

Sunny Optical Technology (Group) Company Limited

舜宇光學科技(集團)有限公司

Stock Code: 2382.HK



Expert  
in Optics

# Corporate Presentation

*November 2014*



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# Company Overview



# Leading Integrated Optical Components and Products Producer



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- » Established in 1984 and listed on the Main Board of the Hong Kong Stock Exchange in 2007, issued 1 billion shares. In September 2013, the Company had successfully placed 97,000,000 new shares.
- » 5 production bases in China with strong technical and manufacturing capabilities
- » Strong R&D capabilities, with R&D centers set up in China, Singapore, South Korea, USA, etc.



Zhongshan  
Production Base



Zhejiang  
Headquarters



Shanghai  
Production Base



Xinyang  
Production Base



Tianjin  
Production Base



## Business Segments

### Optical Components



Glass spherical/aspherical lenses, handset lens sets, plane products, vehicle lens sets, infrared lens sets, sport DV lens sets and other lens sets

### Optoelectronic Products



Handset camera modules, smart television video modules, 3D interaction motion controllers, security surveillance cameras and other optoelectronic modules

### Optical Instruments



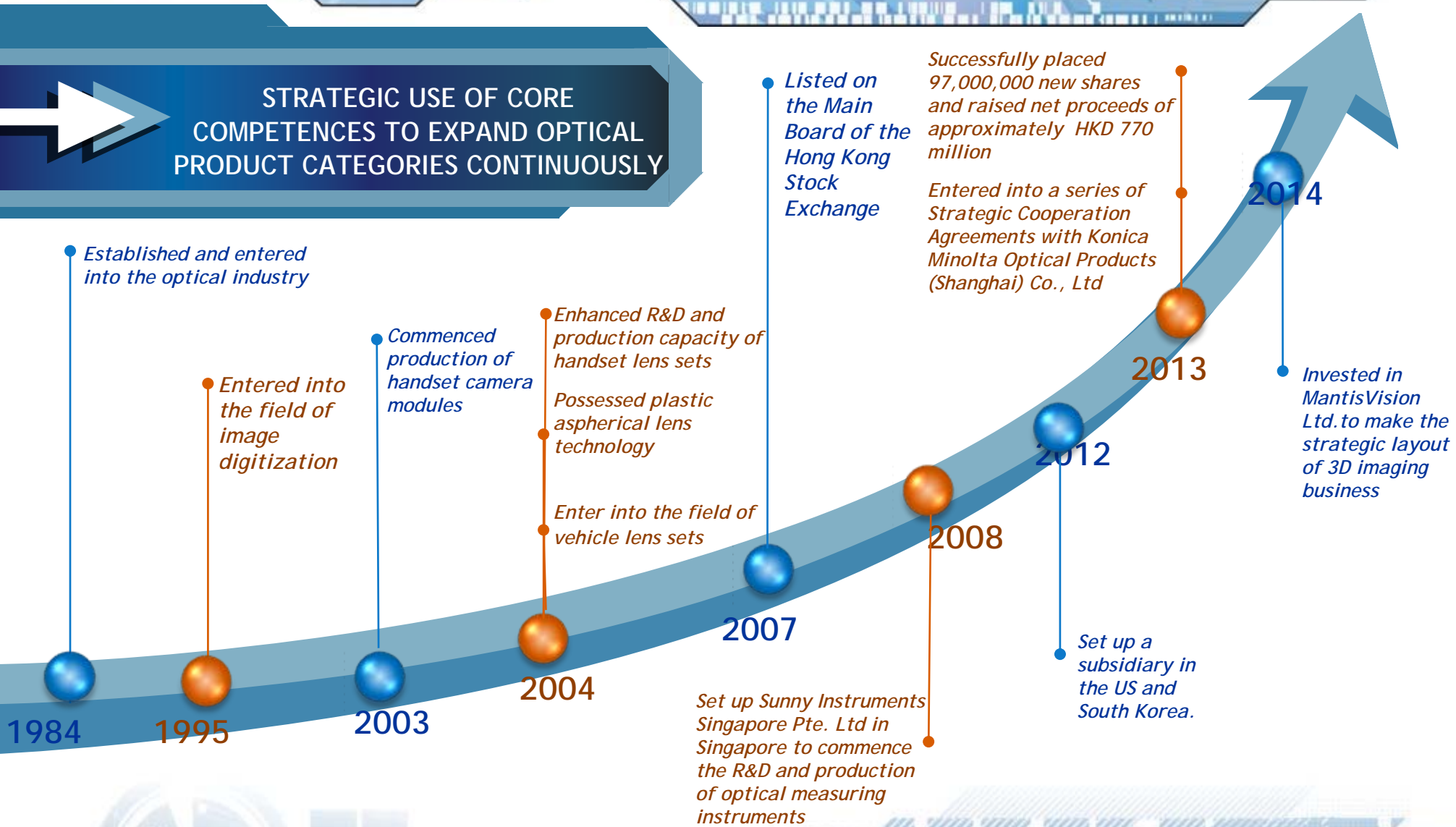
Microscopes, optical measuring and various high-end optical analytical instruments

# Milestones

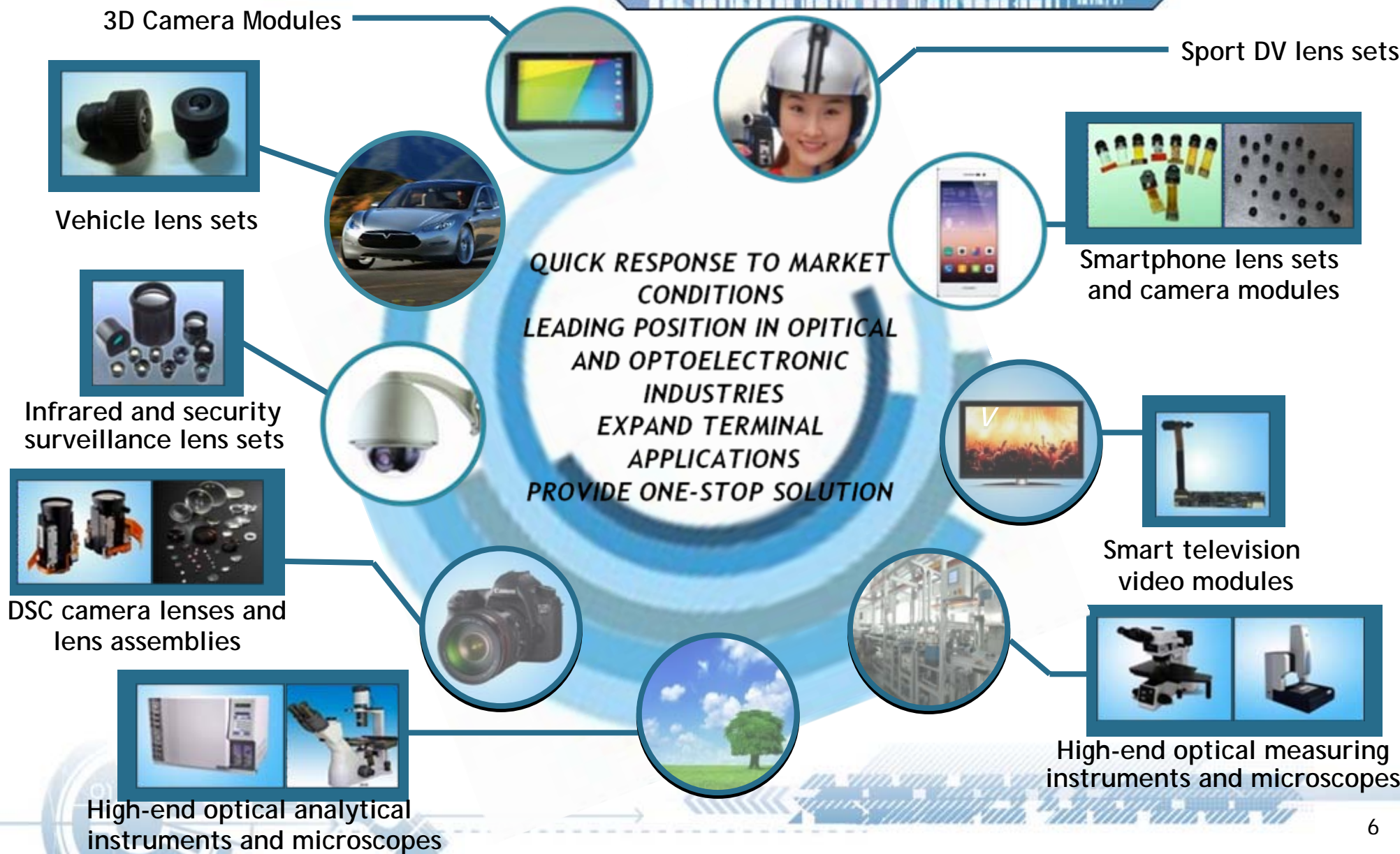


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STRATEGIC USE OF CORE  
COMPETENCES TO EXPAND OPTICAL  
PRODUCT CATEGORIES CONTINUOUSLY



# Diversified Application Fields



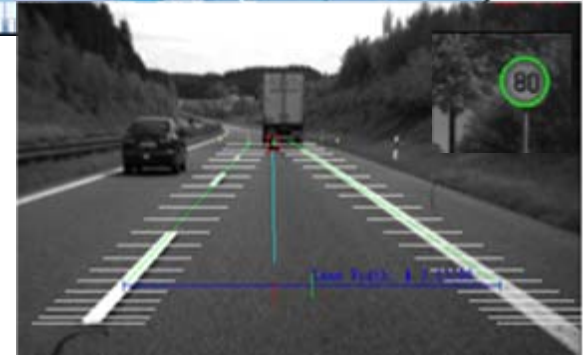
# Applications of Vehicle Lens Sets



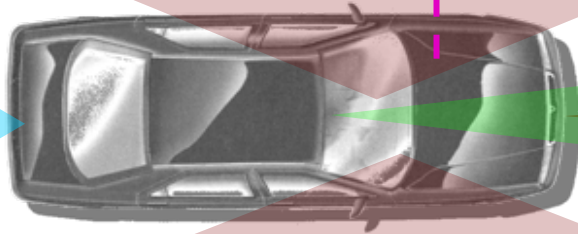
**Rear Vision**



**Interior Vision**



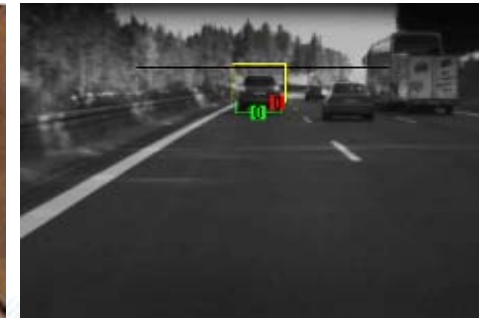
**Front Vision**



**Surround Vision**

**Side Vision**

**Far Vision**





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# Financial Highlights



# Financial Highlights



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	2013	2014	Change
<i>(RMB mn)</i>			
	<i>For the six months ended 30 June</i>		
Revenue	2,785.7	3,836.1	37.7%
Gross Profit	440.4	561.6	27.5%
Profit Before Tax	235.4	300.5	27.6%
Income Tax Expense	(40.5)	(46.7)	15.4%
Effective Tax Rate	17.2%	15.6%	-1.6ppt
Profit for the Period Attributable to Owners of the Company	196.8	256.9	30.5%
Basic Earnings per Share (RMB cents)	20.39	24.05	17.9%

# Operating Expenses Analysis



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2012

2013

2014

(RMB mn)

For the six months ended 30 June

(as % of revenue)

(as % of revenue)

(as % of revenue)

**Revenue**

1,769.6

100.0%

2,785.7

100%

**3,836.1**

**100%**

Total Operating  
Expenses

174.8

9.9%

224.4

8.1%

292.8

7.6%

*Selling and  
Distribution Expenses*

31.6

1.8%

42.1

1.5%

42.9

1.1%

*R&D Expenditure*

67.9

3.8%

101.7

3.7%

149.2

3.9%

*Administrative  
Expenses*

75.3

4.3%

80.6

2.9%

100.7

2.6%

# Solid Financial Position



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2012

2013

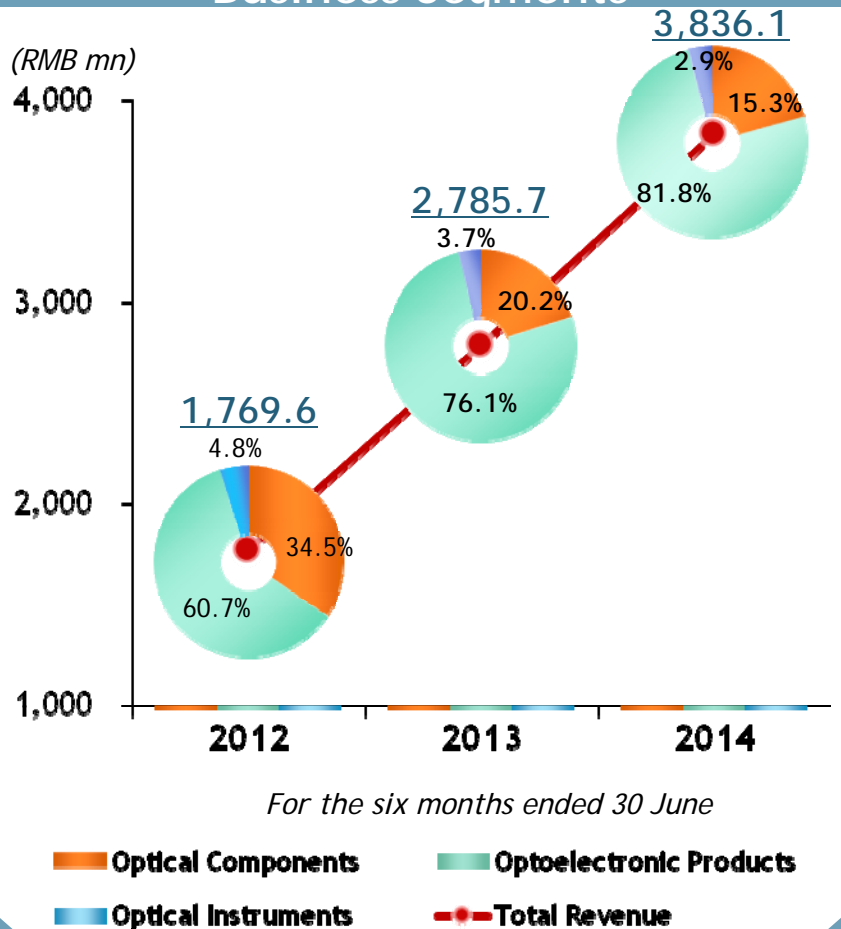
2014

*For the six months ended 30 June*

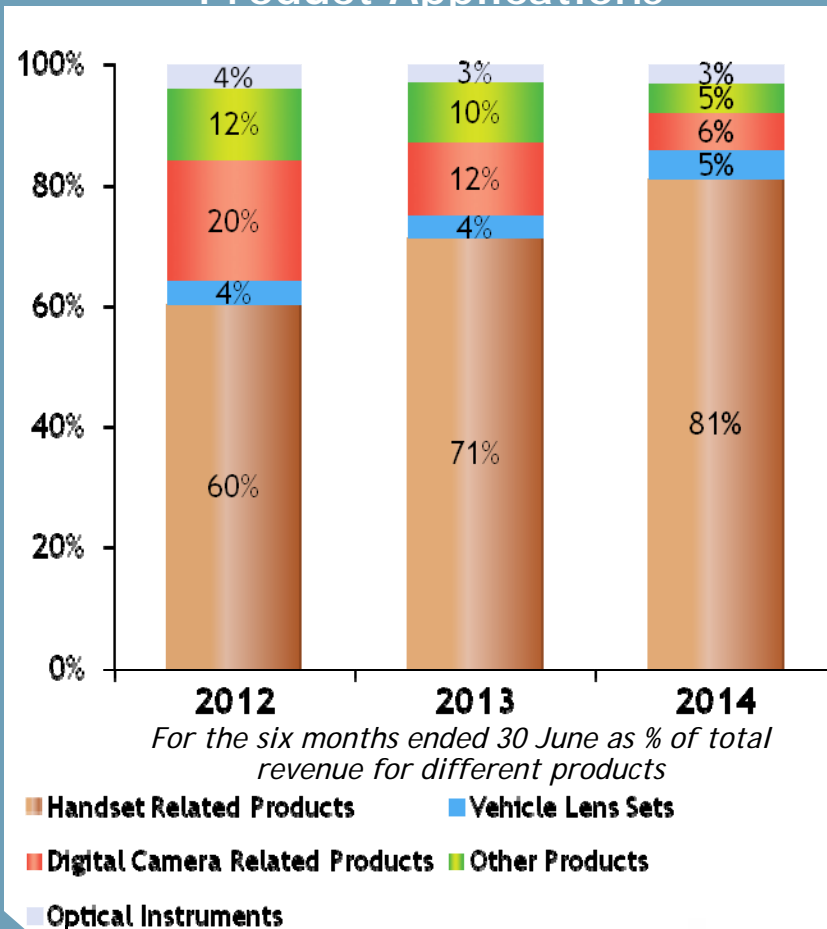
Current Ratio ( <i>Times</i> )	2.3	1.8	1.7
Operating Cash Flow ( <i>RMB mn</i> )	110.5	(84.4)	(579.8)
Cash and Cash Equivalents ( <i>RMB mn</i> )	650.3	533.7	1,279.5
<i>Pledged Bank Deposits (RMB mn)</i>	131.2	0.8	92.5
<i>Financial Assets Designated as at Fair Value through Profit and Loss (RMB mn)</i>	80.0	202.5	487.4
<i>Bank Guaranteed Entrusted Loan Receivables (RMB mn)</i>	113.0	-	10.0
<i>Bank Balances and Cash (RMB mn)</i>	326.1	330.4	689.6
Net Cash per Share ( <i>RMB cents</i> )	51.8	20.8	40.1
Gearing Ratio (%)	5.8	9.1	14.7
ROE (%)	8.8	9.7	8.5
Capital Expenditure ( <i>RMB mn</i> )	179.5	118.8	205.4

# Revenue Breakdown

## Revenue Breakdown by Business Segments



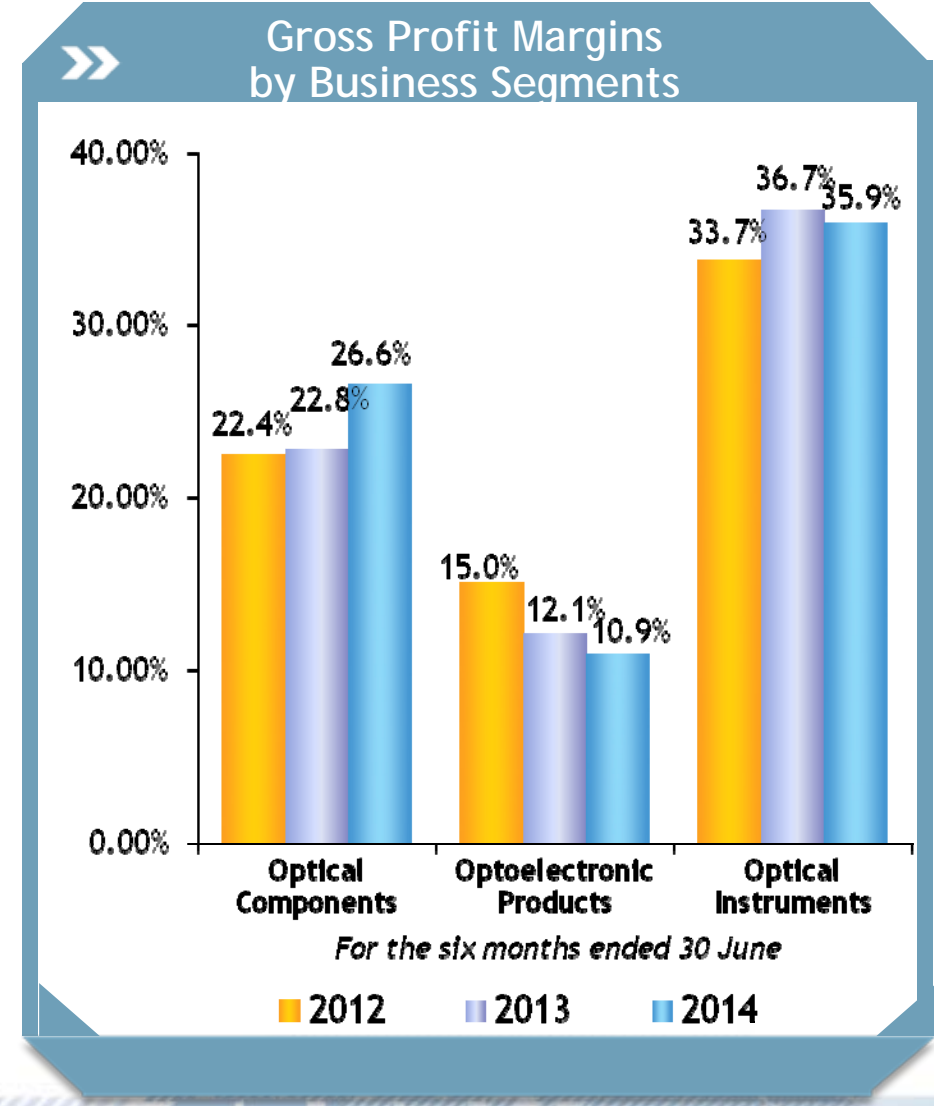
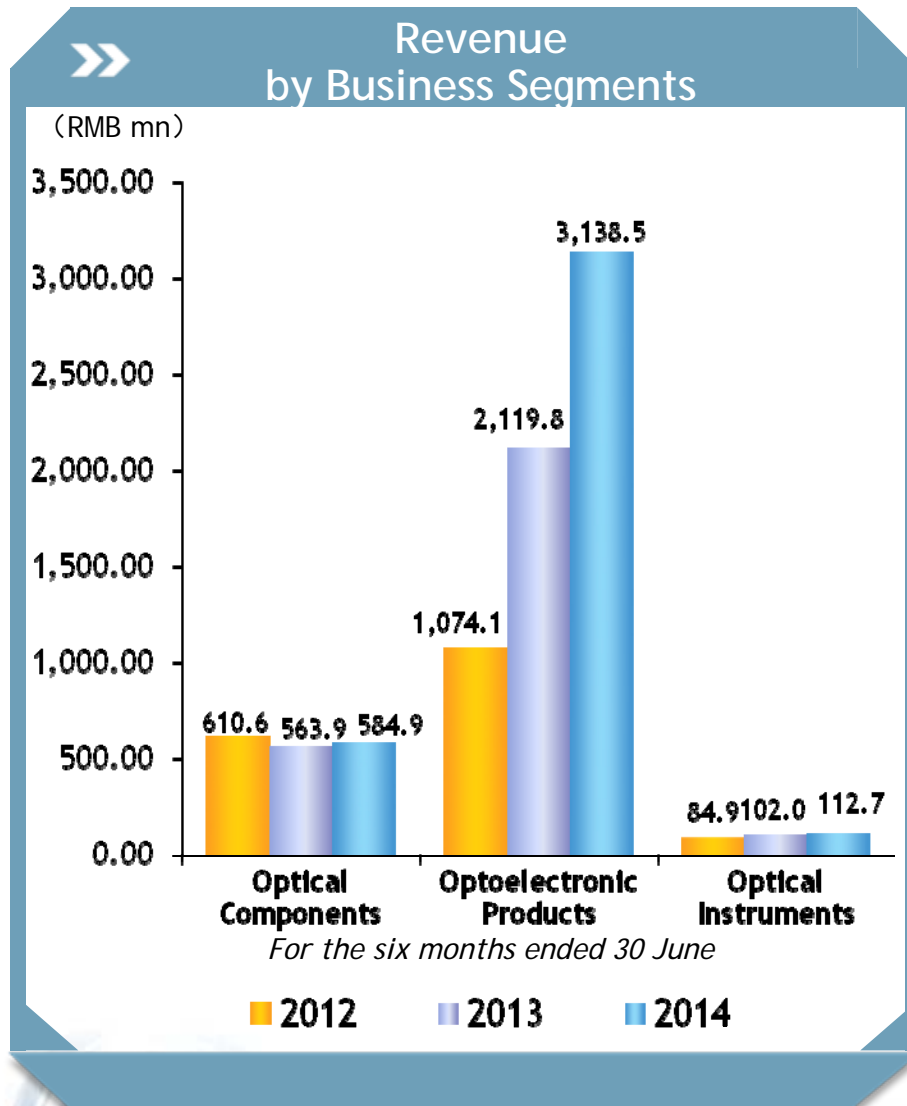
## Revenue Breakdown by Product Applications



# Sales and Gross Profit Margins by Business Segments



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# Review of Operations & Development Strategies



# Significant Achievements in R&D Results Hi-tech Barrier

Obtained 190 Patents

2012

2013

2014

## Optical Components



## Optoelectronic Products



## Optical Instruments



- 5-mega pixel and 8-mega pixel handset lens sets have commenced mass production
- The production and testing techniques of automatic lens sets have been widely applied

- Mass production for 8-mega and 14-mega pixel handset camera modules has been successfully launched
- Commenced mass production for smart television video modules
- Self-developed semi-automatic, automatic camera module testers started to be applied in mass production
- Self-developed automatic video testing technology was applied in testing of the production line

- Optical analytical instruments for high-throughput screening received special supportive funding from the State

- The R&D of Ultra-thin 8-mega and 13-mega pixel handset lens sets has been successfully completed

- 16-mega pixel handset camera modules have commenced mass production

- The project of "Development and Application of Trans-scale Three-dimensional Optoelectronic Vibrating Measuring Instruments" was supported by the dedicated funds for development of major National scientific instruments and equipments from the Ministry of Science and Technology

- The "Three-Dimensional Laser Motion Measurement System and Method" has obtained an national invention patent

- 5-mega pixel wide angle handset lens sets have commenced mass production
- 13-mega pixel handset lens sets have commenced mass production
- The R&D of 16-mega pixel handset lens sets has been completed
- The R&D of 13-mega pixel (FNO1.8/ultra-thin/OIS) handset lens sets has been completed
- A manufacturing method of optical lens has obtained a national invention patent

- The OIS handset camera modules have been shipped

- "The method of burning a high resolution camera module and a chip" has obtained a national invention patent

- Self-developed active alignment (AA) equipments have been applied and promoted to the production lines



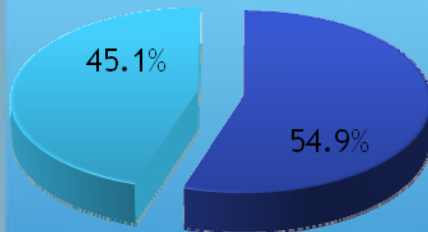
# Strong Client Base

## Top Five Customers of the Group

**Huawei**  
**Xiaomi**  
**Oppe**  
**Yulong**  
**Lenovo**

■ Top Five Customers of the Group

■ Other Customers of the Group



\*For six months ended 30 June 2014

## Renowned Customers

Vehicle Lens  
Sets Business

Handset Lens  
Sets Business

Handset  
Camera  
Modules  
Business

Optical  
Instruments  
Business

Other  
Businesses

Mobileye

Samsung Electronic

Google

Carl Zeiss

GoPro

Gentex

SEMCO

Xiaomi

Iscope

Leap Motion

MANDO

SONY

Coolpad

Olympus

Hikvision

Bosch

Sharp(Nokia)

Huawei

Optika

Keyence

Autoliv

Truly

Lenovo

Liteon

Continental

Oppo

Microtek

Delphi

BBK

Panasonic

Magna

Gionee

Primax

Panasonic

TCL

Ricoh

SMK

ZTE

Sanyo

# Awards and Recognitions



“Excellent Innovative Enterprise” from National Electronic Information Industry

“2014 1<sup>st</sup> Quarter Excellent Supplier Prize” by Yulong Computer Telecommunication Scientific (Shenzhen) Co., Limited



“2014 Best Quality Prize” by Hikvision

2014 “Excellent Technology Supporter” from Xiaomi



“2013 Quality Management Excellent Prize” by Huawei



Lenovo “Outstanding Serviceability Prize”

“2013 Excellent Cooperation Partner” by Gionee



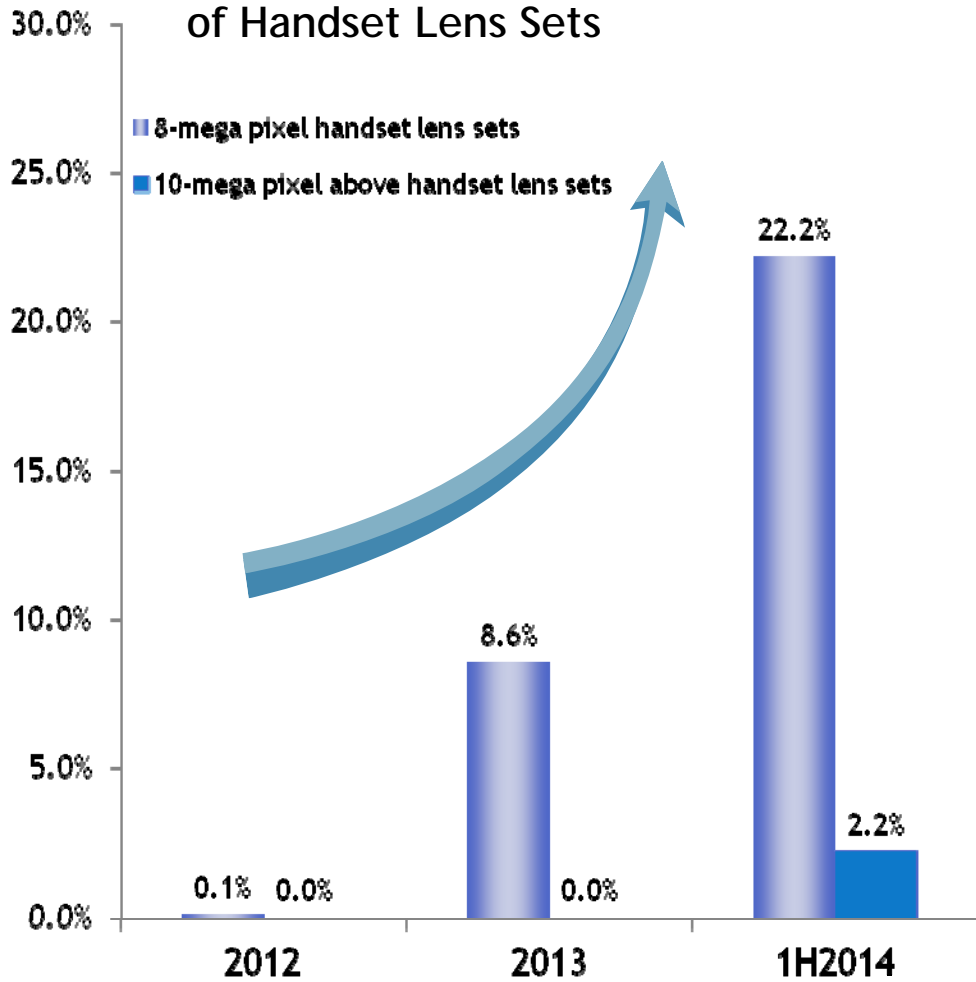
“Gold Award for Core Suppliers” by Huawei

# Solidify No.1 Market Share in Domestic Market and Further Capture Overseas Clients

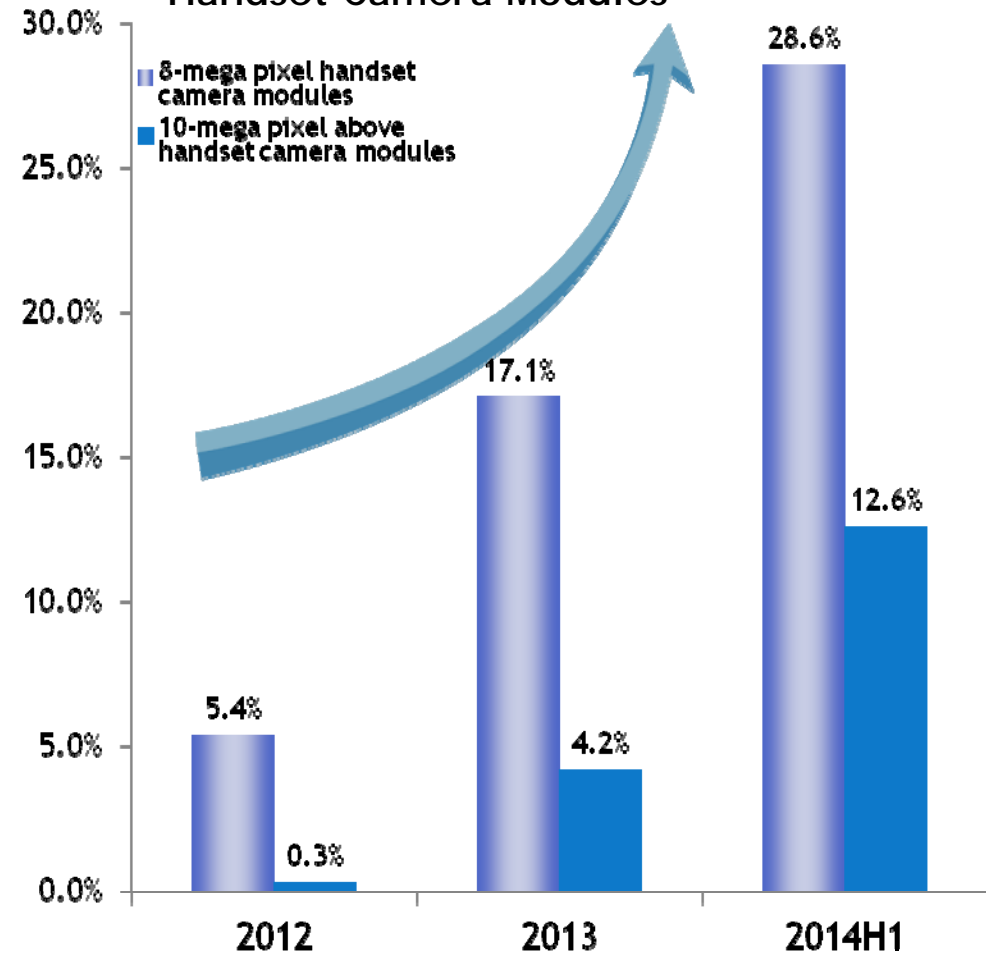


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## Shipment Volume Proportion of Handset Lens Sets



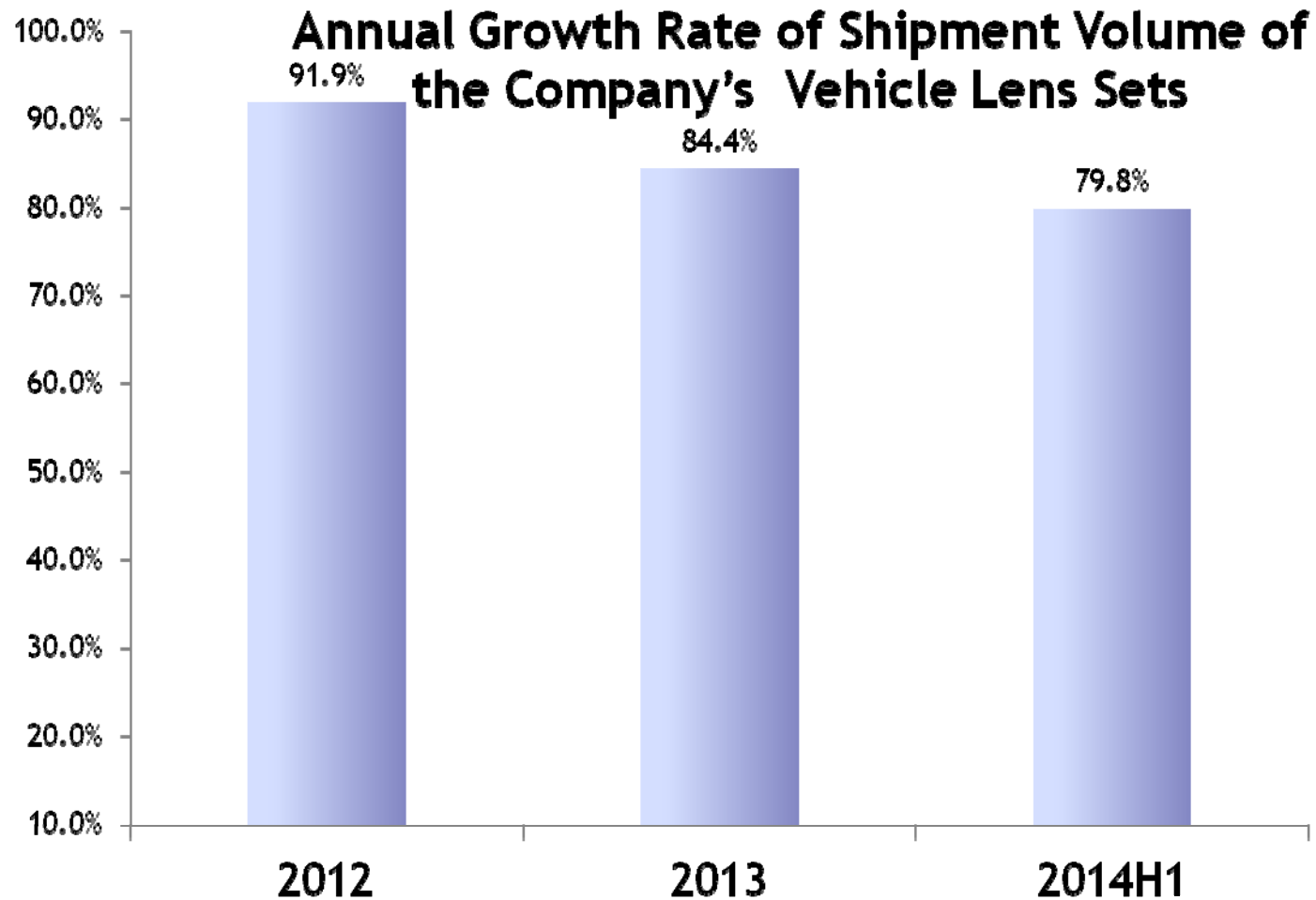
## Shipment Volume Proportion of Handset Camera Modules



# Maintain No.1 Position in Global Vehicle Lens Sets Market and Continue to Improve



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# Achieve Breakthrough in Emerging Businesses and Realize Balanced Development



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- » Maintain the first position in infrared business in the PRC and further explore the international market
- » Achieve import substitution strategy under the support of national special funds on high-end optical analytical instruments and optical measuring instruments
- » Continue to explore innovative optical applications on 3D imaging/control fields, identify key emerging businesses to realize the sustainable medium- to long-term development of the Group



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## Open Forum

### **IR Contacts**

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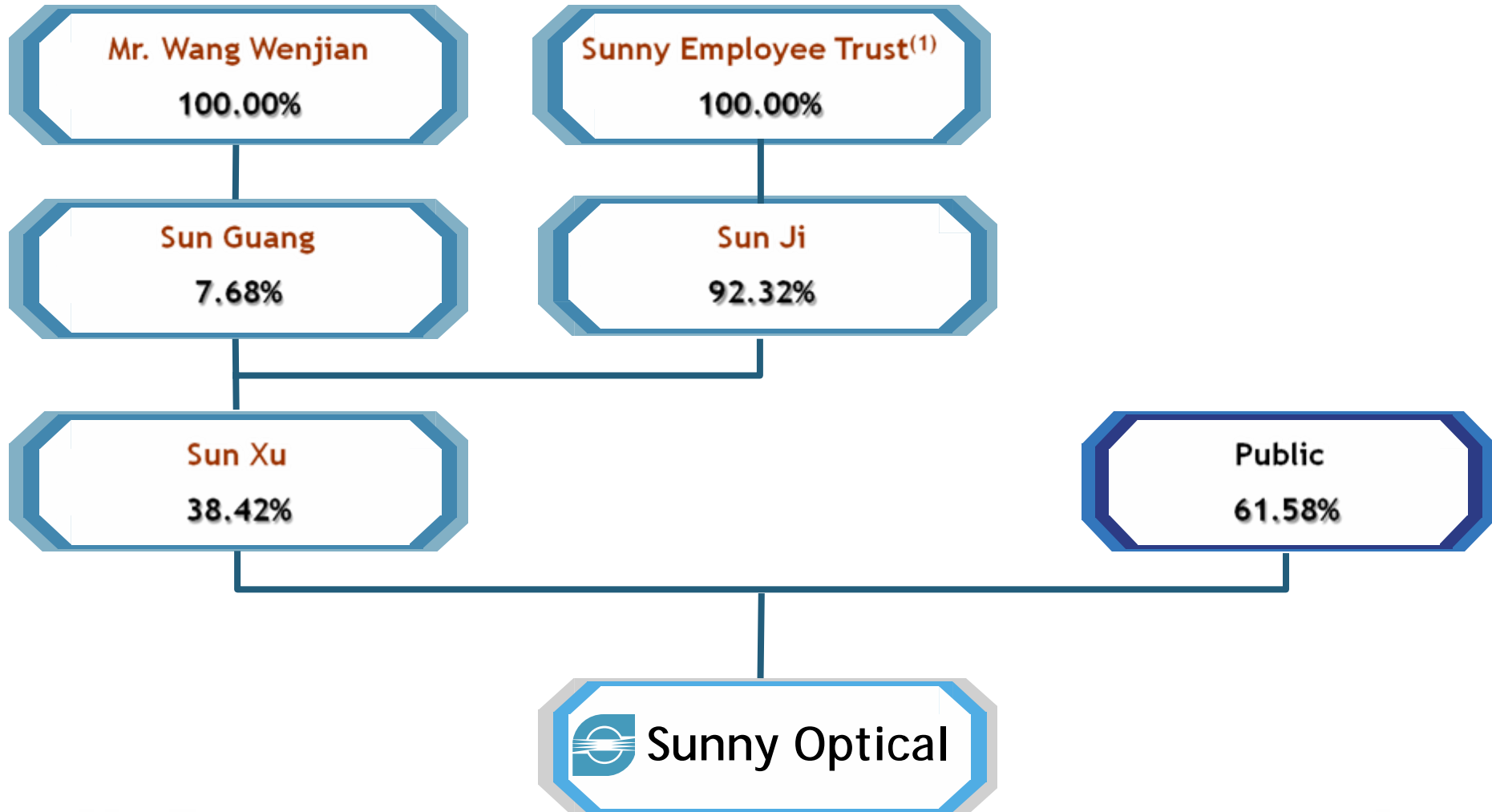
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# Appendix



# Shareholding Structure



(1) Mr. WANG Wenjian, the Honorary Chairman of the Board and non-executive Director of the Company, together with Equity Trust(HK) Limited, hold the entire issued share capital of Sun Ji Limited on behalf of the Sunny Group Employee Offshore Trust.



# Investment Highlights



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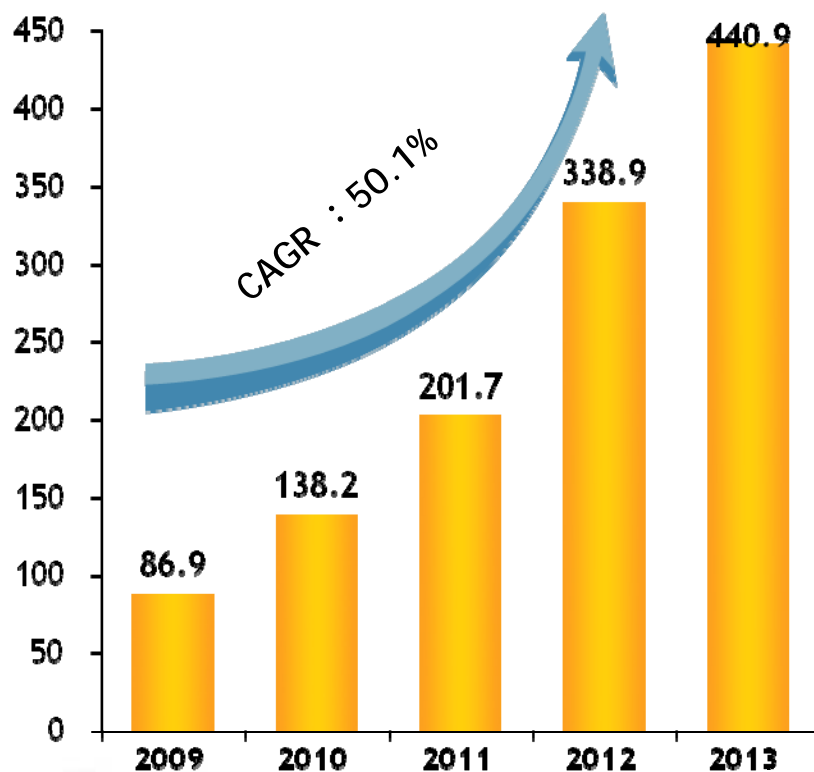
## CONTINUED GROWTH IN NET PROFIT

FINAL DIVIDENDS PAYOUT RATIO WAS 20%-30% OF THE PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY, THE ACCUMULATED TOTAL DIVIDENDS HAS REACHED RMB 413 MILLION SINCE LISTED TO THE END OF 2013



### Net Profit

(RMB mn)

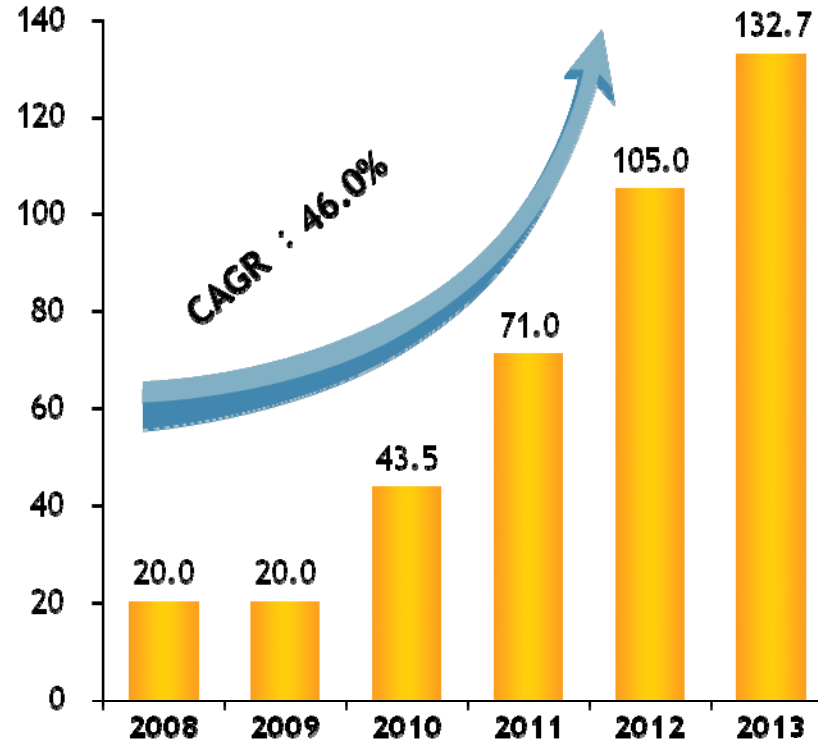


For the year ended 31 December



### Dividends

(RMB mn)



For the year ended 31 December