



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.HK)



2016 年報

Annual Report



CORPORATE PROFILE

公司簡介

Sunny Optical Technology (Group) Company Limited (the “**Company**” or “**Sunny Optical**”, together with its subsidiaries, the “**Group**”) (Stock Code: 2382.HK) is a leading integrated optical components and products manufacturer with more than thirty years of history in the People’s Republic of China (the “**PRC**” or “**China**”). The Group is principally engaged in the design, research and development (the “**R&D**”), manufacture and sales of optical and optical-related products. Such products include optical components (such as glass spherical and aspherical lenses, plane products, handset lens sets, vehicle lens sets and other various lens sets) (the “**Optical Components**”), optoelectronic products (such as handset camera modules, three dimensional (the “**3D**”) optoelectronic products, security cameras and other optoelectronic modules) (the “**Optoelectronic Products**”) and optical instruments (such as microscopes, optical measuring instruments and various high-end optical analytical instruments) (the “**Optical Instruments**”). The Group focuses on the application fields of optoelectronic-related products, such as handsets, digital cameras, vehicle imaging systems, security surveillance systems, optical measuring instruments and high-end optical analytical instruments, which are combined with optical, electronic, software and mechanical technologies.

舜宇光學科技(集團)有限公司(「**本公司**」或「**舜宇光學**」, 連同其附屬公司「**本集團**」)(股份代號: 2382.HK) 為一間中華人民共和國(「**中國**」) 領先並擁有逾三十年歷史的綜合光學零件及產品生產商。本集團主要從事設計、研究與開發(「**研發**」)、生產及銷售光學及其相關產品。該等產品包括光學零件(例如玻璃球面及非球面鏡片、平面產品、手機鏡頭、車載鏡頭及其他各種鏡頭)(「**光學零件**」)、光電產品(例如手機照相模組、三維(「**3D**」)光電產品、安防相機及其他光電模組)(「**光電產品**」)及光學儀器(例如顯微鏡、光學測量儀器及各種高端光學分析儀器)(「**光學儀器**」)。本集團專注於需綜合運用光學、電子、軟件及機械技術的光電相關產品的應用領域: 如手機、數碼相機、車載成像系統、安防監控系統、光學測量儀器及高端光學分析儀器等等。



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Five-year Financial Summary

五年財務概要

(In Renminbi ("RMB") millions, except per share amounts) (人民幣百萬元·每股金額除外)

	For the year ended 31 December				
	2016	2015	2014	2013	2012
	二零一六年	二零一五年	二零一四年	二零一三年	二零一二年
	Consolidated				
	綜合				
Operating results 經營業績					
Revenue 收入	14,611.8	10,696.2	8,426.5	5,812.8	3,984.3
Gross profit 毛利	2,680.1	1,763.4	1,289.4	967.1	741.2
Finance costs 融資成本	(16.2)	(16.0)	(14.0)	(6.6)	(3.1)
Profit before tax 除稅前溢利	1,446.4	862.3	634.0	504.5	397.2
Income tax expense 所得稅開支	(174.8)	(98.8)	(72.7)	(63.6)	(58.3)
Profit for the year 年內溢利	1,271.6	763.5	561.3	440.9	338.9
Attributable to: 歸屬:					
– Owners of the Company – 本公司股東	1,270.8	761.6	566.1	440.5	346.3
– Non-controlling interests – 非控股權益	0.8	1.9	(4.8)	0.4	(7.4)
	1,271.6	763.5	561.3	440.9	338.9
Earnings per share (in RMB) 每股盈利 (人民幣)	1.18	0.71	0.53	0.44	0.36
Assets and liabilities 資產及負債					
Non-current assets 非流動資產	2,318.7	1,619.2	1,389.4	898.8	735.2
Current assets 流動資產	9,317.9	6,017.1	4,204.4	3,766.4	2,267.0
Total assets 總資產	11,636.6	7,636.3	5,593.8	4,665.2	3,002.2
Bank borrowings 銀行借貸	904.3	683.2	521.6	488.9	102.6
Other liabilities 其他負債	5,819.0	3,108.2	1,821.6	1,316.4	967.8
Total liabilities 總負債	6,723.3	3,791.4	2,343.2	1,805.3	1,070.4
Net assets 資產淨值	4,913.3	3,844.9	3,250.6	2,859.9	1,931.8
Equity attributable to owners of the Company 本公司股東應佔權益	4,895.3	3,831.0	3,247.7	2,849.8	1,921.6
Non-controlling interests 非控股權益	18.0	13.9	2.9	10.1	10.2
Total equity 權益總額	4,913.3	3,844.9	3,250.6	2,859.9	1,931.8
Key Financial Ratio 主要財務比率					
Gross profit margin(%) 毛利率(%)	18.3	16.5	15.3	16.6	18.6
Net profit margin(%) 純利率(%)	8.7	7.1	6.7	7.6	8.5
Gearing ratio(%) 負債比率(%)	7.8	8.9	9.3	10.5	3.4
Current ratio (times) 流動比率(倍)	1.4	1.6	1.8	2.1	2.2
Quick ratio (times) 速動比率(倍)	1.0	1.4	1.4	1.7	1.4

Five-year Financial Summary

五年財務概要

(In Renminbi ("RMB") millions, except per share amounts) (人民幣百萬元，每股金額除外)

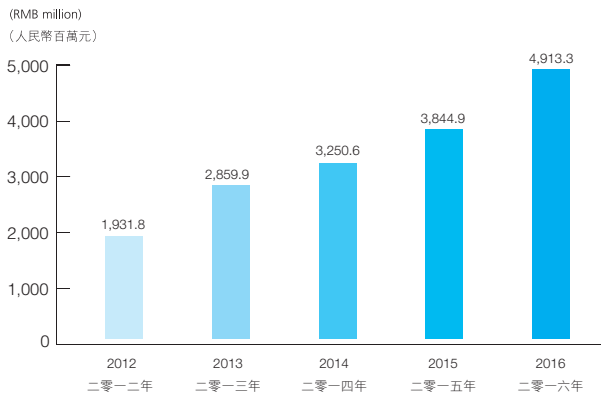
TREND CHARTS OF MAIN FINANCIAL INDEXES IN THE RECENT FIVE YEARS

主要財務指標近五年的變化趨勢圖

Net Assets

資產淨值

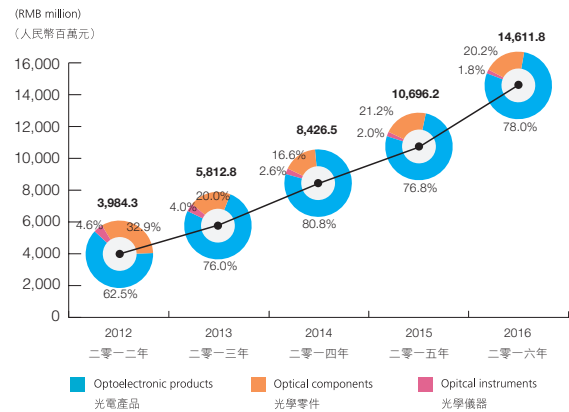
4,913.3 million 百萬元



Revenue

收入

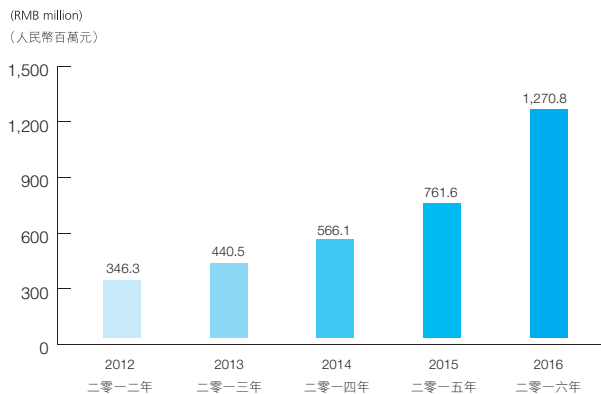
14,611.8 million 百萬元



Profit for the year Attributable to Owners

股東應佔年內溢利

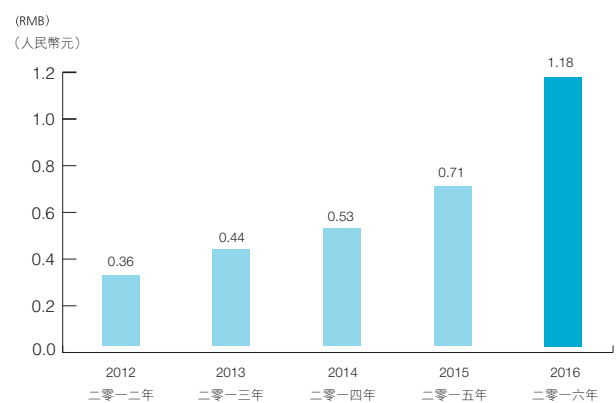
1,270.8 million 百萬元



Earnings Per Share

每股盈利

1.18 RMB 人民幣元





Inspiring
Innovation

The background is a gradient of blue, from a darker shade at the top to a lighter shade at the bottom. There are several abstract light patterns, including a prominent horizontal band of bright, shimmering particles and light trails across the middle. A thick, diagonal blue stripe runs from the bottom left towards the top right, crossing the light patterns.

Inspring
Innovation
激勵創新

Chairman's Statement 主席報告



Mr. YE Liaoning
葉遼寧先生

Dear Shareholders,

The Company is pleased to present to the shareholders the annual report for 2016. Taking advantage of the favorable opportunities arising from the further upgrading of handset camera products used in the smartphone industry and the rapid development of the vehicle imaging field, the Group achieved sound growth in overall results, thus delivering promising returns for our shareholders in 2016.

致股東：

本公司欣然向各位提呈二零一六年之全年業績報告。本集團繼續把握智能手機行業攝像頭產品升級換代及車載成像領域快速發展的良好機遇，於二零一六年總體業績實現良好增長，為股東創造了理想的回報。

BUSINESS REVIEW

Looking back to 2016, the world economy continued to grow slowly, and the global economy struggled to recover. With the anti-globalization being much stronger, the world economy is exposed to various risks and challenges. As the world's major economy, economic growth of China has back to the world's number one. However, China still faced with greater economic downward pressure. In the environment of weak global macro-economy, the consumer electronics market continued to grow slowly. Even though the smartphone market in the PRC remained as the world's largest mobile phone market, the room for overall development has become saturated, and it has entered into an age of stock. However, mobile phone manufacturers competed in performance, aesthetics and differentiated features, which has been further proved by the emerging application innovation of handset cameras. Among others, the configuration of dual-camera was particularly impressive, which became a force that cannot be neglected in the next wave of upgrade of smartphones specifications. On the other hand, with the popularity and implementation of the relevant rules and regulations in Europe, America, Japan and other countries and regions, as well as the significant development of advanced driver assistance systems (the "ADAS"), semi-automatic and full-automatic pilot technologies, the vehicle imaging field has been growing rapidly. Being a leading handset lens sets and handset camera modules provider as well as the largest vehicle lens sets supplier in the world, the Group has benefited from the growth.

Despite facing the difficult external environment, the Group has recorded satisfactory achievements in its core businesses and the three major business segments named Optical Components, Optoelectronic Products and Optical Instruments have developed rapidly. These achievements demonstrated the Group's persistence to the position of optoelectronic industry and the development strategy of "Dedicate to and Focus on Existing Business Strengths". On the other hand, the Group actively explored the development of the patterns for industry funds and the construction of internal mechanism in order to support the new transformation and upgrade with reforms and innovation, which were all beneficial for the Group to achieve its magnificent goal.

業務回顧

回顧二零一六年，世界經濟增速持續放緩，全球經濟艱難復蘇。隨著反全球化趨勢的不斷加強，世界經濟面臨種種風險和挑戰。作為世界經濟體中的重要組成部分，雖然中國的經濟增速重回世界第一，但是仍面臨較大的下行壓力。在宏觀經濟增長疲軟的大環境下，消費類電子市場的增速繼續放緩。儘管中國智能手機市場仍然是全球最大的手機市場，其整體發展空間却已趨近於飽和，並且進入了存量時代。但是，性能、審美和差異化三個維度成了手機廠商的角力場，手機攝像頭層出不窮的應用創新更有力地證明了這點。其中，尤以雙攝像頭的配置最為亮眼，也成為了下一波智能手機規格升級浪潮中不可忽視的力量。另一方面，隨着相關法令、法規在歐洲、美國、日本等國家和地區的普及與落實，高級駕駛輔助系統（「ADAS」）、半自動和全自動駕駛技術的長足發展，車載成像領域繼續保持了快速增長的態勢。作為全球領先的手機鏡頭和手機照相模組供應商以及最大的車載鏡頭供應商，本集團受惠於相關增長。

儘管面對艱難的外部環境，本集團的核心業務仍然取得了較為滿意的成績，光學零件、光電產品及光學儀器三大主要事業發展迅速。此成果的取得正揭示了本集團堅持光電產業的定位，繼續「做深做精現有優勢業務」的發展策略。另一方面，本集團也積極探索產業基金的發展模式和內部機制的建設，以變革與創新支撐新的轉型升級，有助於本集團早日實現其宏偉目標。

Chairman's Statement

主席報告

OPERATIONAL PERFORMANCE

In 2016, the passionate and experienced management team led all staff to adhere to the core corporate culture of “Create Together”, create the competitive advantage of “Customer Focus, Quick Response” with market-oriented technological innovation, improve quality control systems, constantly increase the technical added value and the market share of the products, to ensure the competitiveness of each product and consolidate its leading position in the market. The overall results of the Group were in line with its anticipated growth.

The Group's revenues for the year ended 31 December 2016 increased by approximately 36.6% to approximately RMB14,611.8 million. Profit for the year attributable to owners of the Company increased by approximately 66.8% to approximately RMB1,270.8 million. Besides, the basic earnings per share increased by approximately 65.9% to approximately RMB117.6 cents. The Board has proposed a final dividend of approximately RMB0.290 (equivalent to HK\$0.323) (2015: approximately RMB0.208) per share.

AWARDS AND RECOGNITIONS

In 2016, the Group continued to invest in R&D, technologies and market in light of its adherence to the philosophy of “Customer Focus”, and was mindful about raising the level of its corporate governance and management. With the joint effort from its staff, the Group received awards and accreditations from customers, industrial associations and institutions, local governments and the capital market. This is an indication that the products' quality, technical capability, delivery, service capability and comprehensive competitiveness of the Group were highly recognized in the industries and by our customers. With such encouragement and acknowledgement, the Group would strive to provide the customers with better and newer products and services, and would carry on the strategy of “Transformation and Upgrade” with determination.

經營業績

於二零一六年，充滿活力且富有經驗的管理層帶領全體員工積極踐行以「共同創造」為核心價值觀的企業文化，以市場驅動的技術創新為抓手，打造「客戶至上、快速反應」的競爭優勢，完善品質管控體系，不斷提高產品的技術附加值和市場佔有率，確保了各產品在市場中的競爭力並鞏固了其領先的市場地位。本集團的整體業績實現了預期中的增長。

本集團截至二零一六年十二月三十一日止年度的銷售收入增加約36.6%至約人民幣14,611,800,000元。本公司股東應佔年內溢利則增加約66.8%至約人民幣1,270,800,000元。此外，每股基本盈利增加約65.9%至約人民幣117.6分。董事會建議派發全年股息每股約人民幣0.290元（相等於0.323港元）（二零一五年：約人民幣0.208元）。

獎項及嘉許

於二零一六年，本集團繼續貫徹「以客戶為中心」的理念，並對研發、技術及市場方面持續加大投入，同時亦非常重視公司管治和管理水平的提升。經過全體員工的共同努力，本集團獲得了來自客戶、行業協會和機構、地方政府及資本市場的獎項和認可。所有這些獎項的獲得均體現了行業和客戶對本集團產品的品質、技術能力、交付水平、服務能力及綜合競爭力方面的高度肯定和認可，也將激勵本集團繼續不斷地為客戶提供更優更新的產品和服務，也更加堅定了本集團繼續走「轉型升級」之路的決心。

OUTLOOK

In 2017, uncertain matters, unforeseeable risks and various challenges of the global and Chinese macro economy will be more complicated and severe. Competition in various industries will be increasingly intensified. On one hand, affected by multiple factors such as politics, economy and supply and demand, the trend of the exchange rate of RMB against U.S dollars is still subject to great volatility and the control of exchange risks remains difficult. On the other hand, affected by the macro economy, the growth in overseas demand is still relatively uncertain. Despite all kinds of uncertainties, the Group believes that, in 2017, the demand for high-end smartphone cameras will still be strong; various innovative applications based on optics and optoelectronics will spring up; and the relevant technology will get more mature, based on which the emerging industries that the Group is involved in will embrace a favourable opportunity for rapid development. Vehicle imaging field is at a stage of rapid growth. Accordingly, the Group will focus on achieving technological breakthrough in key areas, actively explore potential customers and markets and further build a sound manufacturing system, as well as improve its production efficiency through combination with information management and by taking advantage of the analysis of big data. In addition, the Group will optimize the supply chain management and promote the construction of quality system to improve the market competitiveness of its three major business segments, so that it can consolidate its market position.

Looking ahead, the Group will continue to adhere to its strategy of “Mingpeijiao” (名配角). Apart from developing overall superiority based on its existing business strength, the Group will manage to be a smart optical system solution provider and lay a solid foundation for the rapid development of optical instruments business, so as to accelerate its development in intelligent manufacturing and intelligent equipment industry. In addition, the Group will further boost the construction of a new production base, innovate in internal mechanism and promote implementation of “Customer Focus” value in each link of its operation. The Group believes that opportunities are more than challenges in the future. All staff will continue to carry forward pioneering spirit of hard struggle, progressive and innovative spirit and team spirit of working together with a vision to become a “Hundred-Year-Old Brand”.

展望

進入二零一七年，全球及中國宏觀經濟的不確定事件、不可預見性的風險和多樣性的挑戰更加複雜嚴峻，各行各業的競爭將不斷加劇。一方面，受政治、經濟和供需等方面因素的影響，人民幣兌美元匯率的走勢仍然存在很大的波動空間，匯兌風險的管控任務仍然很艱巨；另一方面，受宏觀經濟的影響，海外需求的增長仍然比較難以確定。儘管有諸多的不確定因素，但本集團仍然相信，二零一七年智能手機高端攝像頭的需求依舊旺盛，且基於光學和光電的各種創新型應用將不斷湧現，加上相關技術的日趨成熟，本集團所涉足的新興行業將迎來快速發展的良好契機。車載成像領域仍處在高速增長的階段。因此，本集團將着力提升關鍵領域的技術突破，積極開拓潛在的客戶和市場，進一步健全製造體系，結合信息化管理，借助大數據分析，提高生產效率。並且，本集團將優化供應鏈管理，推進品質體系建設，使其三大主要業務部門不斷提升市場競爭力，以鞏固市場地位。

展望未來，本集團將繼續堅定不移地實施「名配角」戰略，除了在現有優勢業務上形成整體優勢外，並將大力實現智能光學系統方案解決商的角色落地，夯實光學儀器事業騰飛的基礎，以加快在智能制造和智能裝備領域的發展。另外，本集團將進一步推進新基地工程建設，並在內部機制上進行創新，推動「以客戶為中心」的價值觀在經營各環節的真正落地。本集團相信未來的機遇大於挑戰，全體員工將繼續發揚艱苦奮鬥的創業精神，與時俱進的創新精神，和衷共濟的團隊精神，最終實現「百年老字號」的企業願景。

Chairman's Statement

主席報告

APPRECIATION

The Group would like to express its appreciation to all staff for their outstanding contribution towards the Group's development. The Board wishes to sincerely thank the management for their dedication and diligence, and they are the key factors to secure the Group's continuous success in the future. Also, the Group wishes to extend its gratitude to the continuous support from its shareholders, customers, and business partners. The Group will continue to deliver the sustainable development of the business, so as to meet its business objectives for 2017 and realise higher values for its shareholders and other stakeholders.

Ye Liaoning

Chairman

Hong Kong

13 March 2017

致謝

本集團衷心感謝全體員工為集團發展做出的卓越貢獻。董事會在此對管理層勤懇的奉獻和付出致以衷心的感謝，他們是確保本集團未來取得持續成功的關鍵。與此同時，本集團亦對各股東、客戶及合作伙伴的長期支持深表謝意。本集團將繼續致力於業務的可持續發展，為實現二零一七年全年經營目標及為股東及其他利益相關體創造更多價值而努力。

葉遼寧

主席

香港

二零一七年三月十三日

Management Discussion and Analysis

管理層討論與分析

MARKET REVIEW

Looking back to 2016, the global economy remained slow and unbalanced in its progress of recovery while the Chinese economy also had characteristics of growth continuing to slow down and structural problem being prominent. Facing complex economic situation at home and abroad, various industries bore a huge pressure and many difficulties. In 2016, the competition in handset market was more fierce than that in the past years. However, the good news was that, some Chinese handset brands with strong comprehensive strength rose abruptly, which reorganized the market landscape. On the other hand, with the further implementation of global regulations and decrees, as well as more interest from vehicle manufacturers and consumers in strengthening driving safety and intelligent driving, penetration rate and adoption rate of vehicle lens sets rose gradually and the growth in the market was encouraging.

According to the latest report issued by Gartner (“Gartner”), an information technology research and consulting company, the global shipment volume of smartphones in 2016 reached approximately 1,500,000,000 units, increasing by approximately 5.0% as compared with that in 2015. The shipment volume of Chinese branded smartphones reached approximately 450,000,000 units in total, contributing to approximately 30.0% of the market share. Smartphones have currently been fully popularized in mature markets and entered into stock market thoroughly after going through primary popularization. Consumers have no longer purely pursued high cost effectiveness and they will take into account of various factors such as brand, product, service and technique. As a result, all the major branded handset makers introduced new products continuously and launched products which were more competitive. In addition to the pixel migration of the front and rear cameras of the handset, they also met customers’ needs to gain initiatives and secured more market shares through adopting more sophisticated functions in camera modules such as dual-camera, wide angle, ultra-thin, large aperture, optical image stabilization (the “OIS”), time of flight (the “TOF”) and phase detection auto focus (the “PDAF”), among which the performance of dual-camera is the most outstanding. 2016 has also been the first year of outbreak. The Group became a leading enterprise in dual-camera module sector, enlarged the gap with the competitors and consolidated the leading position in the industry by virtue of technological advantage competitiveness and strong integration capability for core resources.

市場回顧

回顧二零一六年，全球經濟復蘇依然緩慢且不均衡，而中國經濟也存在增速繼續放緩，結構性問題突出的特點。面對國內外錯綜複雜的經濟形勢，各行各業可謂壓力巨大，困難重重。二零一六年手機市場的競爭也比往年更加激烈。但可喜的是，一些具有強大綜合實力的中國手機品牌強勢崛起，重構了市場格局。另一方面，隨着全球法規、法令的進一步推行，以及汽車製造商、消費者對於加強行車安全、智能駕駛的興趣漸濃，車載鏡頭的滲透率和搭載率因此逐步提升，市場增速喜人。

根據信息技術研究與諮詢公司高德納（「Gartner」）公布的最新報告顯示，二零一六年全球智能手機的出貨量達到約15.0億部，較二零一五年增長約5.0%。中國智能手機品牌的出貨量合計達到約4.5億部，貢獻了約30.0%的市場份額。智能手機在經歷了初級普及之後，目前已經在成熟市場中全面普及，徹底進入存量市場。消費者已經從單純追求高性價比轉向對品牌、產品、服務及工藝等各方面的綜合考量。因此，各大品牌手機製造商不斷推陳出新，發佈更具競爭力的產品。除了對手機前後顆攝像頭的像素進行提升以外，還通過搭載具有更為複雜功能的照相模組，如雙攝像頭、廣角、超薄、大光圈、光學防抖（「OIS」）、飛行時間（「TOF」）及相位檢測自動對焦（「PDAF」）等來滿足客戶的需求，進而搶佔先機，獲得更高的市場份額。其中，雙攝像頭的表現最為突出，二零一六年也成為其爆發的元年。憑借技術上的競爭優勢及對核心資源強大的整合能力，本集團成為了雙攝像頭模組領域的領先企業，拉開了和競爭對手的差距，鞏固了行業龍頭地位。

Management Discussion and Analysis 管理層討論與分析

The vehicle imaging field has continued to grow rapidly with strong momentum, while the penetration rate and adoption rate of vehicle lens sets rose gradually. On one hand, the U.S. National Highway Traffic Safety Administration (the “NHTSA”) and the European New Car Assessment Programme (the “E-NCAP”) continued to push forward the implementation of the relevant regulations and assessment systems. On the other hand, the NHTSA and the Insurance Institute for Highway Safety (the “IIHS”) have jointly announced a commitment by 20 automakers representing more than 99 percent of the U.S. auto market to make automatic emergency braking (the “AEB”) as a standard feature on virtually all new cars no later than 1st September 2022. Meanwhile, the Ministry of Land, Infrastructure, Transport and Tourism of Japan has preliminarily decided that the “mirrorless vehicles” with their side-view mirrors replaced by cameras and screens will be permitted on road from June 2016. The relevant authorities of China also jointly issued the “Implementation Plan for Advancing Convenient “Internet+” Traffic to Promote the Development of Intelligent Traffic” in September 2016. It treated researching & developing, promoting and applying intelligent vehicle facilities and autopilot vehicles as an important development mission of improving the automation level of facilities and vehicles. In addition, the ADAS market began to enter into a stage of high-speed growth, and the specifications have also become more sophisticated and diverse. Vehicle cameras as the eyes of smart vehicles thus benefited from it, while vehicle lens sets as the key components of vehicle imaging system have maintained rapid growth and the specifications has also been improved. The Group firmly grasped the favorable opportunities of the rapid development of ADAS, adhered to providing customers with high quality and hi-tech products, gained more market share and further consolidated the No.1 position of the global industry.

車載成像領域的發展勢頭繼續保持迅猛態勢，且車載鏡頭的滲透率和搭載率逐步提升。一方面，美國國家公路交通安全管理局（「NHTSA」）以及歐洲新車安全評鑑協會（「E-NCAP」）繼續推動相關法規和評價體系的落實；另一方面，NHTSA和美國公路安全保險協會（「IIHS」）已聯合公布，20家車廠（代表了美國99%以上的汽車市場）承諾將於二零二二年九月一日前在所有新車中安裝自動緊急剎車系統（「AEB」），並將此作為一項標準配置。與此同時，日本國土交通省初步決定從二零一六年六月起允許以攝像頭和顯示屏替代外後視鏡的「無後視鏡汽車」上路行駛。中國相關部門也於二零一六年九月聯合發布了《推進「互聯網+」便捷交通促進智能交通發展的實施方案》。該方案把研發與推廣應用智能車載設施和自動駕駛車輛作為提升裝備和運載工具自動化水平的重要發展任務。此外，ADAS市場開始進入高速成長階段，產品規格也變得更加複雜多樣。作為智能汽車之眼的車載攝像頭因而受益，而車載鏡頭作為車載成像系統的關鍵部件，也一直保持高速增長，規格亦不斷升級。本集團緊緊抓住ADAS快速發展的有利契機，堅持為客戶提供高品質、高技術含量的產品，贏得了更大的市場份額，進一步穩固了全球行業第一的地位。

Management Discussion and Analysis 管理層討論與分析

For the optical instruments market, benefiting from the investment growth in global electronic industry, demands in industrial market has rebounded as compared with last year. In addition, the Group also found that, demands in industrial microscope market still increased, as the PRC continued to increase investment in the semiconductor high-end area. With the accelerated transformation from “Made in China” into “Intelligently Manufactured in China”, industrial automation is unstoppable, resulting in a rapid growth in machine vision and intelligent equipment market. Benefiting from the advancement and popularization of technologies as well as the expansion in application areas, demands for high-end products in teaching and medical fields which the Group involved in maintained stable growth.

For other areas in which the Group has been engaged, such as various kinds of emerging fields including drones, virtual reality (the “VR”) and augmented reality (the “AR”) etc., they are still in the early stage of development. However, smart home, industry internet, games, logistics and other fields are integrated across sectors, and highly valued by traditional mobile terminal manufacturers and hi-tech Internet companies. As such, various innovative products have emerged with new business opportunities. Taking advantage of its outstanding R&D capabilities, technological innovation abilities and the first-mover advantages together with excellent resource integration and systematic advantages, the Group’s products and services have gained recognitions from global top-tier hi-tech companies, bringing us many valuable cooperation opportunities and creating some economic benefits, which have in turn established a good foundation for the Company’s mid- to long-term development.

During the year under review, facing with the fierce market competition, the Group adhered to upholding the “Mingpeijiao” (名配角) strategy, actively adhered to its corporate culture with a core value of “Create Together”, based in optoelectronic industry and accurately seized the opportunities in the market. The Group also continuously innovated with a pioneering spirit, enhanced its efficiency, optimized product portfolios and took full advantages, which enhanced the comprehensive competitiveness of the Group.

光學儀器市場方面，受益於全球電子行業投資增長，工業市場的需求較去年有所回暖。另外，本集團也發現，由於中國在半導體高端領域不斷加大資源投入，工業顯微鏡市場需求仍獲增長。隨着「中國製造」加快向「中國智造」的轉變，工業自動化的趨勢已不可阻擋，因此，機器視覺及智能裝備市場發展迅速。而本集團所及的教學和醫療領域，受益於技術的進步和普及以及應用領域的拓寬，高端產品需求保持穩定增長。

至於本集團所及的其他領域，包括無人機、虛擬現實（「VR」）及增強現實（「AR」）等各種新興領域都還處於發展的早期階段。然而，智能家居、工業互聯網、遊戲、物流及其他領域進行跨界交融，受到了傳統的移動終端製造商及高科技互聯網公司的推崇。因此，各種創新型產品層出不窮，新的商機潮不斷湧現。憑借卓越的研發和技術創新能力，及提前布局的先發優勢，加上優秀的資源整合和系統優勢，本集團的產品和服務得到了全球頂尖高科技公司的肯定，獲得了許多寶貴的合作機會，且創造了一定的經濟效益，為公司中長期的發展奠定了堅實的基礎。

於回顧年內，面對激烈的市場競爭，本集團仍堅定不移實施「名配角」戰略，積極踐行以「共同創造」為核心價值觀的企業文化，立足光電產業，準確把握市場機遇，不斷開拓創新，提高效率，優化產品組合，發揮各項優勢，提升了本集團的綜合競爭力。

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW

On one hand, the Group continued to improve and expand its existing advantageous businesses and further implemented its development strategy of “Speeding Up Transformation and Upgrade” and made innovation in the fields of market and service etc. by increasing its R&D investment and making breakthroughs in key technologies to continuously improve its market competitiveness and customer satisfaction, which in turn significantly enhanced the economic benefits. At the same time, the Group intensively explored its internal development potentials, and made specific efforts based on “Reducing Cost and Increasing Efficiency”, which efficiently improved the ability in production processing and its manufacturing level. On the other hand, the Group carried out top-level design for the innovation mechanism of the Company after taking into account of its mid-to long-term development goals, set up the Central Research Institute and industrial funds and actively explored new development mechanism. During the year under review, the three business segments of the Group, namely Optical Components, Optoelectronic Products and Optical Instruments, performed well. The handset lens sets continued to grow and achieved substantial development in high-end products, which contributed to the increase of market shares and competitiveness and favorable performance growth. The vehicle lens sets maintained steady and rapid growth and its market share continued to expand with its revenue increased significantly. Facing with the intensified competition and enhanced industry concentration, the handset camera modules outperformed the general market and achieved good results in spite of various negative factors. In 2016, the Group realised revenue of approximately RMB14,611.8 million, representing an increase of approximately 36.6% as compared with last year. This was mainly attributable to the fact that the Group’s three business segments, namely Optical Components, Optoelectronic Products and Optical Instruments timely adjusted the market strategies based on the changes in the industry, together with the R&D, innovation and breakthroughs in core technologies and the increased stickiness with brand customers.

During the year under review, the Group continued to strengthen its R&D capabilities of each business, and conducted R&D to upgrade and make innovations in the existing products and production techniques in the Group’s three major business segments, namely Optical Components, Optoelectronic Products and Optical Instruments. The Group kept innovating in new optical application fields and optoelectronic modules, and further boosted the process automation and “Lean Production”, which further consolidated the technological advantages for the existing products in the industry and established a first-mover advantage in emerging technologies and products. Currently, the Group has 411 patents, including 97 invention patents, 286 utility model patents and 28 exterior design patents and 519 patent applications pending for approval.

業務回顧

本集團一方面繼續做深做精現有優勢業務，深化推進「加速轉型升級」的發展策略，通過加大研發投入、突破關鍵技術，在市場、服務等領域進行創新，持續提升市場競爭力和客戶滿意度，從而大幅提升經濟效益。同時，本集團向內深挖發展潛力，圍繞「降成本、增效率」開展專項工作，有效提高生產制程能力和製造水平。另一方面，本集團結合中長期發展目標對公司的創新機制進行頂層設計，設立了中央研究院和產業基金，積極探索新的發展機制。於回顧年內，本集團的光學零件、光電產品及光學儀器三大事業皆取得了不錯的成效。手機鏡頭持續發力，在高端產品方面取得了實質性的進展，市場佔有率和競爭力得以提升，獲得了不錯的業績增長；車載鏡頭保持了穩步快速增長且市場份額繼續提升，銷售收入大幅增加；在面臨競爭加劇及行業集中度增強的情況下，手機照相模組克服了種種不利因素，實現了超越整體市場表現的優秀業績。二零一六年，本集團實現銷售收入約人民幣14,611,800,000元，較去年上升約36.6%，其主要原因為本集團的光學零件、光電產品及光學儀器三大事業根據行業變化，適時調整了市場策略，再加上研發、創新與核心技術的突破，以及與品牌客戶的粘性度增強。

於回顧年內，本集團繼續強化各業務的研發實力，對三大主要業務部門－光學零件、光電產品及光學儀器的原有產品和生產工藝進行升級研發和革新。本集團在新興光學應用領域及光電模組方面不斷創新，進一步推動制程自動化及「精益生產」，繼續鞏固原有產品在行業中的技術領先地位，並在新興技術和產品方面建立先發優勢。目前，本集團擁有411項已獲授專利，其中包括發明專利97項，實用新型專利286項，外觀設計專利28項及519項待批核專利。

Management Discussion and Analysis

管理層討論與分析

OPTICAL COMPONENTS

Benefiting from the continuous growth in the mid- to high-end smartphone market and the vehicle imaging field, as well as the Group's Optical Components business segment seizing the high-end market by making breakthroughs in key technologies, and coupled with the improved internal management, it contributed to the substantial growth in sales and the further optimization of product mix and customer structure. During the year under review, the Optical Components business segment recorded a revenue of approximately RMB2,955.6 million, representing an increase of approximately 30.3% as compared with the corresponding period of last year. This business segment accounted for approximately 20.2% of the Group's total revenue as compared with approximately 21.2% in the corresponding period of last year.

During the year under review, handset lens sets of the Group recorded a year-on-year growth of approximately 25.8% in the shipment volume. Meanwhile, the proportion of shipment volume of 10-mega pixel above products increased from approximately 9.1% for the last year to approximately 28.9%. In addition, the Group also focused on R&D investment for products. During the year under review, the Group has commenced the mass production of handset lens sets with 10-mega pixel dual-camera, 13-mega pixel wide angle, 16-mega pixel large aperture/OIS, 10-mega pixel above with 6 pieces of plastic aspheric lenses ("6P") as well as lenses and lens sets for VR/AR devices. The Group's customer base of handset lens sets was further optimised. In addition to continued mass production of 5-mega pixel handset lens sets with wide angle and the high-end handset lens sets with 10-mega pixel above for Korean customers as well as handset lens sets with 10-mega pixel above for Japanese customers, more and more high-end handsets lens sets with high-resolution were provided to more domestic smartphone brand owners. The Group further improved its domestic market share.

光學零件

受惠於中高端智能手機市場及車載成像領域的持續增長，以及本集團的光學零件事業通過突破關鍵技術，搶佔高端產品市場，同時提升內部管理水平，以致銷售實現大幅增長，且產品結構和客戶結構均得到進一步優化。於回顧年內，光學零件事業的銷售收入錄得約人民幣2,955,600,000元，較去年同期上升約30.3%。此業務部門佔本集團總銷售收入約20.2%，而在去年同期則約佔21.2%。

於回顧年內，本集團的手機鏡頭出貨量較去年增長約25.8%。同時，千萬像素以上產品的出貨量佔比已由去年約9.1%上升至約28.9%。此外，本集團亦非常關注對於產品的研發投入。於回顧年內，千萬像素雙攝、一千三百萬像素廣角、一千六百萬像素大光圈／光學防抖、千萬像素以上的6片塑膠非球面鏡片（「6P」）的手機鏡頭及用於VR／AR設備的鏡片及鏡頭均已實現量產。本集團手機鏡頭的客戶基礎進一步優化，除了為韓國客戶繼續量產五百萬像素廣角及千萬像素以上高規格的手機鏡頭及為日本客戶繼續量產千萬像素以上的手機鏡頭外，越來越多高規格的高像素手機鏡頭也提供給更多的國內智能手機品牌商，本集團在國內的市場份額得到進一步提升。

Management Discussion and Analysis 管理層討論與分析

During the year under review, vehicle lens sets of the Group recorded a growth of approximately 37.0% in terms of the shipment volume, representing a growth rate higher than that in the industry, which was the same case as last year. The Group also continued to maintain No.1 position globally and its market share has been expanded further.

The Group continued to improve and promote self-manufactured testing equipments and standardized automated assembly equipments, which helped to reduce labor costs significantly, increase the production efficiency and improve the product quality.

In order to prevent the operation risk in terms of intellectual property rights more effectively, the Group and Konica Minolta, Inc. have reached new consensus to further enhance the cooperation in patents. The Group also knew well about the importance of the proprietary intellectual property rights for the building of barriers to competition and for the increase in its comprehensive competitiveness. During the year under review, the Group has applied for many patents in the optical field, including various international patents. During the year under review, a total of 151 patents have been obtained in the Optical Components business segment, among which 69 are invention patents, 81 are utility model patents and the remaining 1 is exterior design patent. In addition, 144 patents are in the process of application.

OPTOELECTRONIC PRODUCTS

Benefiting from the growth of mid- to high-end smartphone market in the PRC, the rise of domestic brands and the development of other mobile terminal products, the Optoelectronic Products business segment achieved good performance growth. During the year under review, the revenue from the Optoelectronic Products business segment amounted to approximately RMB11,403.2 million, representing an increase of approximately 38.8% compared with the corresponding period of last year. This business segment accounted for approximately 78.0% of the Group's total revenue as compared with approximately 76.8% in the corresponding period of last year.

於回顧年內，本集團車載鏡頭的出貨量延續了去年高於行業的增速，達到約37.0%的增長。本集團亦繼續保持了全球第一的地位，且市場份額進一步得到提升。

本集團繼續優化和推廣自製檢測設備和標準化的自動組裝設備，顯著減少了人力成本，提升了生產效率，提高了產品質量。

為了更有效地防範知識產權方面存在的經營風險，本集團已與柯尼卡美能達公司達成新的共識，雙方進一步加強了在專利上的合作。本集團也深知自主知識產權在構築競爭壁壘，加強自身綜合競爭力方面的重要性。於回顧年內，本集團申請了光學領域的諸多專利，其中包括多項國際專利。於回顧年內，光學零件事業領域中已獲得一共151項專利，其中69項為發明專利及81項為實用新型專利，餘下1項為外觀設計專利。此外，另有144項專利正在申請當中。

光電產品

受惠於中國中高端智能手機市場的增長、國產品牌的崛起及其他移動終端產品的發展，光電產品事業取得了不錯的業績成長。於回顧年內，光電產品事業的銷售收入約人民幣11,403,200,000元，較去年同期增長約38.8%。此業務部門佔本集團的總銷售收入約78.0%，而在去年同期則佔約76.8%。

Management Discussion and Analysis 管理層討論與分析

During the year under review, the handset camera modules of the Group recorded a year-on-year growth of approximately 18.3% in the shipment volume. Meanwhile, the proportion of shipment volume of 10-mega pixel above products increased to approximately 60.7% from approximately 31.3% for the last year. The Group has commenced the mass production of ultrathin front dual-camera module without stents and provided 10-mega pixel above dual-camera modules for several domestic smartphone brand owners as the major supplier. In addition, developed based on domain of depth perception, the Group has commenced the mass production of TOF modules, structured light modules and binocular stereo cameras which have been applied to the fields such as smartphones with AR function, drones and 3D etc.. Meanwhile, the Group made innovations in chip on board (“COB”) packaging technology in terms of production process, researched and developed new packaging techniques with proprietary intellectual property rights, and has commenced mass production of such products. The Group also continued to optimize and upgrade self-manufactured active alignment (“AA”) equipments and promoted the use of them in production lines.

During the year under review, a total of 179 patents have been obtained in the Optoelectronic Products business segment, among which 20 are invention patents, 156 are utility model patents and the remaining 3 are exterior design patents. In addition, 335 patents are in the process of application.

OPTICAL INSTRUMENTS

During the year under review, benefiting from the recovery of industrial market and the development of the Company in the field of high-end microscopes, the revenue from the Optical Instruments business segment amounted to approximately RMB253.0 million, representing an increase of approximately 19.9% compared with the corresponding period of last year. This business segment accounted for approximately 1.8% of the Group’s total revenue, as compared with approximately 2.0% in the corresponding period of last year.

於回顧年內，本集團手機攝像模組的出貨量較去年增長約18.3%。同時，千萬像素以上產品的出貨量佔比由去年約31.3%提升至約60.7%。本集團已開始量產超薄無支架前置雙攝模組，並作為主要供應商為多家國內智能手機品牌商提供千萬像素以上的雙攝模組。此外，本集團基於深度感知領域所開發的TOF模塊和結構光模塊以及雙目立體相機均實現量產，並已用於可實現AR功能的智能手機、無人機、3D等領域。同時，本集團在生產工藝上對板上芯片封裝技術（「COB」）進行創新，研發出擁有自主知識產權的新型封裝技術並實現產品量產。本集團亦繼續對自製的主動對準（「AA」）設備進行優化升級，並將之推廣在產線中使用。

於回顧年內，光電產品事業領域中已獲得一共179項專利，其中20項為發明專利，156項為實用新型專利，餘下3項為外觀設計專利。此外，另有335項專利正在申請當中。

光學儀器

於回顧年內，受惠於工業市場的回暖以及公司在高端顯微鏡上的發展，光學儀器業務的銷售收入較去年同期增長約19.9%至約人民幣253,000,000元。此業務部門佔本集團的總銷售收入約1.8%，而在去年同期則約佔2.0%。

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During the year under review, the Group continued to deepen reform of the Optical Instruments business segment, further optimized the configuration and consolidated related technologies and resources. The Group focused on expanding the mid- to high-end microscope applications market, recorded sales growth in the target markets such as health care, colleges and universities and inspection for precision industry after setting up Microscopic Instruments business segment and Intelligent Equipment business segment within Ningbo Sunny Instruments Co., Ltd.; established business direction for Intelligent Equipment business segment which provides micro-automatic assembling and inspection for areas including semi-conductor electronic factories and medical automation inspection, and made preliminary achievements in automatic screening of tuberculosis. The Group also developed an integrated solution for smart factories that could provide customized services based on customers' needs with an integrated platform of Manufacturing Execution System (the "MES") and big data analysis. The integrated solution has been applied in the aviation and military industry and private manufacturing industry etc. The project of "Digital Workshop for the Smart Manufacturing of Optoelectronic Camera Modules" mainly applied for and reported by the Group has been successfully selected into "2016 Comprehensive Standardization and New Mode Application in Smart Manufacturing Project" of the Ministry of Industry and Information Technology (the "MIIT"). Therefore, the Group will continue to enhance the research & development and market investments of high-end optical instruments and constantly improve product systems to lay a solid foundation for the mid- to long-term sustainable development of the Group.

During the year under review, a total of 81 patents have been obtained in the Optical Instruments business segment, among which 8 are invention patents, 49 are utility model patents and the remaining 24 are exterior design patents. In addition, 40 patents are in the process of application.

PRODUCTION

The Group's products are mainly manufactured in four production bases in Yuyao of Zhejiang Province, Zhongshan of Guangdong Province, Shanghai and Xinyang of Henan Province in the PRC, respectively. In addition, the Group has also established a subsidiary in Silicon Valley, California, the U.S. which is responsible for technical support, marketing and customer base expansion in North America.

於回顧年內，本集團對光學儀器事業持續進行深化改革，並進一步優化配置，整合相關技術資源。在寧波舜宇儀器有限公司內部設立了顯微儀器和智能裝備兩個事業部之後，本集團重點拓展了中高端顯微鏡應用市場，在醫療、高校、精密工業檢測等目標市場實現了銷售增長；明確了智能裝備事業部為半導體電子工廠、醫療自動化檢測等領域提供顯微自動組裝和檢測的業務定位，並已經在結核病自動篩查領域取得了階段性成果。本集團也結合製造企業生產過程執行系統（「MES」）與大數據分析平台，形成了一套能夠根據客戶需求提供定制化服務的智能工廠整體解決方案。該方案已在航天軍工和民營製造等領域得到實戰應用。本集團牽頭申報的「光電攝像模組智能製造數字化車間」項目成功入選工業和信息化部（「MIIT」）「二零一六年智能製造綜合標準化與新模式應用項目」。因此，本集團將繼續加強對高端光學儀器的研發及市場投入，並不斷完善產品體系，為本集團中長期的可持續發展奠定堅實的基礎。

於回顧年內，光學儀器事業領域中已獲得一共81項專利，其中8項為發明專利，49項為實用新型專利，餘下24項為外觀設計專利。此外，另有40項專利正在申請當中。

生產

本集團的產品主要由分別位於中國浙江省餘姚市、廣東省中山市、上海市、及河南省信陽市的四個生產基地生產。此外，本集團亦在美國加利福尼亞州硅谷設立了附屬公司，負責北美地區的技術支持、市場推廣及客戶開拓。

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AWARDS AND RECOGNITIONS

獎項與嘉許

CORPORATE HONOURS

企業榮譽

- Sunny Optics (Zhongshan) Co., Ltd. was awarded the “2015 Best Strategic Partner” by Zhejiang Dahua Technology Co., Ltd.
舜宇光學(中山)有限公司榮獲浙江大華技術股份有限公司「2015年優秀戰略伙伴獎」
- Xinyang Sunny Optics Co., Ltd. was awarded the “Excellent Partner” by Sony
信陽舜宇光學有限公司榮獲索尼「優秀合作伙伴獎」
- Ningbo Sunny Opotech Co., Ltd. was awarded the “Quality Gold Prize” by TINNO Mobile
寧波舜宇光電信息有限公司榮獲天龍移動「質量金獎」
- Ningbo Sunny Opotech Co., Ltd. was awarded the “Outstanding Serviceability” by Lenovo
寧波舜宇光電信息有限公司榮獲聯想「卓越服務」獎
- Ningbo Sunny Opotech Co., Ltd. was awarded “The Core Partner Silver Prize Year 2016” and “The Best Collaboration Partner of consumer BG Year 2016” by Huawei
寧波舜宇光電信息有限公司榮獲華為「2016年核心供應商銀獎」和「2016年消費者BG最佳合作伙伴獎」
- The Gas Chromatography-Mass Spectrometer MSQ8100 developed by Shanghai Sunny Hengping Scientific Instrument Co., Ltd. was awarded the Gold Prize in the 16th Beijing Conference and Exhibition on Instrumental Analysis (BCEIA2015)
上海舜宇恒平科學儀器有限公司研發的氣相色譜－質譜聯用儀MSQ8100喜獲第十六屆北京分析測試學術報告會及展覽會(BCEIA2015)的金獎

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- The Group rose 40 places compared to last year and ranked the 458th of the “Fortune” (Chinese edition) in 2016 China Top 500 list
本集團再次入圍《財富》(中文版)發布的2016年中國500強榜單，位列第458位，較去年上升了40位
- The Group was nominated in the list of “Top 100 Enterprises in China Electronic Information Industry” for three consecutive years, ranking 54th
本集團連續第三年入圍「中國電子信息百強企業」榜單，位列第54位
- The Group was ranked 472th in China's “Top 500 Private Enterprises”
本集團首次入圍「中國民營企業500強」榜單，位列第472位
- The Group was included as a constituent stock in the “MSCI Global Standard Index-China Index” and “Hang Seng China (Hong Kong-Listed) 100 Index”
本集團被納入「MSCI環球標準指數－中國指數」成份股及「恒生中國(香港上市)100指數」成份股
- The Group was firstly awarded with “The Best Investor Relationship Company (Mid-cap stock)” prize in the Hong Kong Investor Relations Association 2nd IR Awards Campaign
本集團在香港投資者關係協會組織的第二屆投資人關係評選活動中首次榮獲「最佳投資者關係公司(中型股)」獎項
- The Group was ranked top 3 among the Technology/Hardware Companies of the “Best CEO”, “Best CFO”, “Best IR Professional”, “Best IR Program”, “Best Analyst Day” and the “Best Website” in 2016 All-Asia Executive Team Survey by “Institutional Investor”, a U.S. magazine. The Company was also awarded the “Most Honored Company”
本集團榮登美國《機構投資者》雜誌「最佳CEO」、「最佳CFO」、「最佳IR專業人士」、「2016年亞洲最佳投資者關係」、「2016年亞洲最佳分析師日」及「最佳網站」的榜單，均位列科技／硬件類前三甲，並榮獲「最受尊敬公司」的稱號

Management Discussion and Analysis

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FINANCIAL REVIEW

Revenue

As at 31 December 2016, the Group's revenue was approximately RMB14,611.8 million, representing an increase of approximately 36.6% or approximately RMB3,915.5 million as compared with the corresponding period of last year. The increase in revenue was mainly benefited from the further development of the Group's smartphone related businesses and the rapid growth of the applications of vehicle optical system.

Revenue generated from the Optical Components business segment increased by approximately 30.3% to approximately RMB2,955.6 million as compared with the corresponding period of last year. The increase in revenue was mainly due to the increase in the shipment volume and the rise in average price of handset lens sets by the improvement of product mix, and the continuous growth in the shipment volume of vehicle lens sets.

Revenue generated from the Optoelectronic Products business segment increased by approximately 38.8% to approximately RMB11,403.2 million as compared with the corresponding period of last year. The increase in revenue was mainly attributable to the increase in the shipment volume and the rise in average price of handset camera modules by the improvement of product mix.

Revenue generated from the Optical Instruments business segment increased by approximately 19.9% to approximately RMB253.0 million as compared with the corresponding period of last year. The increase in revenue was mainly attributable to the recovery of industrial microscopes market and the development of the Group in the field of high-end microscopes.

Gross Profit and Margin

The gross profit for the year ended 31 December 2016 was approximately RMB2,680.1 million, which was approximately 52.0% higher as compared with the corresponding period of last year, and the gross profit margin was approximately 18.3% (2015: approximately 16.5%), which was 1.8 percentage points higher than that of last year. The increase in gross profit margin was mainly attributable to the fast growth in sales of Optical Components business segment as well as its substantially improved gross margin, and the improved gross profit margin of the Optoelectronic Products business segment as compared with the corresponding period of last year. The gross profit margins of Optical Components business segment, Optoelectronic Products business segment and Optical Instruments business segment were approximately 39.8%, 10.5% and 40.4%, respectively (2015: approximately 35.1%, 9.6% and 37.5% respectively).

財務回顧

銷售收入

於二零一六年十二月三十一日，本集團的收入約人民幣14,611,800,000元，較去年同期增加約36.6%或約人民幣3,915,500,000元，收入增長的主要原因是受惠於本集團智能手機相關業務的進一步發展及車載光學系統應用的快速增長。

光學零件事業的銷售收入較去年同期上升約30.3%至約人民幣2,955,600,000元。收入增長的主要原因是由於出貨量的上升及產品結構改善令手機鏡頭產品平均價格上升，以及車載鏡頭出貨量的持續增長。

光電產品事業的銷售收入較去年同期上升約38.8%至約人民幣11,403,200,000元。收入增長的主要原因是出貨量的上升及產品結構改善令手機照相模組產品平均價格上升。

光學儀器事業的銷售收入較去年同期上升約19.9%至約人民幣253,000,000元。收入上升主要是因為工業顯微鏡市場的回暖以及本集團在高端顯微鏡上的發展。

毛利及毛利率

截至二零一六年十二月三十一日止年度的毛利約人民幣2,680,100,000元，較去年同期上升約52.0%，毛利率則約18.3%（二零一五年：約16.5%），較去年上升1.8個百分點。毛利率上升的主要原因是光學零件事業的銷售增長迅速及其毛利率水平大幅提高，加上光電產品事業的毛利率較去年同期得以提升。光學零件事業的毛利率約39.8%（二零一五年：約35.1%），光電產品事業的毛利率約10.5%（二零一五年：約9.6%）及光學儀器事業的毛利率約40.4%（二零一五年：約37.5%）。

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Selling and Distribution Expenses

The selling and distribution expenses for the year ended 31 December 2016 increased by approximately RMB58.9 million as compared with the corresponding period of last year to approximately RMB153.9 million. It accounted for approximately 1.1% of the Group's revenue during the year under review, as compared with approximately 0.9% for last year. The increase in such expenses was primarily attributable to the increase in costs of selling, marketing and distribution personnel resulted from the growth in sales activities.

R&D Expenditure

The R&D expenditure for the year ended 31 December 2016 increased by approximately RMB192.3 million as compared with the corresponding period of last year to approximately RMB694.4 million. It accounted for approximately 4.8% of the Group's revenue during the year under review, as compared with approximately 4.7% for last year. The increase in expenditure was attributable to the Group's continuous investment in R&D activities and business development. The R&D expenditure was mainly used in the R&D of high-end handset lens sets and handset camera modules, innovative optoelectronic products for mobile terminals, vehicle lens sets, infrared products, security surveillance systems products, mid- to high-end optical instruments and the upgrade of existing product categories.

Administrative Expenses

The administrative expenses for the year ended 31 December 2016 increased by approximately RMB74.3 million as compared with the corresponding period of last year to approximately RMB331.2 million. It accounted for approximately 2.3% of the Group's revenue during the year under review, as compared with approximately 2.4% for last year. The increase in expenses was mainly attributable to the increase in the headcount of administrative staff, the increase in remuneration, the grant of restricted shares and the corresponding increase in relevant fringe benefits.

Income Tax Expense

The income tax expense for the year ended 31 December 2016 increased by approximately RMB76.1 million as compared with the corresponding period of last year to approximately RMB174.8 million. The increase in income tax expense was mainly attributable to the growth in earnings. The Group's actual effective tax rate was approximately 12.1% during the year under review, as compared with approximately 11.5% for last year.

銷售及分銷費用

截至二零一六年十二月三十一日止年度的銷售及分銷費用較去年同期增加約人民幣58,900,000元，達至約人民幣153,900,000元，於回顧年度佔本集團收入約1.1%，去年佔比約0.9%。有關費用的增加主要是營銷活動增加導致相關銷售、市場推廣及分銷人員成本增加。

研發費用

截至二零一六年十二月三十一日止年度的研發費用較去年同期增加約人民幣192,300,000元，達至約人民幣694,400,000元，於回顧年度佔本集團收入約4.8%，去年佔比約4.7%。有關費用增長乃由於本集團繼續投放資金於研發項目及業務發展。研發開支主要用於研發高規格手機鏡頭及手機照相模組、創新型移動終端光電產品、車載鏡頭、紅外產品、安防監控系統產品、中高端光學儀器和原有產品種類的升級研發。

行政費用

截至二零一六年十二月三十一日止年度的行政費用較去年同期增加約人民幣74,300,000元，達至約人民幣331,200,000元，於回顧年度佔本集團收入約2.3%，去年佔比約2.4%。有關費用增加的主要原因是行政員工人數及薪資的上升，及受限制股份的授出及相關福利成本的相應提高。

所得稅開支

截至二零一六年十二月三十一日止年度的所得稅開支較去年同期增加約人民幣76,100,000元，達至約人民幣174,800,000元，所得稅開支增加的主要原因是盈利的擴大。於回顧年度內，本集團的實際有效稅率約為12.1%，去年約為11.5%。

為使有效稅率在未來保持穩定，本集團的多家附

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In order to keep the effective tax rate steady in the future, several subsidiaries of the Group have successfully applied for the status of Hi-Tech Enterprises. The current income tax rate applicable to Hi-Tech Enterprises is 15.0% according to the national policy in the PRC.

屬公司已成功申請成為高新技術企業。依國家政策，現行高新技術企業的當期所得稅率為15.0%。

	2015 二零一五年	2016 二零一六年	2017 二零一七年	2018 二零一八年 (expect) (預計)
** Zhejiang Sunny Optics Co., Ltd. ("Sunny Optics")				
** 浙江舜宇光學有限公司 (「舜宇浙江光學」)	15.0%	15.0%	15.0%	15.0%
** Ningbo Sunny Instruments Co., Ltd. ("Sunny Instruments")				
** 寧波舜宇儀器有限公司 (「舜宇儀器」)	15.0%	15.0%	15.0%	15.0%
** Sunny Optics (Zhongshan) Co., Ltd. ("Sunny Zhongshan")				
** 舜宇光學(中山)有限公司 (「舜宇中山光學」)	15.0%	15.0%	15.0%	15.0%
** Ningbo Sunny Opotech Co., Ltd. ("Sunny Opotech")				
** 寧波舜宇光電信息有限公司 (「舜宇光電」)	15.0%	15.0%	15.0%	15.0%
** Ningbo Sunny Infrared Technologies Co., Ltd. ("Sunny Infrared")				
** 寧波舜宇紅外技術有限公司 (「舜宇紅外光學」)	15.0%	15.0%	15.0%	15.0%
** Shanghai Sunny Hengping Scientific Instrument Co., Ltd. ("Shanghai Sunny Hengping")				
** 上海舜宇恒平科學儀器有限公司 (「上海舜宇恒平」)	15.0%	15.0%	15.0%	15.0%
** Ningbo Sunny Automotive Optech Co., Ltd. ("Sunny Automotive")				
** 寧波舜宇車載光學技術有限公司 (「舜宇車載光學」)	15.0%	15.0%	15.0%	15.0%
Hangzhou Sunny Security Technology Co., Ltd. ("Sunny Hangzhou Security")				
杭州舜宇安防技術有限公司 (「舜宇杭州安防」)	25.0%	25.0%	25.0%	25.0%
Xinyang Sunny Optics Co., Ltd. ("Sunny Xinyang Optics")				
信陽舜宇光學有限公司 (「舜宇信陽光學」)	25.0%	25.0%	25.0%	25.0%
Shanghai Sunny Yangming Precision Optics Co., Ltd. ("Sunny Shanghai Optics")				
上海舜宇陽明精密光學有限公司 (「舜宇上海光學」)	25.0%	25.0%	25.0%	25.0%
Ningbo Sunny Intelligent Technology Co., Ltd. ("Sunny Intelligent Technology")				
寧波舜宇智能科技有限公司 (「舜宇智能科技」)	25.0%	25.0%	25.0%	25.0%
Sunny Group Limited ("Sunny Group")				
舜宇集團有限公司 (「舜宇集團」)	25.0%	25.0%	25.0%	25.0%

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	2015 二零一五年	2016 二零一六年	2017 二零一七年	2018 二零一八年
Zhejiang Sunny Optical Intelligence Technology Co., Ltd. ("Sunny Optical Intelligence")				
浙江舜宇智能光學技術有限公司 (「舜宇智能光學」)	25.0%	25.0%	25.0%	25.0%
Qingdao Sunny Hengping Instrument Company Limited ("Qingdao Hengping Instrument")				
青島舜宇恆平一起有限公司 (「青島恆平儀器」)	25.0%	25.0%	25.0%	25.0%
! Sunny Optical (Zhejiang) Research Institute Co., Ltd. ("Sunny Research Institute")				
! 舜宇光學(浙江)研究院有限公司 (「舜宇研究院」)	N/A不適用	25.0%	25.0%	25.0%
! Yuyao Sunny Optical Intelligence Technology Co., Ltd. ("Sunny Optical Intelligence Yuyao")				
! 餘姚舜宇智能光學技術有限公司 (「舜宇智能光學(餘姚)」)	N/A不適用	25.0%	25.0%	25.0%
! Ningbo Mei Shan Bao Shui Gang Qu Sunyi Investment Co., Ltd. ("Ningbo Sunyi")				
! 寧波梅山保稅港區舜翌投資管理有限公司 (「寧波舜翌」)	N/A不適用	25.0%	25.0%	25.0%
! Ningbo Mei Shan Bao Shui Gang Qu Sunxin Investment Partnership (Limited Partnership) ("Ningbo Sunxin")				
! 寧波梅山保稅港區舜鑫投資管理合夥企業 (有限合夥)(「寧波舜鑫」)	N/A不適用	25.0%	25.0%	25.0%

* Companies recognised as Hi-Tech Enterprises prior to the balance sheet date.

* 結算日前被認定為高新技術企業。

! Companies were established during the year under review.

! 該等公司於回顧年內成立。

+ The Hi-Tech Enterprises Certification of the Companies will expire on 31 December 2017, 31 December 2018 or 31 December 2019.

+ 該等公司的高新技術企業證明將於二零一七年十二月三十一日、二零一八年十二月三十一日或二零一十九年十二月三十一日屆滿。

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Profit for the Year and Margin

The profit for the year ended 31 December 2016 increased by approximately RMB508.1 million as compared with the corresponding period of last year to approximately RMB1,271.6 million. The increase in net profit was mainly attributable to the increase in gross profit and the effective control in operating expenses. The net profit margin was approximately 8.7% as compared with approximately 7.1% for last year.

Profit for the year Attributable to Owners of the Company

The profit for the year attributable to owners of the Company for the year ended 31 December 2016 increased by approximately RMB509.1 million as compared with the corresponding period of last year to approximately RMB1,270.8 million.

Final Dividends

For the year ended 31 December 2016, the dividends proposed by the Board was approximately RMB0.290 (equivalent to HK\$0.323) per share, with payout ratio of approximately 25.0% of the profit for the year attributable to owners of the Company.

LIQUIDITY AND FINANCIAL RESOURCES

Cash Flows

The table below summarises the Group's cash flows for the years ended 31 December 2016 and 31 December 2015:

年度溢利及利潤率

截至二零一六年十二月三十一日止年度的溢利較去年同期增加約人民幣508,100,000元，達至人民幣約1,271,600,000元。純利增加的主要原因是毛利增加及營運費用的有效管控。純利率則約8.7%，去年約7.1%。

本公司股東應佔年內溢利

截至二零一六年十二月三十一日止年度的本公司股東應佔年內溢利較去年同期增加約人民幣509,100,000元，達至約人民幣1,270,800,000元。

末期股息

截至二零一六年十二月三十一日止年度，董事會建議派發每股約人民幣0.290元（相等於0.323港元）的股息，支付比例約為本公司股東應佔年內溢利的約25.0%。

流動資金及資本來源

現金流量

下表載列本集團於截至二零一六年十二月三十一日及二零一五年十二月三十一日止年度的現金流量概要：

For the year ended 31 December

截至十二月三十一日止年度

	2016 二零一六年 RMB million 人民幣百萬元	2015 二零一五年 RMB million 人民幣百萬元
Net cash from operating activities 經營活動所得現金淨額	1,615.5	1,701.5
Net cash used in investing activities 投資活動所用現金淨額	(1,259.9)	(1,932.0)
Net cash used in financing activities 融資活動所用現金淨額	(81.2)	(87.9)

Management Discussion and Analysis

管理層討論與分析

The Group derives its working capital mainly from cash on hand and net cash generated from operating activities. The Board expects that the Group will rely on net cash from operating activities and bank borrowings in the short run to meet the demand of working capital and other capital expenditure requirements. In the long run, the Group will be funded by net cash from operating activities and, if necessary, by additional bank borrowings or equity financing. There were no material changes in the funding and financial policy of the Group.

The Group's balance of cash and cash equivalents was approximately RMB466.9 million as at 31 December 2016, representing an increase of approximately RMB280.1 million as compared with the balance of last year.

Operating Activities

Cash inflow from operating activities was mainly generated from cash receipt from sales of the Group's products. Cash outflow from operating activities was mainly due to the purchases of raw materials, staff costs, selling and distribution expenses, R&D expenditure and administrative expenses. Net cash generated from operating activities was approximately RMB1,615.5 million for the financial year of 2016 and net cash generated from operating activities was approximately RMB1,701.5 million for the financial year of 2015. The decrease in the net cash generated from operating activities was mainly attributable to the increase in profit before tax and the increase in trade and other payables which were off-set by the increase in inventories and the increase in trade and other receivables.

The trade receivable turnover days (balance of trade receivables/revenue \times 365 days) decreased from approximately 83 days for the financial year of 2015 to approximately 72 days for the financial year of 2016. The decrease in the trade receivable turnover days was mainly attributable to the early settlement by several costumers before the end of the year of 2016.

The trade payable turnover days (balance of trade payables including accrued purchases/cost of sales \times 365 days) increased from approximately 85 days for the financial year of 2015 to approximately 141 days for the financial year of 2016. The credit term on purchases of goods granted by suppliers is up to 180 days. The increase in the trade payable turnover days was mainly due to the enhancement of supply chain management by the Group.

本集團營運資金主要來自手頭現金及經營活動所得之淨現金。董事會預期本集團將依賴經營活動所得現金淨額及銀行借貸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之淨現金以及額外銀行借貸或股權融資（如有需要）所得之資金來經營。本集團資金及財務政策並無重大變動。

本集團於二零一六年十二月三十一日的現金及現金等值項目餘額約人民幣466,900,000元，比去年年底增加約人民幣280,100,000元。

經營活動

經營活動所得現金流入主要來自本集團產品銷售現金收入。經營活動所用現金流出主要用於購買原材料、員工成本、銷售和分銷支出、研發開支及行政開支。二零一六年財政年度的經營活動所得現金淨額約人民幣1,615,500,000元及二零一五年財政年度的經營活動所得現金淨額約人民幣1,701,500,000元。經營活動所得現金淨額減少主要是由於除稅前溢利的增加及貿易及其他應付款項的增加被存貨增加以及貿易及其他應收款項增加所抵銷。

貿易應收款項周轉日數（貿易應收款項餘額／收入 \times 365日）由二零一五年財政年度的約83日減少至二零一六年財政年度的約72日。貿易應收款項周轉日數減少主要是由於若干客戶於二零一六年結束之前提前結清款項。

貿易應付款項周轉日數（貿易應付款項餘額含應計採購額／銷售成本 \times 365日）由二零一五年財政年度的約85日增加至二零一六年財政年度的約141日。供貨商授出的產品採購信貸期最長為180日，貿易應付款項周轉日數增加主要因為本集團加強了供應鏈管理。

Management Discussion and Analysis

管理層討論與分析

The inventory turnover days (balance of inventories/cost of sales × 365 days) increased from approximately 37 days for the financial year of 2015 to approximately 87 days for the financial year of 2016. The increase in the inventory turnover days was mainly because the Group has produced more finished goods for the strong sales in January 2017.

Investing Activities

The Group recorded a net cash used in investing activities of approximately RMB1,259.9 million for the financial year of 2016, which was mainly attributable to purchases and release of financial assets designated as at fair value through profit or loss of approximately RMB18,995.7 million and approximately RMB18,676.5 million during the year respectively, and the Group's capital expenditure amounting to approximately RMB972.7 million during the year.

Financing Activities

The Group recorded a net cash used in financing activities of approximately RMB81.2 million for the financial year of 2016. The inflow mainly came from new bank borrowings raised of approximately RMB1,000.4 million. Major outflows were the repayment of bank borrowings of approximately RMB779.3 million, purchases of shares as unvested shares under the restricted share award scheme ("Restricted Share Award Scheme") of approximately RMB63.9 million and dividends paid to shareholders of approximately RMB228.2 million declared last year.

Capital Expenditure

For the year ended 31 December 2016, the Group's capital expenditure amounted to approximately RMB972.7 million, which was mainly used for the purchases of machinery and equipment, acquisition of land use right and other tangible assets. All of the capital expenditure were financed by internal resources and bank borrowings.

存貨周轉日數(存貨餘額/銷售成本 × 365日)由二零一五年財政年度的約37日增加至二零一六年財政年度的約87日。存貨周轉日數增加主要是由於本集團為了應對二零一七年一月份強勁的銷售生產了較多的成品。

投資活動

本集團於二零一六年財政年度的投資活動所用現金淨額約人民幣1,259,900,000元，這主要是由於在年內分別購買及解除按公允值計入損益之金融資產約人民幣18,995,700,000元及約人民幣18,676,500,000元及本集團於年內的資本開支約人民幣972,700,000元。

融資活動

本集團於二零一六年財政年度的融資活動所用現金淨額約人民幣81,200,000元，流入現金主要來自新籌得的銀行借貸約人民幣1,000,400,000元，而主要流出則是償還銀行借貸約人民幣779,300,000元、購買股份作為受限制股份獎勵計劃(「受限制股份獎勵計劃」)下的未歸屬股份約人民幣63,900,000元及向股東派付去年所宣派的股息約人民幣228,200,000元。

資本開支

截至二零一六年十二月三十一日止年度，本集團的資本開支約人民幣972,700,000元。資本開支主要用作購置機器及設備、購買土地使用權和其他有形資產。所有資本開支由內部資源和銀行借貸撥付。

Management Discussion and Analysis

管理層討論與分析

CAPITAL STRUCTURE

Indebtedness

Bank borrowings

Bank borrowings of the Group as of 31 December 2016 amounted to approximately RMB904.3 million (2015: approximately RMB683.2 million). Pledged buildings and land of approximately RMB186.1 million (2015: approximately RMB195.0 million), while no pledged trade receivables were arranged by the Group in the year under review (2015: approximately RMB22.4 million).

As at 31 December 2016, all bank borrowings were denominated mainly in U.S. Dollars and RMB. The gearing ratio of the Group by reference to the total debt to total book capitalization ratio (total book capitalization means the sum of total liabilities and shareholders' equity) was approximately 7.8%, reflecting that the Group's financial position was at a sound level.

Bank facilities

As at 31 December 2016, the Group had bank facilities of RMB692.0 million with Yuyao Branch of Agricultural Bank of China, RMB200.0 million with Yuyao Branch of Ningbo Bank, USD36.0 million with BNP Paribas Hong Kong Branch, USD60.0 million with BNP Paribas (China) Limited, USD10.0 million with Oversea-Chinese Banking Corporation Limited, Hong Kong Branch, USD48.5 million with The Hongkong and Shanghai Banking Corporation Limited, RMB200.0 million with Yuyao Branch of Bank of Communication Co., Ltd., RMB188.0 million with Yuyao Branch of Bank of China Limited and RMB80.0 million with Ningbo Branch of Huaxia Bank Co., Ltd..

Debt securities

As at 31 December 2016, the Group did not have any debt securities.

Contingent liabilities

As at 31 December 2016, the Group did not have any material contingent liabilities or guarantees.

資本結構

債務

銀行借貸

於二零一六年十二月三十一日，本集團的銀行貸款約人民幣904,300,000元（二零一五年：約人民幣683,200,000元）。本集團在回顧年內安排已抵押樓宇及土地約人民幣186,100,000元（二零一五年：約人民幣195,000,000元）及並無任何抵押貿易應收款項（二零一五年：約人民幣22,400,000元）。

於二零一六年十二月三十一日，所有銀行貸款主要以美元及人民幣結算。本集團的負債比率是指總借款佔總資本的比例（總資本為總負債與股東權益之和）約7.8%，反映出本集團財務狀況處於十分穩健的水平。

銀行授信

於二零一六年十二月三十一日，本集團於中國農業銀行餘姚支行的授信為人民幣692,000,000元，於寧波銀行餘姚支行的授信為人民幣200,000,000元，於法國巴黎銀行香港分行的授信為36,000,000美元，於法國巴黎銀行（中國）有限公司的授信為60,000,000美元，於華僑銀行香港分行的授信為10,000,000美元，於香港上海滙豐銀行有限公司的授信為48,500,000美元，於交通銀行股份有限公司餘姚支行的授信為人民幣200,000,000元，於中國銀行股份有限公司餘姚分行的授信為人民幣188,000,000元以及於華夏銀行股份有限公司寧波分行的授信為人民幣80,000,000元。

債務證券

於二零一六年十二月三十一日，本集團並無任何債務證券。

或然負債

於二零一六年十二月三十一日，本集團並無任何重大或然負債或擔保。

Management Discussion and Analysis

管理層討論與分析

PLEDGE OF ASSETS

The Group did not have any pledge or charge on assets as at 31 December 2016, except for the pledged bank deposits of approximately RMB101.0 million and pledged buildings and land of approximately RMB186.1 million.

COMMITMENTS

As at 31 December 2016, the future aggregate minimum lease payments under non-cancellable operating leases in respect of premises amounted to approximately RMB149.2 million (2015: approximately RMB99.6 million).

As at 31 December 2016, the capital expenditure of the Group in respect of acquisition of plant and equipment contracted for but not provided in the consolidated financial statements amounted to approximately RMB220.1 million (2015: approximately RMB126.3 million).

As at 31 December 2016, the Group had no other capital commitments save as disclosed above.

PERFORMANCE OF INVESTMENTS MADE AND FUTURE INVESTMENTS

The Group's investing activities mainly include the acquisition and repurchase of financial assets designated as at fair value through profit or loss, placement and withdrawal of pledged bank deposits, placement and withdrawal of short term fixed deposits and purchases of property, plant and equipment. For the year ended 31 December 2016, the Group's investments amounted to approximately RMB972.7 million, mainly involving in the purchases of machinery and equipment, as well as the initial production settings of new products, acquisition of land use right and the necessary equipment configurations of new projects. These investments enhanced the Group's R&D capability, technology application capability, production capability and efficiency, and thus expanded the revenue sources.

The Group adopts prudent financial policies, and therefore its investment projects are mostly capital-protected with fixed income. The Group strives for stable and healthy financial positions while improving the returns.

Going forward, the Group intends to further invest to enhance its competitiveness.

資產抵押

於二零一六年十二月三十一日，除已抵押銀行存款約人民幣101,000,000元以及已抵押樓宇及土地約人民幣186,100,000元外，本集團並無任何資產抵押或押記。

承擔

於二零一六年十二月三十一日，根據有關所租物業的不可取消經營租約之應付的未來最低租金總額約人民幣149,200,000元（二零一五年：約人民幣99,600,000元）。

於二零一六年十二月三十一日，本集團就收購機器及設備有已訂約但未於綜合財務報表撥備的資本開支約人民幣220,100,000元（二零一五年：約人民幣126,300,000元）。

於二零一六年十二月三十一日，除上述披露外，本集團並無任何其他資本承擔。

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及贖回按公允值計入損益的金融資產、存放及提取已抵押銀行存款、存放及提取短期定期存款及購買物業、機器及設備。截至二零一六年十二月三十一日止年度，本集團動用約人民幣972,700,000元進行投資活動，主要用作購置機器及設備，以及新產品之產能初始化設置，購買土地使用權和新項目的必要設備配置。該等投資增強了本集團的研發能力、技術應用能力、生產能力及效率，拓闊了收入來源。

本集團財務政策保持審慎原則，投資項目多為保本且固定收益之項目。本集團以求財務狀況穩健的同時，提高回報。

展望未來，本集團擬進一步投資以加強競爭力。

Management Discussion and Analysis

管理層討論與分析

OFF-BALANCE SHEET TRANSACTIONS AND CONTINGENT LIABILITIES

As at 31 December 2016, the Group did not enter into any material off-balance sheet transactions and contingent liabilities.

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 expansion of the Group and for other uses. Upward fluctuations in interest rates increase the costs of both existing and new debts. For the year ended 31 December 2016, the effective interest rate on fixed-rate bank borrowings was approximately 2.72% per annum, while the effective interest on variable-rate bank borrowings was approximately from 1.44% to 1.66% per annum.

Foreign Exchange Rate Fluctuation Risk

The Group exports a 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 entered into certain foreign exchange trading instruments to reduce its currency risk.

Credit Risk

The Group's financial assets include derivative financial assets, bank balances and cash, pledged bank deposits, short-term fixed deposits, financial assets designated as at fair value through profit or loss, trade and other receivables, amounts due from related parties and available-for-sale investments, which represent the Group's maximum exposure to credit risk in relation to financial assets.

資產負債表以外交易及或然負債

於二零一六年十二月三十一日，本集團並無訂立任何重大的資產負債表以外交易及或然負債。

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。利率的上調會增加現有及新增債務之成本。截至二零一六年十二月三十一日止年度，固定利息銀行借貸的實際年利率約2.72%，而可變利息銀行借貸的實際年利率約1.44%至1.66%。

匯率波動風險

本集團的部分產品會出口銷售至國際市場，同時也會從國際市場購買大量產品，以上交易均以美元或其他外幣計算。為降低此風險，本集團已訂立若干外匯交易工具以減低貨幣風險。

信貸風險

本集團的金融資產為衍生金融資產、銀行結餘及現金、已抵押銀行存款、短期定期存款、按公允價值計入損益之金融資產、貿易及其他應收款項、應收關連人士款項及可供出售投資，為本集團所面對有關金融資產的最大信貸風險。

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管理層討論與分析

In order to minimise the credit risk in relation to trade receivables, the management has delegated a team which is responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up actions are taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. Therefore, the Directors consider that the Group's credit risk is significantly reduced. The amounts presented in the consolidated statement of financial position are net of allowances for bad and doubtful debts, estimated by the management based on prior experience, their assessment of the current economic environment and the discounted cash flows to be received in future.

The Group has no significant concentration of credit risk since its trade receivables are dispersed to a large number of counterparties and customers. The credit risk on liquidity is limited because majority of the counterparties are banks with high credit-ratings as rated by international credit-rating agencies.

Cash Flow Interest Rate Risk

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

Liquidity Risk

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

EMPLOYEE AND REMUNERATION POLICY

The Group had a total of 20,191 dedicated full-time employees as at 31 December 2016, including 3,350 management and administrative staff, 16,489 production workers and 352 operation supporting staff. In line with the performance of the Group and individual employees, a competitive remuneration package is offered to retain elite employees, including salaries, medical insurance, discretionary bonuses, other fringe benefits as well as mandatory provident fund scheme for employees in Hong Kong and state-managed retirement benefit scheme for employees in the PRC.

為減低有關貿易應收款項的信貨風險，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序，以確保採取適當的跟進行動收回過期債務。此外，本集團於每個報告期末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貨風險已大大降低。綜合財務狀況表所示金額已扣除呆壞賬撥備，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。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，故流動資金信貨風險有限。

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可變利率有關。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的現金流量水平，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項目，從而控制流動資金風險。

僱員和薪酬政策

於二零一六年十二月三十一日，本集團擁有20,191名全職僱員，包括3,350名管理和行政人員，16,489名生產人員和352名營運支持人員。為挽留傑出人才，本集團根據集團整體及員工的個別表現，向僱員提供具競爭力之薪酬福利，包括薪資、醫療保險、酌情花紅、其他員工福利、強制性公積金計劃（香港）及國家管理退休福利計劃（國內）等。

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The Group has also adopted a share option scheme and a Restricted Share Award Scheme, for the purposes of providing incentives and rewards to eligible participants to recognise their contribution to the Group and enhancing their ownership spirits. For the year ended 31 December 2016, no share option was granted or agreed to be granted by the Company under the share option scheme. In addition, during the year ended 31 December 2016, an aggregate of 2,781,602 shares were granted to eligible participants in accordance with the Restricted Share Award Scheme.

DIVIDENDS

The Directors proposed a payment from the distributable reserves of the Company a final dividend of approximately RMB0.290 (equivalent to HK\$0.323) per share in respect of the year ended 31 December 2016 to the shareholders whose names appear on the register of members of the Company at the close of business on 1 June 2017. The final dividends, payable on 22 June 2017, are subject to the approval of the shareholders of the Company at the forthcoming Annual General Meeting (the “AGM”) to be held on 26 May 2017.

CLOSURE OF REGISTER OF MEMBERS

In order to determine the eligibility of shareholders to attend the AGM, which is to be held on 26 May 2017, the register of members of the Company will be closed from 23 May 2017 to 26 May 2017, both days inclusive, during which no transfer of shares will be registered. 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 at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on 22 May 2017.

In order to determine the eligibility of shareholders to the dividends, the register of members of the Company will be closed from 2 June 2017 to 8 June 2017, both days inclusive, during which no transfer of shares will be registered. 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 at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on 1 June 2017.

本集團亦採納購股權計劃及受限制股份獎勵計劃，旨在為對本集團有貢獻的合資格參與者提供鼓勵和獎勵，增強員工的主人翁精神。截至二零一六年十二月三十一日止年度，本公司並無根據購股權計劃向任何人士授出或同意授出購股權。此外，於截至二零一六年十二月三十一日止年度內，2,781,602股股份根據受限制股份獎勵計劃獲授予合資格參與者。

股息

董事建議就截至二零一六年十二月三十一日止年度自本公司可分派儲備向二零一七年六月一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約人民幣0.290元（相等於0.323港元）。有關末期股息須於二零一七年六月二十二日支付，惟須於二零一七年五月二十六日舉行之應屆股東周年大會取得本公司股東批准。

暫停辦理證券登記手續

為符合出席二零一七年五月二十六日舉行的股東周年大會資格，本公司將由二零一七年五月二十三日至二零一七年五月二十六日（包括首尾兩天）將暫停辦理股份過戶登記手續。所有股份過戶文件連同有關股票，必須於二零一七年五月二十二日下午四時三十分前，送呈本公司於香港之證券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。

為符合資格收取股息，二零一七年六月二日至二零一七年六月八日（包括首尾兩天）將暫停辦理股份過戶登記手續。所有股份過戶文件連同有關股票，必須於二零一七年六月一日下午四時三十分前，送呈本公司於香港之證券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。

Management Discussion and Analysis

管理層討論與分析

OUTLOOK AND FUTURE STRATEGIES

During the year under review, adhering to the mission of ensuring sustainable growth of the Group, the management team strived to make progress with innovation. Major businesses of the Group have achieved sound development. Looking into 2017, the economy of the world and the PRC will face much greater risks and challenges because of the increasing uncertainties, but the Group is optimistic about its future operation.

In the view of the Directors, 2017 is a year with both challenges and opportunities. The Group's management will closely monitor the development in the markets and the industries, accelerate its business transformation and upgrade, continue to implement its development strategies and lead the Group to maintain the sound development momentum in 2017.

1. Continue to improve and expand its existing advantageous businesses to form the overall preponderance, improve the market competitiveness and the market share, further consolidate its leading position in the market

In 2017, the Group will continue to allocate effective resources and focus on the research and development of core technologies and key process to form the technology advantages in terms of principal activities; further improve the manufacturing system, combine with informationization, continue to promote lean management and increase the production efficiency to form the manufacturing advantage; further improve the construction of supply chain, optimize supply chain management and implement the management and control of end-to-end supply chain to form the advantage of purchasing costs; continue to the promote the construction of quality system and improve quality traceability to form the quality advantage. The Group forms an overall advantage to win the market competitiveness by accumulating the advantages in several aspects mentioned above.

展望及未來策略

於回顧年內，本集團領導人發奮圖強，秉承繼續將本集團做強做大的使命，並不斷進取創新，本集團的主要業務均實現穩健的發展。展望二零一七年，因不確定性因素增加，全球及中國經濟將面臨更大的風險和挑戰，但本集團對其未來的經營仍然持基本樂觀的態度。

董事認為，二零一七年是挑戰與機遇並存的一年。本集團管理層將密切關注市場及行業發展動態，加速業務的轉型和升級，持續貫徹發展戰略，並帶領本集團在二零一七年保持良好的發展態勢。

1. 繼續做精做透現有優勢業務，形成整體優勢，提升市場競爭力，提高市場佔有率，進一步鞏固市場地位

本集團於二零一七年將繼續投入有效資源，重點研發核心技術與關鍵工藝，在主要業務上形成技術優勢；進一步健全製造體系，結合信息化，持續推進精益管理，提升生產效率，形成製造優勢；進一步完善供應鏈建設，優化供應鏈管理，落實供應鏈端到端的管控，形成採購成本優勢；持續推進品質體系建設，完善品質追溯，形成品質優勢。通過這上述幾個方面的優勢積累，本集團形成整體優勢，贏得市場競爭力。

Management Discussion and Analysis 管理層討論與分析

2. Strongly promote the accomplishment as the role of a smart optical system solution provider, and consolidate a solid foundation for the rapid development of the optical instruments business

The Group will continue to allocate resources to increase the capability of combining software and hardware and product innovation effectively in order to seek the breakthroughs of smart optical modules in segment markets. The Group will focus on optical capabilities and strive to achieve market breakthroughs in the emerging application fields including AR/VR, biometric identification and so on to accomplish the execution of being a smart optical system solution provider.

The Group will effectively advance the customer-oriented product development and focus on target market segments like the manufacturing of precision machinery and consumer electronics and so on, in order to achieve substantial breakthroughs in the field of the smart manufacturing. The Group will discover customers' sorrows and difficulties as well as combine microscopic techniques with software technologies to develop and deliver automatic micro-assembling, testing solutions and products to customers.

3. Further promote the internal mechanism construction, and propel and improve the formation and completion of the new development mechanism

The Group will sort out the relationship between the "Create Together" and the new development mechanism clearly, and combine the new mechanism with the existing business management models of parent company and subsidiaries to fully mobilize business objects' motivation, as well as to be more proactive in seizing the market opportunities within the main channels. Meanwhile, the Group will develop, train and retain future management talents for the Company.

In the coming years, the Group will continue to provide the global top-tier hi-tech companies with more high-quality products and services by leveraging on the broad development prospects of the optoelectronic industry where the Group bases and the excellent position in the market as an optical expert, maintain innovation and adhere to the "Mingpeijiao" (名配角) strategy, thereby achieving corporate growth and value enhancement to create returns for the shareholders continuously.

2. 大力推動智能光學系統方案解決商的角色落地，夯實光學儀器事業騰飛的基礎

本集團將繼續投入資源來有效提升在軟硬件結合與產品創新方面的能力，以尋求智能光學模組在細分市場的突破。本集團將聚焦光學能力，努力在AR及VR、生物識別等新興應用領域取得市場突破，實現智能光學系統方案解決商的角色落地。

本集團將切實推進以客戶需求為導向的產品開發，圍繞精密機械製造、消費類電子產業等目標細分市場，實現智能製造領域的實質性突破。本集團將挖掘客戶痛點與難點，整合顯微技術與軟件技術，為客戶開發和交付自動顯微裝配及檢測的解決方案與產品。

3. 進一步推進內部機制建設，推動和完善新的發展機制的形成與落地

本集團將梳理明確「共同創造」與新的發展機制之間的關係，以新機制結合已有的母子公司業務管理模式，充分調動業務主體的積極性，更積極地抓住主航道內的市場機遇，同時挖掘、歷練、儲備本公司未來的經營管理人才。

在未來幾年，本集團將繼續憑借所立足的光電產業廣闊的發展前景，以及作為光學專家在行業中的良好地位，持續創新，堅持「名配角」戰略，為全球頂尖的高新技術企業提供更多優質的產品與服務，從而實現企業的成長與價值的提升，不斷為股東創造回報。

Directors and Senior Management

董事及高級管理層

BOARD OF DIRECTORS

During the year 2016, the Board consisted of 7 Directors comprising 3 executive Directors, 1 non-executive director and 3 independent non-executive Directors. The information on the Directors is set forth below.

DIRECTOR

Executive Director

Mr. Ye Liaoning (葉遼寧), aged 51, is one of the founders of the Group, and currently is an executive Director, the chairman of the Board and the chairman of the Strategy and Development Committee. He is responsible for formulating the Group's policies and making decisions. Mr. Ye joined Yuyao County Chengbei Optical Instruments Factory in 1984 and became its deputy general manager since 1995. Mr. Ye has obtained a qualification of senior economist issued by the Personnel Bureau of Zhejiang in 2008. 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 Zhejiang Radio & TV University in 1999. Mr. Ye has been an executive Director since May 2007 and is currently a director of various members of the Group.

Mr. Sun Yang (孫泐), aged 44, currently is an executive Director and the Chief Executive Officer of the Company. He is responsible for the overall operation and management of the Group. 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 Finance and Economics in 2005. He joined Zhejiang Sunny (Group) Joint Stock Company Limited, originally known as Yuyao County Chengbei Optical Instruments Factory, as a chief officer of its investment management centre in 2002. In 2008, Mr. Sun was granted a qualification of senior economist by the Personnel Bureau of Zhejiang. 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. Sun has been an executive Director since May 2009 and is currently a director of various members of the Group.

董事會

於二零一六年內，董事會由7名董事組成，其中包括3名執行董事、1名非執行董事及3名獨立非執行董事。董事資料載於下文。

董事

執行董事

葉遼寧先生，51歲，本集團創辦人之一，現任本公司執行董事、董事會主席兼策略及發展委員會主席，負責本集團政策制訂及決策。葉先生於一九八四年加入餘姚縣城北光學儀器廠，自一九九五年起在該公司擔任副總經理。葉先生於二零零八年獲浙江省人事廳頒發高級經濟師資格。高級經濟師為中國的認可職稱，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。其自二零零七年五月起擔任執行董事，現時為本集團不同成員公司的董事。

孫泐先生，44歲，現任本公司執行董事及行政總裁，負責本集團全面營運及管理。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。於二零零五年獲取上海財經大學頒授經濟學碩士學位。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。孫先生於二零零八年獲浙江省人事廳頒發高級經濟師資格。高級經濟師為中國的認可職稱，一般授予通過必需考核及具備豐富管理經驗的人士。其自二零零九年五月起擔任執行董事，現時為本集團不同成員公司的董事。

Directors and Senior Management 董事及高級管理層

Mr. Wang Wenjie (王文杰), aged 49, currently is an executive Director and standing vice president of the Company. He is responsible for the strategic planning and information management of the Group. Mr. Wang graduated from Zhejiang University with a bachelor's degree in engineering in 1989 and joined the Group after his graduation. Mr. Wang obtained a qualification as a senior economist in 2008 from the Personnel Bureau of Zhejiang. 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. In 2012, he was awarded the titles of "Outstanding Entrepreneur of Ningbo City", "2012 Top 10 Yong Shang of Ningbo City" and "2012 National Outstanding Young Entrepreneur of Electronic Engineering Industry". He has been an executive Director since December 2013.

Non-executive Director

Mr. Wang Wenjian (王文鑒), aged 69, former Chairman of the Board, executive Director and Chief Executive Officer, is one of the founders of the Group, and currently is a non-executive Director and the Honorary Chairman of the Board. Mr. Wang joined the Yuyao County Chengbei Optical Instruments Factory in 1984 as factory manager and became its general manager since 1994 when it was transformed to a joint stock limited liability company. Mr. Wang obtained the title of "Outstanding Entrepreneur" from Ningbo Entrepreneurs Association and Ningbo Enterprise Unite League in 2006 and was granted the "Ningbo Excellent Entrepreneur Award" (寧波市卓越企業家獎) by the Personnel Office under Ningbo Municipal Party Committee in 2015. Mr. Wang acted as the 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 a qualification as a senior economist in 1996 from 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 was redesignated as a non-executive Director in March 2012.

王文杰先生，49歲，現任本公司執行董事及常務副總裁，負責本集團戰略規劃及信息管理。王先生在一九八九年畢業於浙江大學，取得工學學士學位，並於畢業後加入本集團。王先生於二零零八年從浙江省人事廳取得高級經濟師資格。高級經濟師為中國的認可職稱，一般授予通過必需考核及具備豐富管理經驗的人士。其於二零一二年獲頒「寧波市優秀企業家」的頭銜，並榮獲「寧波市2012年十大風雲甬商」及「2012年全國電子信息行業優秀青年企業家」的頭銜。其自二零一三年十二月起擔任執行董事。

非執行董事

王文鑒先生，69歲，前任董事會主席、執行董事兼行政總裁，為本集團的創辦人之一，現任非執行董事兼董事會名譽主席。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。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，並於二零一五年獲寧波市委人才辦頒發的「寧波市卓越企業家獎」。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座教授。其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職稱，一般授予通過必需考核及具備豐富管理經驗的人士。王先生於二零一二年三月調任為非執行董事。

Directors and Senior Management 董事及高級管理層

Independent Non-executive Directors

Mr. Feng Hua Jun (馮華君), aged 53, is an independent non-executive Director and the chairman of Nomination Committee. Mr. Feng has been teaching in the Zhejiang University since August 1986 and been promoted to his current positions of professor and doctoral supervisor in July 1998, mainly responsible for works involving teaching and scientific research. He has been the director for the Institute of Optical Imaging Engineering of Zhejiang University (浙江大學光學成像工程研究所) since June 2015, prior to which he was the director for the Institute of Optical Engineering and the head of Department of Optoelectronic Information Engineering of Zhejiang University. Mr. Feng obtained a bachelor's degree in July 1983 from Zhejiang University in optical instrument engineering, and also obtained a master's degree in July 1986 in optical instrument engineering from the same university. Mr. Feng has currently been an independent non-executive Director of Phenix Optical Company Limited, the issued shares of which are listed on the Shanghai Stock Exchange (stock code: 600071), since August 2015. He has been an independent Non-executive Director since April 2016.

Mr. Zhang Yuqing (張余慶), aged 69, is an independent non-executive Director and the chairman of Audit Committee. Mr. Zhang worked in Shanghai Port Bureau as heads of the financial division as well as the auditing division. He was appointed as a director of Shanghai Worldbest Industry Development Co., Ltd. from 2001 to 2003 and acted as its chief financial officer. Mr. Zhang graduated from Shanghai Maritime University in 1982 with a bachelor's degree in economics and is a senior accountant and a non-practicing member of the Chinese Institute of Certified Public Accountants. He currently serves as an independent director of Shandong Rihongxiang Co., Ltd. and the chief financial officer of Shandong Saituo Biotechnology Co., Ltd. He has been an independent non-executive Director since May 2007.

獨立非執行董事

馮華君先生，53歲，獨立非執行董事兼提名委員會主席。馮先生自一九八六年八月開始於浙江大學任教，自一九九八年七月起晉升至教授及博士生導師，主要負責教學及科研工作。其於二零一五年六月至今擔任浙江大學光學成像工程研究所所長，在此之前曾擔任浙江大學光學工程研究所所長及光電信息工程系系主任。馮先生於一九八三年七月在浙江大學獲得光學儀器工程學士學位，並於一九八六年七月獲得光學儀器工程系碩士學位。馮先生自二零一五年八月起出任鳳凰光學股份有限公司（其已發行股份在上海證券交易所上市（股票代碼：600071））的獨立非執行董事。其自二零一六年四月起擔任獨立非執行董事。

張余慶先生，69歲，獨立非執行董事兼審核委員會主席。張先生曾於上海港務局出任財務處及審計處處長。其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，為高級會計師，並為中國註冊會計師協會非職業委員。其現時為山東日鴻祥股份有限公司獨立董事及山東賽托生物科技股份有限公司財務總監。其自二零零七年五月起擔任獨立非執行董事。

Directors and Senior Management 董事及高級管理層

Mr. Shao Yang Dong (邵仰東), aged 47, is an independent non-executive Director and the chairman of Remuneration Committee. Mr. Shao currently is the general partner of Yuantai Investment Partners Evergreen Fund, L.P.. Mr. Shao was a director of each of Sunny Optics and Sunny Instruments from May 2005 to September 2010, Sunny Zhongshan from October 2005 to September 2010, Sunny Opotech from November 2005 to September 2010 and Sunny Infrared from March 2006 to September 2010. Mr. Shao was a general partner of Chengwei Ventures Evergreen Fund, L.P. and 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 May 1993 from Columbia University. He also attended the Graduate School of Business at Stanford University and earned a master's degree in business administration in June 2000. He has been an independent non-executive Director since April 2016.

邵仰東先生，47歲，獨立非執行董事兼薪酬委員會主席。邵先生現時為Yuantai Investment Partners Evergreen Fund, L.P.的普通合夥人。邵先生自二零零五年五月至二零一零年九月出任舜宇浙江光學及舜宇儀器的董事，自二零零五年十月至二零一零年九月出任舜宇中山光學的董事，自二零零五年十一月至二零一零年九月出任舜宇光電的董事及自二零零六年三月至二零一零年九月出任舜宇紅外光學的董事。邵先生曾為Chengwei Ventures Evergreen Fund, L.P.的普通合夥人，及先前於所羅門兄弟公司投資銀行部擔任金融分析師。邵先生於一九九三年五月於哥倫比亞大學以優異學業成績獲得經濟學學士學位。彼亦參加斯坦福大學商學院(Graduate School of Business at Stanford University)學習，並於二零零零年六月獲得工商管理碩士學位。其自二零一六年四月起擔任獨立非執行董事。

SENIOR MANAGEMENT

Mr. Dong Kewu (董克武), aged 48, is the Vice President of the Company. He is responsible for human resource management of the Group. Mr. Dong graduated from Fudan University in 2004 with a master's degree in business administration and from Xidian University in 1990 with a bachelor's degree in computer and application. Before joining the Company in February 2012, Mr. Dong worked as a partner and consulting director in a renowned consulting firm. Mr. Dong also obtained qualifications of economist and engineer issued by the Ministry of Personnel of the PRC and the Planning Committee of Shandong Province.

高級管理層

董克武先生，48歲，為公司副總裁，負責本集團人力資源管理。董先生於二零零四年畢業於上海復旦大學，獲得工商管理碩士學位，及於一九九零年畢業於西安電子科技大學，獲得計算器及應用學士學位。於二零一二年二月加入本公司前，董先生在某知名諮詢公司擔任合夥人、諮詢總監一職。董先生同時亦獲得中國人事部及山東省計劃委員會頒授的經濟師、工程師資格。

Mr. Ma Jianfeng (馬建峰), aged 44, is the Vice President and Joint Company Secretary of the Company. Mr. Ma graduated from Xiamen University in July 1995 with a bachelor's degree in economics. Mr. Ma is a certified public accountant of the Chinese Institute of Certified Public Accountants and is a qualified senior accountant in the PRC. Prior to joining the Group in December 2010, Mr. Ma served as a chief financial officer for Ningbo Bird Co., Ltd.

馬建峰先生，44歲，為公司副總裁兼聯席公司秘書。馬先生於一九九五年七月畢業於廈門大學，取得經濟學學士學位。馬先生為中國註冊會計師協會的註冊會計師，並為中國的合資格高級會計師。在二零一零年十二月加入本集團前，馬先生於寧波波導股份有限公司任職財務總監。

Directors and Senior Management 董事及高級管理層

Mr. Zhang Guoxian (張國賢), aged 51, is the assistant of the President of the Company. Mr. Zhang graduated from Yuyao Huancheng School in 1983 and joined the Group since his graduation. Mr. Zhang attended the seminar of EMBA in Zhejiang University from July 2004 to July 2005 and obtained the relevant completion certificate. Prior to being appointed as the assistant of the President, Mr. Zhang held positions including deputy general manager, standing deputy general manager and general manager of Sunny Optics.

Ms. Wong Pui Ling (黃佩玲), aged 35, is the Joint Company Secretary, investor relations director, authorised representative and agent of the Company. Ms. Wong is primarily responsible for company secretarial matters and investor relations' matters. Ms. Wong joined the Group in 2007. Ms. Wong has more than 10 years of experience in financial reporting, accounting, auditing and investor relations. Ms. Wong is a qualified accountant and is a member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Ms. Wong holds a bachelor's degree in business administration from the Chinese University of Hong Kong and a postgraduate diploma in finance and law from the University of Hong Kong.

Mr. Wu Jun (吳俊), aged 51, is a general manager of Sunny Optics and the general manager of Sunny Shanghai Optics. He is responsible for the daily administration of Sunny Optics and Sunny Shanghai Optics. Mr. Wu graduated with a bachelor's degree in optical instruments from Shanghai Institute of Mechanism in 1986. He later obtained a qualification as a senior engineer in 1999 from the Personnel Bureau of Zhejiang. Prior to joining the Group in March 1997, Mr. Wu worked in Jiangxi Optics Instrument General Factory for 10 years as research officer and chief of quality control.

Mr. Zhang Zhiping (張志平), aged 48, is a general manager of Sunny Zhongshan. He is responsible for the daily administration of Sunny Zhongshan. Mr. Zhang graduated from Hunan Radio and Television University in 1992. Prior to joining the Group in April 2006, he acted as the deputy factory manager in Sintai Optical (Shenzhen) Co., Ltd.

張國賢先生，51歲，為公司總裁助理。張先生於一九八三年畢業於餘姚環城中學，並於畢業後加入本集團。張先生於二零零四年七月至二零零五年七月間參加了浙江大學EMBA研修班學習，並獲得相關結業證書。張先生獲任總裁助理前，曾任舜宇浙江光學副總經理、常務副總經理及總經理等職務。

黃佩玲女士，35歲，為本公司聯席公司秘書、投資人關係總監、授權代表及代理人，主要負責公司秘書事務兼投資人關係事務。黃女士在二零零七年加入本集團。黃女士於財務匯報、會計、核數及投資人關係方面擁有超過十年經驗。黃女士為一名合資格會計師，為特許公認會計師公會會員及香港會計師公會會員。黃女士持有香港中文大學的工商管理學士學位，並在香港大學取得財務及法律深造文憑。

吳俊先生，51歲，為舜宇浙江光學總經理兼任舜宇上海光學總經理，負責舜宇浙江光學和舜宇上海光學的日常經營管理事務。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。其後吳先生在一九九九年於浙江省人事廳取得高級工程師資格。在一九九七年三月加入本集團以前，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十年。

張志平先生，48歲，為舜宇中山光學總經理，負責舜宇中山光學的日常經營管理事務。張先生於一九九二年畢業於湖南廣播電視大學。在二零零六年四月加入本集團以前，張先生於信泰光學(深圳)有限公司任副廠長。

Directors and Senior Management 董事及高級管理層

Mr. Chen Huiguang (陳惠廣), aged 53, is a general manager of Sunny Infrared. He is responsible for the daily administration of Sunny Infrared. Mr. Chen obtained a bachelor's degree in optical instruments from Zhejiang University in 1983. He also obtained a master's degree in engineering from Zhejiang University in 1992. Prior to joining the Group in 1999, Mr. Chen worked in Xintian Precision and Optical Instrument Company Limited. He has been a member of the optical coatings committee of the Chinese Optical Society since 1992 and has been a member of the optical material committee of the Chinese Optical Society since 2009. In 2015, he was granted the title of "Elite of Yong City – Award for Expert with Outstanding Contribution to Ningbo City" by Ningbo Municipal Party Committee, and was appointed as a standing director of Chinese Society for Optical Engineering. Mr. Chen was awarded the qualification for senior engineer of professor level in Zhengjiang Province in 2016. At the same time, Mr. Chen was entitled to the government special allowance specially paid by the central government in 2016.

Mr. Guo Jingchao (郭景朝), aged 54, is a general manager of Sunny Xinyang Optics. He is responsible for the daily administration of Sunny Xinyang Optics. Mr. Guo obtained a bachelor's degree from Changchun University of Science and Technology in 1986, and a master's degree in engineering management from Nanjing University of Science and Technology in 2002. Prior to joining the Group in February 2001, Mr. Guo worked in Henan Costar Group. He served as a deputy general manager in both Henan Costar Group and Lida Optical and Electronic Co., Ltd. In 1997, Mr. Guo was accredited as a senior engineer by China North Industries Group Corporation.

Mr. Qiu Wenwei (裘文偉), aged 40, is a general manager of Sunny Automotive. He is responsible for the daily administration of Sunny Automotive. Mr. Qiu joined the Group in 1997. He engaged in activities relating to R&D from 1997 to 2007 and served as head of R&D department in 2006. He obtained a master's degree in optical engineering from Changchun University of Science and Technology in July 2014.

陳惠廣先生，53歲，為舜宇紅外光學總經理，負責舜宇紅外光學日常經營管理事務。陳先生在一九八三年於浙江大學取得光學儀器專業學士學位，並在一九九二年在浙江大學取得工學碩士學位。在一九九九年加入本集團以前，陳先生在新天精密光學儀器有限公司工作。其自一九九二年起擔任中國光學學會光學薄膜專委會委員，自二零零九年起擔任中國光學學會光學材料專委會委員。其於二零一五年獲中共寧波市委頒發的「甬城精英－寧波市有突出貢獻專家獎」，並獲任為中國光學工程學會常務理事。陳先生於二零一六年獲浙江省教授級高級工程師資格。同時，陳先生於二零一六年享受由中央財政專項列支的政府特殊津貼。

郭景朝先生，54歲，為舜宇信陽光學總經理，負責舜宇信陽光學日常經營管理事務等工作。郭先生於一九八六年於長春光學精密機械學院取得學士學位，又於二零零二年於南京理工大學取得工程管理碩士學位。於二零零一年二月加入本集團前，郭先生於河南中光學集團有限公司工作，曾獲任為河南中光學集團有限公司副總經理兼南陽利達光電股份有限公司副總經理。郭先生於一九九七年獲中國北方工業集團總公司頒授的高級工程師資格。

裘文偉先生，40歲，為舜宇車載光學總經理，負責舜宇車載光學的日常經營管理事務。裘先生於一九九七年加入本集團，且從一九九七年至二零零七年間一直從事研發相關工作，並於二零零六年任研發部部長。裘先生於二零一四年七月取得長春理工大學光學工程碩士學位。

Directors and Senior Management 董事及高級管理層

Mr. Wang Zhongwei (王忠偉), aged 39, is a general manager of Sunny Opotech and Sunny Optical Intelligence. He is responsible for the daily administration of Sunny Opotech and Sunny Optical Intelligence. He obtained a master's degree in optical engineering from Changchun University of Science and Technology in 2010. Mr. Wang joined Sunny Group in 2001 and served as general manager in 2014. He held positions including deputy manager of sales department and deputy general manager of Sunny Opotech. Mr. Wang was awarded the titles of "National Electronic Engineering Industry – Influential People" by China Electronics Enterprises Association and "2016 Top 10 Yong Shang of Ningbo City" in 2016.

Mr. Lou Guojun (樓國軍), aged 52, is a general manager of Sunny Instruments. He is responsible for the daily administration of Sunny Instruments. Mr. Lou obtained a diploma in business enterprise operation management from Zhejiang Radio & TV University in 1999. Mr. Lou obtained a qualification of senior economist issued by the Personnel Bureau of Zhejiang in 2008. 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. Lou joined the Group in June 1984.

Mr. Zhu Xinqiang (朱新強), aged 51, is a general manager of Shanghai Sunny Hengping. He is responsible for daily administration of Shanghai Sunny Hengping. Mr. Zhu obtained a bachelor's degree in optical instrument from University of Shanghai for Science and Technology in 1986 and a master's degree in business administration from East China University of Science and Technology in 2003. Prior to joining the Group in November 2007, Mr. Zhu worked in Shanghai Third Analytical Instrument Factory and Shanghai Analytical Instrument Overall Factory. He served as a deputy factory manager of Shanghai Analytical Instrument Overall Factory. Mr. Zhu was accredited as a senior engineer by Shanghai Municipal Human Resources and Social Security Bureau in 2012.

王忠偉先生，39歲，為舜宇光電總經理兼任舜宇智能光學總經理，負責舜宇光電和舜宇智能光學的日常經營管理事務。王先生於二零一零年取得長春理工大學光學工程碩士學位。其於二零零一年加入舜宇集團，並於二零一四年任職總經理，曾任舜宇光電的行銷部副部長及副總經理等職務。王先生於二零一六年榮獲中國電子企業協會頒發的「全國電子信息行業－影響力人物」稱號，並榮獲「寧波市2016十大風雲甬商」。

樓國軍先生，52歲，為舜宇儀器總經理，負責處理舜宇儀器的日常經營管理事務。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。樓先生於二零零八年獲浙江省人事廳頒授高級經濟師資格。高級經濟師為中國的認可職稱，一般授予通過必需考核及具備豐富管理經驗的人士。樓先生於一九八四年六月加入本集團。

朱新強先生，51歲，為上海舜宇恒平總經理，負責上海舜宇恒平的日常經營管理事務。朱先生於一九八六年於上海理工大學取得光學儀器學士學位，並於二零零三年於華東理工大學取得工商管理碩士學位。於二零零七年十一月加入本集團前，朱先生曾於上海第三分析儀器廠及上海分析儀器總廠工作，獲任為上海分析儀器總廠副廠長。朱先生於二零一二年獲上海市人力資源和社會保障局頒授高級工程師資格。

Directors and Senior Management

董事及高級管理層

Mr. Weng Jiuxing (翁九星), aged 46, is a general manager of Sunny Intelligent Technology. He is responsible for the daily administration of Sunny Intelligent Technology. Mr. Weng graduated from Zhejiang Normal University in 1995 and obtained a postgraduate diploma in digital strategy and business transformation from the University of Hong Kong in 2013. Mr. Weng joined Yuyao County Chengbei Optical Instruments Factory in 1995 and served various positions, including workshop supervisor, deputy head of corporate governance department, deputy head of manufacturing department and head of quality assurance department. Prior to his appointment as the general manager of Sunny Intelligent Technology in July 2015, he served as the director of information centre of the Company.

翁九星先生，46歲，為舜宇智能科技總經理，負責舜宇智能科技的日常經營管理事務。翁先生於一九九五年畢業於浙江師範大學，又於二零一三年獲得香港大學信息戰略與企業轉型研究生文憑。翁先生於一九九五年加入餘姚縣城城北光學儀器廠，歷任車間主任，企管部副部長，製造部副部長，品保部部長等職務。其於二零一五年七月擔任舜宇智能科技總經理，之前曾任本公司信息中心總監。

Corporate Governance Report

企業管治報告

The Directors recognise the importance of incorporating good corporate governance in the management structures and internal control procedures of the Group so as to effectively promote accountability and deliver maximum benefits to the shareholders.

CORPORATE GOVERNANCE PRACTICES

Throughout the year ended 31 December 2016, the Company complied with all of the code provisions of and adopted most of the recommended best practices of the Corporate Governance Code and Corporate Governance Report contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

THE BOARD

Board Functions

Being accountable to the shareholders, the Board is responsible for facilitating the success of the Company by directing and guiding its business and operational developments and operations in a responsible 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 the shareholders as a whole.

While the management of business operations is supervised by the executive Directors and has been delegated to the qualified members of management. 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 strategies; setting performance objectives and monitoring implementation and corporate performance;
4. Monitoring and managing potential conflicts of interest of management and Board members;
5. Ensuring the integrity of the Company’s accounting and financial reporting systems, including the independent audit, and those appropriate systems of control are in place, in particular, systems for monitoring risk, financial control, and compliance with the law; and
6. Performing the corporate governance function, being responsible for the Company’s policies and practices on corporate governance and reviewing the corporate governance report.

董事深信本集團的管理架構及內部監控程序必須具備優良的企業管治元素，方可促成有效問責，使得股東利益最大化。

企業管治常規

截至二零一六年十二月三十一日止年度，本公司已遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載之企業管治常規守則及企業管治報告之所有守則條文以及採納大部分建議最佳常規。

董事會

董事會職能

董事會須向股東負責，並有責任通過盡責有效的方式，推動及領導本公司之業務營運發展及運作，助本公司業務更進一步發展。董事會成員有責任真誠、勤勉及審慎工作，維護本公司及全部股東最佳利益。

本公司業務營運的管理由各執行董事監察，並由合資格管理人員負責管理，董事會則負責下列決策：

1. 訂立本公司目標及價值觀；
2. 制定本公司策略方針；
3. 檢討及督導企業策略；訂立業績目標及監察實施情況與企業業績；
4. 監察及管理管理層與董事會成員的潛在利益衝突；
5. 確保本公司會計與財務申報系統一致完整，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；及
6. 兼負企業管治職能，負責本公司的企業管治的政策及實務以及審閱企業管治報告。

Corporate Governance Report

企業管治報告

Board Composition

The Board should have a balance of skills and experience appropriate for 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 maintain a balanced composition of executive and non-executive Directors (including independent non-executive Directors) so that the Board has a strong independent element which steered the judgment of the Board to be made independently and objectively. The Board currently comprises 7 Directors, including:

Name of Director

董事姓名

Executive Directors 執行董事

Mr. Ye Liaoning

葉遼寧先生

Mr. Sun Yang

孫泐先生

Mr. Wang Wenjie

王文杰先生

Non-executive Director 非執行董事

Mr. Wang Wenjian

王文鑾先生

Independent non-executive Directors 獨立非執行董事

Mr. Zhang Yuqing

張余慶先生

Mr. Feng Hua Jun (Appointed on 1 April 2016)

馮華君先生 (於二零一六年四月一日獲委任)

Mr. Shao Yang Dong (Appointed on 1 April 2016)

邵仰東先生 (於二零一六年四月一日獲委任)

Dr. Liu Xu (Resigned on 1 April 2016)

劉旭博士 (於二零一六年四月一日辭任)

Mr. Chu Peng Fei Richard (Resigned on 1 April 2016)

朱鵬飛先生 (於二零一六年四月一日辭任)

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，有助董事會作出獨立客觀判斷。董事會現時由7名董事組成，包括：

Corporate Governance Report

企業管治報告

Each of the executive, non-executive, and independent non-executive Directors has entered into a service contract with the Company. The Company is committed to the view that the independent non-executive Directors should be of sufficient caliber and number to warrant their views are acknowledged. The independent non-executive Directors, biographical details of whom are set out in the section “Directors and Senior Management” in this Annual Report, are free from any business or other relationships with the Group 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 “Directors and Senior Management” in this Annual Report and the term of appointments of the Directors appointed during the year 2016 is set out in the section “Directors’ Service Contracts” in this Annual Report. None of the Directors has any financial, business, family relationships or any relationships in other material aspects with each other. 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 rules and are still considered as independent.

Appointment, Re-election and Removal

The Company has implemented a set of formal, prudent and transparent procedures for the appointment of new Directors to the Board. The Company has also put in place plans for orderly succession of the Board. All Directors are subject to re-election between regular intervals in accordance with the Articles of Association. The Board must explain the reasons for the resignation, re-designation or removal of any Director.

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。本公司相信，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其行使獨立判斷的本集團業務或其他關係。董事會於本年報日期的成員名單載於本年報「董事及高級管理層」一節；而於二零一六年內獲委任董事的委任條款則載於本年報中的「董事服務合約」一節。各董事間概無任何財務、業務、家庭關係或其他重大關係。各獨立非執行董事已分別向本公司提交書面確認，確認其已符合上市規則第3.13條有關評核董事獨立性指引的相關規定。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，且仍然視為保持獨立身份。

委任、重選及罷免

本公司已實施一套正式、審慎且具透明度的程序委任董事會新董事，亦已訂立計劃，確保董事會的承接有序。全體董事須根據章程細則定期重選。董事會須解釋任何董事的辭任、調任或罷免的原因。

Corporate Governance Report

企業管治報告

Responsibilities of Directors

Every Director is aware that he should devote sufficient time and attention to the affairs of the Company.

The Directors are kept informed from time to time on the latest development of any changes to the regulatory requirements and the progress of compliance of applicable rules and regulations by the Company. The Directors are also be updated from time to time on the business development and operation plans of the Company.

In compliance with code provision A.6.5 of Corporate Governance Code, the Company will arrange for, and provide fund for, all the Directors to participate in continuous professional development organised in the form of in-house training, seminars or other appropriate courses to keep them refresh of their knowledge, skill and understanding of the Group and its business or to update their skills and knowledge on the latest development or changes in the relevant statutes, the Listing Rules and corporate governance practices. Each newly appointed Director would receive an induction training covering the statutory regulatory obligations of a director of a listed company. Circulars or guidance notes are issued to Directors and senior management, where appropriate, to ensure the awareness of best corporate governance practices.

The Directors acknowledge the need to continue to develop and refresh their knowledge and skills for making contributions to the Company. During the year of 2016, they received a total of over 350 hours training, including internally-facilitated sessions as well as external seminars/programmes on topics relevant to their duties as Directors.

董事職責

各董事知悉，彼等應對本公司事務投放足夠的時間和精力。

董事將不時獲提供有關監管規定任何變動的最近發展及本公司遵守適用規則及規例的進展情況。本公司董事亦會不時獲提供本公司最新的業務發展及營運計劃。

為遵守企業管治守則條文第A.6.5條，本公司將就全體董事參加以內部培訓、研討會或其他適當的課程形式的持續專業發展作出安排並提供資金，使彼等更新其知識、技能及對本集團及其業務的理解，或使彼等在有關法規、上市規則及企業管治常規的最新發展或變動方面更新技能及知識。新委任的董事將接受內容包括上市公司董事法定監管義務的入門培訓。本公司會在適當情況下向董事及高級管理層發出通函或指引，確保彼等知悉最佳企業管治常規。

全體董事均了解持續發展並更新其知識和技能對於為公司作出貢獻十分重要。於二零一六年，他們共得到了超過350小時的培訓，包括內部促進會議以及與董事職責相關主題的外部研討會／課程。

Corporate Governance Report

企業管治報告

To summarise, the Directors received trainings on the following areas to enhance their skills and further their knowledge during the year:

總而言之，董事於年內已接受以下領域的培訓，以加強彼等的技能及知識：

		Training area 培訓領域		
		Corporate risk Management 企業風險管理	Business/ Technological 業務／工藝技術	Strategic Management 戰略管理
Executive Directors	執行董事			
Mr. Ye Liaoning	葉遼寧先生	√	√	√
Mr. Sun Yang	孫泐先生	√	√	√
Mr. Wang Wenjie	王文杰先生	√	√	√
Non-executive Director	非執行董事			
Mr. Wang Wenjian	王文鑒先生	√	√	√
Independent non-executive Directors	獨立非執行董事			
Mr. Shao Yang Dong (Appointed on 1 April 2016)	邵仰東先生 (於二零一六年四月一日獲委任)	√	√	√
Mr. Feng Hua Jun (Appointed on 1 April 2016)	馮華君先生 (於二零一六年四月一日獲委任)	√	√	√
Mr. Zhang Yuqing	張余慶先生	√	√	√
Mr. Chu Peng Fei Richard (Resigned on 1 April 2016)	朱鵬飛先生 (於二零一六年四月一日辭任)		√	
Dr. Liu Xu (Resigned on 1 April 2016)	劉旭博士 (於二零一六年四月一日辭任)		√	

Regarding the Listing Rules' requirement for Directors to obtain a general understanding of an issuer's business and to follow up anything that comes to their attention, it is considered that the current arrangements for keeping the Board informed of the Company's business performance through regular presentations and/or reports by management at Board meetings, providing directors with complete, sufficient and adequate information, and providing the Board with timely reports on urgent key events at ad hoc Board meetings are effective, and have satisfied the requirement. To improve on the existing practice, a monthly management report, covering key business issues and the financial performance of the Company, has been made available to Directors on a monthly basis throughout the year. Director can contact the management individually and independently.

通過定期舉行的董事會會議中作出演示及／或報告，管理層及時通知董事會公司的業務表現，提供完整、充足及適當的資料予董事，並通過特別董事會會議及時向董事會報告緊急的重要事件，關於上市規則中，董事須對發行人業務有所了解並跟進所有突發事件的要求為有效的，且已滿足了其要求。為改善現行的做法，本公司於全年已按月向董事提供每月管理報告，涵蓋公司的關鍵業務問題及財務狀況。全體董事均可個別及獨立接觸本公司管理層人員。

Corporate Governance Report

企業管治報告

Chairman and Chief Executive Officer

Mr. Ye Liaoning, being the Chairman of the Board, directs the strategic growth and development of the Group, with responsibility for reviewing implementation of communication with the media and external parties, arranging meetings for Directors to perform duties, ensuring each Director discusses all important and proper issues in a timely manner and makes decisions when well-informed. Mr. Sun Yang, being the Chief Executive Officer of the Company, 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. This segregation of the roles of the Chairman and the Chief Executive Officer of the Company aligns with the requirement under the code provision A. 2.1 of the Corporate Governance Code.

There are 3 independent non-executive Directors in the Board, all of whom possess adequate independence and therefore the Board considers that the current structure will not impair the balance of power and authority between the Board and the management of business of the Group.

THE ATTENDANCE OF MEETINGS OF THE BOARD

Regular meetings of the Board were held. During the year, the Board convened 6 meetings having considered the business developments and needs of the Company. In addition, special meetings of the Board would be held when necessary. Details of the Director's attendance record in full meetings of the Board are as follows:

主席及行政總裁

董事會主席葉遼寧先生負責指導本集團的策略性增長及發展，檢討本集團與媒體及外部各方進行溝通，安排會議以便各董事履行職責，確保各董事及時討論所有重要及適当事項，並於其完全知情情況下作出決定。本公司的行政總裁孫泐先生負責監督本集團的日常運作、執行董事會的政策及決策，其中包括年度業務計劃及投資方案的執行和實施。本公司主席與行政總裁的角色分離，符合企業管治守則的守則條文第A.2.1條的規定。

董事會中有3名獨立非執行董事，彼等均具備足夠的獨立性，因此，董事會認為，現有架構將不會降低董事會與本集團業務管理層之間的權力平衡性及權威。

董事會會議出席記錄

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召開6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。各董事出席董事會全體會議的詳細記錄如下：

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Name of Director		Full Meeting of the Board of Directors No. of Attendance by Directors (Note)/ No. of Meetings 董事會全體會議 董事出席次數 (附註)/會議次數
董事姓名		
Mr. Wang Wenjian (<i>Honorary Chairman</i>)	王文鑾先生 (名譽主席)	6/6
Mr. Ye Liaoning (<i>Chairman</i>)	葉遼寧先生 (主席)	5/6
Mr. Sun Yang	孫泐先生	6/6
Mr. Wang Wenjie	王文杰先生	5/6
Mr. Zhang Yuqing	張余慶先生	5/6
Mr. Feng Hua Jun (Appointed on 1 April 2016)	馮華君先生 (於二零一六年四月一日獲委任)	4/5
Mr. Shao Yang Dong (Appointed on 1 April 2016)	邵仰東先生 (於二零一六年四月一日獲委任)	4/5
Dr. Liu Xu (Resigned on 1 April 2016)	劉旭博士 (於二零一六年四月一日辭任)	1/1
Mr. Chu Peng Fei Richard (Resigned on 1 April 2016)	朱鵬飛先生 (於二零一六年四月一日辭任)	1/1

Note: The meetings were attended by the Directors themselves, not by an alternate.

附註：董事均親身出席會議，而非由代替者出席。

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 all Directors, ensuring that they are given an opportunity to attend. For all other Board meetings, reasonable notice will be given. Minutes of all Board meetings and meetings of committees are kept by the Company Secretary. Drafts and final versions of minutes are sent to all Directors for their comments and record respectively, in both cases within a reasonable time after the meeting.

在董事會常規會議舉行前，本公司會諮詢各董事須列入議程的事項。董事會常規會議的日期均於召開前最少14日前落實，給予全體董事充裕之通知以確保其有機會出席，而所有其他董事會會議則會作出合理通知。所有董事會會議及委員會會議的會議記錄由公司秘書保管，而會議記錄初稿及終稿已於會議後合理時間內寄發予全體董事，分別供其提供意見及作記錄之用。

During the year 2016, as part of the commitment to best practices, all Directors attended electronic correspondences in respect of certain business development of the Group. Such arrangement ensured fast and timely provision of information to Directors, to supplement the formal Board meetings.

於二零一六年內，作為奉行最佳常規的部分工作，全體董事就本集團若干業務發展進行電子通訊。該安排確保可迅速及適時地向董事提供資料，以補足正規的董事會會議。

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企業管治報告

BOARD COMMITTEES

The Board has established and delegated authorities and responsibilities to four specific committees with written terms of reference to assist it in performing its functions, namely the Audit Committee, Remuneration Committee, Nomination Committee and Strategy and Development Committee. The terms of reference for Board committees has been published on the Group's website and the Stock Exchange's website for shareholders to review.

NOMINATION COMMITTEE

The Company has established a Nomination Committee with written terms of reference. The Nomination Committee comprises 3 members, namely, Mr. Feng Hua Jun and Mr. Shao Yang Dong (both are independent non-executive Directors) and Mr. Wang Wenjian (non-executive Director).

The principal roles and functions performed by the Nomination Committee during the year include:

- a) Reviewing the structure, size and composition of the Board to complement the Company's corporate strategy and making recommendations to the Board regarding any proposed changes;
- b) Identifying individuals suitably qualified to become Board members and selecting or making recommendations to the Board on the selection of individuals nominated for directorship according to the stipulated nomination procedures;
- c) Assessing the independence of independent non-executive Directors according to the requirements under the Listing Rules; and
- d) Making recommendations to the Board on relevant matters related to the appointment or re-appointment of Directors and succession plan for Directors.

董事委員會

董事會已成立四個指定委員會，制定彼等須輔助董事會有效履行職能的權力及責任的書面職權範圍。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。董事委員會的職權範圍已刊登在本集團網站及聯交所網站，以供股東查閱。

提名委員會

本公司已成立提名委員會，並訂有書面職權範圍。提名委員會由3名成員組成，包括獨立非執行董事馮華君先生與邵仰東先生以及非執行董事王文鑒先生。

於年內，提名委員會主要執行之工作及職能包括下列各項：

- a) 檢討董事會之架構、人數及組合，以推行本公司的企業策略，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，並按已定的提名程序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繼任計劃之有關事宜向董事會提出建議。

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Meeting of the Nomination Committee is held at least once a year. 2 meetings were held in 2016. The Nomination Committee held meetings to assess the annual confirmation of independence received from each of the independent non-executive Directors pursuant to the criteria as set out in Rule 3.13 of the Main Board Listing Rules and to discuss the succession plan for the Directors. All independent non-executive Directors are considered to be independent by the Company.

Full minutes of Nomination Committee meetings are kept by the Company Secretary. Drafts and final versions of minutes are sent to all members of the Nomination Committee for their comments and record respectively, in both cases within a reasonable time after the meeting. Sufficient resources (including seeking for independent and professional advices) will be allocated to Nomination Committee to perform duties, with fees borne by the Company. The attendance of each Director at Nomination Committee meetings is as follows:

提名委員會每年最少舉行1次會議，二零一六年內舉行了2次會議。提名委員會舉行會議以評估接獲的各獨立非執行董事就主板上市規則第3.13條所載標準而發出之獨立性年度確認書，以及討論董事之繼任計劃。本公司認為全體獨立非執行董事具備獨立身份。

提名委員會的會議記錄全文由公司秘書保管，而會議記錄初稿及終稿已於會議後合理時間內寄發予提名委員會全體成員，分別供其提供意見及作記錄之用。提名委員會獲調配充分資源（包括尋求獨立專業意見）來履行職責，費用由本公司負責。各董事出席提名委員會會議的記錄如下：

Name of Director 董事姓名	Nomination Committee No. of Attendance (Note)/ No. of Meetings 提名委員會 出席次數（附註）／會議次數	
	Mr. Feng Hua Jun (<i>Chairman</i>) (Appointed on 1 April 2016)	馮華君先生 (<i>主席</i>) (於二零一六年四月一日獲委任)
Mr. Wang Wenjian	王文鑾先生	2/2
Mr. Shao Yang Dong (Appointed on 1 April 2016)	邵仰東先生 (於二零一六年四月一日獲委任)	1/1
Dr. Liu Xu (Resigned on 1 April 2016)	劉旭博士 (於二零一六年四月一日辭任)	1/1
Mr. Chu Peng Fei Richard (Resigned on 1 April 2016)	朱鵬飛先生 (於二零一六年四月一日辭任)	1/1

Note: The meeting was attended by the Directors themselves, not by an alternate.

附註：董事均親身出席該會議，而非由代替者出席。

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企業管治報告

REMUNERATION COMMITTEE

The Company has established the Remuneration Committee with written terms of reference. From 1 January 2016 to 31 December 2016, the members of the Remuneration Committee were Mr. Shao Yang Dong, Mr. Feng Hua Jun and Mr. Zhang Yuqing (all are independent non-executive Directors).

The principal roles and functions performed by of the Remuneration Committee during the year include:

- (a) Making recommendations to the Board on the Company's policy and structure of the remuneration of Directors and senior management;
- (b) Approving the terms of Directors' service contracts, determining the specific remuneration packages of all executive Directors and senior management and making recommendations to the Board of the remuneration of the non-executive Directors;
- (c) Reviewing and approving remuneration by reference to corporate goals resolved by the Board from time to time; and
- (d) Reviewing and approving the compensation payable to executive Directors and senior management in connection with any loss or termination of their offices or appointments.

The meeting of the Remuneration Committee is held at least once a year and otherwise required. 2 meetings were held in 2016. The Remuneration Committee has reviewed and approved the remunerations and bonus payable to executive Directors and senior management for the financial year, which was determined based on their duties, responsibilities, experiences and qualification. The Chairman of the Remuneration Committee has reported to the Board on the proceedings of the meeting. Details of the amount of Directors' emoluments of 2016 are set out in Note 12 to the consolidated financial statements.

薪酬委員會

本公司已成立薪酬委員會，並訂有書面職權範圍。自二零一六年一月一日至二零一六年十二月三十一日，薪酬委員會成員為邵仰東先生、馮華君先生及張余慶先生（均為獨立非執行董事）。

於年內，薪酬委員會主要執行之工作及職能包括下列各項：

- (a) 就本公司董事及高級管理層之薪酬政策及架構向董事會提出建議；
- (b) 通過董事服務合約的條款，負責釐定全體執行董事及高級管理層之特定薪酬待遇，並就非執行董事之薪酬向董事會提供意見；
- (c) 參照董事會通過的公司目標，不時檢討及批准薪酬；及
- (d) 檢討及批准向執行董事及高級管理層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1次會議，亦會在有需要時開會，二零一六年內舉行了2次會議。薪酬委員會已審閱並批准財政年度應付執行董事及高級管理層的酬金及花紅，並按照其職務、責任、經驗及資格而釐定。薪酬委員會主席已向董事會匯報該會議的議事程序。二零一六年董事酬金額詳情載於綜合財務報表附註12。

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Full minutes of Remuneration Committee meetings are kept by the Company Secretary. Drafts and final versions of minutes are sent to all members of the Remuneration Committee for their comments and record respectively, in both cases within a reasonable time after the meeting. Sufficient resources will be allocated to Remuneration Committee to perform duties. The attendance of each Director at Remuneration Committee meeting is as follows:

薪酬委員會的會議記錄全文由公司秘書保管，而會議記錄初稿及終稿已於會議後合理時間內寄發予薪酬委員會全體成員，分別供其提供意見及作記錄之用。薪酬委員會獲調配充分資源來履行職責。各董事出席薪酬委員會會議的記錄如下：

Name of Director 董事姓名	Remuneration Committee No. of Attendance (Note)/ No. of Meetings 薪酬委員會出席次數 (附註)／會議次數	
	Mr. Shao Yang Dong (<i>Chairman</i>) (Appointed on 1 April 2016)	邵仰東先生 (主席) (於二零一六年四月一日獲委任)
Mr. Feng Hua Jun (Appointed on 1 April 2016)	馮華君先生 (於二零一六年四月一日獲委任)	1/1
Mr. Zhang Yuqing	張余慶先生	2/2
Mr. Chu Peng Fei Richard (Resigned on 1 April 2016)	朱鵬飛先生 (於二零一六年四月一日辭任)	1/1
Dr. Liu Xu (Resigned on 1 April 2016)	劉旭博士 (於二零一六年四月一日辭任)	1/1

Note: The meeting was attended by the Directors themselves, not by an alternate.

附註：董事均親身出席該會議，而非由代替者出席。

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference. The Group's audited final results for the year ended 31 December 2016 were reviewed by all the members of the Audit Committee of the Board, namely, Mr. Zhang Yuqing, Mr. Feng Hua Jun and Mr. Shao Yang Dong (all are independent non-executive Directors).

審核委員會

本公司已成立審核委員會，並訂有書面職權範圍。董事會審核委員會所有成員已審閱本集團截至二零一六年十二月三十一日止年度之經審核全年業績。董事會審核委員會成員包括張余慶先生、馮華君先生及邵仰東先生（均為獨立非執行董事）。

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All issues raised by the Audit Committee have been addressed by the management. The work done and findings of the Audit Committee have been reported to the Board. During the year, the issues which were brought to the attention of the management and the Board were not material and therefore no discussion is required herein. Full minutes of Audit Committee meetings are kept by the Company Secretary. Drafts and final versions of minutes 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. Sufficient resources (including the advice of external auditor) will be allocated to the Audit Committee to discharge its duties, with fees borne by the Company.

The principal roles and functions performed by of the Audit Committee include:

- (a) Considering and making recommendations to the Board on the appointment, re-appointment and removal of external auditor, and to approve their remuneration, and any question of their resignation and dismissal;
- (b) Reviewing and monitoring the integrity of the financial statements of the Group together with the Company's interim and annual report;
- (c) Maintaining an appropriate relationship with the Group's external auditors;
- (d) Reviewing the continuing connected transactions; and
- (e) Overseeing the Group's financial controls and internal controls.

審核委員會提出的事項全數交予管理層處理，而審核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，故毋須在年報討論。審核委員會的會議記錄全文由公司秘書保管，而會議記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，分別供其提供意見及作記錄之用。審核委員會獲調配充分資源（包括外聘核數師的意見）來履行職責，費用由本公司負責。

審核委員會主要執行之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；
- (d) 審閱持續關連交易；及
- (e) 監督本集團之財務監控及內部監控。

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For the year ended 31 December 2016, 2 Audit Committee meetings were held. The Audit Committee reviewed the annual report for the year ended 31 December 2015, external auditor's remuneration, internal control system and interim report for the period ended 30 June 2016 at the relevant meetings and reached unanimous consent to recommend the aforesaid be approved by the Board. The chairman of the Audit Committee reported to the Board on the proceedings of these meetings. The Board has not taken any view that deviated from that of the Audit Committee.

Furthermore, another meeting was held on 13 March 2017 to review, inter alia, the annual report and financial statements of the Group for the year ended 31 December 2016, 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.

The attendance of each Director at Audit Committee meetings is as follows:

截至二零一六年十二月三十一日止年度，審核委員會共舉行2次會議。會上，審核委員會已審閱截至二零一五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二零一六年六月三十日止期間之中期報告，並達成一致決定，同意推薦董事會批准上述事宜。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，審核委員會亦於二零一七年三月十三日舉行另一次會議，以審閱（其中包括）本集團截至二零一六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、檢討內部監控制度及續聘外聘核數師事宜。

各董事出席審核委員會會議的記錄如下：

Name of Director	Audit Committee	
	No. of Attendance (Note)/	No. of Meetings
董事姓名	審核委員會出席次數 (附註)／會議次數	
Mr. Zhang Yuqing (<i>Chairman</i>)	張余慶先生 (<i>主席</i>)	2/2
Mr. Feng Hua Jun (Appointed on 1 April 2016)	馮華君先生 (於二零一六年四月一日獲委任)	1/1
Mr. Shao Yang Dong (Appointed on 1 April 2016)	邵仰東先生 (於二零一六年四月一日獲委任)	1/1
Dr. Liu Xu (Resigned on 1 April 2016)	劉旭博士 (於二零一六年四月一日辭任)	1/1
Mr. Chu Peng Fei Richard (Resigned on 1 April 2016)	朱鵬飛先生 (於二零一六年四月一日辭任)	1/1

Note: All the meetings were attended by the Directors themselves, not by an alternate.

附註：董事均親身出席所有會議，而非由代替者出席。

Corporate Governance Report

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STRATEGY AND DEVELOPMENT COMMITTEE

The Company's Strategy and Development Committee comprises 5 members, namely, Mr. Ye Liaoning, Mr. Sun Yang and Mr. Wang Wenjie (all are executive Directors), Mr. Wang Wenjian (a non-executive Director) and Mr. Feng Hua Jun (an independent non-executive Director). 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 local and international experts in the optical industry and other related industries.

Full minutes of Strategy and Development Committee meetings are kept by the Company Secretary. Drafts and final versions of minutes are sent to all members of the Strategy and Development Committee for their comments and record respectively, in both cases within a reasonable time after the meeting. Sufficient resources will be allocated to the Strategy and Development Committee to discharge its duties. The attendance of each Director at Strategy and Development Committee meetings is as follows:

策略及發展委員會

本公司的策略及發展委員會由5名董事組成，包括執行董事葉遼寧先生、孫泐先生及王文杰先生、非執行董事王文鑒先生以及獨立非執行董事馮華君先生。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。委員會的成員應包含本地及國際的光學及其他相關行業的專家。

策略及發展委員會的會議記錄全文由公司秘書保管，而會議記錄初稿及終稿已於會議後合理時間內寄發予策略及發展委員會全體成員，分別供其提供意見及作記錄之用。策略及發展委員會獲調配充分資源來履行職責。各董事出席策略及發展委員會會議的記錄如下：

Name of Director	Strategy and Development Committee	
	No. of Attendance (Note)/	No. of Meetings
董事姓名	策略及發展委員會	
	出席次數(附註)/會議次數	
Mr. Ye Liaoning (Chairman)	葉遼寧先生(主席)	4/4
Mr. Sun Yang	孫泐先生	4/4
Mr. Wang Wenjie	王文杰先生	4/4
Mr. Wang Wenjian	王文鑒先生	4/4
Mr. Feng Hua Jun	馮華君先生	
(Appointed on 1 April 2016)	(於二零一六年四月一日獲委任)	3/3
Dr. Liu Xu	劉旭博士	
(Resigned on 1 April 2016)	(於二零一六年四月一日辭任)	1/1

Note: All the meetings were attended by the Directors themselves, not by an alternate.

附註：董事均親身出席所有會議，而非由代替者出席。

CORPORATE GOVERNANCE FUNCTION

The Board has adopted the terms of reference for the corporate governance functions on 22 December 2011 in compliance with the code provision D.3 of the Corporate Governance Code which was adopted on 1 April 2012. Pursuant to the terms of reference of the corporate governance function, the Board shall be responsible for developing, reviewing and/or monitoring the policies and practices on corporate governance of the Company; training and continuous professional development of directors and senior management; and compliance with legal and regulatory requirements of the Company. The Board has performed the above-mentioned corporate governance functions and this corporate governance report has been reviewed by the Board in discharge of its corporate governance functions.

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 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 2016.

EXTERNAL AUDITOR

The Board agrees with the Audit Committee’s approval of appointment of Deloitte Touche Tohmatsu (the “**DTT**”) as the Company’s external auditor for 2017. Their reporting responsibilities on the financial statements are set out in the Independent Auditor’s Report of this Annual Report on pages 99 to 104. Details of the amount of auditors’ remuneration in 2016 are set out in Note 9 to the consolidated financial statements. The Company has also paid fees amounting to HK\$2.65 million to the auditor for audit service and review service as a reporting accountant during the year. Besides, DTT also provided profits tax filling services for listed company amounting to HK\$31,000 to the Company. Other than as disclosed above, DTT did not provide any other services to the Group.

企業管治職能

董事會於二零一一年十二月二十二日採納企業管治職能職權範圍，以遵守於二零一二年四月一日採納的企業管治守則的守則條文第D.3條。根據企業管治職能職權範圍，董事會負責制定、審閱及／或監察本公司企業管治的政策及實務；對董事及高級管理層進行培訓及持續專業發展；以及遵守本公司的法定及監管規定。董事會已履行上述企業管治職能，且就履行企業管治職能已審閱此企業管治報告。

董事進行證券交易

本公司已採納上市規則附錄十所載的上市公司董事進行證券交易的標準守則（「**標準守則**」）。向董事作出有關證券交易的具體查詢後，全體董事已確認，其於截至二零一六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**」）為本公司二零一七年的外聘核數師。其對財務報表的申報責任載於本年報第99至104頁的獨立核數師報告。二零一六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申報會計師支付2,650,000港元的核數服務及審閱服務費用。此外，德勤亦向本公司提供上市公司利得稅申報服務31,000港元。除以上所披露外，德勤並沒有對本集團提供其他服務工作。

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DTT will retire and offer themselves for re-appointment at AGM of the Company to be held on 26 May 2017. 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 the shareholders' approval in the forthcoming AGM.

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 2016, 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 it would enable the Board to make an informed assessment of the financial and other information before the Board's approval.

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

The Board's responsibility to present a balanced, clear and understandable assessment extended 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.

德勤將會於二零一七年五月二十六日舉行的本公司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記錄，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及公平反映本公司及其附屬公司狀況的財務報表。編製截至二零一六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，並按持續經營基準編製財務報表。

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已載於本年報獨立核數師報告。

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、其他股價敏感資料之公告及其他根據上市規則的規定須作出的財務披露、向規管者提交的報告以及根據法定規則須予披露的資料。

INTERNAL CONTROL

The Board is responsible for the Group's systems of internal control and risk management and for reviewing its effectiveness. The Board, the Group's internal audit department and management reviewed the effectiveness of the internal control system of the Company and its subsidiaries. The Audit Committee reviews the findings and opinions 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 2016, the Board considered the internal control system is effective and adequate. No significant areas of concern which might affect the shareholders were identified. The effectiveness of the Audit Committee itself is reviewed annually through a formal process which involves the Company Secretary preparing an evaluation report on 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 shareholders' investments 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 the Board in reviewing the effectiveness of the internal control system of the Group and to review internal control 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 will be done once a year at least. As confirmed by the management, the Board is satisfied that the Group has sufficient internal control.

內部控制

董事會負責監察本集團的內部監控系統及風險管理系統和檢討其成效，董事會、本集團內部審計部和管理層則審核本公司以及附屬公司內部監控系統的成效。審核委員會審議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。董事會認為截至二零一六年十二月三十一日止年度的內部監控制度足夠且有成效，且無出現可能影響股東的重要事項。審核委員會每年會透過正式程序審視自身的效率，當中涉及公司秘書對其效率的評估報告，並於遞交董事會審批前，先由內部及外聘核數師審閱。

本集團的內部審計部門確保本公司的內部監控健全有效，可維護股東的投資及本公司的資產。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、協助董事會審核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（如審計貿易應收款項及發出商品審核報告）。本集團會至少每年進行內部監控評估，其中包括財務、營運合規監控與風險管理職能。經管理層確認，董事會信納本集團已有足夠的內部控制。

Corporate Governance Report

企業管治報告

ENTERPRISE RISK MANAGEMENT

The Board is responsible to oversee the Group's overall Risk Management Framework and the Board is also responsible for approving the Group's risk policies and assessing the effectiveness of the Group's risk controls/mitigation tools. Systems and procedures have been established to identify, measure, manage and control various risks including business, compliance, operation, finance and information that may have an impact on the Group and each major department.

The Company has embarked on the journey of building an enterprise risk management (the "ERM") system with a view to enhancing the risk management and corporate governance practice, and improving the effectiveness and efficiency of internal control systems across the whole Group.

The Board believes that a heightened focus on risk and compliance is beneficial for the ongoing development and growth of the Company as well as its staff. In establishing the ERM system, all key functions of the Company were carried out by Internal Audit Department to undertake the following exercises:

1. Enterprise Risk assessment – to identify and prioritize the Company's key business risks; and
2. Process level control assessment – to assess the related internal controls and risk mitigating measures.

企業風險管理

董事會負責監察本集團的整體風險管理框架及批准本集團風險政策並評估本集團風險控制／緩衝工具的有效性。本集團已建立制度及程序以辨別、度量、管理及控制各種風險，包括可能影響本集團及各主要部門的業務、合規、營運、財務及資訊等方面的風險。

為增強本集團整體的風險管理及企業管治常規，並提高內部控制系統的有效性及效率，本公司已著手建立企業風險管理系統。

董事會認為，高度專注於風險及合規情況有利於本公司及其員工的持續發展及成長。於建立風險管理系統時，本公司所有關鍵職能由內部審計部門執行，並推行以下舉措：

1. 企業風險評估－識別本公司主要業務風險並區分優先次序；
2. 程序層面監控評估－評估相關內部監控及減輕風險的措施。

Corporate Governance Report

企業管治報告

Summary of Work in 2016

1. Endorsed the Group Risk Management Policy Framework
2. Reviewed the adequacy and effectiveness of the Group's risk management system
3. Endorsed management confirmation on the effectiveness of the Group's risk management system
4. Reviewed and assessed the Group's investment in wealth management products in terms of whether such investment complies with its treasury and investment policies, the safety of the fund and the risks associated with such investment;
5. ERM assessment and the major risk profile of the Group
6. Considered the Group's Cyber Security Programme

Risk Governance

The Board of Directors

- Formulates business strategy and approves risk appetite
- Oversees the Group ERM Framework and approves risk management policies
- Reviews the overall risk assessment along with the effectiveness of the risk
- Reviews risk controls and mitigation processes
- Considers emerging risks related to the Group's business and strategies
- Reviews risk reports and breaches of risk tolerances and policies

Audit Committee

- Oversees financial reporting and internal control systems

2016年工作概要

1. 贊同實施集團風險管理政策框架
2. 檢討本集團風險管理系統的充足程度及成效
3. 贊同管理層就本集團風險管理系統成效編製的確認書
4. 就理財產品投資是否符合本集團的資金及投資政策以及有關投資的資金安全及相關風險檢討及評估本集團有關投資；
5. 企業風險管理評估及本集團主要風險情況
6. 審議本集團的網絡安全規劃

風險管治

董事會

- 制定業務戰略及審批風險承受能力
- 監察本集團的企業風險管理框架，及審批風險管理政策
- 檢討整體風險評估和有關風險成效
- 檢討風險監控及紓減流程
- 審議與本集團業務及戰略有關的新興風險
- 審閱風險報告以及檢視違反風險容限和政策的情況

審核委員會

- 監察財務匯報工作及內部監控系統

Corporate Governance Report

企業管治報告

CFO and Internal Audit Department

- Reviews departmental reports on key risks and considers common risks across the Group
- Oversees implementation of the Group's ERM Framework applicable throughout the Group
- Identifies the Group's financial risks and non-financial risks, including strategic, reputational, regulatory, legal and operational risks in achieving HKEX's objectives

Group's Risk Management Policy Framework

In 2016, the Group Risk Management Policy Framework is designed to enhance risk management of the Group through a holistic and integrated framework so that all material risks faced by the Group are identified and appropriately managed to:

1. promote consistent risk identification, measurement, reporting and mitigation;
2. set a common risk language to avoid any conflicting terminology or confusion in risk reporting;
3. develop and communicate policies on risk management and controls aligned with the business strategy; and
4. enhance reporting to enhance transparency of risks across the Group.

The following is the key processes adopted under the Group's ERM Framework.

Phase 1 *Establish Risk Context*

The Board establishes common risk assessment criteria and sets up risk reference tables for the Group.

財務總監及內部審計部

- 審閱各部門編備有關主要風險的報告，並審議集團內的普遍風險
- 監察適用於整個集團的集團企業風險管理框架的實施情況
- 識別集團為實現香港交易所目標所面對的財務風險及非財務風險，包括有關戰略、聲譽、監管、法律及營運的風險

集團風險管理政策框架

於二零一六年，本集團風險管理政策框架旨在透過一個全面及綜合的框架加強本集團風險管理，使本集團可識別及妥善管理其面對的所有重大風險，以達致以下目的：

1. 推行一致的風險識別、度量、報告及紓減措施；
2. 建立共通的風險語言，避免風險匯報時於用語上構成任何矛盾或混淆；
3. 制定及傳達符合業務戰略的風險管理及監控政策；及
4. 加強匯報以提高本集團所面對風險的透明度。

本集團企業風險管理框架的主要流程如下所示。

第一階段 *設定風險背景*

董事會為本集團設定共通的風險評估準則及制定風險參照表。

Corporate Governance Report

企業管治報告

Phase 2 Risk Identification

Business segments and departments identify the risks that potentially impact the key processes of their operations.

Phase 3 Risk Assessment

Business segments and departments assess and score the risks identified along with their impact on the business and the likelihood of their occurrence. The Group also identifies opportunities for improvement.

Phase 4 Risk Treatment

Business segments and departments assess effectiveness of existing controls and provide treatment plans where required.

Phase 5 Risk Reporting & Monitoring

Business segments and departments monitor risk mitigating activities and the Board reports risks regularly to appropriate management levels within the Group and provides assurance on the progress of treatment plans.

With this practical and effective framework, risk management features are integrated into each function.

第二階段 風險識別

各事業分部和部門識別對其營運重要程序具有潛在影響的風險。

第三階段 風險評估

各事業分部和部門就已識別的風險及其對業務的影響，以及其發生的可能性作出評估及評分。集團亦識別改進機會。

第四階段 風險處理

各事業分部和部門評估現有監控措施的成效，並在有需要時提供處理方案。

第五階段 風險匯報及監察

各事業分部和部門監察風險紓減工作及董事會定期向集團內相關管理層級別匯報風險，並提供處理方案進度的保證。

實施該實用及有效框架後，風險管理已滲入每一個職能部門。

Corporate Governance Report





企業管治報告

Group Risk Report

The followings are the principal risks that the Board has identified for the year ended 31 December, 2016. The principal risks are the risks that the Company must take in order to achieve its strategic objectives of the Company:







集團風險報告

以下乃董事會截至2016年12月31日止年度已識別的主要風險。有關主要風險乃本公司為實現其戰略目標而必須承受的風險。

Groups' Major Risks	Treatment Plan(s)	Target Risk Trend	集團主要風險	處理方案	目標風險趨向
<p>Technology: Our continued success depends on our ability to respond to technological upgrades demanded by our major customers and to secure talented engineers. Our failure to further refine our technology and retain talented engineers could render our products or production methods uncompetitive.</p>	<ul style="list-style-type: none"> – Improving automation – Hiring & retaining talented engineers with attractive incentive program 		<p>技術風險：我們持續取得成功，依賴於我們回應主要客戶技術升級要求及聘用工程師人才的能力。倘我們未能進一步提升技術及挽留工程師人才，則我們的產品及生產方法可能會失去競爭力。</p>	<ul style="list-style-type: none"> – 改進自動化 – 以具吸引力的獎勵計劃聘用及挽留工程師人才 	
<p>Legal and Compliance: Non-compliance with Hong Kong Listing rules and local regulations where we have legal entities may result in adverse publicity.</p>	<ul style="list-style-type: none"> – Hiring external legal & compliance advisor for consultation – Running internal audit team and legal team – Implementing & managing risk management and internal control system 		<p>法律及合規風險：不遵守香港《上市規則》及我們法律體實所在地的地方規例可能對公眾形象構成不利公眾影響。</p>	<ul style="list-style-type: none"> – 委聘外部法律及合規顧問以諮詢相關事宜 – 組織內部審核團隊及法律團隊 – 實施及管理風險管理及內部監控系統 	

Corporate Governance Report

企業管治報告

Groups' Major Risks	Treatment Plan(s)	Target Risk Trend	集團主要風險	處理方案	目標風險趨向
<p>Mis-handling customers' confidential information: The Group has signed nondisclosure agreements ("NDAs") with all our major customers and any breach on the NDAs may cause us serious financial penalties.</p>	<ul style="list-style-type: none"> Implementing a formal internal information handling policy to strengthen the level of security Executing internal audit processes Providing training on internal information handling policy to all employees 		<p>處理客戶保密資料不當的風險：本集團已經與所有主要客戶簽訂不披露協議，一旦違反不披露協議可能會導致我們面臨重大財務罰款。</p>	<ul style="list-style-type: none"> 實施正式內部資料處理政策，以提高安保水平 執行內部審核程序 就內部資料處理政策為全體員工提供訓練 	
<p>Production and Operational: Securing sufficient factory labor in a timely manner is critical for production plan and execution.</p> <p>Work stoppages and other labor-related issues may adversely affect our operation.</p>	<ul style="list-style-type: none"> Expanding recruiting channel of work force Production line automation Long-term employment to skillful team leaders and line managers 		<p>生產及經營風險：及時獲得足夠的工廠勞工對生產計劃及執行至關重要。</p> <p>停工及其他勞工問題均可能會對我們的經營構成不利影響。</p>	<ul style="list-style-type: none"> 拓展招聘人手的渠道 生產線自動化 長期僱用熟練的組長及生產線經理 	
<p>Foreign Exchange: Mismatching currencies in sales and procurements contracts may adversely affect our business and financial results.</p>	<ul style="list-style-type: none"> Maximizing natural hedging position by matching currencies in sales and procurements contracts 		<p>外匯風險：銷售及採購合約的貨幣錯誤配對可能會對我們的業務及財務業績構成不利影響。</p>	<ul style="list-style-type: none"> 透過銷售及採購合約的貨幣配對，盡量提高自然對沖效果 	

Corporate Governance Report

企業管治報告

CORPORATE SOCIAL RESPONSIBILITIES

The Group deeply knows, enterprise is not only an organization for maximizing its own benefits, as part of the society, an enterprise is essential to facilitate wealth accumulation of the whole society, advance social civilization and promote the sustainable development of the environment. The management of the Group pays high attention to corporate social responsibilities. They monitored the development, implementation and results of the initiatives carried out by different departments of the Group, in which the environmental, social and governance standards have been integrated into their operations and activities. Details are set out in the section headed Environment, Society and Governance on page 71 to 77 in this report.

CONTINUOUS DISCLOSURE OBLIGATIONS REGARDING PRICE SENSITIVE AND/OR INSIDE INFORMATION

The Company has developed a system with established policies, processes and procedures across all relevant segments and departments for complying with the disclosure obligations regarding price sensitive and/or inside information. The system continues to be effective. We will continue to further enhance its effect on the business operation, development of the Company and new regulations and laws with great effort.

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Group is committed to creating two-way channels of communication between senior management and investors, maintaining close relationships with all its shareholders through a variety of channels and promoting understanding and exchange between investors and us. The Company has adopted a shareholders' communication policy to formalize and facilitate an effective and healthy communication between the Company and the shareholders and other stakeholders, which is available on the website of the Group (<http://www.sunnyoptical.com>). The main communication channels with the shareholders include:

企業社會責任

本集團深知企業不僅僅是謀取自身利益最大化的經濟體，同時，作為社會的細胞體，企業也是社會整體財富積累、社會文明進步、環境可持續發展的重要推動者。本集團的管理層高度重視企業社會責任，嚴格監控各個業務部門的發展、實施及結果，並把環境、社會和管治的標準融入日常的經營活動，具體內容載於本報告第71頁至第77頁的環境、社會和管治一節中。

有關股價敏感資料及／或內幕消息的持續披露義務

本公司已建立一套系統，包括所有相關分部和部門之間的既定政策、流程和程序，以符合有關股價敏感資料及／或內幕消息的披露義務。該系統仍然有效，我們亦會繼續努力進一步提高其於業務操作、公司發展及新的法規和法律的作用。

與股東及投資者溝通

本集團致力為高級管理層與投資者建立雙向溝通渠道，並透過多個不同渠道與全體股東保持緊密聯繫，促進與投資者之瞭解及交流。本公司採納股東溝通機制，並刊載於本集團網站 (<http://www.sunnyoptical.com>)，以規範及促進股東及其他權益持有人與本公司之間有效及良好的溝通。與股東溝通的主要渠道包括：

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企業管治報告

Investors' Meetings

Group meetings are held by the Group with institutional investors and analysts in respect of its annual results and interim results. In addition, the Group's senior executives and staff from investor relations department hold regular meetings with institutional investors and analysts and investors are provided with the latest information on the development of the Group, in compliance with applicable laws and regulations.

In 2016, the Group's investor relations team held various meetings with the analysts and its investors, 2 results briefings, 1 reverse roadshow, 4 non-deal roadshows, and participated in 22 investors' forums and conferences.

General Meetings

The AGM is an important discussion platform for shareholders to participate in, facilitating the communications between the management of the Group and the shareholders. The AGM is held once a year, being publicly accessible to all shareholders. The Group's senior management answers any questions that shareholders have at the meeting and the external auditors attend the AGM as well.

The attendance of each Director at the AGM held in 2016 is as follows:

Names of Directors

董事姓名

Mr. Wang Wenjian (<i>Honorary Chairman</i>)	王文鑾先生 (榮譽主席)	1/1
Mr. Ye Liaoning (<i>Chairman</i>)	葉遼寧先生 (主席)	1/1
Mr. Sun Yang	孫泱先生	1/1
Mr. Wang Wenjie	王文杰先生	1/1
Mr. Feng Hua Jun	馮華君先生	1/1
Mr. Shao Yang Dong	邵仰東先生	1/1
Mr. Zhang Yuqing	張余慶先生	1/1

Note: The meetings were attended by the Directors themselves, not by an alternate.

投資者會議

本集團會就其年度及中期業績與機構投資者及分析員舉行小組會議。此外，本集團之高級行政人員及投資者關係部門員工亦會定期與機構投資者及分析員會面，在遵守適用法律及法規的情況下，向投資者提供與本集團發展有關之最新訊息。

本集團的投資者關係團隊於二零一六年與分析員及投資者進行多次會面，並舉行了2次業績公告之簡報會、1次反向路演、4次非交易路演，並參與了22次投資者論壇及會議。

股東大會

股東週年大會是一個讓股東參與的重要討論平台，讓股東可以與本集團管理層進行交流。股東週年大會每年舉行1次，會議公開讓所有股東參與。本集團的高級管理層會在大會上回答股東之提問，外聘核數師亦會列席。

各董事出席於二零一六年舉行的股東週年大會的記錄如下：

AGM No. of Attendance by Directors (Note)/

No. of Meeting

股東週年大會董事出席
次數 (附註) / 會議次數

附註：董事均親身出席會議，而非由代替者出席。

Corporate Governance Report 企業管治報告

Apart from AGM, any one or more shareholders of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary of the Company, to require an extraordinary general meeting (“EGM”) to be called by the Board for the transaction of any business specified in such requisition. No EGM was held in 2016.

There is no provision allowing shareholders to move new resolutions at general meetings under the Cayman Islands Companies Law or the Articles of Association. Shareholders who wish to move a resolution may request the Company to convene an EGM following the procedures set out in the preceding paragraph.

All matters proposed to shareholders for approval shall be submitted in separate resolutions and resolved by way of poll at the general meeting. The procedures of conducting a poll are explained in details to shareholders by the Group prior to the voting, to ensure the shareholders are familiar with such arrangement. All shareholders can appoint a proxy to attend the general meeting, and a proxy so appointed shall have the same right to vote at the meeting. Minutes of the meetings together with the voting results will be published on the websites of the Group and the Stock Exchange.

The Group has also maintained the procedure for director nomination by the shareholders, which has been published on the Group’s website (<http://www.sunnyoptical.com>), to safeguard the interests of shareholders.

除股東週年大會外，一名或多名於遞交要求當日持有不少於附帶於本公司股東大會上投票權利的本公司繳足股款股本十分之一的本公司股東，有權隨時向本公司董事會或公司秘書發出書面請求，要求董事會就有關要求所指定的任何事務交易召開股東特別大會（「股東特別大會」）。於二零一六年並無召開股東特別大會。

開曼群島公司法或章程細則並無條文允許股東於股東大會上動議新決議案。有意動議決議案的股東可要求本公司根據上一段所述程序召開股東特別大會。

於股東大會上，每項事宜均以獨立決議案形式提呈股東批准，以投票方式進行表決。本集團在投票表決前將向股東解釋進行投票表決的詳細程序，以確保各股東明白有關安排。任何股東均可委任代表出席股東大會，而受委代表有權於大會行使相同的投票權。會議記錄連同投票結果載於本集團及聯交所網站。

本集團亦設有股東提名董事候選人之程序，該程序已載於本集團網站 (<http://www.sunnyoptical.com>)，以確保股東之權益。

Corporate Governance Report

企業管治報告

Annual Reports, Interim Reports, Announcements and Circulars

The Group issues its annual reports and interim reports after publishing the annual results and the interim results in March and August every year respectively, so as to periodically review the development of the Group as well as to update its shareholders with its latest business information and market trends. In addition, the Group explains to the shareholders through announcements regarding any major event or price-sensitive information. For any matter requires the approval of the shareholders, the Group holds an extraordinary general meeting according to the requirements of the Hong Kong Stock Exchange and issue a circular prior to the specific date of the meeting, allowing the shareholders to have sufficient time to learn more about the matters for making voting decisions. All annual reports, interim reports, announcements and circulars are uploaded to the Hong Kong Stock Exchange's website (<http://www.hkexnews.hk>) and the Group's website (<http://www.sunnyoptical.com>).

CHANGES OF ARTICLES OF THE ASSOCIATION

During the year ended 31 December 2016, there were no changes in the Company's Articles of Association. The latest version of the Company's Articles of Association is available on the websites of the Group and the Stock Exchange. Shareholders can also obtain the details of their rights with reference to the Company's Articles of Association.

The Group's Website

The Group's website (<http://www.sunnyoptical.com>) offers timely access to the Group's press releases and other business information. Through its website, the Group provides shareholders with the electronic version of the financial reports, the latest slides presented at investors' conferences, as well as the up-to-date news about the Group's businesses, announcements and general information, etc. To make contributions to environmental protection and maintain effective communication with shareholders, the Group encourages all shareholders to browse the Group's information on the Group's website.

年度報告、中期報告、公告及通函

本集團會分別於每年三月份及八月份的全年業績及中期業績發佈之後發表全年報告及中期報告，以定期回顧本集團的發展，同時向股東更新業務情況及市場趨勢。此外，如有任何重大事件或股價敏感資料，本集團都會通過公告向股東說明。如有關事宜需要得到股東的批准，本集團也會根據香港聯交所的要求，舉行股東特別大會，並於大會的指定日期前發表通函，讓股東有足夠的時間瞭解有關事宜，以作出投票的決策。所有年度報告、中期報告、公告及通函都會上載至香港聯交所之網站 (<http://www.hkexnews.hk>) 及本集團網站 (<http://www.sunnyoptical.com>)。

章程細則文件變動

截至二零一六年十二月三十一日止年度內，本公司並無對其章程細則作出任何變動。本公司章程細則的最新版可在本集團網站及聯交所網站查閱。股東亦可參考本公司章程細則以取得有關其權利的詳情。

集團網站

本集團之網站 (<http://www.sunnyoptical.com>) 適時提供本集團之新聞稿及其他業務訊息。透過本集團網站，本集團為股東提供電子版的財務報告、於投資者會議時演示的最新投影片，以及有關本集團業務的最新消息、公告及一般資訊等。為支持環保及與股東保持有效溝通，本集團鼓勵各股東透過本集團網站瀏覽本集團的資訊。

Corporate Governance Report

企業管治報告

Investor Contact and Inquiries

The Group has a dedicated team to maintain contact with investors and handles shareholders' inquiries to the Board. Should investors have any inquiries, please contact the Group's investor relations department (Tel: +86-574-6253 8091; +852-3568 7038; email: ir@sunnyoptical.com).

On behalf of the Board

Ye Liaoning

Chairman

13 March 2017

投資者聯繫及查詢

本集團設有專門的團隊與投資者保持聯繫及處理股東致董事會的查詢。如投資者有任何查詢，歡迎聯絡本集團的投資者關係部門（電話：+86-574-6253 8091；+852-3568 7038；電郵：ir@sunnyoptical.com）。

代表董事會

主席

葉遼寧

二零一七年三月十三日

Environmental, Social and Governance Report

環境、社會及管治報告

Looking back to the past 30 years, the Group strived to provide quality products and services to customers, aiming to constantly improve the satisfaction of customers, society and shareholders with adherence to the core value of “Create Together”, and achieved self-transcendence and rapid development at the same time. When seeking excellent performance, the Group also realized that sustainable development is the foundation to achieve the vision of “becoming stronger, bigger, and going farther” and being “hundred-year-old brand” in the optoelectronic industry. The Group gradually considers the various factors of sustainable development into its strategy making and management, in order to fully understand the effect of measures and decisions to society and environment before they are implemented.

ENVIRONMENT

The Group believes that corporation has responsibility, which is imperative, in promoting the sustainable development of environment. In this connection, the Group formulated environmental principles respondingly to ensure the effective implementation of various measures. In production and operation activities, the Group strengthened management of pollution resources, took effective precaution measures to mitigate or avoid the impact of wasted water, exhaust gas, noise and solid waste to the environment; continuously improved production process, strictly controlled the process, improved product qualification rate and saved resources and energy as much as possible; strove to seek substitutes for hazardous and noxious substances to make our products meet the requirement of customers and the laws and regulations of importing countries, and the materials purchased by the Company must be equipped with green products warranty certificates and testing qualified report issued by the third-party testing agencies recognized by the Company; encouraged the staffs to raise environment protection awareness and to acquire knowledge and skills related to environment protection. The Group strictly complied with national laws, regulations and policies, such as Law of the People’s Republic of China on the Prevention and Control of Atmospheric Pollution, Regulations of Zhejiang Province on the Prevention and Control of Atmospheric Pollution, Regulations of Ningbo City on the Prevention and Control of Atmospheric Pollution, Law of the People’s Republic of China on Prevention and Control of Water Pollution, Integrated Wastewater Discharge Standard, Wastewater Discharge Standard of Zhejiang Province and Hazardous Waste Pollution Prevention Technology Policy. The Group actively introduced International Environment Management System Authentication ISO14001 and passed such authentication. On the other side, relevant functional departments inside of the Group have already taken control of emissions as an important job duty, and finished the establishment of Control Procedure on Environment Factor Identification and Assessment, Control Procedure on Target, Indicator and Management Plan, Control Procedure on Environment Operation and Control Procedure on Environment Performance Monitoring and Survey, and continuously improved these procedures.

回顧過去的三十多年，本集團一直秉承「共同創造」的核心價值觀，力求為客戶提供優質的產品和服務，不斷提高客戶、社會和股東的滿意度，同時實現自我超越和快速發展。在追求卓越業績的同時，本集團也認識到可持續發展是實現「做強、做大、走遠」，成為光電行業百年老字號企業願景的基石。本集團逐漸將可持續發展的各因素考慮到企業策略制定和管理之中，爭取各項措施和決定在落實前已充分了解他們對社會、環境的影響。

環境共榮

本集團認為促進環境的可持續性發展是企業不可推卸的責任。有鑑於此，本集團制定了相應的環境方針以確保各項措施得以有效推行。在生產經營活動中，加強污染源的管理，採取有效預防措施，降低或避免廢水、廢氣、噪聲及固體廢棄物等對環境的影響；不斷改進工藝，嚴格過程控制，提高產品合格率，盡可能地節約資源和能源；努力尋求有毒有害物質的替代品，使我們的產品能夠滿足顧客及輸入國法律法規的要求，進入公司的物料，都必須具備綠色產品保證書，而且要有公司承認的第三方檢測機構的檢測合格報告；鼓勵員工提高環保意識、掌握環境保護的知識與技能。本集團嚴格遵守《中華人民共和國大氣污染防治法》、《浙江省大氣污染防治條例》、《寧波市大氣污染防治條例》、《中華人民共和國水污染防治法》、《水污染綜合排放標準》、《浙江省水污染排放標準》、《危險廢物污染防治技術政策》等國家法律法規和政策。本集團積極引入國際環境管理體系認證ISO14001，並順利通過該認證。不僅如此，本集團內部相關的職能部門已經把管控排放物列為重要的工作職責，完成了《環境因素識別和評價控制程序》、《目標、指標和管理方案控制程序》、《環境運行控制程序》、《環境績效監測和測量控制程序》的固化，並持續對其進行完善。

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USE OF RESOURCES

Having deeply known about the preciousness of resources, with an aim to reduce energy waste and improve the resource usage efficiency, the Group formulated corresponding resource usage policies to strictly control non-production water and power and adjusted lines, in order to save resources and energy as much as possible.

Besides strengthening daily management, implementing various policies and measures to mitigate the impact on environment and reduce the use of natural resources as much as possible, the Group also fully understood serious environment protection issues that may be caused by major accidents. In order to get emergency work of hazardous waste ready rapidly, efficiently and orderly, so as to reduce environmental hazards and protect the safety of the public, combining actual situation of the Company, the Group hereby introduced Hazardous Waste Accident Emergency Plans in accordance with relevant laws, regulations and files such as Measures for the Prevention and Control of Environmental Pollution by Hazardous Chemical Wastes, Environmental Protection Law of the People's Republic of China, Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste promulgated by the Ministry of Environmental Protection. During the year under review, the Group's business activities did not have material impact on the environment and natural resources.

資源使用

本集團深知資源的寶貴，為了減少能源浪費，提升資源使用效率，制定了相應的資源使用政策，嚴格控制非生產用水用電，調整線路，盡可能地節省資源和能源。

本集團除了加強日程管理，落實各項政策和措施以盡量降低對環境的影響和減少天然資源的使用量外，也充分了解重大事故可能帶來的嚴重環保問題。為迅速、高效、有序地做好危險廢物事故的應急工作，減少環境危害，保護公眾安全，依據國家環保總局《廢棄危險化學品污染環境防治辦法》、《中華人民共和國環境保護法》、《中華人民共和國固體廢物污染防治法》等相關法律法規和文件精神，結合公司實際情況，特出台了《危險廢物事故應急預案》。於回顧年內，本集團的業務活動未對環境與天然資源產生重大影響。

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PEOPLE-ORIENTED

The Group believes that employee is an indispensable factor for sustainable development of enterprises, attracting and retaining outstanding talents and building strong and solid human resources are directions of the Company's unremitting efforts. The Group strictly complied with Labour Law of the People's Republic of China, Labour Contract Law of the People's Republic of China, Social Insurance Law of the People's Republic of China to employ staff. In accordance with national laws and regulations and combining the industrial characteristics and actual situations, the Group has established corresponding policies:

1. Equally treats each staff and does not differentiate the employment, treatment, promotion, etc. between workers on the basis of their social identities such as ethnicity, race, nationality, gender, religion, age, sexual orientation, political faction, marriage and so on
2. Based on development strategy and the principle of "adapting to market conditions, representing the value of talents and playing incentive effect", further regulated remuneration management, established the remuneration system balancing internal fairness and market competitiveness, made efforts to achieve the target of "consistence in responsibilities and interests, abilities and values, risks and awards, performance and income", effectively played the incentive effect of remuneration to promote the sustainable, stable and healthy development of the Company

以人為本

本集團認為僱員是企業可持續發展不可或缺的要素，如何吸收和挽留優秀人才，建立強大、穩固的人力資本是公司不懈努力的方向。本集團嚴格遵守《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《中華人民共和國社會保險法》，對員工進行聘用。根據國家法律、法規並結合行業特性和實際情況，本集團制定了相應的政策：

- 1、平等對待每一位員工，不因員工的民族、種族、國籍、性別、宗教、年齡、性取向、政治派別、婚姻狀況等社會性身份而影響其錄用、待遇、升遷等
- 2、根據發展戰略，按照「適應市場環境，體現人才價值，發揮激勵作用」的原則，進一步規範薪酬管理工作，建立兼顧內部公平性和市場競爭性的薪酬制度，努力實現員工在薪酬分配上的「責任與利益一致、能力與價值一致、風險與回報一致、業績與收益一致」的目標，有效發揮薪酬的激勵作用，促進公司持續、穩定、健康發展

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HEALTH AND SAFETY

The Group continuously devoted resources to safe production and to protecting employees from occupational hazards. Besides strictly following the laws and regulations such as Fire Control Law of the People's Republic of China, Work Safety Law of the People's Republic of China and Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, the Group also committed:

1. to provide healthy and safe work environment for the Group's staff and to issue labor protection appliances and articles per requirements
2. to carry on occupational health examinations regularly for those staff who work at posts (trades) that expose to occupational disease hazards according to relevant national law on the prevention and control of occupational diseases

During the year under review, there was no staff dying from work within the Group. The Group has already obtained OHSAS 18001 certification and proceeded rechecking of the certification every year.

DEVELOPMENT AND TRAINING

An enterprise can hardly develop without the efforts of general staff; therefore, the Group focuses on developing talents, continuously elevates the ability and quality of staff team. The Group has already internally established post training system with hierarchical classification, and provided training to hired staff accordingly; formulated staff training and management system, internal lecturer management system, credential education management regulations; established posts qualifications system with relatively perfect career development channel; built tertiary training system among group, subsidiary and department, and constructed study units with each department.

健康與安全

本集團不斷投入資源用於安全生產和保障員工避免職業性危害。除了嚴格遵守《中華人民共和國消防法》、《中華人民共和國安全生產法》、《中華人民共和國職業病防治法》等法律法規外，本集團承諾：

- 1、為員工提供健康、安全的工作環境，根據要求發放勞動保護器具、用品
- 2、對在存在職業病危害風險的崗位（工種）工作的職工，按照國家有關職業病防治法的有關規定，定期進行職業健康檢查

於回顧年內，本集團未有因工作關係而死亡的員工。本集團已獲得OHSAS 18001認證，並持續每年進行復檢。

發展及培訓

企業的發展、壯大離不開廣大員工的努力，所以本集團著力發展人才，不斷提升員工隊伍的能力和素質。本集團內部已建立分層分類的崗位培訓體系，針對入職的員工都有相應的培訓內容；制定了員工培訓管理制度、內部講師管理制度、學歷教育管理規範的內容；設定了崗位任職資格制度，有相對完善的職業發展通道；建立了集團、附屬公司、部門三級培訓體系，構建了各部門為單位的學習單元。

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LABOR PRINCIPLES

The Group strictly followed Labour Law of the People's Republic of China, Law of the People's Republic of China on Employment Contracts and Provisions on the Prohibition of Using Child Labor to recruit and manage staff and expressly specified:

1. Follow the policies such as national labor law and forbid employing child labors younger than 16 years old.
2. Forbid forcing the staff to do the jobs at certain post or to work, and the Company forbids all types of compulsory work.
3. Forbid taking punitive measures, management means and behaviours like abusing, corporal punishment, violence, spirit oppression, sexual harassment (including improper language, posture and body contact) and sexual abuse.

Meanwhile, the Group regularly provides the management with education training in terms of management ability and skills to further avoid the occurrence of events aforesaid. The Group implemented the following measures during specific employment in relation to compliance with the regulations on forbidding employing child labors:

1. During recruitment, the Company must carefully check relevant data held by candidates and apply proper recruitment channel to refrain from employing child labors
2. The interviewers may make an initial judgment whether the ID card provided is belonging to the candidate by comparing the photo on the ID card with candidate's face in case that the candidate uses ID cards of others for interview
3. To adopt ID card verifier or face recognition device to identify ID card and its authenticity, and if the holder is actually that of ID card holder, or confirm the said information according to the household register, on-line inquiry or contacting subordinate police station

勞工準則

本集團嚴格按照《中華人民共和國勞動法》、《中華人民共和國勞動合同法》和《禁止使用童工規定》進行員工招聘和管理，並且明文規定：

- 1、遵守國家勞動法規等政策，禁止招用未滿16周歲的童工
- 2、禁止強制員工從事某崗位的工作和強迫員工工作，公司禁止所有形式的強制性勞動
- 3、禁止以任何理由對員工進行辱罵、體罰、暴力、精神壓迫、性騷擾（包括不恰當語言、姿勢和身體的接觸）、性虐待等懲罰性措施、管理方法和行為

同時，為了進一步確保不出現上述情形，本集團定期對管理者進行管理能力和管理技能方面的教育培訓。針對禁止招聘童工的規定，本集團在具體招聘流程中，落實如下措施：

- 1、公司在招聘時，須仔細核對應聘者所持有的相關資料，並採用適當招聘渠道，避免招收童工
- 2、面試人員可以通過比對應聘者身份證照片與本人面部一致性初步判斷是否提供的是本人證件，防止應聘者使用他人身份證應聘
- 3、身份證的辨別、核對身份證的真偽、持證者是否為本人等可通過身份證驗證器或面部識別儀檢驗，也可根據戶口本、上網查詢或向所屬派出所聯繫確認

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4. To check ages by relevance verification based on record of education, household register, study experience and knowledge level
 5. To confirm the certificates and information provided are true and valid by learning relevant identity information from his/her partner or related persons as much as possible
 6. To register and file the relevant verified data
 7. If any violation of rules is found, remedial measures shall be taken as per national regulations
- 4、年齡核對，可根據其學歷證明、戶口本、學習經歷、知識掌握程度等多方面關聯核對
 - 5、從其伙伴或關係人處盡可能多的了解其相關身份信息，確保其提供證件和信息真實有效
 - 6、對所查核的相關資料進行登記及存檔
 - 7、若發現有違規現象，將根據國家法規進行補救處理

SUPPLY CHAIN MANAGEMENT

The Group strove to create supply-demand partnership relationship with suppliers on the basis of mutual benefit and win-win, and then made devotion to sustainable development of the industry and the society. For introduction and recruitment of suppliers, the Group has established strict introduction flow and formulated relevant documents such as Code of Practice for Screening Suppliers, Control Procedures for Developing and Appraising Suppliers, etc. based on QC08000 system standard and customers' requirements to manage the circumstances and equipments risks on supply chain. In addition, the Group carries out risk evaluation on suppliers every year, which mainly covers supplier's location, types of products and services provided, supply quantity and proportion, green and environmental product risk, general performance of suppliers, social liability of enterprise, commercial ethics and so on.

PRODUCT LIABILITY

The Group has set up a comprehensive quality management system and pursues zero-defect in product quality by strictly compliance with customers' requirements and relevant international standard. National laws and regulations relating to this regard include Tort Law of the People's Republic of China and Product Quality Law of the People's Republic of China, and corresponding quality management and control system has been established by the Group in accordance with the laws and regulations thereof. The Group has put explicit procedures in place to deal with complains for quality-related problems from customers, which generally to be handled in accordance with Customers' Complaint Controlling Procedures.

The legal department of the Group established and implemented systems including Intellectual Property Management Rules, Management Measures on Patents and Rules of Implementation On Patent Award and Reward to reduce the risk of intellectual property, and ensure others intellectual property to be respected by employees of the Group, meanwhile, to standardize the behavior of suppliers based on the systems thereof. At the same time, the Group paid high attention to protecting employee privacy and the company secrets.

供應鏈管理

本集團致力打造與供應商互利共贏的供求合作關係，進而為行業和社會的可持續發展作出貢獻。本集團關於供應商導入和聘用都有嚴格的導入流程，結合QC08000體系標準和客戶的要求，制定了《供應商選擇作業規範》、《供方開發與評價控制程序》等相關文件，用於管理供應鏈的環境及設備風險。此外，本集團每年針對供應商進行風險評估，主要包括：供應商所在區域、提供產品和服務的類型、供貨量和供貨比重、綠色環保產品風險、供應商綜合績效表現、企業社會責任、商業道德等。

產品責任

本集團制定了全面的品質管理系統，所有產品均需嚴格按照客戶要求及相關國際標準，追求產品質量零缺陷。此方面的國家法規主要包括《中華人民共和國侵權責任法》、《中華人民共和國產品質量法》。本集團按照以上法規建立了相應的產品質量管控體系。對於客戶投訴品質相關問題，本集團有明確的處理程序，一般根據《顧客抱怨控制程序》來處理。

本集團的法務部制定並主導實施了《知識產權管理規定》、《專利管理辦法》、《專利獎勵與報酬實施細則》制度，以減低知識產權風險，確保本集團員工尊重他人知識產權，並以此規範供應商知識產權行為。同時，本集團亦非常注重保護本集團員工隱私和公司機密。

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ANTI-CORRUPTION

Except for strictly complied with the Criminal Law of the People's Republic of China, the Group has established Anti-Fraud system according to its features and circumstances in order to strengthen corporate governance and internal control, standardize operation practices, safeguard the legitimate rights and interests of shareholders and promote health and sound development. Looking back over the year, the Group revised the system, and added updates to it, including the avoidance system of holding a post, related parties transaction declarations and audits. The Audit Department of the Group is responsible for dealing with reported cases, and publishes information (such as phone number and email address) about the acceptance of reporting through a variety of channels. In addition, the Group established the Management Measures on Key Sensitive Positions to standardize management of such positions, prevent risks of integrity management effectively, and establish transparent and healthy organization mechanism. During the year under review, the Group experienced no corruptive lawsuits.

COMMUNITY INVESTMENT

The Group believes that an enterprise is a cell of society, which grows up by nurture from social matrix, thus assumes corresponding responsibility of repaying the society. The Group sticks to operation by law, paying tax with sincerity, and devoting to the local economic development in which we operate as much as possible, while actively supporting public welfares including education, charity, environmental protection, and public utilities including urban community construction and new rural construction. Looking back over the year, the Group made an targeted donation of RMB100,000 to the disabled of Yuyao Charity Federation, and donated RMB320,000 in total to Cixi Education Funds by twice in the way of title sponsorship. In addition, the Group contributed to the new rural construction by co-operated with enterprises in Beijiao village and established scholarships at Yuyao middle school and Chengbei primary school. On the other hand, the Group actively call upon employees to serve the people locally and nationally by donation and volunteer works, including providing "one-to-one" support to 8 poor left-behind students at Wangshui primary school by 8 employees, organizing volunteers to visit empty-nesters in Zhongshan, organizing Party Members to visit lonely elderly people in nursing homes at Yuyao Fengshan Street, and organizing volunteers to participate in unpaid blood and love donation activities several times, for which the Group was rewarded with *Love Enterprise of Voluntary Blood Donation in Ningbo City in 2015* (2015 年度寧波市無償獻血愛心單位).

反貪污

本集團嚴格遵守《中華人民共和國刑法》，並根據自身的特點和情況，制定了《反舞弊》制度以加強公司治理和內部控制，規範經營行為，維護股東合法權益，促進公司健康及其穩定發展。於回顧年內，本集團對此制度進行了修訂，新增了幹部任職回避、關聯方交易申報與審核等內容。本集團的審計部負責受理案件的舉報，並以多種渠道公布了舉報受理的電話號碼、電子郵箱地址等信息。此外，為規範關鍵敏感崗位的管理，有效防範廉潔管理風險，建設透明健康的組織機制，本集團特制定了《關鍵敏感崗位管理辦法》。於回顧年內，本集團未發生貪污訴訟案件。

社區投資

本集團相信，企業是社會的細胞，因社會母體的哺育而成長，同時也肩負回報社會的責任。本集團堅持依法經營、誠信納稅，努力為所在地區經濟發展做貢獻，同時積極支持教育、慈善、環保等公益事業，支援城市社區建設和新農村建設等社會公共事業。於回顧年內，本集團向餘姚市慈善總會殘疾人定向捐款人民幣100,000元，並分兩次捐款冠名慈溪教育資金共計人民幣320,000元。另外，本集團與北郊村村企結對，共同建設新農村：在餘姚中學和城北小學設立獎學金。另一方面，本集團也積極號召員工透過捐款及義務工作為本地及全國人民服務，包括：8名員工與王小水小學8名留守貧困學生進行「一對一」結對幫扶；組織志願者慰問中山空巢老人；組織黨員看望餘姚鳳山街道敬老院的孤寡老人；組織志願者進行數次無償獻血獻愛心的活動，並被授予「2015年度寧波市無償獻血愛心單位」榮譽稱號。

Directors' Report

董事會報告

The Directors are pleased to present the 2016 Annual Report, including the audited consolidated financial statements for the year ended 31 December 2016.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The activities of its principal subsidiaries are set out in Note 36 to the consolidated financial statements.

BUSINESS REVIEW

REVIEW

As the smartphone market of the world and China saw slowdown in growth and the industry concentration was strengthened, the manufacturers of handset components faced great difficulties and challenges in the process of development. As the differentiation trend of products became more obvious, many manufacturers released products with higher specification one after another to enhance their own competitiveness and occupy a higher market share. With the promotion of rules and regulations of countries and regions such as Europe, America and Japan and the increasingly mature conceptions of ADAS, semi-automatic and full-automatic driving, the growth of vehicle lens sets industry was gratifying and its future market potential is great.

In spite of many unfavourable external factors, the Group still unshakably implemented the “Mingpeijiao” strategy, actively practised enterprise culture whose core value is “Create Together”, accurately grasped market opportunities based on optoelectronic industry and constantly pioneered & innovated, increased efficiency, optimized product mix and took various advantages to raise comprehensive competitiveness of the Group. Details of the core business activities of the Group are set out in the section “Management Discussion and Analysis”.

董事會欣然提呈二零一六年年報，包括截至二零一六年十二月三十一日止年度之經審核綜合財務報表。

主要業務

本公司為一間投資控股公司，其主要附屬公司的業務載於綜合財務報表附註36。

業務回顧

回顧

全球及中國智能手機市場增速放緩，行業集中度加強，手機零部件製造商在發展過程中面臨了巨大的困難和挑戰。產品的差異化趨勢更為明顯，很多製造商紛紛推出具有更高規格的產品，以提高其自身的競爭力，佔據更高的市場份額。隨着歐洲、美國、日本等國家和地區在法令、法規上的推動，以及ADAS、半自動及全自動駕駛概念的日趨成熟，車載鏡頭行業的增速喜人，未來的市場潛力巨大。

儘管有諸多不利的外部因素，但本集團仍然堅定不移實施「名配角」戰略，積極踐行以「共同創造」為核心價值觀的企業文化，立足光電產業，準確把握市場機遇，不斷開拓創新，提高效率，優化產品組合，發揮各項優勢，提升本集團綜合的競爭力。本集團的核心業務活動詳情載於「管理層討論與分析」一節中。

OUTLOOK AND FUTURE STRATEGIES

Looking into 2017, which will be a year with both opportunities and challenges, the Group is still optimistic about its development. The Group will continue to deepen existing advantaged businesses such as handset lens sets, handset camera module and vehicle lens sets and raise comprehensive competitiveness of products through ways such as increasing the investment in the R&D, improving technological process and perfecting management process; meanwhile, the Group will also continue to invest resources in emerging products and fields and devote itself into optoelectronic field with the greatest enthusiasm to eventually achieve the transformation from an optical product manufacturer to a smart optical system solution provider and the transformation from an instrument product manufacturer to a system solution integrator.

MAJOR FINANCIAL AND BUSINESS PERFORMANCE INDICATORS

Major financial and business performance indicators of the Group include revenue, gross profit margin, ratio of operating expenses, operating profit, return on equity, trade receivable turnover days, trade payable turnover days, inventory turnover days and gearing ratio etc. Details of the Group's revenue, gross profit margin, ratio of operating expenses, trade receivable turnover days, trade payable turnover days and inventory turnover days are set out in the section "Management Discussion and Analysis" in this Annual Report. Details of other major performance indicators are discussed below.

During the year under review, the Group's return on equity increased by approximately 6.0 percentage points to approximately 25.9% as compared with that of last year, mainly due to the increase in the profit for the year. The Group will continue to increase the return on equity by increasing the profit margins and earnings per share, etc.

展望與未來策略

展望二零一七年，這將是機遇與挑戰並存的一年，但本集團對未來一年的發展仍持基本樂觀的態度。本集團將繼續不斷地深化手機鏡頭、手機照相模組和車載鏡頭等現有優勢業務，並通過加大研發投入、工藝制程的改良、管理流程的完善等途徑來提升產品的綜合競爭力；同時，本集團也將繼續對新興產品及領域投入資源，並以最大的熱情投身於光電領域，最終實現從光學產品製造商向智能光學系統方案解決商的轉變，及從儀器產品製造商向系統方案集成商的轉變。

主要財務及業務表現指標

本集團主要財務及業務表現指標包括銷售收入、毛利率、經營費用比率、經營性利潤、股本回報率、貿易應收款項周轉日數、貿易應付款項周轉日數、存貨周轉日數和負債比率等。本集團銷售收入、毛利率、經營費用比率、貿易應收款項周轉日數、貿易應付款項周轉日數、存貨周轉日數的詳情載於本年報「管理層討論及分析」一節中，其他主要表現指標的詳情論述如下。

於回顧年內，本集團的股本回報率較去年增加約6.0個百分點至約25.9%，主要是由於年內溢利的增加。本集團將繼續從提高利潤率、每股盈利等方面來提高股本回報率。

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ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group has formulated some policies in accordance with environmental regulations, including, during the stage of design, research and development, conducting environmental impact assessment for various types of materials or machines prior to making any purchasing decision; enhancing awareness of environmental protection among all employees by organizing environmental protection activities, training programmes and promotions. Top management of the Group plays a leading role in establishing a well-defined structure and system for environmental management by outlining corresponding responsibility, scope and policy.

During the daily operations, the Group has paid close attention to the latest development of domestic and international environmental protection laws and regulations to ensure that the environmental policies are in line with domestic and international standards, as well as global development.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group recognises the importance of compliance with the requirements of relevant laws and regulations, and any failure to comply with such requirements may result in termination of the operation permit. The Group has allocated systems and human resources to ensure continuing compliance with rules and regulations and sound working relationships with regulators through effective communications. During the year under review, the Group has complied with the Listing Rules, the Securities Ordinance, the Companies Ordinance, the Restriction of Hazardous Substances (“RoHS”) of the European Union, the Registration, Evaluation, Authorisation and Restriction of Chemicals (“REACH”) of the European Union, the Patent Law of the People’s Republic of China, the Contract Law and the Labor Law of the People’s Republic of China and other relevant rules and regulations.

MAIN RISKS AND UNCERTAINTIES

The main activities of the Group include production and sales of relevant products. It is exposed to a variety of main risks including interest rate risks, foreign exchange rate fluctuation risks, credit risks, cash flow interest rate risks and liquidity risks. Details of the above main risks and measures for risk reduction are set out in the section “Management Discussion and Analysis”.

環境政策及表現

本集團根據環境規例制定了一些政策，其中包括：在設計、研究及開發階段，於作出任何採購決定前，為各類原料或機器評估環境影響；透過環境保護活動、培訓課程及推廣，提高全體僱員之環保意識；本集團最高層管理人員制定相應責任、範圍及政策綱領，在建立清晰界定之環境管理架構及系統上擔當核心角色等。

在實際日常運營中，本集團一直緊密關注國內及國際環保法例發展的最新狀況，確保環境政策不但符合國內及國際標準，同時確保能與全球同業步伐一致。

遵守法律及法規

本集團確認符合法規要求的重要性，不符合該等要求的風險可導致終止經營許可證。本集團已分配系統及人力資源，確保持續符合規則及規例，並通過有效溝通與監管部門保持良好工作關係。於回顧年內，本集團已遵守上市規則、《證券條例》、《公司條例》、歐盟《關於限制在電子電器設備中使用某些有害成分的指令》（「RoHS」）、歐盟《化學品的註冊、評估、授權和限制》（「REACH」）、中華人民共和國《專利法》、中華人民共和國《合同法》、《勞動法》以及其他相關規則及規例。

主要風險及不確定性

本集團的主要業務活動包括生產和銷售相關產品，其面臨多種主要風險，包括利率風險、匯率波動風險、信貸風險、現金流量利率風險及流動資金風險。上述主要風險及減低風險措施詳情載於「管理層討論及分析」一節中。

During the year under review, the Group's business and profitability growth were affected by the fluctuations and uncertainties of macroeconomic situations of mainland China and other countries around the world. Discrepancies of the monetary policies among major developed economies are expected to continue to partially affect the capital and trade flows and the volatility of assets prices of mainland China. In addition, as the main activities of the Group involve such fields as smartphones, vehicle imaging systems, security surveillance systems and optical instruments, they are also subject to relevant market environments. The long-term business and profitability growth of the Group are expected to be continuously impacted by variables of the Chinese macro-economy (including but not limited to consumer and assets price indices, credit demand and total output value growth) and qualitative factors (such as the development of political and economic policies of various countries in the world).

RELATIONSHIPS WITH MAJOR STAKEHOLDERS

The Group's success also relies on the support of major stakeholders including employees, customers, suppliers, regulators and shareholders.

Employees

Employees are considered to be the most important and valuable assets of the Group. The purpose of human resources management of the Group is to reward and praise the staff with excellent performances through the provision of generous remuneration package, the implementation of the comprehensive performance evaluation plan and the Restricted Share Award Scheme. Besides, the Group formulates an appropriate training plan based on various positions and duties and titles and provides certain opportunities and platforms to assist them to develop and get promoted within the Group.

Customers

The major customers of the Group are handset terminal manufacturers, handset camera module manufacturers and vehicle equipment integrators and so on. The Group is committed to providing its customers with quality products and services so as to strive for sustained growth in respect of revenue and profitability. The Group has adopted various means to strengthen communication with its customers, and expanded different businesses to provide customers with excellent and quality products and services so as to increase market share and improve market competitiveness.

回顧年內，本集團的業務及盈利能力增長受中國內地及全球其他國家的宏觀經濟狀況波動及不確定性影響。全球主要發達經濟體貨幣政策的分歧預期將繼續部分影響中國內地的資金及貿易流動及資產價格的波動性。另外，因為本集團的主要業務涉及智能手機、車載成像系統、安防監控系統、光學儀器等領域，所以也會受到相關市場環境的影響。本集團的長期業務及盈利能力增長預期將繼續受中國宏觀經濟可變因素（包括但不限於消費者及資產價格指數、信貸需求、生產總值增長）和質性因素（如世界各國政治及經濟政策的發展）的影響。

與主要利益相關者的關係

本集團的成功亦依賴主要利益相關者，包括僱員、客戶、供貨商、監管機構及股東的支持。

僱員

僱員被視為本集團最重要及具價值的資產。本集團人力資源管理的目的乃藉提供優厚的薪酬福利、推行全面表現評核計劃及受限制股份獎勵計劃，以獎勵及表揚表現優秀的員工，並透過不同崗位及職務、職稱制定適當的培訓計劃，且提供一定的機會和平台協助彼等在本集團內發展事業及晉升。

客戶

本集團的主要客戶來自手機終端廠商、手機照相模組製造商及汽車設備集成商等。本集團旨在為客戶提供優質的產品和服務以爭取在銷售收入和盈利能力方面獲得持續增長。本集團已建立各種方式加強客戶與本集團之間的溝通，拓展不同的業務並為客戶提供卓越優質的產品和服務，以此來提高市場份額及市場競爭力。

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Suppliers

Maintaining good relationships with the suppliers is essential to the Group in respect of the supply chain and when facing business challenges and regulatory requirements. It can achieve cost efficiency and promote long term commercial benefits. Major suppliers include raw material suppliers, system and equipment suppliers, external consultants providing professional services, suppliers of office supplies or commodities and other business partners providing the Group with value added services.

Regulators

As a company listed in Hong Kong, the Company is subject to the regulation of the Securities and Futures Commission of Hong Kong, the Hong Kong Stock Exchange, State Administration of Work Safety of the PRC, General Administration of Quality Supervision, Inspection and Quarantine of the PRC and other relevant regulators. The Group expects to constantly update and ensure compliance with new rules and regulations.

Shareholders

One of the corporate objectives of the Group is to enhance the corporate value for its shareholders. The Group distributes certain dividends to its shareholders in order to reward for their support while boosting its business development to achieve the sustainable profit growth and taking into account the capital adequacy level, liquidity and its business expansion needs.

DIVIDENDS DISTRIBUTION

The results of the Group for the year ended 31 December 2016 are set out in the consolidated statement of profit or loss and other comprehensive income on page 105.

The Directors recommend the declaration of a final dividend at the rate of approximately RMB0.290 (equivalent to HK\$0.323) per share payable on 22 June 2017 to all persons registered as holders of shares on 1 June 2017.

供應商

本集團與供貨商維持良好關係，這在供應鏈、面對業務挑戰和監管要求時至為重要，其可產生成本效益及促進長遠商業利益。主要供貨商包括原材料供貨商、系統及設備供貨商、提供專業服務的外聘顧問、辦公用品或商品供貨商及向本集團提供增值服務的其他業務伙伴。

監管機構

本公司在香港上市，由香港的證券及期貨事務監察委員會、香港聯交所、中國國家安全生產監督管理總局、中國質量監督檢驗檢疫總局及其他相關機構監管。本集團期望不斷更新及確保遵守新規則及規例。

股東

本集團其中一個企業目標是為股東提升企業價值。本集團在促進業務發展以實現可持續盈利增長，並考慮資本充足水平、流動資金狀況及本集團的業務拓展需要後，派發一定股息予股東以回報股東的支持。

股息分派

本集團於截至二零一六年十二月三十一日止年度的業績載於第105頁的綜合損益及其他全面收益表。

董事建議宣佈於二零一七年六月二十二日向全體於二零一七年六月一日已登記的股份持有人派發末期股息每股約人民幣0.290元（相等於0.323港元）。

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In order to be qualified for the dividend, the Register of Members will be closed from 2 June 2017 to 8 June 2017, both days inclusive. Shareholders should submit share certificates together with transfer documents to the Company's 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 on or before 4:30 p.m. on 1 June 2017.

In order to be qualified for attending the AGM to be held on 26 May 2017, the Register of Members will be closed from 23 May 2017 to 26 May 2017, both days inclusive. Shareholders should submit share certificates together with transfer documents to the Company's 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 on or before 4:30 p.m. on 22 May 2017.

MAJOR CUSTOMERS AND SUPPLIERS

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

In 2016, the Group's largest supplier accounted for approximately 21.6% (2015: approximately 16.4%) and the aggregate purchases attributable to the five largest suppliers accounted for approximately 60.3% (2015: approximately 48.8%) of the total purchases of the Group.

In 2016, the Group's largest customer accounted for approximately 23.0% (2015: approximately 24.0%) and the aggregate sales attributable to the Group's five largest customers were less than 65.0% of the total turnover of the Group in both of the years of 2015 and 2016.

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

為符合資格收取股息，二零一七年六月二日至二零一七年六月八日（包括首尾兩天）期間將暫停辦理股份過戶登記手續。股東須於二零一七年六月一日下午四時三十分或之前將股票及過戶文件送交本公司的香港證券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號舖。

為符合資格出席於二零一七年五月二十六日舉行的股東週年大會，二零一七年五月二十三日至二零一七年五月二十六日（包括首尾兩天）期間將暫停辦理股份過戶登記手續。股東須於二零一七年五月二十二日下午四時三十分或之前將股票及過戶文件送交本公司的香港證券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號舖。

主要客戶及供應商

於回顧年內，本集團與主要供應商及客戶的交易詳情如下：

於二零一六年，本集團向最大供應商的採購額佔本集團採購總額約21.6%（二零一五年：約16.4%），而向前五大供應商的採購額共佔本集團採購總額約60.3%（二零一五年：約48.8%）。

於二零一六年，本集團向最大客戶的銷售額佔本集團銷售總額約23.0%（二零一五年：約24.0%），而二零一五年及二零一六年本集團向前五大客戶的銷售總額均少於本集團總營業額的65.0%。

於回顧年內，概無本公司任何董事或任何股東持有本集團前五大供應商或客戶任何權益。

Directors' Report

董事會報告

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.

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 2 of the annual report.

SHARE CAPITAL

Details of changes during the year in the share capital of the Company are set out in Note 27 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 2016, calculated under the Cayman Islands Companies Law amounted to approximately RMB4,430.6 million (2015: approximately RMB3,419.9 million) including share premium of approximately RMB481.8 million and retained earnings of approximately RMB3,948.8 million.

物業、機器及設備

有關本集團於本年度在固定資產的物業、機器及設備的變動詳情載於綜合財務報表附註13。

五年財務概要

本集團於過往五個財政年度的業績及資產和負債的概要載於本年報第2頁。

股本

有關本公司股本於本年度的變化詳情載於綜合財務報表附註27。

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，本公司於二零一六年十二月三十一日的可分派儲備約人民幣4,430,600,000元（二零一五年：約人民幣3,419,900,000元），包括股份溢價約人民幣481,800,000元及保留盈利約人民幣3,948,800,000元。

DIRECTORS

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

Executive Directors

Mr. Ye Liaoning (re-elected on 19 May 2016)
Mr. Sun Yang
Mr. Wang Wenjie (re-elected on 19 May 2016)

Non-Executive Director

Mr. Wang Wenjian

Independent Non-Executive Directors

Mr. Zhang Yuqing (re-elected on 19 May 2016)
Mr. Feng Hua Jun (appointed on 1 April 2016
and re-elected on 19 May 2016)
Mr. Shao Yang Dong (appointed on 1 April 2016
and re-elected on 19 May 2016)
Dr. Liu Xu (resigned on 1 April 2016)
Mr. Chu Peng Fei Richard (resigned on 1 April 2016)

In accordance with the provisions of the Company's Articles of Association, at least one-third of the Directors will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming AGM 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 AGM will be sent to shareholders of the Company.

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming AGM 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.

Each of the Directors has entered into a service contract with the Company for a term of three years commencing from the date of appointment or re-appointment.

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

葉遼寧先生（於二零一六年五月十九日連任）
孫泱先生
王文杰先生（於二零一六年五月十九日連任）

非執行董事

王文鑒先生

獨立非執行董事

張余慶先生（於二零一六年五月十九日連任）
馮華君先生（於二零一六年四月一日
獲委任並於二零一六年五月十九日連任）
邵仰東先生（於二零一六年四月一日
獲委任並於二零一六年五月十九日連任）
劉旭博士（於二零一六年四月一日辭任）
朱鵬飛先生（於二零一六年四月一日辭任）

根據本公司章程細則的條文，至少三分之一董事須於本公司應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

擬於應屆股東週年大會上重選連任的董事中無人與本公司簽訂本集團於一年之內在無賠償（正常的法定賠償除外）的情況下不可終止的服務合約。

各名董事已與本公司訂立服務合約，自委任或重新委任日期起計為期三年。

Directors' Report 董事會報告

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITION IN SHARES

董事及主要行政人員擁有的股份權益及淡倉

As at 31 December 2016, the interests and short positions of the Directors and the chief executives 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:

於二零一六年十二月三十一日，根據本公司按證券及期貨條例（「證券及期貨條例」）第352條存置的登記冊所記錄，或根據上市公司董事進行證券交易的標準守則規定而須知會本公司及聯交所的董事及主要行政人員擁有本公司或其任何相聯法團（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：

Name of 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 and Beneficiary of a trust (Note 1) 受託人兼信託受益人 (附註1)	421,460,060	38.42%
	The Company 本公司	Long position 好倉	Beneficial owner (Note 2) 實益擁有人 (附註2)	1,347,713	0.12%
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	38.42%
	The Company 本公司	Long position 好倉	Beneficial owner (Note 4) 實益擁有人 (附註4)	2,191,853	0.20%
Mr. Sun Yang 孫泱先生	The Company 本公司	Long position 好倉	Beneficiary of a trust (Note 5) 信託受益人 (附註5)	421,460,060	38.42%
	The Company 本公司	Long position 好倉	Beneficial owner (Note 6) 實益擁有人 (附註6)	2,191,853	0.20%
Mr. Wang Wenjie 王文杰先生	The Company 本公司	Long position 好倉	Beneficiary of a trust (Note 7) 信託受益人 (附註7)	421,460,060	38.42%
	The Company 本公司	Long position 好倉	Beneficial owner (Note 8) 實益擁有人 (附註8)	1,465,535	0.13%

Notes:

- (1) Mr. Wang Wenjian is one of the two trustees (together with TMF Trust (HK) Limited) and one of the beneficiaries of the Sunny Group Employee Offshore Trust, under which he is entitled to 1.67% of the beneficial interest. The Sunny Group Employee Offshore Trust is a trust on the entire issued share capital of Sun Ji, which owned 92.32% equity interest in Sun Xu, which in turn owns 38.42% 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.
- (2) Mr. Wang Wenjian is taken to be interested as a grantee of 1,347,713 shares granted under the Restricted Share Award Scheme.
- (3) Mr. Ye Liaoning is a beneficiary under the Sunny Group Employee Offshore Trust, under which he is entitled to 7.68% of the beneficial interest. As a beneficiary of the trust, he is deemed to be interested in all the equity interest that Sunny Group Employee Offshore 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. Ye Liaoning is taken to be interested as a grantee of 2,191,853 shares granted under the Restricted Share Award Scheme.
- (5) Mr. Sun Yang is a beneficiary under the Sunny Group Employee Offshore Trust, under which he is entitled to 1.46% of the beneficial interests. As a beneficiary of the trust, he is deemed to be interested in all the equity interest that Sunny Group Employee Offshore 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. Sun Yang is deemed to be interested in 421,460,060 shares under the SFO.
- (6) Mr. Sun Yang is taken to be interested as a grantee of 2,191,853 shares granted under the Restricted Share Award Scheme.

附註：

- (1) 王文鑒先生連同達盟信託服務(香港)有限公司為舜宇集團僱員海外信託的兩位受託人其中之一，兼為該信託的受益人之一，實益擁有當中1.67%權益。舜宇集團僱員海外信託為舜基全部已發行股本的信託，而舜基持有舜旭92.32%股權，而舜旭擁有本公司已發行股本38.42%。因此，根據證券及期貨條例，王文鑒先生被視為於421,460,060股股份中擁有權益。
- (2) 王文鑒先生作為承授人被視為於根據受限制股份獎勵計劃授出的1,347,713股股份中擁有權益。
- (3) 葉遼寧先生為舜宇集團僱員海外信託的受益人，實益擁有當中7.68%權益。根據證券及期貨條例，彼作為信託受益人，被視為於舜宇集團僱員海外信託所持全部股權中擁有權益。舜基擁有舜旭92.32%股權，而舜旭擁有421,460,060股本公司股份。根據證券及期貨條例，舜基作為控股股東被視為於舜旭所擁有的全部股份中擁有權益。因此，根據證券及期貨條例，葉遼寧先生被視為於421,460,060股股份中擁有權益。
- (4) 葉遼寧先生作為承授人被視為於根據受限制股份獎勵計劃授出的2,191,853股股份中擁有權益。
- (5) 孫決先生為舜宇集團僱員海外信託的受益人，實益擁有當中1.46%權益。根據證券及期貨條例，彼作為信託受益人，被視為於舜宇集團僱員海外信託所持全部股權中擁有權益。舜基擁有舜旭92.32%股權，而舜旭擁有421,460,060股本公司股份。根據證券及期貨條例，舜基作為控股股東被視為於舜旭所擁有的全部股份中擁有權益。因此，根據證券及期貨條例，孫決先生被視為於421,460,060股股份中擁有權益。
- (6) 孫決先生作為承授人被視為於根據受限制股份獎勵計劃授出的2,191,853股股份中擁有權益。

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(7) Mr. Wang Wenjie is a beneficiary under the Sunny Group Employee Offshore Trust, under which he is entitled to 4.87% of the beneficial interests. As a beneficiary of the trust, he is deemed to be interested in all the equity interest that Sunny Group Employee Offshore 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. Wang Wenjie is deemed to be interested in 421,460,060 shares under the SFO.

(8) Mr. Wang Wenjie is taken to be interested as a grantee of 1,465,535 shares granted under the Restricted Share Award Scheme.

Other than as disclosed above, none of the Directors and 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 at 31 December 2016.

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 2016, no share option has been granted or agreed to be granted to any person or exercised by any person under the Scheme.

RESTRICTED SHARE AWARD SCHEME

On 22 March 2010 (the “**Adoption Date**”), the Board has adopted the Restricted Share Award Scheme, and the Directors, all employees, senior staff, agents and consultants of the Company and its subsidiaries are entitled to participate in this scheme. The purpose of the Restricted Share Award Scheme is to assist the Company in attracting new staff as well as motivating and retaining its current talents. The Restricted Share Award Scheme shall be effective from the Adoption Date and shall continue in full force and effect for a term of 10 years and be managed by its administrative committee and the trustee. Details of the Restricted Share Award Scheme could be found in the Note 35 of the consolidated financial statements.

(7) 王文杰先生為舜宇集團僱員海外信託的受益人，實益擁有當中4.87%權益。根據證券及期貨條例，彼作為信託受益人，被視為於舜宇集團僱員海外信託所持全部股權中擁有權益。舜基擁有舜旭92.32%股權，而舜旭擁有421,460,060股本公司股份。根據證券及期貨條例，舜基作為控股股東被視為於舜旭所擁有的全部股份中擁有權益。因此，根據證券及期貨條例，王文杰先生被視為於421,460,060股股份中擁有權益。

(8) 王文杰先生作為承授人被視為於根據受限制股份獎勵計劃授出的1,465,535股股份中擁有權益。

除上文所披露者外，於二零一六年十二月三十一日，概無董事及主要行政人員擁有本公司或其任何相聯法團的任何股份、相關股份或債券的任何權益或淡倉。

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**」）的目的為向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。計劃的合資格參與者包括（但不限於）本集團僱員、董事和股東。截至二零一六年十二月三十一日，計劃並無授出或同意授出購股權予任何人士，亦無任何人士已行使購股權。

受限制股份獎勵計劃

於二零一零年三月二十二日（「**採納日期**」），董事會採納受限制股份獎勵計劃，本公司及其附屬公司的董事、全體僱員、高級職員、代理及顧問均有權參與該計劃。受限制股份獎勵計劃之目的為協助本公司吸納新人、激勵及挽留現有人才。受限制股份獎勵計劃由採納日期起生效，並持續生效十年，由該計劃的管理委員會及受託人管理。受限制股份獎勵計劃的詳情載於綜合財務報表附註35。

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For the year ended 31 December 2016, details of movements of the shares issued under the Restricted Share Award Scheme were as follows:

截至二零一六年十二月三十一日止年度，根據受限制股份獎勵計劃發行股份的變動詳情如下：

Date of grant 授予日期	Fair value of each share (Note) 每股股份的 公允值(附註) HK\$ 港元	1 January 2016 於二零一六年 一月一日	Number of shares 股份數目			31 December 2016 於二零一六年 十二月三十一日	Vesting period 歸屬期
			Granted during the period 於期內授出	Vested during the period 於期內歸屬	Lapsed during the period 於期內失效		
7 May 2010 二零一零年五月七日	1.64	-	-	-	-	-	From 6 May 2014 to 6 May 2015 二零一四年五月六日至 二零一五年五月六日
14 March 2011 二零一一年三月十四日	2.67	-	-	-	-	-	From 13 March 2014 to 13 March 2015 二零一四年三月十三日至 二零一五年三月十三日
18 August 2011 二零一一年八月十八日	1.64	-	-	-	-	-	From 17 August 2014 to 17 August 2015 二零一四年八月十七日至 二零一五年八月十七日
14 March 2012 二零一二年三月十四日	2.70	1,130,750.00	-	(1,130,750.00)	-	-	13 March 2016 二零一六年三月十三日
17 August 2012 二零一二年八月十七日	3.08	1,889,050.00	-	(1,208,650.00)	-	680,400.00	From 16 August 2015 to 16 August 2017 二零一五年八月十六日至 二零一七年八月十六日
21 December 2012 二零一二年十二月二十一日	5.12	30,000.00	-	(30,000.00)	-	-	20 December 2016 二零一六年十二月二十日
9 March 2013 二零一三年三月九日	8.10	1,082,500.00	-	(541,250.00)	-	541,250.00	8 March 2017 二零一七年三月八日
13 August 2013 二零一三年八月十三日	8.69	2,157,250.00	-	(1,728,625.00)	(25,250.00)	403,375.00	From 12 August 2016 to 12 March 2017 二零一六年八月十二日至 二零一七年三月十二日
22 October 2013 二零一三年十月二十二日	7.79	-	-	-	-	-	21 October 2017 二零一七年十月二十一日
11 March 2014 二零一四年三月十一日	7.19	2,721,375.00	-	(907,125.00)	(110,000.00)	1,704,250.00	10 March 2018 二零一八年三月十日

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Date of grant 授予日期	Fair value of each share (Note) 每股股份的 公允值(附註)	1 January 2016 於二零一六年 一月一日	Number of shares 股份數目			31 December 2016 於二零一六年 十二月三十一日	Vesting period 歸屬期
			Granted during the period 於期內授出	Vested during the period 於期內歸屬	Lapsed during the period 於期內失效		
	HK\$ 港元						
15 August 2014 二零一四年八月十五日	9.74	5,251,800.00	-	(2,170,600.00)	(60,000.00)	3,021,200.00	From 14 August 2017 to 14 August 2018 二零一七年八月十四日至 二零一八年八月十四日
21 October 2014 二零一四年十月二十一日	12.46	165,000.00	-	(55,000.00)	-	110,000.00	20 October 2018 二零一八年十月二十日
9 March 2015 二零一五年三月九日	14.30	1,166,000.00	-	(291,500.00)	-	874,500.00	8 March 2019 二零一九年三月八日
26 May 2015 二零一五年五月二十六日	17.28	2,060,772.00	-	(1,022,364.00)	(58,839.00)	979,569.00	25 May 2017 二零一七年五月二十五日
24 August 2015 二零一五年八月二十四日	12.26	1,561,000.00	-	(390,250.00)	-	1,170,750.00	23 August 2019 二零一九年八月二十三日
15 November 2015 二零一五年十一月十五日	17.76	842,855.00	-	(315,732.00)	(13,740.00)	513,383.00	From 14 November 2017 to 14 November 2018 二零一七年十一月十四日至 二零一八年十一月十四日
15 April 2016 二零一六年四月十五日	24.25	-	2,154,428.00	-	(55,897.00)	2,098,531.00	14 April 2018 二零一八年四月十四日
15 November 2016 二零一六年十一月十五日	37.45	-	627,174.00	-	(2,274.00)	624,900.00	From 14 November 2018 to 14 November 2019 二零一八年十一月十四日至 二零一九年十一月十四日
		20,058,352.00	2,781,602.00	(9,791,846.00)	(326,000.00)	12,722,108.00	

Note:

The fair value of the shares was calculated based on the closing price per share on the date of grant.

Save as disclosed above, at no time during the period under review was the Company or its subsidiaries a party to any arrangement to enable the Directors or any of their spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other corporation.

附註：

股份的公允值乃根據於授予日期每股股份的收市價計算。

除上文所披露者外，本公司或其附屬公司於回顧期內並無訂立任何安排，使董事或彼等各自之配偶或未滿18歲之子女可透過收購本公司或任何其他法團的股份或債券而獲取利益。

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

The Company is empowered by the applicable Cayman Islands Companies Law 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, redemption or writing-off by the Company or any of its subsidiaries, with the exception of the trustees of the Restricted Share Award Scheme, of the Company's listed shares during the year ended 31 December 2016.

DIRECTORS' INTERESTS IN SIGNIFICANT CONTRACTS

Save as disclosed in the section "Connected transactions and continuing connected transactions" of this report below, 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 had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

None of the related party transactions entered by the Company during the year ended 31 December 2016 as disclosed in note 33 of the consolidated financial statements constitutes a connected transaction nor a continuing connected transaction under the Listing Rules. For the year ended 31 December 2016, the Company did not enter into any connected transactions or continuing connected transactions.

購買、出售或贖回本公司股份

根據適用的開曼群島公司法和章程細則，本公司可在若干限制下購回其本身股份，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。於截至二零一六年十二月三十一日止年度，本公司或其任何附屬公司（受限制股份獎勵計劃受託人所購買除外）概無購買、出售、贖回或撤銷本公司的上市股份。

董事於重大合約權益

除本報告下文「關連交易及持續關連交易」一節所披露者外，本公司、其控股公司、控股股東、同系附屬公司或附屬公司概無於本年年底或年內任何時間訂立仍然有效而董事於其中（不論直接或間接）擁有重大利益的重大合約。

關連交易及持續關連交易

如綜合財務報表附註33所披露，本公司於截至二零一六年十二月三十一日止年度訂立的關連人士交易並無構成上市規則項下的關連交易或持續關連交易。於截至二零一六年十二月三十一日止年度，本公司並未訂立任何關連交易或持續關連交易。

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MANAGEMENT CONTRACT

No management contract 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 at 31 December 2016, so far as the Directors are aware of, 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管理合約。

主要股東權益披露

於二零一六年十二月三十一日，就董事所知，下列人士或機構擁有根據香港法例第571章證券及期貨條例第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中的實益權益或淡倉，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%或以上權益：

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Name	Long/short/ lending pool position	Type of interest	Number of Share	Approximate percentage of shareholding
名稱	好倉／淡倉／ 可供借出的股份	權益類別	股份數目	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	38.42%
Sun Ji Limited ("Sun Ji") 舜基有限公司 (「舜基」)	Long position 好倉	Interest in a controlled corporation (Note 1) 受控法團權益 (附註1)	421,460,060	38.42%
Mr. Wang Wenjian 王文鑾先生	Long position 好倉	Beneficial owner (Note 2) 實益擁有人 (附註2)	1,347,713	0.12%
	Long position 好倉	Trustee and Beneficiary of a trust (Note 3) 信託受託人兼受益人 (附註3)	421,460,060	38.42%
TMF Trust (HK) Limited 達盟信託服務 (香港) 有限公司	Long position 好倉	Trustee of a trust (Note 4) 信託受託人 (附註4)	421,460,060	38.42%
Mr. Ye Liaoning 葉遼寧先生	Long position 好倉	Beneficial owner (Note 5) 實益擁有人 (附註5)	2,191,853	0.20%
	Long position 好倉	Beneficiary of a trust (Note 6) 信託受益人 (附註6)	421,460,060	38.42%
Mr. Sun Yang 孫泱先生	Long position 好倉	Beneficial owner (Note 7) 實益擁有人 (附註7)	2,191,853	0.20%
	Long position 好倉	Beneficiary of a trust (Note 8) 信託受益人 (附註8)	421,460,060	38.42%
Mr. Wang Wenjie 王文杰先生	Long position 好倉	Beneficial owner (Note 9) 實益擁有人 (附註9)	1,465,535	0.13%
	Long position 好倉	Beneficiary of a trust (Note 10) 信託受益人 (附註10)	421,460,060	38.42%
JP Morgan Chase & Co.	Long position	Beneficial owner, investment manager and custodian cooperation (Note 11)	61,221,142	5.58%
JP Morgan Chase & Co.	好倉	實益擁有人、投資經理及保管人法團 (附註11)		
	Short position 淡倉	Beneficial owner (Note 11) 實益擁有人 (附註11)	3,205,700	0.29%
	Lending pool 可供借出的股份	Custodian cooperation (Note 11) 保管人法團 (附註11)	40,669,771	3.70%

Directors' Report

董事會報告

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 by Sun Xu under the provisions of SFO.
- (2) Mr. Wang Wenjian is taken to be interested as a grantee of 1,347,713 shares granted under the Restricted Share Award Scheme.
- (3) As Mr. Wang Wenjian is the sole shareholder of Sun Guang Limited and one of the two trustees (together with TMF Trust (HK) Limited) and one of the beneficiaries of the Sunny Group Employee Offshore Trust, under which he is entitled to 1.67% of the beneficial interest, Mr. Wang Wenjian is deemed to be interested in the 421,460,060 shares held by Sun Xu under the provisions of SFO.
- (4) As TMF Trust (HK) Limited is one of the two trustees (together with Mr. Wang Wenjian) of the Sunny Group Employee Offshore Trust, TMF Trust (HK) Limited is deemed to be interested in the 421,460,060 shares held by Sun Xu under the provisions of SFO.
- (5) Mr. Ye Liaoning is taken to be interested as a grantee of 2,191,853 shares granted under the Restricted Share Award Scheme.
- (6) Mr. Ye Liaoning is a beneficiary under the Sunny Group Employee Offshore Trust, under which he is entitled to 7.68% of the beneficial interest. As a beneficiary of the trust, he is deemed to be interested in all the equity interest that Sunny Group Employee Offshore 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.
- (7) Mr. Sun Yang is taken to be interested as a grantee of 2,191,853 shares granted under the Restricted Share Award Scheme.

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，舜基被視為於舜旭所持421,460,060股股份中擁有權益。
- (2) 王文鑒先生作為承授人被視為於根據受限制股份獎勵計劃授出的1,347,713股股份中擁有權益。
- (3) 由於王文鑒先生為舜光有限公司唯一股東及連同達盟信託服務(香港)有限公司為舜宇集團僱員海外信託的兩位受託人其中之一，兼為該信託的受益人之一，實益擁有當中1.67%權益，故此根據證券及期貨條例，王文鑒先生被視為於舜旭所持421,460,060股股份中擁有權益。
- (4) 由於達盟信託服務(香港)有限公司連同王文鑒先生為舜宇集團僱員海外信託的兩位受託人其中之一，故此根據證券及期貨條例，達盟信託服務(香港)有限公司被視為於舜旭所持421,460,060股股份中擁有權益。
- (5) 葉遼寧先生作為承授人被視為於根據受限制股份獎勵計劃授出的2,191,853股股份中擁有權益。
- (6) 葉遼寧先生為舜宇集團僱員海外信託的受益人，實益擁有當中7.68%權益。根據證券及期貨條例，彼作為信託受益人，被視為於舜宇集團僱員海外信託所持全部股權中擁有權益。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，舜基作為控股股東被視為於舜旭所擁有的全部股份中擁有權益。因此，根據證券及期貨條例，葉遼寧先生被視為於421,460,060股股份中擁有權益。
- (7) 孫泱先生作為承授人被視為於根據受限制股份獎勵計劃授出的2,191,853股股份中擁有權益。

Directors' Report 董事會報告

- (8) Mr. Sun Yang is a beneficiary under the Sunny Group Employee Offshore Trust, under which he is entitled to 1.46% of the beneficial interests. As a beneficiary of the trust, he is deemed to be interested in all the equity interest that Sunny Group Employee Offshore 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. Sun Yang is deemed to be interested in 421,460,060 shares under the SFO.
- (8) 孫決先生為舜宇集團僱員海外信託的受益人，實益擁有當中1.46%權益。根據證券及期貨條例，彼作為信託受益人，被視為為舜宇集團僱員海外信託所持全部股權中擁有權益。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，舜基作為控股股東被視為為舜旭所擁有的全部股份中擁有權益。因此，根據證券及期貨條例，孫決先生被視為為421,460,060股股份中擁有權益。
- (9) Mr. Wang Wenjie is taken to be interested as a grantee of 1,465,535 shares granted under the Restricted Share Award Scheme.
- (9) 王文杰先生作為承授人被視為為於根據受限制股份獎勵計劃授出的1,465,535股股份中擁有權益。
- (10) Mr. Wang Wenjie is a beneficiary under the Sunny Group Employee Offshore Trust, under which he is entitled to 4.87% of the beneficial interests. As a beneficiary of the trust, he is deemed to be interested in all the equity interest that Sunny Group Employee Offshore 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. Wang Wenjie is deemed to be interested in 421,460,060 shares under the SFO.
- (10) 王文杰先生為舜宇集團僱員海外信託的受益人，實益擁有當中4.87%權益。根據證券及期貨條例，彼作為信託受益人，被視為為舜宇集團僱員海外信託所持全部股權中擁有權益。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，舜基作為控股股東被視為為舜旭所擁有的全部股份中擁有權益。因此，根據證券及期貨條例，王文杰先生被視為為421,460,060股股份中擁有權益。
- (11) JPMorgan Chase & Co., through various subsidiaries, had an interest in the shares of the Company, of which 2,590,300 shares (long position) and 3,205,700 shares (short position) were held in its capacity as beneficial owner, 2,102,000 shares (long position) were held in its capacity as investment manager and 40,669,771 shares (long position) were held in its capacity as custodian cooperation. These 61,221,142 shares (long position) included the interests held in its capacity as beneficial owner, investment manager and custodian corporation.
- (11) JPMorgan Chase & Co.透過多間附屬公司於本公司股份中擁有權益，當中2,590,300股股份（好倉）及3,205,700股股份（淡倉）以實益擁有人的身份持有，2,102,000股股份（好倉）以投資經理的身份持有，40,669,771股股份（好倉）以保管人法團的身份持有。該等61,221,142股股份（好倉）包括於其以實益擁有人、投資經理及保管人法團身份持有的權益。

Definition of terms:

- “TMF Trust (HK) Limited” refers to the additional trustee of the Sunny Group Employee Offshore Trust appointed pursuant to the Deed of Appointment of Additional Trustee dated 2 July 2011; and
- “Sunny Group Employee Offshore Trust” refers to a trust established on 28 July 2006 on the entire issued share capital of Sun Ji

名稱定義：

- 「達盟信託服務（香港）有限公司」指根據日期為二零一一年七月二日的額外受託人委任契約獲委任的舜宇集團僱員海外信託額外受託人；及
- 「舜宇集團僱員海外信託」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

Directors' Report 董事會報告

Save as disclosed above, as of 31 December 2016, none of the shareholder 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.

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.

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 its 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.

除上文所披露者外，截至二零一六年十二月三十一日，根據證券及期貨條例第336條須存置的登記冊所記錄，本公司概無任何股東於本公司股份或相關股份中擁有任何權益或淡倉。

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。

擁有競爭對手的權益

概無董事或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、個人表現及可比較的市場統計數據而決定。

Directors' Report

董事會報告

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 at 31 December 2016.

The Group's subsidiaries in the PRC, in compliance with the applicable regulations of the PRC, participate 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.

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 pro-rata 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 this annual report, the Company has maintained a sufficient public float throughout the year ended 31 December 2016.

本集團根據強制性公積金（「強積金」）計劃條例之規則及規例為其所有香港僱員設立一項強積金計劃。本集團所有於香港的僱員均須加入強積金計劃。供款按僱員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。於二零一六年十二月三十一日，並無沒收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。

優先購買權

根據本公司章程細則或開曼群島法例，並無優先購買權條文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，本公司截至二零一六年十二月三十一日止年度一直維持足夠之公眾持股量。

Directors' Report

董事會報告

POST BALANCE SHEET EVENTS

Details of significant events occurring after the balance sheet date are set out in Note 37 to the consolidated financial statements.

AUDITORS

A resolution will be proposed at the AGM to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

By order of the Board of Directors

Ye Liaoning

Chairman

Hong Kong

13 March 2017

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37。

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

主席

葉遼寧

香港

二零一七年三月十三日

Independent Auditor's Report

獨立核數師報告

TO THE SHAREHOLDERS OF
SUNNY OPTICAL TECHNOLOGY (GROUP) COMPANY LIMITED
(incorporated in Cayman Islands with limited liability)

Opinion

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 105 to 238, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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）

意見

我們已審核載於第105至238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，包括於二零一六年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註（包括主要會計政策概要）。

我們認為，該等綜合財務報表已根據香港會計師公會（「香港會計師公會」）頒佈的《香港財務報告準則》（「香港財務報告準則」）真實公允地反映 貴集團於二零一六年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港公司條例的披露要求妥為編製。

意見的基礎

我們根據香港會計師公會頒佈的香港核數準則（「香港核數準則」）進行審核工作。根據該等準則，我們的責任於本報告「核數師就審核綜合財務報表的責任」一節中進一步詳述。根據香港會計師公會頒佈的《專業會計師道德守則》（「守則」），我們獨立於 貴集團，並已遵循該《守則》履行其他道德責任。我們認為，我們所獲得的審核憑證屬充分及恰當，可為我們的意見提供基準。

Independent Auditor's Report

獨立核數師報告

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter 關鍵審核事項

Valuation of trade receivables 對貿易應收款項的評估

We identified the valuation of trade receivables as a key audit matter due to the significant judgement and estimate in assessing the recoverability.

基於重大判斷及於評估可收回能力時的估計，我們已將對貿易應收款項估值確定為關鍵審核事項。

As at 31 December 2016, the Group has outstanding trade receivables of RMB2,876,155,000, including RMB292,587,000 past due but not impaired. Details of trade receivables are set out in Note 22 to the consolidated financial statements.

於二零一六年十二月三十一日，貴集團未結算貿易應收款項為人民幣2,876,155,000元（包括已逾期但無減值的貿易應收款項人民幣292,587,000元）。貿易應收款項的詳情載於綜合財務報表附註22。

As further disclosed in Note 22, the Group has filed legal proceedings against several customers with financial difficulties for property preservation in order to protect the trade receivables of RMB378,900,000 due from these customers to the Group subsequent to 31 December 2016. The legal proceedings are still not yet finalised and no subsequent settlement from these customers are received. Based on the estimated value to be recovered, the Group has made a specific allowance of RMB135,495,000 on these over-due trade receivables as at 31 December 2016.

附註22進一步披露，於二零一六年十二月三十一日後，貴集團已就財產保全向若干有財務困難的客戶提出法律訴訟，以保全該等客戶應付貴集團的貿易應收款項人民幣378,900,000元。有關法律訴訟尚未完結，且該等客戶最終並未結清有關款項。基於尚未收回的估計價值，貴集團已於二零一六年十二月三十一日就該等逾期貿易應收款項作出金額為人民幣135,495,000元的特殊撥備。

關鍵審核事項

根據我們的專業判斷，關鍵審核事項為我們審核本期綜合財務報表中最重要的事項。我們在審核綜合財務報表及就此形成意見時處理該等事項，而不會就該等事項單獨發表意見。

How our audit addressed the key audit matter 核數師如何處理關鍵審核事項

Our procedures in relation to the valuation of trade receivables included:

貿易應收款項估值的相關程序如下：

- Reviewing and testing the aging analysis of trade receivables, on a sample basis, to the sources document;
- 對有關貿易應收款項賬齡分析的原文件進行抽樣審核及測試；
- Obtaining an understanding on how the management has assessed the recoverability on the over-due balances by considering the historical repayment history and subsequent settlements;
- 透過查看以往還款記錄及後續結算方法，了解管理層如何評估逾期結餘可收回能力的方法；
- Assessing the reasonableness of the specific provision made against the balances due from customers with financial difficulties by challenging the management's basis of provision, the status of the legal proceedings, the agreed repayment schedules and likelihood of repayments.
- 對管理層撥備基準、法律訴訟狀態、已協定的還款時間表及還款可能性發起提問，以評估對有財務困難的客戶應付結餘所作出特定撥備是否合理。

Independent Auditor's Report

獨立核數師報告

Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他資料

貴公司董事負責其他資料。其他資料包括年報中載列的資料，但不包括綜合財務報表及核數師報告。

我們就綜合財務報表的意見並未包含其他資料且我們並不就其他資料表達任何形式的確定性結論。

就我們對綜合財務報表的審計而言，我們的責任是閱讀其他資料，並在閱讀過程中考慮其他資料是否與綜合財務報表或我們於審計中得知的情況存在重大不符，或者似乎有重大錯誤陳述。倘基於我們所作工作，我們斷定倘其他資料存在重大錯誤陳述，則我們須匯報該事實。就此而言，我們並無須匯報的內容。

董事責任及綜合財務報表負責人的責任

貴公司董事負責遵照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之披露規定編製呈列真實及公允意見的綜合財務報表，以及董事認定為必要的內部監控，使綜合財務報表的編製並無由於欺詐或錯誤導致的重大錯誤陳述。

於編製綜合財務報表時，董事負責評估 貴集團持續經營的能力，披露有關持續經營事項（如適用）及採用持續經營會計基準，除非董事擬對 貴集團進行清算或終止經營，或別無他法而只能如此。

負責管治的人士負責監督 貴集團財務報告程序。

Independent Auditor's Report

獨立核數師報告

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師審計綜合財務報表的責任

我們的目的為就綜合財務報表總體上是否不存在重大錯誤陳述（不論其由欺詐或錯誤引起）提供合理保證，並按照我們協定的委聘條款向閣下（作為一個團體）發出一份包括我們的意見在內的核數師報告，除此之外，並無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。儘管合理保證為高層次保證，但並不能保證根據香港會計準則實施的審計總能檢查出實際存在的重大錯誤陳述。重大錯誤陳述可由欺詐或錯誤引起，且倘合理預期該錯誤陳述（個別或整體）影響綜合財務報表使用者的經濟決策，則被視為重大錯誤陳述。

作為根據香港會計準則進行審計的一部分，我們於整個審計過程中作出專業判斷並保持專業的懷疑態度。我們亦：

- 識別及評估綜合財務報表的重大錯誤陳述的風險（不論其由欺詐或錯誤引起），設計及實施審計程序以應對該等風險，並取得充分及恰當的審計憑證作為我們意見的依據。未能發現欺詐所導致的重大錯誤陳述的風險大於由於錯誤引起重大錯誤陳述的風險，原因是欺詐可能會涉及勾結、偽造、故意遺漏、不實陳述或凌駕於內部控制之上。
- 了解與審計相關的內部控制以設計恰當的審計程序，但並非為了就貴集團內部控制的有效性表達意見。
- 評估董事所用會計政策的恰當性及所作會計估計及有關披露的合理性。

Independent Auditor's Report 獨立核數師報告

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 就董事使用持續經營會計基準的恰當性進行斷定，並依據所取得的審計憑證，斷定是否存在與可能會對 貴集團持續經營的能力產生重大疑問的事件或狀況有關的重大不確定因素。倘我們斷定存在重大不確定因素，則我們須於核數師報告內就綜合財務報表的相關披露提請注意，或倘該等披露不充分，則修訂我們的意見。我們的斷定乃基於直至我們的核數師報告日期所取得的審計憑證。然而，未來事件或狀況可能使得 貴集團終止持續經營。
- 就綜合財務報表的整體呈列、架構及內容（包括披露）及綜合財務報表是否公平反映及呈列有關交易及事項進行評估。
- 就 貴集團實體或業務活動的財務資料取得充分恰當的審計憑證，以就綜合財務報表發表意見。我們負責指導、監督及執行集團審計。我們對我們的審計意見負有完全責任。

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

我們與負責管治的人員就（其中包括）審計的計劃範圍及時間以及重大審計發現進行溝通，包括於審計期間我們所發現的內部控制中的任何重大缺陷。

我們亦向負責管治的人員提供表明我們已遵守有關獨立性的道德規定的聲明，並與彼等就所有被合理認為可能影響獨立性的關係及其他事項及有關保障措施（如適用）進行溝通。

Independent Auditor's Report

獨立核數師報告

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in the independent auditor's report is Mr. Jacky Wong Suk Hung.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

13 March 2017

根據與負責管治的人員進行溝通的事項，我們對當期綜合財務報表審計中屬重大而因此屬關鍵審計事項作出判定。我們於我們的核數師報告內對該等事項進行陳述，除非法律或法規不允許向公眾披露該等事項，或在極其罕有的情況下，我們認為在合理的預期內披露該等事項的負面後果大於對公眾利益帶來的好處，因而決定在我們的報告內不予披露該等事項。

獨立核數師報告的審計委聘合夥人為黃淑雄先生。

德勤·關黃陳方會計師行
執業會計師
香港

二零一七年三月十三日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

	NOTES 附註	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Revenue 收入	5	14,611,778	10,696,232
Cost of sales 銷售成本		(11,931,643)	(8,932,855)
Gross profit 毛利		2,680,135	1,763,377
Other income 其他收益	6(a)	118,863	93,199
Other gains and losses 其他收益及虧損	6(b)	(144,517)	(122,648)
Selling and distribution expenses 銷售及分銷開支		(153,893)	(94,998)
Research and development expenditure 研發開支		(694,397)	(502,140)
Administrative expenses 行政開支		(331,236)	(256,924)
Share of results of associates 分佔聯營公司的業績	17	(12,339)	(1,591)
Finance costs 融資成本	7	(16,181)	(15,998)
Profit before tax 除稅前溢利		1,446,435	862,277
Income tax expense 所得稅開支	8	(174,834)	(98,756)
Profit for the year 年內溢利	9	1,271,601	763,521
Other comprehensive income 其他全面收益			
<i>Item that may be classified subsequent to profit or loss:</i>			
<i>其後可分類至損益的項目：</i>			
Exchange differences arising on translation from foreign operations 換算海外業務所產生的匯兌差額		5,754	682
Total comprehensive income for the year 年內全面收益總額		1,277,355	764,203
Profit for the year attributable to: 應佔年內溢利：			
Owners of the Company 本公司股東		1,270,753	761,632
Non-controlling interests 非控股權益		848	1,889
		1,271,601	763,521
Total comprehensive income attributed to: 應佔全面收益總額：			
Owners of the Company 本公司股東		1,274,801	761,987
Non-controlling interests 非控股權益		2,554	2,216
		1,277,355	764,203
Earnings per share – Basic (RMB cents) 每股盈利 – 基本 (人民幣分)	11	117.60	70.90
– Diluted (RMB cents) – 攤薄 (人民幣分)	11	116.68	70.29

Consolidated Statement of Financial Position

綜合財務狀況表

AT 31 DECEMBER 2016 於二零一六年十二月三十一日

	NOTES 附註	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 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	1,793,510	1,140,809
Prepaid lease payments 預付租金	14	164,025	113,003
Investment properties 投資物業	15	14,997	15,836
Intangible assets 無形資產	16	1	6
Interests in associates 於聯營公司的權益	17	99,781	110,440
Deferred tax assets 遞延稅項資產	18	27,884	5,700
Deposits paid for acquisition of property, plant and equipment 就收購物業、機器及設備已支付的按金	19	152,384	137,043
Available-for-sale investments 可供出售投資	20	62,267	67,672
Deposits paid for acquisition of land use rights 就收購土地使用權已支付的按金		3,823	27,741
Derivative financial assets 衍生金融資產	24(a)	-	947
		2,318,672	1,619,197
CURRENT ASSETS 流動資產			
Inventories 存貨	21	2,828,362	896,962
Trade and other receivables and prepayment 貿易及其他應收款項及預付款項	22	3,715,939	3,002,950
Prepaid lease payments 預付租金	14	4,452	3,337
Derivative financial assets 衍生金融資產	24(a)	13,795	16,108
Financial assets designated as at fair value through profit or loss 按公允值計入損益的金融資產	24(b)	2,027,497	1,708,270
Amounts due from related parties 應收關聯人士款項	33(c)	682	1,215
Pledged bank deposits 已抵押銀行存款	23	100,967	129,559
Short term fixed deposits 短期定期存款	23	159,245	71,916
Bank balances and cash 銀行結餘及現金	23	466,928	186,780
		9,317,867	6,017,097
CURRENT LIABILITIES 流動負債			
Trade and other payables 貿易及其他應付款項	25	5,572,542	2,914,402
Amounts due to related parties 應付關聯人士款項	33(c)	5,205	3,114
Derivative financial liabilities 衍生金融負債	24(a)	93,251	103,929
Tax payable 應付稅項		53,009	21,128
Bank borrowings 銀行借貸	26	904,348	683,239
Deferred income – current portion 遞延收入 – 即期部分	34	29,973	13,609
		6,658,328	3,739,421
NET CURRENT ASSETS 流動資產淨值		2,659,539	2,277,676
TOTAL ASSETS LESS CURRENT LIABILITIES 總資產減流動負債		4,978,211	3,896,873

Consolidated Statement of Financial Position

綜合財務狀況表

AT 31 DECEMBER 2016 於二零一六年十二月三十一日

	NOTES 附註	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
NON-CURRENT LIABILITIES 非流動負債			
Deferred tax liabilities 遞延稅項負債	18	33,864	19,201
Derivative financial liabilities 衍生金融負債	24(a)	–	1,932
Other payables 其他應付款項	25	2,817	6,347
Deferred income – non-current portion 遞延收入 – 非即期部分	34	28,188	24,502
		64,869	51,982
NET ASSETS 資產淨值			
		4,913,342	3,844,891
CAPITAL AND RESERVES 股本及儲備			
Share capital 股本	27	105,177	105,177
Reserves 儲備		4,790,078	3,725,806
Equity attributable to owners of the Company 本公司股東應佔權益		4,895,255	3,830,983
Non-controlling interests 非控股權益		18,087	13,908
TOTAL EQUITY 權益總額		4,913,342	3,844,891

The consolidated financial statements on pages 105 to 238 were approved and authorised for issue by the Board of Directors on 13 March 2017 and are signed on its behalf by:

載於第105至第238頁之綜合財務報表經董事會於二零一七年三月十三日批准及授權刊發，並由下列董事代表簽署：

Mr. YE Liaoning

葉遼寧先生
CHAIRMAN
主席

Mr. SUN Yang

孫決先生
DIRECTOR
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

	Attributable to owners of the Company 本公司股東應佔											Non- controlling interests	Total
	Share capital	Share premium	Special reserve	Statutory surplus reserve	Discretionary surplus reserve	Other reserves	Shares held under share award scheme	Share award scheme reserve	Translation reserve	Retained profits	Total		
	股本 RMB'000 人民幣千元	股份溢價 RMB'000 人民幣千元	特別儲備 RMB'000 人民幣千元 (Note a) (附註a)	法定 盈餘儲備 RMB'000 人民幣千元 (Note b) (附註b)	酌情 盈餘儲備 RMB'000 人民幣千元 (Note b) (附註b)	其他儲備 RMB'000 人民幣千元 (Note c) (附註c)	根據股份 獎勵計劃 持有的股份 RMB'000 人民幣千元	股份獎勵 計劃儲備 RMB'000 人民幣千元	換算儲備 RMB'000 人民幣千元	保留盈利 RMB'000 人民幣千元	總計 RMB'000 人民幣千元	非控股權益 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
At 31 December 2014 於二零一四年十二月三十一日	105,177	873,036	152,568	31,003	916	198,839	(139,321)	22,064	1,346	2,002,069	3,247,697	2,893	3,250,590
Profit for the year 年內溢利	-	-	-	-	-	-	-	-	-	761,632	761,632	1,889	763,521
Exchange differences arising on translation 換算時產生的匯兌差額	-	-	-	-	-	-	-	-	355	-	355	327	682
Total comprehensive income for the year 年內全面收益總額	-	-	-	-	-	-	-	-	355	761,632	761,987	2,216	764,203
Purchase of shares under share award scheme 根據股份獎勵計劃購買股份	-	-	-	-	-	-	(70,770)	-	-	-	(70,770)	-	(70,770)
Recognition of equity-settled share-based payments 確認以權益結算股份支付的款項	-	-	-	-	-	-	-	60,218	-	-	60,218	-	60,218
Shares vested under share award scheme 根據股份獎勵計劃歸屬的股份	-	-	-	-	-	-	52,890	(47,588)	-	(5,302)	-	-	-
Capital contribution from non-controlling interests 非控股權益的注資	-	-	-	-	-	-	-	-	-	-	-	9,657	9,657
Deemed acquisition of additional interests in a subsidiary (Note 36(b)) 視作收購附屬公司額外權益 (附註36(b))	-	-	(1,759)	-	-	-	-	-	-	-	(1,759)	(123)	(1,882)
Dividends paid (Note 10) 已付股息 (附註10)	-	(170,035)	-	-	-	-	-	-	-	-	(170,035)	-	(170,035)
Dividends received under share award scheme 根據股份獎勵計劃收取的股息	-	3,645	-	-	-	-	-	-	-	-	3,645	-	3,645
Dividend declared to non-controlling interest 宣派予非控股權益的股息	-	-	-	-	-	-	-	-	-	-	-	(735)	(735)
Appropriation 轉撥	-	-	-	-	-	45,136	-	-	-	(45,136)	-	-	-
At 31 December 2015 於二零一五年十二月三十一日	105,177	706,646	150,809	31,003	916	243,975	(157,201)	34,694	1,701	2,713,263	3,830,983	13,908	3,844,891
Profit for the year 年內溢利	-	-	-	-	-	-	-	-	-	1,270,753	1,270,753	848	1,271,601
Exchange differences arising on translation 換算時產生的匯兌差額	-	-	-	-	-	-	-	-	4,048	-	4,048	1,706	5,754
Total comprehensive income for the year 年內全面收益總額	-	-	-	-	-	-	-	-	4,048	1,270,753	1,274,801	2,554	1,277,355
Purchase of shares under share award scheme 根據股份獎勵計劃購買股份	-	-	-	-	-	-	(63,907)	-	-	-	(63,907)	-	(63,907)
Recognition of equity-settled share-based payments 確認以權益結算股份支付的款項	-	-	-	-	-	-	-	79,210	-	-	79,210	-	79,210
Shares vested under share award scheme 根據股份獎勵計劃歸屬的股份	-	-	-	-	-	-	69,488	(68,947)	-	(541)	-	-	-
Capital contribution from non-controlling interests 非控股權益的注資	-	-	-	-	-	-	-	-	-	-	-	2,097	2,097
Deemed acquisition of additional interests in a subsidiary (Note 36(b)) 視作收購附屬公司額外權益 (附註36(b))	-	-	(1,009)	-	-	-	-	-	-	-	(1,009)	(472)	(1,481)
Dividends paid (Note 10) 已付股息 (附註10)	-	(228,176)	-	-	-	-	-	-	-	-	(228,176)	-	(228,176)
Dividends received under share award scheme 根據股份獎勵計劃收取的股息	-	3,353	-	-	-	-	-	-	-	-	3,353	-	3,353
Appropriation 轉撥	-	-	-	-	-	34,704	-	-	-	(34,704)	-	-	-
At 31 December 2016 於二零一六年十二月三十一日	105,177	481,823	149,800	31,003	916	278,679	(151,620)	44,957	5,749	3,948,771	4,895,255	18,087	4,913,342

Consolidated Statement of Changes in Equity

綜合權益變動表

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

Notes:

- (a) The amount represented the adjustment of non-controlling interests in respect of deemed acquisition of additional interest in subsidiaries.
- (b) The statutory surplus reserve and discretionary surplus reserve are non-distributable and the transfer to these reserves is determined by the board of directors of subsidiaries established in the People's Republic of China (the "PRC") in accordance with the Articles of Association of the subsidiaries. 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. Discretionary surplus reserve can be used to expand the existing operations of the Company's PRC subsidiaries.
- (c) Other reserves represent enterprise expansion fund and reserve fund. These reserves are non-distributable and the transfer to these reserves are determined by the board of directors of the PRC subsidiaries in accordance with the Articles of Association. Other reserves can be used to make up for previous year's losses or convert into additional capital of the Company's PRC subsidiaries.

附註：

- (a) 該款項指就視作收購附屬公司額外權益而作出的非控股權益調整；
- (b) 法定盈餘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於中華人民共和國（「中國」）成立的附屬公司的董事會根據附屬公司的章程細則釐定。法定盈餘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。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。
- (c) 其他儲備指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中國附屬公司的董事會根據章程細則釐定。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。

Consolidated Statement of Cash Flows

綜合現金流量表

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
OPERATING ACTIVITIES 經營活動		
Profit before tax 除稅前溢利	1,446,435	862,277
Adjustments for: 調整:		
Share of results of associates 分佔聯營公司業績	12,339	1,591
Depreciation of property, plant and equipment and investment properties 物業、機器、設備及投資物業折舊	316,705	245,708
(Gain) loss on changes in fair value of derivative financial instruments, net 衍生金融工具公允值變動的(收益)虧損淨額	(8,330)	84,655
Release of prepaid lease payments 預付租金解除	3,620	3,220
Amortisation of intangible assets 無形資產攤銷	5	9
Allowance for inventories 存貨撥備	6,377	7,370
Allowance for bad and doubtful debts on trade receivables 貿易應收款項的呆壞賬撥備	137,421	3,702
Loss on disposal of property, plant and equipment 出售物業、機器及設備虧損	80	2,389
Gain on disposal of available-for-sale investments 出售可供出售投資收益	(37,936)	-
Expense recognised in respect of share award scheme 就股份獎勵計劃而確認之支出	79,210	60,218
Release of deferred income 遞延收入解除	(18,382)	(14,263)
Bank interest income 銀行利息收入	(1,386)	(1,350)
Interest income from short term fixed deposits 短期定期存款利息收入	(612)	(565)
Interest income from pledged bank deposits 已抵押銀行存款利息收入	(2,606)	(3,924)
Interest income from financial assets designated at fair value through profit or loss 來自按公允值計入損益的金融資產的利息收入	(41,132)	(33,514)
Finance costs 融資成本	16,181	15,998
Operating cash flows before movements in working capital 營運資金變動前的經營現金流量	1,907,989	1,233,521
Increase in inventories 存貨增加	(1,937,777)	(8,639)
Increase in trade and other receivables and prepayment 貿易及其他應收款項及預付款項增加	(852,577)	(614,696)
Decrease (increase) in amounts due from related parties 應收關連人士款項減少(增加)	533	(741)
Increase in trade and other payables 貿易及其他應付款項增加	2,607,332	1,144,374
Increase in deferred income 遞延收入增加	38,432	18,041
Increase in amounts due to related parties 應付關連人士款項增加	2,091	104
Cash generated from operations 經營活動所得現金	1,766,023	1,771,964
Income taxes paid 已付所得稅款項	(150,474)	(70,477)
NET CASH FROM OPERATING ACTIVITIES 經營活動所得現金淨額	1,615,549	1,701,487

Consolidated Statement of Cash Flows

綜合現金流量表

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
INVESTING ACTIVITIES 投資活動		
Placement of short term fixed deposits 存放短期定期存款	(1,223,523)	(236,622)
Withdrawal of short term fixed deposits 提取短期定期存款	1,136,194	184,706
Deposits paid for acquisition of a land use right 就收購土地使用權支付之按金	-	(708)
Purchases of property, plant and equipment 購買物業、機器及設備	(791,647)	(282,875)
Acquisition of land use right 收購土地使用權	(31,839)	-
Placement of pledged bank deposits 存放已抵押銀行存款	(100,967)	(432,724)
Release of pledged bank deposits 解除已抵押銀行存款	129,559	307,557
Purchases of financial assets designated as at fair value through profit and loss 收購按公允值計入損益的金融資產	(18,995,737)	(14,790,223)
Release of financial assets designated as at fair value through profit and loss 解除按公允值計入損益的金融資產	18,676,510	13,456,899
Deposits paid for acquisition of property, plant and equipment 就購買物業、機器及設備已支付之按金	(149,178)	(127,665)
Premium paid for derivative financial instruments 就衍生金融工具已支付之溢價	(2,036)	(3,100)
Premium received from derivative financial instruments 來自衍生金融工具之溢價	1,016	4,350
Receipt of interest arising from financial assets designated as at fair value through profit or loss 收取按公允值計入損益的金融資產產生的利息	41,132	33,514
Receipt of interest arising from pledged bank deposits 收取已抵押銀行存款產生的利息	2,606	3,924
Receipt of interest arising from short term fixed deposits 收取短期定期存款產生的利息	963	565
Receipt of bank interest 收取銀行利息	1,386	1,350
Proceeds from disposal of property, plant and equipment 出售物業、機器及設備所得款項	10,036	7,945
Proceeds from the disposal of available-for-sale investment 出售可供出售投資所得款項	53,329	-
Acquisition of available-for-sale investments 收購可供出售投資	(9,988)	(15,393)
Acquisition of investment in associates 收購聯營公司投資	(7,680)	(43,500)
NET CASH USED IN INVESTING ACTIVITIES 投資活動所耗現金淨額	(1,259,864)	(1,932,000)

Consolidated Statement of Cash Flows

綜合現金流量表

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
FINANCING ACTIVITIES 融資活動		
Interest paid 已付利息	(16,066)	(15,998)
Dividends paid 已付股息	(228,176)	(170,035)
New bank borrowings raised 新增銀行借貸	1,000,413	815,799
Repayment of bank borrowings 償還銀行借貸	(779,304)	(654,131)
Dividends received under share award scheme 根據股份獎勵計劃收取的股息	3,353	3,645
Purchase of shares under share award scheme 根據股份獎勵計劃購買股份	(63,907)	(70,770)
Acquisition of additional interests in a subsidiary 收購附屬公司額外權益	(1,481)	(1,882)
Dividends paid to non-controlling interest of a subsidiary 已付附屬公司非控股權益股息	-	(735)
Capital contribution from non-controlling interest of a subsidiary 附屬公司非控股權益的注資	3,914	6,170
NET CASH USED IN FINANCING ACTIVITIES 融資活動所耗現金淨額	(81,254)	(87,937)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS 現金及現金等值項目增加(減少)淨額	274,431	(318,450)
CASH AND CASH EQUIVALENTS AT 1 JANUARY 於一月一日的現金及現金等值項目	186,780	504,600
EFFECT OF FOREIGN EXCHANGE RATE CHANGES 匯率變動的影響	5,717	630
CASH AND CASH EQUIVALENTS AT 31 DECEMBER, 於十二月三十一日的現金及現金等值項目， represented by bank balances and cash 即銀行結餘及現金	466,928	186,780

Notes to the Consolidated Financial Statements

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

1. GENERAL

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. Its ultimate controlling party is Mr. Wang Wenjian, also a director of the Company. The addresses of the registered office and principal place of business of the Company are disclosed in the Corporate Information section of the annual report.

The Company is an investment holding company. The Company and its subsidiaries (collectively the “Group”) is principally engaged in the business of designing, researching and developing, manufacturing and selling of optical and optical related products and scientific instruments.

The consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company.

1. 概況

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，而最終控股人士為王文鑒先生，亦為本公司董事。本公司註冊辦事處及主要營業地點的地址乃於年報公司資料一節披露。

本公司為一間投資控股公司。本公司及其附屬公司（統稱「本集團」）主要從事設計、研究與開發、生產及銷售光學及其相關產品與科學儀器。

綜合財務報表以人民幣（「人民幣」）呈列，人民幣亦為本公司的功能貨幣。

Notes to the Consolidated Financial Statements

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

Amendments to HKFRS 11	Accounting for Acquisitions of Interest in Joint Operations
Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012 – 2014 Cycle

The application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. 應用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，本集團首次採用由香港會計師公會（「香港會計師公會」）頒佈的下列香港財務報告準則（修訂本）：

香港財務報告準則第11號（修訂本）	收購合營業務權益的會計處理
香港會計準則第1號（修訂本）	披露動議
香港會計準則第16號及香港會計準則第38號（修訂本）	澄清折舊及攤銷的可接受方式
香港會計準則第16號及香港會計準則第41號（修訂本）	農業：生產性植物
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號（修訂本）	投資實體：應用綜合入賬的例外
香港財務報告準則（修訂本）	二零一二年至二零一四年週期的香港財務報告準則的年度改進

本年度應用香港財務報告準則（修訂本）對本集團於本年度及過往年度的財務表現及狀況及／或載於該等綜合財務報表的披露並無重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

New and amendments to HKFRSs in issue but not yet effective

已頒佈但尚未生效的新訂及經修訂香港財務報告準則

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

本集團並無提早採用以下已頒佈但尚未生效的新訂及經修訂香港財務報告準則：

HKFRS 9	Financial Instruments ¹	香港財務報告準則第9號	金融工具 ¹
HKFRS 15	Revenue from Contracts with Customers and related Amendments ¹	香港財務報告準則第15號	與客戶之間的合約產生的收入及相關修訂 ¹
HKFRS 16	Leases ²	香港財務報告準則第16號	租賃 ²
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions ¹	香港財務報告準則第2號（修訂本）	股份支付交易的分類及計量 ¹
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts ¹	香港財務報告準則第4號（修訂本）	將香港財務報告準則第9號金融工具與香港財務報告準則第4號保險合約一併應用 ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³	香港財務報告準則第10號及香港會計準則第28號（修訂本）	投資者與其聯營公司或合資企業之間的資產出售或投入 ³
Amendments to HKAS 7	Disclosure Initiative ⁴	香港會計準則第7號（修訂本）	披露動議 ⁴
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses ⁴	香港會計準則第12號（修訂本）	就未變現虧損確認遞延稅項資產 ⁴

1 Effective for annual periods beginning on or after 1 January 2018.

2 Effective for annual periods beginning on or after 1 January 2019.

3 Effective for annual periods beginning on or after a date to be determined.

4 Effective for annual periods beginning on or after 1 January 2017.

1 於二零一八年一月一日或之後開始之年度期間生效。

2 於二零一九年一月一日或之後開始之年度期間生效。

3 於待定日期或之後開始之年度期間生效。

4 於二零一七年一月一日或之後開始之年度期間生效。

Notes to the Consolidated Financial Statements

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSS”) (Continued)

HKFRS 9 *Financial Instruments*

HKFRS 9 introduced new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of HKFRS 9:

- all recognised financial assets that are within the scope of HKFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at fair value through other comprehensive income (“FVTOCI”). All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號金融工具

香港財務報告準則第9號引入有關金融資產及金融負債分類及計量、一般對沖會計處理方法之新規定以及金融資產之減值規定。

香港財務報告準則第9號之主要規定：

- 香港財務報告準則第9號範圍內的所有已確認金融資產其後按攤銷成本或公允值計量，尤其是，以旨在收取合約現金流的業務模式持有及僅為支付未償還本金及本金利息的合約現金流而擁有的債務投資，一般於其後會計期間結束時按攤銷成本計量。於透過同時收回合約現金流及出售金融資產達致目標之業務模式中持有之債務工具，以及金融資產合約條款令於特定日期產生之現金流純粹為支付未償還本金及本金利息的債務工具，按透過其他全面收益按公允值列賬（「透過其他全面收益按公允值列賬」）之方式計量。所有其他債務投資及權益投資於其後會計期間結束時均按公允值計量。此外，根據香港財務報告準則第9號，實體或會不可撤銷地選擇在其他全面收益中呈列股權投資（不持作買賣）的公允值後續變動，通常僅在損益中確認股息收入。

Notes to the Consolidated Financial Statements

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSS”) (Continued)

HKFRS 9 *Financial Instruments* (Continued)

Key requirements of HKFRS 9: (Continued)

- with regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.
- in relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號金融工具（續）

香港財務報告準則第9號之主要規定：（續）

- 就計量按公允值計入損益之金融負債而言，香港財務報告準則第9號規定，由該項負債的信貸風險變動引起之金融負債公允值變動金額於其他全面收益呈列，除非於其他全面收益確認該項負債信貸風險變動之影響將會導致或擴大損益之會計錯配。由金融負債之信貸風險變動引起之金融負債公允值變動其後不會於損益重新分類。根據香港會計準則第39號之規定，按公允值計入損益之金融負債之公允值變動全額均已於損益中呈列。
- 就金融資產之減值而言，與香港會計準則第39號項下按已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初始確認以來之變動。換言之，毋須再待發生信貸事件方確認信貸虧損。

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSS”) (Continued)

HKFRS 9 *Financial Instruments* (Continued)

Key requirements of HKFRS 9: (Continued)

- the new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in HKAS 39. Under HKFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the retrospective quantitative effectiveness test has been removed. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

Application of HKFRS 9 in the future may have a material impact on the classification and measurement of the Group's financial assets. The Group's available-for-sale investments, including those currently stated at cost less impairment, will either be measured as fair value through profit or loss or be designated as FVTOCI (subject to fulfillment of the designation criteria). In addition, the expected credit loss model may result in early provision of credit losses which are not yet incurred in relation to the Group's financial assets measured at amortised cost. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 9 until the Group performs a detailed review.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號金融工具（續）

香港財務報告準則第9號之主要規定：（續）

- 一般對沖之新會計處理規定保留香港會計準則第39號現有三類對沖會計法。根據香港財務報告準則第9號，已為符合對沖會計處理之交易類型引入更大的靈活性，特別是擴闊符合對沖工具之工具類型及符合對沖會計處理之非金融項目之風險組成部分的類型。此外，已不再應用追溯定量效益性測試。該準則亦加強有關實體風險管理活動披露之規定。

未來應用香港財務報告準則第9號或會對本集團金融資產的分類及計量產生重大影響。本集團的可供出售投資（包括現時按成本減減值列賬的可供出售投資）將按公允值計入損益計量或指定為透過其他全面收益按公允值列賬（視乎指定標準履行與否而定）。此外，預期信貸虧損模式或會導致就有關本集團按攤銷成本計量金融資產尚未產生的信貸虧損提早計提撥備。然而，於本集團完成詳盡審閱前，無法合理估計香港財務報告準則第9號的影響。

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSS”) (Continued)

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第15號與客戶之間的合約產生的收入

香港財務報告準則第15號已經頒佈，其制定一項單一全面模式供實體用作將自客戶合約所產生的收入入賬。香港財務報告準則第15號生效後，其將取代現時載於香港會計準則第18號*收益*、香港會計準則第11號*建築合約*及相關詮釋的收入確認指引。

香港財務報告準則第15號的核心原則為實體所確認描述向客戶轉讓承諾貨品或服務的收入金額，應為能反映該實體預期就交換該等貨品或服務有權獲得的代價。具體而言，該準則引入確認收入的五個步驟：

- 第一步：識別與客戶訂立的合約
- 第二步：識別合約中的履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中的履約責任
- 第五步：於實體完成履約責任時（或就此）確認收入

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSS”) (Continued)

HKFRS 15 Revenue from Contracts with Customers (Continued)

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

In 2016, the HKICPA issued Clarifications to HKFRS 15 in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

The directors of the Company anticipate that the application of HKFRS 15 in the future may result in more disclosures, however, the directors of the Company do not anticipated that the application of HKFRS 15 will have a material impact on the timing and amounts of revenue recognised in the respective reporting periods.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第15號與客戶之間的合約產生的收入（續）

根據香港財務報告準則第15號，實體於完成履約責任時（或就此）確認收入，即於特定履約責任相關的商品或服務的「控制權」轉讓予客戶時。香港財務報告準則第15號已就特別情況的處理方法加入更明確的指引。此外，香港財務報告準則第15號要求更詳盡的披露。

於二零一六年，香港會計師公會頒佈了與識別履約責任、當事人與代理人的考慮及許可證應用指南相關的對香港財務報告準則第15號的澄清。

本公司董事預計，未來應用香港財務報告準則第15號或會導致更多披露。然而，本公司董事預期，應用香港財務報告準則第15號將不會於各報告期間內確認收益的時間及金額構成重大影響。

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSS”) (Continued)

HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 Leases and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use and those classified as investment properties while other operating lease payments are presented as operating cash flows. Under the HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flow.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第16號租賃

香港財務報告準則第16號為識別租賃安排及對出租人及承租人的會計處理方法引入了綜合模式。於香港財務報告準則第16號生效後，其將取代香港會計準則第17號租賃及相關詮釋。

香港財務報告準則第16號基於已識別資產是否由客戶控制來區分租賃合約與服務合約。承租人會計處理取消了經營租賃與融資租賃之間的區分，並由須就承租人的所有租賃確認使用權資產及相應負債的模式取代，惟短期租賃及低價值資產租賃則除外。

使用權資產初步按成本計量，其後按成本（若干例外情況除外）減累計折舊及減值虧損計量，並就任何重新計量的租賃負債作出調整。租賃負債初步按租賃付款（並非於當天支付）的現值計量。其後，租賃負債就利息及租賃付款以及（其中包括）租賃改良的影響作出調整。就現金流量的分類而言，本集團目前將預付租金作為自用租賃土地及歸類為投資物業的相關投資現金流量予以呈列，而其他經營租賃付款則作為經營現金流量予以呈列。根據香港財務報告準則第16號的規定，與租賃負債相關的租賃付款將分配至本金及利息部分，並將作為融資現金流量予以呈列。

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSS”) (Continued)

HKFRS 16 Leases (Continued)

Under HKAS 17, the Group has already recognised prepaid lease payments for leasehold lands where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

As at 31 December 2016, the Group as lessee has non-cancellable operating lease commitments of RMB149,193,000 as disclosed in Note 31. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above. However, it is not practicable to provide a reasonable estimate of the financial effect until the directors of the Company complete a detailed review.

Except as described above, the directors of the Company do not anticipate that the application of the remaining new and amendments to HKFRSSs will have a material effect on the amounts recognised in the Group’s consolidated financial statements in future.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第16號租賃（續）

根據香港會計準則第17號的規定，本集團已就本集團作為承租人的租賃土地確認預付租金。應用香港財務報告準則第16號或會對該等資產的分類造成潛在變動（視乎本集團單獨或於同一條目內（於此情況下，倘擁有相應的相關資產，其將予以呈列）呈列使用權資產而定）。

與承租人會計處理相反，香港財務報告準則第16號基本上保留了香港會計準則第17號中針對出租人的會計處理要求，並繼續要求出租人將租賃歸類為經營租賃或融資租賃。

誠如附註31所披露，於二零一六年十二月三十一日，本集團作為承租人擁有人民幣149,193,000元的不可撤銷經營租賃承擔。初步評估顯示，該等安排將符合香港財務報告準則第16號項下租賃之定義，因此本集團將就所有該等租賃確認使用權資產及相應負債，惟於應用香港財務報告準則第16號後有關租賃符合低價值或短期租賃則另當別論。此外，應用新規定可能令上文所述的計量、呈列及披露發生變動。然而，於本公司董事完成詳細檢討之前，提供有關財務影響之合理估計並不實際。

除上文所述者外，本公司董事預計應用餘下新訂及經修訂香港財務報告準則將不會對本集團未來於綜合財務報表所確認的金額產生重大影響。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“Listing Rules”) and by the Hong Kong Companies Ordinance (“CO”).

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are within the scope of HKAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

3. 主要會計政策

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，綜合財務報表載有香港聯合交易所有限公司證券上市規則（「上市規則」）及香港公司條例（「公司條例」）規定之適用披露資料。

綜合財務報表乃按歷史成本基準編製，惟下文會計政策所解釋在各報告期末按公允值計量的若干金融工具除外。

歷史成本一般按交換商品及服務之代價之公允值計算。

公允值為市場參與者於計量日期在有序交易中出售資產所收取的價格或轉讓負債所支付的價格，不論該價格是否可直接觀察到或採用其他估值技巧估計。於估計資產或負債的公允值時，倘市場參與者可能考慮資產或負債的特色，則本集團將於計量日期為資產或負債定價時考慮有關特色。於綜合財務報表內計量及／或披露的公允值按此基準釐定，惟香港財務報告準則第2號以股份為基礎之付款範圍內之以股份支付的交易、香港會計準則第17號租賃範圍內之租賃交易以及與公允值相似但並非公允值之計量（如香港會計準則第2號存貨之可變現淨值或香港會計準則第36號資產減值之使用價值）除外。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

3. 主要會計政策 (續)

非金融資產之公允值計量計及市場參與者透過以最佳方式最大限度地使用資產或將其出售予另一名將以最佳方式最大限度地使用資產的市場參與者而產生經濟利益的能力。

此外，就財務報告而言，根據可觀察公允值計量的輸入數據及公允值計量的輸入數據對其整體的重要性程度，公允值計量分為第一級、第二級或第三級，於下文有所說明：

- 第一級輸入數據乃實體於計量日期可得出之自相同資產或負債於活躍市場中所報的未調整價格；
- 第二級輸入數據乃資產或負債的直接或間接可觀察輸入數據，惟第一級所含報價除外；及
- 第三級輸入數據乃自資產或負債的不可觀察輸入數據。

主要會計政策載列如下。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

3. 主要會計政策 (續)

綜合基準

綜合財務報表包括本公司、本公司所控制實體及其附屬公司的財務報表。當本公司擁有以下權力時，則視為擁有投資對象的控制權：

- 於投資對象擁有權力；
- 因參與投資對象業務而可能或有權獲得可變回報；及
- 有能力行使其權力影響該等回報。

倘有事實及情況顯示上述三個控制因素中之一項或多項出現變化，本集團將重新評估其是否對投資對象擁有控制權。

本集團獲得附屬公司控制權時即對其綜合入賬，而當本集團失去附屬公司控制權時，即不再對其綜合入賬。具體而言，自本集團獲得附屬公司控制權之日計起，直至本集團不再擁有附屬公司控制權之日止，本年度收購或出售附屬公司之收入及開支將列入綜合損益及其他全面收益表內。

溢利或虧損及其他全面收益各項均歸屬於本公司股東及非控股權益。附屬公司的全面收益總額歸屬於本公司股東及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity including reserves and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted after re-attribution of the relevant equity component, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39, when applicable, the cost on initial recognition of an investment in an associate.

3. 主要會計政策 (續)

綜合基準 (續)

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的會計政策一致。

集團內公司間之所有資產及負債、權益、收入、開支及有關本集團成員公司間交易之現金流量均於綜合賬目時全面對銷。

本集團於現有附屬公司所有權權益之變動

本集團於現有附屬公司所有權權益之變動並不導致本集團失去對附屬公司的控制權，並以權益交易入賬。本集團之權益的組成部分(包括儲備及非控股權益)之賬面值均予以調整，以反映彼等於附屬公司相關權益之變動。重新歸屬相關權益組成部分後，經調整之非控股權益金額與已支付或已收取代價之公允值間之任何差額乃直接於權益確認，並歸屬於本公司股東。

倘本集團失去對一間附屬公司之控制權，收益或虧損乃於損益內確認，並為：(i)所收取代價之公允值及任何保留權益的公允值總和與(ii)資產(包括商譽)之先前賬面值及歸屬於本公司股東的附屬公司之負債之間的差額。早前於其他全面收益確認之有關附屬公司的全部金額將會以猶如本集團已直接出售相關資產或附屬公司負債之方式入賬(即如適用香港財務報告準則所指定/許可，重新分類至損益或轉撥至另一類別權益)。於失去控制權當日仍保留於前附屬公司之任何投資公允值，則根據香港會計準則第39號被視為其後入賬時初步確認之公允值(如適用)及於聯營公司投資的初步確認成本。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

3. 主要會計政策 (續)

業務合併

收購業務採用收購法入賬。業務合併之轉撥代價按公允值計量，而計算方法為本集團所轉讓之資產、本集團對所收購方原擁有人產生之負債及本集團於交換所收購方之控制權發行之股權於收購日期之公允值總額。有關收購之成本一般於產生時於損益中確認。

於收購日期，所收購之可識別資產及承擔之負債乃按彼等於收購日期之公允值確認，惟以下情況除外：

- 遞延稅項資產或負債及僱員福利安排相關負債或資產分別按香港會計準則第12號*所得稅*及香港會計準則第19號*僱員福利*確認及計量；
- 與所收購方以股份為基礎付款安排有關或與本集團訂立之以股份為基礎付款安排以取代所收購方以股份為基礎付款安排有關之負債或股本工具，乃於收購日期按香港財務報告準則第2號以股份為基礎之付款計量（見下文會計政策）；及
- 根據香港財務報告準則第5號持作出售之非流動資產及已終止經營業務分類為持作出售之資產（或出售組別）按該準則計量。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRS.

3. 主要會計政策 (續)

業務合併 (續)

商譽是以所轉讓之代價、於所收購方中非控股權益所佔金額及收購方以往持有之所收購方股權之公允值 (如有) 之總和，扣除於收購日期可供識別資產之收購及於收購日期承擔的負債之淨值後，所超出之差額計量。倘重新評估後，所收購之可識別資產與所承擔的負債於收購日期之淨額高於轉讓之代價、於所收購方中非控股權益所佔金額以及收購方以往持有之所收購方股權之公允值 (如有) 之總和，則差額即時於損益內確認為議價購買收益。

屬現時所有者權益且於清盤時賦予其持有人按比例分佔相關附屬公司資產淨值之非控股權益，可初步按公允值或非控股權益應佔所收購方可識別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他種類的非控股權益乃按其公允值或 (倘適用) 其他香港財務報告準則規定之基準計量。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

3. 主要會計政策 (續)

於聯營公司之投資

聯營公司乃本集團對其具有重大影響力之實體。重大影響力指參與投資對象財務及營運決策之權力，而並非對該等政策之控制權或共同控制權。

聯營公司之業績、資產及負債使用權益會計法計入本綜合財務報表。以權益會計法處理之聯營公司財務報表乃按與本集團就於類似情況下之交易及事件所採用者相同之會計政策編製。根據權益法，於聯營公司之投資最初乃按成本值於綜合財務狀況表確認，並於隨後就確認本集團應佔該聯營公司之損益及其他全面收益而作出調整。如本集團應佔聯營公司之虧損超過本集團於聯營公司之權益（包括實質上構成本集團於聯營公司淨投資之任何長期權益），則本集團會終止確認其應佔之進一步虧損。如本集團已產生法定或推定責任或代表該聯營公司支付款項，則就額外虧損作出確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates (Continued)

An investment in associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investments in associates, any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of an associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

3. 主要會計政策 (續)

於聯營公司之投資 (續)

於聯營公司的投資乃自投資對象成為聯營公司當日起按權益法入賬。收購於聯營公司之投資時，收購成本超出本集團於收購當日已確認應佔聯營公司可識別資產及負債之公允值淨額之差額會確認為商譽，計入投資之賬面值內。倘於重新評估後本集團應佔可識別資產及負債公允值淨額超逾收購成本，則差額即時於收購投資期間在損益中確認。

香港會計準則第39號的規定適用於釐定有否必要確認本集團於聯營公司投資之減值虧損。如有必要，則將投資的全部賬面值（包括商譽）作為單一資產根據香港會計準則第36號資產減值透過比較其可收回金額（使用價值與公允值減銷售成本之較高者）與賬面值測試有否減值。任何確認之減值虧損屬投資賬面值的一部分。倘其後投資的可收回金額增加，則根據香港會計準則第36號確認該減值虧損的撥回。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates (Continued)

When the Group ceases to have significant over an associate, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate and the retained interest is a financial asset within the scope of HKAS 39, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate and the fair value of any retained interest and any proceeds from disposing the relevant interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassification the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

3. 主要會計政策 (續)

於聯營公司之投資 (續)

倘本集團對聯營公司失去重大影響力，其入賬列作出售被投資方的全部權益，所產生的損益於損益確認。當本集團保留於前聯營公司之權益，且保留權益為香港會計準則第39號所界定的金融資產時，本集團於當日按公允值計量保留權益，而公允值則被視為首次確認時之公允值。聯營公司賬面值與任何保留權益之公允值及出售聯營公司相關權益所得任何所得款項之間的差額，乃計入釐定出售聯營公司之損益。此外，本集團將先前在其他全面收益就該聯營公司確認之所有金額入賬，基準與倘該聯營公司直接出售相關資產或負債的基準相同。因此，倘該聯營公司先前已確認其他全面收益之損益，則會於出售相關資產或負債時重新分類至損益，當權益法出現中斷時，本集團將收益或虧損由權益重新分類至損益（作為重新分類調整）。

當於聯營公司之投資成為於合資企業之投資或於合資企業之投資成為於聯營公司之投資時，本集團會繼續使用權益法。於此類所有者權益變動發生時，公允值不會重新計量。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates (Continued)

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

3. 主要會計政策 (續)

於聯營公司之投資 (續)

當本集團削減於聯營公司之所有權權益但繼續使用權益法時，倘以往於其他全面收益確認有關削減所有權權益之盈虧部分將於出售相關資產或負債時重新分類至損益，則本集團會將該盈虧重新分類至損益。

倘一間集團實體與本集團聯營公司交易，與該聯營公司交易所產生之損益僅在有關聯營公司之權益與本集團無關的情況下，方會在本集團綜合財務報表確認。

收入確認

收入乃按已收或應收代價之公允值計量。收入乃減去估計客戶退貨、回扣及其他類似津貼。

貨品銷售收入乃於貨品付運及其所有權轉移且符合下列所有條件時確認入賬：

- 本集團已將貨品所有權之重大風險及回報轉移予買方；
- 本集團對所售貨品並無保留一般與所有權相關的程度的持續管理參與權或實際控制權；
- 收入金額能可靠地計量；
- 與交易相關的經濟利益有可能流入本集團；及
- 有關交易所產生或將予產生的成本能可靠地計量。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Service income is recognised when services are provided.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income 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 on initial recognition.

The Group's accounting policy for recognition of revenue from operating leases is described in the accounting policy for leasing below.

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 lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

The Group as lessee

Operating lease payments, including the cost of acquisition land held under operating leases, are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

3. 主要會計政策 (續)

收入確認 (續)

服務收入於服務提供後確認。

金融資產之利息收入於經濟利益有可能流入本集團且收入金額能可靠計量時確認。利息收入乃按時間基準，經參考未償還本金以適用實際利率計算。實際利率為將金融資產於預計年期之所得估計未來現金收入準確折現至該資產初步確認時的賬面淨額之比率。

本集團確認經營租約收入之會計政策參見下文所載有關租賃之會計政策。

租賃

當租約條款將絕大部分風險及所有權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。

本集團作為出租人

經營租約之租金收入於相關租期內以直線法在損益中確認。

本集團作為承租人

經營租約付款（包括收購以經營租約持有之土地的成本）按直線法於租期內確認為開支。

倘收取租金獎勵以訂立經營租約，該等獎勵將確認為負債。獎勵之總利益乃按直線法確認為租金開支之減少。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing (Continued)

Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payment” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

3. 主要會計政策 (續)

租賃 (續)

租賃土地及樓宇

當租賃包括土地及樓宇成分，本集團需要根據評定各成分所有權附帶的絕大部分風險與報酬是否轉移至集團來單獨評定各成分就融資租賃或經營租賃的分類，除非兩種成分均明確定性為經營租賃，在此情況下，整項租賃則分類為經營租賃。尤其是，最低應付租金（包括任何一次性預付款）在租賃期開始時，需按出租方從租賃土地、樓宇所獲取利益的相對公允值的比例分派至土地及樓宇成分。

租金能夠可靠分配時，經營租賃的租賃土地利益應在綜合財務狀況表中列為「預付租金」，按直線基準在租賃期間攤銷。當租金不能在土地和樓宇間可靠地分配時，整項租賃通常被視為融資租賃，並作為物業、機器及設備列賬。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 recognised at the rates of exchanges prevailing at that date. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when 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 retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Renminbi) at exchange rate prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

3. 主要會計政策 (續)

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）進行之交易乃按該日期之匯率確認。於報告期末，以外幣計值之貨幣項目以當日之匯率重新換算。按公允值列賬且按外幣列值之非貨幣項目乃按釐定公允值當日之匯率重新換算。以外幣按歷史成本計算之非貨幣項目不予重新換算。

貨幣項目結算以及貨幣項目重新換算所產生的匯兌差額於產生期間的損益確認。

為呈列綜合財務報表，本集團海外業務的資產及負債用本集團採用的計值貨幣（即人民幣）按各報告期末的即期匯率進行折算。收入和費用按年內的平均匯率折算。若有任何匯兌差額產生，將於其他全面收益中確認及於權益（換算儲備）（歸屬於非控股權益（如適用））內累計。

出售海外業務（即出售本集團海外業務的全部權益，或者涉及失去附屬公司（包括海外業務）控制權）時，所有於權益累計的有關本公司股東應佔業務的匯兌差額重新分類為損益。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates that do not result in the Group losing significant influence), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of the reporting period. Exchange differences arising are recognised in other comprehensive income.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

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

3. 主要會計政策 (續)

外幣 (續)

另外，部分出售但未導致本集團失去控制權的附屬公司，其累計匯兌差額按相應比例重新計入非控股利益，而不計入損益。所有其他出售部分（即出售部分不會導致本集團失去重大影響力的聯營公司權益），按相應比例將累計匯兌差額重新分類為損益。

商譽及收購海外業務產生的可識別資產的公允值調整被視為該海外業務的資產及負債，並且按報告期末之現行匯率換算。產生的匯兌差額於其他全面收益內確認。

借貸成本

因收購、興建或生產合資格資產（即需相當長時間方可作擬定用途或出售的資產）而直接產生的借貸成本歸入該等資產的成本，直至資產基本上可作擬定用途或出售為止。

所有其他借貸成本均於產生期間於損益中確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Retirement benefit costs

Payments to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

3. 主要會計政策 (續)

政府補助

政府補助於出現合理保證本集團將會遵守附帶的條件及收獲補助前，均不會確認。

政府補助於本集團確認該等補助擬作補償之有關成本為開支之期間內按系統基準在損益中確認。尤其是，以本集團應收購、建造或以其他方式取得非流動資產為主要條件的政府補助，乃於綜合財務狀況表中確認為遞延收入，並按系統及合理基準於有關資產的可用年期內轉至損益。

作為補償已產生的支出或虧損而應收取或為了給予本集團即時財務支持而無日後相關成本之政府補助，於其應收取期間在損益中確認。

退休福利成本

界定供款的退休福利計劃供款於僱員提供服務而有權獲得供款時確認為開支。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity-settled share-based payment transactions

Shares granted to employees

For shares of the Company granted under The Sunny Optical Technology (Group) Company Limited Restricted Share Award Scheme ("Restricted Shares"), the fair value of the employee services received is determined by reference to the fair value of the Restricted Shares granted at the grant date and is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share award scheme reserve). At the end of each reporting period, the Group revises its estimates of the number of Restricted Shares that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in the profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share award scheme reserve.

When the Restricted Shares are vested, the difference of the amount previously recognised in the share award scheme reserve and the cost of the related Restricted Shares previously acquired by the Group will be transferred to retained profits. When the Restricted Shares are lapsed before the vesting date or are still not vested at the expiry date, the amount of previously recognised in the share award scheme reserve will continue to be held in the share award scheme reserve.

Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and 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 end of the reporting period.

3. 主要會計政策 (續)

以權益結算股份支付的交易

授予僱員的股份

有關舜宇光學科技(集團)有限公司受限制股份獎勵計劃項下授出的本公司股份(「限制性股份」)，釐定來自僱員服務的公允值乃參照所授出限制性股份於授出日期的公允值。該公允值以直線法於歸屬期支銷，並對應增加權益(股份獎勵計劃儲備)。於各報告期末，本集團重訂對限制性股份於最終歸屬時的預期股數所作的估計。重訂估計的任何影響(如有)乃於損益中確認，故此，累計開支反映經重訂估計，並相應調整股份獎勵計劃儲備。

當限制性股份歸屬時，先前於股份獎勵計劃儲備確認的金額與本集團先前所收購限制性股份成本之間的差額將轉撥至保留溢利。當限制性股份於歸屬日期前失效或於到期日仍未歸屬，則先前於股份獎勵計劃儲備中確認的金額將繼續在股份獎勵計劃儲備內持有。

稅項

所得稅開支指即期應付稅項與遞延稅項的總和。

即期應付稅項根據本年度應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表所報告的除稅前溢利不同，此乃因其他年度的應課稅或可扣稅收支項目，以及毋須課稅或不可扣稅項目所致。本集團的即期稅項負債根據截至報告期末已頒佈或實質頒佈的稅率計算。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Deferred tax is recognised on temporary 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. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of 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 associated with investments in subsidiaries and associates 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. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

3. 主要會計政策 (續)

稅項 (續)

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暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額確認入賬。遞延稅項資產一般就所有暫時差額確認入賬，惟可能有應課稅溢利用於對銷可扣稅暫時差額。若於一項交易中，因初次確認資產及負債（業務合併除外）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，則不會確認該等遞延稅項資產及負債。

遞延稅項負債乃就於附屬公司及聯營公司之投資所產生應課稅暫時差額進行確認，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。因有關該等投資的可扣減暫時差額而產生的遞延稅項資產僅在可能產生足夠應課稅溢利以使用暫時差額利益並預期能夠在可見將來撥回時確認。

遞延稅項資產的賬面值於各報告期末進行審核，並會撇減至不再可能有足夠應課稅溢利用於收回全部或部分相關資產為止。

遞延稅項資產及負債按償還負債或變現資產的期間內預期適用之稅率，根據報告期末已頒佈或實質頒佈的稅率（及稅法）計算。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

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 in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

3. 主要會計政策 (續)

稅項 (續)

遞延稅項負債及資產之計量反映按照本集團所預期方式於報告期末可收回或結算其資產及負債賬面值將出現之稅務後果。

即期及遞延稅項於損益確認，惟當其與在其他全面收益中確認或直接在權益中確認之項目相關，則即期及遞延稅項亦分別於其他全面收益或直接於權益中確認。倘因業務合併之初步會計方法而產生即期或遞延稅項，有關稅務影響會計入業務合併之會計方法內。

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）按成本減其後累計折舊及累計減值虧損（倘有）於綜合財務狀況表中列賬。

用於生產、供應貨品或作行政用途的在建物業以成本減任何已確認的減值虧損列賬。成本包括專業費及（對合資格資產而言）根據本集團會計政策可資本化的借貸成本。該等物業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。該等資產按與其他資產相同之方式，於資產可作擬定用途時開始折舊。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

Depreciation is recognised so as to write off the cost of items of property, plant and equipment, other than construction in progress, less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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 disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

3. 主要會計政策 (續)

物業、機器及設備 (續)

物業、機器及設備項目(在建工程除外)以直線法於其估計可使用年期內經扣除估計餘值後確認以撇銷成本。估計可使用年期、剩餘價值和折舊方法會在各報告期末覆核，並採用未來適用法對估計變更的影響進行核算。

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。因出售或報廢物業、機器及設備項目所產生的任何收益或虧損乃釐定為出售所得款項與資產賬面值之間的差額，並於損益中確認。

投資物業

投資物業乃持作賺取租金及／或資本增值之物業。

投資物業初步按成本(包括任何直接應佔開支)計量。於初始確認後，投資物業按成本減其後累計折舊及任何累計減值虧損列賬。按直線法在投資物業的估計使用年期內且經計及預計殘值後確認折舊，以抵銷投資物業的成本。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment properties (Continued)

If an item of investment property is transferred from property, plant and equipment because its use has changed as evidenced by end of owner-occupation, the costs and accumulated depreciation of that item are transferred to the investment property at the date of transfer.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

Intangible assets

Internally-generated intangible assets – 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 activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;

3. 主要會計政策 (續)

投資物業 (續)

倘一項投資物業乃因自用結束導致用途改變而從物業、機器及設備轉出，則該項目的成本及累計折舊於轉撥日期轉撥至投資物業。

投資物業在處置或永久不再使用後且預期處置不會產生未來經濟利益時終止確認。終止確認物業所產生的任何收益或損失（按照資產處置所得款項淨額與賬面值之間的差額計算）在該物業終止確認期間計入損益。

無形資產

內部產生無形資產 – 研發開支

研發活動開支於所產生期間確認為開支。

當且僅當出現所有下列情況時，開發活動（或內部項目的開發期）所產生的所有內部無形資產始予以確認：

- 完成無形資產以使該無形資產可供使用或出售的技術可行性；
- 完成無形資產及使用或出售該無形資產的意向；

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets (Continued)

Internally-generated intangible assets – research and development expenditures (Continued)

- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

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 listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible asset is reported at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets acquired separately.

3. 主要會計政策 (續)

無形資產 (續)

內部產生無形資產 – 研發開支 (續)

- 使用或出售無形資產的能力；
- 無形資產如何產生可能的未來經濟利益；
- 有足夠的技術、財務及其他資源可用於完成開發及使用或出售無形資產；及
- 可靠計量無形資產於開發期間應佔開支的能力。

就內部產生的無形資產所初步確認的金額為該無形資產自首度符合上述確認標準起已產生的開支總額。倘無內部產生的無形資產可予確認，則開發費用在其產生期間於損益確認。

於首次確認後，內部產生的無形資產按成本減累計攤銷及累計減值虧損（如有）呈報，與單獨收購的無形資產列賬方式相同。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Impairment losses on tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

3. 主要會計政策 (續)

存貨

存貨按成本及可變現淨值的較低者列賬。成本按加權平均法計算。可變現淨值指存貨估計售價減直至完工的全部估計成本及銷售活動所需成本。

有形及無形資產減值虧損

於各報告期末，本集團檢討其具有有限可使用年期的有形及無形資產的賬面值，以釐定是否有任何跡象顯示該等資產已蒙受減值虧損。倘存在任何該等跡象，則估計該等資產的可收回數額以釐定減值虧損程度（如有）。倘無法估計個別資產之可收回款項，本集團將估計該資產所屬可產生現金之單位之可收回款項。倘可識別合理及一致之分配基準，則企業資產亦會分配至個別現金產生單位，或分配至可識別合理及一致分配基準之最小組別現金產生單位。

無限可使用年期之無形資產及未可供使用之無形資產至少每年及於出現可能減值之跡象時進行減值測試。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment losses on tangible and intangible assets (Continued)

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or the cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. 主要會計政策 (續)

有形及無形資產減值虧損 (續)

可收回金額為公允值減銷售成本與使用價值兩者中之較高值。於評估使用價值時，乃以反映目前市場對金錢時間價值及資產於估計未來現金流量調整前之獨有風險之稅前折算率折算估計未來現金流量至其現值。

倘估計資產（或現金產生單位）之可收回金額少於其賬面值，資產（或現金產生單位）之賬面值被削減至其可收回金額。減值虧損即時於損益確認為開支。

倘減值虧損於其後撥回，則該項資產（或現金產生單位）之賬面值會增加至其經修訂之估計可收回金額，惟增加後之賬面值不得超出假設過往年度並無就該項資產（或現金產生單位）確認減值虧損原應釐定之賬面值。減值虧損撥回即時於損益中確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

Financial assets and financial liabilities are recognised when a group entity 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 the following specified categories: financial assets at fair value through profit or loss ("FVTPL"), available-for-sale investments ("AFS") and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. 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.

3. 主要會計政策 (續)

金融工具

當集團實體成為工具合約條文的訂約方時，金融資產及金融負債方獲確認。

金融資產及金融負債初步按公允值計量。因收購或發行金融資產及金融負債（按公允值計入損益的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的公允值或自金融資產或金融負債的公允值扣除（如適用）。因收購按公允值計入損益的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

本集團的金融資產分類為以下指定類別，按公允值計入損益（「按公允值計入損益」）的金融資產、可供出售（「可供出售」）投資以及貸款及應收款項。分類乃按金融資產的性質及目的釐定並於初步確認時予以釐定。所有以正規途徑購買或銷售之金融資產乃按交易日期基準確認及取消確認。正規途徑買賣或銷售乃要求於市場法規或慣例所確定之時間框架內交付資產之金融資產買賣或銷售。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

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 and 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 to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments, other than those financial assets classified as FVTPL, of which interest income is included in net gains or losses.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial assets is (i) contingent consideration that may be paid by an acquirer as part of a business combination to which HKFRS 3 applies, (ii) held for trading, or (iii) it is designated at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified 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.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

實際利率法

實際利率法為計算金融資產的攤銷成本以及於相關期間內分配利息收入的方法。實際利率指在金融資產的預計年內或(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整體部分而支付或收取的費用及時點、交易成本及其他溢價或折扣)至初步確認時的賬面淨值的利率。

債務工具的利息收入乃按實際利率法確認，惟分類為按公允值計入損益的金融資產除外，該利息收入計入收益或虧損淨額。

按公允值計入損益的金融資產

當金融資產乃(i)在香港財務報告準則第3號適用時或由收購方支付作為業務合併一部分的或然代價；(ii)持作買賣；或(iii)指定為按公允值計入損益時，會分類為按公允值計入損益的金融資產。

倘若出現下列情況，則金融資產將分類為持作買賣：

- 產生之主要目的為於不久將來出售而購回；或
- 於初步確認時，其為本集團聯合管理之已識別金融工具組合之一部分，而近期實際具備短期獲利之模式；或
- 其為不指定及實際作為對沖工具之衍生工具。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at FVTPL (Continued)

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets and is included in the 'other gains and losses' line item. Fair value is determined in the manner described in Note 29(c).

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

按公允值計入損益的金融資產 (續)

金融資產 (持作買賣的金融資產除外) 於初步確認時，可被指定為按公允值計入損益，倘：

- 有關指定撇銷或大幅減低可能出現的計量或確認不一致的情況；或
- 該金融資產構成一組金融資產或金融負債或兩者的一部分，並根據本集團既定風險管理或投資策略按公允值基準管理及評估其表現，而分類資料則按該基準向內部提供；或
- 該金融資產構成包含一項或多項嵌入式衍生工具合約的一部分，而香港會計準則第39號允許整份合併合約 (資產或負債) 指定為按公允值計入損益。

按公允值計入損益的金融資產按公允值列賬，而重新計量所產生的任何收益或虧損則於損益確認。於損益確認的收益或虧損淨額不包括任何股息或金融資產賺得的利息，並計入『其他收益及虧損』項下。公允值乃按附註29(c)所述方式釐定。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

AFS financial assets

AFS financial assets are non-derivatives that are either designated as available-for-sale or are not classified as (a) loans and receivables or (b) held-to-maturity investments or (c) financial assets at FVTPL. The Group designated the investments into the unlisted equity securities as disclosed in Note 20 as AFS financial assets on initial recognition of those items.

AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of each reporting period.

Dividends on AFS equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, amounts due from related parties, bank balances and cash, short term fixed deposits and pledged bank deposits) are carried at amortised cost using the effective interest method, less any identified impairment loss (see accounting policy on impairment loss on financial assets below).

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

可供出售金融資產

可供出售金融資產即指定為可供出售或不屬於(a)貸款及應收款項或(b)持有至到期投資或(c)按公允值計入損益的金融資產的非衍生工具。附註20所披露的本集團於未上市股本證券的投資於初步確認此等項目時被指定為可供出售金融資產。

於活躍市場上並無市場報價且公允值無法可靠計量的可供出售股權投資以及與該等無報價股權投資掛鈎及須通過交付該等無報價股權投資結付的衍生工具於各報告期末按成本減任何已識別減值虧損計量。

可供出售股本工具的股息於本集團確立收取股息的權利時於損益內確認。

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款的非衍生金融資產，於初步確認後，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、短期定期存款及已抵押銀行存款）以實際利率法按攤銷成本減任何已識別減值虧損列賬（見下文有關金融資產減值虧損的會計政策）。

利息收入乃採用實際利率確認，惟利息確認為不重大的短期應收款項除外。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be 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 affected.

For AFS equity investments, a significant or prolonged decline in fair value of the security 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
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

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（惟分類為按公允值計入損益的金融資產除外）應於各報告期末評定是否有減值跡象。倘有客觀證據顯示金融資產的估計未來現金流量受首次確認該金融資產後發生的一項或多項事件影響時，則金融資產被視為減值。

倘可供出售股權投資的公允值顯著或長期低於其成本價，則被視為需作減值的客觀證據。

就所有其他金融資產而言，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
- 逾期或拖欠支付利息或償還本金等違約行為；或
- 借款人可能破產或面臨財務重組。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

For certain categories of financial asset, such as trade receivables, assets are assessed for impairment on a collective basis even if they were assessed not to be impaired individually. 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 credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

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 (see the accounting policy below).

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other 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 or other 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.

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)

就若干類別金融資產(如貿易應收款項)而言,資產會匯集一併評估是否減值,即使資產個別評估為沒有減值。應收款項組合出現減值的客觀證據包括本集團過往收款紀錄、信貸期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。

就按攤銷成本列賬的金融資產而言,已確認減值虧損的金額乃按資產賬面值與按金融資產的原實際利率貼現的估計未來現金流量現值的差額。

就按成本列賬的金融資產而言,減值虧損金額乃按資產賬面值與同類金融資產按現行市場回報率貼現計算之估計未來現金流量現值之間的差額計量。該減值虧損不會於往後期間撥回(見下文會計政策)。

與所有金融資產有關之減值虧損會直接於金融資產的賬面值中作出扣減,惟賬面值會透過使用撥備賬作出扣減的貿易及其他應收款項除外。撥備賬的賬面值變動會於損益中確認。當貿易或其他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則計入損益中。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

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.

In respect of AFS equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve.

Financial liability and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

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)

當可供出售金融資產被視為減值時，過往於其他全面收益中確認的累積損益將於該期間重新分類至損益中。

就按攤銷成本列賬的金融資產而言，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虧損後發生的事件有關，則過往已確認的減值虧損將透過損益撥回，惟該資產於減值被撥回當日的賬面值不得超過未確認減值時的攤銷成本。

就可供出售股權投資而言，過往於損益中確認的減值虧損不會透過損益撥回。任何於減值虧損後出現的公允值增加於其他全面收益中確認，並於投資重估儲備項下累積。

金融負債及股本工具

由集團實體發行的債務及股本工具按所訂立合約安排的內容以及金融負債及股本工具的定義而分類為金融負債或權益。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liability and equity instruments (Continued)

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration that may be paid by an acquirer as part of a business combination to which HKFRS 3 applies, (ii) held for trading, or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified 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.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

3. 主要會計政策 (續)

金融工具 (續)

金融負債及股本工具 (續)

按公允值計入損益的金融負債

當金融負債為(i)於香港財務報告準則第3號適用時或由收購方支付作為業務合併一部分的或然代價；(ii)持作買賣；或(iii)指定為按公允值計入損益時，會分類為按公允值計入損益的金融負債。

倘若出現下列情況，則金融負債將分類為持作買賣：

- 產生之主要目的為於不久將來購回；或
- 於初步確認時，其為本集團聯合管理之已識別金融工具組合之一部分，而近期實際具備短期獲利之模式；或
- 其為不指定及實際作為對沖工具之衍生工具。

金融負債(持作買賣的金融負債除外)於初步確認時，可被指定為按公允值計入損益，倘：

- 有關指定撤銷或大幅減低可能出現的計量或確認不一致的情況；或
- 該金融負債構成一組金融資產或金融負債或兩者的一部分，並根據本集團既定風險管理或投資策略按公允值基準管理及評估其表現，而分類資料則按該基準由內部提供；或

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liability and equity instruments (Continued)

Financial liabilities at FVTPL (Continued)

- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item. Fair value is determined in the manner described in Note 29(c).

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3. 主要會計政策 (續)

金融工具 (續)

金融負債及股本工具 (續)

按公允值計入損益的金融負債 (續)

- 該金融負債構成包含一項或多項嵌入式衍生工具合約的一部分，而香港會計準則第39號允許整份合併合約指定為按公允值計入損益。

按公允值計入損益的金融負債按公允值列賬，而重新計量所產生的任何收益或虧損則於損益確認。於損益確認的收益或虧損淨額包括就金融負債支付的任何利息，並計入『其他收益及虧損』項下。公允值按附註29(c)所述方式釐定。

股本工具

股本工具乃證明本集團於扣減所有負債的資產中擁有剩餘權益的任何合同。本公司所發行的股本工具乃按所收取的款項扣減直接發行成本確認。

購回本公司本身的股本工具會直接於權益中確認及扣減。購入、出售、發行或註銷本公司本身的股本工具概不會於損益中確認收益或虧損。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liability and equity instruments (Continued)

Financial liabilities at amortised cost

Financial liabilities, including trade and other payables, amounts due to related parties and bank borrowings, are subsequently measured at amortised cost, using the effective interest method.

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 (including all fees, 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 liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis other than those financial liabilities classified as at FVTPL, of which the interest expense is included in net gains or losses.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which case the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

3. 主要會計政策 (續)

金融工具 (續)

金融負債及股本工具 (續)

按攤銷成本計量的金融負債

金融負債(包括貿易及其他應付款項、應付關連人士款項及銀行借貸)其後採用實際利率法按攤銷成本計量。

實際利率法

實際利率法為計算金融負債的攤銷成本以及於相關期間內分配利息開支的方法。實際利率指於金融負債的預計年內或(倘適用)較短期間內準確折算估計未來現金付款(包括所有構成實際利率整體部分而支付或收取的費用及時點、交易成本及其他溢價或折扣)至最初確認的賬面淨值的利率。

利息開支按實際利率法確認，惟分類為按公允值計入損益的金融負債除外，其利息開支計入收益或虧損淨額。

衍生金融工具

衍生工具於衍生合約訂立日期初步按公允值確認，並於其後於報告期末重新計量至其公允值。所產生的收益或虧損即時於損益中確認，惟該衍生工具指定為及有效作為對沖工具則除外，在該情況下，於損益中確認的時間取決於對沖關係的性質。

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3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, 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 in other comprehensive income and accumulated in equity is recognised in profit or loss. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. 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)

取消確認

僅於資產現金流量的合約權利到期或本集團已向另一間實體轉讓其金融資產及資產擁有權的絕大部分風險及回報，則取消確認金融資產。

全面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其他全面收益確認並於權益累積的累計收益或虧損間的差額，於損益確認。不再確認部分獲分配的賬面值與該部分已收代價及其已於其他全面收益確認獲分配的任何累計收益或虧損之總和間的差額，乃於損益內確認。已於其他全面收益確認的累計收益或虧損乃按繼續確認部分及不再確認部分的相關公允值在該兩者間作出分配。

本集團僅於本集團的責任獲解除、取消或到期時取消確認金融負債。取消確認的金融負債賬面值與已付及應付代價間的差額於損益內確認。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

Estimated impairment of trade receivables

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2016, the carrying amount of trade receivables are RMB2,876,155,000, net of allowance for bad and doubtful debt of RMB141,827,000 (2015: RMB2,442,757,000, net of allowance for bad and doubtful debt of RMB4,611,000).

4. 估計不確定因素的主要來源

以下為於報告期末很可能導致下一個財政年度資產及負債賬面值出現重大調整的有關將來之主要假設及其他估計不確定因素的主要來源。

貿易應收款項的估計減值

當發現減值虧損的客觀證據時，本集團會考慮估計未來現金流量。減值虧損的金額會按資產賬面值與以金融資產的原實際利率（即按初步確認計算的實際利率）折現的估計未來現金流量現值（不包括未產生的未來信貸虧損）間的差額計量。倘實際未來現金流量低於預期，則或會出現重大減值虧損。於二零一六年十二月三十一日，貿易應收款項的賬面值為人民幣2,876,155,000元，經扣除呆壞賬撥備人民幣141,827,000元（二零一五年：人民幣2,442,757,000元，經扣除呆壞賬撥備人民幣4,611,000元）。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. When Level 1 inputs are not available, the Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of financial instruments. Note 29(c) provide detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of various assets and liabilities.

5. REVENUE AND SEGMENT INFORMATION

Revenue represents the amounts received and receivable for goods sold to customers, less returns and discount, if any, during the year.

Information reported to the Board of Directors, being the chief operating decision maker, for the purpose of resource allocation and assessment of segment performance focuses on types of goods delivered because the management has chosen to organise the Group among different major products. No operating segments identified by chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's operating segments under HKFRS 8 Operating Segments are as follows:

1. Optical Components
2. Optoelectronic Products
3. Optical Instruments

4. 估計不確定因素的主要來源 (續)

公允價值計量及估值過程

本集團部分資產及負債就財務報告而言以公允價值計量。本集團於可得範圍內使用可觀察的市場數據估計資產或負債的公允價值。倘第一級輸入數據無法獲得，本集團使用估值技術（包括非根據於可觀察市場數據的輸入數據）估計若干類型金融工具之公允價值。附註29(c)載有有關釐定各項資產及負債公允價值所使用的估值技術、輸入數據及主要假設之詳情。

5. 收入及分部資料

收入相當於年內向客戶出售貨品的已收及應收款項扣減退貨及折扣（如有）。

就資源分配及分部表現評估向董事會（即主要營運決策者）所呈報的資料，側重於交付的產品之類型，理由是管理層已選擇按不同主要產品組織本集團。於達致本集團的可報告分部時，主要營運決策者所得出的營運分部概無經合計。

具體而言，根據香港財務報告準則第8號營運分部，本集團營運分部如下所示：

1. 光學零件
2. 光電產品
3. 光學儀器

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5. REVENUE AND SEGMENT INFORMATION (Continued)

Segment revenues and results

The following is an analysis of the Group's revenue and results by operating and reportable segments.

For the year ended 31 December 2016

	Optical Components 光學零件 RMB'000 人民幣千元	Optoelectronic Products 光電產品 RMB'000 人民幣千元	Optical Instruments 光學儀器 RMB'000 人民幣千元	Segments' total 分部總額 RMB'000 人民幣千元	Eliminations 抵銷 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
REVENUE 收入						
External sales 外部銷售	2,955,566	11,403,194	253,018	14,611,778	-	14,611,778
Inter-segment sales 分部間銷售	511,380	8,384	1,834	521,598	(521,598)	-
Total 總額	3,466,946	11,411,578	254,852	15,133,376	(521,598)	14,611,778
Segment profit 分部溢利	988,054	532,196	9,406	1,529,656	-	1,529,656
Share of results of associates 分佔聯營公司業績						(12,339)
Unallocated income 未分配收入						4,560
Unallocated expenses 未分配開支						(75,442)
Profit before tax 除稅前溢利						1,446,435

5. 收入及分部資料 (續)

分部收入及業績

本集團按營運及可報告分部劃分的收入及業績分析如下。

截至二零一六年十二月三十一日止年度

For the year ended 31 December 2015

截至二零一五年十二月三十一日止年度

	Optical Components 光學零件 RMB'000 人民幣千元	Optoelectronic Products 光電產品 RMB'000 人民幣千元	Optical Instruments 光學儀器 RMB'000 人民幣千元	Segments' total 分部總額 RMB'000 人民幣千元	Eliminations 抵銷 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
REVENUE 收入						
External sales 外部銷售	2,268,456	8,216,728	211,048	10,696,232	-	10,696,232
Inter-segment sales 分部間銷售	265,351	1,608	6,973	273,932	(273,932)	-
Total 總額	2,533,807	8,218,336	218,021	10,970,164	(273,932)	10,696,232
Segment profit 分部溢利	574,954	464,927	1,519	1,041,400	-	1,041,400
Share of results of associates 分佔聯營公司業績						(1,591)
Unallocated income 未分配收入						4,198
Unallocated expenses 未分配開支						(181,730)
Profit before tax 除稅前溢利						862,277

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FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

5. REVENUE AND SEGMENT INFORMATION (Continued)

Segment revenues and results (Continued)

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 3. Segment profit represents the profit earned by each segment without allocation of central administration costs including directors' salaries, other income, other gains or losses, share of results of associates and finance costs. There were asymmetrical allocations to operating segments because the Group allocates interest income, government grants and deferred income, depreciation and amortisation and gain or loss on disposal of property, plant and equipment to each segment without allocating the related bank balances, depreciable assets and the relevant financial instruments to those segments. This is the measure reported to the Board of Directors for the purposes of resource allocation and performance assessment.

Inter-segment sales are charged at prevailing market rates.

5. 收入及分部資料 (續)

分部收入及業績 (續)

營運分部的會計政策與附註3所述的本集團會計政策相同。分部溢利指由各分部所賺取的溢利，但並無攤分中央行政成本（包括董事薪金）、其他收入、其他收益或虧損、分佔聯營公司業績及融資成本。營運分部間存在不對稱分配，這是由於本集團在分配利息收入、政府補助金及遞延收入、折舊及攤銷、出售物業、機器及設備收益或虧損至各分部時，並未向各分部分配相關銀行結餘、可折舊資產及相關金融工具。此乃向董事會報告以作資源分配及表現評估的基準。

分部間銷售按現行市價入賬。

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5. REVENUE AND SEGMENT INFORMATION (Continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segments:

As at 31 December 2016

5. 收入及分部資料 (續)

分部資產及負債

本集團按可報告分部劃分的資產及負債分析如下：

於二零一六年十二月三十一日

	Optical Components 光學零件 RMB'000 人民幣千元	Optoelectronic Products 光電產品 RMB'000 人民幣千元	Optical Instruments 光學儀器 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
Assets 資產				
Trade receivables 貿易應收款項	748,312	2,090,014	37,829	2,876,155
Bill receivables 應收票據	115,530	400,230	3,031	518,791
Inventories 存貨	379,810	2,416,490	32,062	2,828,362
Total segment assets 分部資產總值	1,243,652	4,906,734	72,922	6,223,308
Unallocated assets 未分配資產				5,413,231
Consolidated assets 總資產				11,636,539
Liabilities 負債				
Trade payables 貿易應付款項	640,756	3,906,032	47,370	4,594,158
Note payables 應付票據	18,762	414,887	–	433,649
Total segment liabilities 分部負債總額	659,518	4,320,919	47,370	5,027,807
Unallocated liabilities 未分配負債				1,695,390
Consolidated liabilities 總負債				6,723,197

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5. REVENUE AND SEGMENT INFORMATION (Continued)

5. 收入及分部資料 (續)

Segment assets and liabilities (Continued)

分部資產及負債 (續)

As at 31 December 2015

於二零一五年十二月三十一日

	Optical Components 光學零件 RMB'000 人民幣千元	Optoelectronic Products 光電產品 RMB'000 人民幣千元	Optical Instruments 光學儀器 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
Assets 資產				
Trade receivables 貿易應收款項	617,006	1,794,177	31,574	2,442,757
Bill receivables 應收票據	35,429	352,908	3,030	391,367
Inventories 存貨	309,430	555,460	32,072	896,962
Total segment assets 分部資產總值	961,865	2,702,545	66,676	3,731,086
Unallocated assets 未分配資產				3,905,208
Consolidated assets 總資產				7,636,294
Liabilities 負債				
Trade payables 貿易應付款項	415,314	1,620,146	43,445	2,078,905
Note payables 應付票據	4,100	451,435	1,000	456,535
Total segment liabilities 分部負債總額	419,414	2,071,581	44,445	2,535,440
Unallocated liabilities 未分配負債				1,255,963
Consolidated liabilities 總負債				3,791,403

For the purposes of monitoring segment performances and allocating resources between segments:

為監察分部表現及在分部間分配資源：

- trade receivables, bill receivables and inventories are allocated to the respective operating segments. All other assets are unallocated assets, which are not regularly reported to the Board of Directors.
- trade payables and note payables are allocated to the respective operating segments. All other liabilities are unallocated liabilities, which are not regularly reported to the Board of Directors.
- 貿易應收款項、應收票據及存貨均分配至相對的營運分部。全部其他資產指並不定期向董事會報告的未分配資產。
- 貿易應付款項及應付票據分配至相對的營運分部。全部其他負債指並不定期向董事會報告的未分配負債。

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5. REVENUE AND SEGMENT INFORMATION (Continued)

5. 收入及分部資料 (續)

Other segment information

其他分部資料

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

	Optical Components 光學零件 RMB'000 人民幣千元	Optoelectronic Products 光電產品 RMB'000 人民幣千元	Optical Instruments 光學儀器 RMB'000 人民幣千元	Unallocated 未分配 RMB'000 人民幣千元	Consolidated total 綜合總額 RMB'000 人民幣千元
Amounts included in the measure of segment profit or loss: 計量分部損益時計入的款額：					
Depreciation and amortisation 折舊及攤銷	164,160	140,204	6,357	5,989	316,710
Allowance for bad and doubtful debts on trade receivables 貿易應收款項的呆壞賬撥備	2,574	134,758	89	-	137,421
(Gain) loss on disposal of property, plant and equipment 出售物業、機器及設備 (收益) 虧損	(2,102)	2,345	(166)	3	80
Share award scheme expense 股份獎勵計劃支出	37,430	25,907	9,050	6,823	79,210
Interest income from bank and financial instruments 銀行及金融工具利息收入	(8,334)	(36,198)	(685)	(519)	(45,736)
(Reversal of allowance for) allowance for inventories 存貨 (撥備撥回) 撥備	(9)	5,965	421	-	6,377
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment assets: 已定期向主要營運決策者提供但未計入分部資產的款額：					
Addition to property, plant and equipment 物業、機器及設備增加	355,648	619,554	3,444	-	978,646

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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

5. REVENUE AND SEGMENT INFORMATION (Continued)

5. 收入及分部資料 (續)

Other segment information (Continued)

其他分部資料 (續)

For the year ended 31 December 2015

截至二零一五年十二月三十一日止年度

	Optical Components 光學零件 RMB'000 人民幣千元	Optoelectronic Products 光電產品 RMB'000 人民幣千元	Optical Instruments 光學儀器 RMB'000 人民幣千元	Unallocated 未分配 RMB'000 人民幣千元	Consolidated total 綜合總額 RMB'000 人民幣千元
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Amounts included in the measure of segment profit or loss:

計量分部損益時計入的款額：

Depreciation and amortisation 折舊及攤銷	123,604	115,835	4,864	1,414	245,717
Allowance for (reversal of allowance for) bad and doubtful debts on trade receivables 貿易應收款項的呆壞賬撥備 (撥備撥回)	323	(1,292)	(373)	-	(1,342)
Loss (gain) on disposal of property, plant and equipment 出售物業、機器及設備虧損 (收益)	573	2,007	(191)	-	2,389
Share award scheme expense 股份獎勵計劃支出	25,750	20,545	7,071	6,852	60,218
Interest income from bank and financial instruments 銀行及金融工具利息收入	(10,313)	(28,158)	(857)	(25)	(39,353)
Allowance for inventories 存貨撥備	2,322	4,391	657	-	7,370

Amounts regularly provided to the chief operating decision maker but not included in the measure of segment assets:

已定期向主要營運決策者提供但未計入分部資產的款額：

Addition to property, plant and equipment 物業、機器及設備增加	248,458	119,739	9,241	38	377,476
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Notes to the Consolidated Financial Statements

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

5. REVENUE AND SEGMENT INFORMATION (Continued)

Revenue from major products

The following is an analysis of the Group's revenue from its major products:

5. 收入及分部資料 (續)

主要產品收入

以下為本集團來自主要產品的收入分析：

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Mobile phone related products 移動電話相關產品	12,104,867	8,581,595
Digital camera related products 數碼相機相關產品	667,317	536,448
Optical instruments 光學儀器	200,994	172,361
Other lens sets 其他鏡頭	980,921	684,553
Digital video lens 數碼視頻鏡頭	122,112	121,720
Other spherical lens and plane products 其他球面鏡片及平面產品	65,448	47,963
Industrial endoscopes 工業內窺鏡	17,074	14,567
Other products 其他產品	453,045	537,025
	14,611,778	10,696,232

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FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

5. REVENUE AND SEGMENT INFORMATION (Continued)

Geographical information

The Group's operations are mainly located in the PRC, Korea, Japan and the United States.

The Group's revenue from continuing operations from external customers is presented based on the locations of goods physically delivered and information about the Group's non-current assets by the geographical location of the assets are detailed below:

5. 收入及分部資料 (續)

地區資料

本集團的業務主要位於中國、韓國、日本及美國。

來自依實際交付貨物地點所示的本集團外部客戶持續營運收入及按資產地理位置劃分的本集團非流動資產的資料如下：

	Revenue from external customers		Non-current assets	
	來自外部客戶的收入		非流動資產	
	2016	2015	2016	2015
	二零一六年	二零一五年	二零一六年	二零一五年
	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
The PRC (excluding Hong Kong) (country of domicile)				
中國(不包括香港)(居住國)	12,001,812	8,976,971	2,127,854	1,433,252
Hong Kong 香港	432,532	247,452	-	-
Korea 韓國	462,344	349,705	94	190
Japan 日本	542,250	387,922	93	1
United States 美國	629,728	395,366	77	66
Others 其他	543,112	338,816	622	929
	14,611,778	10,696,232	2,128,740	1,434,438

Note: Non-current assets excluded interests in associates, deferred tax assets, available-for-sale investments and derivative financial assets.

附註：非流動資產不包括於聯營公司的權益、遞延稅項資產、可供出售投資及衍生金融資產。

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5. REVENUE AND SEGMENT INFORMATION (Continued)

Information about major customer

Revenues from the following customers contributed over 10% of the total sales of the Group:

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Customer A, revenue from Optoelectronic Products A客戶·來自光電產品的收入	3,358,361	2,566,112
Customer B, revenue from Optoelectronic Products B客戶·來自光電產品的收入	3,208,896	1,527,716
Customer C, revenue from Optoelectronic Products (Note) C客戶·來自光電產品的收入(附註)	N/A 不適用	1,216,669
	6,567,257	5,310,497

Note: Revenue from Customer C contributed less than 10% of the total sales of the Group for the year ended 31 December 2016.

5. 收入及分部資料(續)

有關主要客戶資料

來自以下客戶的收入佔本集團銷售總額之比重超過10%:

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Customer A, revenue from Optoelectronic Products A客戶·來自光電產品的收入	3,358,361	2,566,112
Customer B, revenue from Optoelectronic Products B客戶·來自光電產品的收入	3,208,896	1,527,716
Customer C, revenue from Optoelectronic Products (Note) C客戶·來自光電產品的收入(附註)	N/A 不適用	1,216,669
	6,567,257	5,310,497

附註:來自C客戶的收入佔本集團截至二零一六年十二月三十一日止年度銷售總額之比重少於10%。

6(a). OTHER INCOME

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Interest income from short term fixed deposits 短期定期存款利息收入	612	565
Interest income from pledged bank deposits 已抵押銀行存款利息收入	2,606	3,924
Interest income from financial assets designated as at FVTPL 按公允值計入損益的金融資產的利息收入	41,132	33,514
Bank interest income 銀行利息收入	1,386	1,350
Government grants (Note 34) 政府補助金(附註34)	57,383	40,551
Income from sales of moulds 銷售模具收入	744	2,182
Income from sales of scrap materials 銷售廢料收入	2,862	2,454
Rental income 租金收入	3,910	2,837
Handling service charges 處理服務費	1,803	1,139
Others 其他	6,425	4,683
Total 總額	118,863	93,199

6(a). 其他收益

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6(b). OTHER GAINS AND LOSSES

6(b). 其他收益及虧損

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Loss on disposal of property, plant and equipment 出售物業、機器及設備虧損	(80)	(2,389)
Gain on disposal of an available-for-sale investments (Note 20) 出售可供出售投資的收益(附註20)	37,936	-
Net foreign exchange losses 外匯虧損淨額	(53,124)	(36,903)
Gain (loss) on changes in fair value of derivative financial instruments, net 衍生金融工具公允值變動產生的收益(虧損)淨額	8,330	(84,655)
(Allowance for) reversal of allowance for bad and doubtful debts on trade receivables 貿易應收款項的呆壞賬(撥備)撥備撥回	(137,421)	1,342
Others 其他	(158)	(43)
Total 總額	(144,517)	(122,648)

7. FINANCE COSTS

7. 融資成本

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Interests on bank borrowings 銀行借貸利息	16,181	15,998

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8. INCOME TAX EXPENSE

8. 所得稅開支

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Current tax: 即期稅項：		
PRC Enterprise Income Tax 中國企業所得稅	178,858	88,391
Other jurisdictions 其他管轄區	4,050	2,285
	182,908	90,676
Overprovision in prior years: 過往年度超額撥備：		
PRC Enterprises Income Tax 中國企業所得稅	(553)	(51)
Deferred taxation (Note 18): 遞延稅項 (附註18)：		
Current year 本年度	(7,521)	8,131
	174,834	98,756

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards, except as described below:

- (i) Ningbo Sunny Opotech Co., Ltd. ("Sunny Opotech"), Shanghai Sunny Hengping Scientific Instrument Co., Ltd. ("Shanghai Sunny Hengping"), Ningbo Sunny Automotive Opotech Co., Ltd. ("Sunny Automotive"), Sunny Optics (Zhongshan) Co., Ltd. ("Sunny Zhongshan") and Ningbo Sunny Instruments Co., Ltd. ("Sunny Instruments"), domestic limited liability companies, were approved as Hi-Tech Enterprises and entitled to a preferential tax rate of 15% with the expiry date on 31 December 2017.
- (ii) Zhejiang Sunny Optics Co., Ltd. ("Sunny Optics"), a domestic limited liability company, was approved as Hi-Tech Enterprise and entitled to a preferential tax rate of 15% with the expiry date on 31 December 2018.
- (iii) Ningbo Sunny Infrared Technologies Company Ltd. ("Sunny Infrared"), a domestic limited liability company, was approved as Hi-Tech Enterprise and entitled to a preferential tax rate of 15% with the expiry date on 31 December 2019.

根據中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司適用的稅率自二零零八年一月一日起為25%，惟下述者除外：

- (i) 寧波舜宇光電信息有限公司(「舜宇光電」)、上海舜宇恒平科學儀器有限公司(「上海舜宇恒平」)、寧波舜宇車載光學技術有限公司(「舜宇車載光學」)、舜宇光學(中山)有限公司(「舜宇中山光學」)及寧波舜宇儀器有限公司(「舜宇儀器」)為內資有限責任公司，並獲認可為高新技術企業，可享受15%的優惠稅率，於二零一七年十二月三十一日屆滿。
- (ii) 浙江舜宇光學有限公司(「舜宇浙江光學」)為內資有限責任公司，並獲認可為高新技術企業，可享受15%的優惠稅率，於二零一八年十二月三十一日屆滿。
- (iii) 寧波舜宇紅外技術有限公司(「舜宇紅外光學」)為內資有限責任公司，並獲認可為高新技術企業，可享受15%的優惠稅率，於二零一九年十二月三十一日屆滿。

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8. INCOME TAX EXPENSE (Continued)

No charges to Hong Kong Profits Tax for both years have been made in the consolidated financial statements as the Group has no assessable profit arising from Hong Kong for both years.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

Deferred tax has not been provided for in the consolidated financial statements in respect of the tax effect of temporary difference attributable to the PRC undistributed earnings of the Group during the year ended 31 December 2015 and 2016 as the Company is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. The directors of the Company plan to set aside the undistributed profits for reinvestment purpose. If such amounts exceed the investment plan, the Group will recognise the deferred tax liabilities in respect of the withholding tax on the then undistributed profits.

8. 所得稅開支（續）

由於本集團於兩年內並無於香港產生應課稅溢利，故綜合財務報表當中不存在香港利得稅開支。

其他管轄區的稅項是按當地適用稅率計算。

由於本公司能控制撥回暫時差額的時間，且暫時差額於可預見將來可能不會撥回，因此並無於綜合財務報表內就截至二零一五年及二零一六年十二月三十一日止年度應佔本集團中國未分派盈利的暫時差額的稅務影響作遞延稅項撥備。本公司董事計劃撥付該等未分派溢利作再投資用途。倘該金額超過投資方案，則本集團會就當時未分配溢利中代扣稅項確認遞延稅項負債。

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FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

8. INCOME TAX EXPENSE (Continued)

The tax charge for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

8. 所得稅開支 (續)

年內的稅項支出與綜合損益及其他全面收益表所列除稅前溢利對賬如下：

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Profit before tax 除稅前溢利	1,446,435	862,277
Tax at PRC EIT tax rate of 25% 中國企業所得稅稅率為25%	361,609	215,569
Tax effect of share of results of associates 分佔聯營公司業績之稅務影響	3,085	398
Tax effect of expenses not deductible for tax purpose 不可扣稅開支之稅務影響	6,431	22,701
Tax effect of income not taxable for tax purposes 免稅收入的稅務影響	-	(540)
Tax effect of allowance granted under share award scheme in the PRC 根據股份獎勵計劃在中國授出股份的稅務影響	(46,645)	(17,955)
Tax effect of preferential tax rates for certain subsidiaries (Note 1) 若干附屬公司稅率優惠之稅務影響 (附註1)	(99,255)	(59,160)
Tax effect of additional tax deduction of research & development expenses (Note 2) 研發開支額外稅項扣減之稅務影響 (附註2)	(65,794)	(51,873)
Tax effect of tax losses not recognised 未確認稅項虧損之稅務影響	17,180	15,276
Utilisation of tax losses not previously recognised 動用先前未確認稅項虧損	(2,025)	(26,065)
Tax effect of different tax rates of subsidiaries operating in other jurisdictions 於其他管轄區經營的附屬公司的不同稅率之稅務影響	801	569
Overprovision in prior years 過往年度超額撥備	(553)	(51)
Others 其他	-	(113)
Income tax expense for the year 年內所得稅開支	174,834	98,756

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FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

8. INCOME TAX EXPENSE (Continued)

Details of deferred taxation and unrecognised temporary difference are disclosed in Note 18.

Note 1: For PRC subsidiaries which were approved as Hi-Tech Enterprises, they are entitled to a preferential tax rate of 15%.

Note 2: According to Guoshuifa [2008] no. 116 "Notice of the State Administration of Taxation on Issuing the Administrative Measures for the Pre-tax Deduction of Enterprise Research and Development Expenses (for Trial Implementation)" and Caishui [2013] No.70 "Circular of the Ministry of Finance and the State Administration of Taxation issues related to super deductions for research & development expenses", certain PRC subsidiaries are also entitled to an additional 50% tax deduction on eligible research & development expenses incurred by them during the years ended 31 December 2016 and 2015.

8. 所得稅開支 (續)

遞延稅項及未確認暫時差額的詳情於附註18披露。

附註1：就獲認可為高新技術企業的中國附屬公司而言，其可享受15%的優惠稅率。

附註2：根據國稅發[2008]116號文《企業研究開發費用稅前扣除管理辦法(試行)》及財稅[2013]70號文《財政部、國家稅務總局關於研究開發費用稅前加計扣除有關政策問題的通知》，若干中國附屬公司亦就其於截至二零一六年及二零一五年十二月三十一日止年度產生的符合條件的研發開支享有額外50%的稅費減免。

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9. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging:

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Directors' emoluments (Note 12) 董事酬金 (附註12)	13,558	11,792
Other staff's salaries and allowances 其他員工的薪金及津貼	1,097,672	882,635
Other staff's discretionary bonuses 其他員工的酌情花紅	144,379	131,829
Other staff's contribution to retirement benefit scheme 其他員工的退休福利計劃供款	81,745	66,143
Other staff's share award scheme expense 其他員工的股份獎勵計劃支出	75,664	57,501
	1,413,018	1,149,900
Cost of inventories recognised as an expense 確認為開支的存貨成本	11,931,643	8,932,855
Auditor's remuneration 核數師酬金	3,060	2,952
Depreciation of property, plant and equipment and investment properties 物業、機器及設備以及投資物業折舊	316,705	245,708
Release of prepaid lease payments 預付租金解除	3,620	3,220
Amortisation of intangible assets (included in research and development expenditure) 無形資產攤銷 (包括於研發開支)	5	9
Allowance for inventories (included in cost of sales) 存貨撥備 (包括於銷售成本)	6,377	7,370

9. 年內溢利

年內溢利已扣除以下各項：

10. DIVIDENDS

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Dividends for ordinary shareholders of the Company recognised as distribution during the year: 年內確認為分派的本公司普通股股東的股息：		
2015 final dividends – RMB20.80 cents (2015: 2014 final dividends – RMB15.50 cents) per share 二零一五年末期股息 – 每股人民幣20.80分 (二零一五年：二零一四年末期股息 – 每股人民幣15.50分)	228,176	170,035

10. 股息

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FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

10. DIVIDENDS (Continued)

Subsequent to the end of reporting period, a final dividend of approximately RMB29.00 cents per share, equivalent to HK\$32.30 cents per share, amounting to a total of approximately RMB318,130,000 (2015: approximately RMB20.80 cents per share, equivalent to HK\$24.90 cents per share, amounting to a total of approximately RMB228,176,000) has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming annual general meeting. The final dividends proposed after the end of reporting period has not been recognised as a liability at the end of reporting period.

11. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

10. 股息 (續)

於報告期末後，本公司董事建議派付約每股人民幣29.00分（相等於每股32.30港仙），合共約人民幣318,130,000元（二零一五年：約每股人民幣20.80分（相等於每股24.90港仙），合共約人民幣228,176,000元）的末期股息，惟須獲股東於應屆股東週年大會上批准。建議於報告期末後派付的末期股息並未於報告期末確認為負債。

11. 每股盈利

本公司股東應佔每股基本及攤薄盈利乃根據以下數據計算：

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Earnings 盈利		
Earnings for the purpose of basic and diluted earnings per share 計算每股基本及攤薄盈利的盈利	1,270,753	761,632
	2016 二零一六年 '000 千股	2015 二零一五年 '000 千股
Number of shares 股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share 計算每股基本盈利的普通股加權平均數	1,080,616	1,074,292
Effect of dilutive potential ordinary shares: 潛在攤薄普通股的影响： Restricted Shares 限制性股份	8,471	9,239
Weighted average number of ordinary shares for the purpose of diluted earnings per share 計算每股攤薄盈利的普通股加權平均數	1,089,087	1,083,531

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FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

12. DIRECTORS', CHIEF EXECUTIVES' AND FIVE HIGHEST PAID EMPLOYEES' EMOLUMENTS

Directors' and executives' remuneration, disclosed pursuant to the applicable Listing Rules and Companies Ordinance, is as follows:

For the year ended 31 December 2016

12. 董事、主要行政人員及五名最高薪酬僱員酬金

董事及行政人員於年內酬金按適用上市規則及公司條例披露如下：

截至二零一六年十二月三十一日止年度

	Other Emoluments 其他酬金				Total 2016 RMB'000 二零一六年 總額 人民幣千元
	Salaries and other benefits RMB'000 薪金及 其他福利 人民幣千元	Bonus RMB'000 花紅 人民幣千元 (Note) (附註)	Retirement benefit scheme contributions RMB'000 退休福利 計劃供款 人民幣千元	Share award RMB'000 股份獎勵 人民幣千元	
A) EXECUTIVE DIRECTORS 執行董事					
Ye Liaoning 葉遼寧	826	1,830	74	846	3,576
Sun Yang 孫泱	721	1,563	41	846	3,171
Wang Wenjie 王文杰	645	1,290	40	1,460	3,435
Sub-total 小計	2,192	4,683	155	3,152	10,182

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12. DIRECTORS', CHIEF EXECUTIVES' AND FIVE HIGHEST PAID EMPLOYEES' EMOLUMENTS (Continued)

12. 董事、主要行政人員及五名最高薪酬僱員酬金（續）

	Other Emoluments 其他酬金				Total 2016 RMB'000 二零一六年 總額 人民幣千元
	Salaries and other benefits RMB'000 薪金及其他福利 人民幣千元	Bonus RMB'000 花紅 人民幣千元 (Note) (附註)	Retirement benefit scheme contributions RMB'000 退休福利計劃供款 人民幣千元	Share award RMB'000 股份獎勵 人民幣千元	
B) NON-EXECUTIVE DIRECTOR 非執行董事					
Wang Wenjian 王文鑒	907	1,830	–	394	3,131

	Other Emoluments 其他酬金				Total 2016 RMB'000 二零一六年 總額 人民幣千元
	Salaries and other benefits RMB'000 薪金及其他福利 人民幣千元	Bonus RMB'000 花紅 人民幣千元	Retirement benefit scheme contributions RMB'000 退休福利計劃供款 人民幣千元	Share award RMB'000 股份獎勵 人民幣千元	
C) INDEPENDENT NON- EXECUTIVE DIRECTORS 獨立非執行董事					
Chu Peng Fei Richard ^(#) 朱鵬飛 ^(#)	22	–	–	–	22
Liu Xu ^(#) 劉旭 ^(#)	–	–	–	–	–
Zhang Yuqing 張余慶	89	–	–	–	89
Feng Hua Jun ^(#) 馮華君 ^(#)	67	–	–	–	67
Shao Yang Dong ^(#) 邵仰東 ^(#)	67	–	–	–	67
Sub-total 小計	245	–	–	–	245
Total 總額					13,558

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12. DIRECTORS', CHIEF EXECUTIVES' AND FIVE HIGHEST PAID EMPLOYEES' EMOLUMENTS (Continued)

12. 董事、主要行政人員及五名最高薪酬僱員酬金 (續)

For the year ended 31 December 2015

截至二零一五年十二月三十一日止年度

	Other Emoluments 其他酬金				Total 2016 二零一六年 總額 人民幣千元
	Salaries and other benefits RMB'000 薪金及其他福利 人民幣千元	Bonus RMB'000 花紅 人民幣千元 (Note) (附註)	Retirement benefit scheme contributions RMB'000 退休福利計劃供款 人民幣千元	Share award RMB'000 股份獎勵 人民幣千元	
A) EXECUTIVE DIRECTORS					
執行董事					
Ye Liaoning 葉遼寧	795	1,670	68	758	3,291
Sun Yang 孫泱	662	1,442	50	758	2,912
Wang Wenjie 王文杰	552	1,158	45	994	2,749
Sub-total 小計	2,009	4,270	163	2,510	8,952
B) NON-EXECUTIVE DIRECTOR					
非執行董事					
Wang Wenjian 王文鑒	795	1,670	-	207	2,672

The non-executive director's emoluments shown above were for the services as a director of the Company or its subsidiaries.

上列非執行董事的酬金為擔任本公司或其附屬公司董事的服務。

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12. DIRECTORS', CHIEF EXECUTIVES' AND FIVE HIGHEST PAID EMPLOYEES' EMOLUMENTS (Continued)

12. 董事、主要行政人員及五名最高薪酬僱員酬金（續）

	Other Emoluments 其他酬金				Total 2016 RMB'000 二零一六年 總額 人民幣千元
	Salaries and other benefits RMB'000 薪金及其他福利 人民幣千元	Bonus RMB'000 花紅 人民幣千元	Retirement benefit scheme contributions RMB'000 退休福利計劃供款 人民幣千元	Share award RMB'000 股份獎勵 人民幣千元	
C) INDEPENDENT NON-EXECUTIVE DIRECTORS					
獨立非執行董事					
Chu Peng Fei Richard ^(#) 朱鵬飛 ^(#)	84	–	–	–	84
Liu Xu ^(#) 劉旭 ^(#)	–	–	–	–	–
Zhang Yuqing 張余慶	84	–	–	–	84
Sub-total 小計	168	–	–	–	168
Total 總額					11,792

[#] During the year ended 31 December 2016, Mr. Chu Peng Fei Richard and Dr. Liu Xu resigned as the independent non-executive directors on 31 March 2016, Mr. Feng Hua Jun and Mr. Shao Yang Dong were appointed as the independent non-executive directors with effect from 1 April 2016.

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

Mr. Ye Liaoning, Mr. Sun Yang and Mr. Wang Wenjie are also the Chief Executives of the Company and their emoluments disclosed above include those for services rendered by them as the Chief Executives.

[#] 於截至二零一六年十二月三十一日止年度，朱鵬飛先生及劉旭博士於二零一六年三月三十一日辭任獨立非執行董事的職務，馮華君先生及邵仰東先生獲委任為獨立非執行董事，自二零一六年四月一日起生效。

上列執行董事酬金為彼等有關管理本公司及本集團事務的服務。

上列獨立非執行董事的酬金主要為彼等擔任本公司董事的服務。

葉遼寧先生、孫泱先生及王文杰先生亦為本公司的主要行政人員，且上文所披露之彼等的酬金包括就彼等擔任主要行政人員所提供服務的酬金。

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12. DIRECTORS', CHIEF EXECUTIVES' AND FIVE HIGHEST PAID EMPLOYEES' EMOLUMENTS (Continued)

The five highest paid individuals of the Group included 4 (2015: 4) directors and chief executives for the year. Details of their emoluments are set out above. The emolument of the remaining 1 (2015: 1) highest paid individual was as follows:

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Salaries and other benefits 薪金及其他福利	454	360
Bonuses (Note) 花紅(附註)	1,398	857
Retirement benefit scheme contributions 退休福利計劃供款	57	59
Share award 股份獎勵	1,419	1,399
	3,328	2,675

Their emoluments were within the following band:

	2016 二零一六年 No. of employee 僱員人數	2015 二零一五年 No. of employee 僱員人數
HK\$2,500,001 to HK\$3,500,000 2,500,001港元至3,500,000港元	N/A 不適用	1
HK\$3,500,001 to HK\$4,500,000 3,500,001港元至4,500,000港元	1	N/A 不適用

During both years, no emoluments were paid by the Group to the five highest paid individuals and directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office. In the year ended 31 December 2016, 1 (2015: 1) director, Dr. Liu Xu, waived emoluments of RMB22,000 (2015: RMB84,000).

Note: The bonus is determined by remuneration committees based on the Group's performance for each financial year and subject to a maximum of 5% of consolidated profit attributable to owners of the Company.

12. 董事、主要行政人員及五名最高薪酬僱員酬金(續)

本集團於本年度的五名最高薪酬人士包括四名(二零一五年: 四名)董事及主要行政人員,其酬金詳情載於上文。其餘一名(二零一五年: 一名)最高薪酬人士的酬金如下:

彼等的酬金範圍如下:

於兩年內,本集團並無向五名最高薪酬人士及本公司董事支付酬金,作為邀請其加入或加入本集團後的獎金或作為離職補償。於截至二零一六年十二月三十一日止年度,一名(二零一五年: 一名)董事(劉旭博士)放棄酬金人民幣22,000元(二零一五年: 人民幣84,000元)。

附註: 花紅乃由薪酬委員會根據本集團於各財政年度的表現釐定,惟不可高於本公司股東應佔綜合溢利的5%。

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13. PROPERTY, PLANT AND EQUIPMENT 13. 物業、機器及設備

	Leasehold land and buildings 租賃土地及 樓宇 RMB'000 人民幣千元	Machinery and production equipment 機械及 生產設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Fixtures and office equipment 傢俬及 辦公室設備 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
COST 成本						
At 1 January 2015 於二零一五年一月一日	316,310	1,289,093	12,321	226,991	33,189	1,877,904
Additions 添置	11,946	261,373	2,914	39,590	61,653	377,476
Transfer 轉撥	696	55,991	-	13,745	(70,432)	-
Transferred to investment properties (Note 15) 轉撥至投資物業 (附註15)	(16,750)	-	-	-	-	(16,750)
Disposals 出售	-	(19,437)	(830)	(7,669)	-	(27,936)
Exchange realignment 外匯調整	-	(10)	11	25	-	26
At 31 December 2015 and 1 January 2016 於二零一五年十二月三十一日及二零一六年一月一日	312,202	1,587,010	14,416	272,682	24,410	2,210,720
Additions 添置	204	753,876	1,849	64,692	158,025	978,646
Transfer 轉撥	4,074	17,198	-	13,527	(34,799)	-
Disposals 出售	(163)	(35,180)	(1,262)	(7,172)	-	(43,777)
Exchange realignment 外匯調整	-	25	14	75	-	114
At 31 December 2016 於二零一六年十二月三十一日	316,317	2,322,929	15,017	343,804	147,636	3,145,703
ACCUMULATED DEPRECIATION AND IMPAIRMENT 累計折舊及減值						
At 1 January 2015 於二零一五年一月一日	76,924	646,001	7,800	112,020	-	842,745
Charge for the year 年內支出	15,578	210,280	1,882	17,968	-	245,708
Transferred to investment properties (Note 15) 轉撥至投資物業 (附註15)	(914)	-	-	-	-	(914)
Eliminated on disposals 出售時對銷	-	(11,125)	(1,027)	(5,450)	-	(17,602)
Exchange realignment 外匯調整	-	(6)	-	(20)	-	(26)
At 31 December 2015 and 1 January 2016 於二零一五年十二月三十一日及二零一六年一月一日	91,588	845,150	8,655	124,518	-	1,069,911
Charge for the year 年內支出	14,874	234,750	2,306	63,936	-	315,866
Eliminated on disposals 出售時對銷	(73)	(26,747)	(1,170)	(5,671)	-	(33,661)
Exchange realignment 外匯調整	-	5	12	60	-	77
At 31 December 2016 於二零一六年十二月三十一日	106,389	1,053,158	9,803	182,843	-	1,352,193
CARRYING VALUES 賬面值						
At 31 December 2016 於二零一六年十二月三十一日	209,928	1,269,771	5,214	160,961	147,636	1,793,510
At 31 December 2015 於二零一五年十二月三十一日	220,614	741,860	5,761	148,164	24,410	1,140,809

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13. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Leasehold land and buildings	Shorter of 20 years or over the lease term
Machinery and production equipment	5 to 10 years
Motor vehicles	4 to 5 years
Fixtures and office equipment	3 to 10 years

The carrying value of properties shown above comprises:

13. 物業、機器及設備 (續)

上述物業、機器及設備項目按照直線法於其下列估計可用年期內進行折舊：

租賃土地及樓宇	20年或於租期內 (以較短者為準)
機械及生產設備	5至10年
汽車	4至5年
傢俬及辦公室設備	3至10年

上述物業的賬面值組成如下：

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Buildings on leasehold land outside Hong Kong 於香港以外租賃土地上的樓宇	209,928	220,614

As at 31 December 2016, certain buildings of the Group of aggregated net book value approximately RMB83,121,000 (2015: RMB88,674,000) was pledged to secure bank borrowings granted (Note 26).

於二零一六年十二月三十一日，本集團賬面淨值總額約人民幣83,121,000元（二零一五年：人民幣88,674,000元）的若干樓宇為擔保獲授的銀行借貸而予以抵押（附註26）。

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綜合財務報表附註

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14. PREPAID LEASE PAYMENTS

14. 預付租金

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Analysed for reporting purpose as: 申報分析如下：		
Current assets 流動資產	4,452	3,337
Non-current assets 非流動資產	164,025	113,003
	168,477	116,340

Prepaid lease payments represent the payments for leasehold interests in land situated in the PRC and held under medium-term lease. During the year ended 31 December 2016, the Group acquired a piece of leasehold land located in the PRC at the cost of RMB31,839,000. In addition, the deposit paid for acquisition of a land use right amounting to RMB23,918,000 as at 31 December 2015 was transferred to prepaid lease payments when the Group obtained the land use right certificate in September 2016.

As at 31 December 2016, certain leasehold lands of the Group of aggregated net book value approximately RMB103,028,000 (2015: RMB106,321,000) was pledged to secure bank borrowings granted (Note 26).

預付租金為位於中國以中期租約所持土地權益的租金。於截至二零一六年十二月三十一日止年度，本集團以人民幣31,839,000元的成本購入位於中國的一幅租賃土地。此外，本集團於二零一六年九月獲得土地使用權證後，於二零一五年十二月三十一日就收購土地使用權已付的按金人民幣23,918,000元轉撥至預付租金。

於二零一六年十二月三十一日，本集團賬面淨值總額約人民幣103,028,000元（二零一五年：人民幣106,321,000元）的若干租賃土地為擔保獲授的銀行借貸而予以抵押（附註26）。

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15. INVESTMENT PROPERTIES

15. 投資物業

	RMB'000 人民幣千元
COST 成本	
At 1 January 2015 於二零一五年一月一日	-
Transferred from property, plant and equipment 轉撥自物業、機器及設備	16,750
At 31 December 2015 and 31 December 2016 於二零一五年十二月三十一日及二零一六年十二月三十一日	16,750
DEPRECIATION 折舊	
At 1 January 2015 於二零一五年一月一日	-
Transferred from property, plant and equipment 轉撥自物業、機器及設備	914
At 31 December 2015 and 1 January 2016 於二零一五年十二月三十一日及二零一六年一月一日	914
Charge for the year 年內支出	839
At 31 December 2016 於二零一六年十二月三十一日	1,753
CARRYING VALUES 賬面值	
At 31 December 2016 於二零一六年十二月三十一日	14,997
At 31 December 2015 於二零一五年十二月三十一日	15,836

During the year ended 31 December 2015, the carrying value of property, plant and equipment amounting to RMB15,836,000 are reclassified as investment properties. All of the investment properties transferred are measured using the cost model.

The fair value of the Group's investment properties at 31 December 2016 was RMB17,721,000 (2015: RMB17,157,000). The fair value has been determined by the directors of the Company by reference to recent market evidence of transaction prices for similar properties in the same locations and condition.

截至二零一五年十二月三十一日止年度，物業、機器及設備的賬面值合共為人民幣15,836,000元，重列為投資物業。所有轉撥的投資物業以成本模式計量。

於二零一六年十二月三十一日，本集團投資物業的公允值為人民幣17,721,000元（二零一五年：人民幣17,157,000元）。該公允值已由本公司董事經參考同區條件相同的同類物業的近期市場成交價後釐定。

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15. INVESTMENT PROPERTIES (Continued)

Details of the Group's investment properties and information about the fair value hierarchy as at the end of the reporting period are as follows:

15. 投資物業 (續)

本集團投資物業的詳情及於報告期末有關公允值等級的資料如下：

	Level 3	Fair value as at 31/12/2016
	第三級	公允值
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Commercial property unit located in the PRC 位於中國商業物業單位	17,721	17,721

	Level 3	Fair value as at 31/12/2015
	第三級	公允值
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Commercial property unit located in the PRC 位於中國商業物業單位	17,157	17,157

The above investment properties are depreciated on a straight-line basis over the term of the lease.

上列投資物業於租賃期按照直線法折舊。

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16. INTANGIBLE ASSETS

16. 無形資產

	Patents 專利權 RMB'000 人民幣千元
COST 成本	
At 1 January 2015, 1 January 2016 and 31 December 2016 於二零一五年一月一日、二零一六年一月一日及二零一六年十二月三十一日	8,907
AMORTISATION AND IMPAIRMENT 攤銷及減值	
At 1 January 2015 於二零一五年一月一日	8,892
Charge for the year 年內支出	9
At 31 December 2015 and 1 January 2016 於二零一五年十二月三十一日及二零一六年一月一日	8,901
Charge for the year 年內支出	5
At 31 December 2016 於二零一六年十二月三十一日	8,906
CARRYING VALUES 賬面值	
At 31 December 2016 於二零一六年十二月三十一日	1
At 31 December 2015 於二零一五年十二月三十一日	6

Patents have finite useful lives and are amortised on a straight-line basis over 3 to 8 years.

專利權擁有確定可用年期，並按直線法於3至8年內攤銷。

The directors of the Company considered no impairment loss on patents for the years ended 31 December 2016 and 2015.

截至二零一六年及二零一五年十二月三十一日止年度，本公司董事認為專利權並無減值虧損。

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17. INTERESTS IN ASSOCIATES

17. 於聯營公司的權益

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Cost of investment in unlisted associates 非上市聯營公司投資成本	136,587	134,907
Share of post-acquisition profit or loss and other comprehensive income or expenses, net of dividends received 分佔收購後損益及其他全面收益或開支，扣減已收股息	(26,809)	(14,470)
Impairment loss recognised 已確認減值虧損	(9,997)	(9,997)
	99,781	110,440

Details of each of the Group's associates at the end of the reporting period are as follow:

於報告期末，本集團各聯營公司的詳情如下：

Name of associate 聯營公司名稱	Places of incorporation/ registration/ operation 註冊成立/ 註冊地點/ 營運地點	Proportion of ownership interests held by the Group 本集團持有的所有權益比例		Proportion of voting rights held by the Group 本集團持有的投票權比例		Principal activity 主要業務
		2016 二零一六年	2015 二零一五年	2016 二零一六年	2015 二零一五年	
Visiondigi (Shanghai) Technology Co., Ltd. ("Visiondigi") 上海威乾視頻技術有限公司 (「上海威乾」)	The PRC 中國	30.85%	30.85%	33.33%	33.33%	Manufacture and sale of closed circuit television 生產及銷售閉路電視
Jiangsu Sunny Medical Equipments Co., Ltd. ("Jiangsu Medical") 江蘇舜宇醫療器械有限公司 (「江蘇舜宇醫療」)	The PRC 中國	26.00%	26.00%	33.33%	33.33%	Manufacture and sale of medical instrument business 生產及銷售醫療儀器業務
Yuyao City Sunny Huitong Microcredit Co. Ltd. ("Sunny Huitong") 餘姚市舜宇匯通小額貸款股份有限公司 (「舜宇匯通」)	The PRC 中國	27.47%	27.47%	44.44%	44.44%	Provision of financing service in Yuyao City, Zhejiang Province, the PRC 在中國浙江省餘姚市提供融資服務
Wuxi Wissen Intelligent Sensing Technology Co., Ltd. ("Wissen") 無錫維森智能傳感技術有限公司 (「維森」)	The PRC 中國	32.61%	32.61%	40.00%	40.00%	Research and development of imaging motion sensors 研究及開發影像傳感器
寧波梅山保稅港區科儀創業投資合夥企業 (有限合夥) ("Ningbo Keyi") (Note) 寧波梅山保稅港區科儀創業投資合夥企業 (有限合夥) (「寧波科儀」) (附註)	The PRC 中國	80.00%	N/A 不適用	33.33%	N/A 不適用	Venture capital investment and related consultation service 風險資本投資及相關諮詢服務

Note: On 14 July 2016, the Group entered into a partnership agreement with the other two unlimited liability partners to set up a partnership named 寧波梅山保稅港區科儀創業投資合夥企業 (有限合夥) ("Ningbo Keyi"). The total contribution to be subscribed by the Group is RMB80,000,000 while only RMB1,680,000 is being subscribed by the Group as of 31 December 2016. According to the partnership agreement, the Group can appoint 2 out of 6 members on the investment committee of Ningbo Keyi, and all decisions about the relevant activities of Ningbo Keyi required the approval by at least 4 out of 6 members of the investment committee, and thus, the Group can exercise significant influence over Ningbo Keyi and it is being accounted for as an associate of the Group. As of 31 December 2016, there is no investment made by Ningbo Keyi and no share of profits and other comprehensive income was recognised in current period.

附註：於二零一六年七月十四日，本集團與其他兩名無限責任合夥人訂立合夥協議，成立名為寧波梅山保稅港區科儀創業投資合夥企業 (有限合夥) (「寧波科儀」) 的合夥公司。本集團認繳出資總額為人民幣80,000,000元，而截至二零一六年十二月三十一日，本集團認繳出資額僅為人民幣1,680,000元。根據合夥協議，本集團可委任寧波科儀投資委員會六名成員中的兩名，且有關寧波科儀相關活動的所有決定均需得到投資委員會六名成員中至少四名成員的批准，因此，本集團可對寧波科儀產生重大影響，且已將其列為本集團的聯營公司。截至二零一六年十二月三十一日，寧波科儀並無作出任何投資，且當期並無確認任何攤佔溢利及其他全面收益。

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17. INTERESTS IN ASSOCIATES (Continued)

Summarised financial information of material associates

Summarised financial information in respect of the Group's material associates is set out below.

Sunny Huitong

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Current assets 流動資產	192,165	213,574
Non-current assets 非流動資產	12,292	12,835
Current liabilities 流動負債	(1,811)	(3,362)
Revenue 收入	9,993	17,854
Loss and total comprehensive expense for the year 年內虧損及全面開支總額	(20,586)	(3,986)
Dividends received during the year 年內收取的股息	-	6,044

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Net assets of Sunny Huitong 舜宇匯通的資產淨值	202,646	223,047
Proportion of the Group's ownership interest in Sunny Huitong 本集團於舜宇匯通的所有權權益比例	27.47%	27.47%
Carrying amount of the Group's ownership interest in Sunny Huitong 本集團於舜宇匯通的所有權權益的賬面值	55,667	61,271

17. 於聯營公司的權益 (續)

重大聯營公司的財務資料概要

有關本集團重大聯營公司的財務資料概要載列如下。

舜宇匯通

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Current assets 流動資產	192,165	213,574
Non-current assets 非流動資產	12,292	12,835
Current liabilities 流動負債	(1,811)	(3,362)
Revenue 收入	9,993	17,854
Loss and total comprehensive expense for the year 年內虧損及全面開支總額	(20,586)	(3,986)
Dividends received during the year 年內收取的股息	-	6,044

上述財務資料概要與綜合財務報表中所確認於聯營公司權益的賬面值的對賬如下：

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17. INTERESTS IN ASSOCIATES (Continued)

Summarised financial information of material associates (continued)

Wissen

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Current assets 流動資產	57,024	81,710
Non-current assets 非流動資產	57,348	52,941
Current liabilities 流動負債	(2,197)	(1,109)
Revenue 收入	3,911	556
Loss and total comprehensive expense for the year 年內虧損及全面開支總額	(21,367)	(1,103)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Net assets of Wissen 維森的資產淨值	112,175	133,542
Proportion of the Group's ownership interest in Wissen 本集團於維森的所有權權益比例	32.61%	32.61%
Net assets of Wissen 維森的資產淨值	36,580	43,548
Goodwill on acquisition (Note) 收購商譽 (附註)	5,592	5,592
Carrying amount of the Group's ownership interest in Wissen 本集團於維森的所有權權益的賬面值	42,172	49,140

Note:

A valuation report in relation to the acquisition of Wissen was finalized by the Group during the year ended 31 December 2016, and it indicated that the goodwill at the date of acquisition was approximate to RMB5,592,000.

17. 於聯營公司的權益 (續)

重大聯營公司的財務資料概要 (續)

維森

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Current assets 流動資產	57,024	81,710
Non-current assets 非流動資產	57,348	52,941
Current liabilities 流動負債	(2,197)	(1,109)
Revenue 收入	3,911	556
Loss and total comprehensive expense for the year 年內虧損及全面開支總額	(21,367)	(1,103)

上述財務資料概要與綜合財務報表中所確認於聯營公司權益的賬面值的對賬如下：

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Net assets of Wissen 維森的資產淨值	112,175	133,542
Proportion of the Group's ownership interest in Wissen 本集團於維森的所有權權益比例	32.61%	32.61%
Net assets of Wissen 維森的資產淨值	36,580	43,548
Goodwill on acquisition (Note) 收購商譽 (附註)	5,592	5,592
Carrying amount of the Group's ownership interest in Wissen 本集團於維森的所有權權益的賬面值	42,172	49,140

附註：

截至二零一六年十二月三十一日止年度，本集團完結有關收購維森的估值報告，其顯示維森於收購日期商譽約為人民幣5,592,000元。

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18. DEFERRED TAXATION

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Deferred tax assets 遞延稅項資產	(27,884)	(5,700)
Deferred tax liabilities 遞延稅項負債	33,864	19,201
	5,980	13,501

The following are the major deferred tax liabilities (assets) recognised and movements thereon during the current and prior years:

	Allowance on inventories and doubtful debts 存貨及 呆賬撥備 RMB'000 人民幣千元	Deferred subsidy income 遞延補貼收入 RMB'000 人民幣千元	Accelerated depreciation 加速折舊 RMB'000 人民幣千元	Others 其他 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
At 1 January 2015 於二零一五年一月一日	(2,012)	(3,405)	5,192	5,595	5,370
(Credit) charge to profit or loss (Note 8) 於損益中(計入)扣除(附註8)	(761)	478	8,414	-	8,131
At 31 December 2015 and 1 January 2016 於二零一五年十二月三十一日及二零一六年一月一日	(2,773)	(2,927)	13,606	5,595	13,501
(Credit) charge to profit or loss (Note 8) 於損益中(計入)扣除(附註8)	(21,761)	1,660	14,663	(2,083)	(7,521)
At 31 December 2016 於二零一六年十二月三十一日	(24,534)	(1,267)	28,269	3,512	5,980

At the end of the reporting period, the Group had unused tax losses of approximately RMB127,858,000 (2015: RMB113,175,000) available for offset against future profits. No deferred tax asset has been recognised in respect of such losses in both 2016 and 2015 due to the unpredictability of future profit streams. The tax losses arising from PRC subsidiaries of RMB75,444,000 (2015: RMB68,870,000) can be carried forward for maximum of five years and will expire during 2017 to 2021. Other tax losses may be carried forward indefinitely.

就綜合財務狀況表的呈列而言，若干遞延稅項資產及負債已經抵銷。用作財務報告目的的遞延稅項結餘分析如下：

已確認的主要遞延稅項負債(資產)及本年度和過往年度變動如下：

於報告期末，本集團有未使用稅項虧損約人民幣127,858,000元(二零一五年：人民幣113,175,000元)可供用於抵銷未來溢利。由於未來溢利無法預測，故並無就二零一六年及二零一五年的該項虧損確認遞延稅項資產。中國附屬公司產生的稅項虧損人民幣75,444,000元(二零一五年：人民幣68,870,000元)可於最多五年內結轉，並將於二零一七年至二零二一年到期。其他稅項虧損可無限期結轉。

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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

19. DEPOSITS PAID FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT

The deposits are paid for construction of factory buildings and acquisition of plants and equipment located in the PRC for the expansion of the Group's production plant.

19. 就收購物業、機器及設備已支付的按金

本集團就興建廠房樓宇以及收購位於中國的機器及設備以供其生產機器擴張而支付按金。

20. AVAILABLE-FOR-SALE INVESTMENTS

20. 可供出售投資

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Unlisted equity securities, at cost 未上市股本證券，按成本計	62,267	67,672

Note: On 5 September 2016, the Group entered into a sale and purchase agreement with an independent third party to sell and transfer all the interests in Movidius Limited ("Movidius") held by the Group to this party at the consideration of USD7,689,380 (approximate to RMB53,329,000) with the carrying amount of Movidius at date of disposal was RMB15,393,000, a disposal gain of RMB37,936,000 was recognised in profit or loss in current period.

附註：於二零一六年九月五日，本集團與一名獨立第三方就以代價7,689,380美元（約人民幣53,329,000元）向該名獨立第三方出售及轉讓由本集團於Movidius Limited（「Movidius」，於出售日期的Movidius賬面值為人民幣15,393,000元）持有的所有權益訂立買賣協議，已於本期損益確認人民幣37,936,000元的出售收益。

21. INVENTORIES

21. 存貨

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Raw materials 原材料	348,224	229,185
Work in progress 在製品	140,506	47,850
Finished goods 製成品	2,339,632	619,927
	2,828,362	896,962

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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

22. TRADE AND OTHER RECEIVABLES AND PREPAYMENT

22. 貿易及其他應收款項及預付款項

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Current assets 流動資產		
Trade receivables 貿易應收款項	3,017,982	2,447,368
Less: allowance for doubtful debts 減：呆賬撥備	(141,827)	(4,611)
	2,876,155	2,442,757
Bill receivables 應收票據	518,791	391,367
Other receivables and prepayment 其他應收款項及預付款項		
Value added tax and other tax receivables 應收增值稅及其他應收稅項	98,378	18,155
Individual income tax receivable from employees 應收僱員個人所得稅	83,972	45,819
Advance to suppliers 墊付供應商款項	60,369	39,380
Interest receivables 應收利息	5,816	6,167
Prepaid expenses 預付開支	36,968	30,926
Rental and utilities deposits 租金及公用事業按金	14,717	14,985
Prepaid wages and advances to employees 預付僱員薪資及墊付僱員款項	3,162	3,768
Others 其他	17,611	9,626
	320,993	168,826
Total trade and other receivables and prepayment 貿易及其他應收款項及預付款項總額	3,715,939	3,002,950

The Group allows a credit period from 60 to 90 days to its trade customers and 90 to 180 days for bill receivables. The following is an aged analysis of trade receivables net of allowance for doubtful debts presented based on the invoice date at the end of reporting period, which approximated the respective revenue recognition dates.

本集團給予貿易客戶60天至90天的信貸期，及給予應收票據90天至180天的信貸期。以下為於報告期末基於發票日（與各自的收益確認日期相若）呈列的貿易應收款項（扣除呆賬撥備）的賬齡分析。

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Within 90 days 90天以內	2,583,568	2,401,786
91 to 180 days 91天至180天	246,083	40,146
Over 180 days 180天以上	46,504	825
	2,876,155	2,442,757

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綜合財務報表附註

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22. TRADE AND OTHER RECEIVABLES AND PREPAYMENT (Continued)

Ageing of bill receivables at the end of reporting period is as follows:

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Within 90 days 90天以內	473,975	287,129
91 to 180 days 91天至180天	44,816	104,238
	518,791	391,367

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits for the customer. Limits attributed to customers are reviewed once a year. 90% (2015: 98%) of the trade receivables that are neither past due nor impaired have the best credit attributes assessed by the Group.

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

22. 貿易及其他應收款項及預付款項 (續)

於報告期末的應收票據賬齡分析如下：

接納任何新客戶前，本集團會評估潛在客戶的信貸質素及界定其信貸上限，並每年審核一次客戶信貸上限。根據本集團的評估，90% (二零一五年：98%) 的貿易應收款項既未逾期亦無減值，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天的應收款項作出撥備。由於根據過往經驗，逾期超過365天的應收款項一般無法收回，故本集團已就所有逾期超過365天的應收款項作出全數撥備。

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FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

22. TRADE AND OTHER RECEIVABLES AND PREPAYMENT (Continued)

After assessment of impairment on individual balances, included in the Group's trade receivables are debtors with an aggregate carrying amount of RMB292,587,000 (2015: RMB40,971,000) which are past due at the end of the reporting period but not considered 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

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
91 to 180 days 91天至180天	246,083	40,146
Over 180 days 180天以上	46,504	825
Total 總額	292,587	40,971

22. 貿易及其他應收款項及預付款項 (續)

評估個別結餘減值後，本集團的貿易應收款項包括於報告期末已逾期的應收賬款賬面總值人民幣292,587,000元（二零一五年：人民幣40,971,000元），而該等賬款並無視為減值。本集團並無就該等結餘持有任何抵押品。該等應收款項平均賬齡如下。

已逾期但無減值的貿易應收款項賬齡

Movement in the allowance for doubtful debts

呆賬撥備變動

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Balance at beginning of the reporting period 報告期初結餘	4,611	5,953
Impairment losses recognised on receivables 已確認的應收款項減值虧損	141,327	3,702
Amounts written off as uncollectible 不可收回債項撇銷的金額	(205)	-
Impairment losses reversed 減值虧損撥回	(3,906)	(5,044)
Balance at end of the reporting period 報告期末結餘	141,827	4,611

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22. TRADE AND OTHER RECEIVABLES AND PREPAYMENT (Continued)

Included in the allowance for doubtful debts made for the year are individually impaired trade receivables with a balance of RMB141,827,000 (2015: RMB4,611,000) which might be in financial difficulties. The Group does not hold any collateral over these balances as at 31 December 2016. Subsequent to the year ended 31 December 2016, the Group filed legal proceedings for property preservation against several customers of the Group, in order to protect the long aged trade receivables due from these customers amounting to RMB378,900,000. Up to the date of approving the issuance of these consolidated financial statements, the legal proceedings are still not yet finalized and there is no subsequent settlement from these customers. As such, based on the estimated value to be recovered from the property preservation, a specific provision on these trade receivables amounting to RMB135,495,000 has been provided by the Group.

As at 31 December 2015, certain trade receivables of the Group of aggregated net book value approximately RMB22,382,000 was pledged to secure bank borrowings granted. There is no pledge of trade receivables to secure bank borrowings as of 31 December 2016.

23. PLEDGED BANK DEPOSITS/SHORT TERM FIXED DEPOSITS/BANK BALANCES

Bank balances, represent saving accounts and deposits, carry interest at market saving rates at 0.35% (2015: 0.35%) per annum while short term fixed deposits carry fixed interest rate ranging from 0.55% to 2.13% (2015: 1.82% to 5.00%) per annum. Short term fixed deposits have an original maturity date less than one year and therefore classified as current assets.

22. 貿易及其他應收款項及預付款項 (續)

年內呆賬撥備中包括已減值的個別貿易應收款項，結餘為人民幣141,827,000元（二零一五年：人民幣4,611,000元），該等款項的債務人可能陷入財務困境。於二零一六年十二月三十一日，本集團並未就該等結餘持有任何抵押品。截至二零一六年十二月三十一日止年度後，本集團就財產保全向本集團若干客戶提起法律訴訟，以保全其應收該等客戶較長賬齡的貿易應收款項人民幣378,900,000元。截至綜合財務報表獲授權刊發之日，有關法律訴訟估尚未完結，且該等客戶最終並未結清有關款項。因此，基於將財產保全收回的估計價值，本集團已就該等貿易應收款項作出金額為人民幣135,495,000元的特殊撥備。

於二零一五年十二月三十一日，本集團賬面淨值總額約人民幣22,382,000元的若干貿易應收款項為擔保獲授的銀行借貸而予以抵押。截至二零一六年十二月三十一日，並無抵押貿易應收款項以擔保銀行借貸。

23. 已抵押銀行存款／短期定期存款／銀行結餘

銀行結餘指儲蓄賬戶及存款，按0.35%（二零一五年：0.35%）的市場儲蓄存款年利率計息，而短期定期存款按介乎0.55%至2.13%（二零一五年：1.82%至5.00%）的固定年利率計息。短期定期存款原到期日少於一年，因而被分類為流動資產。

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24. DERIVATIVE FINANCIAL ASSETS AND LIABILITIES/FINANCIAL ASSETS DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS

24. 衍生金融資產及負債 / 按公允值計入損益的金融資產

(a) Derivative financial assets and liabilities

At the end of the reporting period, the Group held certain derivatives classified as held for trading and not under hedge accounting as follows:

(a) 衍生金融資產及負債

於報告期末，本集團持有若干分類為持作買賣及未按對沖會計法處理的衍生工具如下：

	Assets 資產		Liabilities 負債	
	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Foreign currency forward contracts 遠期外匯合約	-	5,485	-	6,238
Foreign currency options contracts 外匯期權合約	13,795	11,570	93,251	99,623
Total 總額	13,795	17,055	93,251	105,861
Less: current portion 減：即期部分				
Foreign currency forward contracts 遠期外匯合約	-	5,485	-	6,238
Foreign currency options contracts 外匯期權合約	13,795	10,623	93,251	97,691
	13,795	16,108	93,251	103,929
Non-current portion 非即期部分	-	947	-	1,932

As at 31 December 2016 and 2015, the Group had entered into the following foreign currency forward contracts and foreign currency options contracts.

於二零一六年及二零一五年十二月三十一日，本集團已訂立以下遠期外匯合約及外匯期權合約。

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綜合財務報表附註

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24. DERIVATIVE FINANCIAL ASSETS AND LIABILITIES/FINANCIAL ASSETS DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

(a) Derivative financial assets and liabilities (Continued)

Foreign currency forward contracts

	Selling currency 賣出貨幣	Receiving currency 收取貨幣	Maturity date 到期日	Weighted average forward exchange rate 加權平均遠期匯率
Contract A 合約A	USD15,000,000 15,000,000美元	RMB92,700,000 人民幣92,700,000元	10 March 2016 二零一六年三月十日	USD:RMB at 1:6.18 美元兌人民幣：1:6.18
Contract B 合約B	RMB92,100,000 人民幣92,100,000元	USD15,000,000 15,000,000美元	10 March 2016 二零一六年三月十日	USD:RMB at 1:6.14 美元兌人民幣：1:6.14

Both contract A and contract B had expired during the year ended 31 December 2016.

Foreign currency options contracts

The Group entered into several USD/RMB foreign currency options contracts with banks in Hong Kong and the PRC in order to manage the Group's currency risk.

The Group is required to transact with the banks for designated notional amount on each of the valuation dates specified within the respective contracts ("Valuation Date").

At each Valuation Date, the Reference Rate⁺ shall be compared against the strike rates (upper and lower)/barrier rate as specified within the respective contracts, and the Group may receive from/pay to the bank an amount as specified in the contracts if certain conditions specified within the respective contracts are met.

The Reference Rate⁺ represents the spot rate as specified within the respective contracts.

24. 衍生金融資產及負債／按公允值計入損益的金融資產 (續)

(a) 衍生金融資產及負債 (續)

遠期外匯合約

外匯期權合約

本集團已與香港及中國的銀行訂立若干美元兌人民幣的外匯期權合約，以管理本集團的貨幣風險。

本集團須於各合約所指定的估值日期（「估值日期」）就指定名義金額與該等銀行進行交易。

於各估值日期，參考匯率⁺須與各合約所指定的行使匯率（上限及下限）／門檻匯率作比較，且在達致各合約所指定若干條件的情況下，本集團可向相關銀行收取／支付該等合約所指定的金額。

參考匯率⁺指各合約所指定的現貨匯率。

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24. DERIVATIVE FINANCIAL ASSETS AND LIABILITIES/FINANCIAL ASSETS DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

24. 衍生金融資產及負債 / 按公允值計入損益的金融資產 (續)

(a) Derivative financial assets and liabilities (Continued)

(a) 衍生金融資產及負債 (續)

Foreign currency options contracts (Continued)

外匯期權合約 (續)

Extracts of details of foreign currency options contracts from the respective contracts are as follow:

各合約的外匯期權合約的詳情摘要如下：

	Notional amount USD'000 名義金額 美金千元	Strike/barrier/forward rates 行使 / 門檻 / 遠期匯率	Ending Settlement Date (Note 1) 結束結算 日期 (附註1)	
			2016	2015
Contract C (Note 2) 合約C (附註2)	70,000	USD:RMB at 1:6.6/6.8 美元兌人民幣：1:6.6/6.8	N/A 不適用	13 July 2017 二零一七年七月十三日
Contract D (Note 2) 合約D (附註2)	180,000	USD:RMB at 1:6.8 美元兌人民幣：1:6.8	N/A 不適用	13 July 2017 二零一七年七月十三日
Contract E 合約E	105,000	USD:RMB at 1:6.185/6.4/6.5 美元兌人民幣：1:6.185/6.4/6.5	13 July 2017 二零一七年七月十三日	13 July 2017 二零一七年七月十三日
Contract F (Note 3) 合約F (附註3)	195,000	USD:RMB at 1:6.4/6.5 美元兌人民幣：1:6.4/6.5	N/A 不適用	13 July 2017 二零一七年七月十三日
Contract G (Note 3) 合約G (附註3)	195,000	USD:RMB at 1:6.4/6.5 美元兌人民幣：1:6.4/6.5	N/A 不適用	N/A 不適用
Contract H (Note 2) 合約H (附註2)	120,000	USD:RMB at 1:7.02 美元兌人民幣：1:7.02	26 September 2017 二零一七年九月二十六日	N/A 不適用
Contract I (Note 2) 合約I (附註2)	120,000	USD:RMB at 1:7.00 美元兌人民幣：1:7.00	26 September 2017 二零一七年九月二十六日	N/A 不適用
Contract J 合約J	105,000	USD:RMB at 1:6.55 美元兌人民幣：1:6.55	13 July 2017 二零一七年七月十三日	N/A 不適用

Note 1: Each contract has a series of settlement dates. The Ending Settlement Dates stated as in the above table represents the last settlement date, specified within respective contracts.

附註1：各合約均有一系列結算日期。上表所示結束結算日期指各合約所指定的最後結算日期。

Note 2: Both contract C and contract D were terminated on 27 October 2016 and at the same time the Group entered into two new foreign currency options contracts (contract H and contract I) to replace contract C and contract D.

附註2：合約C及合約D均已於二零一六年十月二十七日終止，同時，本集團新訂兩份外匯期權合約（合約H及合約I）以取代合約C及合約D。

Note 3: Both contract F and contract G were settled as a result of occurrence of trigger event on 13 July 2016.

附註3：因於二零一六年七月十三日發生觸發事件，本集團結清了合約F及合約G。

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FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

24. DERIVATIVE FINANCIAL ASSETS AND LIABILITIES/FINANCIAL ASSETS DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

(a) Derivative financial assets and liabilities (Continued)

The Group has entered certain derivative transactions that are covered by the International Swaps and Derivatives Association Master Agreements ("ISDA Agreements") signed with a bank. These derivative instruments are not offset in the consolidated statement of financial position as the ISDA Agreements are in place with a right of set off only in the event of default, insolvency or bankruptcy so that the Group currently no legally enforceable right to set off the recognised amount.

As at 31 December 2016:

24. 衍生金融資產及負債／按公允值計入損益的金融資產 (續)

(a) 衍生金融資產及負債 (續)

本集團已訂立若干衍生工具交易，與銀行簽訂的國際掉期及衍生工具協會總協議涉及該等交易。由於國際掉期及衍生工具協會總協議規定出現拖欠款項、無力償債及破產的情況方可行使抵銷權，本集團目前並無可抵銷已確認款項的依法可強制執行權利，因此，該等衍生工具並未於綜合財務狀況表內抵銷。

於二零一六年十二月三十一日：

Related amounts not set off in the statement of financial position 並無於財務狀況表內抵銷的相關金額

	Gross/net amount of presented in the consolidated financial position 綜合財務狀況表 內呈列的總額／淨額 RMB'000 人民幣千元	Financial instrument 金融工具 RMB'000 人民幣千元	Cash collateral received 已收取現金 抵押品 RMB'000 人民幣千元	Net amount 淨額 RMB'000 人民幣千元
Financial assets 金融資產				
Bank balances 銀行結餘	9,282	(9,282)	-	-
Derivatives 衍生工具	13,795	(13,795)	-	-
Financial liabilities 金融負債				
Derivatives 衍生工具	(93,251)	23,077	-	(70,174)
Borrowings 借款	(395,409)	-	-	(395,409)
	(465,583)	-	-	(465,583)

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24. DERIVATIVE FINANCIAL ASSETS AND LIABILITIES/FINANCIAL ASSETS DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

24. 衍生金融資產及負債 / 按公允值計入損益的金融資產 (續)

(a) Derivative financial assets and liabilities (Continued)

(a) 衍生金融資產及負債 (續)

As at 31 December 2015:

於二零一五年十二月三十一日：

Related amounts not set off
in the statement of financial position
並無於財務狀況表內抵銷的相關金額

Gross/net amount of presented in the consolidated financial position 綜合財務狀況表 內呈列的總額 / 淨額 RMB'000 人民幣千元	Financial instrument 金融工具 RMB'000 人民幣千元	Cash collateral received 已收取現金 抵押品 RMB'000 人民幣千元	Net amount 淨額 RMB'000 人民幣千元
Financial assets 金融資產			
Bank balances 銀行結餘	7,696	(7,696)	–
Derivatives 衍生工具	17,055	(17,055)	–
Financial liabilities 金融負債			
Derivatives 衍生工具	(105,861)	24,751	–
Borrowings 借款	(171,972)	–	–
	(253,082)	–	–
			(253,082)

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24. DERIVATIVE FINANCIAL ASSETS AND LIABILITIES/FINANCIAL ASSETS DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

(b) Financial assets designated as at fair value through profit or loss

During the current year, the Group entered into several contracts of structured deposits with banks. The structured deposits contain embedded derivatives which were not closely related to the host contracts. The entire combined contracts have been designated as at financial assets at FVTPL on initial recognition. Except for the principal of RMB735,000,000 (2015: RMB402,000,000) which was guaranteed by the relevant banks, the remaining principal of RMB1,292,497,000 (2015: RMB1,306,270,000) was not guaranteed by the relevant banks in which the return of the structured deposits was determined by reference to the performance of the underlying government debt instruments and treasury notes and the expected return rate stated in the contracts ranges from 1.60% to 4.50% (2015: 1.80% to 5.60%) per annum.

In the opinion of the directors of the Company, the fair value of the structured deposits at 31 December 2016 approximated their principal amounts, and the fair value of the embedded derivatives is insignificant. All structured deposits will be matured in the year ended 31 December 2017.

24. 衍生金融資產及負債／按公允值計入損益的金融資產 (續)

(b) 按公允值計入損益的金融資產

於本年度期間，本集團與銀行簽訂若干結構性存款合約。該等結構性存款包含與主合約不密切相關的嵌入衍生工具。全部合併合約在初步確認時已指定為按公允值計入損益的金融資產。除本金人民幣735,000,000元（二零一五年：人民幣402,000,000元）已由有關銀行擔保外，剩餘本金人民幣1,292,497,000元（二零一五年：人民幣1,306,270,000元）未獲有關銀行擔保，該部分結構性存款的收益乃根據相關政府債務工具及國庫券的表現釐定，合約中的預期年收益率介乎1.60%至4.50%之間（二零一五年：1.80%至5.60%）。

本公司董事認為，於二零一六年十二月三十一日結構性存款的公允值與其本金相若，嵌入衍生工具的公允值屬微不足道。所有結構性存款均將於截至二零一七年十二月三十一日止年度到期。

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25. TRADE AND OTHER PAYABLES

The following is an aged analysis of trade and note payables presented based on the invoice date at the end of reporting period.

25. 貿易及其他應付款項

以下為於報告期末基於發票日的貿易應付款項及應付票據的賬齡分析。

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Current liabilities 流動負債		
Trade payables 貿易應付款項		
Within 90 days 90天以內	3,994,292	1,685,666
91 to 180 days 91天至180天	264,922	166,341
Over 180 days 180天以上	3,259	6,125
Accrued purchases 應計採購額	331,685	220,773
Total trade payables and accrued purchases 貿易應付款項及應計採購額總額	4,594,158	2,078,905
Note payables 應付票據		
Within 90 days 90天以內	421,837	412,836
91 to 180 days 91天至180天	11,812	43,699
	433,649	456,535
Payables for purchase of property, plant and equipment 購置物業、機器及設備應付款項	77,518	20,825
Payable for acquisition of assets (Note 1) 收購資產應付款項 (附註1)	4,233	4,233
Staff salaries and welfare payables 應付員工薪金及福利	308,314	199,099
Advance from customers 客戶墊付款項	30,981	29,580
Value added tax payables and other tax payables 應付增值稅及其他應付稅項	16,470	52,966
Technology grant payables 應付科技補助金	29,914	9,405
Commission payables 應付佣金	28,146	10,576
Interest payable 應付利息	1,437	1,322
Rental and utilities payable 應付租金及公用事業費用	2,325	9,848
Accrued research and development expenses 應計研發開支	21,348	21,695
Others 其他	24,049	19,413
	544,735	378,962
	5,572,542	2,914,402
Non-current liability 非流動負債		
Other payable 其他應付款項		
Payable for acquisition of assets (Note 1) 收購資產應付款項 (附註1)	2,817	6,347

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25. TRADE AND OTHER PAYABLES (Continued)

Note 1: The balance represented the unpaid cash consideration for the acquisition of assets from Konica Minolta Optical Products (Shanghai) Co., Ltd. which were unsecured and interest free. According to the relevant agreements, the Group is required to settle the purchase consideration in 5 yearly instalments, with the last payment in 2018.

The credit period on purchases of goods is up to 180 days (2015: 180 days) and the credit period for note payables is 90 days to 180 days (2015: 90 days to 180 days). The Group has financial risk management policies in place to ensure that all payables are settled within the credit time frame.

25. 貿易及其他應付款項 (續)

附註1：該結餘乃指收購柯尼卡美能達光學儀器(上海)有限公司資產的未支付現金代價，為無擔保及免息。根據相關協議，本集團須分五年償還購買代價，最後一次付款將於二零一八年作出。

貨品採購的信貸期最多為180天(二零一五年：180天)及應付票據的信貸期為90天至180天(二零一五年：90天至180天)。本集團已實施財務風險管理政策，以確保所有應付款項於信貸期內支付。

26. BANK BORROWINGS

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Secured 有抵押	324,055	241,238
Unsecured 無抵押	580,293	442,001
	904,348	683,239

The exposure of the Group's borrowings are as follows:

本集團的借貸風險如下：

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Fixed-rate borrowings 固定利率借貸	508,939	683,239
Variable-rate borrowings 可變利率借貸	395,409	–
	904,348	683,239

The above bank borrowings are repayable within one year.

上述銀行借貸須於一年內償還。

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26. BANK BORROWINGS (Continued)

The range of effective interest rates per annual (which are equal to contractual interest rates) on the Group's borrowings are as follows:

	2016 二零一六年	2015 二零一五年
Fixed-rate borrowings 固定利率借貸	2.72%	2.52%
Variable-rate borrowings 可變利率借貸	1.44%-1.66%	-

The variable-rate borrowings are denominated in United States Dollar and the floating-rates of these borrowings are subject to interest rate at London Inter-Bank Offer Rate ("LIBOR") plus 90 basis point a spread.

The Group's borrowings that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
United States Dollar ("USD") 美元	684,348	442,001

As at 31 December 2016, borrowings amounted to RMB324,055,000 (2015: RMB220,000,000) are secured by certain buildings and land of the Group of aggregated net book value approximately RMB186,149,000 (2015: RMB194,995,000) (Notes 13 and 14), while no borrowings are secured by certain trade receivables of the Group at the end of 2016 (2015: RMB22,382,000) (Note 22).

26. 銀行借貸 (續)

本集團借貸的實際年利率(相等於合約利率)範圍如下:

浮動利率借貸以美元計值, 該等借貸的浮動利率的利差為倫敦銀行同業拆息上浮90個基點。

本集團以相關集團實體功能貨幣以外的貨幣計值的借貸載列如下:

於二零一六年十二月三十一日, 人民幣324,055,000元(二零一五年: 人民幣220,000,000元)的借貸由本集團賬面淨值總額約為人民幣186,149,000元的若干樓宇及土地擔保(二零一五年: 人民幣194,995,000元)(附註13及14), 而於二零一六年底, 本集團並無借貸由若干貿易應收款項擔保(二零一五年: 人民幣22,382,000元)(附註22)。

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27. SHARE CAPITAL

27. 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:			
Ordinary shares of HK\$0.10 each at 1 January 2015, 31 December 2015 and 31 December 2016	100,000,000,000	10,000,000	
法定：			
於二零一五年一月一日、二零一五年十二月 三十一日及二零一六年十二月三十一日 每股面值0.10港元的普通股	100,000,000,000	10,000,000	
Issued & fully paid:			
Ordinary shares of HK\$0.10 each at 1 January 2015, 31 December 2015 and 31 December 2016	1,097,000,000	109,700	105,177
已發行及繳足：			
於二零一五年一月一日、二零一五年十二月 三十一日及二零一六年十二月三十一日 每股面值0.10港元的普通股	1,097,000,000	109,700	105,177

28. CAPITAL RISK MANAGEMENT

28. 資本風險管理

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.

本集團會管理資本，維持最有利的債務及權益結構，以確保本集團轄下公司能夠持續經營，盡量提高股東的回報。本集團的整體策略與去年相同。

The capital structure of the Group consists of net debt, which includes the bank borrowings disclosed in Note 26, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, retained profits and other reserves.

本集團的資本架構由負債淨額（包括於附註26中披露的銀行借貸（扣除現金及現金等值項目））及本公司股東應佔權益（包括已發行股本、保留溢利及其他儲備）組成。

The directors of the Company review the capital structure on a semi-annual basis. As part of this review, the directors of the Company consider the cost of capital and the risks associates with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the repayment of existing debts.

本公司董事每半年檢討一次資本架構。作為檢討的一部分，本公司董事考慮資本成本及各類資本相關風險。根據本公司董事的建議，本集團將透過支付股息、發行新股及股份購回以及發行新債或償還現有債務來平衡其整體資本架構。

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29. FINANCIAL INSTRUMENTS

a. Categories of financial instruments

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
<i>Financial assets 金融資產</i>		
Loans and receivables (including cash and cash equivalent) 貸款及應收款項 (包括現金及現金等值項目)	4,146,195	3,243,155
Available-for-sale investments 可供出售投資	62,267	67,672
Financial assets designated as at FVTPL 按公允值計入損益的金融資產	2,027,497	1,708,270
Derivative financial assets 衍生金融資產	13,795	17,055
	6,249,754	5,036,152
<i>Financial liabilities 金融負債</i>		
Liabilities measured at amortised cost 按攤銷成本計量的負債	5,776,114	3,086,332
Derivative financial liabilities 衍生金融負債	93,251	105,861
	5,869,365	3,192,193

b. Financial risk management objectives and policies

The Group's financial instruments include derivative financial assets/liabilities, available-for-sale investments, trade and other receivables, amounts with related parties, financial assets designated as at FVTPL, short term fixed deposits, pledged bank deposits, bank balances and cash, trade and other payables and borrowings. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (foreign currency risk, other price risk and interest rate risk), credit risk and liquidity risk. 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.

There has been no significant change to the Group's exposure relating to financial instruments or the manner in which it manages and measures the risks.

29. 金融工具

a. 金融工具分類

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
<i>Financial assets 金融資產</i>		
Loans and receivables (including cash and cash equivalent) 貸款及應收款項 (包括現金及現金等值項目)	4,146,195	3,243,155
Available-for-sale investments 可供出售投資	62,267	67,672
Financial assets designated as at FVTPL 按公允值計入損益的金融資產	2,027,497	1,708,270
Derivative financial assets 衍生金融資產	13,795	17,055
	6,249,754	5,036,152
<i>Financial liabilities 金融負債</i>		
Liabilities measured at amortised cost 按攤銷成本計量的負債	5,776,114	3,086,332
Derivative financial liabilities 衍生金融負債	93,251	105,861
	5,869,365	3,192,193

b. 財務風險管理目標及政策

本集團的金融工具包括衍生金融資產／負債、可供出售投資、貿易及其他應收款項、與關連人士之間的款項、按公允值計入損益的金融資產、短期定期存款、已抵押銀行存款、銀行結餘及現金、貿易及其他應付款項及借貸。金融工具的詳情載於相關附註。與此等金融工具相關的風險包括市場風險（外匯風險、其他價格風險及利率風險）、信貸風險及流動資金風險。減輕此等風險的政策載列於下文。管理層負責管理及監控此等風險，確保及時採取有效措施。

本集團金融工具的風險或管理及界定風險的策略並無重大改變。

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29. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk

As at 31 December 2016, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group 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 material debt at the end of the reporting period to ensure that 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 risks on liquid funds and derivative financial assets are limited because the counterparties are banks with high credit ratings.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings, the Group has concentration of credit risk as 33% (2015: 24%) and 59% (2015: 66%) of the total trade receivables was due from the Group's largest customer and the five largest customers, respectively. Revenue from the top five trade debtors represent over 62% (2015: 54%) of the Group's revenue for the year ended 31 December 2016. The directors of the Company, the associates and the shareholders have no interest in the customers mentioned above. The largest five customers' manufacturing facilities are located in the PRC and their principal activities are manufacturing of smartphones and optical related products.

29. 金融工具 (續)

b. 財務風險管理目標及政策 (續)

信貸風險

於二零一六年十二月三十一日，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，乃來自綜合財務狀況表所列各項已確認金融資產的賬面值。

為盡量減低信貸風險，本集團管理層已委派專責隊伍，負責釐定信貸限額、審批信貸及其他監控程序，以確保採取適當的跟進行動收回過期債務。此外，本集團於報告期末檢討各項重大債務的可收回款額，確保已就不可收回款項計提足夠的減值虧損。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，故有關流動資金及衍生金融資產的信貸風險有限。

除於若干信貸評級良好的銀行存放的流動資金存在信貸集中風險外，本集團另有信貸集中風險，皆因本集團總貿易應收款項中，最大客戶與前五大客戶分別佔33% (二零一五年：24%) 及59% (二零一五年：66%)。來自前五大貿易債務人的收入佔截至二零一六年十二月三十一日止年度本集團收入逾62% (二零一五年：54%)。本公司董事、聯繫人及股東於上述客戶中並無任何權益。前五大客戶的生產設施位於中國，其主要業務為製造智能手機及光學相關產品。

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29. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk (Continued)

As at 31 December 2016 and 2015, the Group has concentration of credit risk on its structured deposits designated as at FVTPL. The credit risk on structured deposits designated as at FVTPL is limited by the underlying assets invested by the structured deposits being the PRC government related debt instruments and treasury notes and the counterparties who issued these structured deposits are banks with good reputations.

The Group has concentration of credit risk on its deposits for acquisition of property, plant and equipment as 30% (2015: 30%) of the total deposits for acquisition of property, plant and equipment was paid to the Group's largest three suppliers of property, plant and equipment. The credit risk on the deposits paid is limited as these suppliers are large construction enterprises in the PRC and Hong Kong.

Other than the above, the Group has no other significant concentration of credit risk with exposure spread over a large number of counterparties and customers.

29. 金融工具 (續)

b. 財務風險管理目標及政策 (續)

信貸風險 (續)

於二零一六年及二零一五年十二月三十一日，本集團因指定為按公允值計入損益的結構性存款而承受信貸集中風險。指定為按公允值計入損益的結構性存款的信貸風險因結構性存款投資的相關資產為中國政府有關債務工具及國庫券且發行該等結構性存款的對手方為聲譽良好的銀行而屬有限。

本集團因購置物業、機器及設備的按金而承受信貸集中風險，皆因本集團已向前三大物業、機器及設備供應商支付購置物業、機器及設備總按金的30%（二零一五年：30%）。已付按金的信貸風險因該等供應商為中國及香港大型建築公司而屬有限。

除上文所述者外，本集團並無其他重大信貸集中風險，皆因有關風險乃分散於多名對手方及客戶之中。

Notes to the Consolidated Financial Statements

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

29. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Market risks

The Group's activities expose it primarily to the market risks of interest rate risk and foreign currency risk. Market risk exposures are further measured by sensitivity analysis. Details of each type of market risks are described as follows:

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate bank borrowings (see Note 26 for details of these bank borrowings), and short term fixed deposits and pledged bank deposits (see Note 23 for details of these deposits). The Group currently does not have interest rate hedging policy. However, the Group monitors interest rate exposures and will consider hedging significant interest rate exposures should the need arise.

The Group is also exposed to cash flow interest risk in relation to variable-rate bank balances and bank borrowings (see Note 26 for details of these borrowings). The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on bank balances and the LIBOR arising from the Group's US dollar denominated borrowings. It is the Group's policy to keep its borrowings at floating rate of interests so as to minimise the fair value interest rate risk.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note.

29. 金融工具 (續)

b. 財務風險管理目標及政策 (續)

市場風險

本集團業務的主要市場風險為利率風險及外匯風險。市場風險進一步按敏感度分析界定。以下為各類市場風險的詳情：

利率風險

本集團因固定利率銀行借貸（該等銀行借貸詳情見附註26）以及短期定期存款及已抵押銀行存款（該等存款詳情見附註23）而面臨公允值利率風險。本集團目前沒有任何利率對沖政策。然而，本集團會監控利率風險並會在有需要時考慮對沖重大利率風險。

本集團亦因可變利率銀行結餘和銀行借貸（該等借貸詳情見附註26）而面臨現金流量利率風險。本集團的現金流量利率風險主要集中於銀行結餘及本集團以美元計值的借貸產生的倫敦銀行同業拆息利率波動。本集團的政策為保持其借貸利率浮動以盡量減輕公允值利率風險。

本集團金融負債利率風險已在本附註流動資金風險管理一節中作詳細說明。

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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

29. FINANCIAL INSTRUMENTS (Continued) 29. 金融工具 (續)

b. Financial risk management objectives and policies (Continued)

Market risks (Continued)

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. 50 basis point (2015: nil) increase or decrease in variable-rate bank borrowings is used represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points (2015: nil) higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 December 2016 would decrease/increase by RMB1,672,000 (2015: nil). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowing.

Other price risk

The Group is exposed to other price risk through its investments in structured deposits classified as financial assets designated as at FVTPL and the foreign currency forward contracts and foreign currency option contracts. The management considers alternative tools to mitigate other price risk and there will be less new foreign currency forward contract or foreign currency option contract will be entered in the future, and therefore no sensitivity analysis on such risk has been prepared. However, the management will closely monitor such exposure and consider hedging such exposure should the need arise.

b. 財務風險管理目標及政策 (續)

市場風險 (續)

敏感度分析

以下敏感度分析乃根據報告期末衍生工具及非衍生工具的利率風險釐定。該分析乃假設於報告期末未償還金融工具全年均未償還而編製。可變利率銀行借貸增加或減少50個基準點(二零一五年：零)已使用管理層對利率的合理可能變化的評估。

倘利率增加/減少50個基準點(二零一五年：零)且其他所有變量保持不變，本集團於截至二零一六年十二月三十一日止年度的除稅後溢利將減少/增加人民幣1,672,000元(二零一五年：零)，主要是因為本集團面臨可變利率銀行借貸的利率風險。

其他價格風險

透過分類為指定為按公允值計入損益的金融資產的結構性存款、遠期外匯合約及外匯期權合約投資，本集團面臨其他價格風險。管理層考慮用替代工具降低其他價格風險，且未來將減少訂立新的遠期外匯合約或外匯期權合約，因此並未對該風險編製敏感度分析。然而，管理層將密切監察該等風險，並在有需要時考慮對沖該等風險。

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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

29. FINANCIAL INSTRUMENTS (Continued) 29. 金融工具 (續)

b. Financial risk management objectives and policies (Continued)

Market risks (Continued)

Foreign currency risk

The Group undertakes certain foreign currency sales and purchases, which expose the Group to foreign currency risk. Certain of the Group's bank and cash balances, trade and other receivables, trade and other payables and bank borrowings are denominated in currencies other than the functional currency of the relevant group entities and expose to such foreign currency risk. The Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rates and utilising foreign currency forward contracts and foreign currency option contracts.

The carrying amounts of the Group's foreign currencies denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

b. 財務風險管理目標及政策 (續)

市場風險 (續)

外幣風險

本集團進行若干外幣買賣，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、貿易及其他應付款項以及銀行借貸均以相關集團實體功能貨幣以外的貨幣計值且均面臨有關外幣風險。本集團密切監控匯率變動及使用遠期外匯合約及外匯期權合約以管理外幣風險。

以下為本集團於報告期末以外幣計值貨幣資產及貨幣負債的賬面值：

	Assets 資產		Liabilities 負債	
	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
USD 美元	998,514	423,662	2,579,784	894,606
HKD 港元	10,173	4,114	15,638	–
Japanese Yen (“JPY”) 日元	68,136	54,153	4,700	58,218
Korean Won (“KRW”) 韓元	3,712	863	4,667	–
Euros (“EUR”) 歐元	1,416	1,057	39	–

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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

29. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Market risks (Continued)

Sensitivity analysis

The Group is mainly exposed to fluctuation in USD, HKD, JPY, KRW and EUR against RMB.

The following table details the Group's sensitivity to a 5% change in respective functional currencies against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currencies denominated monetary items and adjusts their translation at the year end date for a 5% change in foreign currency rates.

A positive (negative) number below indicates an increase (decrease) in post-tax profit where the respective functional currencies strengthen 5% against the relevant foreign currencies. For a 5% weakening of the respective functional currencies against the relevant currencies, there would be an equal and opposite impact on the post-tax profit.

	Profit for the year	
	2016	2015
	二零一六年	二零一五年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
USD (Note) 美元 (附註)	67,204	20,015
HKD 港元	232	(175)
JPY 日元	(2,696)	173
KRW 韓元	41	(37)
EUR 歐元	(59)	(44)

Note: This is mainly attributable to the exposure to bank balances, outstanding receivables, outstanding payables and borrowings denominated in foreign currency of USD at the year end.

29. 金融工具 (續)

b. 財務風險管理目標及政策 (續)

市場風險 (續)

敏感度分析

本集團的主要風險來自美元、港元、日元、韓元及歐元兌人民幣的匯率波動。

下表詳述本集團於各功能貨幣兌相關外幣升值／貶值5%時的敏感度。敏感度分析僅包括尚未結算的外幣計值貨幣項目，以及有關換算因年結日匯率增減5%而作出的調整。

下列正數(負數)代表各功能貨幣兌相關外幣升值5%而導致除稅後溢利增加(減少)情況。倘各功能貨幣兌相關貨幣貶值5%，則會對除稅後溢利有等額相反的影響。

附註：主要是來自年底以美元計值的銀行結餘、未結算應收款項、未結算應付款項及借貸的風險。

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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

29. FINANCIAL INSTRUMENTS (Continued) 29. 金融工具 (續)

b. Financial risk management objectives and policies (Continued)

Liquidity risk

The Group has net current assets amounting to approximately RMB2,659,539,000 at 31 December 2016 (2015: RMB2,277,676,000) 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 table below analyses the Group's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to their maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows, based on floating interest rate or exchange rates (where applicable) prevailing at the consolidated statement of financial position date.

b. 財務風險管理目標及政策 (續)

流動資金風險

本集團於二零一六年十二月三十一日的流動資產淨值約人民幣2,659,539,000元(二零一五年:人民幣2,277,676,000元),故因未能籌募足夠資金清償到期金融負債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人員認為足夠的現金及現金等值項目,用作本集團的營運資金及減輕現金流量不穩定的影響。

下表載列基於資產負債表日至到期日的剩餘期間按有關到期組別對本集團金融負債及以淨額結算的衍生金融負債的分析。表格所披露金額為基於綜合財務狀況表日的浮動利率或匯率(如適用)的未貼現合約現金流量。

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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

29. FINANCIAL INSTRUMENTS (Continued)

29. 金融工具 (續)

b. Financial risk management objectives and policies (Continued)

b. 財務風險管理目標及政策 (續)

Liquidity risk (Continued)

流動資金風險 (續)

Liquidity tables

流動資金列表

	Weighted average effective interest rate 加權平均 實際利率	Less than 3 months 三個月內 RMB'000 人民幣千元	3 months to 1 year 三個月至一年 RMB'000 人民幣千元	1 year to 5 years 一年至五年 RMB'000 人民幣千元	Total undiscounted cash flows 未貼現 現金流量總額 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
<i>As at 31 December 2016 於二零一六年十二月三十一日</i>						
Non-derivative financial liabilities 非衍生金融負債						
Trade and other payables 貿易及其他應付款項		4,863,744	-	2,817	4,866,561	4,866,561
Amounts due to related parties 應付關連人士款項		5,205	-	-	5,205	5,205
Bank borrowings – fixed rate 銀行借貸 – 固定利率	2.72%	106,882	415,885	-	522,767	508,939
Bank borrowings – variable rate 銀行借貸 – 可變利率	1.44%-1.66%	-	401,599	-	401,599	395,409
		4,975,831	817,484	2,817	5,796,132	5,776,114
Derivative financial liabilities 衍生金融負債						
Foreign currency options contracts 外匯期權合約 – net settled – 淨額結算		-	93,251	-	93,251	93,251
		-	93,251	-	93,251	93,251
Total 總計		4,975,831	910,735	2,817	5,889,383	5,869,365
<i>As at 31 December 2015 於二零一五年十二月三十一日</i>						
Non-derivative financial liabilities 非衍生金融負債						
Trade and other payables 貿易及其他應付款項	-	2,393,631	3,174	3,174	2,399,979	2,399,979
Amounts due to related parties 應付關連人士款項	-	3,114	-	-	3,114	3,114
Bank borrowings 借貸	2.52%	-	700,457	-	700,457	683,239
		2,396,745	703,631	3,174	3,103,550	3,086,332
Derivative financial liabilities 衍生金融負債						
Foreign currency forward contracts 遠期外匯合約 – net settled – 淨額結算	-	6,238	-	-	6,238	6,238
Foreign currency options contracts 外匯期權合約 – net settled – 淨額結算	-	2,069	95,622	1,932	99,623	99,623
		8,307	95,622	1,932	105,861	105,861
Total 總計		2,405,052	799,253	5,106	3,209,411	3,192,193

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ from the estimates of interest rates determined at the end of the reporting period.

倘可變利率變動與在報告期末釐定的利率估計值不同，則上述非衍生金融負債的可變利率工具金額也隨之變動。

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FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

29. FINANCIAL INSTRUMENTS (Continued) 29. 金融工具 (續)

c. Fair value measurements of financial instruments

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

c. 金融工具的公允價值計量

本附註提供有關本集團如何釐定不同金融資產及金融負債公允價值的資料。

按經常性基準以公允價值計量的本集團金融資產及金融負債的公允價值

Financial assets 金融資產	Fair value as at 於以下日期的公允價值		Fair value hierarchy 公允價值等級	Valuation technique and key inputs 估值法及主要輸入數據
	31 December 2016 二零一六年十二月三十一日	31 December 2015 二零一五年十二月三十一日		
Financial assets designated as at FVTPL	Structured deposits in the PRC with non-closely related embedded derivatives: RMB2,027,497,000	Structured deposits in the PRC with non-closely related embedded derivatives: RMB1,708,270,000	Level 3	Discounted cash flows Key unobservable inputs: (1) expected yields of debt instruments invested by banks (2) a discount rate that reflects the credit risk of the banks (Note)
按公允價值計入損益的金融資產	包含不密切相關的嵌入式衍生工具的中國結構性存款：人民幣2,027,497,000元	包含不密切相關的嵌入式衍生工具的中國結構性存款：人民幣1,708,270,000元	第三級	貼現現金流量 主要不可觀察輸入數據： (1) 銀行投資債務工具的預期收益 (2) 反映銀行信貸風險的貼現率（附註）
Foreign currency forward contracts classified as derivatives financial assets and liabilities	Current derivative financial assets: N/A Current derivative financial liabilities: N/A	Current derivative financial assets: RMB5,485,000 Current derivative financial liabilities: RMB6,238,000	Level 2	Discounted cash flows Key unobservable input: A discount rate that reflects the credit risk of the banks
分類為衍生金融資產及負債的遠期外匯合約	流動衍生金融資產：不適用 流動衍生金融負債：不適用	流動衍生金融資產：人民幣5,485,000元 流動衍生金融負債：人民幣6,238,000元	第二級	貼現現金流量 主要不可觀察輸入數據： 反映銀行信貸風險的貼現率

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FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

29. FINANCIAL INSTRUMENTS (Continued)

29. 金融工具 (續)

c. Fair value measurements of financial instruments (Continued)

c. 金融工具的公允值計量 (續)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

按經常性基準以公允值計量的本集團金融資產及金融負債的公允值 (續)

Financial assets 金融資產	Fair value as at 於以下日期的公允值		Fair value hierarchy 公允值等級	Valuation technique and key inputs 估值法及主要輸入數據
	31 December 2016 二零一六年十二月三十一日	31 December 2015 二零一五年十二月三十一日		
Foreign currency options contracts classified as derivatives financial liabilities	Current derivative financial assets: RMB13,795,000 Current derivative financial liabilities: RMB93,251,000	Current and non-current derivative financial assets: RMB11,570,000 Current and non-current derivative financial liabilities: RMB99,623,000	Level 2	Black-scholes model Key unobservable inputs: (1) Volatility of the foreign exchange rate (2) A discount rate that reflects the credit risk of the banks
分類為衍生金融負債的外匯期權合約	流動衍生金融資產：人民幣13,795,000元 流動衍生金融負債：人民幣93,251,000元	流動及非流動衍生金融資產：人民幣11,570,000元 流動及非流動衍生金融負債：人民幣99,623,000元	第二級	柏力克－舒爾斯模式 主要不可觀察輸入數據： (1) 匯率波動 (2) 反映銀行信貸風險的貼現率

Note: The directors of the Company consider that the impact of the fluctuation in expected yields of the underlying instruments to the fair value of the structured deposits was insignificant as the deposits have short maturities, and therefore no sensitivity analysis is presented.

附註：本公司董事認為，由於存款到期日較短，相關工具預期收益的波動對於結構性存款的公允值並無重大影響，因此無呈列敏感度分析。

There were no transfers between level 1, level 2 and level 3 in the period.

期內第一級、第二級與第三級之間並無轉移。

No gains or losses are recognised in profit or loss relating to the change in fair value of structured deposits classified as Level 3 in the current and prior year as the amount involved is insignificant, and therefore no reconciliation of Level 3 fair value measurements is presented.

由於所涉及的款項並不重大，故本年度及過往年度並無於損益內確認與分類為第三級結構性存款的公允值變動有關的收益或虧損，因此並無呈列第三級公允值計量的對賬。

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities carried at amortised cost in the consolidated financial statements approximate their fair values.

本公司董事認為於綜合財務報表中按攤銷成本列賬的金融資產及金融負債賬面值與其公允值相若。

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30. COMMITMENTS

30. 承擔

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 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 已訂約但未於綜合財務報表撥備有關收購物業、機器及設備的資本開支	220,068	126,263

31. OPERATING LEASES

31. 經營租約

The Group as lessor

At the end of the reporting period, the Group has contracted with tenants for the following future minimum lease payments:

本集團作為出租人

於報告期末，本集團已就下列未來最低租金付款與承租人訂約：

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Within one year 一年內	1,935	1,317
In the second to fifth year inclusive 第二至第五年內（包括首尾兩年）	1,589	2,175
Over five years 五年以上	33	46
	3,557	3,538

Rental income represents rental receivables by the Group. Leases are negotiated ranged from 1 to 10 years with fixed rentals.

租金收入指本集團的應收租金。租約經磋商訂立，租期為一至十年不等，期間租金固定不變。

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31. OPERATING LEASES (Continued)

The Group as lessee

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Minimum lease payments under operating leases recognised in profit or loss 於損益中確認的經營租約的最低租金付款	26,208	21,853

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of premises which fall due as follows:

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Within one year 一年內	27,104	21,991
In the second to fifth year inclusive 第二至第五年內(包括首尾兩年)	91,878	56,727
Over five years 五年以上	30,211	20,876
	149,193	99,594

Operating lease payments represent rental payables by the Group for premises used for production and operation. Leases are negotiated for a term ranged from 1 to 10 years and rentals are fixed over the relevant lease terms.

31. 經營租約 (續)

本集團作為承租人

於報告期末，本集團根據不可撤銷經營租約就於下表所示時間到期的相關物業的未來最低租金付款承擔如下：

經營租約付款為本集團就用作生產及營運之物業應付的租金。租約經磋商訂立，租期為一至十年不等，而租金於相關租期內固定不變。

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32. RETIREMENT BENEFIT SCHEME

32. 退休福利計劃

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 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	81,745	66,143

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.

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 MPF Scheme are held separately from those of the Group, in funds under the control of trustees. For employees who are members of the MPF Scheme, the Group contributes 5% of relevant payroll costs to the scheme subject to a maximum of approximately RMB1,286 (equivalent to HK\$1,500) per month, which contribution is matched by the employee.

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。該等附屬公司須自薪金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。

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」）。強積金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%向該計劃供款，上限為每月約人民幣1,286元（相等於1,500港元），而僱員亦會作相應供款。

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33. RELATED PARTY TRANSACTIONS

33. 關連人士交易

(a) Names and relationships with related parties during the years are as follows:

(a) 年內關連人士名稱及與關連人士的關係如下：

Name 名稱	Principal activities 主要業務	Relationship 關係
Ningbo Sunny Electronic Limited ("Ningbo SST") 寧波舜宇電子有限公司 (「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	Company controlled by a close family member of the Company's director and ultimate controlling shareholder, Mr. Wang Wenjian 本公司董事及最終控股股東王文鑒先生近 親所控制的公司
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 close family member of the Company's director, Mr. Ye Liaoning 本公司董事葉遼寧先生近親所控制的公司
Shanghai Shuangquan Scientific Instruments Company Limited ("Shuangquan") 上海雙圈科學儀器有限公司 (「雙圈」)	Distribution and sale of scientific instruments 分銷及銷售科學儀器	Company controlled by a close family member of the shareholder of Sunny Hengping 舜宇恒平儀器股東近親所控制的公司
寧波舜宇機械有限公司 ("Sunny Machinery") 寧波舜宇機械有限公司 (「舜宇機械」)	Manufacture and sale of telescopes and riflescopes 生產及銷售望遠鏡及瞄準器	Company controlled by a close family member of the Company's director and ultimate controlling shareholder, Mr. Wang Wenjian 本公司董事及最終控股股東王文鑒先生近 親所控制的公司
餘姚市舜藝光學儀器有限公司 ("舜藝光學") 餘姚市舜藝光學儀器有限公司 (「舜藝光學」)	Manufacture and sale of parts for optical instruments 生產及銷售光學儀器部件	Company controlled by a close family member of the Company's director, Mr. Ye Liaoning with significant influence on the Group 本公司董事葉遼寧先生 (對本集團具有重 大影響) 近親所控制的公司
Ningbo Sunny Mould Co., Ltd. ("Sunny Mould") 寧波舜宇模具股份有限公司 (「舜宇模具」)	Manufacture and sale of various precision moulds for cars 生產及銷售各種汽車精密模具	Company controlled by a family member of the Company's director and ultimate controlling shareholder, Mr. Wang Wenjian 本公司董事及最終控股股東王文鑒先生親 屬所控制的公司

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33. RELATED PARTY TRANSACTIONS (Continued)

33. 關連人士交易 (續)

(a) Names and relationships with related parties during the years are as follows: (Continued)

(a) 年內關連人士名稱及與關連人士的關係如下：(續)

Name 名稱	Principal activities 主要業務	Relationship 關係
寧波市益康國際貿易有限公司 ("益康") 寧波市益康國際貿易有限公司(「益康」)	Sale of electronic devices 銷售電子設備	Company controlled by a close family member of Company's senior management, Mr. Zhang Guoxian 本公司高級管理人員張國賢先生近親所控制的公司
Jiangsu Medical 江蘇舜宇醫療	Manufacture and sales of medical instruments 生產及銷售醫療儀器	An associate of the Group 本集團聯營公司
Wissen 維森	Research and development of imaging motion sensors 研發成像運動傳感器	An associate of the Group 本集團聯營公司
Ningbo Wissen 寧波維森	Research and development of imaging motion sensors 研發成像運動傳感器	A wholly owned subsidiary of an associate of the Group 本集團全資附屬聯營公司
MantisVision MantisVision	Developing, manufacturing and marketing of emergent vision technologies for consumers and professional applications 為客戶及專業應用開發、製造及推廣新興視覺技術	An available-for-sale investment of the Group 本集團的可供出售投資
Movidius Movidius	Development and marketing of programmable image signal processing products 開發及推廣可編程影像信號處理產品	An available-for-sale investment of the Group at 31 December 2015 and being disposed in 2016 本集團於二零一五年十二月三十一日擁有及於二零一六年出售的可供出售投資

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33. RELATED PARTY TRANSACTIONS (Continued)

33. 關連人士交易 (續)

(b) Transactions with related parties:

(b) 與關連人士交易：

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Sales of goods 銷售產品		
舜藝光學 舜藝光學	1,433	942
Jiangsu Medical 江蘇舜宇醫療	1,368	684
Ningbo SST 寧波舜宇科技	569	780
Shuangquan 雙圈	633	619
Wissen 維森	451	457
Ningbo Wissen 寧波維森	679	-
Movidius Movidius	159	-
	5,292	3,482
Purchase of raw materials 購買原材料		
舜藝光學 舜藝光學	9,703	8,043
Movidius Movidius	1,015	-
益康 益康	456	27
MantisVision MantisVision	35	-
Xingli 興立	-	25
	11,209	8,095
Property rental expenses 物業租金支出		
Ningbo SST 寧波舜宇科技	553	1,197
Processing charge and other expenses 加工費用及其他開支		
Ningbo SST 寧波舜宇科技	1	333

附註：該等交易根據相關人士協定的條款進行。

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33. RELATED PARTY TRANSACTIONS (Continued)

(c) At the end of reporting period, the Group has the following significant balances with related parties:

33. 關連人士交易 (續)

(c) 於報告期末，本集團與關連人士的重大結餘如下：

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 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		
舜藝光學 舜藝光學	251	202
Ningbo SST 寧波舜宇科技	247	662
Ningbo Wissen 寧波維森	106	288
Shuangquan 雙圈	78	62
Sunny Mould 舜宇模具	-	1
	682	1,215
Current liabilities: 流動負債：		
Amounts due to related parties 應付關連人士款項		
舜藝光學 舜藝光學	4,554	3,023
Ningbo Wissen 寧波維森	536	-
益康 益康	94	68
Ningbo SST 寧波舜宇科技	21	23
	5,205	3,114

All of the above amounts are of a trade nature, unsecured, interest free and repayable on demand.

所有以上數額均為貿易性質、無擔保、免利息且須於要求時償還。

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33. RELATED PARTY TRANSACTIONS (Continued)

(c) At the end of reporting period, the Group has the following significant balances with related parties: (Continued)

The following is an aged analysis of related parties balance of trade nature at the end of reporting period.

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Current assets: 流動資產：		
Within 90 days 90天內	682	1,215
Current liabilities: 流動負債：		
Within 90 days 90天內	5,205	3,114

The Group allows a credit period of 90 days to related party trade receivables (2015: 90 days). The average credit period on purchases of goods from related parties is 90 days (2015: 90 days).

(d) Compensation of key management personnel

The remuneration of key management during the year is as follows:

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Short-term benefits 短期福利	26,405	21,651
Share award scheme 股份獎勵計劃	11,341	9,262
Post-employment benefits 離職後福利	779	697
	38,525	31,610

33. 關連人士交易 (續)

(c) 於報告期末，本集團與關連人士的重大結餘如下：(續)

於報告期末，有關貿易性質的關連人士結餘賬齡分析如下。

本集團給予關連人士貿易應收款項90天的信貸期(二零一五年：90天)。關連人士貨品採購的平均信貸期為90天(二零一五年：90天)。

(d) 主要管理人員薪酬

年內，主要管理人員薪酬如下：

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34. GOVERNMENT GRANTS/DEFERRED INCOME

34. 政府補助金／遞延收入

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Amounts credited to profit or loss during the year: 年內計入損益金額：		
Subsidies related to technology enhancement of production lines (Note 1) 生產線技術改進補貼(附註1)	9,136	7,741
Subsidies related to research and development of technology projects (Note 2) 技術項目研發補貼(附註2)	10,889	8,362
Incentive subsidies (Note 3) 獎勵補貼(附註3)	37,358	24,448
	57,383	40,551
Deferred income related to government grants: 政府補助金遞延收入：		
Subsidies related to technology enhancement of production lines (Note 1) 生產線技術改進補貼(附註1)	19,459	19,031
Subsidies related to research and development of technology projects (Note 2) 技術項目研發補貼(附註2)	38,002	19,080
Incentive subsidies (Note 3) 獎勵補貼(附註3)	700	-
Total 總計	58,161	38,111
Less: current portion 減：即期部分	(29,973)	(13,609)
Non-current portion 非即期部分	28,188	24,502

Note 1: The Group received grants from the local government for the purpose of increase in production capacity for high-end handset lens sets by enhancement of production lines. The amounts are deferred and amortised over the useful lives of the relevant assets in the enhanced production lines.

附註1：本集團獲得地方政府的補貼，以通過改進生產線提高高科技手機鏡頭產能。該等金額作遞延並於各已改進生產線的相關資產的可使用年期內攤銷。

Note 2: The Group received grants for reimbursement towards the costs of research and development of certain technology projects with local government and various parties. The amounts are deferred and amortised over period of the respective technology projects.

附註2：本集團獲得地方政府及有關各方的補貼，以補助部分技術項目研發成本。該等金額作遞延並於各技術項目期間攤銷。

Note 3: Incentive subsidies were received from the local government in recognition of the eminence of development of new products, achievement of certain revenue and export volume milestones of the Group. The subsidies were granted on a discretionary basis to the Group during the current year.

附註3：地方政府提供獎勵補貼以嘉許本集團開發新產品、達到收入指標及發展出口業務。該等補貼已於本年度酌情授予本集團。

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35. SHARE AWARD SCHEME

The Company adopted The Sunny Optical Technology (Group) Company Limited Restricted Share Award Scheme (“Restricted Share Award Scheme”) on 22 March 2010 (“Adoption Date”) with a duration of 10 years commencing from the Adoption Date. The objective of the Share Award Scheme is to provide the selected participants including directors of the Companies, employees, agents or consultants of the Company and its subsidiaries (the “Selected Participants”) with an opportunity to acquire a proprietary interest in the Company; to encourage and retain such individuals to work with the Group; and to provide additional incentive for them to achieve performance goals, with a view to achieving the objectives of increasing the value of the Company and aligning the interests of the Selected Participants directly to be the owners of the Company through ownership of shares. The Group has set up The Sunny Optical Technology (Group) Company Limited Restricted Share Award Scheme Trust (“Trust”) to administrate and hold the Company’s shares before they are vested and transferred to Selected Participants. Upon granting of shares to Selected Participants (“Restricted Shares”), the Trust purchases the Company’s shares being awarded from the open market with funds provided by the Company by way of contributions. Restricted Shares granted under the Share Award Scheme are subject to a vesting scale in tranches of one-third to one-fifth each (as the case may be) on every anniversary date of the grant date starting from the first anniversary date until the third to the fifth anniversary (as the case may be). The vested shares are transferred to Selected Participants at no cost except that the expenses attributable or payable in respect of the transfer of such shares of the Company shall be borne by the Selected Participants.

35. 股份獎勵計劃

本公司已於二零一零年三月二十二日（「採納日期」）採納了舜宇光學科技（集團）有限公司受限制股份獎勵計劃（「受限制股份獎勵計劃」），該計劃自採納日期起持續十年有效。股份獎勵計劃旨在為特選參與者提供（包括本公司董事、僱員、本公司及其附屬公司的代理或顧問）（「特選參與者」）一個購買本公司所有人權益的機會；鼓勵及挽留於本集團工作的個別人士；及額外推動彼等爭取達到業績目標，以實現提升本公司價值，並且透過擁有股份，使特選參與者的權益與本公司股東的權益直接掛鈎的目標。本集團已成立舜宇光學科技（集團）有限公司受限制股份獎勵計劃信託（「信託」）以管理及持有本公司股份直至股份歸屬及轉讓予特選參與者。在向特選參與者授出股份（「限制性股份」）時，信託在公開市場上購買將予授出之本公司股份，並由本公司以供款方式提供資金。根據股份獎勵計劃授出的限制性股份由授出日期第一週年當日起計至第三到第五（視情況而定）個週年日期間，每個週年日分批歸屬三分之一至五分之一（視情況而定）。已歸屬的股份無償轉讓予特選參與者，惟特選參與者須承擔轉讓本公司該等股份應佔或應付的開支。

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35. SHARE AWARD SCHEME (Continued) 35. 股份獎勵計劃 (續)

The grant of Restricted Shares is subject to acceptance by the Selected Participants. Restricted Shares granted to but not accepted by the Selected Participants shall become unaccepted shares. The Trustee may use any remainder of cash and non-cash income received by the Trust in respect of the shares held upon trust to purchase additional shares after defraying all expenses incurred by the Trust prior to the purchase of additional shares. The selected participants have no rights to receive dividend income and cannot exercise any voting rights in respect of the Restricted Shares granted to them during the vesting period. The Trust shall hold the additional shares, unaccepted shares and unvested shares upon trust and may make any grant to existing or new Selected Participants after receiving instructions from the Administration Committee of the Group. The fair value of Restricted Shares awarded was determined based on the market value of the Company's shares at the grant date.

During the year ended 31 December 2015, pursuant to the original Restricted Share Award Scheme dated 22 March 2010, on 26 May 2015, the directors of the Company resolved to change (i) the vesting period under the Restricted Share Award Scheme from three to five years to two to five years; and (ii) the circumstances when the Company's shares would lapse, with immediate effect. The details of the amendments have been disclosed in the announcement of the Company dated 26 May 2015. The directors of the Company considered that the above amendments have had no material impact on the recognition and measurement of those shares granted before 26 May 2015.

授出限制性股份須待特選參與者接納方可作實。授予特選參與者但不獲接納的限制性股份為不獲接納股份。受託人可動用信託就以信託方式持有的股份所收取的任何現金及非現金收入餘額購買額外股份，惟在購買額外股份前須已支付信託的所有開支。特選參與者並無收取股息收入的權利，亦不能在歸屬期內就彼等獲授予的限制性股份行使任何投票權。信託須以信託方式持有額外股份、不獲接納股份及未歸屬股份，並在本集團管理委員會的指示下向現有或新的特選參與者授出該等股份。作為獎勵的限制性股份的公允值按本公司股份於授出日期的市價釐定。

截至二零一五年十二月三十一日止年度，根據日期為二零一零年三月二十二日的原定受限制股份獎勵計劃，於二零一五年五月二十六日，本公司董事議決修訂(i)受限制股份獎勵計劃項下之歸屬期，由三至五年變更為二至五年；(ii)本公司股份失效之情況，即時有效。有關修訂的詳情於本公司日期為二零一五年五月二十六日之公告內披露。本公司董事認為，上述修訂對該等於二零一五年五月二十六日前授出的股份的確認及計量並無重大影響。

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35. SHARE AWARD SCHEME (Continued) 35. 股份獎勵計劃 (續)

Movements in the number of Restricted Shares granted and related fair value are as follows:

已授出限制性股份的數目及其相關公允值的變動如下：

	Weighted average fair value (per share) (每股) 加權平均公允值 HK\$ 港元	Number of Restricted Shares granted 已授出限制性股份數目 (‘000) (千股)
At 1 January 2015 於二零一五年一月一日	6.385	25,779
Lapsed 已失效	7.933	(423)
Vested 已歸屬	5.517	(11,016)
Granted (Note 1) 已授出 (附註1)	15.527	5,718
At 31 December 2015 and 1 January 2016 於二零一五年十二月三十一日及二零一六年一月一日	9.405	20,058
Lapsed 已失效	13.178	(326)
Vested 已歸屬	8.876	(9,792)
Granted (Note 2) 已授出 (附註2)	30.841	2,782
At 31 December 2016 於二零一六年十二月三十一日	14.402	12,722

Note 1: The Restricted Shares granted in 2015 vest on every anniversary date of the grant date of each batch of Restricted Shares in tranches on the following scales:

附註1：於二零一五年已授出限制性股份於各批限制性股份授出日期的每個週年日按以下規模分批歸屬：

Restricted Shares	Fair value (per share) HK\$	Scales
1,386,000 shares	14.300	One-fourth
2,093,624 shares	17.280	One-half
1,396,000 shares	12.260	One-fourth
842,855 shares	17.760	One-half to one-third

限制性股份	(每股) 公允值 港元	規模
1,386,000股	14.300	四分之一
2,093,624股	17.280	二分之一
1,396,000股	12.260	四分之一
842,855股	17.760	二分之一至三分之一

The fair value of Restricted Shares granted is measured on the basis of an observable market price.

所授出限制性股份的公允值乃基於可觀察的市場價格計量。

Note 2: The Restricted Shares granted in 2016 vest on every anniversary date of the grant date of each batch of Restricted Shares in tranches on the following scales:

附註2：於二零一六年已授出限制性股份於各批限制性股份授出日期的每個週年日按以下規模分批歸屬：

Restricted Shares	Fair value (per share) HK\$	Scales
2,154,428 shares	24.250	One-half
627,174 shares	37.450	One-half to one-third

限制性股份	(每股) 公允值 港元	規模
2,154,428股	24.250	二分之一
627,174股	37.450	二分之一至三分之一

The fair value of Restricted Shares granted in measured on the basis of an observable market price.

所授出限制性股份的公允值乃基於可觀察的市場價格計量。

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35. SHARE AWARD SCHEME (Continued) 35. 股份獎勵計劃 (續)

The following table discloses details of the shares granted under Restricted Shares held by employees (including the directors of the Company) of the Group and movements in such holdings during the year:

Type	Balance at 1.1.2016	Granted during the year	Lapsed during the year	Vested during the year	Balance at 31.12.2016
類別	於二零一六年 一月一日的結餘 '000 千股	年內授出 '000 千股	年內失效 '000 千股	年內歸屬 '000 千股	於二零一六年 十二月三十一日 的結餘 '000 千股
Shares 股份	20,058	2,782	(326)	(9,792)	12,722

下表披露本集團僱員(包括本公司董事)所持有的根據限制性股份授出股份的詳情及年內該等股權變動的詳情:

Type	Balance at 1.1.2015	Granted during the year	Lapsed during the year	Vested during the year	Balance at 31.12.2015
類別	於二零一五年 一月一日的結餘 '000 千股	年內授出 '000 千股	年內失效 '000 千股	年內歸屬 '000 千股	於二零一五年 十二月三十一日 的結餘 '000 千股
Shares 股份	25,779	5,718	(423)	(11,016)	20,058

Details of the shares held by the directors of the Company included in the above table are as follows:

上表所載本公司董事所持股份的詳情如下:

Type	Balance at 1.1.2016	Granted during the year	Lapsed during the year	Vested during the year	Balance at 31.12.2016
類別	於二零一六年 一月一日的結餘 '000 千股	年內授出 '000 千股	年內失效 '000 千股	年內歸屬 '000 千股	於二零一六年 十二月三十一日 的結餘 '000 千股
Shares 股份	1,577	167	-	(788)	956

Type	Balance at 1.1.2015	Granted during the year	Lapsed during the year	Vested during the year	Balance at 31.12.2015
類別	於二零一五年 一月一日的結餘 '000 千股	年內授出 '000 千股	年內失效 '000 千股	年內歸屬 '000 千股	於二零一五年 十二月三十一日 的結餘 '000 千股
Shares 股份	2,753	76	-	(1,252)	1,577

The equity-settled share-based payments charged to the profit or loss was RMB79,210,000 for the year ended 31 December 2016 (2015: RMB60,218,000).

截至二零一六年十二月三十一日止年度,於損益扣除的以權益結算股份支付的款項為人民幣79,210,000元(二零一五年:人民幣60,218,000元)。

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36. PARTICULARS OF SUBSIDIARIES

(a) Particulars of subsidiaries indirectly held, unless otherwise stated, by the Company at 31 December 2016 and 2015 are as follows:

36. 附屬公司詳情

(a) 除另有說明外，本公司於二零一六年及二零一五年十二月三十一日間接持有的附屬公司詳情如下：

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 本集團持有的應佔權益		Principal activities 主要業務
			2016 二零一六年	2015 二零一五年	
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 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 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 舜宇光學海外有限公司	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 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 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

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36. PARTICULARS OF SUBSIDIARIES (Continued)

36. 附屬公司詳情 (續)

(a) (Continued)

(a) (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 本集團持有的應佔權益		Principal activities 主要業務
			2016 二零一六年	2015 二零一五年	
* Sunny Optics * 浙江舜宇光學有限公司	The PRC 中國	Registered and contributed capital RMB430,000,000 註冊及實繳股本人民幣 430,000,000元	100%	100%	Manufacture and sale of optical components 生產及銷售光學零件
* Sunny Instruments * 寧波舜宇儀器有限公司	The PRC 中國	Registered and contributed capital RMB82,500,000 註冊及實繳股本人民幣 82,500,000元	100%	100%	Manufacture and sale of optical instruments 生產及銷售光學儀器
* Sunny Zhongshan * 舜宇光學(中山)有限公司	The PRC 中國	Registered and contributed capital US\$14,990,000 註冊及實繳股本14,990,000美 元	100%	100%	Manufacture and sale of optical components 生產及銷售光學零件
* Sunny Opotech * 寧波舜宇光電信息有限公司	The PRC 中國	Registered and contributed capital US\$38,831,600 註冊及實繳股本38,831,600美 元	100%	100%	Manufacture and sale of optoelectronics products 生產及銷售光電產品
# Sunny Automotive # 寧波舜宇車載光學技術有限公司	The PRC 中國	Registered and contributed capital RMB5,000,000 註冊及實繳股本人民幣 5,000,000元	100%	100%	Manufacture and sale of optical automotive components 生產及銷售光學車載零件
# Xinyang Sunny Optics Co., Ltd. # 信陽舜宇光學有限公司	The PRC 中國	Registered and contributed capital RMB100,000,000 註冊及實繳股本人民幣 100,000,000元	100%	100%	Manufacture and sale of optical components 生產及銷售光學零件

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36. PARTICULARS OF SUBSIDIARIES (Continued)

36. 附屬公司詳情 (續)

(a) (Continued)

(a) (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 本集團持有的應佔權益		Principal activities 主要業務
			2016 二零一六年	2015 二零一五年	
# Shanghai Sunny Hengping # 上海舜宇恒平科學儀器有限公司	The PRC 中國	Registered and contributed capital RMB30,000,000 註冊及實繳股本人民幣 30,000,000元	58.80%	58.80%	Manufacture and sale of scientific instruments 生產及銷售科學儀器
# Sunny Infrared # 舜宇紅外光學	The PRC 中國	Registered and contributed capital RMB11,481,481 註冊及實繳股本人民幣 11,481,481元	68.10% (Note 1) (附註1)	63.38%	Research and development of infrared technologies 研究及開發紅外線技術
Sunny Opotech Korea Co., Ltd. 舜宇光電韓國有限公司	Korea 韓國	Ordinary shares KRW108,000,000 普通股108,000,000韓圓	100%	100%	Sales and development of opotelectronics products 銷售及開發光電產品
# Hangzhou Sunny Security Technologies Co., Ltd. # 杭州舜宇安防技術有限公司	The PRC 中國	Registered and contributed capital RMB2,000,000 註冊及實繳股本人民幣 2,000,000元	100%	100%	Manufacture and development of security equipment technologies 生產及開發安防設備技術
Power Optics Co., Ltd. 力量光學有限公司	Korea 韓國	Ordinary shares KRW3,080,880,000 普通股3,080,880,000韓圓	56.70%	56.70%	Manufacture and sale of optical components 生產及銷售光學零件

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36. PARTICULARS OF SUBSIDIARIES (Continued)

(a) (Continued)

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 本集團持有的應佔權益		Principal activities 主要業務
			2016 二零一六年	2015 二零一五年	
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	55%	55%	Trading of optical instruments and optoelectronics products 買賣光學儀器及光電產品
Sunny Opotech North America Inc 舜宇光電信息(北美)有限公司	USA 美國	Common stock USD952,731 普通股952,731美元	100%	100%	Sales and development of optoelectronics products 銷售及開發光電產品
Sunny Optical Corean (BVI) Limited Sunny Optical Corean (BVI) Limited	The BVI 處女群島	Ordinary shares US\$10 普通股10美元	100%	100%	Investment holding 投資控股
Sunny Instruments Singapore PTE. Ltd. 舜宇儀器新加坡有限公司	Singapore 新加坡	Ordinary shares SGD8,350,000 普通股8,350,000新加坡元	100%	100%	Manufacture and sale of scientific instruments 生產及銷售科學儀器
# Shanghai Sunny Yangming Precision Optics Co., Ltd. # 上海舜宇陽明精密光學有限公司	The PRC 中國	Registered and contributed capital RMB25,000,000 註冊及實繳股本人民幣 25,000,000元	100%	100%	Manufacture and sale of optical components 生產及銷售光學零件
# Ningbo Sunny Intelligent Technology Co., Ltd. # 寧波舜宇智能科技有限公司	The PRC 中國	Registered and contributed capital RMB20,000,000 註冊及實繳股本人民幣 20,000,000元	100%	100%	Sales and development of optical instruments 銷售及開發光學儀器
# Sunny Group # 舜宇集團	The PRC 中國	Registered and contributed capital RMB115,782,000 註冊及實繳股本人民幣 115,782,000元	100%	100%	Investment holdings and property leasing 投資控股及物業租賃

36. 附屬公司詳情 (續)

(a) (續)

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36. PARTICULARS OF SUBSIDIARIES (Continued)

36. 附屬公司詳情 (續)

(a) (Continued)

(a) (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 本集團持有的應佔權益		Principal activities 主要業務
			2016 二零一六年	2015 二零一五年	
# Zhejiang Sunny Optical Intelligence Technology Co. Ltd. # 浙江舜宇智能光學技術有限公司	The PRC 中國	Registered and contributed capital RMB25,000,000 註冊及實繳股本人民幣 25,000,000元	100%	100%	Sales and development of optoelectronics products 銷售及開發光電產品
# Qingdao Sunny Hengping Instrument Co. Ltd. # 青島舜宇恆平儀器有限公司	The PRC 中國	Registered and contributed capital RMB1,800,000 註冊及實繳股本人民幣 1,800,000元	35.28%	35.28%	Sales and development of scientific instruments 銷售及開發科學儀器
# Ningbo Mei Shan Bao Shui Gang Qu Sunyi Investment Co. Ltd. # 寧波梅山保税港區舜翌投資管理有限公司	The PRC 中國	Registered and contributed capital RMB2,000,000 註冊及實繳股本人民幣 2,000,000元	51.00% (Note 2) (附註2)	N/A 不適用	Investment holdings 投資控股
# Sunny Optical (Zhejiang) Research Institute Co., Ltd. # 舜宇光學(浙江)研究院有限公司	The PRC 中國	Registered and contributed capital RMB5,000,000 註冊及實繳股本人民幣 5,000,000元	100% (Note 3) (附註3)	N/A 不適用	Investment holdings 投資控股
# Ningbo Mei Shan Bao Shui Gang Qu Sunxin Investment Co. Ltd. # 寧波梅山保税港區舜鑫投資管理有限公司	The PRC 中國	Registered and contributed capital RMB960,000 註冊及實繳股本人民幣 960,000元	51.02% (Note 4) (附註4)	N/A 不適用	Investment holdings 投資控股

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36. PARTICULARS OF SUBSIDIARIES (Continued)

36. 附屬公司詳情 (續)

(a) (Continued)

(a) (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
			2016 二零一六年	2015 二零一五年	
# Yuyao Sunny Optical Intelligence Technology Co., Ltd. # 餘姚舜宇智能光學技術有限公司	The PRC 中國	Registered and contributed capital RMB20,000,000 註冊及實繳股本人民幣 20,000,000元	100% (Note 5) (附註5)	N/A 不適用	Investment holdings 投資控股

Note 1: The Group further acquired 4.72% of equity interest during the year ended 31 December 2016.

附註1：本集團於截至二零一六年十二月三十一日止年度進一步收購4.72%股權。

Note 2: The subsidiary was established on 13 September 2016.

附註2：該附屬公司於二零一六年九月十三日成立。

Note 3: The subsidiary was established on 11 October 2016.

附註3：該附屬公司於二零一六年十月十一日成立。

Note 4: The subsidiary was established on 24 October 2016.

附註4：該附屬公司於二零一六年十月二十四日成立。

Note 5: The subsidiary was established on 11 November 2016.

附註5：該附屬公司於二零一六年十一月十一日成立。

* companies are sino-foreign equity joint venture enterprises

* 中外合資企業公司

companies are domestic invested enterprises

內資企業公司

None of the subsidiaries had issued any debt securities at the end of both years.

於該兩年末，附屬公司並無發行任何債務證券。

Notes to the Consolidated Financial Statements

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

36. PARTICULARS OF SUBSIDIARIES (Continued)

(b) Change in ownership interest in a subsidiary

During the current year, Sunny Infrared increased its registered capital. On 12 June 2016, a capital contribution of RMB20,000,000 was made by the Group and resulted in an increase in the equity interest in Sunny Infrared from 63.38% to 68.10% as there was no capital contribution in relation to its proportional interests is made by the non-controlling interests. As such, the capital contribution by the Group for the additional 4.72% equity interests in Sunny Infrared was accounted for as the deemed acquisition of the equity interests in Sunny Infrared from the non-controlling interests for a cash consideration of RMB1,481,000.

During the year ended 31 December 2015, Shanghai Sunny Hengping increased its registered capital through capital contribution by its shareholders. A capital contribution of RMB23,960,000 was made by the Group resulting an increase in Group's equity interest in Shanghai Sunny Hengping from 56.07% to 58.80%. The increase of 2.73% equity interest in Shanghai Sunny Hengping was accounted for as deemed acquisition of additional non-controlling interests for a consideration of RMB1,882,000.

37. EVENTS AFTER THE REPORTING PERIOD

Up to the date of approval for issuance of the consolidated financial statements, the Directors of the Company proposed a final dividend. Further details are disclosed in Note 10.

36. 附屬公司詳情 (續)

(b) 附屬公司所有權權益變動

於本年度，舜宇紅外光學增加其註冊資本。於二零一六年六月十二日，本集團注資人民幣20,000,000元，將本集團於舜宇紅外光學的股權從63.38%提高到68.10%，因非控股權益並無就其應佔權益注資。因此，本集團就於舜宇紅外光學的額外4.72%股權注資乃入賬列作視作向非控股權益收購於舜宇紅外光學的股權，現金代價為人民幣1,481,000元。

於截至二零一五年十二月三十一日止年度，上海舜宇恒平通過股東注資增加其註冊資本。本集團注資人民幣23,960,000元，將本集團於上海舜宇恒平的股權從56.07%提高到58.80%。於上海舜宇恒平增加的2.73%股權乃入賬列作視作收購額外非控股權益，代價為人民幣1,882,000元。

37. 報告期後事項

截至綜合財務報表的發行獲批准日期，本公司董事建議宣派末期股息，有關詳情載於附註10。

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綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

38. FINANCIAL INFORMATION OF THE COMPANY

38. 本公司財務資料

Assets and Liabilities

資產及負債

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
NON-CURRENT ASSETS 非流動資產		
Interests in subsidiaries, unlisted 非上市附屬公司權益	253,850	253,850
Loans to subsidiaries 附屬公司貸款	801,994	1,154,597
	1,055,844	1,408,447
CURRENT ASSETS 流動資產		
Other receivables and prepayment 其他應收款項及預付款項	211	197
Banks balances and cash 銀行結餘及現金	9,381	10,207
	9,592	10,404
CURRENT LIABILITIES 流動負債		
Short term borrowings 短期借貸	246,264	389,370
Amounts due to subsidiaries 應付附屬公司款項	44,018	37,885
Derivative financial liabilities 衍生金融負債	90,877	103,929
Other payables 其他應付款項	12,336	362
	393,495	531,546
NET CURRENT LIABILITIES 流動負債淨額	(383,903)	(521,142)
TOTAL ASSETS LESS CURRENT LIABILITIES 總資產減流動負債	671,941	887,305
NON-CURRENT LIABILITIES 非流動負債		
Derivative financial liabilities 衍生金融負債	-	1,932
NET ASSETS 資產淨值	671,941	885,373
CAPITAL AND RESERVES 資本及儲備		
Share capital 股本	105,177	105,177
Reserves 儲備	566,764	780,196
TOTAL EQUITY 權益總額	671,941	885,373

Notes to the Consolidated Financial Statements

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

38. FINANCIAL INFORMATION OF THE COMPANY (Continued)

38. 本公司財務資料 (續)

Reserves

儲備

	Share premium	Special reserve	Shares held under share award scheme	Share award scheme reserve	Accumulated loss	Total
	股份溢價	特別儲備	就股份獎勵計劃持有的股份	股份獎勵計劃儲備	累計虧損	總計
	RMB'000 人民幣千元	RMB'000 人民幣千元 (Note a) (附註a)	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
The Company						
本公司						
At 1 January 2015						
於二零一五年一月一日	873,036	166,973	(20,413)	118	(11,134)	1,008,580
Loss for the year and total comprehensive expenses for the year						
年內虧損及年內全面開支總額	-	-	-	-	(68,872)	(68,872)
Recognition of equity-settled share-based payments						
確認以權益結算股份支付的款項	-	-	-	6,878	-	6,878
Shares vested under share award scheme						
根據股份獎勵計劃歸屬的股份	-	-	5,842	(5,354)	(488)	-
Dividends received under share award scheme						
根據股份獎勵計劃收取的股息	3,645	-	-	-	-	3,645
Dividends paid 已付股息	(170,035)	-	-	-	-	(170,035)
At 31 December 2015						
於二零一五年十二月三十一日	706,646	166,973	(14,571)	1,642	(80,494)	780,196
Profit for the year and total comprehensive income for the year						
年內溢利及年內全面收益總額	-	-	-	-	10,813	10,813

Notes to the Consolidated Financial Statements

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2016 截至二零一六年十二月三十一日止年度

38. FINANCIAL INFORMATION OF THE COMPANY (Continued)

38. 本公司財務資料 (續)

Reserves (Continued)

儲備

	Share premium	Special reserve	Shares held under share award scheme	Share award scheme reserve	Accumulated loss	Total
	股份溢價	特別儲備	就股份獎勵計劃持有的股份	股份獎勵計劃儲備	累計虧損	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
		(Note a)				
		(附註a)				
Purchase of shares under share award scheme						
根據股份獎勵計劃購買股份	-	-	(6,210)	-	-	(6,210)
Recognition of equity-settled share-based Payments						
確認以權益結算股份支付的款項	-	-	-	6,788	-	6,788
Shares vested under share award scheme						
根據股份獎勵計劃歸屬的股份	-	-	5,922	(7,202)	1,280	-
Dividends received under share award scheme						
根據股份獎勵計劃收取的股息	3,353	-	-	-	-	3,353
Dividends paid 已付股息	(228,176)	-	-	-	-	(228,176)
At 31 December 2016						
於二零一六年十二月三十一日	481,823	166,973	(14,859)	1,228	(68,401)	566,764

Note:

附註：

(a) The amount recorded in the special reserve was resulted from:

(a) 計入特別儲備的款項來自：

- (i) the capital contribution by/distribution to Sunny Group in relation to the acquisitions/disposals of equity interests in subsidiaries; and
- (ii) the difference between the net carrying amounts of equity interests in subsidiaries and the nominal value of the shares of their respective holding companies arisen in share exchange transactions during the group reorganisation.

- (i) 舜宇集團就收購／出售附屬公司股權所作注資／所得分派；及
- (ii) 附屬公司股權的賬面淨值與彼等各自控股公司股份面值之間於集團重組換股交易中產生的差額。

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Mr. SUN Yang
Mr. WANG Wenjie

NON-EXECUTIVE DIRECTOR

Mr. WANG Wenjian

INDEPENDENT NON-EXECUTIVE DIRECTORS

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Mr. FENG Hua Jun
Mr. SHAO Yang Dong

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Mr. MA Jianfeng

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獨立非執行董事

張余慶先生
馮華君先生
邵仰東先生

聯席公司秘書

黃佩玲女士 (ACCA, HKICPA)
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AUDITOR

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Certified Public Accountants

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核數師

德勤•關黃陳方會計師行
執業會計師

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