

## IMPORTANT

**If you are in any doubt** as to any aspect of this document or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant, or other professional adviser.

**If you have sold or transferred** all your shares in Sunny Optical Technology (Group) Company Limited (“Company”), you should at once hand this document and the accompanying form of proxy to the purchaser or the transferee to the bank, the licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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## 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)*

**(Stock Code: 2382)**

### **GENERAL MANDATES TO ISSUE NEW SHARES AND TO REPURCHASE SHARES, PROPOSED RE-ELECTION OF DIRECTORS, AND NOTICE OF ANNUAL GENERAL MEETING**

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The notice convening the annual general meeting of Sunny Optical Technology (Group) Company Limited to be held at Vision Room, Pacific Place Conference Centre 5/F, One Pacific Place, 88 Queensway, Hong Kong, on Monday, 17 May 2010, at 10:30 a.m., is set out on pages 15 to 19 of this document.

A form of proxy for the Annual General Meeting is enclosed herewith. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the form of proxy and return it to the Company's Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting should you so wish.

13 April 2010

## DEFINITIONS

*In this document, unless the context otherwise requires, the following expressions shall have the following meanings:*

“Annual General Meeting, or AGM”	the annual general meeting of the Company to be held at Vision Room, Pacific Place Conference Centre 5/F, One Pacific Place, 88 Queensway, Hong Kong on 17 May 2010 at 10:30 a.m.;
“Annual Report”	the annual report of the Company for the year ended 31 December 2009;
“Articles” or “Articles of Association”	the Articles of Association of the Company;
“Board”	the board of Directors;
“Company”	Sunny Optical Technology (Group) Company Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange;
“Companies Ordinance”	Companies Ordinance (Chapter 32 of the Laws of Hong Kong) as amended from time to time;
“Directors”	directors of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China;
“Issue Mandate”	the general and unconditional mandate to be granted to the Directors at the Annual General Meeting to allot, issue and otherwise deal with new Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of the resolution approving such mandate;
“Latest Practicable Date”	1 April 2010, being the latest practicable date prior to the printing of this document for ascertaining certain information in this document;

## DEFINITIONS

“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	People’s Republic of China;
“RMB”	Renminbi, the lawful currency of PRC;
“Repurchase Mandate”	the general and unconditional mandate to be granted to the Directors at the Annual General Meeting to repurchase securities of the Company on the Stock Exchange of up to 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of the resolution approving such mandate;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	share(s) of HK\$0.10 each in the capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Sun Xu”	Sun Xu Limited (舜旭有限公司), a company incorporated under the Laws of the British Virgin Islands; and
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers.

LETTER FROM THE CHAIRMAN



**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)*

**(Stock Code: 2382)**

***Executive Directors***

Mr. Wang Wenjian (*Chairman*)

Mr. Ye Liaoning

Mr. Xie Minghua

Mr. Wu Jinxian

Mr. Sun Yang

***Registered Office***

Cricket Square, Hutchins Drive

P.O. Box 2681, George Town

Grand Cayman KY1-1111

Cayman Islands

***Non-executive Directors***

Mr. Shao Yang Dong (*Vice Chairman*)

Mr. Michael David Ricks

***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

***Independent Non-executive Directors***

Dr. Chang Mei Dick

Mr. Koji Suzuki

Dr. Liu Xu

Mr. Zhang Yuqing

13 April 2010

*To Shareholders*

Dear Sir or Madam,

**GENERAL MANDATES TO  
ISSUE NEW SHARES AND TO REPURCHASE SHARES,  
PROPOSED RE-ELECTION OF DIRECTORS  
AND NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this document is to provide you with information regarding the resolutions to be proposed at the Annual General Meeting relating to:

- (a) the proposed grant of the Issue Mandate and the Repurchase Mandate; and
- (b) the re-election of the retiring Directors, namely Mr. Wang Wenjian, Mr. Ye Liaoning, Dr. Chang Mei Dick and Mr. Michael David Ricks.

## LETTER FROM THE CHAIRMAN

### ISSUE MANDATE

At the Annual General Meeting, ordinary resolutions will be proposed to grant the general mandate to the Directors to allot, issue and deal with Shares up to a limit equal to 20% (i.e. 200,000,000 Shares on the basis of 1,000,000,000 Shares in issue as at the date of the passing of the relevant resolution assuming no issue of new Shares takes place between the Latest Practicable Date and the date of the Annual General Meeting) of the issued share capital of the Company as at the date of passing of such resolution, and adding to the Issue Mandate so granted to the Directors any Shares repurchase by the Company pursuant to the Repurchase Mandate (if granted at the AGM) provided that such amount shall not exceed a maximum of 10% (i.e. 100,000,000 Shares on the basis of 1,000,000,000 Shares in issue as at the date of the passing of the relevant resolution assuming no issue of new Shares takes place between the Latest Practicable Date and the date of the Annual General Meeting) of the issued share capital of the Company as at the date of passing of the relevant resolution.

Such power to allot, issue and deal with Shares in the aforesaid manner is exercisable at any time from the date of passing of the relevant resolutions until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association, or any applicable laws, to be held; or (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by the relevant resolutions.

### THE REPURCHASE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed to renew the previous Repurchase Mandate which was granted to the Directors on 15 May 2009 and will expire on the conclusion of the Annual General Meeting, in terms set out in the notice of the Annual General Meeting, to exercise the power of the Company to repurchase its own issued Shares on the Stock Exchange or on any other stock exchange on which the Shares may be listed at any time during the period until the earliest of (i) the conclusion of the next annual general meeting of the Company, (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association, or any applicable laws to be held, and (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by the relevant resolution.

Under the Repurchase Mandate, the number of Shares that the Company may repurchase shall not exceed 10% (i.e. 100,000,000 Shares on the basis of 1,000,000,000 shares in issue as at the date of the passing of the relevant resolution assuming no issue of new Shares takes place between the Latest Practicable Date and the date of the Annual General Meeting) of the issued share capital of the Company in issue as at the date of passing the relevant resolution.

## LETTER FROM THE CHAIRMAN

An explanatory statement containing information relating to the Repurchase Mandate and in compliance with the Listing Rules is set out in Appendix I to this document. The information in the explanatory statement is to provide you with the relevant information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the resolution to approve the granting of the Repurchase Mandate to the Directors.

### **PROPOSED DIRECTORS FOR RE-ELECTION**

The Board currently consists of eleven Directors, namely Mr. Wang Wenjian, Mr. Ye Liaoning, Mr. Xie Minghua, Mr. Wu Jinxian, Mr. Sun Yang, Mr. Shao Yang Dong, Mr. Michael David Ricks, Dr. Chang Mei Dick, Mr. Koji Suzuki, Dr. Liu Xu, and Mr. Zhang Yuqing.

According to Article 87(1) of the Articles of Association, at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but no less than one-third), shall retire from office by rotation, provided that every Director shall be subject to retirement by rotation at least once every three years. Under Article 87(2), a retiring Director shall be eligible for re-election. The Directors to retire by rotation shall include any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless otherwise agree among themselves) be determined by lot.

Pursuant to the Articles of Association, Mr. Wang Wenjian, Mr. Ye Liaoning, Dr. Chang Mei Dick and Mr. Michael David Ricks shall retire from office by rotation and being eligible for re-election, they have offered themselves for re-election at the Annual General Meeting.

The brief biographies of each of Mr. Wang Wenjian, Mr. Ye Liaoning, Dr. Chang Mei Dick and Mr. Michael David Ricks, being the Directors proposed to be re-elected at the Annual General Meeting, are set out in Appendix II to this document.

### **ANNUAL GENERAL MEETING**

The notice of the Annual General Meeting is set out on pages 15 to 19 of this document. A form of proxy for the Annual General Meeting is enclosed herewith. Whether or not you are able to attend the Annual General Meeting in person, please complete and return the form of proxy in accordance with the instructions printed thereon to the Company's Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the Annual General Meeting or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjourned meeting (as the case may be) should you so wish.

Pursuant to the Listing Rules, voting by poll is required for any resolution put to vote at the Annual General Meeting.

## LETTER FROM THE CHAIRMAN

### RECOMMENDATIONS

The Directors consider that the granting of the Issue Mandate will provide flexibility to the Company when it is in the interests of the Company to issue new Shares and that the Repurchase Mandate will enhance the net asset value of the Company and/or earnings per share. Accordingly the Directors recommend all Shareholders to vote in favour of the resolutions for approving the Issue Mandate and the Repurchase Mandate, as well as the resolutions for re-election of Directors, each of which resolutions will be proposed at the forthcoming Annual General Meeting.

Yours faithfully,

By order of the Board

**Sunny Optical Technology (Group) Company Limited**

**Wang Wenjian**

*Chairman*

**REPURCHASE BY THE COMPANY OF ITS SHARES**

This explanatory statement relates to Resolution No. 6 proposed to be passed at the Annual General Meeting. The statement contains all the information pursuant to the Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against such resolution.

**(a) Provisions of the Listing Rules**

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, a summary of which is set out below:

*(i) Shareholders' approval*

All proposed repurchases of securities, which must be fully paid up in the case of shares, on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by a specific approval of a particular transaction.

*(ii) Source of funds*

Any repurchase by a company may only be funded out of funds legally available for such purpose in accordance with its memorandum and articles of association, the applicable laws of the Cayman Islands and the Listing Rules. A company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

*(iii) Shares to be repurchased*

The Listing Rules provide that the shares which are proposed to be repurchased by a company must be fully paid up.

**(b) Share Capital**

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,000,000,000 Shares of HK\$0.10 each. Subject to the passing of the ordinary resolution and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 100,000,000 Shares (representing 10% of the issued Shares). In accordance with the applicable laws, Shares repurchased by the Company would be cancelled automatically after being repurchased.



**(c) Reasons for repurchases**

The Directors believe that it is in the best interests of the Company and its Shareholders for the Directors to have a general authority from the Shareholders to enable the Company to repurchase the Shares in the market. Repurchases of the Shares will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share.

**(d) Funding of repurchases**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Memorandum and Articles of Association of the Company, the Listing Rules and the applicable laws of the Cayman Islands.

The Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Company as compared with the position disclosed in the latest published audited accounts. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing levels.

**(e) Share Prices**

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

	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2009</b>		
April	0.80	0.62
May	0.94	0.70
June	1.04	0.87
July	0.94	0.80
August	0.93	0.84
September	0.94	0.80
October	1.10	0.84
November	1.06	0.86
December	1.28	1.06
<b>2010</b>		
January	1.83	1.15
February	1.50	1.30
March	1.80	1.38
April (up to 1 April 2010)	2.12	1.77

**(f) Director's undertaking**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable they will exercise the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the Articles.

**(g) Directors, their Associates and Connected Persons**

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective associates, as defined in the Listing Rules, has any present intention to sell any Shares to the Company or its subsidiaries.

No connected person, as defined in the Listing Rules, has notified the Company that he or she has a present intention to sell Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is renewed or granted.

**(h) Effects of Takeover Code**

If, as a result of Shares repurchase pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (as defined in the Takeover Code), depending on the level of increase of Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code as a result of any such increase. The Directors are not aware of any Shareholders, or a group of Shareholders acting in concert, who may become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code in the event that the Directors exercise the power to repurchase Shares pursuant to the Repurchase Mandate.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, Sun Xu held 421,460,060 Shares being approximately 42.15% of the issued share capital of the Company. Exercise in full of the Repurchase Mandate, which is proposed to be granted at the AGM, would result in an increase in the percentage of the Shares held by Sun Xu from approximately 42.15% to approximately 46.83% assuming the over-allotment option is not exercised. To the best knowledge and belief of the Directors, such increase may give rise to an obligation for Sun Xu to make a mandatory offer under Rule 26 of the Takeovers Code. Exercise in full of the Repurchase Mandate may also result in the reduction of the amount of Shares held by the public to less than 25%.

However, the Directors have no present intention to exercise the Repurchase Mandate to such an extent as would give rise to the obligations to make mandatory offers under the Takeovers Code or reducing the aggregate amount of Shares held by the public to less than 25% under the Listing Rules.

**(i) Share Repurchase Made by the Company**

The Company has not made any repurchase of its own Shares in the past six months.

**DIRECTORS PROPOSED TO BE RE-ELECTED**

The biographical details of the retiring Directors proposed to be re-elected at the Annual General Meeting are set out as follows:

**Mr. Wang Wenjian**

**Mr. Wang Wenjian (王文鑾)**, aged 62, is one of the founders of the Group, an executive Director, Chairman of the Board and Chief Executive Officer of the Company. 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 has a service contract with the Company for an initial term of three years commencing from the date of listing of Shares on the Stock Exchange, which is subject to rotation, retirement and re-election at annual general meetings pursuant to the Articles of Association. Mr. Wang's annual remuneration is RMB1,243,200 under the said service contract. The amount of emoluments is determined by arm's length negotiation between the parties with reference to the prevailing market rate and the Company's policy.

Mr. Wang has been and is currently still acting as a director of all the operating companies of the Group in the PRC. Other than disclosed above, Mr. Wang does not hold any position in other members of the Group, neither did he hold any directorships in any other public companies in the past three years. Save as disclosed in this circular and the Annual Report, Mr. Wang does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date and according to the information received by the Company pursuant to Part XV of the SFO, Mr. Wang is deemed to be interested in an aggregate of 464,110,060 Shares under the SFO, representing approximately 46.41% of the existing issued share capital of the Company. Save as disclosed, Mr. Wang does not have any interests in the shares of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, there is nothing which needs to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(w) of the Listing Rules in respect of Mr. Wang's re-election.

### Mr. Ye Liaoning

**Mr. Ye Liaoning** (葉遼寧), aged 44, is one of the founders of the Group, an executive Director and the general manager of Zhejiang Sunny Optics Co., Ltd. and Ningbo Sunny Infrared Technologies Company Ltd. He is responsible for formulating the Group's policy and making decisions and is also responsible for the overall daily administration of Sunny Optics and Sunny Infrared. 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 recognized 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.

Mr. Ye has a service contract with the Company for an initial term of three years commencing from the date of listing of Shares on the Stock Exchange, which is subject to rotation, retirement and re-election at annual general meetings pursuant to the Articles of Association. Mr. Ye's annual remuneration is RMB1,039,680 under the said service contract. The amount of emoluments is determined by arm's length negotiation between the parties with reference to the prevailing market rate and the Company's policy.

Other than disclosed above, Mr. Ye does not hold any directorships in any other public companies in the past three years. Save as disclosed in this circular and in the Annual Report, Mr. Ye does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date and according to the information received by the Company pursuant to Part XV of the SFO, Mr. Ye is deemed to be interested in an aggregate of 421,460,060 Shares under the SFO, representing approximately 42.15% of the existing issued share capital of the Company. Save as disclosed, Mr. Ye does not have any interests in the shares of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, there is nothing which needs to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(w) of the Listing Rules in respect of Mr. Ye's re-election.

**Dr. Chang Mei Dick**

**Dr. Chang Mei Dick or Dr. Dick Mei Chang** (張未), aged 70, is an independent non-executive Director. 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 such companies. 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.

Dr. Chang has a service contract with the Company for an initial term of three years commencing from 18 May 2007, which is subject to rotation, retirement and re-election at annual general meeting pursuant to the Articles of Association. Dr. Chang's annual remuneration is HK\$200,000. The amount of emoluments is determined by arm's length negotiation between the parties with reference to the prevailing market rate and the Company's policy.

Save as disclosed in this circular and the Annual Report, Dr. Chang does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date and according to the information received by the Company pursuant to Part XV of the SFO, Dr. Chang does not have any interests in the Shares or any of its associated corporations within the meaning of Part XV of the SFO.

The Company has received from Dr. Chang an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers Dr. Chang independent.

Save as disclosed above, there is nothing which needs to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(w) of the Listing Rules in respect of Dr. Chang's re-election.

**Mr. Michael David Ricks**

**Mr. Michael David Ricks**, aged 49, 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, company incorporated in Sweden whose shares are primarily listed and traded on the Stockholm Stock Exchange. 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 from the University of Chicago Graduate School of Business and a Bachelor of Arts from the University of California at San Diego. Mr. Ricks currently serves as a director of a number of private and public companies on behalf of Investor AB.

Mr. Ricks has a service contract with the Company for an initial term of three years commencing from 30 September 2007, which is subject to rotation, retirement and re-election at annual general meeting pursuant to the Articles of Association. Mr. Ricks receives an annual emolument of HK\$100,000, which was determined according to his experience and his duties and responsibilities in the Company.

Save as disclosed in this circular and in the Annual Report, Mr. Ricks does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date and according to the information received by the Company pursuant to Part XV of the SFO, Mr. Ricks is holding approximately 15.33% of the interest in Investor Group Asia L.P., which is a beneficial owner of the Company holding approximately 1.84% of the issued Shares. As such, Mr. Ricks is indirectly interested in approximately 2,825,262 Shares, representing approximately 0.28% interest in the existing issued share capital of the Company. Save as disclosed, Mr. Ricks does not have any interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, there is nothing which needs to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(w) of the Listing Rules in respect of Mr. Ricks' re-election.

*Note:* The English names mentioned in this section marked "\*" are translations of their respective Chinese names. In case of inconsistency, the Chinese names shall prevail.

# NOTICE OF ANNUAL GENERAL MEETING



## 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)*

**(Stock Code: 2382)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an annual general meeting of Sunny Optical Technology (Group) Company Limited (“Company”) will be held at Vision Room, Pacific Place Conference Centre 5/F, One Pacific Place, 88 Queensway, Hong Kong on Monday, 17 May 2010, at 10:30 a.m. for the purposes of considering and, if thought fit, passing, with or without modification, the following resolutions:

#### ORDINARY RESOLUTIONS

1. To receive and consider approval of the audited consolidated accounts and the reports of the Directors of the Company (“Directors”) and the auditors of the Company for the year ended 31 December, 2009;
2. To declare a final dividend for the year ended 31 December, 2009;
3. (a) To re-elect Mr. Wang Wenjian, Mr. Ye Liaoning, Dr. Chang Mei Dick and Mr. Michael David Ricks as the Directors and (b) to authorise the Board of Directors (the “Board”) to fix the remuneration of the Directors;
4. To authorize the Board to re-appoint Deloitte Touche Tohmatsu as the Company’s external auditors and to fix their remuneration;
5. As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions of the Company:

#### “THAT:

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the capital of the Company (or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares) and/or to make or grant offers, agreements and options which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;



## NOTICE OF ANNUAL GENERAL MEETING

- (b) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to:
- (i) a Rights Issue as herein after defined;
  - (ii) the grant or exercise of any option under any share option schemes of the Company or any other option scheme, or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or
  - (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Memorandum and Articles of Association of the Company; or
  - (iv) any issue of shares in the Company upon the exercise of any subscription rights or conversion under the terms of any warrants of the Company or any securities of the Company which are convertible into shares of the Company;

shall not exceed the aggregate of 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of this Resolution; and the authority pursuant in paragraph (a) of this Resolution shall be limited accordingly.

- (c) for the purpose of this Resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company, or any applicable laws to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this Resolution.

## NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means an offer of shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Directors, to holders of shares in the Company or any class thereof on the register on a fixed record date in proportion to their holdings of such shares or class of shares thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognised regulatory body applicable to the Company).”

6. As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions of the Company:

**“THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its shares (or securities convertible into its shares), subject to and in accordance with the applicable laws and regulations, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which may be repurchased by the Company pursuant to the approval in paragraph (a) of this Resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and
- (c) for the purpose of this Resolution, “Relevant Period” means the period from the date of the passing of this Resolution until whichever is the earliest of:
  - (i) the conclusion of the next annual general meeting of the Company;
  - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company, or any applicable laws to be held; and
  - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this Resolution.”

## NOTICE OF ANNUAL GENERAL MEETING

7. As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions of the Company:

“**THAT** the general mandate granted to the Directors of the Company pursuant to Resolution No. 5 above and for the time being in force to exercise the powers of the Company to allot shares and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby extended by the total nominal amount of shares in the capital of the Company repurchased by the Company pursuant to the exercise by the Directors of the Company of the powers of the Company to purchase such shares as referred to in the above Resolution No. 6.”

*As at the date of this notice, the Board comprises of Mr. Wang Wenjian, Mr. Ye Liaoning, Mr. Xie Minghua, Mr. Wu Jinxian and Mr. Sun Yang, all of whom are executive Directors; Mr. Shao Yang Dong and Mr. Michael David Ricks, all of whom are non-executive Directors; and Dr. Chang Mei Dick, Mr. Koji Suzuki, Dr. Liu Xu, Mr. Zhang Yuqing, all of whom are independent non-executive Directors.*

By order of the Board of  
**Sunny Optical Technology (Group) Company Limited**  
**Wang Wenjian**  
*Chairman*

Hong Kong, 13 April 2010

*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

## NOTICE OF ANNUAL GENERAL MEETING

*Notes:*

1. A shareholder entitled to attend and vote at the above meeting (or at any adjournment thereof) may appoint another person as his/her proxy to attend and to vote in his/her stead. A shareholder who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder of the Company.
2. Where there are joint registered holders of any shares, any one of such persons may vote at the above meeting (or at any adjournment thereof), either personally or by proxy, in respect of such shares as if he/she were solely entitled thereto; but if more than one of such joint holders are present at the above meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of such shares shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be delivered to Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
4. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting or any adjourned meeting if they so wish.
5. The Register of Members of the Company will be closed from 12 May 2010 to 17 May 2010 (both dates inclusive) during which period no transfer of shares will be registered. In order to qualify for attending and voting at the meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 11 May 2010.
6. Pursuant to Rule 13.39(4) of the Rules Governing the Listing of Securities of the Stock Exchange of Hong Kong Limited, all resolutions set out in this Notice will be decided by poll at the above meeting.
7. A form of proxy for use at the above meeting is enclosed.