出建議；
- (b) 獲董事會轉授職責，負責釐訂全體執行董事及高級管理人員之特定薪酬待遇，並就非執行董事之薪酬向董事會提供意見；
- (c) 透過參照董事會不時通過的公司目標，檢討及批准按表現而釐定之薪酬；
- (d) 檢討及批准向執行董事及高級管理人員支付有關離職或終止職務或委任之賠償。

薪酬委員會每年最少舉行一次會議，亦會在有需要時開會。全體委員均有出席委員會於二零零八年一月二十八日舉行的首次會議。薪酬委員會已審閱並批准回顧財政年度應付執行董事及高級管理層的酬金及花紅。薪酬委員會主席已向董事會匯報該會議的議事程序。二零零七年董事酬金金額詳情載於綜合財務報表附註12。

審核委員會

本公司已成立審核委員會，並訂有書面職責條款。審核委員會所有成員已審閱本集團截至二零零七年十二月三十一日止年度之經審閱全年業績。審核委員會成員包括張余慶先生、張未博士、劉旭博士、Michael David Ricks先生及邵仰東先生。

All issues raised by the Audit Committee have been addressed by management. The work and findings of the Committee have been reported to the Board. During the year, no issues have been brought to the attention of management and the Board had sufficient importance to require disclosure in the Annual Report. Full minutes of Audit Committee meetings are kept by the Company Secretary. Drafts and final versions of minutes of the Audit Committee meetings are sent to all members of the Audit Committee for their comments and record respectively, in both cases within a reasonable time after the meeting. The Audit Committee is provided with sufficient resources, including the advice of external auditors, to discharge its duties.

The principal roles and functions of the Audit Committee include:

- (a) to consider and recommend to the Board on the appointment, re-appointment and removal of external auditors, and to approve their remuneration, and any question of their resignation and dismissal;
- (b) to review and monitor the integrity of the financial statements of the Group together with the Company's interim and Annual Report;
- (c) to maintain an appropriate relationship with the Group's external auditors; and
- (d) to oversee the Group's financial control and internal control.

During the year ended 31 December 2007, the Audit Committee met twice. The Audit Committee has reviewed the Annual Report for the year ended 31 December 2007, external auditor's remuneration, internal control system and interim report for the period ended 30 June 2007 at the relevant meetings and recorded unanimous decisions. The Chairman of the Audit Committee has reported to the Board on the proceedings of these meetings. The Board has not taken any view that is different from that of the Audit Committee.

Furthermore, another meeting was held on 6 April 2008 to review, inter alia, the Annual Report and financial statements of the Group for the year ended 31 December 2007, the report from external auditor on the audit of the Group's financial statements, the continued non-exempt connected transactions, internal control system review and the re-appointment of external auditor.

審核委員會提出的事項全數交予管理層處理，而委員會的工作及調查結果則向董事會報告。年內，向管理層及董事會提出的事宜概非重大，故毋須在年報披露。審核委員會的會議紀錄全文由公司秘書保管，而會議紀錄初稿及終稿已於會議後合理時間內寄發予審核委員會全體成員，分別供彼等提供意見及作紀錄之用。審核委員會獲充份調配資源（包括外聘核數師的意見）履行職責。

審核委員會之主要工作及職能包括下列各項：

- (a) 考慮有關外聘核數師之委任、續聘及罷免之事宜，並就此向董事會提供建議，批准外聘核數師之薪酬，以及處理任何有關其辭任及罷免之事宜；
- (b) 審閱及監察本集團財務報表及本公司中期及年度報告之完整性；
- (c) 與本集團外聘核數師維持適當關係；及
- (d) 監督本集團之財務監控及內部監控。

截至二零零七年十二月三十一日止年度，審核委員會共舉行兩次會議。會上，審核委員會已審閱截至二零零七年十二月三十一日止年度之年報、外聘核數師酬金、內部監控制度及截至二零零七年六月三十日止期間之中期報告，並達成一致決定。審核委員會主席已就上述會議議事程序向董事會作出報告。董事會與審核委員會之觀點並無分歧。

此外，審核委員會亦於二零零八年四月六日舉行另一次會議，以審閱（其中包括）本集團截至二零零七年十二月三十一日止年度之年報及財務報表、外聘核數師就審核本集團財務報表所發出報告、持續不獲豁免關連交易、審閱內部監控制度及續聘外聘核數師事宜。

Corporate Governance Report

企業管治報告

Strategy and Development Committee

The Company's Strategy and Development Committee is comprised of 6 members, namely, Mr Wang Wenjian, Mr Ye Liaoning, Mr Xie Minghua and Mr Wu Jinxian (all are executive Directors) and Mr Koji Suzuki and Dr Dick Mei Chang (both are independent non-executive Directors). Mr Wang Wenjian was appointed as the chairman of the Strategy and Development Committee. The primary duties of the Strategy and Development Committee are to advise the Board on the Group's strategy for business development and future prospects in the international market for optical and optical-related products. It is intended that members of this committee shall consist of domestic and international experts in the optical industry and other related industry.

The meeting of the Committee is held at least four times a year or when necessary. All members attended the first meeting of the Committee held on 16 October 2007.

Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules, and after having made specific enquiry with regard to securities transactions after Listing by the Directors, all Directors have confirmed their compliance with the required standards set out in the Model Code regarding Directors' securities transactions throughout the year ended 31 December 2007.

External Auditor

The Board agrees with the Audit Committee's approval of appointment of Deloitte Touche Tohmatsu ("DTT") will be the Company's external auditors, for 2008. Their reporting responsibilities on the Financial Statements are set out in the Independent Auditor's Report of this Annual Report on page 65 and 66. Details of the amount of auditors' remuneration in 2007 are set out in Note 9 to the consolidated financial statements. The Company has also paid fees amounting to HK\$2.5 million to the auditors for Listing service as reporting accountants during the year.

策略及發展委員會

本公司的策略及發展委員會由6名董事組成，包括執行董事王文鑒先生、葉遼寧先生、謝明華先生與吳進賢先生以及獨立非執行董事鈴木浩二先生與張未博士。王文鑒先生獲委任為策略及發展委員會主席。策略及發展委員會主要負責就本集團的業務發展策略以及光學與光學相關產品的國際市場前景向董事會提供意見。

委員會每年最少舉行四次會議，亦會在有需要時開會。全體委員均有出席委員會於二零零七年十月十六日舉行的首次會議。

董事證券交易

本公司已採納上市規則附錄10所載的上市公司董事進行證券交易的標準守則（「標準守則」）。向董事作出有關上市後證券交易的具體查詢後，全體董事已確認，彼等於截至二零零七年十二月三十一日止年度一直遵守標準守則所載有關董事證券交易的規定。

外聘核數師

董事會同意按審核委員會的意見，委聘德勤•關黃陳方會計師行（「德勤」）為本公司二零零八年的外聘核數師。彼等對財務報表的申報責任載於本年報第65及66頁的獨立核數師報告。二零零七年核數師酬金數額詳情載於綜合財務報表附註9。本公司亦已向核數師就年內擔任上市申報會計師支付2,500,000港元的費用。

DTT will retire and offer themselves for re-appointment at annual general meeting of the Company to be held on 21 May 2008. The re-appointment of DTT as the external auditor of the Group has been recommended by the Audit Committee and endorsed by the Board, subject to approval shareholders in the forthcoming annual general meeting.

Financial Reporting

The Directors are responsible for keeping proper accounting records and preparing the financial statements which give a true and fair view of the state of affairs of the Company and its subsidiaries, in accordance with Hong Kong Financial Reporting Standards and the disclosure requirements of the Hong Kong Companies Ordinance. In preparing the financial statements for the year ended 31 December 2007, the Directors have made judgments and estimates that are prudent and reasonable and prepared the financial statements on a going concern basis.

Management has provided such explanation and information to the Board as would enable the Board to make an informed assessment of the financial and other information before the Board for approval.

The statement by the auditors of the Company about their responsibilities for the financial statements is set out in the report of the auditors contained in this Annual Report.

The Board's responsibility to present a balanced, clear and understandable assessment extend to annual and interim reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules, and reports to regulators as well as information required to be disclosed pursuant to statutory requirements.

德勤會於二零零八年五月二十一日舉行的股東週年大會退任並願意獲得續聘。審核委員會建議續聘德勤為本集團外聘核數師，而董事會亦贊同有關建議，惟須待股東於應屆股東週年大會批准方可作實。

財務申報

董事負責保存正式會計紀錄，並根據香港財務報告準則及香港公司條例的披露規定編製可真實反映本公司及其附屬公司狀況的財務報表。編製截至二零零七年十二月三十一日止年度的財務報表時，董事作出審慎合理的判斷和估計，並按持續一致的基準編製財務報表。

管理層已向董事會提供解釋及資料，使董事會在審批時可對財務及其他資料作出知情評核。

本公司核數師有關財務報表的責任陳述載於本年報核數師報告。

董事會呈列公正清晰及易明的評估之責任適用於年報及中期報告、其他股價敏感資料及其他根據上市規則的規定須作出的財務披露、向監管人員提交報告以及根據法定規則須予披露的資料。

Corporate Governance Report

企業管治報告

Internal Control

The Board is responsible for the Group's system of internal control and for reviewing its effectiveness. The Board, the Group's internal audit department and management conduct reviews of the effectiveness of the Company's system of internal control, including those of its subsidiaries. The Audit Committee reviews the findings and opinion of the Group's internal audit department and management on the effectiveness of the Company's system of internal control, and reports to the Board on such reviews. In respect of the year ended 31 December 2007, the Board considered the internal control system effective and adequate. No significant areas of concern which might affect shareholders were identified. The effectiveness of the Audit Committee itself is reviewed annually through a formal process which involves the Joint Company Secretaries preparing an evaluation of its effectiveness. This is examined by both the internal and external auditors before submitted to the Board for endorsement.

The internal audit division of the Group should ensure that the Company maintains sound and effective internal controls to safeguard the shareholder's investment and the Company's assets. The main functions of the internal audit division are to audit the operating efficiencies of each of the operating units, to carry out audit upon resignation of any key management personnel, to assist Board in reviewing the effectiveness of the internal control system of the Group and to review internal controls of business processes and project based auditing (such as auditing of trade receivables and issuance of commodities auditing report). Evaluation of the Group's internal controls covering financial, operational compliance controls and risk management functions had been done on an ad hoc basis.

Voting by Poll

The Board should regularly inform shareholders of the procedure for voting by poll and ensure compliance with the requirements about voting by poll contained in the Listing Rules and the constitutional documents of the Company.

內部監控

董事會負責監察本集團的內部監控系統和檢討其成效，本集團董事會、內部審計部和管理層則檢討本公司以及附屬公司內部監控系統的成效。審核委員會就本集團內部審計部和管理層對本公司內部監控系統成效的調查結果和意見，並向董事會匯報審議結果。董事會認為截至二零零七年十二月三十一日止年度的內部監控制度足夠、饒有成效，且無出現可能影響股東的重要事項。會透過正式程序每年審視審核委員會的效率，當中涉及聯席公司秘書評估審核委員會的效率，並於遞交董事會審批前，先由內部及外聘核數師審閱。

本集團的內部審核部門確保本公司的內部監控健全有效，可維護股東的股資及本公司的資產。該內部審計部門的主要職能是對公司各營運單位的經營效益、管理層主要人員的辭任進行審核、協助董事會檢討本集團內部監控系統有效與否，審閱業務流程內部監控及按個別項目作出的審核（如應收帳款審核及發出商品審核報告）。本集團不定期評估內部監控包括財務、營運及合規監控與風險管理職能。

以投票方式表決

董事會應定期通知股東以投票方式表決的程式，並確保符合上市規則有關以投票方式表決的規定及本公司的組織章程文件。

The Company sets out in its circular to shareholders the procedures for and the rights of shareholders to demand a poll. Pursuant to the Articles of Association of the Company, at any general meeting of the Company (including the extraordinary general meeting) a resolution put to the vote of the meeting shall be decided on a show of hands unless:

(A) (before or on the declaration of the results of the show of hands or the withdrawal of any other demand for a poll) a poll is demanded by:

- (i) the Chairman of the meeting; or
- (ii) at least three shareholders present in person or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any shareholder or shareholders present in person 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 by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregated 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

(B) a resolution is required under the Listing Rules to be decided by way of a poll.

In accordance with Rule 13.39 (3) of the Listing Rules, the Chairman of a meeting and/or Directors who, individually or collectively, hold proxies in respect of shares representing 5% or more of the total voting rights at a particular meeting shall demand a poll in certain circumstances where, on a show of hands, a meeting votes in the opposite manner to that instructed in those proxies. If a poll is required under such circumstances, the Chairman of the meeting shall disclose to the meeting the total number of votes represented by all proxies held by directors indicating an opposite vote to the votes.

本公司向股東寄發之通函內，須載列以投票方式表決之程式及股東要求投票方式表決之權利。根據本公司之章程細則，於任何股東大會上（包括股東特別大會），所提呈之決議案將以舉手方式表決，除非：

(A) 在宣佈舉手表決的結果或拒絕其他以投票方式表決之要求之前或之時，下列人士要求以投票方式表決：

- (i) 大會主席；或
- (ii) 最少三名親身出席並有權於會上投票之股東或受委代表；或
- (iii) 一名或多名親身出席並佔有權於會上投票之全體股東總投票權不少於十分之一之股東或受委代表；或
- (iv) 一名或多名親身出席並持有附有權利可於會上投票之繳足股份總額相等於附有該權利之所有股份繳足總額十分之一或以上之股東或受委代表；或

(B) 根據上市規則規定，個別決議案須以投票方式表決。

根據上市規則第13.39(3)條，若大會主席及／或董事在會議上個別或共同持有佔發行人股份總投票權5%或以上的委任代表投票權，則在若干情況下（如大會以舉手方式表決時，表決結果與該等委任代表之表格所指示者相反）可要求以投票方式表決。如在此等情況下要求以投票方式進行表決，則大會主席應在會議上披露董事持有所有委任代表投票權所代表之總票數，以顯示以舉手方式表決時所投之相反票。

Corporate Governance Report

企業管治報告

Investor Relationships and Shareholders' Communication

The Group maintains the investor relationships and shareholders' communication through the following methods:

Disclosure of information on a timely basis: The Company will use various channels such as financial report, announcement and website of the Company to disclose relevant information to the public and the shareholders.

Communication with shareholders and investors: The Company maintains effective communications with shareholders and investors through annual general meeting, presentation conference of company results, company visits and visiting institutional investors.

Web-based reporting: The website of the Company will open an Investor Relationship Forum which would contain among others, the following contents:

- a. relevant systems of the Company, such as terms of reference of corporate governance practices;
- b. information on the annual general meeting of the Company;
- c. the Annual Report and interim report of the Company;
- d. disclosure of price sensitive information.

On behalf of the Board

Wang Wenjian

Chairman

6 April 2008

投資者關係及股東通訊

本集團透過以下管道維持投資者關係及股東通訊：

及時披露資料：本公司將透過多個管道，包括財務報表、公告及本公司網站等，向公眾及股東披露有關資料。

與股東及投資者溝通：本公司通過股東週年大會、公司業績公佈會、參觀公司及到訪機構投資者等途徑保持與股東及投資者的有效溝通。

網上彙報：公司網站將開闢投資者關係專欄，刊載以下內容：

- a. 本公司的相關制度，如企業管治常規權責範圍；
- b. 本公司股東週年大會資料；
- c. 本公司年報及中期報告；
- d. 影響股價資訊的披露。

代表董事會

主席

王文鑒

二零零八年四月六日

Directors' Report

The Directors are pleased to present their first Annual Report, including the audited consolidated (or combined) financial statements for the year ended 31 December 2007.

Corporate Reorganisation

The Company was incorporated as a limited company in Cayman Islands on 21 September 2006.

Pursuant to a reorganisation scheme to rationalise the structure of the Group in preparation for the public Listing the Company's shares on the Stock Exchange, the Company became the holding company of the companies now comprising the Group on 24 October 2006. Details of the reorganisation were set out in the prospectus dated 4 June 2007 issued by the Company.

The shares of the Company were listed on the Stock Exchange with effect from 15 June 2007. The Company issued 200,000,000 shares with a nominal value of HK\$0.1 each, at a price of HK\$3.82 per share by a way of the Global Offering to Hong Kong and overseas investors. The consideration received by the Company for the issue was HK\$764.0 million.

Principal Activities

The Company acts as an investment holding company. The activities of its principal subsidiaries are set out in Note 32 to the consolidated financial statements.

Dividends Distribution

The results of the Group for the year ended 31 December 2007 are set out in the consolidated income statement on page 67.

The Directors recommend the declaration of a final dividend at the rate of RMB0.021 (equivalent approximately to HK\$0.022) per share payable on 29 May 2008 to all persons registered as holders of shares on 19 May 2008. The Register of Members will be closed from 19 May 2008 to 21 May 2008, both days inclusive. In order to be qualified for the dividend and attending the Annual General Meeting ("AGM") to be held on 21 May 2008, shareholders should submit share certificates together with transfer documents to Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited of shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong to be registered on the Register of Members on or before 4:30 pm on 16 May 2008.

董事會報告

董事會欣然提呈首份年報，包括截至二零零七年十二月三十一日止年度的經審核綜合（或合併）財務報表。

企業重組

本公司於二零零六年九月二十一日在開曼群島註冊成立為有限公司。

根據整頓本集團架構以籌備本公司股份於香港聯合交易所有限公司上市的重組計劃，本公司於二零零六年十月二十四日成為本集團旗下公司的控股公司。有關重組的詳情請參閱本公司於二零零七年六月四日刊發的售股章程。

本公司股份在二零零七年六月十五日於香港聯合交易所有限公司上市。本公司以每股3.82港元的價格以全球發售的形式向香港及海外投資者發行200,000,000股每股面值0.1港元的股份。本公司發行股份所得代價為764,000,000港元。

主要業務

本公司為一家投資控股公司，其主要附屬公司的業務載於綜合財務報表附註32。

股息分派

本集團於截至二零零七年十二月三十一日止年度的業績載於第67頁的綜合收益表。

董事建議向二零零八年五月十九日的全體股份登記持有人宣派將於二零零八年五月二十九日派付的末期股息每股人民幣0.021元（約0.022港元）。二零零八年五月十九日至二零零八年五月二十一日（包括首尾兩天）期間將暫停辦理股份過戶登記。為符合資格收取股息及出席二零零八年五月二十一日舉行的股東週年大會，股東須二零零八年五月十六日下午四時三十分或之前將股票及過戶文件送交香港股份登記分處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。

Directors' Report

Donations

Charitable and other donations made by the Group during the year amounted to approximately HK\$1.0 million.

Major Customers and Suppliers

Details of the Group's transactions with its major suppliers and customers during the year are set out below:

In 2007, the Group's largest supplier accounted for 37.2% (2006: 50.3%) and the 5 largest suppliers combined accounted for 53.4% (2006: 60.2%) of the total purchase of the Group.

Aggregate sales attributable to the Group's five largest customers were less than 30% of the total turnover of the Group in both the years of 2006 and 2007.

At no time during the year did any director or any shareholder of the Company have an interest in any of the Group's five largest suppliers or customers.

Property, Plant and Equipment

Details of movement of property, plant and equipment of the Group, during the year in the fixed assets are set out in Note 13 to the consolidated financial statements.

Revalued Assets

In its prospectus dated 4 June 2007, the Company included a valuation of its properties at RMB116.7 million, which has not been incorporated in the consolidated financial statements for the year ended 31 December 2007. These properties have been included in the consolidated balance sheet at 31 December 2007 at RMB84.4 million, being their historical cost less accumulated depreciation and accumulated impairment losses. Had the properties been stated at their revalued amount in the consolidated financial statements, additional depreciation of RMB0.3 million would have been charged against the consolidated income statement.

董事會報告

捐款

年內，本集團的慈善及其他捐款為約1,000,000港元。

主要客戶及供應商

年內，本集團與主要供應商及客戶的交易詳情如下：

於二零零七年，本集團向最大供應商的採購額佔本集團採購總額37.2%（二零零六年：50.3%），而向首五大供應商的採購額合共佔本集團採購總額53.4%（二零零六年：60.2%）。

本集團向五大客戶的銷售總額於二零零六年及二零零七年均佔本公司總營業額少於30%。

年內，概無本公司董事及股東持有本集團五大供應商及客戶任何權益。

物業、機器及設備

有關本集團於本年度在固定資產的物業、機器及設備增減詳情，請參閱綜合財務報表附註13。

重估資產

於二零零七年六月四日的售股章程，本公司計入其物業估值人民幣116,700,000元，惟並未計入截至二零零七年十二月三十一日止年度的綜合財務報表入賬。該等物業已按人民幣84,400,000元（即該等物業的歷史成本減累計折舊及累計攤薄虧損）計入二零零七年十二月三十一日的綜合資產負債表。倘該等物業以重估價值於綜合財務報表列賬，則約人民幣300,000元的額外折舊會於綜合收益表扣除。

Share Capital

Details of change during the year in the share capital of the Company are set out in Note 22 to the consolidated financial statements.

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Distributable Reserves of the Company

Distributable reserves of the Company as at 31 December 2007, calculation under the Cayman Islands Companies Law amounted to RMB935.3 million (2006: RMB58.9 million) including share premium of RMB685.8 million and retained earnings of RMB249.5 million.

Directors

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

Executive Directors

Mr Wang Wenjian (appointed on 21 September 2006)
 Mr Ye Liaoning (appointed on 30 January 2007)
 Mr Xie Minghua (appointed on 18 May 2007)
 Mr Wu Jinxian (appointed on 18 May 2007)

Non-executive Directors

Mr Shao Yangdong (appointed on 18 May 2007)
 Mr Li Tyson Sandy Ying Lun
 (appointed on 18 May 2007 and resigned on 30 September 2007)
 Mr Ricks Michael David (appointed on 30 September 2007)

股本

有關本公司股本於本年度的增減詳情載於綜合財務報表附註22。

年內，本公司及其附屬公司並無購入、出售或贖回任何本公司的上市證券。

本公司的可分派儲備

按開曼群島公司法計算，本公司於二零零七年十二月三十一日的可分派儲備為人民幣935,300,000元(二零零六年：人民幣58,900,000元)，包括股份溢價人民幣685,800,000元及保留盈利人民幣249,500,000元。

董事

於本年度及截至本報告日期的本公司董事如下：

執行董事

王文鑒先生(於二零零六年九月二十一日獲委任)
 葉遼寧先生(於二零零七年一月三十日獲委任)
 謝明華先生(於二零零七年五月十八日獲委任)
 吳進賢先生(於二零零七年五月十八日獲委任)

非執行董事

邵仰東先生(於二零零七年五月十八日獲委任)
 李英倫先生
 (於二零零七年五月十八日獲委任，
 並於二零零七年九月三十日辭任)
 Ricks Michael David先生
 (於二零零七年九月三十日獲委任)

Directors' Report

董事會報告

Independent non-executive Directors

Dr Chang Mei Dick (appointed on 18 May 2007)

Mr Koji Suzuki (appointed on 18 May 2007)

Dr Liu Xu (appointed on 18 May 2007)

Mr Zhang Yuqing (appointed on 18 May 2007)

In accordance with the provisions of the Company's Articles of Association, all Directors will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual meeting of the Company. *A circular containing the explanatory statement on repurchase by the Company of its shares, the biographical details of the director candidates and the notice of annual general meeting will be sent to Shareholders of the Company.*

Directors' Service Contracts

Each of the executive Directors has entered into a service contract with the Company for an initial term of three years commencing from 18 May 2007. The service contract shall not be terminated within 12 months since the date of Listing.

Each of the non-executive Directors is appointed for an initial term of three years commencing from 18 May 2007, except Mr. Ricks Michael David whose service contract is commencing from 30 September 2007, and each of the independent non-executive Directors is appointed for initial term of three years commencing from 18 May 2007.

No director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Group within one year without payment of compensation, other than normal statutory compensation.

獨立非執行董事

張耒博士(於二零零七年五月十八日獲委任)

鈴木浩二先生

(於二零零七年五月十八日獲委任)

劉旭博士(於二零零七年五月十八日獲委任)

張余慶先生(於二零零七年五月十八日獲委任)

根據本公司之章程細則的條文，所有董事須於本公司下一屆股東週年大會上輪值告退，惟彼等符合資格並願意重選連任。載有關於本公司購回股份的說明函件、董事候選人履歷及股東週年大會通告的通函將寄發予本公司股東。

董事服務合約

所有執行董事已與本公司訂立服務合約，自二零零七年五月十八日起計初步為期三年。惟不得於上市日期起計12個月內終止服務合約。

除Ricks Michael David先生的服務合約自二零零七年九月三十日起外，所有非執行董事的任期自二零零七年五月十八日起計初步為期三年，而獨立非執行董事的委任期自二零零七年五月十八日起計初步為期三年。

本公司並無與擬於應屆股東週年大會上重選連任之董事訂立本集團在並無作出賠償(法定賠償除外)的情況下不可於一年內終止與公司之服務合約。

Directors' and Chief Executives' Interests and Short Position in Shares

As of 31 December 2007, the interests and short positions of the Directors and the chief executive in the shares, underlying shares and debentures of the Company or of any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

董事及主要行政人員擁有的股份權益及淡倉

於二零零七年十二月三十一日，根據本公司按證券及期貨條例第352條存置之登記冊所記錄，或根據《上市公司董事進行證券交易之標準守則》而須知會本公司及香港聯合交易所有限公司之規定，董事及主要行政人員擁有本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債券的權益及淡倉如下：

Director 董事姓名	Name of Corporation 法團名稱	Long/short position 好倉／淡倉	Capacity/Nature of interest 身份／權益性質	Number of shares 股份數目	Approximate percentage of shareholding 持股概約百分比
Mr. Wang Wenjian 王文鑒先生	The Company 本公司	Long position 好倉	Trustee (Note 1) 受託人(附註1)	57,940,940	5.79%
	The Company 本公司	Long position 好倉	Trustee and Beneficiary of a trust (Note 2) 受託人及信託受益人(附註2)	421,460,060	42.15%
Mr. Ye Liaoning 葉遼寧先生	The Company 本公司	Long position 好倉	Beneficiary of a trust (Note 3) 信託受益人(附註3)	421,460,060	42.15%
	The Company 本公司	Long position 好倉	Beneficiary of a trust (Note 4) 信託受益人(附註4)	421,460,060	42.15%

Notes:

附註：

- Mr. Wang Wenjian is the trustee of the PRC Investor Trust. The PRC Investor Trust is a trust on the entire issued share capital of Sun Zhong, which in turn owns 5.79% of the issued share capital of the Company. Accordingly, Mr. Wang Wenjian is deemed to be interested in 57,940,940 shares under the SFO.
- Mr. Wang Wenjian is the trustee and one of the beneficiaries of the Sunny Employee Trust. The Sunny Employee Trust is a trust on the entire issued share capital of Sun Ji. Sun Ji owns 92.32% equity interest in Sun Xu, which in turn owns 42.15% of the issued share capital of the Company. Accordingly, Mr. Wang Wenjian is deemed to be interested in 421,460,060 shares under the SFO.
- Mr. Ye Liaoning is a beneficiary under the Sunny Employee Trust, under which he is entitled to 6.20% of the beneficial interest. As a beneficiary of the trust, he is deemed to be interested in all the equity interest that Sunny Employee Trust owns under the SFO. Sun Ji owns 92.32% equity interest in Sun Xu, which in turn owns 421,460,060 shares of the Company. As a controlling shareholder, Sun Ji is deemed to be interested in all the shares that Sun Xu owns under the SFO. Accordingly, Mr. Ye Liaoning is deemed to be interested in 421,460,060 shares under the SFO.

Directors' Report

董事會報告

(4) Mr. Wu Jinxian is a beneficiary under the Sunny Employee Trust, under which he is entitled to 2.81% of the beneficial interest. As a beneficiary of the trust, he is deemed to be interested in all the equity interest that Sunny Employee Trust owns under the SFO. Sun Ji owns 92.32% equity interest in Sun Xu, which in turn owns 421,460,060 shares of the Company. As a controlling shareholder, Sun Ji is deemed to be interested in all the shares that Sun Xu owns under the SFO. Accordingly, Mr. Wu Jinxian is deemed to be interested in 421,460,060 shares under the SFO.

(4) 吳進賢先生為舜宇僱員信託的受益人，實益擁有當中的2.81%權益。根據證券及期貨條例，彼作為信託受益人，視為擁有舜宇僱員信託所持全部股權。舜基擁有舜旭92.32%股權，而舜旭擁有421,460,060股股份。根據證券及期貨條例，舜基作為控權股東視為擁有舜旭所擁有的全部股權。因此，根據證券及期貨條例，吳進賢先生視為擁有421,460,060股股份。

Other than as disclosed above, none of the Director, chief executives had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as of 31 December 2007.

除上文所披露者外，於二零零七年十二月三十一日，概無董事及主要行政人員擁有本公司及其相聯法團的股份、相關股份及債券的其他權益及淡倉。

Share Option Scheme

On 25 May 2007, the Company adopted a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Company. Eligible participants of Scheme include, without limitation, employees, Directors and shareholders of the Group. Up to 31 December 2007, no share option has been granted or agreed to be granted to any person or exercised by any person under the Scheme.

購股權計劃

於二零零七年五月二十五日，本公司採納的購股權計劃（「計劃」）目的為對本公司的成功有重大貢獻的合資格參與者提供鼓勵和獎勵。合資格的參加者包括（但不限於）僱員、董事和本集團股東。截至二零零七年十二月三十一日，本計劃並無授出及同意授出購股權予任何人士，亦無任何人士已行使可購股權。

Purchase, Sale or Redemption of the Company's Shares

The Company is empowered by the applicable Companies Law of the Cayman Islands and the Articles of the Association to repurchase its own shares subject to certain restrictions and the Board may only exercise this power on behalf of the Company subject to any applicable requirements imposed from time to time by the Stock Exchange. There was no purchase, sale or redemption by the Company or any of its subsidiaries, of the Company's listed shares during the period from the Company's Global Offering to 31 December 2007.

購買、出售或贖回本公司股份

根據開曼群島公司法和本公司章程細則，本公司可在若干限制下購回本公司的股份，惟董事會代表本公司行使該項權力時，必須符合聯交所不時實施的任何適用規定。自本公司全球發售起至二零零七年十二月三十一日止，本公司或其任何附屬公司概無購買、出售或贖回本公司之上市股份。

Directors' Interests in Significant Contracts

No significant contract, to which the Company, its holding company, its controlling shareholder, fellow subsidiaries or subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事於重大合約權益

本公司、其控股公司、控股股東、附屬公司或同系附屬公司概無訂立於本年年底或年內任何時間仍然有效生效而本公司董事於其中（不論直接或間接）擁有重大利益的重大合約。

Management Contract

No management contracts in force during the year for the management and administration of the whole or any substantial part of the Group's business subsisted at the end of the year or at any time during the year.

Disclosure of Substantial Shareholders

As of 31 December 2007, so far as the Directors are aware, the following persons or institutions have beneficial interests or short positions in any shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, Cap 571 of the Laws of Hong Kong, or who is directly and/or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

管理合約

並無有關管理及經營本集團全部業務或任何重大業務部分且於本年年底或年內任何時間仍然生效的現行重大合約。

主要股東權益披露

於二零零七年十二月三十一日，就董事所知，下列人士及機構擁有根據香港法律第571條證券及期貨條例第XV部第2及3分部規定須向本公司披露的任何本公司股份或相關股份實際權益或淡倉，或直接及／或間接擁有可於任何情況下在本集團任何其他成員公司股東大會投票的任何類別股本面值10%或以上：

Name 名字	Long/short Position 好倉／淡倉	Type of interest 權益類別	Number of Share 股份數目	Approximate percentage of shareholding 持股概約百分比
Sun Xu Limited ("Sun Xu") 舜旭有限公司(「舜旭」)	Long position 好倉	Beneficial owner 實益擁有人	421,460,060	42.15%
Sun Ji Limited ("Sun Ji") (Note 1) 舜基有限公司(「舜基」)(附註1)	Long position 好倉	Interest in a controlled corporation 受控制法團權益	421,460,060	42.15%
Mr. Wang Wenjian (Note 2) 王文鑒(附註2)	Long position 好倉	Interest in a controlled corporation, trustee of a trust and trustee and one of beneficiaries of a trust 受控法團權益、信託受 託人以及信託受託人 及其中一名信託受益人	479,401,000	47.94%
Mr. Ye Liaoning (Note 3) 葉遼寧先生(附註3)	Long position 好倉	Beneficiary of a trust 信託受益人	421,460,060	42.15%
Mr. Wu Jinxian (Note 4) 吳進賢先生(附註4)	Long position 好倉	Beneficiary of a trust 信託受益人	421,460,060	42.15%
Summit Optical Holdings Inc ("Summit") Chengwei Ventures Evergreen Fund, L.P. (Note 5) 成為基金(附註5)	Long position 好倉	Beneficial owner 實益擁有人	171,174,508	17.12%
Sun Zhong Limited ("Sun Zhong") 舜眾有限公司(「舜眾」)	Long position 好倉	Interest in a controlled corporation 受控法團權益	171,174,508	17.12%
		Beneficial owner 實益擁有人	57,940,940	5.79%

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Notes:

- (1) As Sun Ji owns more than one-third of the voting power of general meetings of Sun Xu, Sun Ji is deemed to be interested in the 421,460,060 shares held of and in the Company by Sun Xu under the provisions of SFO.
- (2) As Mr. Wang Wenjian is the sole shareholder of Sun Guang Limited and the trustee and one of the beneficiaries of the Sunny Employee Trust, Mr. Wang Wenjian is deemed to be interested in the 421,460,060 shares held by Sun Xu under the provisions of SFO. As Mr. Wang Wenjian is the trustee of the PRC Investor Trust, Mr. Wang Wenjian is deemed to be interested in the 57,940,940 shares held by Sun Zhong under the provisions of SFO.
- (3) Mr. Ye Liaoning is a beneficiary under the Sunny Employee Trust, under which he is entitled to 6.20% of the beneficial interest. As a beneficiary of the trust, he is deemed to be interested in all the equity interest that Sunny Employee Trust owns under the SFO. Sun Ji owns 92.32% equity interest in Sun Xu, which in turn owns 421,460,060 shares of the Company. As a controlling shareholder, Sun Ji is deemed to be interested in all the shares that Sun Xu owns under the SFO. Accordingly, Mr. Ye Liaoning is deemed to be interested in 421,460,060 shares under the SFO.
- (4) Mr. Wu Jinxian is a beneficiary under the Sunny Employee Trust, under which he is entitled to 2.81% of the beneficial interest. As a beneficiary of the trust, he is deemed to be interested in all the equity interest that Sunny Employee Trust owns under the SFO. Sun Ji owns 92.32% equity interest in Sun Xu, which in turn owns 421,460,060 shares of the Company. As a controlling shareholder, Sun Ji is deemed to be interested in all the shares that Sun Xu owns under the SFO. Accordingly, Mr. Wu Jinxian is deemed to be interested in 421,460,060 shares under the SFO.
- (5) As Chengwei Ventures Evergreen Fund, L.P. owns more than one-third of the voting power of general meetings of Summit, Chengwei Ventures Evergreen Fund, L.P. is deemed to be interested in the 171,174,508 shares held by Summit under the SFO.

Definition of terms:

- "PRC Investor Trust" refers to a trust established on 28 July 2006 on the entire issued share capital of Sun Zhong
- "Sunny Employee Trust" refers to a trust established on 28 July 2006 on the entire issued share capital of Sun Ji
- "PRC Investors" refers to the beneficiaries of the PRC Investor Trust

Save as disclosed above, as of 31 December 2007, no other shareholder, other than directors or chief executives, of the Company had any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

附註：

- (1) 由於舜基持有超過三分之一的舜旭股東大會投票權，因此根據證券及期貨條例，舜基視為擁有舜旭所持421,460,060股股份的權益。
- (2) 由於王文鑒先生為舜光有限公司唯一股東及舜宇僱員信託的受託人兼受益人之一，故此根據證券及期貨條例，王文鑒先生視為擁有舜旭所持421,460,060股股份的權益。由於王文鑒先生為中國投資者信託的受託人，故此根據證券及期貨條例，王文鑒先生視為擁有舜眾所持57,940,940股股份的權益。
- (3) 葉遼寧先生為舜宇僱員信託的受益人，實益擁有當中6.20%權益。根據證券及期貨條例，彼作為信託受益人，視為擁有舜宇僱員信託所持全部股權。舜基擁有舜旭92.32%股權，而舜旭擁有421,460,060股本公司股份。因此，根據證券及期貨條例，舜基作為控股股東視為擁有舜旭所擁有的全部股權。因此，根據證券及期貨條例，葉遼寧先生視為擁有421,460,060股股份。
- (4) 吳進賢先生為舜宇僱員信託的受益人，實益擁有當中的2.81%權益。根據證券及期貨條例，彼作為信託受益人，視為擁有舜宇僱員信託所持全部股權。舜基擁有舜旭92.32%股權，而舜旭擁有本公司421,460,060股股份。根據證券及期貨條例，舜基作為控股股東視為擁有舜旭所擁有的全部股權。因此，根據證券及期貨條例，吳進賢先生視為擁有421,460,060股股份。
- (5) 由於Chengwei Ventures Evergreen Fund, L.P.持有Summit股東大會超過三分之一的投票權，因此根據證券及期貨條例，Chengwei Ventures Evergreen Fund, L.P.視為擁有Summit所持171,174,508股股份的權益。

名稱定義：

- 「中國投資者信託」指依據舜眾全數已發行股本而於二零零六年七月二十八日成立的信託
- 「舜宇僱員信託」指依據舜基全數已發行股本而於二零零六年七月二十八日成立的信託
- 「中國投資者」指中國投資者信託的受益人

除上文所披露者外，於二零零七年十二月三十一日，根據本公司按證券及期貨條例第336條而存置之登記冊所記錄，概無其他本公司股東（董事及主要行政人員除外）擁有本公司股份或相關股份任何權益或淡倉。

Appointment of Independent Non-Executive Directors

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive Directors independent.

Connected Transactions

Certain related party transactions as disclosed in Note 29 to the consolidated financial statements also constituted continuing connected transactions under the Listing Rules which are required to be disclosed in this report in accordance with Chapter 14A of the Listing Rules. During the year ended 31 December 2007, the Group has carried out certain business transaction with the following connected companies and entities:

- (a) The Group purchased and sold raw materials from/to Yuyao City Xingbang Optoelectronic Instruments Company Limited amounting to approximately RMB1,770,000 and RMB198,000 respectively.
- (b) The Group leased certain facilities properties for general business and ancillary uses from Sunny Group pursuant to the Facilities Tenancy Agreements amounting to approximately RMB3,604,000.
- (c) Ningbo Sunny Instruments Co., Ltd. had also transferred the property on which its plant is situated from Sunny Group pursuant to the terms and conditions of a property transfer agreement amounting to RMB28,000,000.

The transactions are defined by the Listing Rules as “continuing connected transactions” and are exempt from the independent shareholders’ approval requirements. The transactions has complied the reporting and announcement requirements set out in Chapter 14A of the Listing Rules.

委任獨立非執行董事

本公司已接獲各獨立非執行董事根據上市規則第3.13條之規定而發出有關其獨立性之年度確認書，本公司認為全體獨立非執行董事均為獨立人士。

關連交易

根據上市規則規定，於綜合財務報表附註29披露的若干關連人士交易亦屬持續關連交易，須按上市規則第14A章於本報告披露。截至二零零七年十二月三十一日止年度，本集團曾與下列關連公司及機構進行若干業務交易：

- (a) 本集團向餘姚市興邦光電儀器有限公司採購及出售分別約人民幣1,770,000元及人民幣198,000元的原料。
- (b) 本集團亦根據設施租賃協議，向舜宇集團租用若干設施物業作一般商業活動及配套用途，租金約人民幣3,604,000元。
- (c) 寧波舜宇儀器有限公司根據物業轉讓協議的條款及條件獲舜宇集團轉讓其廠房所在物業，代價為人民幣28,000,000元。

有關交易按上市規則的定義為「持續關連交易」，並獲豁免遵守有關獨立股東批准之規定。根據上市規則第14A章，該等交易已遵守有關申報及公告規定。

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Connected Persons

- (i) Mr Wang is the Chairman of the Board and an executive Director and Yuyao City Jiahua Optoelectronic Components Factory is wholly-owned by the spouse of his sister, an associate. Accordingly, Yuyao City Jiahua Optoelectronic Components Factory is a connected person of the Company.
- (ii) Mr Wu is an executive Director and Yuyao City Urban Fanxing Electrical Appliance Factory is wholly-owned by the nephew of his spouse, an associate. Accordingly, Yuyao City Urban Fanxing Electrical Appliance Factory is a connected person of the Company.
- (iii) Mr Wu is an executive Director and Yuyao City Xingbang Optoelectronic Instruments Company Limited is wholly-owned by his cousin, an associate. Accordingly, Yuyao City Xingbang Optoelectronic Instruments Company Limited is a connected person of the Company.
- (iv) Mr Ye is an executive Director and Yuyao City Xingli Optics Instruments Factory is wholly-owned by his brother-in-law, an associate. Accordingly, Yuyao City Xingli Optics Instruments Factory is a connected person of the Company.
- (v) Sunny Group, which is an associate of a Director and Substantial Shareholder, is a connected person of the Company under Rules 1.01 and 14A.11 of the Listing Rules and any transactions between the Group and Sunny Group shall constitute connected transactions under the Listing Rules.

Pursuant to Rule 14A.38 of the defined the Listing Rules, the board of directors engaged the auditor of the Company to perform certain agreed upon procedures in respect of the continuing connected transactions of the Group. The auditor has reported the factual findings on these procedures to the Board. The independent non-executive Directors have reviewed the continuing connected transactions and the report of the auditor and have confirmed that the transactions have been entered into by the Company in the ordinary course of its business and in accordance with the terms of the agreement governing such transactions that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The purchase of raw materials from each of the companies, Yuyao City Jiahua Optoelectronic Components Factory, Yuyao City Urban Fanxing Electrical Appliance Factory and Yuyao City Xingli Optics Instruments Factory, during the year did not exceed the aggregate annual cap for the financial year ended 31 December 2007, namely RMB900,000. The purchase and sales of raw materials from/to Yuyao City Xingbang Optoelectronic Instruments Company Limited did not exceed the aggregate annual cap namely RMB2.2 million for the year ended 31 December 2007. Both the rents payable for facilities and ancillary facilities to Sunny Group during the year did not exceed the aggregate annual cap namely RMB1.5 million and RMB2.5 million respectively for the year ended 31 December 2007.

關連人士

- (i) 王先生為董事會主席兼執行董事，而餘姚市佳華光電配件廠由其胞姊／妹的配偶（為聯繫人）全資擁有。因此，餘姚市佳華光電配件廠為本公司關連人士。
- (ii) 吳先生為執行董事，而餘姚市城區範興電器廠由其配偶的姪兒（為聯繫人）全資擁有。因此，餘姚市城區範興電器廠為本公司關連人士。
- (iii) 吳先生為執行董事，而餘姚市興邦光電儀器有限公司由其表兄／弟／姐／妹（為聯繫人）全資擁有。因此，餘姚市興邦光電儀器有限公司為本公司關連人士。
- (iv) 葉先生為執行董事，而餘姚市興立光學器材廠由其姐／妹夫（為聯繫人）全資擁有，故餘姚市興立光學器材廠為本公司關連人士。
- (v) 舜宇集團為董事兼主要股東的聯繫人，故根據上市規則第1.01條及14A.11條規定為本公司關連人士，而根據上市規則，本集團與舜宇集團間的任何交易亦屬於關連交易。

根據上市規則第14A.38條，董事會已聘用本公司核數師對本集團的持續關連交易執行若干協定程序。核數師已向董事會報告進行該等程序所得實際結果。獨立非執行董事已審閱持續關連交易及核數師報告，並確認上述持續關連交易由本公司於一般業務過程中訂立，且按一般商業條款及就該等交易的協議條款進行，有關條款屬公平合理，並符合本公司股東之整體利益。

年內向餘姚市佳華光電配件廠、餘姚市城區範興電器廠及餘姚市興立光學器材廠各公司購買原料並無超出截至二零零七年十二月三十一日止財政年度的年度上限總額人民幣900,000元。向餘姚興邦光電儀器有限公司購買及出售原材料並無超出截至二零零七年十二月三十一日止年度上限總額為人民幣2,200,000元。向舜宇集團租賃生產設施年度上限也未超過上限總額人民幣1,500,000元。向舜宇集團租賃配套設施年度上限亦無超過截至二零零七年十二月三十一日止年度上限總額人民幣2,500,000元。

Interests in Competitors

No Directors or chief executive of the Company holds any interests in entities which compete with the Group in any aspects of its business.

Emolument Policy

The Group's emolument policy is designed to attract, retain and motivate talented individuals to contribute to the success of the business. The emolument policy of the employees of the Group is formulated and reviewed by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the directors of the Company are decided by the Remuneration Committee, having regards to the Group's operating results, individual performance and comparable market statistics.

The Group operates a Mandatory Provident Fund ("MPF") Scheme under rules and regulations of MPF Schemes Ordinance for all its employees in Hong Kong. All the employees of the Group in Hong Kong are required to join the MPF Scheme. Contributions are made based on a percentage of the employees' salaries and are charged to consolidated income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme. No forfeited contribution is available to reduce the contribution payable in the future years as of 31 December 2007.

The Group's subsidiaries in the PRC, in compliance with the applicable regulations of the PRC, participated in a state-managed retirement benefits scheme operated by the local government. The subsidiaries are required to contribute a specific percentage of their payroll costs to the retirement benefits schemes. The only obligation of the Group with respect to the retirement benefits scheme is to make the specified contributions.

During the year, the total amounts contributed by the Group to the schemes and costs charged to the consolidated income statement represent contribution payable to the schemes by the Group at rates specified in the rules of the schemes.

擁有競爭對手的權益

概無董事及本公司主要行政人員擁有與本集團任何業務競爭的公司任何權益。

薪酬政策

本集團之薪酬政策旨在吸引、挽留及鼓勵有才之士為本集團業務之成功作出貢獻。本集團僱員之薪酬政策乃由薪酬委員會按彼等之功績、資歷及勝任能力而制定及檢討。

本公司董事之薪酬乃由薪酬委員會視乎本集團之經營業績、個人表現及可資比較市場統計數據而決定。

本集團根據強制性公積金(「強積金」)計劃條例為其所有香港僱員設立一項強積金計劃。所有於香港的僱員均須加入強積金計劃。供款按僱員基本薪金的某一百分比作出，並根據強積金計劃之規則於應予支付時在綜合收益表扣除。強積金計劃之資產與本集團的其他資產分開處理，由一獨立管理之基金持有。向強積金計劃供款時，本集團僱主供款將全數歸屬於僱員所有。於二零零七年十二月三十一日，並無失效之供款以供來年扣減應付供款。

本集團於中國之附屬公司遵照中國之適用規則，參與一項國家管理且由當地政府經營的退休福利計劃。附屬公司須按工資成本的指定百分比向退休福利計劃供款。本集團就退休福利計劃之唯一責任為作出指定供款。

本年度，本集團向計劃供款總額及於綜合收益表扣除之成本，代表本集團根據計劃規則按指定比率向計劃應付之供款數額。

Directors' Report

董事會報告

Pre-Emptive Rights

There are no provisions for pre-emptive rights under the Company's Articles of Association, or the laws of Cayman Islands, which would oblige the Company to offer new shares on a prorata basis to existing shareholders.

Sufficiency of Public Float

Based on information that is publicly available to the Company and within knowledge of its directors at the latest practicable date prior to the issue of the Annual Report, the Company has maintained a sufficient public float throughout the period from 15 June 2007, being the date of Listing to 31 December 2007.

Post Balance Sheet Events

Details of significant events occurring after the balance sheet date are set out in note 30 to the consolidated financial statements.

Use of Proceeds from The Public Offering

As of 31 December 2007, the Group only utilised approximately of RMB260.9 million out of the proceeds from the Global Offering. To the extent that the net proceeds from the Company's Global Offering are not immediately required for the purposes mentioned in the Company's Prospectus dated on 4 June 2007, they were placed on short term interest bearing-deposits with licensed banks in Hong Kong.

Auditors

A resolution will be submitted to the annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

By order of the Board of Directors

Wang Wenjian

Chairman

Yuyao, Zhejiang, the PRC

6 April 2008

優先購買權

根據本公司之章程細則或開曼群島法例，並無條例要求本公司向現有股東按比例提呈發售新股份。

足夠公眾持股量

基於於刊發本年報前之最近適用日期本公司可獲得之公開資訊及就董事所知，本公司於二零零七年六月十五日(上市日期)至二零零七年十二月三十一日已維持足夠之公眾持股量。

結算日後事項

於結算日後發生之重大事項之詳情，載於綜合財務報表附註30。

公開發售所得款項用途

截至二零零七年十二月三十一日，本集團僅動用了全球發售所得款項約人民幣260,900,000元。倘本公司全球發售所得款項淨額並未須就本公司日期為二零零七年六月四日售股章程所述的目的立即動用，則會存入香港之持牌銀行作短期計息存款。

核數師

股東週年大會上將提呈一項決議案，續聘德勤•關黃陳方會計師行為本公司核數師。

承董事會命

王文鑾

主席

中國浙江省餘姚市·

二零零八年四月六日

Independent Auditor's Report

To The Members Of
Sunny Optical Technology (Group) Company Limited
(Incorporated In The Cayman Islands With Limited Liability)

We have audited the consolidated financial statements of Sunny Optical Technology (Group) Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 67 to 130, which comprise the consolidated balance sheet as at 31 December 2007, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the consolidated financial statements

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

獨立核數師報告

致舜宇光學科技(集團)有限公司全體股東
(於開曼群島註冊成立的有限公司)

吾等已審核載於第67至130頁舜宇光學科技(集團)有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，包括於二零零七年十二月三十一日的綜合資產負債表與截至該日止年度的綜合收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他解釋附註。

董事對綜合財務報表的責任

貴公司董事負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製及真實公允地呈列該等綜合財務報表，包括設計、實施及維護與編製及公允呈列綜合財務報表相關的內部監控，使綜合財務報表並無由於欺詐或錯誤導致的重大錯誤陳述；選擇及應用適當的會計政策；及按情況作出合理的會計估計。

核數師的責任

吾等的責任為根據吾等對該等綜合財務報表之審核作出意見，並僅向閣下(作為一個團體)報告，並無其他用途。吾等並不就本報告之內容對任何其他人士承擔或接受任何責任。吾等已根據香港會計師公會頒佈的香港核數準則進行審核。該等準則要求吾等遵守道德規範，規劃及執行審核工作，以合理確保綜合財務報表有否任何重大錯誤陳述。



Independent Auditor's Report

獨立核數師報告

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 December 2007, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

6 April 2008

審核涉及執行若干程序以獲取有關綜合財務報表所載數額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。於評估該等風險時，核數師考慮與該公司編製及真實公允呈列綜合財務報表相關的內部監控，以設計適當的審核程序，但並非為對公司內部監控之成效發表意見。審核亦包括評估董事採用的會計政策是否合適及作出的會計估計是否合理，以及評價綜合財務報表的整體呈列方式。

吾等認為已獲得充足及適當審核憑證以提供審核意見。

意見

吾等認為，該等綜合財務報表已根據香港財務報告準則真實公允地反映貴集團於二零零七年十二月三十一日的事務狀況及截至該日止年度的溢利及現金流量，並已按照香港公司條例之披露要求妥善編製。

德勤•關黃陳方會計師行

香港執業會計師

謹啟

二零零八年四月六日

Consolidated Income Statement

FOR THE YEAR ENDED 31 DECEMBER 2007

綜合收益表

截至二零零七年十二月三十一日止年度

	NOTES 附註	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Revenue 收入	5	1,381,865	900,698
Cost of sales 銷售成本		(1,005,268)	(652,917)
Gross profit 毛利		376,597	247,781
Other income 其他收入	6	46,063	4,965
Selling and distribution expenses 销售及分銷開支		(32,942)	(19,087)
Research and development expenditure 研發開支		(28,535)	(12,310)
Administrative expenses 行政開支		(121,093)	(55,723)
Discount on acquisition of additional interest in subsidiaries 增購附屬公司權益的折讓		—	3,408
Loss on disposal of a subsidiary 出售附屬公司的虧損		—	(136)
Finance costs 融資成本	7	(3,795)	(2,913)
Profit before taxation 除稅前溢利		236,295	165,985
Income tax charge 所得稅支出	8	(10,424)	—
Profit for the year 年內溢利	9	225,871	165,985
Attributable to: 歸屬:			
Equity holders of the Company 本公司股權持有人		225,436	117,158
Minority interests 少數股東權益		435	48,827
		225,871	165,985
Dividends 股息	10		
Dividends declared 已宣派股息		—	103,215
Final dividends proposed of RMB0.021 (equivalent to approximately HK\$0.022) per ordinary share 擬派末期股息每股普通股人民幣0.021元(約0.022港元)		21,000	—
Earnings per share — Basic 每股盈利 — 基本	11	RMB0.25	RMB0.20

Consolidated Balance Sheet

AT 31 DECEMBER 2007

綜合資產負債表

於二零零七年十二月三十一日

	NOTES 附註	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
NON-CURRENT ASSETS 非流動資產			
Property, plant and equipment 物業、機器及設備	13	401,142	301,890
Prepaid lease payments 預付租金	14	20,264	10,848
Available-for-sale investments 可供出售投資	15	7,511	—
Goodwill 商譽	16	12,077	—
		440,994	312,738
CURRENT ASSETS 流動資產			
Inventories 存貨	17	134,988	108,342
Trade and other receivables 貿易及其他應收款項	18	378,252	202,295
Prepaid lease payments 預付租金	14	502	271
Amounts due from related parties 應收關連人士款項	29(c)	2,298	862
Available-for-sale investments 可供出售投資	15	66,188	—
Pledged bank deposits 已抵押銀行存款	19	1,690	609
Bank balances and cash 銀行結餘及現金	19	543,689	160,275
		1,127,607	472,654
CURRENT LIABILITIES 流動負債			
Trade and other payables 貿易及其他應付款項	20	265,225	160,853
Dividends payable 應付股息	21	—	236,009
Amounts due to related parties 應付關連人士款項	29(c)	5,661	33,648
Tax payable 應付稅項		2,670	—
		273,556	430,510
NET CURRENT ASSETS 流動資產淨值			
		854,051	42,144
TOTAL ASSETS LESS CURRENT LIABILITIES 總資產減流動負債			
		1,295,045	354,882
CAPITAL AND RESERVES 資本及儲備			
Share capital 股本	22	97,520	101
Reserves 儲備		1,191,295	354,776
Attributable to: 歸屬:			
Equity holders of the Company 本公司股權持有人		1,288,815	354,877
Minority interests 少數股東權益		6,230	5
		1,295,045	354,882

The consolidated financial statements on pages 67 to 130 were approved and authorised for issue by the Board of Directors on 6 April 2008 and are signed on its behalf by:

Wang Wenjian

王文鑒

CHAIRMAN

主席

Ye Liaoning

葉遼寧

DIRECTOR

董事

載於第67至130頁之綜合財務報表經董事會於二零零八年四月六日批准及授權刊發，並由下列董事代表簽署：

Consolidated Statement Of Changes In Equity

FOR THE YEAR ENDED 31 DECEMBER 2007

綜合權益變動表

截至二零零七年十二月三十一日止年度

Attributable to the equity holders of the Company
本公司股權持有人應佔儲備

	Reserves										Total
	Share capital	Share premium	Special reserve	Statutory reserves	Discretionary surplus reserve	Other reserves	Investment revaluation reserves	Retained earnings	Sub-total	Minority Interest	
	股本	股份溢價	特別儲備	法定儲備	酌情盈餘儲備	其他儲備	重估儲備	保留盈利	小計	股東權益少數	總計
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
			(note a)	(note b)	(note b)	(note c)					
			(附註a)	(附註b)	(附註b)	(附註c)					
At 1 January 2006 於二零零六年一月一日	109,169	12,047	(36,682)	19,849	916	—	—	85,222	81,352	141,069	331,590
Issue of share upon incorporation 註冊成立後發行股份	746	—	—	—	—	—	—	—	—	—	746
Exchange of share upon group 集團重組後 reorganisation (note d) 換股 (附註d)	(109,862)	(59,612)	271,528	—	—	—	—	—	211,916	(102,054)	—
Allotment of new shares (note e) 配發新股 (附註e)	48	47,565	—	—	—	—	—	—	47,565	—	47,613
Acquisition of equity interest 收購附屬公司 in subsidiaries (note f) 股權 (附註f)	—	—	—	—	—	—	—	—	—	(38,630)	(38,630)
Disposal of a subsidiary 出售附屬公司	—	—	—	—	—	—	—	—	—	(1,277)	(1,277)
Capital contribution 注資	—	—	—	—	—	—	—	—	—	2,044	2,044
Profit for the year and total recognised income for the year 年內溢利及年內已確認總收入	—	—	—	—	—	—	—	117,158	117,158	48,827	165,985
Dividend (note 10) 股息 (附註10)	—	—	—	—	—	—	—	(103,215)	(103,215)	(49,974)	(153,189)
Appropriations 轉撥	—	—	—	11,154	—	29,070	—	(40,224)	—	—	—
At 31 December 2006 於二零零六年十二月三十一日及 1 January 2007 二零零七年一月一日	101	—	234,846	31,003	916	29,070	—	58,941	354,776	5	354,882
Gain on fair value changes of available-for-sale investments 直接於股權確認之可供出售投資公平值 recognised directly in equity 變動之收益	—	—	—	—	—	—	3,188	—	3,188	—	3,188
Profit for the year 年內溢利	—	—	—	—	—	—	—	225,436	225,436	435	225,871
Total recognised income 已確認總收入	—	—	—	—	—	—	3,188	225,436	228,624	435	229,059
Capitalisation issue and division of shares 資本化發行及股份分拆	77,915	—	(77,915)	—	—	—	—	—	(77,915)	—	—
Issue of new shares 發行新股	19,504	725,548	—	—	—	—	—	—	725,548	—	745,052
Acquisition of a subsidiary (note 28) 收購附屬公司 (附註28)	—	—	—	—	—	—	—	—	—	5,790	5,790
Expenses relating to issue of new shares 發行新股相關開支	—	(39,738)	—	—	—	—	—	—	(39,738)	—	(39,738)
Appropriations 轉撥	—	—	—	—	—	34,924	—	(34,924)	—	—	—
At 31 December 2007 於二零零七年十二月三十一日	97,520	685,810	156,931	31,003	916	63,994	3,188	249,453	1,191,295	6,230	1,295,045

Notes:

(a) The amount recorded in the special reserve at 1 January 2006, resulting from:

- (i) the acquisition of 11.22% equity interest in Zhejiang Sunny Optics Co., Ltd. ("Sunny Optics") and Ningbo Sunny Instruments Co., Ltd. ("Ningbo Instruments") by Sunny Group Limited ("Sunny Group"), represents the net carrying amount of 11.22% equity interest in Sunny Optics and Ningbo Instruments at the date of acquisition.

附註:

(a) 於二零零六年一月一日計入特別儲備的款項來自:

- (i) 舜宇集團有限公司(「舜宇集團」)收購浙江舜宇光學有限公司(「浙江舜宇光學」)及寧波舜宇儀器有限公司(「寧波儀器」)11.22%股權，相當於收購日期浙江舜宇光學及寧波儀器股權賬面淨值11.22%。

Consolidated Statement Of Changes In Equity

FOR THE YEAR ENDED 31 DECEMBER 2007

綜合權益變動表

截至二零零七年十二月三十一日止年度

- (ii) the disposal of 24.47% equity interest in Sunny Optics and Ningbo Instruments by Sunny Group, represents the net carrying amount of 24.47% equity interest in Sunny Optics and Ningbo Instruments at the date of disposal.
- (b) The statutory reserves and discretionary surplus reserve are non-distributable and the transfer to these reserves is determined by the board of directors in accordance with the Articles of Association of the People's Republic of China ("PRC") subsidiaries. Statutory reserves composed statutory surplus reserve and statutory welfare reserve. Statutory surplus reserve can be used to make up for previous year's losses or convert into additional capital of the PRC subsidiaries of the Company. Statutory welfare reserve and discretionary surplus reserve can be used to expand the existing operations of the Company's PRC subsidiaries. In accordance with the relevant PRC laws and regulations, no appropriation of statutory welfare reserve is required effective from 2006.
- (c) Other reserves represent enterprise expansion fund and reserve fund. These reserves are non-distributable and the transfer to these reserves is determined by the board of directors in accordance with the Articles of Association of the PRC subsidiaries. Other reserves can be used to make up for previous year's losses or convert into additional capital of the Company's PRC subsidiaries.
- (d) The amount recorded in the special reserve, resulting from the group reorganisation includes:
- (i) the difference between the share capital and share premium of Sunny Optics and Ningbo Instruments attributable to the Company (representing 63.36% equity interest in each of Sunny Optics and Ningbo Instruments) and the nominal value of the share capital of Sun Yu Optical Technology Limited ("Sun Yu Optical");
- (ii) net carrying amount of 36.64% equity interest in Sunny Optics and Ningbo Instruments at the dates of exchange of 36.64% equity interest in Sunny Optics and Ningbo Instruments with shares in Sun Yu Optical; and
- (iii) the difference between the share capital and share premium of Sun Yu Optical and the nominal value of the share capital of the Company through an exchange of shares.
- (e) The amount recorded in the share premium represents the difference between the nominal value of allotment of 6,120 new shares with par value of US\$1.00 in Sun Yu Optical and the cash consideration of US\$6,000,000 (equivalent to RMB47,613,000).
- (f) In September, November and December 2006, minority interest of 30%, 28%, 10%, 30.3% in Sunny Optics (Zhongshan) Co., Ltd. ("Sunny Zhongshan"), Ningbo Sunny Opotech Co. Ltd. ("Sunny Opotech"), Ningbo Instruments and Sunny Japan Co., Ltd. ("Sunny Japan"), respectively, were acquired by Sun Yu Optical and the Company for a total consideration of approximately RMB35,222,000. The excess of the total carrying amounts of these minority interest at the respective dates of acquisition (amounted to RMB38,630,000) over the purchase consideration, which amounted to RMB3,408,000, had been recognised as a discount on acquisition of additional interest in subsidiaries.
- (ii) 舜宇集團出售浙江舜宇光學及寧波儀器 24.47% 股權，相當於出售日期浙江舜宇光學及寧波儀器股權賬面淨值 24.47%。
- (b) 法定儲備及酌情盈餘儲備不可用作分派，轉撥至該等儲備的款項須由董事會根據中華人民共和國（「中國」）附屬公司組織章程細則釐定。法定儲備包括法定盈餘儲備及法定公積金。法定盈餘儲備可用於彌償上年度虧損或轉撥為本公司於中國附屬公司的額外資本。法定公積金和酌情盈餘儲備可用作擴展本公司中國附屬公司的現有業務。根據相關中國法律及法規，自二零零六年起毋須再撥款至法定福利儲備。
- (c) 其他儲備包括企業擴展基金及儲備金。該等儲備不可用作分派，而轉撥至該等儲備的款項須由董事會根據中國附屬公司章程細則釐定。其他儲備可用於彌償上年度虧損或轉撥為本公司中國附屬公司的額外資本。
- (d) 集團重組完成後，計入特別儲備的款項包括：
- (i) 本公司應佔浙江舜宇光學及寧波儀器的股本及股份溢價（佔浙江舜宇光學及寧波儀器各自股權的 63.36%）與舜宇光學科技有限公司（「舜宇光學」）股本面值之差額；
- (ii) 以浙江舜宇光學及寧波儀器 36.64% 股權交換舜宇光學股份當日，浙江舜宇光學及寧波儀器 36.64% 股權的賬面淨值；及
- (iii) 舜宇光學股本及股份溢價與本公司換股後的股本面值之差額。
- (e) 計入股份溢價的金額為配發舜宇光學 6,120 股每股面值 1.00 美元的新股之賬面值與現金代價 6,000,000 美元（相當於人民幣 47,613,000 元）的差額。
- (f) 於二零零六年九月、十一月及十二月，舜宇光學及本公司以總代價約人民幣 35,222,000 元收購舜宇光學（中山）有限公司（「舜宇中山」）、寧波舜宇光電信息有限公司（「舜宇光電信息」）、寧波儀器及舜宇日本株式會社（「舜宇日本」）的少數股東權益分別 30%、28%、10% 及 30.3%。該等少數股東權益於相關收購日期的賬面總值人民幣 38,630,000 元超過收購代價人民幣 3,408,000 元的差額已確認為增購附屬公司權益的折讓。

Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31 DECEMBER 2007

綜合現金流量報表

截至二零零七年十二月三十一日止年度

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
OPERATING ACTIVITIES 經營活動		
Profit before taxation 除稅前溢利	236,295	165,985
Adjustments for: 調整：		
Depreciation of property, plant and equipment 物業、機器及設備折舊	54,355	37,435
(Gain) loss on disposal of property, plant and equipment 出售物業、機器及設備虧損(收益)	(126)	38
Release of prepaid lease payment 預付租金扣除	353	272
Discount on acquisition of additional interest in subsidiaries 增購附屬公司權益的折讓	—	(3,408)
Loss on disposal of a subsidiary 出售附屬公司虧損	—	136
Allowance for inventories 存貨撥備	3,634	1,725
(Reversal of) allowance for bad and doubtful debts 呆壞賬(撥回)撥備	(1,071)	16
Interest income 利息收入	(34,620)	(1,516)
Interest expenses 利息開支	3,795	2,913
Operating cash flows before movements in working capital 營運資金變動前的經營現金流量	262,615	203,596
Increase in inventories 存貨增加	(25,512)	(42,860)
(Increase) decrease in trade and other receivables 貿易及其他應收款項(增加)減少	(169,171)	40,814
Decrease in amounts due from related parties 應收關連人士款項減少	—	169
Increase in trade and other payables 貿易及其他應付款項增加	94,652	56,301
Increase in amounts due to related parties 應付關連人士款項增加	5,300	161
Cash generated from operations 經營活動所得現金	167,884	258,181
PRC Income taxes paid 已付中國所得稅	(7,754)	—
NET CASH FROM OPERATING ACTIVITIES 經營活動所得現金淨額	160,130	258,181
INVESTING ACTIVITIES 投資活動		
Interest received 已收利息	34,620	2,163
Advance to related parties 向關連人士墊款	(1,436)	(98)
Repayment of advance from related parties 關連人士償還墊款	—	15,000
Purchases of property, plant and equipment 購買物業、機器及設備	(160,317)	(111,354)
Purchases of available-for-sale investments 購買可供出售投資	(70,511)	—
Payment of prepaid lease payments 支付預付租金	(10,000)	—
Proceeds from disposal of property, plant and equipment 出售物業、機器及設備所得款項	1,792	1,418
Acquisition of additional interest in subsidiaries 增購附屬公司權益	—	(35,222)
Acquisition/disposal of a subsidiary (note 28) 收購/出售附屬公司(附註28)	(2,006)	(1,342)
(Increase) decrease in pledged bank deposits 已抵押銀行存款(增加)減少	(1,081)	402
NET CASH USED IN INVESTING ACTIVITIES 投資活動所耗現金淨額	(208,939)	(129,033)

Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31 DECEMBER 2007

綜合現金流量報表

截至二零零七年十二月三十一日止年度

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
FINANCING ACTIVITIES 融資活動		
Interest paid 已付利息	(3,795)	(2,863)
Payment of Listing expenses 上市開支付款	(39,738)	—
Dividends paid 已付股息	(236,009)	(7,727)
Issue of new shares 發行新股	745,052	48,359
Loans from a related party 向關連人士貸款	—	4,000
Repayment of loans to a related party 向關連人士償還貸款	(33,287)	(40,863)
Advance (repayment of advance) from related parties 關連人士墊款(償還墊款)	—	(655)
New bank borrowings raised 新增銀行借貸	214,566	56,000
Repayment of bank borrowings 償還銀行借貸	(214,566)	(160,095)
Capital contribution by minority shareholders 附屬公司 of subsidiaries 少數股東注資	—	2,044
NET CASH FROM (USED IN)		
FINANCING ACTIVITIES 融資活動所得(所耗)現金淨額	432,223	(101,800)
NET INCREASE IN CASH AND 現金及現金等值		
CASH EQUIVALENTS 項目增加淨額	383,414	27,348
CASH AND CASH EQUIVALENTS AT BEGINNING 年初現金及		
OF YEAR 現金等值項目	160,275	132,927
CASH AND CASH EQUIVALENTS AT END OF YEAR, 年終現金及現金等值項目, 分析		
represented by bank balances and cash 銀行結餘及現金	543,689	160,275

Notes to the Consolidated Financial Statements

For the year ended 31 December 2007

1. Group Reorganisation and Basis of Presentation of Consolidated Financial Statements

The Company was incorporated in the Cayman Islands on 21 September 2006 as an exempted company under the Companies Law Chapter 21 (Law 3 of 1961 as consolidated and revised) of the Cayman Islands and its shares have been listed on the Stock Exchange of Hong Kong Limited with effect from 15 June 2007. Its ultimate holding and parent company is Sun Xu Limited, a private limited company incorporated in the British Virgin Islands. The address of the registered office is located at Codan Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, PO Box 2681 GT, George Town, Grand Cayman, British West Indies and its place of business is located at Unit 603, 6th Floor, Grand City Plaza, 1-17 Sai Lau Kok Road, Tsuen Wan, New Territories, Hong Kong. Under a group reorganisation scheme to rationalise the structure of the Group in preparation for the Listing of the Company's shares on the Stock Exchange of Hong Kong Limited, the Company became the holding company of the Group on 24 October 2006. Details of the group reorganisation were set out in the prospectus issued by the Company, dated 4 June 2007.

The consolidated financial statements are presented in Renminbi ("RMB"), the currency of the primary economic environment in which the principal subsidiaries of the Company operate (the functional currency of the principal subsidiaries).

綜合財務報表附註

截至二零零七年十二月三十一日止年度

1. 集團重組及綜合財務報表呈報基準

本公司於二零零六年九月二十一日在開曼群島根據開曼群島公司法第21章（一九六一年第三條法例，經綜合及修訂）註冊成立為獲豁免公司，其股份自二零零七年六月十五日起在香港聯合交易所有限公司上市，最終控股及母公司為一間於英屬處女群島註冊成立的私人有限公司舜旭有限公司。註冊辦事處位於Codan Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, PO Box 2681 GT, George Town, Grand Cayman, British West Indies，而營業地點位於香港新界荃灣西樓角路1-17號新領域廣場6樓603室。根據集團重組計劃整頓本集團架構以籌備本公司股份在香港聯合交易所有限公司上市，本公司於二零零六年十月二十四日成為本集團的控股公司。集團重組詳情載於本公司於二零零七年六月四日刊發的售股章程。

綜合財務報表以本公司主要附屬公司經營所在的主要經濟環境貨幣（主要附屬公司的功能貨幣）人民幣呈列。



Notes to the Consolidated Financial Statements

For the year ended 31 December 2007

2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSS”)

In the current year, the Group has applied, for the first time, the following new standard, amendment and interpretations (“new HKFRSSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which are effective for the Group’s financial year beginning 1 January 2007.

HKAS 1 (Amendment)	Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC)-Int 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies
HK(IFRIC)-Int 8	Scope of HKFRS 2
HK(IFRIC)-Int 9	Reassessment of Embedded Derivatives
HK(IFRIC)-Int 10	Interim Financial Reporting and Impairment

The adoption of the new HKFRSSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared. Accordingly, no prior period adjustment has been required.

The Group has applied the disclosure requirements under HKAS 1 (Amendment) and HKFRS 7 retrospectively. The relevant comparative information based on the requirements of HKFRS 7 has been presented for the first time in current year.

綜合財務報表附註

截至二零零七年十二月三十一日止年度

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度，本集團首次採用下列由香港會計師公會（「香港會計師公會」）頒佈自本集團於二零零七年一月一日開始的財政年度有效的新準則、修訂及詮釋（「新香港財務報告準則」）。

香港會計準則第1號（經修訂）	資本披露
香港財務報告準則第7號	金融工具：披露
香港（國際財務報告詮釋委員會）－詮釋第7號	根據香港會計準則第29號惡性通脹經濟之財務報告採用重列法
香港（國際財務報告詮釋委員會）－詮釋第8號	香港財務報告準則第2號範圍
香港（國際財務報告詮釋委員會）－詮釋第9號	重估嵌入式衍生工具
香港（國際財務報告詮釋委員會）－詮釋第10號	中期財務報告及減值

採納新香港財務報告準則對現時或過往會計期間之業績及財務狀況之編製方式並無重大影響，故毋須作出前期調整。

本集團已採納香港會計準則第1號（經修訂）及香港財務報告準則第7號的披露規定。香港財務報告準則第7號規定的相關比較資料已於本年度首次呈列。

2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSS”) (Continued)

The Group has not early applied the following new and revised standards or interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of Financial Statements ¹
HKAS 23 (Revised)	Borrowing Costs ¹
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ²
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations ¹
HKFRS 3 (Revised)	Business Combinations ²
HKFRS 8	Operating Segments ¹
HK(IFRIC)-Int 11	HKFRS 2: Group and Treasury Share Transactions ³
HK(IFRIC)-Int 12	Service Concession Arrangements ⁴
HK(IFRIC)-Int 13	Customer Loyalty Programmes ⁵
HK(IFRIC)-Int 14	HKAS 19 — The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction ⁴

¹ Effective for annual periods beginning on or after 1 January 2009

² Effective for annual periods beginning on or after 1 July 2009

³ Effective for annual periods beginning on or after 1 March 2007

⁴ Effective for annual periods beginning on or after 1 January 2008

⁵ Effective for annual periods beginning on or after 1 July 2008

The directors of the Company anticipate that the application of these standards or interpretations will have no material impact on the results and the financial position of the Group.

2. 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本集團並無提早採納下列已頒佈但尚未生效的新訂及經修訂準則或詮釋。

香港會計準則第1號(經修訂)	呈列財務報表 ¹
香港會計準則第23號(經修訂)	借貸成本 ¹
香港會計準則第27號(經修訂)	綜合及獨立財務報表 ²
香港財務報告準則第2號(經修訂)	歸屬條件及註銷 ¹
香港財務報告準則第3號(經修訂)	業務合併 ²
香港財務報告準則第8號	營運分部 ¹
香港(國際財務報告詮釋委員會)–詮釋第11號	香港財務報告準則第2號：集團及庫存股份交易 ³
香港(國際財務報告詮釋委員會)–詮釋第12號	服務專營權安排 ⁴
香港(國際財務報告詮釋委員會)–詮釋第13號	客戶忠誠度計劃 ⁵
香港(國際財務報告詮釋委員會)–詮釋第14號	香港會計準則第19號—對界定利益資產、最低資金規定及其相互作用之限制 ⁴

¹ 於二零零九年一月一日或其後開始之年度期間生效。

² 於二零零九年七月一日或其後開始之年度期間生效。

³ 於二零零七年三月一日或其後開始之年度期間生效。

⁴ 於二零零八年一月一日或其後開始之年度期間生效。

⁵ 於二零零八年七月一日或其後開始之年度期間生效。

本公司董事預期應用該等準則或詮釋不會對本集團之業績及財務狀況有重大影響。

Notes to the Consolidated Financial Statements

For the year ended 31 December 2007

3. Significant Accounting Policies

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Listing Rules and by the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

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

綜合財務報表附註

截至二零零七年十二月三十一日止年度

3. 主要會計政策

綜合財務報表按歷史成本基準編製，惟按公平值計算的若干金融工具除外，詳情見下文所述會計政策

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表載列上市規則及香港公司條例規定之適用披露資料。

綜合基準

綜合財務報表包括本公司及本公司所控制公司(附屬公司)的財務報表。當本公司有權管理一家公司的財務及經營政策以取得其業務利益，則視為擁有該公司的控制權。

年內收購或出售之附屬公司的業績自收購生效當日起或直至出售生效當日(如適用)計入綜合收益表。

附屬公司之財務報表會於需要的情況下作出調整，以使其會計政策與本集團其他成員公司所採用者一致。

所有集團內公司間交易、結餘、收入及開支於綜合賬目時對銷。

綜合附屬公司資產淨值中的少數股東權益與本集團所佔權益分開呈列。資產淨值中的少數股東權益包括於原業務合併日期的有關權益數額，以及自合併日期以來少數股東應佔股權變動。少數股東所佔虧損超逾所佔附屬公司權益的差額撥至本集團所佔權益，惟少數股東須承擔具約束力責任及可作額外投資彌補虧損的數額除外。

3. Significant Accounting Policies (Continued)

Business combinations (common control combinations)

A business combination involving businesses under common control is a business combination in which all of the combining businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

Business combinations under common control are accounted for in accordance with the merger accounting. In applying merger accounting, the consolidated financial statements incorporate the financial statement items of the combining businesses in which the common control combination occurs as if they had been combined from the date when the combining business first came under the control of controlling party.

The net assets of the combining businesses are combined using the existing book values prior to the common control combinations from the controlling parties' perspective. No amount is recognised in respect of goodwill or excess of acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

The consolidated income statement includes the results of each of the combining businesses from the earliest date presented or since the date when the combining businesses first came under the common control, where this is a shorter period, regardless of the date of common control combination.

The comparative amounts in the consolidated financial statements are presented as if the businesses had been combined at the previous balance sheet date or when they first came under common control, whichever is the shorter.

3. 主要會計政策 (續)

業務合併 (受共同控制的業務合併)

受共同控制公司或業務的業務合併指全部所合併公司或業務於合併前後均受同一方最終控制，且控制權並非過渡性質。

受共同控制的業務合併根據合併會計法入賬。根據合併會計法，綜合財務報表包括受共同控制的所合併公司或業務的財務報表項目，猶如該等公司或業務早於首次受控制方控制當日已合併。

合併公司或業務的資產淨值以共同控制權合併前當時控制方認為的賬面值合併入賬。倘控制方仍然持有權益，不會確認任何商譽或收購方佔所收購方可識別資產、負債及或然負債公平淨值的權益超過受共同控制合併當時成本之差額。

綜合收益表包括各所合併業務自呈列的最早日期或所合併業務受共同控制當日 (以較早發生者為準，而不論共同控制合併日期) 起之業績。

比較數額於綜合財務報表呈列，猶如該等公司或業務早於上一個結算日或首次受共同控制當日 (以較短期間者為準) 已合併。



Notes to the Consolidated Financial Statements

For the year ended 31 December 2007

3. Significant Accounting Policies (Continued)

Non-common control combinations

The acquisitions of businesses which are not under common control are accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 "Business Combinations" are recognised at their fair values at the acquisition date. The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Acquisition of additional interest in subsidiaries

When the Group increases its interest in subsidiaries, the excess of the consideration paid by the parent to minority shareholders over the carrying value of the ownership interests acquired by the parent is recognised as goodwill. The excess of the carrying value of the ownership interests acquired by the parent over the consideration paid by the parent to minority shareholders is recognised in profit or loss.

Goodwill

Goodwill arising on an acquisition of a business represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the relevant business at the date of acquisition. Such goodwill is carried at cost and is subsequently measured at cost less any accumulated impairment losses.

Capitalised goodwill arising on an acquisition of a business is presented separately in the consolidated balance sheet.

綜合財務報表附註

截至二零零七年十二月三十一日止年度

3. 主要會計政策(續)

非受共同控制的業務合併

收購非受共同控制的業務乃按收購法入賬。收購成本乃按交易當日本集團為換取所收購方控制權而交出的資產、產生或承擔的負債以及發行的股權工具公平值加任何業務合併直接相關成本之總和計量。符合香港財務報告準則第3號「業務合併」確認條件的所收購方可識別資產、負債及或然負債於收購當日按公平值確認。所收購方的少數股東權益初步按少數股東所佔已確認資產、負債及或然負債公平淨值的比例確認。

增購附屬公司權益

當本集團增持附屬公司的權益時，母公司向少數股東已付代價超過母公司所收購所有權權益賬面值的差額確認為商譽。母公司收購的所有權權益賬面值超過母公司向少數股東已付代價之差額在損益賬確認。

商譽

收購業務所產生之商譽，乃指收購成本超出本集團在收購日期於相關業務擁有之可識別資產、負債及或然負債公平值權益之差額。該等商譽按成本列賬，其後以成本減任何累計減值虧損計量。

收購業務所產生已撥充資本之商譽將於綜合資產負債表獨立呈列。

3. Significant Accounting Policies (Continued)

Goodwill (Continued)

For the purpose of impairment testing, goodwill is allocated to each of the relevant cash-generating units that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated income statement. An impairment loss for goodwill is not reversed in subsequent periods.

On subsequent disposal of the relevant cash-generating unit, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

Revenue recognition

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

Revenue from the sale of goods is recognised when the goods are delivered and title has passed.

Subcontracting service income is recognised when services are provided.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

3. 主要會計政策 (續)

商譽 (續)

就減值檢測而言，商譽分配予預期會受惠於收購協同效益之各相關現金產生單位。獲分配商譽之現金產生單位會按年及於有跡象顯示有關單位可能出現減值時進行檢測。就於財政年度內進行收購所產生商譽而言，獲分配商譽之現金產生單位會於該財政年度結束前進行減值檢測。當現金產生單位之可收回金額少於該單位賬面值，減值虧損會首先分配至減少獲分配商譽單位之賬面值，其後以該單位內各資產之賬面值為基準按比例分配至該單位內其他資產。任何商譽減值虧損直接於綜合收益表確認。商譽減值虧損不會於其後期間撥回。

於其後出售相關現金產生單位時，在釐定其出售盈利或虧損金額時，須計入應佔已撥充資本之商譽金額。

收益確認

收益乃按已收及應收代價之公平值計算，指就日常業務過程中所銷售的貨品及所提供的服務之應收款項扣除折扣及銷售相關稅項。

貨品銷售收益乃於貨品付運及其所有權轉移時確認。

分包服務收入於提供服務時確認。

金融資產之利息收入乃按時間基準，經參考未償還本金以實際利率計算。實際利率為於金融資產之預計年期所得估計未來現金收入折現至該資產的賬面淨額之比率。

Notes to the Consolidated Financial Statements

For the year ended 31 December 2007

3. Significant Accounting Policies (Continued)

Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services, or for administrative purposes, other than construction in progress, are stated at cost less subsequent accumulated depreciation and accumulated impairment loss.

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

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated income statement in the year in which the item is derecognised.

Leasing

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

The Group as lessee

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line method.

綜合財務報表附註

截至二零零七年十二月三十一日止年度

3. 主要會計政策(續)

物業、機器及設備

物業、機器及設備(包括持作生產或供應貨品或服務或作行政用途的樓宇, 在建工程除外)按成本減累計折舊及累計減值虧損列賬。

除在建工程外, 物業、機器及設備折舊(經計及估計剩餘價值)乃於估計可用年期以直線法(作出減值撥備以撇銷其成本)。

在建工程指正就生產或自用興建的物業、機器及設備。在建工程按成本減任何已確認減值虧損列賬。在建工程於完成且可作擬定用途時, 會列作物業、機器及設備之適當類別。該等資產按與其他物業資產相同之方式, 於資產可作擬定用途時開始折舊。

物業、機器及設備項目於出售後或預計持續使用該資產不會於日後產生經濟利益時取消確認。於取消確認該資產時產生之任何損益(以該項目出售所得款項淨額與賬面值的差額計算)於該項目取消確認的年度計入綜合收益表。

租約

當租約條款將絕大部份風險及回報轉讓予承租人時, 該租約分類為融資租約。所有其他租約均分類為經營租約。

本集團作為承租人

根據經營租約的應付租金, 於有關租期內以直線法在損益中扣除。作為訂立經營租約獎勵的已收及應收利益, 按直線法於租期內確認為租金開支減少。

3. Significant Accounting Policies (Continued)

Leasing (Continued)

The Group as lessee (Continued)

Prepaid lease payments represent payments for leasehold interest in land in the PRC are stated at cost and released to profit or loss on a straight-line basis over the lease terms. Prepaid lease payments which are to be released in the next twelve months or less are classified as current assets.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the exchange differences are also recognised directly in equity.

3. 主要會計政策 (續)

租約 (續)

本集團作為承租人 (續)

預付租金指位於中國的土地租賃權益，按成本入賬，並於租期內按直線法自損益扣減。將於未來十二個月或少於十二個月內扣減的預付租金列為流動資產。

借貸成本

與合資格資產的收購、建設或生產直接相關的借貸成本撥作該等資產成本的一部份。當資產大致可用於擬定用途或出售，則不會再將相關借貸成本撥充成本。有待用作支付合資格資產開支的特定借貸臨時投資所得投資收入會自合資格撥充成本的借貸成本扣減。

所有其他借貸成本於產生期間在損益確認。

外幣

編製各集團實體之財務報表時，以該實體功能貨幣以外貨幣（「外幣」）進行之交易會按相關功能貨幣（即實體經營所在主要經濟環境之貨幣）及於交易日期之匯率入賬。於各結算日，以外幣計值之貨幣項目以結算日之匯率重新換算。按公平值列賬之外幣計值非貨幣項目按釐定公平值當日匯率重新換算。以外幣按過往成本計算之非貨幣項目不會重新換算。

結算貨幣項目及換算貨幣項目產生之匯兌差額，於產生期間之損益確認。重新換算按公平值列賬之非貨幣項目所產生匯兌差額計入期內損益，惟損益於股權直接確認之非貨幣項目重新換算所產生匯兌差額亦於股權直接確認。

Notes to the Consolidated Financial Statements

For the year ended 31 December 2007

3. Significant Accounting Policies (Continued)

Government grants

Government grants are recognised as income on a systematic and rational basis over the periods necessary to match them with the related costs. If no basis exists for allocating a grant over a specific period and there is reasonable assurance that such grant has no conditions attaching to, the grant is recognised on a receipts basis.

Retirement benefit costs

Payments to state-managed retirement benefit schemes are charged as an expense when employees have rendered service entitling them to the contributions.

Taxation

Income tax expenses represent the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

綜合財務報表附註

截至二零零七年十二月三十一日止年度

3. 主要會計政策(續)

政府補助金

政府補助金有系統及合理地於相關成本所涉期間確認為收入。倘補助金於特定期內並無分配方式，且可合理確保補助金並無附帶條件，則會於收取補助金時確認入賬。

退休福利成本

國家管理的退休福利計劃供款於僱員提供服務而有權獲得供款時列為開支。

稅項

所得稅開支指即期應付稅項及遞延稅項總和。

即期稅項

即期應付稅項根據年度應課稅溢利計算。由於應課稅溢利不包括其他年度的應課稅或可扣稅收支項目，亦不包括毋須課稅或不可扣稅項目，故與綜合收益表所呈報的溢利不同。本集團的即期稅項負債根據於結算日已實施或大致實施的稅率計算。

3. Significant Accounting Policies (Continued)

Taxation (Continued)

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Research and development expenditures

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

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

3. 主要會計政策 (續)

稅項 (續)

遞延稅項

遞延稅項按綜合財務報表中資產及負債賬面值與計算應課稅溢利所採用相應稅基之差額確認，並以資產負債表負債法入賬。遞延稅項負債一般就所有應課稅暫時差額確認入賬，而遞延稅項資產則僅於可能有應課稅溢利用於對銷可扣稅暫時差額時確認入賬。若於一項交易中，因商譽或初次確認其他資產及負債（企業合併除外）而引致之暫時差額既不影響應課稅溢利亦不影響會計溢利，則不會確認該等資產及負債。

遞延稅項負債乃按於附屬公司之投資所產生應課稅暫時差額確認，惟倘本集團能控制暫時差額之撥回，且暫時差額可能不會於可見將來撥回之情況則除外。

遞延稅項資產的賬面值於各結算日進行檢討，並會撇減至不再可能有足夠應課稅溢利用於對銷全部或部份相關資產止。

遞延稅項乃按預期適用於償付負債或變現資產期間的稅率計算。遞延稅項會自損益扣除或計入損益，惟倘遞延稅項與直接計入權益或自權益扣除的項目有關，則亦會在權益中處理。

研發開支

研究活動開支於所產生期間確認為開支。

來自開發費用的內部產生無形資產僅在預期可透過日後商業活動收回已確定項目所產生開發成本時方獲確認。所產生資產按直線法在可用年期內攤銷，並按成本減其後之累計攤銷及任何累計減值虧損列賬，於獨立收購之無形資產列賬方式相同。

Notes to the Consolidated Financial Statements

For the year ended 31 December 2007

3. Significant Accounting Policies (Continued)

Research and development expenditures (Continued)

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

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

Impairment losses on assets other than goodwill

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

綜合財務報表附註

截至二零零七年十二月三十一日止年度

3. 主要會計政策(續)

研發開支(續)

就內部產生之無形資產所初步確認之金額為該無形資產自首度符合確認條件起已產生之開支總額。倘無內部產生之無形資產可予確認，則開發費用於其產生期間在損益扣除。

存貨

存貨按成本或可變現淨值之較低者列賬。成本按加權平均法計算。

資產減值虧損(商譽以外)

本集團於各結算日審閱其資產賬面值，以確定是否有任何跡象顯示該等資產出現減值虧損。倘估計資產之可收回金額低於其賬面值，則將資產之賬面值減至其可收回金額。減值虧損即時確認為開支。

倘減值虧損於其後撥回，則該資產之賬面值會增至其可收回數額之經修訂估值，惟經調高之賬面值不得超逾倘該資產於過往年度並無確認減值虧損而釐定之賬面值。撥回之減值虧損即時確認為收入。

3. Significant Accounting Policies (Continued)

Financial instruments

Financial assets and financial liabilities are recognised on the Group's consolidated balance sheets when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified into loans and receivables, financial assets held for trading and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade and other receivable, amounts due from related parties, bank balances and cash and pledged bank deposits) are carried at amortised cost using the effective interest method, less any identified impairment loss.

3. 主要會計政策 (續)

金融工具

當本集團成為工具合約條文之訂約方時，金融資產及金融負債於本集團之綜合資產負債表確認。金融資產及金融負債初步按公平值計量。因收購或發行金融資產及金融負債（按公平值計入損益之金融資產及金融負債除外）而直接應佔交易成本於初步確認時，計入金融資產或金融負債之公平值或自金融資產或金融負債之公平值扣除（如適用）。因收購按公平值計入損益之金融資產或金融負債而直接應佔交易成本，即時於損益確認。

金融資產

本集團之金融資產分為貸款及應收款項、持作買賣金融資產與可供出售金融資產。所有金融資產之常規買賣於交易日確認或取消確認。常規買賣指須根據市場規則或慣例訂立之時間內交付資產之金融資產買賣。

實際利息法

實際利息法為計算金融資產之攤銷成本以及於相關期間內分配利息收入之方法。實際利率指於金融資產之預計可用年期內或（如適用）較短期間內準確折算估計未來現金收入（包括所有構成實際利率、交易成本及其它獎金或折扣所支付或收取的全部費用）的利率。

貸款及應收款項

貸款及應收款項為在活躍市場上並無報價而具有固定或待付之非衍生金融資產，於初步確認後之各結算日，貸款及應收款項（包括貿易及其他應收款項、應收關連人士款項、銀行結餘及現金和已抵押銀行存款）以實際利率法按攤銷成本減任何已識別減值虧損列賬。

Notes to the Consolidated Financial Statements

For the year ended 31 December 2007

3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Effective interest method (Continued)

Financial assets at fair value through profit or loss

A financial assets is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

At each balance sheet date subsequent to initial recognition, financial assets held for trading are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investment.

At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss (see accounting policy on impairment loss on financial assets below).

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at each balance sheet date subsequent to initial recognition (see accounting policy on impairment loss on financial assets below).

綜合財務報表附註

截至二零零七年十二月三十一日止年度

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

實際利息法

於損益以公平值列賬的金融資產

倘符合下列條件，則列為持作買賣金融資產：

- 收購主要目的為於短期內出售；或
- 屬於本集團整體管理且有實際跡象顯示會於短期獲利回吐的金融工具可識別投資組合部分；或
- 並無指定及用作對沖工具的衍生工具。

於初步確認後之各結算日，持作買賣金融資產按公平值計算，而公平值變動直接於所產生期間在損益確認。於損益確認之收益或虧損淨額不包括金融資產賺取的任何股息或利息。

可供出售金融資產

可供出售金融資產為指定或未分類為於損益以公平值列賬的金融資產、貸款和應收款項或持至到期投資的非衍生工具。

於首次確認後之各結算日，可供出售金融資產按公平值計量。公平值變動於權益確認，直至該金融資產售出或釐定有所減值，屆時過往於權益確認之累計盈虧將自權益剔除，並於損益中確認(見下文有關金融資產減值虧損的會計政策)。

在活躍市場並無報價及公平值不能準確計量之可供出售股權投資，於首次確認後之各結算日按成本減任何已識別減值虧損計量(見下文有關金融資產減值虧損的會計政策)。

3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

Financial assets other than those at fair value through profit or loss are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For financial assets including trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 90 days, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值

金融資產(於損益以公平值列賬之金融資產除外)於各結算日評定是否有減值跡象。倘有客觀證據顯示金融資產之預期未來現金流量受首次確認該金融資產後發生之一項或多項事件影響時，則金融資產會減值。

倘可供出售股權投資之公平值大幅或長期下跌至低於成本，則視為出現減值的客觀證據。

所有其他金融資產減值之客觀證據可包括：

- 發行人或交易對手出現重大財政困難；或
- 拖欠利息或本金；或
- 借款人可能破產或財務重組。

評定為不會單獨減值之貿易應收款項等金融資產，會於其後共同評估有否減值。應收款項組合出現減值之客觀證據包括本集團過往收款紀錄、於平均信貸期90天後逾期還款次數增加以及國家或地區經濟狀況明顯轉變導致拖欠應收款項。

當有客觀證據證明按攤銷成本列賬之金融資產已減值時，減值虧損於損益中確認，並按資產賬面值與按原實際利率貼現之估計日後現金流量現值之差額計算。

Notes to the Consolidated Financial Statements

For the year ended 31 December 2007

3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment losses on available-for-sale equity investments will not be reversed in profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in equity.

綜合財務報表附註

截至二零零七年十二月三十一日止年度

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

就按成本列賬的金融資產而言，減值虧損金額按資產賬面值與按當時同類金融資產的市場回報率貼現之估計日後現金流量現值之差額計算。

與所有金融資產有關之減值虧損會直接於金融資產之賬面值中作出扣減，惟貿易應收款項除外，其賬面值會透過使用撥備賬作出扣減。撥備賬之賬面值變動會於損益中確認。當貿易應收款項被視為不可收回時，則於撥備賬內撇銷。其後收回的過往已撇銷款項於損益中扣除。

就按攤銷成本列賬之金融資產而言，如在隨後期間減值虧損金額減少，而有關減少在客觀上與確認減值後發生之事件有關，則過往已確認之減值虧損將透過損益撥回，惟該資產於減值被撥回當日之賬面值不得超過未確認減值時之攤銷成本。

隨後期間將不會於損益撥回可供出售股權投資減值虧損。減值虧損後的公平值增加直接於權益確認。

3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial liability and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The Group's financial liabilities are classified as other financial liabilities.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Other financial liabilities

Other financial liabilities, including trade and other payables, dividends payable and amounts due to related parties, are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

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

Derecognition

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

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

3. 主要會計政策 (續)

金融工具 (續)

金融負債及股本

由集團公司發行之金融負債及股本工具按所訂立合約安排之內容以及金融負債及股本工具之定義而分類。股本工具為可證明於本集團資產內存在剩餘權益(經扣除其所有負債)之任何合約。本集團金融負債分類為其他金融負債。

實際利息法

實際利息法為計算金融負債之攤銷成本以及於相關期間內分配利息開支之方法。實際利率指於金融資產之預計可用年期內或(倘適用)較短期間內準確折算估計未來現金付款的利率。

其他金融負債

其他金融負債(包括貿易及其他應付款項、應付股息以及應付關連人士款項)其後採用實際利率法按攤銷成本計量。

股本工具

本公司發行之股本工具乃按已收取之所得款項減直接發行成本入賬。

取消確認

金融資產於自資產收取現金流量權利屆滿或金融資產已獲轉讓且本集團已轉讓金融資產所有權絕大部分風險及回報時,取消確認。取消確認金融資產時,資產賬面值與已收及應收代價總額加已於權益直接確認之累計收益或虧損間的差額,於損益確認。

金融負債於有關合約所訂明責任解除、註銷或屆滿時取消確認。所取消金融負債賬面值與已付及應付代價間的差額,於損益確認。

Notes to the Consolidated Financial Statements

For the year ended 31 December 2007

4. Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, which are described in note 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

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

Depreciation

The Group's carrying value of property, plant and equipment as at 31 December 2007 was RMB401,142,000. The Group depreciates the property, plant and equipment over their estimated useful lives, using the straight-line method commencing from the date the property, plant and equipment is available for use. The estimated useful lives are based on the Group's historical experience with similar assets and taking into account anticipated technology changes. The depreciation expense for future periods is adjusted if there are significant changes from previous estimates.

Impairment for inventories

The impairment for inventories has been determined by the directors based on the difference between the carrying amount of inventory and the net realisable value. Net realisable value represents the estimated selling price less all the estimated costs to completion and costs to be incurred in marketing, selling and distribution. If the market price were to fluctuate resulting in a decline in the net realisable value, additional impairment may be required. An impairment loss of RMB3,634,000 was recognised during 2007.

綜合財務報表附註

截至二零零七年十二月三十一日止年度

4. 估計不確定因素之主要來源

於應用附註3所載本集團會計政策時，本公司董事須對無法依循其他途徑所得資產與負債之賬面值作出判斷、估計及假設。該等估計及相關假設是根據過往經驗及被認為相關之其他因素而作出。實際結果或會與該等估計有所不同。

估計及相關假設乃按持續基準審閱。會計估計之修訂乃於估計有所修訂之期間（倘修訂僅影響該期間），或修訂期間及未來期間（倘修訂影響本期間及未來期間）內確認。

估計之不確定因素主要來源

以下為於結算日很可能導致下一個財政年度資產及負債賬面值重大調整有關將來之主要假設及其他估計之不確定因素主要來源。

折舊

本集團於二零零七年十二月三十一日物業、機器及設備的賬面值為人民幣401,142,000元。本集團自物業、機器及設備可供使用當日起，於物業、機器及設備之估計可用年期內以直線法折舊。估計可用年期乃根據本集團同類資產的過往紀錄並考慮預期技術改變而定。倘前期估計大幅改變，將會調整往後期間的折舊支出。

存貨減值

董事根據存貨賬面值與可變現淨值間的差額計算存貨減值。可變現淨值指估計售價減所有估計完成成本及市場推廣、銷售及分銷成本。倘市價波動引致可變現淨值下跌，或須計提額外減值。二零零七年的減值虧損為人民幣3,634,000元。

4. Key Sources of Estimation Uncertainty (Continued)

Allowance for doubtful receivables

Allowance for trade receivable is made based on the evaluation of collectability and ageing analysis of accounts and on directors' judgement by reference to the estimation of the future cash flow discounted at an effective interest rate to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2007, the carrying amount of trade receivables which are past due but considered has not been impaired is RMB14,151,000.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value.

The carrying amount of goodwill at the balance sheet date was RMB12,077,000 and no impairment loss was recognised during 2007. Details of the recoverable amount calculation are disclosed in Note 16.

4. 估計不確定因素之主要來源 (續)

呆壞賬撥備

貿易應收款項撥備根據賬款可收回程度評估及賬齡分析，按董事參考以實際利率貼現的日後現金流量現值估計所作判斷而定。當實際日後現金流量低於預期，可能產生重大減值虧損。於二零零七年十二月三十一日，已過期但視為無減值的貿易應收款項賬面值為人民幣14,151,000元。

商譽減值

釐定商譽有否減值時，須估計商譽獲分配之現金產生單位的使用價值，而計算使用價值時，董事須估計現金產生單位預期可產生之未來現金流量及採用合適貼現率，以計算現值。

商譽於結算日的賬面值為人民幣12,077,000元，且於二零零七年並無確認任何減值虧損。計算可收回金額之詳情於附註16披露。



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For the year ended 31 December 2007

綜合財務報表附註

截至二零零七年十二月三十一日止年度

5. Revenue and Segmental Information

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts received and receivable for goods sold to outside customers, less returns and discount, if any, and net of value-added tax during the year.

Business segment

For management purposes, the Group is organised into three operating divisions — optical components, optoelectronic products and optical instruments. These divisions are the basis on which the Group reports its primary segment information.

5. 收入及分部資料

收入按已收或應收代價的公平值計算，相當於向外間客戶出售貨品的已收及應收款項扣減退貨及折扣(如有)與年內增值稅。

業務分部

在管理方面，本集團分為三個業務分部：光學零件、光電產品及光學儀器。該等分部為本集團申報主要分部資料的基礎。

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Revenue 收入		
— Optical components — 光學零件	515,219	309,259
— Optoelectronic products — 光電產品	738,194	468,016
— Optical instruments — 光學儀器	128,452	123,423
	1,381,865	900,698
Segment results 分部業績		
— Optical components — 光學零件	99,161	66,254
— Optoelectronic products — 光電產品	116,371	59,546
— Optical instruments — 光學儀器	26,202	34,861
Unallocated income 未分配收入	241,734	160,661
Unallocated corporate expenses 未分配公司開支	46,063	4,965
Discount on acquisition of additional interest in subsidiaries 增購附屬公司權益的折讓	(47,707)	—
Loss on disposal of a subsidiary 出售附屬公司的虧損	—	3,408
Finance costs 融資成本	—	(136)
	(3,795)	(2,913)
Profit before taxation 除稅前溢利	236,295	165,985
Income tax charge 所得稅支出	(10,424)	—
Profit for the year 年內溢利	225,871	165,985

5. Revenue and Segmental Information (Continued)

5. 收益及分部資料 (續)

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Other information 其他資料		
Capital additions 增資		
— Optical components — 光學零件	104,393	112,075
— Optoelectronic products — 光電產品	28,624	10,729
— Optical instruments — 光學儀器	22,004	2,451
	155,021	125,255
Depreciation of property, plant and equipment: 物業、機器及設備折舊：		
— Optical components — 光學零件	47,184	32,833
— Optoelectronic products — 光電產品	3,710	1,832
— Optical instruments — 光學儀器	3,461	2,770
	54,355	37,435
(Gain) loss on disposal of property, plant and equipment: 出售物業、機器及設備的 (收益) 虧損：		
— Optical components — 光學零件	(121)	53
— Optoelectronic products — 光電產品	7	3
— Optical instruments — 光學儀器	(12)	(18)
	(126)	38
Allowance for inventories: 存貨撥備：		
— Optical components — 光學零件	18	1,578
— Optoelectronic products — 光電產品	2,851	—
— Optical instruments — 光學儀器	765	147
	3,634	1,725

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5. Revenue and Segmental Information (Continued)

Balance sheet

5. 收益及分部資料(續)

資產負債表

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Assets 資產		
Segment assets 分部資產		
— Optical components — 光學零件	567,203	433,027
— Optoelectronic products — 光電產品	267,864	133,550
— Optical instruments — 光學儀器	114,315	57,931
	949,382	624,508
Unallocated corporate assets 未分配公司資產	619,219	160,884
Consolidated total assets 綜合資產總值	1,568,601	785,392
Liabilities 負債		
Segment liabilities 分部負債		
— Optical components — 光學零件	141,327	112,991
— Optoelectronic products — 光電產品	94,330	21,915
— Optical instruments — 光學儀器	33,167	26,308
	268,824	161,214
Unallocated corporate liabilities 未分配公司負債	4,732	269,296
Consolidated total liabilities 綜合負債總額	273,556	430,510

5. Revenue and Segmental Information (Continued)

Geographical segments

The following table provides an analysis of the Group's sales by geographical markets, irrespective of the origin of the goods:

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
The PRC (excluding Hong Kong) 中國(不包括香港)	746,480	327,459
Hong Kong 香港	406,527	337,522
Japan 日本	117,626	83,374
Taiwan 台灣	8,442	37,736
Others (Note) 其他(附註)	102,790	114,607
	1,381,865	900,698

Over 90% of the Group's assets are located in the PRC. Accordingly, no geographical segment analysis of segment assets and cost incurred to acquire segment assets are presented.

Note: Others composed of sales to Korea, Europe and other markets in which the individual amount is not over 10% of the Group's sales.

5. 收益及分部資料(續)

地區分部

下表為本集團按地區市場(不論貨物來源地)的銷售額分析：

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
The PRC (excluding Hong Kong) 中國(不包括香港)	746,480	327,459
Hong Kong 香港	406,527	337,522
Japan 日本	117,626	83,374
Taiwan 台灣	8,442	37,736
Others (Note) 其他(附註)	102,790	114,607
	1,381,865	900,698

本集團逾90%的資產位於中國。因此，並無呈列分部資產及收購分部資產所產生成本的地區分部分分析。

附註：其他包括在韓國、歐洲及其他市場的銷售額，各地個別金額不超過本集團銷售額的10%。



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6. Other Income

6. 其他收入

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Bank interest income 銀行利息收入	14,212	1,516
Interests income from share subscription (Note 1) 認購股份所得利息收入 (附註1)	20,408	—
Government grants (Note 2) 政府補助金 (附註2)	5,795	1,084
Net gain on sales of scrap materials 銷售廢料收益淨額	610	534
Subcontracting service income 分包服務收入	878	961
Gain on disposal of held-for-trading equity securities 出售持作買賣股本證券的收益	3,036	—
Others 其他	1,124	870
Total 總額	46,063	4,965

Notes:

- Interest income from share subscription represents deposit interest income arising from the Company's share application under Global Offering which took place in June 2007.
- Government grants are received from the local government unconditionally to recognise the eminence of development of new products and export business of the Group.

附註：

- 自股份認購所得利息收入指本公司根據二零零七年六月全球發售的股份申請所產生的存款利息收入。
- 政府補助金由地方政府無條件發出以嘉許本集團開發新產品及發展出口業務的貢獻。

7. Finance Costs

7. 融資成本

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Interest expenses on: 利息開支：		
Bank borrowings 銀行借貸	3,103	609
Loans from a related party (note 29(b)) 關連人士貸款 (附註29(b))	572	2,002
Discounted bills 已貼現票據	120	302
Total 總額	3,795	2,913

8. Income Tax Charge

The charge comprises: 開支包括：

Current tax 即期稅項

8. 所得稅開支

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Current tax 即期稅項	10,424	—

The current tax charge for each of the years ended 31 December 2007 and 2006 represents income tax in the PRC which is calculated at the prevailing tax rate on the taxable income of the group entities in the PRC.

Sunny Optics and Ningbo Instruments were sino-foreign equity joint ventures of manufacturing nature established in coastal economic open zone in the PRC with applicable tax rate of 26.4%. Pursuant to Foreign Enterprise Income Tax ("FEIT") Laws in PRC, Sunny Optics and Ningbo Instruments were approved to be exempted from FEIT for two years starting from their first profit making year, followed by a 50% tax relief for the next three years ("Tax Holidays"). The PRC income taxes for these two entities were therefore exempted for the year ended 31 December 2006 and 50% relief for the year ended 31 December 2007.

Sunny Zhongshan and Sunny Opotech were established as sino-foreign equity joint ventures of manufacturing nature established in coastal economic open zone in the PRC with applicable tax rates of 24% and 26.4%, respectively. In accordance with FEIT Laws in PRC, Sunny Zhongshan and Sunny Opotech are also entitled to the Tax Holidays. Sunny Zhongshan had no tax assessable profit for the year ended 31 December 2006 and was exempted for the year ended 31 December 2007. The PRC income tax for Sunny Opotech was exempted for both years ended 31 December 2007 and 2006.

截至二零零七年及二零零六年十二月三十一日止年度各年的即期稅項開支指根據位於中國的集團實體應課稅收入適用稅率計算的中國所得稅。

浙江舜宇光學及寧波儀器為在中國沿海經濟開放區成立從事製造業的中外合資經營企業，適用稅率為26.4%。根據中國外資企業所得稅（「外資企業所得稅」）法，浙江舜宇光學及寧波儀器可自首個獲利年度起計兩年內免繳外資企業所得稅，而隨後三年則獲半免（「免稅期」）。因此，浙江舜宇光學及寧波儀器於截至二零零六年十二月三十一日止年度獲豁免繳付外資企業所得稅，而截至二零零七年十二月三十一日止年度則獲半免。

舜宇中山及舜宇光電信息為在中國沿海經濟開放區成立從事製造業的中外合資經營企業，適用稅率分別為24%及26.4%。根據中國外資企業所得稅法，舜宇中山及舜宇光電信息亦可享有免稅期。舜宇中山於截至二零零六年十二月三十一日止年度無應課稅溢利，而於截至二零零七年十二月三十一日止年度獲豁免繳付外資企業所得稅。舜宇光電信息於截至二零零七年及二零零六年十二月三十一日止兩年獲豁免繳納外資企業所得稅。

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8. Income Tax Charge (Continued)

Nanjing Sunny Optical Instruments Co., Ltd. ("Nanjing Instruments") and Ningbo Sunny Infrared Technologies Company Ltd ("Sunny Infrared") are domestic limited liability companies with applicable tax rate of 33%. Nanjing Instruments and Sunny Infrared had no tax assessable profit for both years ended 31 December 2007 and 2006.

Shanghai Sunny Hengping Scientific Instrument Co., Ltd. ("Sunny Hengping") was domestic limited liability company and approved as a Hi-Tech Enterprise of Shanghai, PRC on 15 October 2006. Sunny Hengping is entitled to go on enjoying a preferential tax rate of 15% pursuant to relevant approval obtained from local tax authority in 2008.

On 16 March 2007, the PRC promulgated the new PRC Enterprise Income Tax Law (the "New Law") by Order No. 63 of the President of the PRC. Under the New Law, the enterprise income tax for both domestic and foreign-invested enterprises will be unified at 25% effective from 1 January 2008. There will be a transitional period for certain PRC subsidiaries that currently are entitled to certain preferential tax treatments granted by the relevant tax authorities. Eligible PRC subsidiaries currently subject to an enterprise income tax rate lower than 25% will be gradually transitioned to the new unified rate of 25% within five years after 1 January 2008. PRC subsidiaries that were entitled to preferential tax rate may continue to enjoy such treatment until the Tax Holidays expires. On 6 December 2007, the State Council of the PRC issued Implementation Regulations of the New Law. The New Law and Implementation Regulations will change the applicable tax rate for certain PRC subsidiaries from the existing preferential rate to 18%, 20%, 22%, 24% and 25% for the years ending 31 December 2008, 2009, 2010, 2011 and 2012 respectively, from 1 January 2008.

綜合財務報表附註

截至二零零七年十二月三十一日止年度

8. 所得稅開支(續)

南京舜宇光學儀器有限公司(「南京儀器」)及寧波舜宇紅外技術有限公司(「舜宇紅外」)為內資股份有限責任公司，適用稅率為33%。南京儀器及舜宇紅外於截至二零零七年及二零零六年十二月三十一日止兩年度並無應課稅溢利。

上海舜宇恆平科學儀器有限公司(「舜宇恆平」)為內資股份有限責任公司，並於二零零六年十月十五日獲認可為中國上海高新技術企業。舜宇恆平於二零零八年獲有關地方稅務局批准繼續享有優惠稅率15%。

於二零零七年三月十六日，中國通過中國主席令第63號頒佈新中國企業所得稅法(「新稅法」)。根據新稅法，二零零八年一月一日起，內資及外資企業的企業所得稅率統一為25%。目前享有相關稅局所授出若干稅務優惠的若干中國附屬公司會有一段過渡期。目前須按低於25%企業所得稅率繳稅的合資格中國附屬公司會自二零零八年一月一日起計五年內逐步過渡至新統一稅率25%。可於稅務優惠期享有優惠稅率的中國附屬公司可於到期前繼續享有該等優惠。於二零零七年十二月六日，中國國務院頒佈新稅法實施條例。新稅法及實施條例會改變若干中國附屬公司的適用稅率，自二零零八年一月一日起由現時的優惠稅率改變為截至二零零八年、二零零九年、二零一零年、二零一一年及二零一二年十二月三十一日止年度分別18%、20%、22%、24%及25%。

8. Income Tax Charge (Continued)

The income tax charge for the both years can be reconciled to the profit before taxation per the consolidated income statements as follows:

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Profit before taxation 除稅前溢利	236,295	165,985
Tax at applicable income tax rate of 33% 按適用所得稅率33%計算的稅項	77,977	54,775
Tax effect of income not taxable for tax purpose 毋須課稅收入之稅務影響	(9,071)	—
Tax effect of expenses not deductible for tax purpose (note) 不可扣稅開支之稅務影響(附註)	10,494	6,421
Tax concession and exemption of subsidiaries 附屬公司稅務優惠及豁免	(69,546)	(59,559)
Tax effect of tax losses not recognised 未確認稅項虧損之稅務影響	2,129	1,389
Tax effect of utilisation of tax losses not previously recognised 動用先前未確認稅項虧損之稅務影響	(1,559)	(3,026)
Income tax charge 所得稅開支	10,424	—

Note: The amount for the year ended 31 December 2007 mainly represents operating expenses that are not deductible subject to regulatory regimes of the Cayman Islands.

The amount for the year ended 31 December 2006 mainly represents staff costs that are not deductible under the relevant PRC tax regulation.

The Group had unrecognised tax losses approximately RMB11,488,000 (2006: RMB9,760,000) which can be carried forward for five years. The tax loss will expire during 2010 to 2012. The details of unrecognised tax losses are as follows:

	RMB'000 人民幣千元
At 1 January 2006 於二零零六年一月一日	14,721
Utilised in the year 年內動用	(9,170)
Arose during the year 年內產生	4,209
At 31 December 2006 and 1 January 2007 於二零零六年十二月三十一日及二零零七年一月一日	9,760
Utilised in the year 年內動用	(4,724)
Arose during the year 年內產生	6,452
At 31 December 2007 於二零零七年十二月三十一日	11,488

No deferred tax has been recognised due to the unpredictability of future profit streams.

8. 所得稅開支(續)

兩年內的所得稅開支與綜合收益表所列除稅前溢利對賬如下：

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Profit before taxation 除稅前溢利	236,295	165,985
Tax at applicable income tax rate of 33% 按適用所得稅率33%計算的稅項	77,977	54,775
Tax effect of income not taxable for tax purpose 毋須課稅收入之稅務影響	(9,071)	—
Tax effect of expenses not deductible for tax purpose (note) 不可扣稅開支之稅務影響(附註)	10,494	6,421
Tax concession and exemption of subsidiaries 附屬公司稅務優惠及豁免	(69,546)	(59,559)
Tax effect of tax losses not recognised 未確認稅項虧損之稅務影響	2,129	1,389
Tax effect of utilisation of tax losses not previously recognised 動用先前未確認稅項虧損之稅務影響	(1,559)	(3,026)
Income tax charge 所得稅開支	10,424	—

附註：截至二零零七年十二月三十一日止年度的款項主要為根據開曼群島監管機關規定不可扣稅的經營開支。

截至二零零六年十二月三十一日止年度的款項主要為根據中國相關稅務法規不可扣稅的員工成本。

本集團的未確認稅項虧損約為人民幣11,488,000元(二零零六年：人民幣9,760,000元)，可結轉至五年，於二零一零年至二零一二年間屆滿。有關未確認稅項虧損的詳情如下：

	RMB'000 人民幣千元
At 1 January 2006 於二零零六年一月一日	14,721
Utilised in the year 年內動用	(9,170)
Arose during the year 年內產生	4,209
At 31 December 2006 and 1 January 2007 於二零零六年十二月三十一日及二零零七年一月一日	9,760
Utilised in the year 年內動用	(4,724)
Arose during the year 年內產生	6,452
At 31 December 2007 於二零零七年十二月三十一日	11,488

由於無法預測未來溢利來源，故並無確認遞延稅項。

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9. Profit For The Year

Profit for the year has been arrived at after charging (crediting):

9. 年內溢利

年內溢利已扣除(計入)以下各項：

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Directors' emoluments 董事酬金	1,958	931
Other staff's salaries and allowances 其他員工的薪金及津貼	165,084	89,627
Other staff's discretionary bonuses 其他員工的酌情花紅	27,050	5,754
Other staff's contribution to retirement benefit scheme 其他員工的退休福利計劃供款	10,496	7,222
Total staff costs 員工成本總額	204,588	103,534
Auditors' remuneration 核數師酬金	2,500	788
Depreciation of property, plant and equipment 物業、機器及設備折舊	54,355	37,435
Release of prepaid lease payments 預付租金撥回	353	272
Initial global offering expenses 首次全球發售之開支	16,623	—
Allowance for inventories 存貨撥備	3,634	1,725
Foreign exchange gain 外匯收益	(3,770)	—
Foreign exchange losses 外匯虧損	25,087	4,112
Net foreign exchange losses 外匯虧損淨額	21,317	4,112
(Gain) loss on disposal of property, plant and equipment 出售物業、機器及設備的(收益)虧損	(126)	38

10. Dividends

10. 股息

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Dividends declared during the year (note 1) 年內已宣派股息(附註1)	—	103,215
Final dividends proposed after balance sheet date (note 2) 建議於結算日後派付的末期股息(附註2)	21,000	—

Note:

- The amount for the year ended 31 December 2006 represented dividends declared by Sunny Optics, Ningbo Instruments and Sunny Opotech to their then shareholders prior to group reorganisation.
- Subsequent to the balance sheet date, a final dividend of RMB0.021, (equivalent to approximately HK\$0.022) (2006: nil) per ordinary share has been proposed by the directors and is subject to approval by the shareholders in the annual general meeting. The final dividends proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

附註：

- 截至二零零六年十二月三十一日止年度的款項指浙江舜宇光學、寧波儀器及舜宇光電信息於集團重組前向各自當時股東宣派的股息。
- 於結算日後，董事建議派付末期股息每股普通股人民幣0.021元(約0.022港元)(二零零六年：無)，惟須獲股東於股東週年大會批准。建議於結算日後派付的末期股息並未於結算日確認為負債。



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11. Earnings Per Share

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

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Earnings 盈利：		
Earnings for the purposes of basic earnings per share (Profit for the year attributable to equity holders of the Company) 用作計算每股基本盈利之盈利(本公司股權持有人應佔年度溢利)	225,436	117,158
	2007 二零零七年 '000 千	2006 二零零六年 '000 千
Number of shares 股份數目		
Weighted average number of ordinary shares for the purposes of basic earnings per share 用作計算每股基本盈利之普通股加權平均數	915,616	574,869

No diluted earnings per share is presented as the Company did not have any potentially dilutive shares in issue during both years or at each of the balance sheet date.

For the year ended 31 December 2007, the weighted average number of ordinary shares has been adjusted to reflect the weighted average effect of the 1,000,000,000 shares in issue (note 22(1)), comprising 1,000,000 shares in issue before the capitalisation issue, 799,000,000 shares issued pursuant to the capitalisation issue as more fully described in note 22(2) and 200,000,000 shares issued in global offering.

For the year ended 31 December 2006, the weighted average number of ordinary shares has been adjusted to reflect the weighted average effect of the 800,000,000 shares in issue (note 22(1)), comprising 1,000,000 shares in issue and 799,000,000 shares upon capitalisation issue as stated above.

11. 每股盈利

本公司普通股權持有人應佔每股基本盈利乃按下列數據計算：

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Earnings 盈利：		
Earnings for the purposes of basic earnings per share (Profit for the year attributable to equity holders of the Company) 用作計算每股基本盈利之盈利(本公司股權持有人應佔年度溢利)	225,436	117,158
	2007 二零零七年 '000 千	2006 二零零六年 '000 千
Number of shares 股份數目		
Weighted average number of ordinary shares for the purposes of basic earnings per share 用作計算每股基本盈利之普通股加權平均數	915,616	574,869

由於本公司於該兩年度或各結算日並無已發行潛在攤薄股份，故並無呈列每股攤薄盈利。

截至二零零七年十二月三十一日止年度的普通股加權平均數已調整，以反映已發行1,000,000,000股股份(附註22(1))，(包括於資本化發行前已發行的1,000,000股、根據資本化發行而發行的799,000,000股股份(詳情載於附註22(2))及於全球發售發行的200,000,000股股份)的加權平均影響。

截至二零零六年十二月三十一日止年度的普通股加權平均數已調整，以反映已發行800,000,000股股份(附註22(1))，(包括上述已發行的1,000,000股及根據資本化發行而發行的799,000,000股股份)的加權平均影響。

12. Directors' And Employee's Emoluments

The emoluments of the directors on a named basis are as follows:

12. 董事及僱員酬金

按姓名劃分的董事酬金分析如下：

	Salaries and		Bonus	Retirement	Total
	Fees	other benefits		benefit scheme	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	袍金	薪金及 其他福利	花紅	退休福利 計劃供款	總額
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<i>For the year ended 31 December 2007</i>					
<i>截至二零零七年十二月三十一日止年度</i>					
Wang Wenjian 王文鑾	—	300	360	21	681
Ye Liaoning 葉遼寧	—	240	288	21	549
Xie Minghua 謝明華	—	110	132	—	242
Wu Jinxian 吳進賢	—	58	70	8	136
Shao Yang Dong 邵仰東 (note 1)(附註1)	—	94	—	—	94
Li Tyson Sandy Ying Lun 李英倫 (note 2) (附註2)	—	—	—	—	—
Michael David Ricks (note 1)(附註1)	—	94	—	—	94
Koji Suzuki 鈴木浩二	—	117	—	—	117
Chang Mei Dick 張未	—	117	—	—	117
Liu Xu 劉旭	—	58	—	—	58
Zhang Yuqing 張余慶	—	58	—	—	58
	—	1,246	850	50	2,146

	Salaries and		Bonus	Retirement	Total
	Fees	other benefits		benefit scheme	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	袍金	薪金及 其他福利	花紅	退休福利 計劃供款	總額
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元

(note 3)

(附註3)

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Wang Wenjian 王文鑾	—	222	222	26	470
Ye Liaoning 葉遼寧	—	150	150	17	317
Xie Minghua 謝明華	—	86	58	—	144
Wu Jinxian 吳進賢	—	—	—	—	—
	—	458	430	43	931

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12. Directors' And Employee's Emoluments (Continued)

The five highest paid individuals of the Group included 2 directors for both years. Details of their emoluments are set out above. The emoluments of the remaining 3 (2006: 3) highest paid individuals were as follows:

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Employees 僱員		
— salaries and other allowances — 薪金及其他津貼	996	339
— bonuses — 花紅	589	339
— retirement benefit scheme contributions — 退休福利計劃供款	36	18
	1,621	696

The aggregated emolument of each of the five highest paid individuals during both years presented are not more than HKD1,000,000 (equivalent approximately to RMB935,400).

During both years, no emoluments were paid by the Group to the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office.

Notes:

1. During the year ended 31 December 2007, 2 directors waived emoluments of RMB188,000 (2006: Nil).
2. Li Tyson Sandy Ying Lun was appointed on 18 May 2007 and resigned on 30 September 2007.
3. The performance related bonus payment is determined by the board of directors based on the Group's performance for each financial year and subject to a maximum of 5% of consolidated profit attributable to equity holders of the Company.

綜合財務報表附註

截至二零零七年十二月三十一日止年度

12. 董事及僱員酬金 (續)

本集團的五名最高薪酬人士均包括兩名董事，彼等的酬金詳情載於上文。其餘三名(二零零六年：三名)最高薪酬人士的酬金如下：

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Employees 僱員		
— salaries and other allowances — 薪金及其他津貼	996	339
— bonuses — 花紅	589	339
— retirement benefit scheme contributions — 退休福利計劃供款	36	18
	1,621	696

於所呈報兩年內已付五名最高薪酬人士的酬金總額不超過1,000,000港元(約等於人民幣935,400元)。

於兩年內，本集團並無向五名最高薪酬人士(包括董事及僱員)支付酬金，作為邀請彼等加入或加入本集團後的獎金或作為離職補償。於該等年度概無董事放棄任何酬金。

附註：

1. 截至二零零七年十二月三十一日止年度，兩名董事放棄收取酬金人民幣188,000元(二零零六年：無)。
2. 李英倫先生於二零零七年五月十八日獲委任，於二零零七年九月三十日辭任。
3. 考績花紅乃根據董事會按本集團於各財政年度的表現釐定，惟不可高於本公司股權持有人應佔綜合溢利的5%。

13. Property, Plant and Equipment

13. 物業、機器及設備

	Buildings	Machinery and production equipment	Motor vehicles	Fixtures and office equipment	Construction in progress	Total
	樓宇	機械及生產設備	汽車	傢俬及辦公室設備	在建工程	總計
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
COST 成本						
At 1 January 2006 於二零零六年一月一日	71,273	190,897	5,540	12,589	13,809	294,108
Additions 添置	7,518	21,515	1,364	13,028	81,830	125,255
Transfer 轉撥	8,393	78,684	—	5,184	(92,261)	—
Disposal of a subsidiary 出售一家附屬公司	—	(86)	(386)	—	—	(472)
Disposals 出售	—	(1,070)	(230)	(596)	—	(1,896)
At 31 December 2006 於二零零六年十二月三十一日	87,184	289,940	6,288	30,205	3,378	416,995
Additions 添置	24,152	41,180	2,235	6,823	80,631	155,021
Transfer 轉撥	156	48,113	—	13,142	(61,411)	—
Acquisition of a subsidiary 收購一家附屬公司	—	44	79	129	—	252
Disposals 出售	(37)	(2,655)	—	(92)	(2)	(2,786)
At 31 December 2007 於二零零七年十二月三十一日	111,455	376,622	8,602	50,207	22,596	569,482
ACCUMULATED DEPRECIATION 累計折舊						
At 1 January 2006 於二零零六年一月一日	8,343	65,091	2,282	2,656	—	78,372
Charge for the year 年內支出	6,485	26,018	1,043	3,889	—	37,435
Disposal of a subsidiary 出售一家附屬公司	—	(60)	(202)	—	—	(262)
Eliminated on disposals 出售時對銷	—	(245)	(61)	(134)	—	(440)
At 31 December 2006 於二零零六年十二月三十一日	14,828	90,804	3,062	6,411	—	115,105
Charge for the year 年內支出	12,276	33,499	1,199	7,381	—	54,355
Eliminated on disposals 出售時對銷	(13)	(1,037)	—	(70)	—	(1,120)
At 31 December 2007 二零零七年十二月三十一日	27,091	123,266	4,261	13,722	—	168,340
CARRYING AMOUNT 賬面值						
At 31 December 2007 於二零零七年十二月三十一日	84,364	253,356	4,341	36,485	22,596	401,142
At 31 December 2006 於二零零六年十二月三十一日	72,356	199,136	3,226	23,794	3,378	301,890

Depreciation is provided to write off the cost of property, plant and equipment, other than construction in progress, using straight-line method, over their estimated useful lives as follows:

Buildings	20 years
Machinery and production equipment	5 to 10 years
Motor vehicles	5 years
Fixtures and office equipment	5 to 10 years

折舊乃按照直線法於物業、機器和設備（在建工程除外）的下列估計可用年內期內撇減成本：

樓宇	20年
機械及生產設備	5至10年
汽車	5年
傢俬及辦公室設備	5至10年

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14. Prepaid Lease Payments

14. 預付租金

	RMB'000 人民幣千元
At 1 January 2006 於二零零六年一月一日	11,391
Released to consolidated income statement 於綜合收益表扣除	(272)
At 31 December 2006 and 1 January 2007 於二零零六年十二月三十一日及二零零七年一月一日	11,119
Additions 添置	10,000
Released to consolidated income statement 於綜合收益表扣除	(353)
At 31 December 2007 於二零零七年十二月三十一日	20,766

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Analysed for reporting purpose as: 申報分析如下:		
Current assets 流動資產	502	271
Non-current assets 非流動資產	20,264	10,848
	20,766	11,119

The amount represents the payments for leasehold interest in land situated in the PRC and held under medium-term leases.

上述款項為位於中國以中期租約所持土地使用權的預付租金。

The amount is released to profit or loss over the term of leases ranging from 43 years to 45 years.

上述款項於介乎43年至45年的租期內於損益扣除。

15. Available-For-Sale Investments

15. 可供出售投資

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Available-for-sale investments comprise: 可供出售投資包括：		
Investment in an investee company (note 1) 於一間受投資公司的投資 (附註1)	7,511	—
Investments fund (note 2) 投資基金 (附註2)	66,188	—
	73,699	—
Analysed for reporting purposes as: 申報分析如下：		
Current asset 流動資產	66,188	—
Non current asset 非流動資產	7,511	—
	73,699	—

Notes:

- The amount represented the Group's investment in Power Optics Co., Ltd. ("Power Optics"), a company incorporated in Korea engaged in the business of research and development of optoelectronic products, with a registered capital of KRW188,900,000. The investment represents 8.56% holding of the ordinary shares in Power Optics. The investment is measured at cost less impairments at balance sheet date because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that the fair values cannot be measured reliably.
- The fair value of the investments is determined based on the price quoted by bank. The fund mainly engages in investments on subscribing A shares which are eligible for initially public offering in the PRC.

附註：

- 上述款項指本集團於Power Optics Co., Ltd. (「Power Optics」)的投資，該公司於韓國註冊成立，從事光電產品的研發業務，其註冊資本為188,900,000韓圓。上述投資指持有Power Optics的8.56%普通股。因本公司董事認為，由於合理的公平值估計範圍太大，無法準確計算公平值，故該等投資於結算日按成本扣除減值計量。
- 該等投資的公平值乃按銀行所報價格釐定。該基金主要投資認購可於中國參與首次公開發售的A股。



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16. Goodwill

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
COST 成本		
Arising on acquisition of a subsidiary and balance at 31 December 收購一家附屬公司所產生的商譽及於十二月三十一日的結餘	12,077	—

For the purpose of impairment testing, the goodwill has been allocated to an individual cash generating unit (the "CGU") in the sales of scientific instruments. During the year ended 31 December 2007, management of the Group determines that there is no impairment of the CGU containing goodwill. The recoverable amount of CGU was assessed based on a value in use calculation.

The calculation uses cash flow projection based on financial budgets approved by management covering a ten-year period, and a discount rate of 7.83%. Cash flow projections during the budget period for the CGU are based on the expected gross margins during the budget period. Budgeted gross margins have been determined based on past performance and management's expectations for the market development.

為進行減值測試，商譽已分配至銷售科學儀器的各現金產生單位（「現金產生單位」）。於截至二零零七年十二月三十一日止年度，本集團管理層釐定包括商譽之各現金產生單位並無減值。現金產生單位的可收回金額乃按使用價值計算評估。

商譽乃以按管理層所批准十年期間財政預算的現金流量預測計算，折現率為7.83%。現金產生單位於預算期內的現金流量預測乃基於預算期內的預期毛利釐定。預算毛利已根據過往表現及管理層對市場發展的展望計算。

17. Inventories

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Raw materials 原材料	57,506	46,924
Work in progress 在製品	32,261	29,624
Finished goods 製成品	45,221	31,794
	134,988	108,342

17. 存貨

18. Trade and Other Receivables

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Trade receivables 貿易應收款項	277,566	146,895
Less: allowance for doubtful debts 減：呆賬撥備	(3,057)	(4,128)
	274,509	142,767
Bill receivables 應收票據	72,207	39,640
Other receivables 其他應收款項	31,536	19,888
Total trade and other receivables 貿易及其他應收款項總額	378,252	202,295

The Group allows an average credit period of 90 days to its trade customers. The following is an aged analysis of trade receivables net of allowance for doubtful debts at the balance sheet date:

本集團給予貿易客戶平均90日的信貸期。以下為於結算日貿易應收款項減呆賬撥備的賬齡分析：

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
0-90 days 0至90日	259,672	133,788
91-180 days 91日至180日	13,259	6,372
Over 180 days 180日以上	1,578	2,607
	274,509	142,767

The ageing analysis of bill receivables at the balance sheet date is as follow:

於結算日的應收票據賬齡分析如下：

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
0-90 days 0至90日	47,604	33,540
91-180 days 91日至180日	24,603	6,100
	72,207	39,640

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18. Trade and Other Receivables (Continued)

Before accepting any new customer, the Group has assessed the potential customer's credit quality and defined credit limits by customer. Limits attributed to customers are reviewed once a year. 95% of the trade receivables that are neither past due nor impaired have the best credit attributable assessed by the Group.

The Group has made specific allowance for certain receivables which are past due but with aging less than 365 days based on the evaluation of collectability of each accounts and provided fully for all receivable over 365 days because historical experience is such that receivables that are past due beyond 365 days are generally not recoverable.

After assessment of impairment on individual balances, included in the Group's trade receivables are debtors with aggregate carrying amount of RMB14,151,000 (2006: RMB8,805,000) which are past due at the reporting date for which was not impaired. The Group does not hold any collateral over these balances. The average age of these receivables is as follow.

Ageing of trade receivables which are past due but not impaired

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
91-180 days 91日至180日	12,573	6,198
Over 180 days 180日以上	1,578	2,607
Total 總計	14,151	8,805

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截至二零零七年十二月三十一日止年度

18. 貿易及其他應收款項(續)

接納任何新客戶前，本集團運用內部信用評級系統評估潛在客戶的信貸質素及其界定信貸上限。每年審核一次客戶信貸上限。95%的貿易應收款項既未過期亦無減值，根據本集團的評估，信用評級最高。

本集團已評估各應收款項的可收回性，就若干逾期但賬齡不超過365日的應收款項作出特別撥備。由於根據過往經驗，逾期超過365日的應收款項一般無法收回，故本集團已就所有逾期超過365日的應收款項作出全數撥備。

評估個別結餘減值後，本集團之貿易應收款項包括於呈報日期已過期的應收賬款賬面總值人民幣14,151,000元(二零零六年：人民幣8,805,000元)，而該等賬款並無減值。本集團並無就上述應收結餘持有任何抵押品。該等應收款項平均賬齡如下。

已過期但無減值的貿易應收款項賬齡

18. Trade and Other Receivables (Continued)

Movement in the allowance for doubtful debts

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Balance at beginning of the year 年初結餘	4,128	4,112
Impairment losses recognised on receivables 已確認的應收款項減值虧損	394	16
Amounts written off as uncollectible 撇銷無法收回之款項	(4)	—
Impairment losses reversed 減值虧損撥備	(1,461)	—
Balance at end of the year 年終結餘	3,057	4,128

19. Pledged Bank Deposits/Bank Balances

The balance of pledged bank deposits represents deposits pledged to banks for obtaining letter of credit facilities granted to the Group. The deposits carry prevailing market interest rate at 0.72% (2006: 0.72%) per annum.

Bank balances carry variable interest at market rates which range from 0.72% to 1.15% (2006: 0.72% to 1.15%) per annum.

18. 貿易及其他應收款項 (續)

呆賬撥備變動

19. 已抵押銀行存款／銀行結餘

已抵押銀行存款結餘指就本集團獲得信用證而向銀行抵押的存款。該存款的當時市場年利率為0.72% (二零零六年：0.72%)。

銀行結餘的年利率隨市場息率浮動，介乎0.72%至1.15% (二零零六年：0.72%至1.15%)。



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20. Trade and Other Payables

The following is an aged analysis of trade payables at the balance sheet dates:

20. 貿易及其他應付款項

於結算日的貿易應付款項之賬齡分析如下：

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Trade payables 貿易應付款項		
Within 90 days 90天以內	173,700	102,233
91 to 180 days 91至180天	10,164	4,338
Over 180 days 超過180天	756	252
Total trade payables 貿易應付款項總額	184,620	106,823
Payable for purchase of property, plant and equipment 購置物業、機器及設備應付款項	11,029	16,448
Accrued staff costs 應計員工成本	41,407	18,831
Advance from customers 客戶預付款項	6,327	8,450
Value added tax payables and other tax payables 應付增值稅及其他應付稅項	6,831	482
Others 其他	15,011	9,819
	80,605	54,030
	265,225	160,853

21. Dividends Payable

21. 應付股息

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Sunny Group Limited 舜宇集團有限公司	—	175,000
Hangzhou Zhicheng Optoelectronic Technology Investment Limited 杭州志成光電技術投資有限公司	—	20,788
Yuyao City Sanyuan Vehicles Electronics Factory 餘姚市三園汽車電器廠	—	2,609
Yuyao City Baoma Printing Equipment Limited 餘姚市寶馬印刷器材有限公司	—	1,930
Summit Optical Holdings, Inc.	—	35,682
	—	236,009

22. Share Capital

22. 股本

	Number of shares 股份數目	Amount 數額 HK\$'000 千港元	Equivalent to 相等於 RMB'000 人民幣千元
Authorised: 法定：			
Ordinary shares of HK\$1 each on incorporation, as of 31 December 2006 and 1 January 2007 於註冊成立時、二零零六年十二月三十一日及 二零零七年一月一日每股面值1港元的普通股	380,000	380	
Sub-division of shares (note 1) 分拆股份(附註1)	3,420,000	—	
Increased on 25 May 2007 (note 1) 於二零零七年五月二十五日增加(附註1)	99,996,200,000	9,999,620	
Ordinary shares of HK\$0.1 each as of 31 December 2007 於二零零七年十二月三十一日每股面值0.1港元的普通股	100,000,000,000	10,000,000	
Issued & fully paid: 已發行及繳足：			
Ordinary shares of HK\$1 each on incorporation 於註冊成立時，每股面值1港元的普通股	1	1	
Issue of shares on 24 October 2006 於二零零六年十月二十四日發行股份	99,999	99	
Ordinary shares of HK\$1 each as of 31 December 2006 and 1 January 2007 於二零零六年十二月三十一日及二零零七年 一月一日每股面值1港元的普通股	100,000	100	101
Sub-division of shares (note 1) 分拆股份(附註1)	900,000	—	
Capitalisation issue (note 2) 資本化發行(附註2)	799,000,000	79,900	
Issue of new shares (note 3) 發行新股(附註3)	200,000,000	20,000	
Ordinary shares of HK\$0.1 each as of 31 December 2007 於二零零七年十二月三十一日每股面值0.1港元的普通股	1,000,000,000	100,000	97,520

Notes:

附註：

- | | |
|---|---|
| (1) On 25 May 2007, resolutions of all the shareholders were passed pursuant to which each share of HK\$1.00 in the share capital of the Company was sub-divided into 10 shares so that the authorised share capital of the Company became HK\$380,000 divided into 3,800,000 shares and 100,000 issued shares of HK\$1.00 each became 1,000,000 issued shares and the authorised share capital of the Company was then increased from HK\$380,000 to HK\$10,000,000,000 by the creation of additional 99,996,200,000 shares which rank pari passu in all respects with the shares then in issue. | (1) 於二零零七年五月二十五日，全體股東通過決議案，將本公司股本中每股面值1.00港元的股份分拆為10股股份，從而使本公司的法定股本變成380,000港元分為3,800,000股股份，而100,000股每股面值1.00港元的已發行股份變成1,000,000股已發行股份，並通過增設99,996,200,000股股份，使本公司法定股本由380,000港元增至10,000,000,000港元。新增股份在各方面與當時已發行股份享有同等權益。 |
| (2) During the year, the Board of Directors authorised to capitalise HK\$79,900,000 standing to the credit of the special reserve account of the Company by applying such sum in paying up in full at par of 799,000,000 shares. | (2) 年內，董事會授權將本公司特別儲備賬的進賬額79,900,000港元撥充資本，按面值繳足799,000,000股份的股款。 |
| (3) In June 2007, the Company issued 200,000,000 shares with a nominal value of HK\$0.1 each, at a price of HK\$3.82 per share by way of a global offering to Hong Kong and overseas investors. | (3) 於二零零七年六月份，本公司以全球發售方式按每股3.82港元的價格向香港及海外投資者發行200,000,000股每股面值0.1港元的股份。 |

Notes to the Consolidated Financial Statements

For the year ended 31 December 2007

23. Capital Risk Management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group is equity attributable to equity holders of the Company, comprising share capital, other reserves and retained earnings.

The directors of the Company review the capital structure periodically. As a part of this review, the directors of the Company assess the annual budget prepared by the corporate finance department which reviews the planned construction projects proposed by engineering department and prepares the annual budget taking into account of the provision of funding. Based on the proposed annual budget, the directors of the Company consider the cost of capital and the risks associated with each class of capital. The directors of the Company also balance its overall capital structure through the new share issues and payment of dividends.

24. Financial Instruments

a. Categories of financial instruments

綜合財務報表附註

截至二零零七年十二月三十一日止年度

23. 資本風險管理

本集團會管理資本，維持最有利的債務及權益結餘，以確保本集團轄下公司能夠持續經營，提高股東的回報。本集團的整體策略與去年相同。

本集團的資本架構指本公司股權持有人應佔權益(包括股本、其他儲備及保留盈利)。

本公司董事會定期檢討資本架構。公司財務部會檢討工程部提交的建築項目計劃建議，並考慮所需資金後編製年度預算，再交由本公司董事評估。本公司董事會根據建議年度預算考慮資本成本及各級別資本所涉風險。本公司董事亦透過發行新股及派發股息平衡整體資本架構。

24. 金融工具

a. 金融工具分類

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
<i>Financial assets</i> 金融資產		
Loans and receivables 貸款及應收款項	914,811	354,473
Available-for-sales investments 可供出售投資	73,699	—
<i>Financial liabilities</i> 金融負債		
Liabilities measured at amortised cost 按攤銷成本計算的負債	216,321	411,679

24. Financial Instruments (Continued)

b. Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale investments, trade and other receivables, amounts due from (to) related parties, pledged bank deposits, bank balances and cash and trade and other payables. Details of the financial instruments are disclosed in respective notes. It is, and has been throughout the year, the Group's policy not to enter into trading of financial instruments including derivative transactions.

The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Credit risk

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to perform an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the Group's consolidated balance sheet.

In order to minimise the credit risk, management has delegated a team responsible for the determination of credit limits, credit approvals and other monitoring procedures to ensure adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings.

The Group has no concentration of credit risk, with exposure spread over a large number of counterparties and customers, with different geographical location.

There has been no change to the Group's exposure to credit risk or the manner in which it manages and measures the risk.

24. 金融工具 (續)

b. 財務風險管理目標及政策

本集團的主要金融工具包括可供出售投資、貿易及其他應收款項、應收(付)關連人士款項、已抵押銀行存款、銀行結餘及現金和貿易及其他應付款項。金融工具詳情載於相關附註。年內，本集團的政策為不訂立金融工具交易，包括衍生工具交易。

與該等金融工具相關的風險，以及減輕該等風險之政策載列如下。管理人員負責管理及監控該等風險，確保及時採取有效政策。

信貸風險

因交易對手未能履行責任導致本集團承受財務虧損的最大信貸風險，乃來自本集團綜合資產負債表所列各項已確認金融資產賬面值。

為減低信貸風險，管理人員委派團隊負責釐定信貸限額、審批信貸及其他監控程序，確保為不可收回金額計提足夠減值虧損。因此，本公司董事認為本集團的信貸風險已大大降低。

由於交易對手均為信貸評級良好的銀行，故有關流動資金的信貸風險有限。

由於本集團有來自不同地區的大量交易對手及客戶，故並無集中的信貸風險。

本集團的信貸風險或管理及界定風險的策略並無改變。

Notes to the Consolidated Financial Statements

For the year ended 31 December 2007

綜合財務報表附註

截至二零零七年十二月三十一日止年度

24. Financial Instruments (Continued)

b. Financial risk management objectives and policies (Continued)

Foreign currency risks

The Group's activities expose it primarily to the market risks of changes in price risk, interest rate risk and foreign currency rate risk. Market risk exposures are further measured by sensitivity analysis. There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk. Details of each type of market risks are described as follows:

Price risk

The Group undertook certain available-for-sale investments (as disclosed in note 15) in current year. Therefore, exposures to price risk because of changes in market prices arise. The Group has closely monitored the price risk and will consider hedging the risk exposure should the need arise.

Price sensitivity analysis

The sensitivity analysis has been determined based on the exposure to price risks for available-for-sale investments (excluding investment in an investee company which is measured at cost less impairments) fluctuating in the PRC stock market at the balance sheet date. If the price of respective investment had been 5% higher/lower, the Group's investment revaluation reserve would approximately increase/decrease by RMB3,310,000 for the year ended 31 December 2007 as a result of the changes in fair value of available-for-sale investments.

Interest rate risk

The Group is exposed to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on pledged bank deposits and bank balances which carry at prevailing market interest rates. The Group currently does not have interest rate hedging policy. However, the Group monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

The Group's exposure to interest rate has increased during the current period mainly due to the increase in variable rate pledged bank deposits and bank balances at the year end.

24. 金融工具(續)

b. 財務風險管理目標及政策(續)

外幣風險

本集團業務的主要市場風險為價格波動風險、利率風險及匯率風險。市場風險進一步按敏感程度釐定。本集團的市場風險或管理及界定風險的策略不變。以下為各類市場風險的詳情：

價格風險

本年，本集團擁有若干可供出售投資(附註15所披露者)。因此，市價改變令本集團承受價格風險。本集團密切監控價格風險，並於有需要時考慮對沖風險。

價格敏感度分析

價格敏感度分析乃根據結算日在中國股票市場波動的可供出售投資(不包括以成本扣除減值計算的於所投資公司的投資)的價格風險而定。倘相關投資的價格上升/下降5%，令可供出售投資的公平值改變，則本集團於截至二零零七年十二月三十一日止年度的投資重估儲備應會增加/減少約人民幣3,310,000元。

利率風險

本集團面對來自按市場利率計息的已抵押銀行存款及銀行結餘相關市場利率波動的現金流量利率風險。本集團目前並無利率對沖政策。然而，本集團會監管利率風險，且會於有需要時考慮對沖重大利率風險。

由於年底已抵押銀行存款及銀行結餘的浮息上升，故本集團於期內的利率風險亦擴大。

24. Financial Instruments (Continued)

b. Financial risk management objectives and policies (Continued)

Foreign currency risks (Continued)

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to floating interest rates at the balance sheet date. A 50 basis point increase or decrease is used to present the reasonably possible change in interest rates at the year end.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 31 December 2007 would increase/decrease approximately by RMB2,727,000 (2006: RMB804,000).

Foreign currency risk

The Group undertakes certain foreign currency sales and purchases, which expose the Group to foreign currency risk. Certain of Group's bank and cash balances, trade and other receivables and trade and other payables expose to such foreign currency risk. The Group currently does not use any derivative contracts to hedge against its exposure to currency risk. The Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rate.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Assets		Liabilities	
	資產		負債	
	2007	2006	2007	2006
	二零零七年	二零零六年	二零零七年	二零零六年
	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元
United States Dollar 美元	310,909	84,389	71,706	38,677
Japanese Yen 日圓	6,348	7,315	2,205	3,094

24. 金融工具 (續)

b. 財務風險管理目標及政策 (續)

外幣風險 (續)

利率敏感度分析

以下的敏感度分析乃按照結算日的浮息釐定。年底利率的合理可能變化為增減50個基點。

倘利率增／減50個基點，而所有其他可變因素維持不變，則本集團截至二零零七年十二月三十一日止年度的溢利應會增加／減少約人民幣2,727,000元（二零零六年：人民幣804,000元）。

外幣風險

本集團進行若干外匯買賣，因而面對外幣風險。本集團若干銀行及現金結餘、貿易及其他應收款項以及貿易及其他應付款項均面對有關外幣風險。本集團目前並無運用任何衍生合約對沖外幣風險，但會密切監控匯率改變以管理外匯風險。

以下為本集團於呈報日期以外幣計值貨幣資產及貨幣負債的賬面值：

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For the year ended 31 December 2007

綜合財務報表附註

截至二零零七年十二月三十一日止年度

24. Financial Instruments (Continued)

b. Financial risk management objectives and policies (Continued)

Foreign currency risks (Continued)

Sensitivity analysis

The Group mainly exposes to fluctuation in United States Dollar ("USD") and Japanese Yen ("JPY") against Renminbi ("RMB").

The following table details the Group's sensitivity to a 5% change in RMB against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end date for a 5% change in foreign currency rates.

A negative number below indicates a decrease in profit where RMB strengthen 5% against the relevant currency. For a 5% weakening of RMB against the relevant currency, there would be an equal and opposite impact on the profit, and the amounts below would be positive.

24. 金融工具(續)

b. 財務風險管理目標及政策(續)

外幣風險(續)

敏感程度分析

本集團的主要風險來自人民幣兌美元及日圓的匯價波動。

下表詳述本集團受人民幣兌相關外幣升/貶值5%的影響。敏感度分析僅包括尚未結算的外幣計值貨幣項目，以及有關換算因年底匯率增減5%而作出的調整。

下列負數代表人民幣兌相關外幣升值5%而導致溢利減少。倘人民幣兌相關外幣貶值5%，則會對溢利有相同或相反的影響，而下列金額應為正數。

	Loss for the year	
	年內虧損	
	2007	2006
	二零零七年	二零零六年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
USD (note) 美元(附註)	(11,960)	(2,286)
JPY (note) 日圓(附註)	(207)	(171)

Note: This is mainly attributable to the exposure to outstanding receivables denominated in respective foreign currency at the year end.

The Group's sensitivity to foreign currency has increased during the current year mainly due to a higher United States Dollar denominated receivables at the year end.

附註：主要是來自年底尚未結算的相關外幣計值應收款項的風險。

年內，本集團受匯率影響的程度提高，主要是由於年底以美元計值的應收款項增加。

24. Financial Instruments (Continued)

b. Financial risk management objectives and policies (Continued)

Foreign currency risks (Continued)

Liquidity risk

The Group has net current assets amounting to RMB854,051,000 at 31 December 2007 (2006: RMB42,144,000), and has low exposure to liquidity risk of being unable to raise sufficient funds to meet its financial obligations when they fall due.

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities as at 31 December 2007. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

	Weighted average effective interest rate	Less than 3 month RMB'000	3 month to 1 year RMB'000	Total undiscounted cash flows RMB'000	Carrying amount RMB'000
	加權平均 實際利率	三個月內 人民幣千元	三個月至 一年 人民幣千元	未折現現金 流量總額 人民幣千元	賬面值 人民幣千元
<i>As at 31 December 2007</i>					
<i>於二零零七年十二月三十一日</i>					
Trade and other payables 貿易及其他應收款項	—	50,118	173,700	223,818	223,818
Amounts due to related parties 應付關連人士款項	—	5,661	—	5,661	5,661
		55,779	173,700	229,479	229,479
<i>As at 31 December 2006</i>					
<i>於二零零六年十二月三十一日</i>					
Trade and other payables 貿易及其他應付款項	—	39,789	102,233	142,022	142,022
Dividends payable 應派股息	—	236,009	—	236,009	236,009
Amounts due to related parties 應付關連人士款項					
fixed interest rate bearing 按固定利率計息	4.6%	—	34,765	34,765	33,237
non interest bearing 免息	—	411	—	411	411
		276,209	136,998	413,207	411,679

24. 金融工具 (續)

b. 財務風險管理目標及政策 (續)

外幣風險 (續)

流動資金風險

本集團於二零零七年十二月三十一日的流動資產淨額為人民幣854,051,000元(二零零六年：人民幣42,144,000元)，故因未能籌募足夠資金清償到期財務責任的流動資金風險相當低。

為管理流動資金風險，本集團監控及維持管理層認為足夠的現金及現金等值，用作本集團的營運資金及減低現金流不穩定的影響。

下表詳列於二零零七年十二月三十一日本集團非衍生金融負債的剩餘合約期限。下表根據本集團須應要求償還金融負債的最早日期的相關未折現金融負債現金流編撰，載有利息及本金現金流量。

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綜合財務報表附註

截至二零零七年十二月三十一日止年度

24. Financial Instruments (Continued)

c. Fair value

The fair value of financial assets and financial liabilities (excluding available-for-sale investments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices or rates from observable current market transactions as input. For available-for-sale investments, the fair value is determined with reference to price quoted by bank.

The directors of the Company consider that the carrying amounts of all other financial assets and financial liabilities recorded at amortised cost in the consolidated balance sheet approximate their corresponding fair values.

24. 金融工具(續)

c. 公平值

金融資產及金融負債(不包括可供出售投資)的公平值按折現現金流分析的公認定價模式或當前公開市場交易價格或比率作為輸入項目釐定。可供出售投資的公平值參考銀行報價釐定。

本公司董事認為於綜合資產負債表按攤銷成本列賬的所有其他金融資產及金融負債賬面值與公平值相若。

25. Capital Commitments

Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements

已訂約但未於綜合財務報表撥備的物業、廠房及設備收購相關資本開支

25. 資本承擔

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	31,699	1,068
已訂約但未於綜合財務報表撥備的物業、廠房及設備收購相關資本開支	31,699	1,068

26. Operating Lease Commitments

Minimum lease payments under operating leases recognised in the consolidated income statement

年內於綜合收益表確認的經營租約最低租金付款

26. 經營租約承擔

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Minimum lease payments under operating leases recognised in the consolidated income statement	6,585	5,728
年內於綜合收益表確認的經營租約最低租金付款	6,585	5,728

26. Operating Lease Commitments (Continued)

At the balance sheet date, the Group had outstanding commitments under non-cancellable operating leases in respect of premises which fall due as follows:

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Within one year 一年內	4,695	891
In the second to fifth year inclusive 第二至第五年內(包括首尾兩年)	3,577	1,141
	8,272	2,032

Operating lease payments represent rentals payable by the Group for premises used for production and operation. Leases are negotiated for a term of 1 to 2 years and rentals are fixed over the relevant lease term.

26. 經營租約承擔 (續)

於結算日，本集團根據相關物業不可撤銷經營租約尚未履行之租金承擔如下：

經營租金付款為本集團就用作生產及營運之物業的應付租金。租約經磋商訂立，租期為一至兩年，而租金於相關租期內固定不變。

27. Retirement Benefit Scheme

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Retirement benefit scheme contribution made during the year 年內退休福利計劃供款	10,589	7,265

The employees of the Group's PRC subsidiaries are members of a state-managed retirement benefit scheme operated by the local government. The subsidiaries are required to contribute a specified percentage of their payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

27. 退休福利計劃

本集團中國附屬公司的僱員已參加地方政府經營的國家管理退休福利計劃。該等附屬公司須自工資成本撥出特定百分比的款項作為退休福利計劃的供款。本集團於該退休福利計劃的唯一責任為向該計劃作出定額供款。

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27. Retirement Benefit Scheme (Continued)

The Group also participates in a Mandatory Provident Fund Scheme (the MPF Scheme) established under the Mandatory Provident Fund Ordinance in December 2000 for the Group's Hong Kong employees. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. For employees who were members of the MPF Scheme, the Group contributes 5% of relevant payroll costs to the scheme and subject to a maximum of RMB935 (equivalent approximately to HK\$1,000) per month, which contribution is matched by the employee.

28. Acquisition/Disposal of Subsidiaries

- (a) On 31 August 2007, the Group acquired an interest of 50% in Sunny Hengping for a cash consideration of RMB12,500,000. Pursuant to the resolution passed on the same day, Sunny Hengping undertook an increase in its share capital whereby the additional share capital was fully subscribed by the Group for a cash consideration of RMB10,000,000. The additional capital injection resulted in the total equity interest in Sunny Hengping held by the Group became 64.29%. The acquisition has been accounted for using the purchase method.

27. 退休福利計劃(續)

本集團亦為香港僱員參加二零零零年十二月根據強制性公積金計劃條例設立的強制性公積金計劃(「強積金計劃」)。該計劃的資產獨立於本集團資產，存放於由信託人管理的基金。本集團按身為強積金計劃成員的僱員之相關薪金成本5%供款，上限為每月人民幣935元(約等於1,000港元)，而僱員亦會作相應供款。

28. 收購／出售附屬公司

- (a) 二零零七年八月三十一日，本集團收購舜宇恆平50%權益，現金代價為人民幣12,500,000元。根據於同日通過的決議案，舜宇恆平的股本增加，而新增股本全數由本集團以現金代價人民幣10,000,000元認購。本集團額外注資後，所持舜宇恆平的總權益為64.29%。該收購已按收購法入賬。

28. Acquisition/Disposal of Subsidiaries (Continued)

Details of the net assets acquired and the goodwill arising on acquisition are set out as below:

	Carrying amount and fair value 賬面值及公平值 RMB'000 人民幣千元
Net assets acquired: 所收購資產淨值：	
Property, plant and equipment 物業、機器及設備	252
Trade and other receivables 貿易及其他應收款項	5,715
Inventories 存貨	4,768
Bank balances and cash* 銀行結餘及現金*	20,494
Trade and other payable 貿易及其他應付款項	(15,016)
	16,213
Minority interests 少數股東權益	(5,790)
Goodwill arising on acquisition 收購產生的商譽	12,077
Satisfied by cash 以現金支付	22,500
Net cash outflow arising on acquisition: 收購所用現金淨額：	
Cash consideration paid 已付現金代價	(22,500)
Bank balances and cash acquired* 所收購銀行結餘及現金*	20,494
	(2,006)

* The amounts included RMB10,000,000 which is resulted from the capital injection by the Group.

* 該金額包括本集團注資金額人民幣10,000,000元。

The carrying amount of the net assets acquired approximates their corresponding fair value at the date of acquisition. The goodwill arising on the acquisition of Sunny Hengping is attributable to the anticipated profitability of the manufacturing and sales of scientific instruments and the anticipated future operating synergies from the acquisition.

所收購資產於收購日的相關賬面淨值與公平值相若。收購舜宇恆平產生商譽是由於預期生產及銷售科學儀器獲利及預計收購將帶來經營協同效益。

Sunny Hengping contributed RMB1,231,000 to the Group's profit for the period from the date of acquisition to 31 December 2007.

收購日期至二零零七年十二月三十一日止期間，本集團期內溢利中人民幣1,231,000元來自舜宇恆平。

If the acquisition had been completed on 1 January 2007, total Group's revenue for the year would have been RMB1,397,451,000, and profit for the year ended 31 December 2007 would be RMB229,608,000.

倘收購已於二零零七年一月一日完成，則本集團年內總收益應為人民幣1,397,451,000元，而截至二零零七年十二月三十一日止年度的溢利應為人民幣229,608,000元。

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28. Acquisition/Disposal of Subsidiaries (Continued)

The above information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2007, nor is it intended to be a projection of future results.

- (b) On 10 August 2006, the investment in Shanghai Keyi Optical Engineering Co., Ltd. was disposed of. Details of the net assets disposed of are set out as below:

28. 收購／出售附屬公司(續)

上述資料僅供說明用途，未必可反映若收購已於二零零七年一月一日完成時本集團實際可獲得的收益及經營業績，亦無意作為未來業績預測。

- (b) 本集團於二零零六年八月十日出售上海科依光學工程有限公司的投資。所出售資產淨值詳情如下：

	RMB'000 人民幣千元
Net assets disposed of: 所出售資產淨值：	
Property, plant and equipment 物業、機器及設備	210
Trade and other receivables 貿易及其他應收款項	47
Bank balances and cash 銀行結餘及現金	2,700
Trade and other payable 貿易及其他應付款項	(186)
	2,771
Minority interests 少數股東權益	(1,277)
Loss on disposal 出售虧損	(136)
Total consideration 總代價	1,358
Net cash outflow arising on disposal: 出售所耗現金流出淨額：	
Cash consideration 現金代價	1,358
Bank balances and cash disposal of 所出售銀行結餘及現金	(2,700)
	(1,342)

29. Related Party Transactions

(a) Names and relationships with related parties during the years are as follows:

Name 名稱	Principal activities 主要業務	Relationship 關係
Sunny Group Limited ("Sunny Group") 舜宇集團有限公司 (「舜宇集團」)	Investment holding 投資控股	A substantial shareholder of the Company (Shareholders of Sunny Optics and Ningbo Instruments before the group reorganisation) 本公司的主要股東(集團重組前為浙江舜宇光學及寧波儀器之股東)
Ningbo Sunny Electronic Limited ("Ningbo SST") (formerly known as Ningbo Sunny Science & Technology Limited ("Ningbo SST")) 寧波舜宇電子有限公司 (「寧波舜宇科技」) (前稱寧波舜宇科技有限公司 (「寧波舜宇科技」))	Manufacture and sale of telescopes and riflescopes 生產及銷售望遠鏡及瞄準器	Beneficial interest held by a family member of the Company's director, Mr. Wang Wenjian 本公司董事王文鑒先生家屬實益擁有的公司
Ningbo Sunny Mould Limited ("Sunny Mould") 寧波舜宇模具有限公司 (「舜宇模具」)	Manufacture and sale of various precision moulds for cars 生產及銷售汽車的各種精密模具	Beneficial interest held by a family member of the Company's director, Mr. Wang Wenjian 本公司董事王文鑒先生家屬實益擁有的公司
Yuyao City Urban Fanxing Electrical Appliance Factory ("Fanxing") 餘姚市城區範興電器廠 (「範興」)	Manufacture and sale of hardware and plastic components 生產及銷售五金及塑膠零件	Company controlled by a family member of the Company's director, Mr. Wu Jinxian 本公司董事吳進賢先生家屬所控制公司
Yuyao City Xingbang Optoelectronic Instruments Company Limited ("Xingbang") 餘姚市興邦光電儀器有限公司 (「興邦」)	Manufacture and sale of parts for optical instruments 生產及銷售光學儀器部件	Company controlled by a family member of the Company's director, Mr. Wu Jinxian 本公司董事吳進賢先生家屬所控制公司
Yuyao City Xingli Optics Instruments Factory ("Xingli") 餘姚市興立光學器材廠 (「興立」)	Manufacture and sale of parts for optical instruments 生產及銷售光學儀器部件	Company controlled by a family member of the Company's director, Mr. Ye Liaoning 本公司董事葉遼寧先生家屬所控制公司
Yuyao City Jiahua Optoelectronic Components Factory ("Jiahua") 餘姚市佳華光電配件廠 (「佳華」)	Manufacture and sale of parts for optical instruments 生產及銷售光學儀器部件	Company controlled by a family member of the Company's director, Mr. Wang Wenjian 本公司董事王文鑒先生家屬所控制公司
Du Guorong, Zhu Xinqiang, Wu Qun, Zhong Zhiwen ("Minority Shareholders") 杜國榮、朱新強、吳群、仲智雯 (「少數股東」)	N/A 不適用	Minority shareholders of Sunny Hengping 舜宇恒平少數股東

29. 關連人士交易

(a) 年內關連人士名稱及與關連人士之關係如下：



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29. Related Party Transactions (Continued)

(b) Transactions with related parties:

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Sales of goods (note 1) 銷售產品(附註1)		
Ningbo SST 寧波舜宇科技	1,965	1,145
Sunny Mould 舜宇模具	—	1
Xingbang 興邦	198	—
Xingli 興立	1	—
	2,164	1,146
Purchase of raw materials (note 1) 購買原材料(附註1)		
Ningbo SST 寧波舜宇科技	8,814	3,211
Sunny Mould 舜宇模具	—	10
Fanxing 範興	538	673
Xingbang 興邦	1,777	87
Xingli 興立	575	273
Jiahua 佳華	49	—
	11,753	4,254
Purchase of property, plant and equipment (note 1) 購置物業、機器及設備(附註1)		
Sunny Group 舜宇集團	28,006	10,401
Ningbo SST 寧波舜宇科技	23	—
	28,029	10,401
Disposal of property, plant and equipment (note 1) 出售物業、廠房及設備(附註1)		
Ningbo SST 寧波舜宇科技	55	—
Xingli 興立	30	—
	85	—
Property rental expenses (note 2) 物業租金支出(附註2)		
Sunny Group 舜宇集團	3,604	3,890
Interest expenses (note 3) 利息支出(附註3)		
Sunny Group 舜宇集團	572	2,002

Notes:

- (1) The transactions were entered into in accordance with the terms agreed by the relevant parties.
- (2) The property rental expenses were charged based on the terms agreed by the relevant parties.
- (3) The interest expenses were calculated based on the loan agreements and entrusted loan agreements entered into between the Group and Sunny Group, details of which are set out in note 29(c).

附註：

- (1) 該等交易根據相關人士協定的條款進行。
- (2) 物業租金開支乃根據相關人士協定的條款收取。
- (3) 利息開支乃根據本集團與舜宇集團訂立的貸款協議及委託貸款協議(有關詳情載於附註29(c))計算。

29. Related Party Transactions (Continued)

(c) At each balance sheet date, the Group has the following significant balances with related parties:

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Current assets: 流動資產：		
Amounts due from related parties 應收關連人士款項		
Sunny Group 舜宇集團	18	862
Minority shareholders 少數股東	2,280	—
	2,298	862
Current liabilities: 流動負債：		
Amounts due to related parties 應付關連人士款項		
Fanxing 範興	156*	281*
Xingbang 興邦	1,614*	73*
Xingli 興立	564*	7*
Ningbo SST 寧波舜宇科技	3,327*	—
Sunny Group (note 1) 舜宇集團(附註1)	—	33,287
	5,661	33,648

Note 1:

Included in the amounts due to Sunny Group are the followings:

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Entrusted loan payables 應付委託貸款	—	29,237
Loan payables 應付貸款	—	4,000
Interest payables 應付利息	—	50
	—	33,287

The loans were unsecured and interest bearing at 4.6% per annum.

Other than disclosed in note 1 above and those amounts denoted with asterisk '*' which are of trade nature, the other amounts are of non-trade nature. The amounts are unsecured, interest free and recoverable within one year.

29. 關連人士交易 (續)

(c) 於各結算日，本集團與關連人士的重大結餘如下：

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Current assets: 流動資產：		
Amounts due from related parties 應收關連人士款項		
Sunny Group 舜宇集團	18	862
Minority shareholders 少數股東	2,280	—
	2,298	862
Current liabilities: 流動負債：		
Amounts due to related parties 應付關連人士款項		
Fanxing 範興	156*	281*
Xingbang 興邦	1,614*	73*
Xingli 興立	564*	7*
Ningbo SST 寧波舜宇科技	3,327*	—
Sunny Group (note 1) 舜宇集團(附註1)	—	33,287
	5,661	33,648

附註1：

計入應付舜宇集團款項如下：

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Entrusted loan payables 應付委託貸款	—	29,237
Loan payables 應付貸款	—	4,000
Interest payables 應付利息	—	50
	—	33,287

貸款為無抵押，年利率為4.6%。

除上文附註1所披露者及以「*」標示之數額為貿易性質，其他數額均為非貿易性質。該等金額為無抵押、免息及可於一年內收回。

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29. Related Party Transactions (Continued)

(d) Compensation of key management personnel

The remuneration of key management, excluding all directors whose remuneration has been set out in note 12, during the year is as follows:

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Short-term benefits 短期福利	4,462	2,818
Post-employment benefits 離職後福利	265	194
	4,727	3,012

30. Post Balance Sheet Events

After the balance sheet date the directors proposed a final dividend. Further details are disclosed in note 10.

31. Comparative Figures

Certain comparative figures have been re-classified to conform with the current year's presentation.

29. 關連人士交易(續)

(d) 主要管理人員薪酬

於下述年度，主要管理人員薪酬(不包括所有董事之酬金(詳情載於附註12))如下：

30. 結算日後事項

結算日後，董事建議宣派末期股息，有關詳情載於附註10。

31. 比較數字

為配合本年度的呈列方式，若干比較數字已重新分類。

32. Particulars of Subsidiaries

Particulars of subsidiaries indirectly held, unless otherwise stated, by the Company at 31 December 2007 and 2006 are as follows:

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration/operation 註冊成立/ 註冊地點/營運地點	Issued and fully paid up share capital/registered capital 已發行及繳足 股本/註冊資本	Attributable equity interest held by the Group		Principal activities 主要業務
			2007 二零零七年	2006 二零零六年	
Sun Yu Optical Technology Limited 舜宇光學科技有限公司	The British Virgin Islands ("The BVI") 英屬處女群島 (「處女群島」)	Ordinary shares US\$100,000 普通股100,000美元	100% (directly held) (直接持有)	100%	Investment holding 投資控股
Sun Xiang Optical Overseas Limited 舜享光學海外有限公司	The BVI 處女群島	Ordinary shares US\$10 普通股10美元	100%	100%	Investment holding 投資控股
Sun Li Instrument Overseas Limited 舜利儀器海外有限公司	The BVI 處女群島	Ordinary shares US\$10 普通股10美元	100%	100%	Investment holding 投資控股
Summit Optics Technology Limited	The BVI 處女群島	Ordinary share US\$1 普通股1美元	100%	100%	Investment holding 投資控股
Summit Optics Investment Limited	The BVI 處女群島	Ordinary share US\$1 普通股1美元	100%	100%	Investment holding 投資控股
Sunny Optical Overseas Limited 舜宇光電海外有限公司	Hong Kong 香港	Ordinary shares US\$10 普通股10美元	100%	100%	Investment holding 投資控股
Sunny Instruments Overseas Limited 舜宇儀器海外有限公司	Hong Kong 香港	Ordinary shares US\$10 普通股10美元	100%	100%	Investment holding 投資控股
Summit Optical Technology Limited	Hong Kong 香港	Ordinary share HK\$1 普通股1港元	100%	100%	Investment holding 投資控股
Summit Optical Investment Limited	Hong Kong 香港	Ordinary share HK\$1 普通股1港元	100%	100%	Investment holding 投資控股
*Zhejiang Sunny Optics Co., Ltd. *浙江舜宇光學有限公司	The PRC 中國	Registered and contributed capital RMB235,000,000 (2006: RMB105,000,000) 註冊及實繳股本 人民幣235,000,000元 (2006 : 人民幣105,000,000元)	100%	100%	Manufacture and sale of optical components 生產及銷售光學零件
*Ningbo Sunny Instruments Co., Ltd. *寧波舜宇儀器有限公司	The PRC 中國	Registered and contributed capital RMB82,500,000 (2006: RMB37,500,000) 註冊及實繳股本 人民幣82,500,000元 (2006 : 人民幣37,500,000元)	100%	100%	Manufacture and sale of optical instrument 生產及銷售光學儀器

32. 附屬公司詳情

除另有說明外，本公司於二零零七年及二零零六年十二月三十一日間接持有的附屬公司詳情如下：

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截至二零零七年十二月三十一日止年度

32. Particulars of Subsidiaries (Continued)

32. 附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration/operation 註冊成立/ 註冊地點/營運地點	Issued and fully paid up share capital/registered capital 已發行及繳足 股本/註冊資本	Attributable equity interest held by the Group		Principal activities 主要業務
			2007 二零零七年	2006 二零零六年	
*Sunny Optics (Zhongshan) Co., Ltd *舜宇光學(中山)有限公司	The PRC 中國	Registered and contributed capital US\$14,990,000 (2006: US\$7,260,000) 註冊及實繳股本 14,990,000美元 (2006: 7,260,000美元)	100%	100%	Manufacture and sale of optical components 生產及銷售光學零件
#Nanjing Sunny Optical Instruments Co., Ltd. #南京舜宇光學儀器有限公司	The PRC 中國	Registered and contributed capital RMB3,000,000 註冊及實繳股本 人民幣3,000,000元	100%	100%	Sale of optical instruments 銷售光學儀器
*Ningbo Sunny Opotech Co., Ltd. *寧波舜宇光電信息有限公司	The PRC 中國	Registered and contributed capital US\$8,831,600 (2006: US\$6,200,000) 註冊及實繳股本 8,831,600美元 (2006: 6,200,000美元)	100%	100%	Manufacture and sale of optoelectronics products 生產及銷售光電產品
#Ningbo Sunny Infrared Technologies Company Ltd. #寧波舜宇紅外技術有限公司	The PRC 中國	Registered capital RMB5,000,000 and contributed capital RMB1,500,000 註冊資本人民幣5,000,000元及 實繳股本人民幣1,500,000元	100%	95%	Research and development of infrared technologies 研究及開發紅外線技術
Sunny Japan Co., Ltd. 舜宇日本株式會社	Japan 日本	Registered and contributed capital JPY99,000,000 註冊及實繳股本99,000,000日 圓	100%	100%	Trading of optical instruments and optoelectronics products 買賣光學儀器及 光電產品
#Shanghai Sunny Hengping Scientific Instrument Co., Ltd. #上海舜宇恆平科學儀器有限公司	The PRC 中國	Registered and contributed capital RMB3,080,000 註冊及實繳股本 人民幣3,080,000元	64.29%	—	Manufacture and sale of scientific instruments 生產及銷售科學儀器
Sunny Optical Corean (BVI) Limited	The BVI 處女群島	Ordinary shares US\$10 普通股10美元	100%	—	Investment holdings 投資控股
Sunny Korean Company Limited 舜宇韓國株式會社	Korea 韓國	Ordinary shares KRW450,000,000 普通股450,000,000 南韓圓	100%	—	Manufacture and sale of optical components 生產及銷售光學零件

None of the subsidiaries had issued any debt securities at the balance sheet date or at any time during the year.

概無附屬公司於結算日或年內任何時間發行任何債務證券。

* companies are sino-foreign equity joint venture enterprises
companies are domestic invested enterprises

* 中外合資企業公司
內資企業公司

Corporate Information

Executive Directors

Mr. WANG Wenjian (*Chairman*)
 Mr. YE Liaoning
 Mr. XIE Minghua
 Mr. WU Jinxian

Non-Executive Directors

Mr. SHAO Yang Dong (*Vice Chairman*)
 Mr. LI Tyson Sandy Ying Lun*
 Mr. RICKS Michael David[#]

* Mr Li Tyson Sandy Ying Lun resigned as director on 30 September 2007.
 # Mr Ricks Michael David was appointed as director on 30 September 2007.

Independent Non-Executive Directors

Dr. CHANG Mei, Dick or Dr. Dick Mei CHANG
 Mr. Koji SUZUKI
 Dr. LIU Xu
 Mr. ZHANG Yuqing

Joint Company Secretaries

Mr. SUN Yang
 Ms. LEE Suk Yee (*HKICPA, AICPA*)

Qualified Accountant

Ms. LEE Suk Yee (*HKICPA, AICPA*)

Registered Office

Cricket Square, Hutchins Drive, P.O.Box 2681GT
 George Town, Grand Cayman
 British West Indies

Principal Place of Business in Hong Kong

Unit 603, 6th Floor, Grand City Plaza,
 1-17 Sai Lau Kok Road, Tsuen Wan,
 New Territories, Hong Kong

Principal Place of Business in the PRC

Nos. 66-68, Shunyu Road
 Yuyao City, Cheng District
 Zhejiang Province, PRC

公司資料

執行董事

王文鑾先生(主席)
 葉遼寧先生
 謝明華先生
 吳進賢先生

非執行董事

邵仰東先生(副主席)
 李英倫先生*
 RICKS Michael David 先生[#]

* 李英倫先生於二零零七年九月三十日辭任董事。
 # Ricks Michael David 生於二零零七年九月三十日獲委任為董事。

獨立非執行董事

張未博士
 鈴木浩二先生
 劉旭博士
 張余慶先生

聯席公司秘書

孫泱先生
 李淑儀女士(*HKICPA, AICPA*)

合資格會計師

李淑儀女士(*HKICPA, AICPA*)

註冊辦事處

Cricket Square, Hutchins Drive, P.O.Box 2681GT
 George Town, Grand Cayman
 British West Indies

香港主要營業地點

香港新界
 荃灣西樓角路1-17號
 新領域廣場6樓603室

中國主要營業地點

中國浙江省
 城區餘姚市
 舜宇路66-68號



Corporate Information

Corporate Website

www.sunnyoptical.com

Legal Advisers

Troutman Sanders, Solicitors and International Lawyers

Auditors

Deloitte Touche Tohmatsu
Certified Public Accountants

Compliance Adviser

BNP Paribas Capital (Asia Pacific) Limited

Principal Bankers

Agricultural Bank of China, Yuyao Sub-branch
Shanghai Pudong Development Bank, Ningbo Branch

Principal Share Registrar and Transfer Office

Butterfield Fund Services (Cayman) Limited
Butterfield House, 68 Fort Street, P.O. Box 705
George Town, Grand Cayman
Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

Listing Date & Stock Code

15 June 2007, Stock Code: 2382

Authorised Representatives

Mr RICKS Michael David
Ms LEE Suk Yee (HKICPA, AICPA)

公司資料

企業網站

www.sunnyoptical.com

法律顧問

長盛國際律師事務所

核數師

德勤•關黃陳方會計師行
執業會計師

合規顧問

法國巴黎融資(亞太)有限公司

主要往來銀行

中國農業銀行餘姚支行
上海浦東發展銀行寧波支行

主要股份過戶及轉讓登記處

Butterfield Fund Services (Cayman) Limited
Butterfield House, 68 Fort Street, P.O. Box 705
George Town, Grand Cayman
Cayman Islands

香港股份過戶及轉讓登記分處

香港中央證券登記有限公司
香港灣仔皇后大道東183號
合和中心17樓
1712–1716室

上市日期及股票代號

二零零七年六月十五日·股票代號：2382

授權代表

RICKS Michael David 先生
李淑儀女士(HKICPA, AICPA)



Sunny Optical Technology (Group) Company Limited
舜宇光學科技(集團)有限公司

Unit 603, 6/F., Grand City Plaza, 1-17 Sai Lau Kok Road, Tsuen Wan, Hong Kong
香港荃灣西樓角道1-17 號新領域廣場6樓603室