

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**

2017 Interim Results Announcement Corporate Presentation

August 2017

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Financial Highlights

Financial Highlights

	» 2016	» 2017	Change
<i>(RMB mn)</i>	<i>For the six months ended 30 June</i>		
Revenue	5,909.6	10,031.7	+69.8%
Gross Profit	988.0	2,069.7	+109.5%
Profit Before Tax	552.5	1,398.0	+153.0%
Income Tax Expense	(87.5)	(237.0)	+170.9%
Effective Tax Rate	15.8%	17.0%	+1.2 ppt
Profit for the Period Attributable to Owners of the Company	465.3	1,159.2	+149.2%
Basic Earnings per Share <i>(RMB cents)</i>	43.2	107.4	+148.5%

Operating Expenses Analysis

2015

2016



2017

(RMB mn)

For the six months ended 30 June

(as % of revenue)

(as % of revenue)

(as % of revenue)

Revenue

4,651.2

100.0%

5,909.6

100.0%

10,031.7

100.0%

Total Operating Expenses

398.5

8.5%

484.6

8.2%

822.1

8.1%

• **Selling and Distribution Expenses**

43.8

0.9%

63.6

1.1%

104.7

1.0%

• **R&D Expenditure**

236.7

5.1%

273.6

4.6%

535.0

5.3%

• **Administrative Expenses**

118.0

2.5%

147.4

2.5%

182.4

1.8%

Solid Financial Position



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2015

2016

»»2017

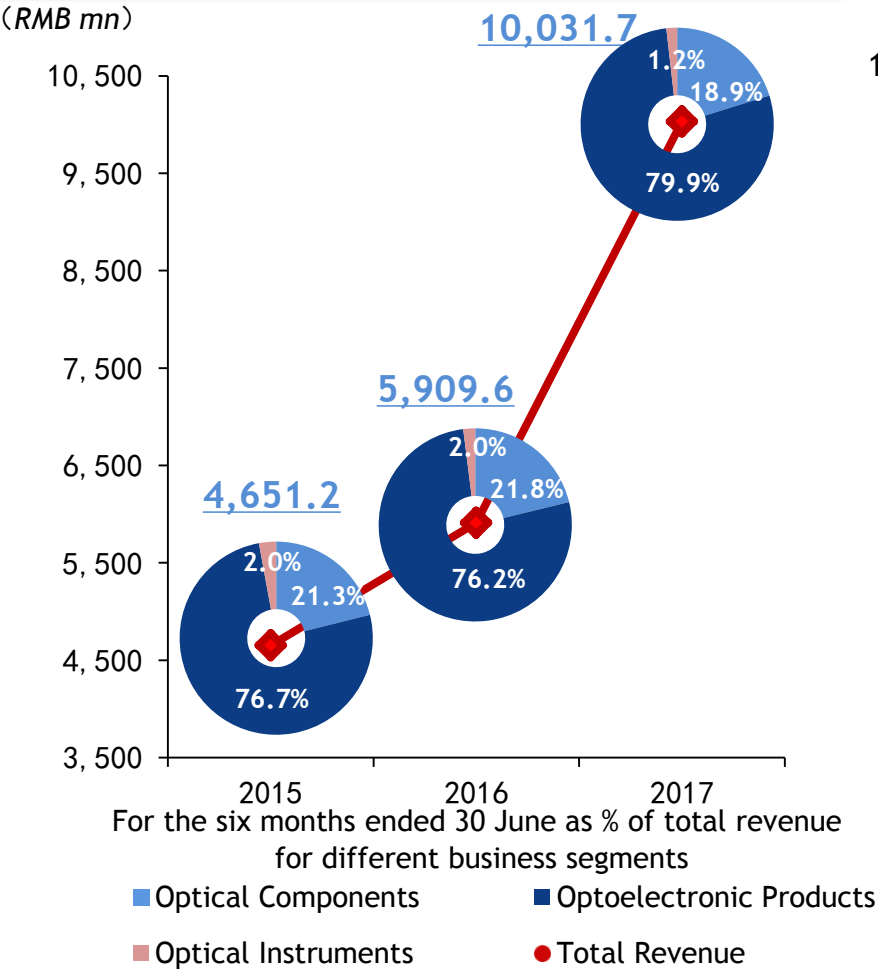
For the six months ended 30 June

Current Ratio (Times)	1.6	1.5	1.5
Operating Cash Inflow (RMB mn)	960.2	390.0	578.5
Cash and Cash Equivalents (RMB mn)	1,673.1	1,973.0	2,656.0
• <i>Pledged Bank Deposits (RMB mn)</i>	153.2	187.1	276.3
• <i>Financial Assets Designated as at Fair Value through Profit and Loss (RMB mn)</i>	826.0	1,363.1	1,640.0
• <i>Bank Balances and Cash (RMB mn)</i>	693.9	422.8	739.7
Net Cash per Share (RMB cents)	92.9	113.8	111.1
Gearing Ratio (%)	9.9	8.7	11.8
ROE (%)	9.1	11.3	20.2
Capital Expenditure (RMB mn)	160.3	353.4	782.6

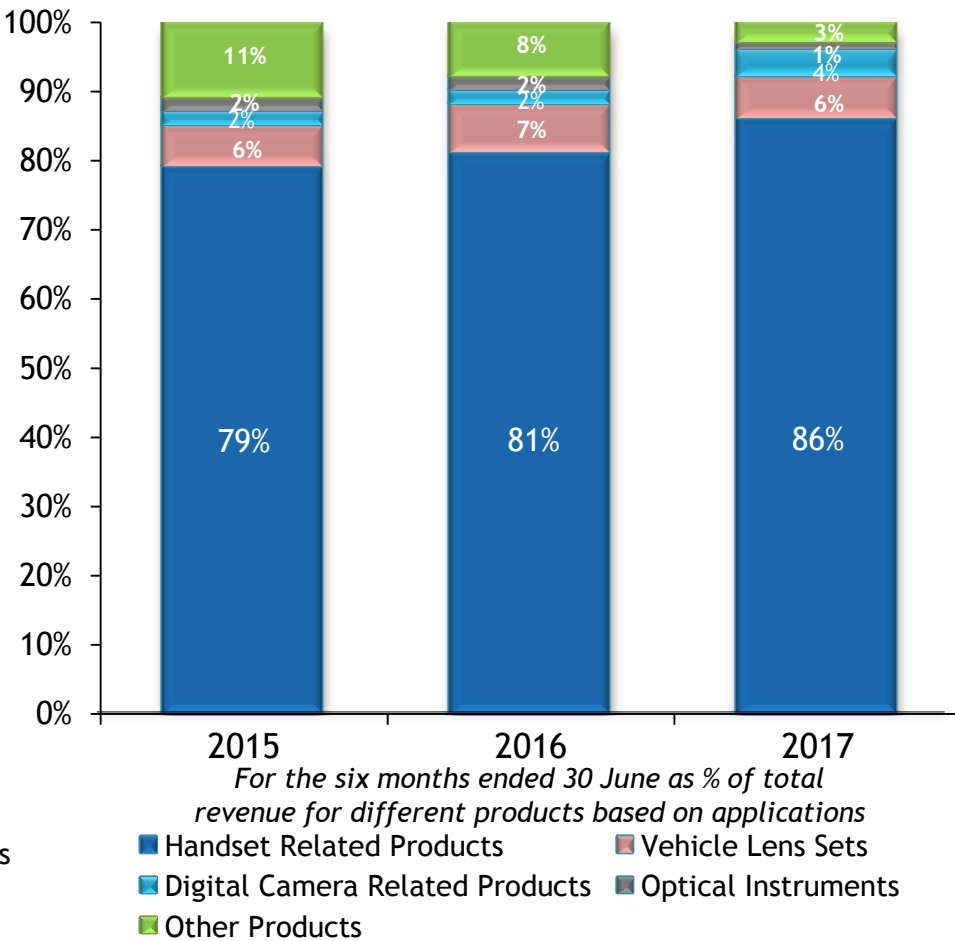


Revenue Breakdown

Revenue Breakdown by Business Segments



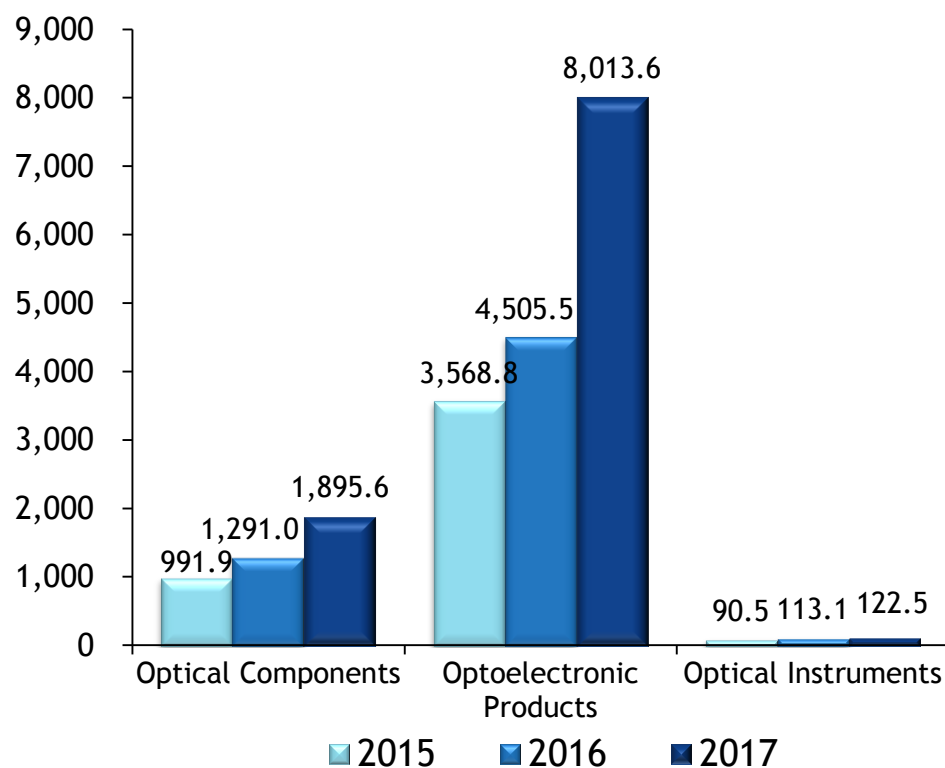
Revenue Breakdown by Product Applications



Revenue and Gross Profit Margins by Business Segments

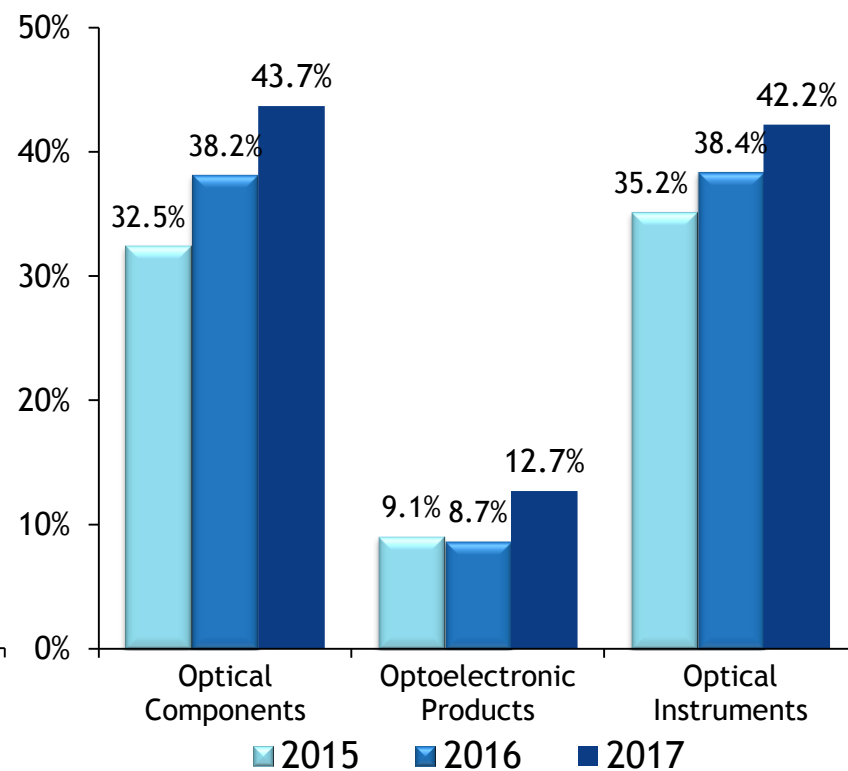
Revenue by Business Segments

(RMB mn)



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

Obtained
482 Patents

» 2015

» 2016

» 2017

Optical Components



- The R&D on 23-mega pixel has completed
- The R&D on high-resolution handset 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

- 10-mega pixel above dual-camera handset lens sets have commenced mass production
- 13-mega pixel with wide angle handset lens sets have commenced mass production
- 16-mega pixel with large aperture (FNO1.8) handset lens sets have commenced mass production
- 10-mega pixel above handset lens sets with 6 pieces of plastic aspheric lenses ("6P") have commenced mass production
- VR/AR lenses and lens sets have undergone mass production
- "Near infrared interactive projection lens sets", "An automatic gluing machine", and "A long-wave infrared wide angle lens sets" etc. have obtained national invention patents

- 16-mega pixel with FNo.1.65 handset lens sets have commenced mass production
- Miniaturized handset lens sets suitable for screen size of 18:9 have commenced mass production
- 20-mega pixel handset lens sets have commenced mass production
- "High resolution slim lens set" and "One new long-wave infrared athermalization lens set with high amount of light through" have obtained national invention patents

Optoelectronic Products



- 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

- New packing technology of COB has completed R&D and commenced mass production
- Ultra-thin front dual-camera modules of handset without bracket has commenced mass production
- 10-mega pixel above dual-camera modules of handset have commenced mass production
- New TOF module, structured light module and binocular stereo camera have commenced mass production
- "Personalized Parameters Delivery Method and System for New Module" and "Correction Method of Single Mobile Phone Camera Correction of Light Source" etc. have obtained national invention patents

- The R&D on periscope-style tiny optical zoom modules has completed
- The R&D on 16-mega pixel with FNo.1.65 handset camera modules has completed
- 360° panoramic camera modules have commenced mass production
- TOF modules have serialized and commenced mass production successively

Optical Instruments



- 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
- "Digital Workshop for the Smart Manufacturing of Optoelectronic Camera Modules" has been successfully selected into "2016 Comprehensive Standardization and New Mode Application in Smart Manufacturing Project" of MIIT
- "A Kind of Micro - Video Image Objective Compensation Method" and "A test instrument for Displacement and inclination integration" etc. have obtained national invention patents

- The R&D on LED microscope illuminate system for colour temperature adjusting applied to medical education has completed
- The zoom-stereo microscopes with maximum zoom ratio applied to life science have commenced mass production
- The equipment of IRCF defect inspection and IRCF module defect inspection have commenced mass production
- "One laser vibration, displacement and its transducer measurement" has obtained national invention patent

Awards and Recognitions



Panasonic
“Best Delivery Supplier Award”



VIVO
“Innovation Award”



Bosch
“Global Supplier Award”



VIVO
“Quality Award”



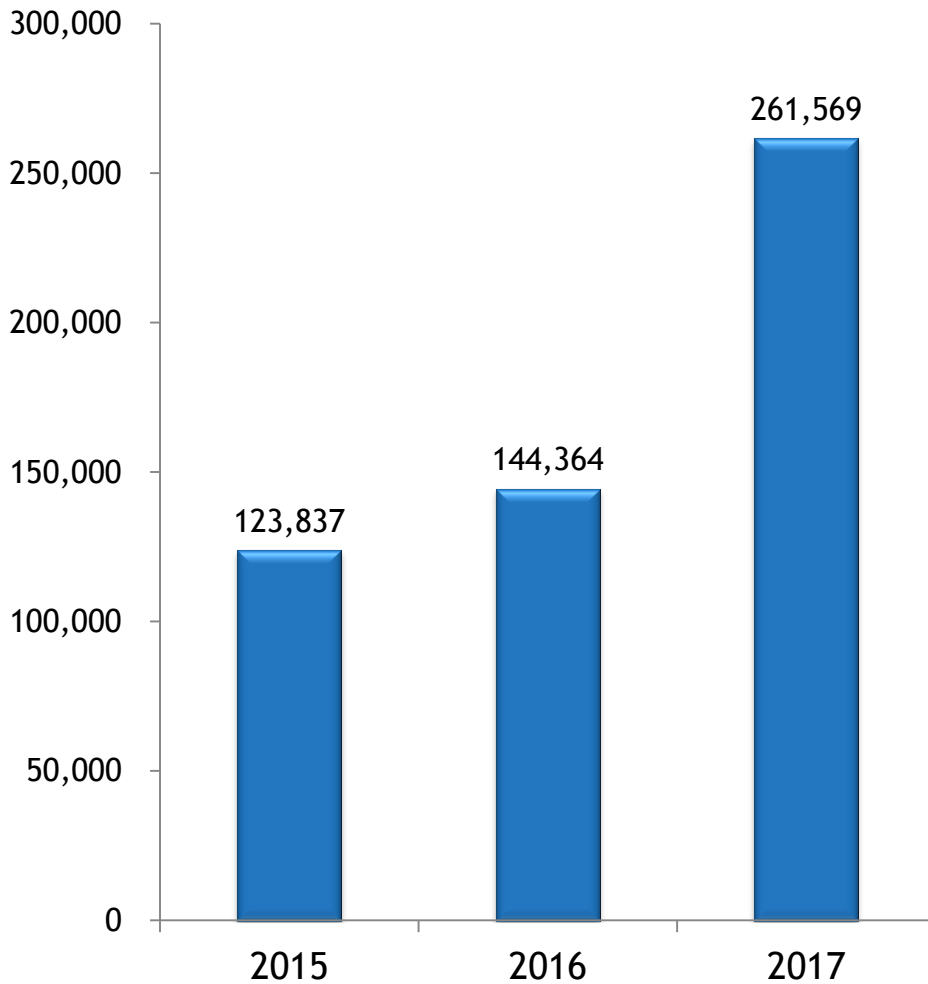
Ranked Top 3 among the Technology/Hardware Companies of the “Best CEO”, “Best CFO”, “Best IR Professional”, “Best IR Company”, “Best Analyst Day”, and the “Best Website”, and was awarded the “Most Honored Company” by Institutional Investor

Continue to Gain Global Market Share Strive for Domestic No.1 and Global No.2



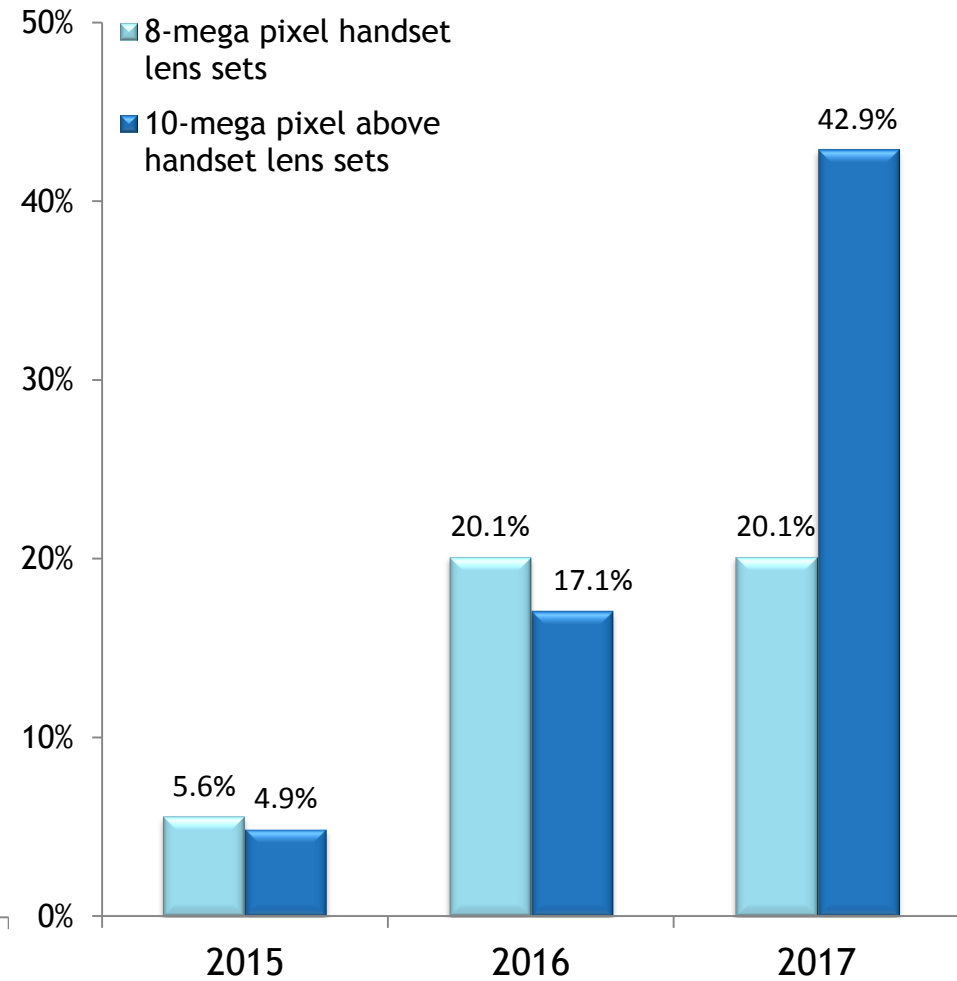
Shipment Volume of the Company's Handset Lens Sets

(Unit : k)



For the six months ended 30 June

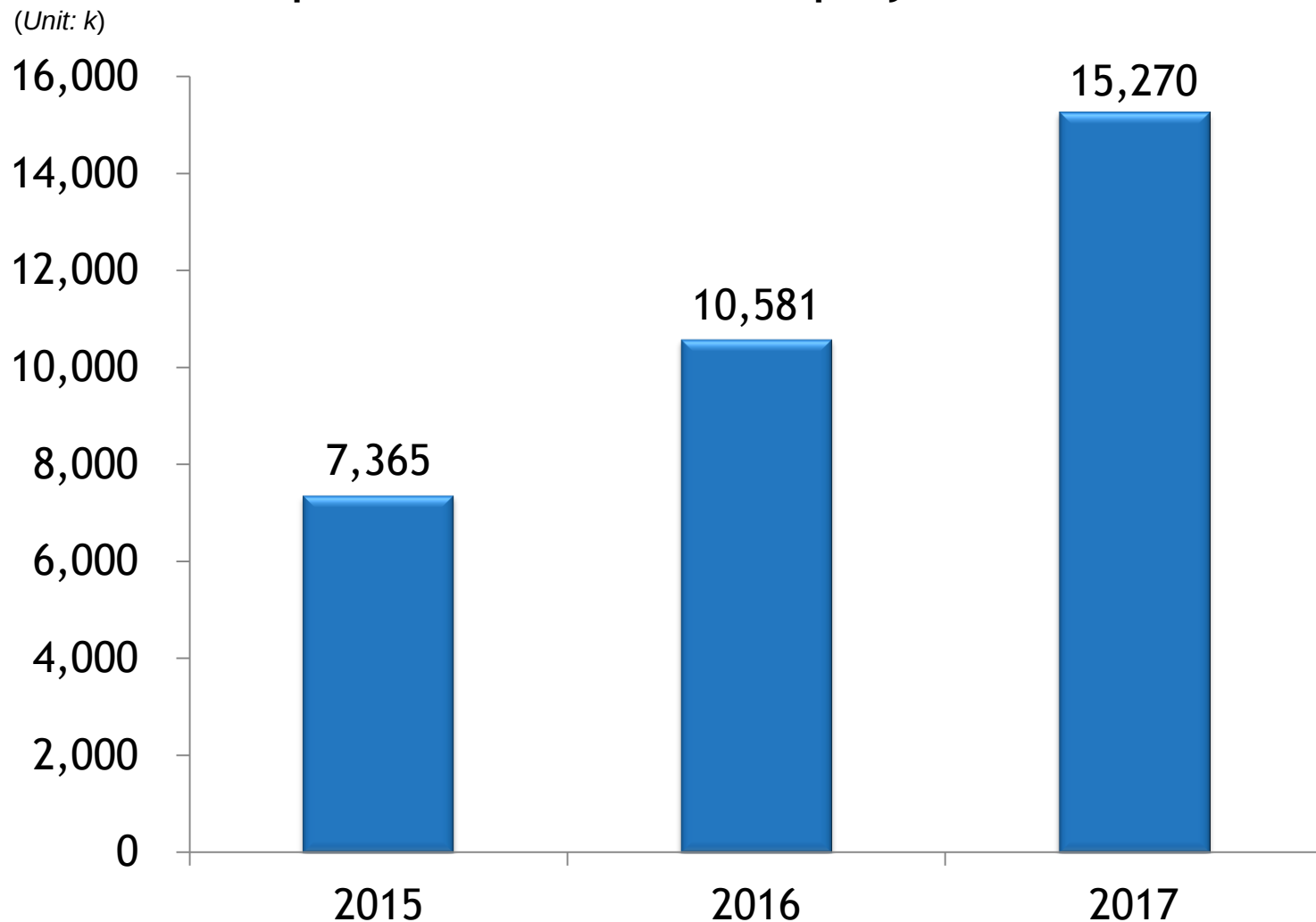
Shipment Volume Proportion of the Company's Handset Lens Sets by Pixels



For the six months ended 30 June

Maintain No.1 Position in Global Market and Further Expand

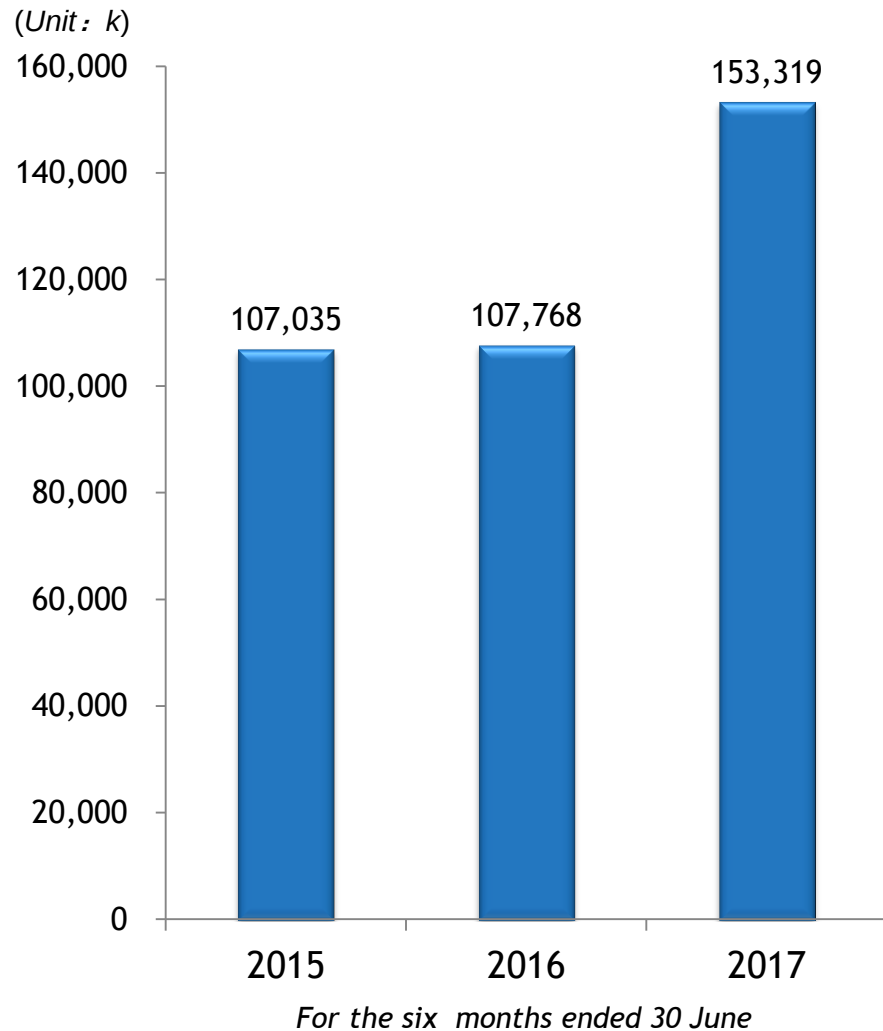
Shipment Volume of the Company's Vehicle Lens Sets



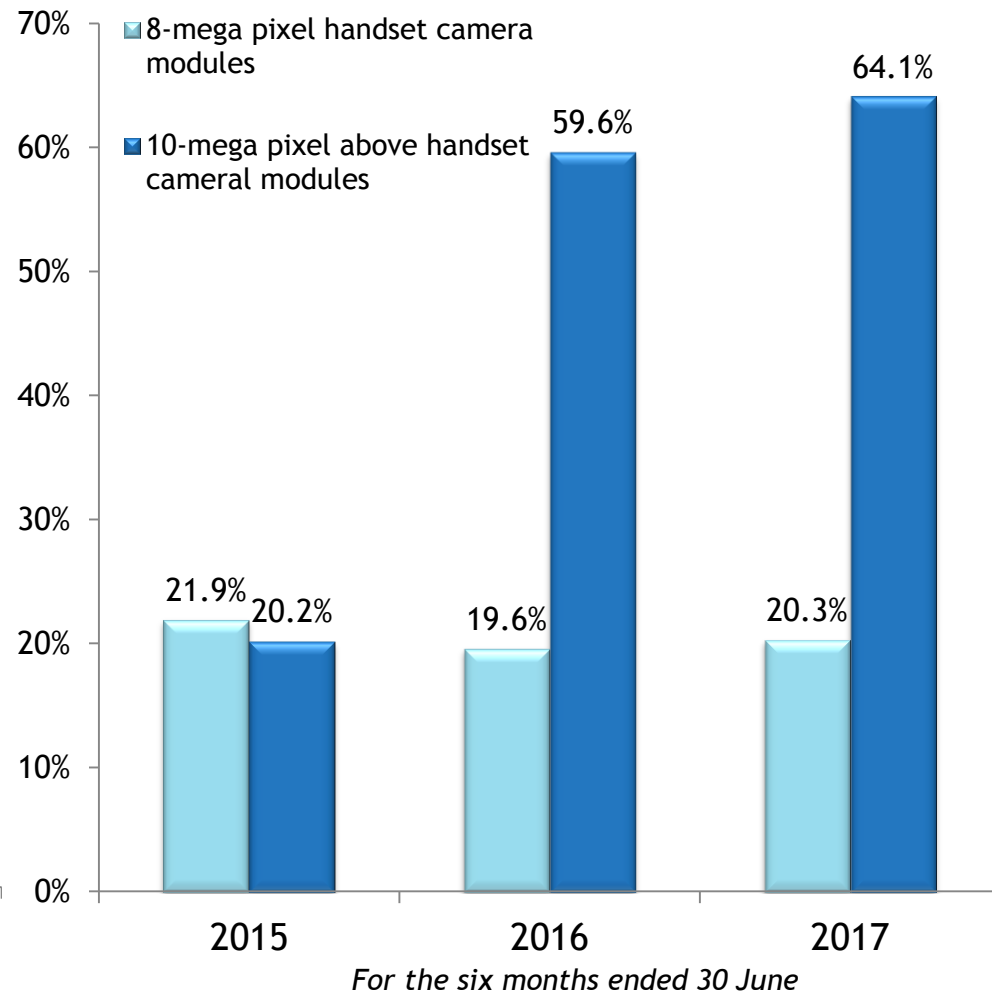
For the six months ended 30 June

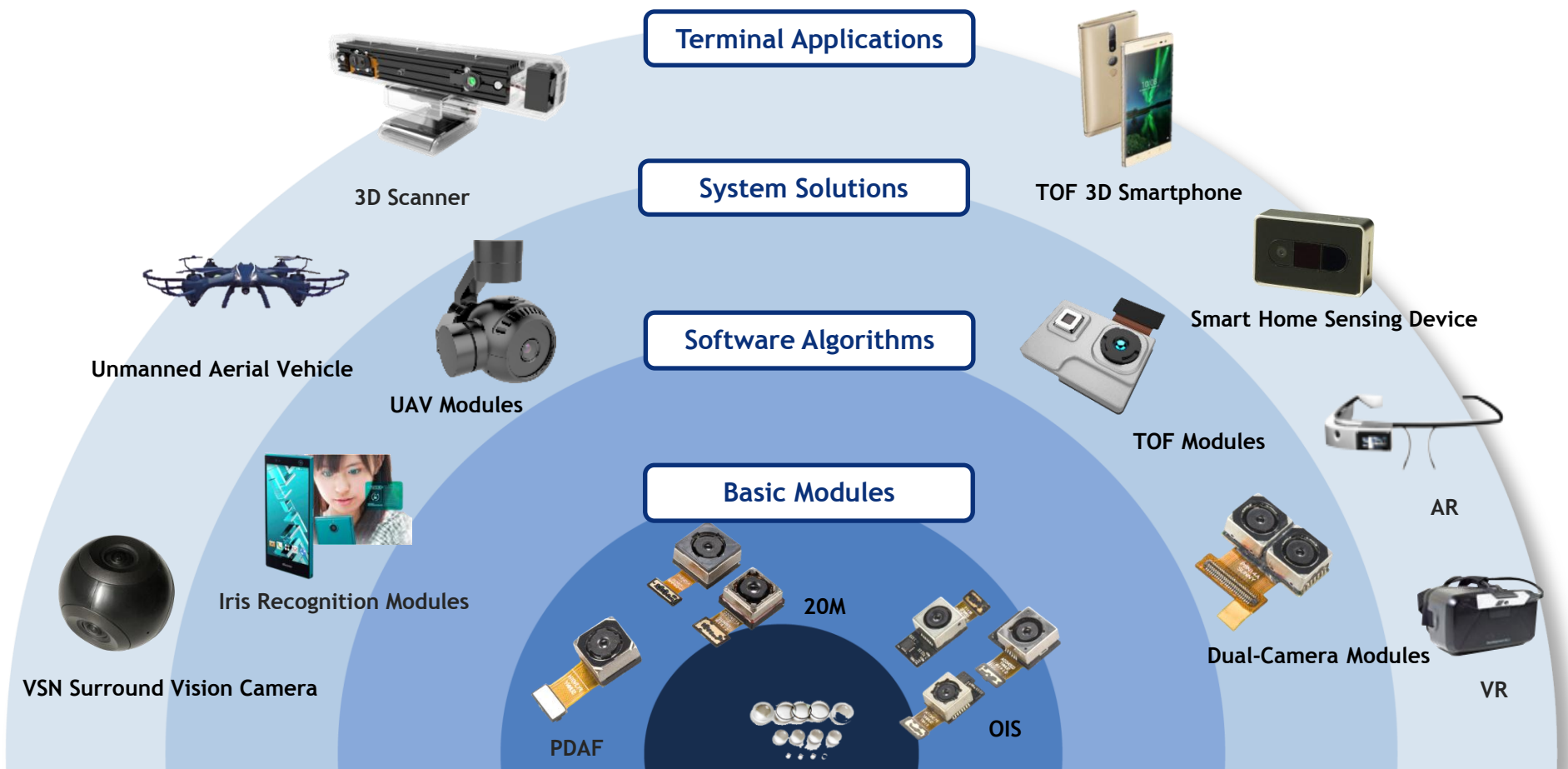
Solidify No.1 Position in Domestic Market and Further Capture Overseas Clients

Shipment Volume of the Company's
Handset Camera Modules



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





Basic Optical Components

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Open Forum



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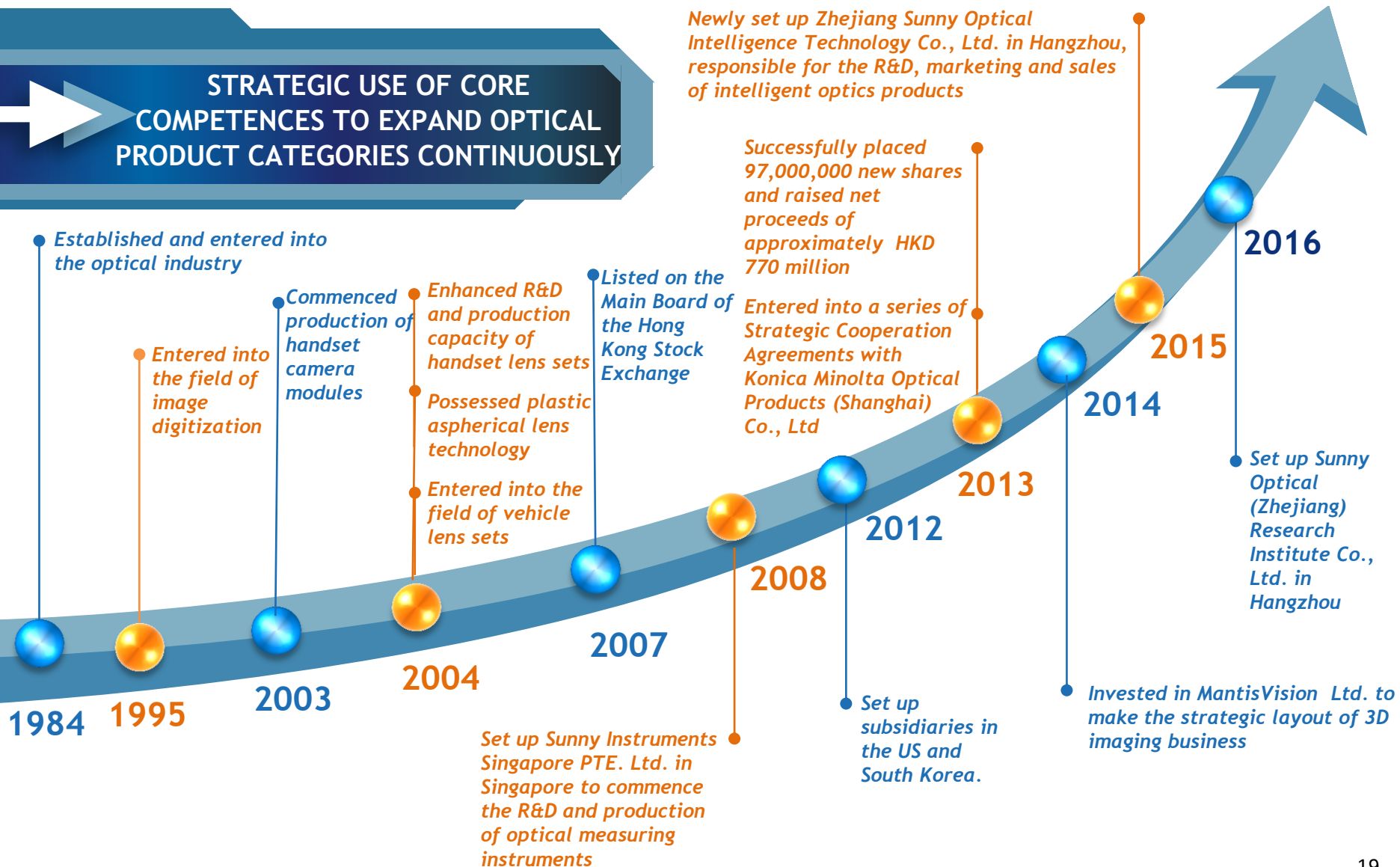
Appendix

Milestones

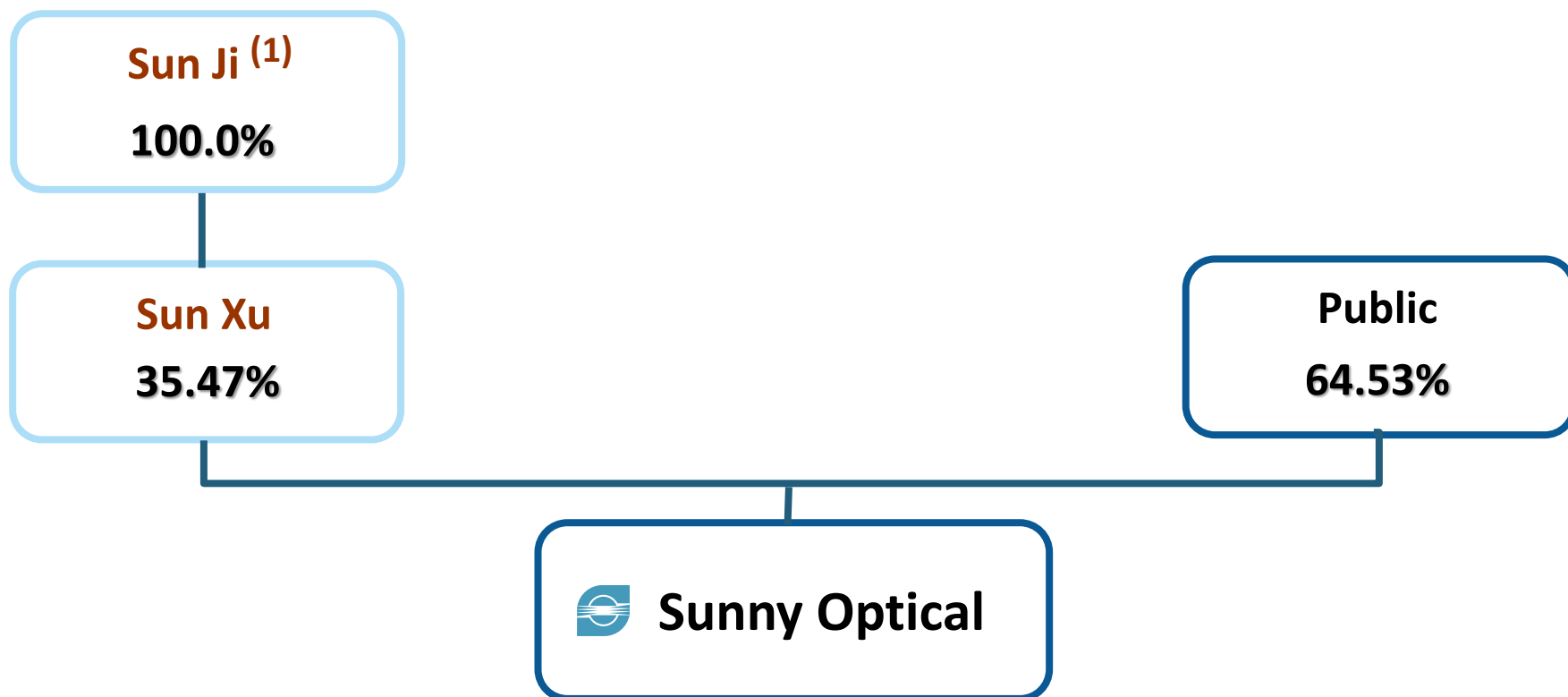


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STRATEGIC USE OF CORE
COMPETENCES TO EXPAND OPTICAL
PRODUCT CATEGORIES CONTINUOUSLY



Shareholding Structure



(1) The Sunny Group Employee Offshore Trust is a trust which holds the entire issued share capital of Sun Ji Limited. Mr. Wang Wenjian, together with TMF Trust (HK) Limited, is one of the two trustees and one of the beneficiaries of the Sunny Group Employee Offshore Trust.

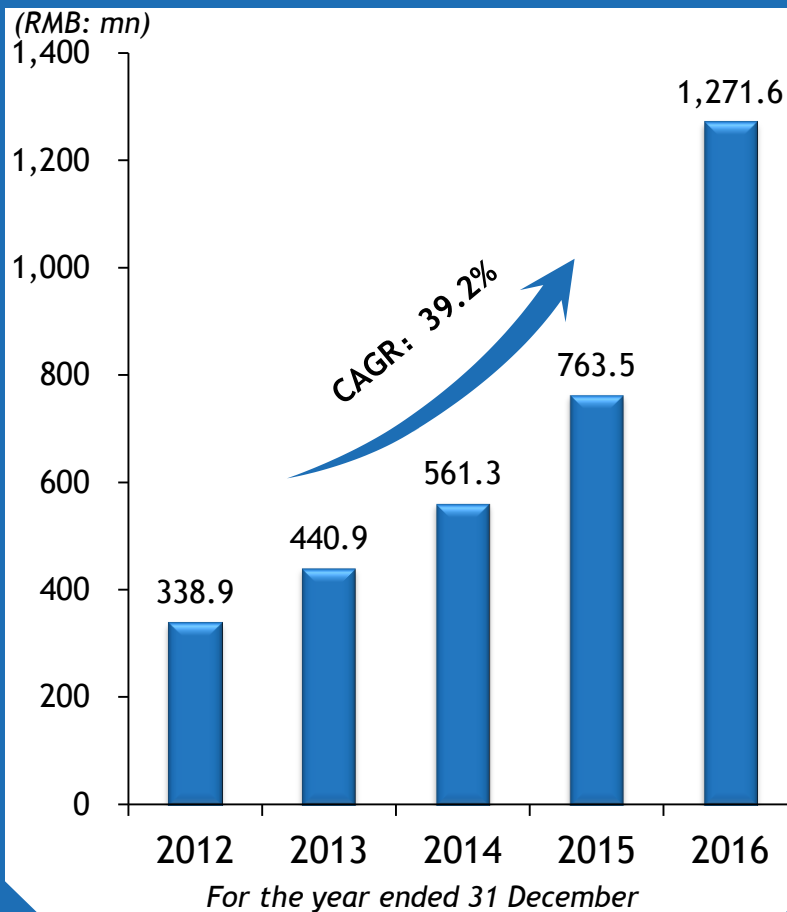
* As at 30 June 2017

Investment Highlights

CONTINUED 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

