

Sunny Optical Technology (Group) Company Limited

舜宇光學科技(集團)有限公司

Stock Code: 2382.HK



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2016 Interim Results Announcement Corporate Presentation

August 2016

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Agenda



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Financial Highlights

Financial Highlights



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	» 2015	» 2016	Change
(RMB mn)	For the six months ended 30 June		
Revenue	4,651.2	5,909.6	+27.1%
Gross Profit	722.0	988.0	+36.8%
Profit Before Tax	349.0	552.5	+58.3%
Income Tax Expense	(39.9)	(87.5)	+119.3%
Effective Tax Rate	11.4%	15.8%	+4.4ppt
Profit for the Period Attributable to Owners of the Company	307.7	465.3	+51.2%
Basic Earnings per Share (RMB cents)	28.7	43.2	+50.6%

Operating Expenses Analysis



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2014

2015

»» 2016

(RMB mn)

For the six months ended 30 June

(as % of revenue)

(as % of revenue)

(as % of revenue)

Revenue	3,836.1	100.0%	4,651.2	100.0%	5,909.6	100.0%
Total Operating Expenses	292.8	7.6%	398.5	8.5%	484.6	8.2%
• Selling and Distribution Expenses	42.9	1.1%	43.8	0.9%	63.6	1.1%
• R&D Expenditure	149.2	3.9%	236.7	5.1%	273.6	4.6%
• Administrative Expenses	100.7	2.6%	118.0	2.5%	147.4	2.5%

Solid Financial Position



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2014

2015



2016

For the six months ended 30 June

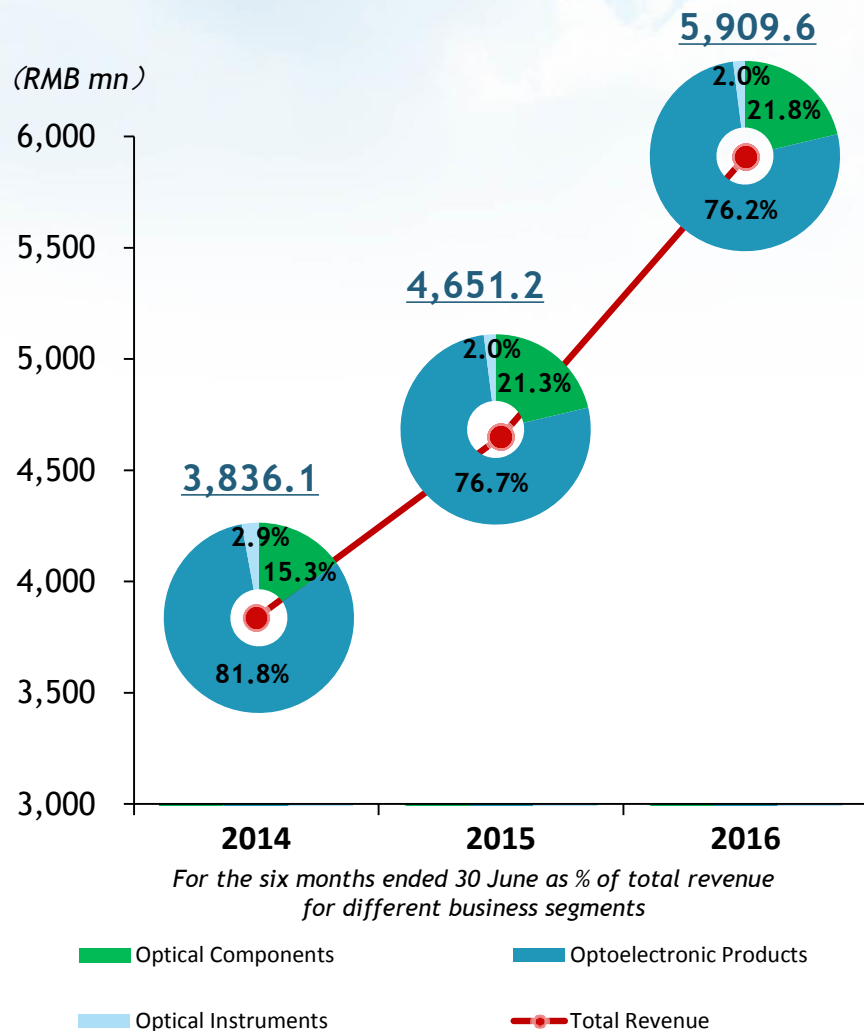
Current Ratio (Times)	1.7	1.6	1.5
Operating Cash Inflow (Outflow) (RMB mn)	(579.8)	960.2	390.0
Cash and Cash Equivalents (RMB mn)	1,279.5	1,673.1	1,973.0
• <i>Pledged Bank Deposits (RMB mn)</i>	92.5	153.2	187.1
• <i>Financial Assets Designated as at Fair Value through Profit and Loss (RMB mn)</i>	487.4	826.0	1,363.1
• <i>Bank Guaranteed Entrusted Loan Receivables (RMB mn)</i>	10.0	-	-
• <i>Bank Balances and Cash (RMB mn)</i>	689.6	693.9	422.8
Net Cash per Share (RMB cents)	40.1	92.9	113.8
Gearing Ratio (%)	14.7	9.9	8.7
ROE (%)	8.5	9.1	11.3
Capital Expenditure (RMB mn)	205.4	160.3	353.4

Revenue Breakdown

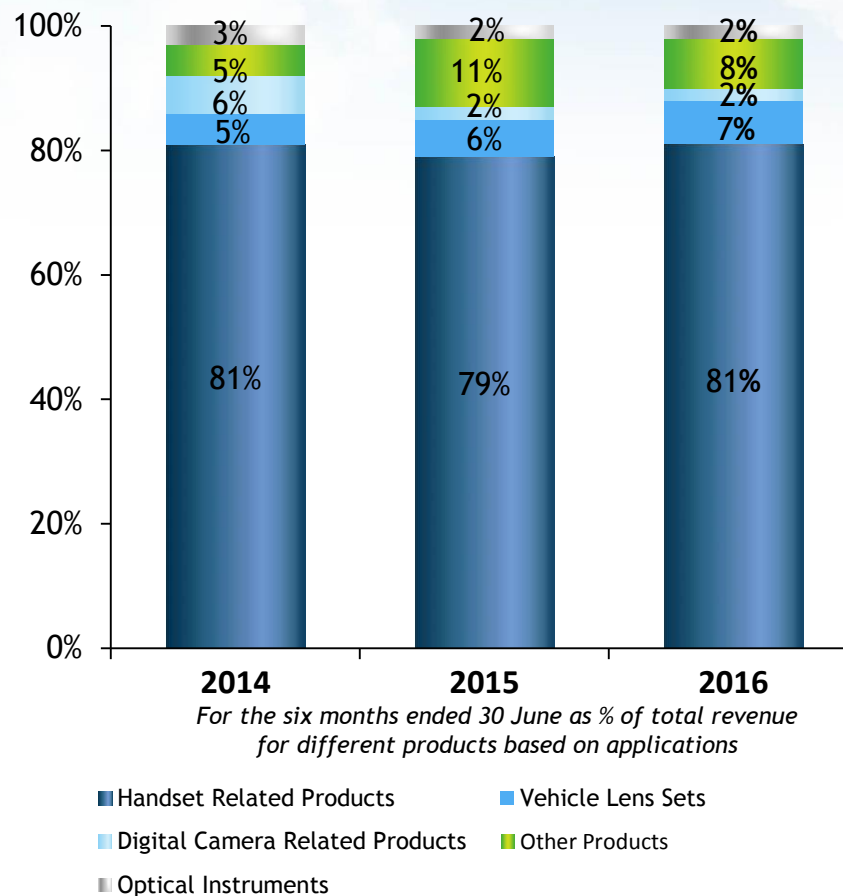


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Revenue Breakdown by Business Segments



Revenue Breakdown by Product Applications

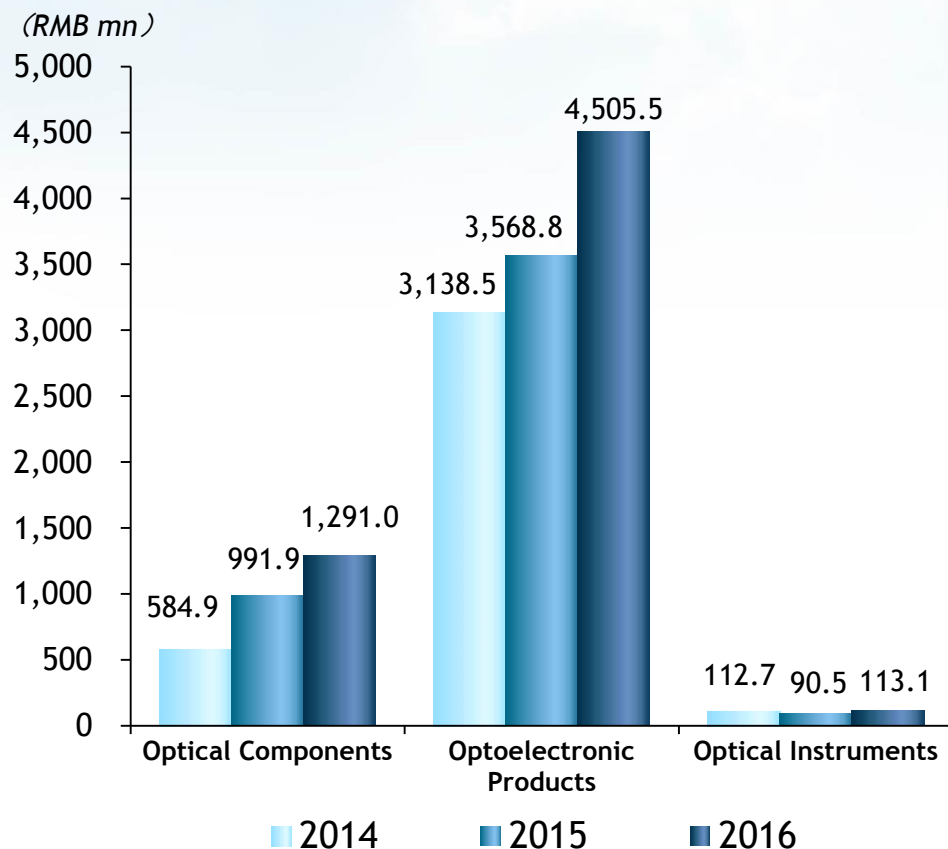


Sales and Gross Profit Margins by Business Segments



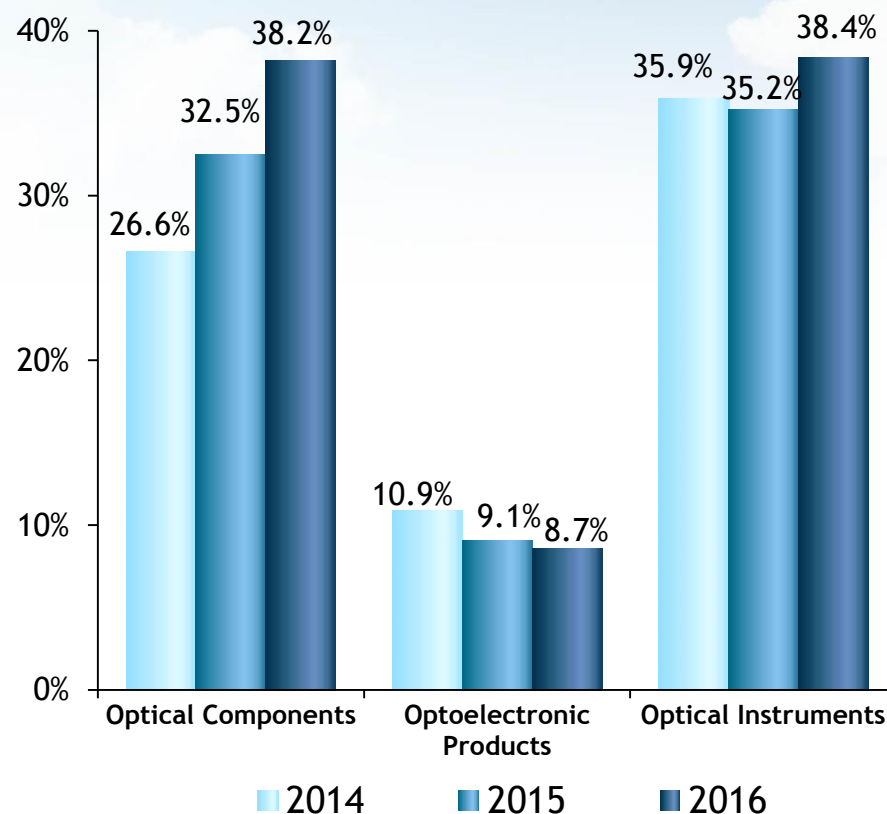
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Revenue by Business Segments



For the six months ended 30 June

Gross Profit Margins by Business Segments



For the six months ended 30 June

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Review of Operations & Development Strategies

Significant Achievements in R&D Hi-tech Barriers



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Obtained 342 Patents

» 2014

» 2015

» 2016

Optical Components



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

- The R&D on 23-mega pixel has completed
- The R&D on high-resolution handsets lens sets equipped with large aperture, large pixel size, and wide angle have completed
- 13-mega pixel(ultra-thin), 13-mega pixel (OIS) handset lens sets have commenced mass production
- 16-mega pixel, 16-mega pixel(ultra-thin), 16-mega pixel(OIS) handset lens sets have commenced mass production
- The R&D on iris recognition handset lens sets and dual-camera lens sets have completed
- “Micro-camera lens”, “one high resolution optical lens”, “one athermal surveillance camera lens”, “one new long-wave infrared wide-angle lens” have obtained national invention patents

- Handset lens sets with 13-mega pixel wide angle have commenced mass production
- Handset lens sets with 16-mega pixel large aperture have commenced mass production
- Handset lens sets with 10-mega pixel above with six pieces of plastic aspheric lenses (“6P”) have commenced mass production
- VR/AR lenses and lens sets have undergone mass production
- “Miniature wide-angle imaging lens”, “3D interactive lens”, “one new long-wave infrared athermal lens” have obtained national invention patents

Optoelectronic Products



- The R&D of OIS handset camera modules have completed
- “The method of burning a high resolution camera module and a chip” has obtained a national invention patent
- Self-developed active alignment (AA) equipment have been applied and promoted to the production lines

- 20-mega pixel, wide-angle, OIS, dual-camera and PDAF camera modules have commenced mass production
- Iris recognition handset camera modules for mobile payment have commenced mass production
- “A non-film tool and non-film technique applied in process of COB”, “the testing method of evaluating module motor curve based on image MTF”, “one automatic focusing device of high pixel module”, etc. have obtained national invention patents

- Dual-camera handset modules with 12-mega pixel have commenced mass production
- “One kind of mobile phone camera module automatic testing machine”, “a fast auto-focus method”, “an auto-focus method based on lens curvature of field”, and “one kind of auto-focus module free of focusing adjustment” have obtained national invention patents

Optical Instruments



- The R&D of fully-automatic high-speed Gas Chromatography/Quadrupole Mass Spectrometry (GC/MS) with some internationally leading performance indexes has completed successfully

- The R&D on automatic industrial testing microscope first applied to 12-inch ultra-large wafer testing in China has completed
- 17 categories 42 kinds of standard water testing application scheme has completed
- “The objective lens of Microscope” has obtained a national invention patent
- Top grade ion-chromatography with self-designed and manufactured suppressor and eluent generator was released for the first time in China

- The R&D on high sensitivity miniaturized flame ionization detector and electron capture detector for gas chromatograph have completed

Awards and Recognitions



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Ranked Top 3 among 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”. The Company was also recognized as a “Most Respectable Company”.



TINNO Mobile
“Quality Gold Prize”



DAHUA Technology
“2015 Best Strategic Partner”



Bosch
“Supplier Honor”



MSQ8100 Gas Chromatography
- Mass Spectrometer won Gold
Prize in BCEIA 2015



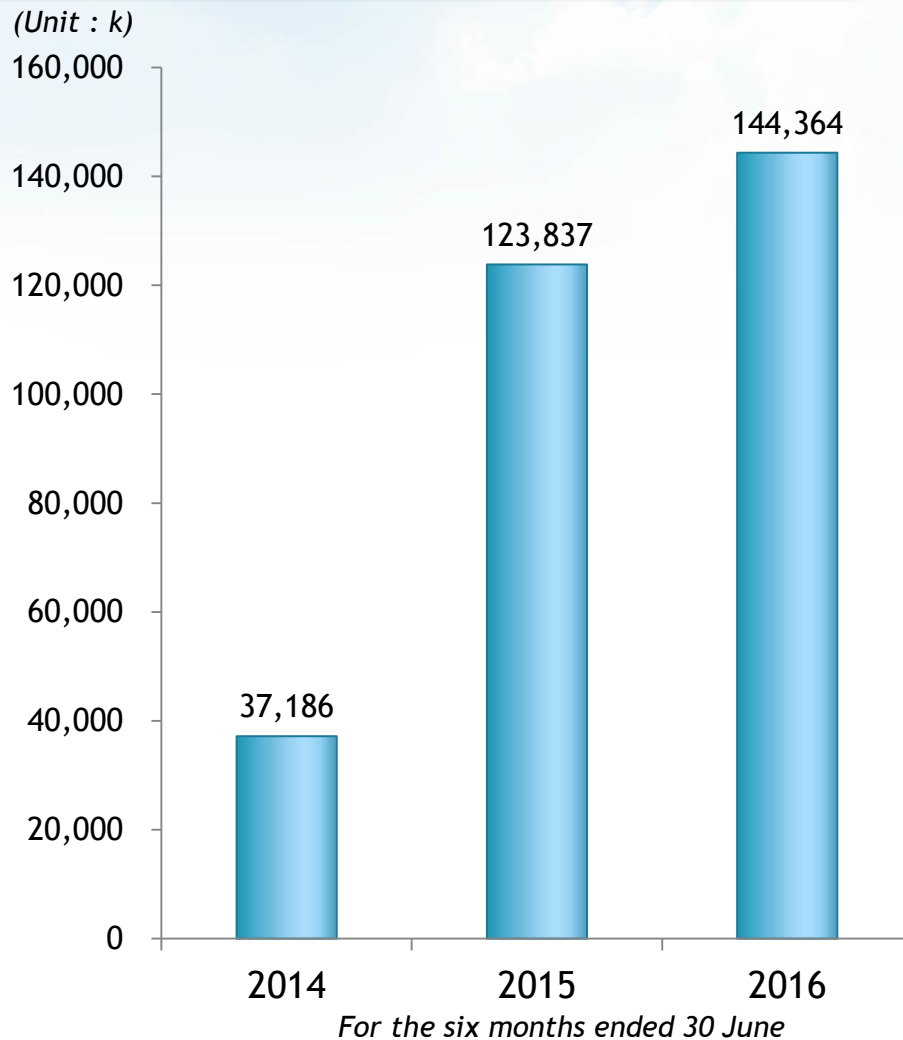
Fortune (Chinese Edition)
“2016 China Top 500 List ”
ranked the 458th

Continue to Improve Global Market Share and Strive for Global No.2

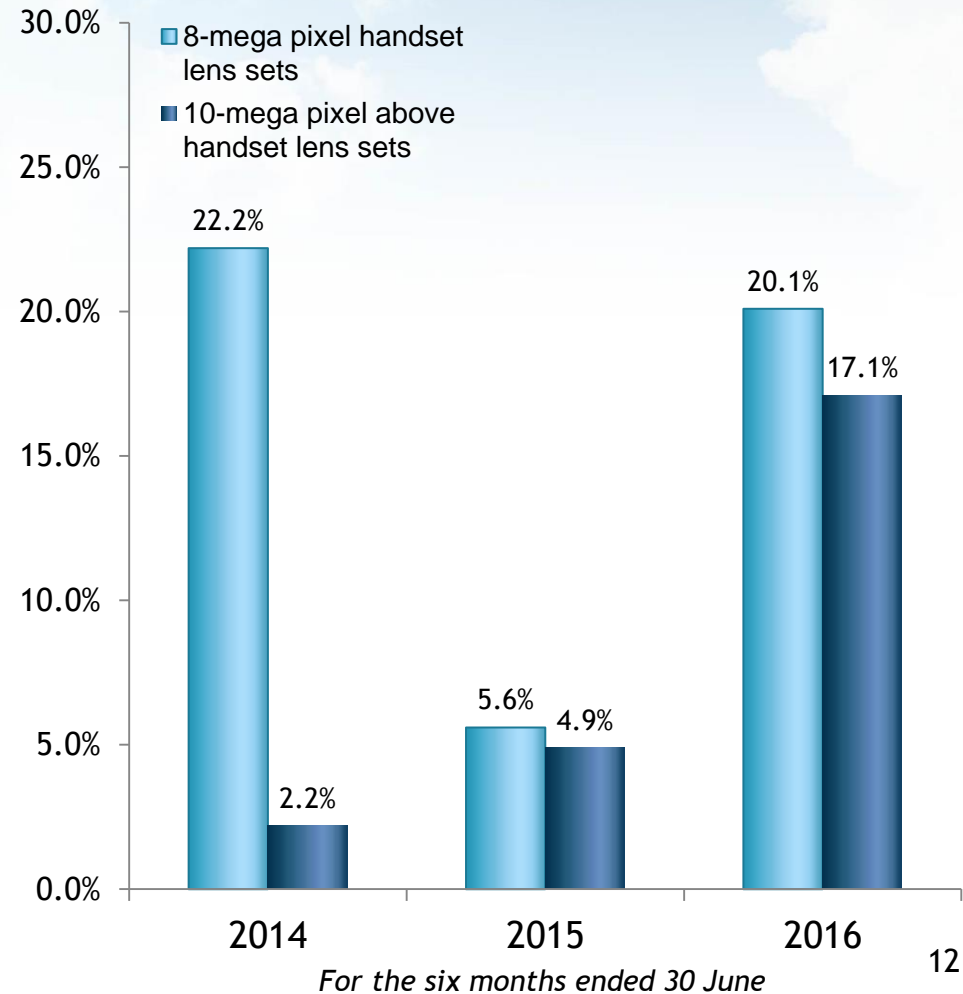


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Shipment Volume of the Company's Handset Lens Sets



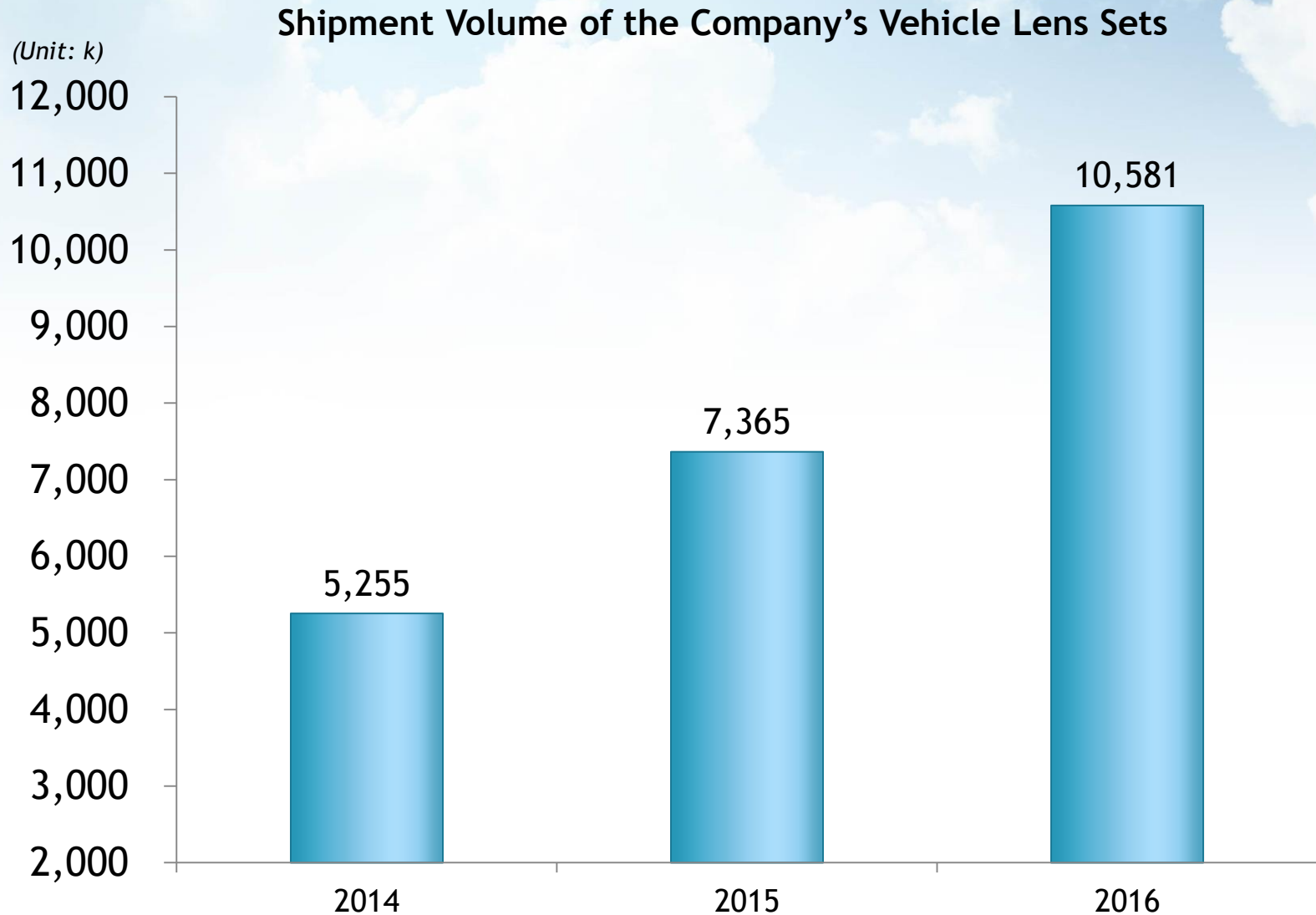
Shipment Volume Proportion of the Company's Handset Lens Sets by Pixels



Maintain No.1 Position in Global Vehicle Lens Sets Market and Further to Expand



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For the six months ended 30 June

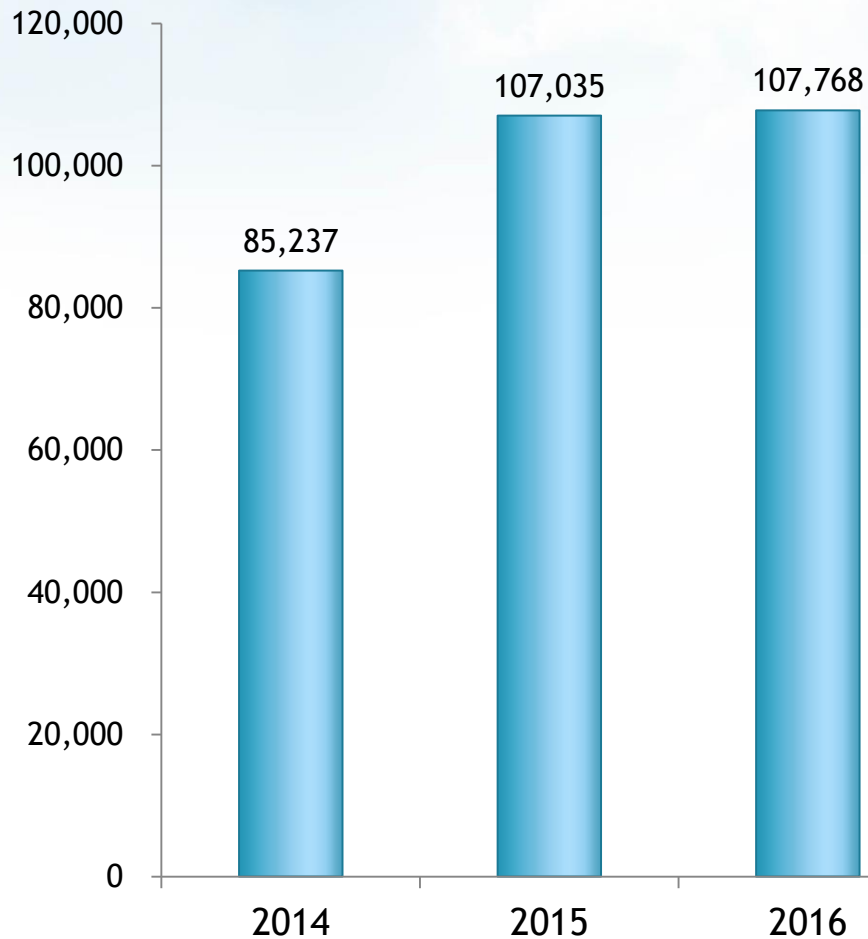
Solidify No.1 Market Share in Domestic Market and Further Capture Overseas Customers



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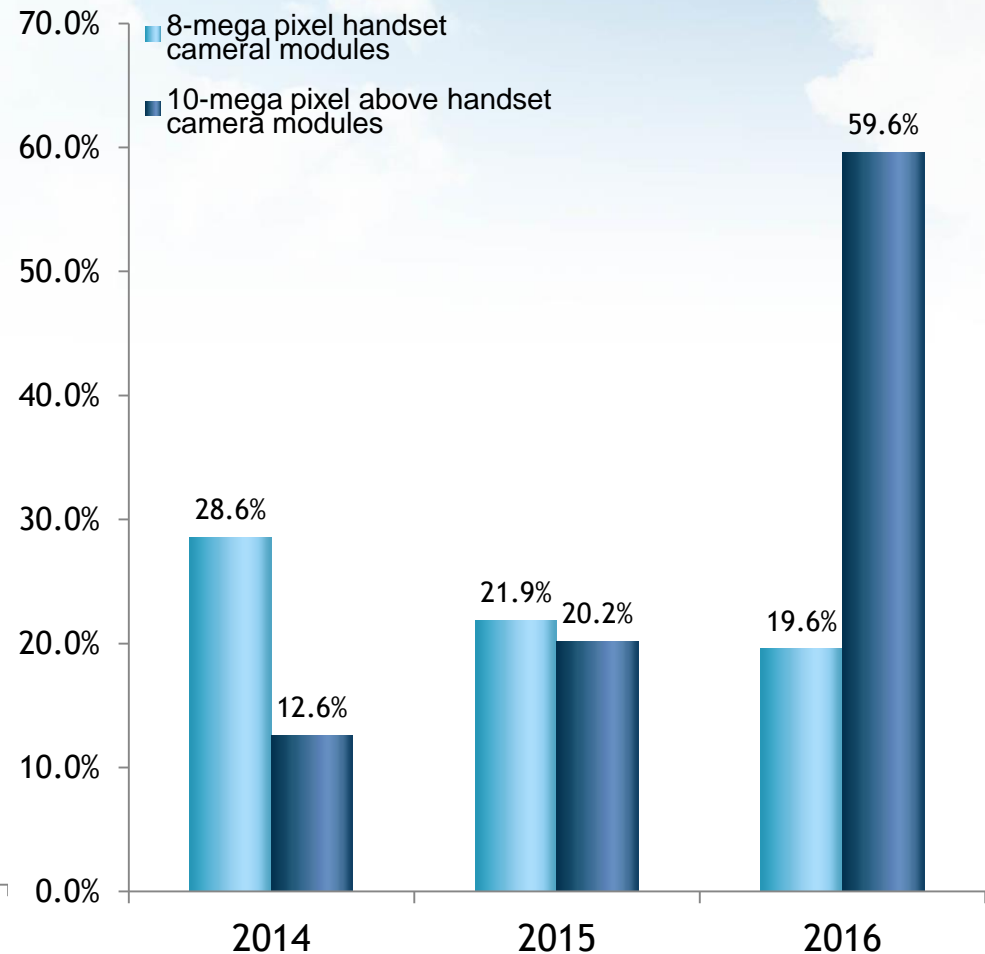
Shipment Volume of the Company's Handset Camera Modules

(Unit: k)

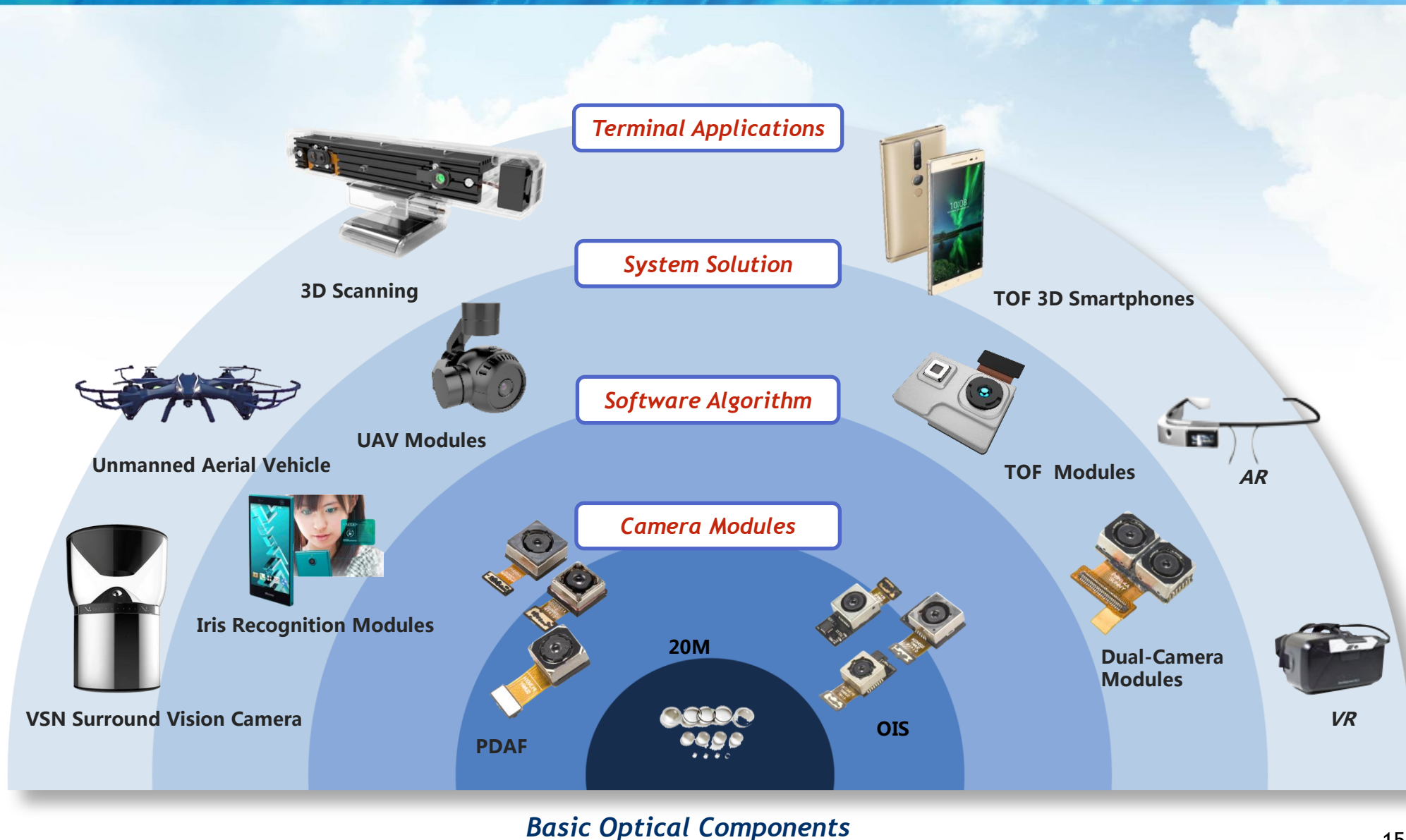


For the six months ended 30 June

Shipment Volume Proportion of the Company's Handset Camera Modules by Pixels



For the six months ended 30 June



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Open Forum

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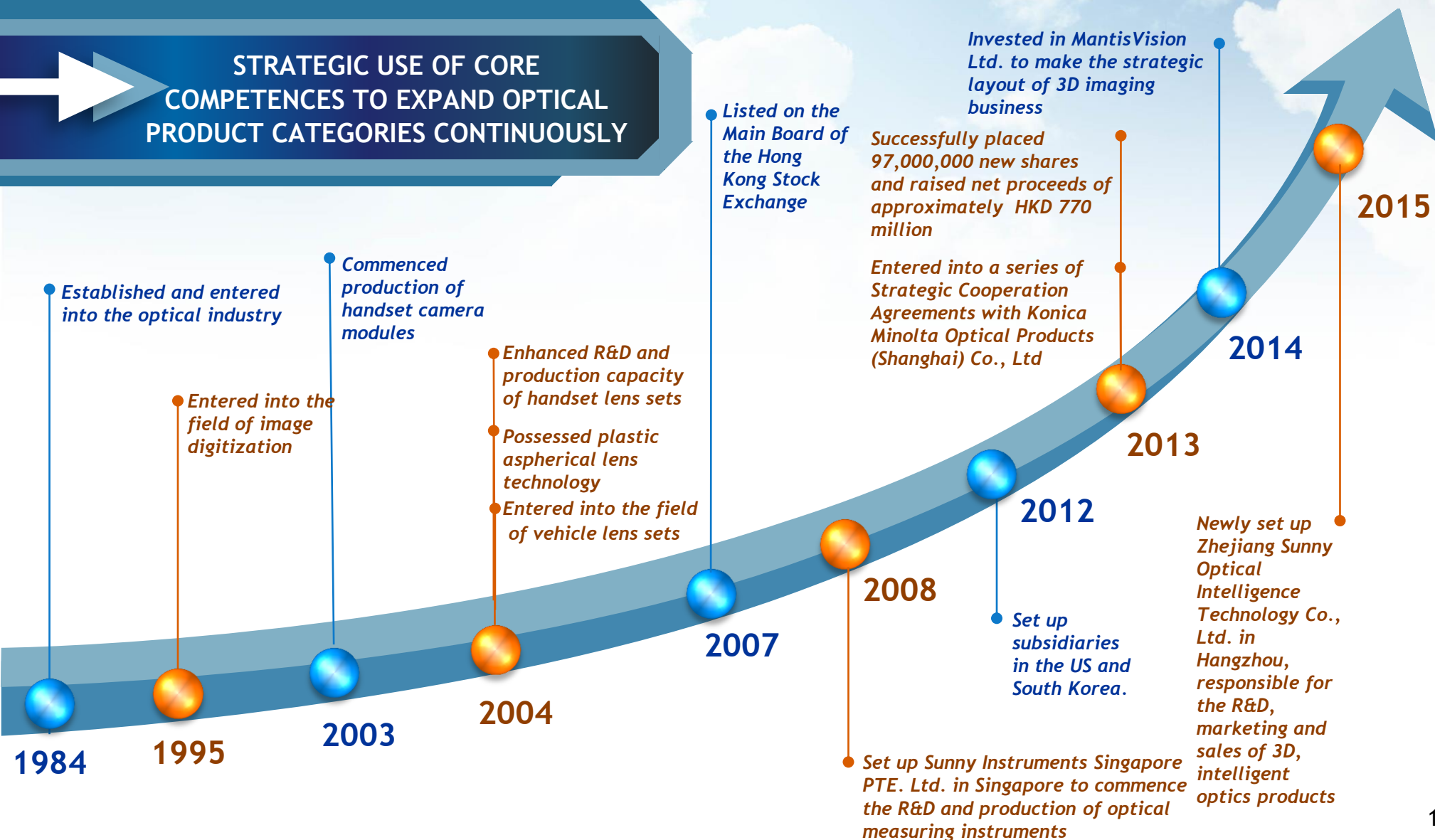
Appendix

Milestones



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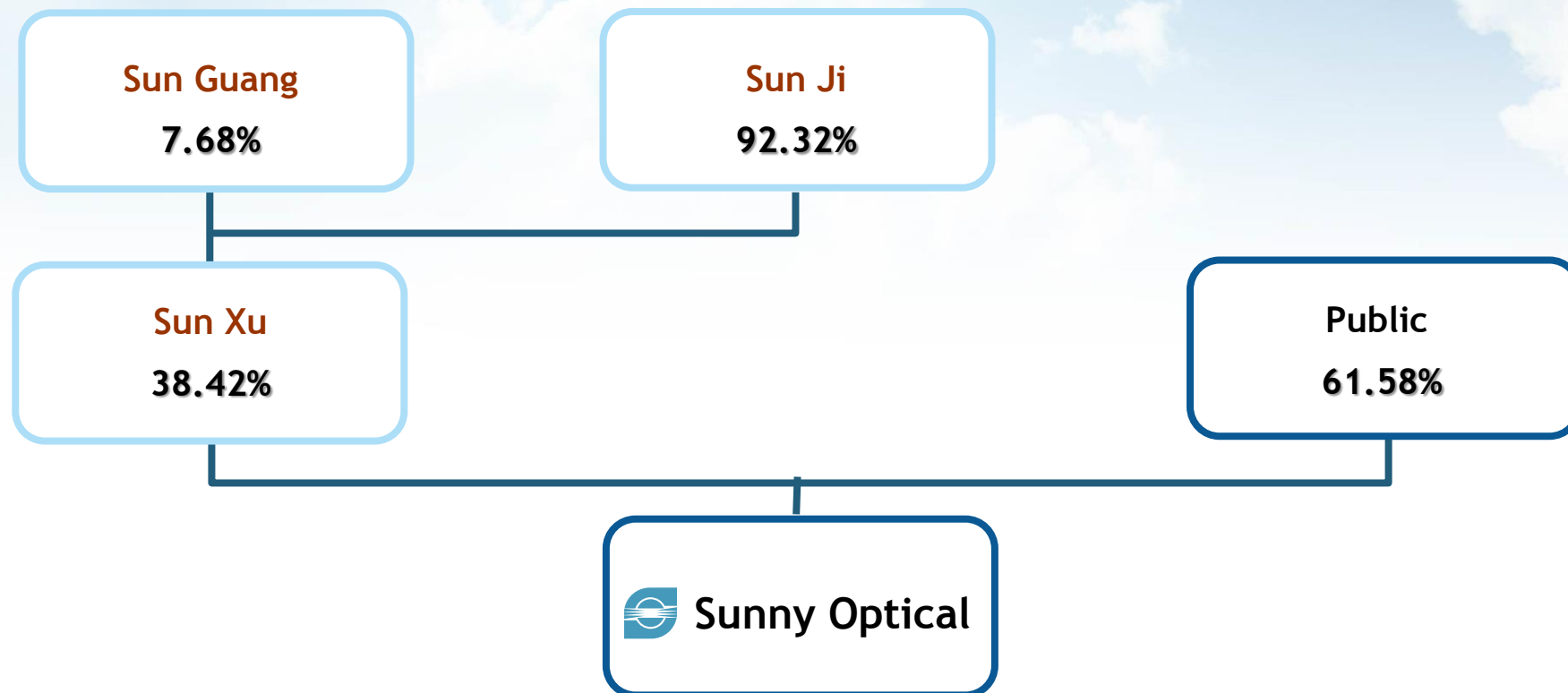
STRATEGIC USE OF CORE
COMPETENCES TO EXPAND OPTICAL
PRODUCT CATEGORIES CONTINUOUSLY



Shareholding Structure



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

* As at 30 June 2016

Investment Highlights



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Continuous Growth in Net Profit

Final Dividends Payout Ratio at 20%-30% of the Profit for the Year Attributable to Owners of the Company.

Net Profit



Dividends

