



Sunny Optical Technology (Group) Company Limited

舜宇光學科技(集團)有限公司

Stock Code: 2382.HK

Corporate Presentation

Investor Day

June 2019



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Optics

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Agenda

1. Company Overview
2. Review of Operations & Development Strategies
3. Financial Highlights



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.
- » 4 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.



Review of Operations & Development Strategies

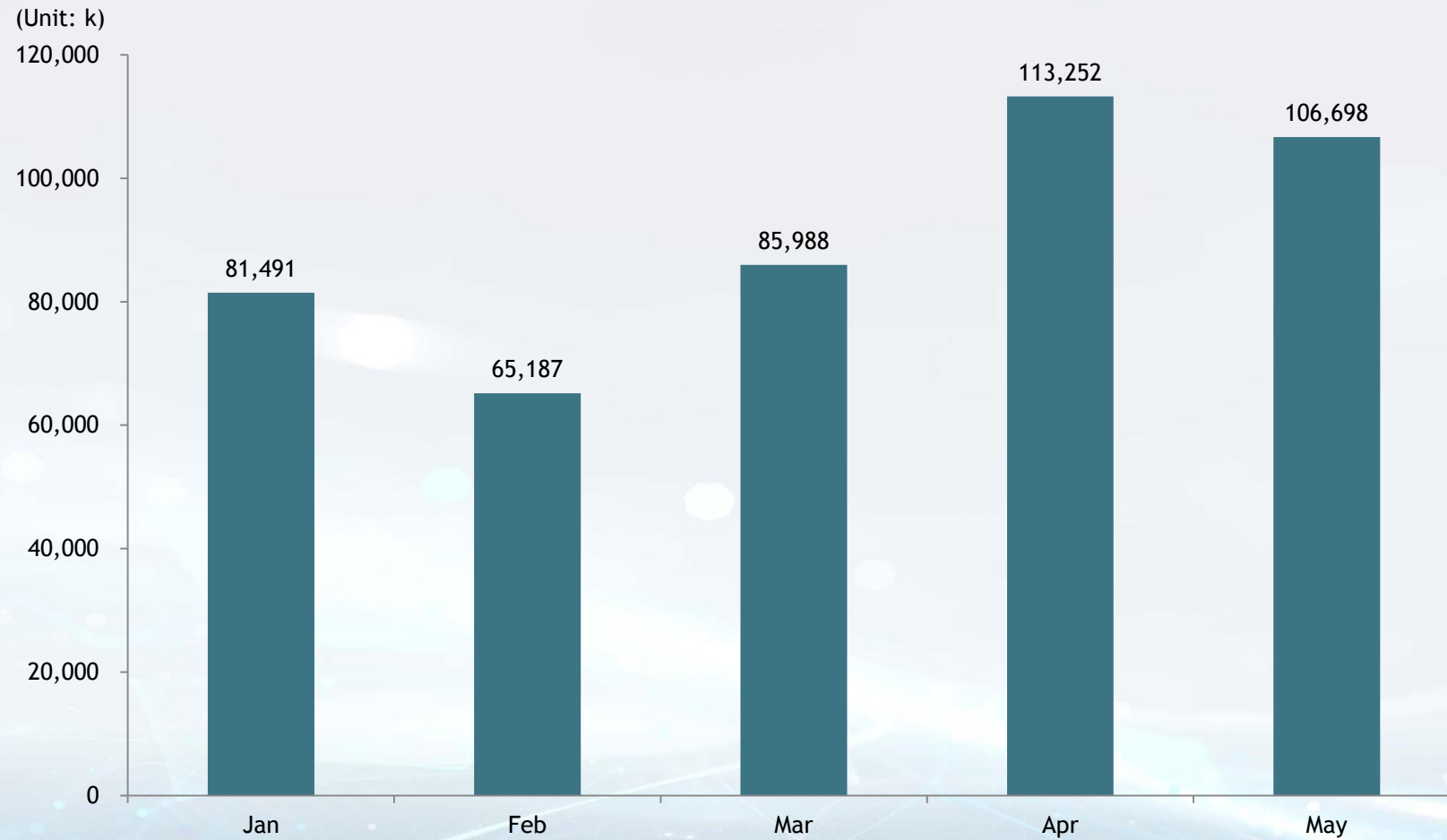


Monthly Shipment of Each Core Product in 2019



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Shipment Volume of the Handset Lens Sets

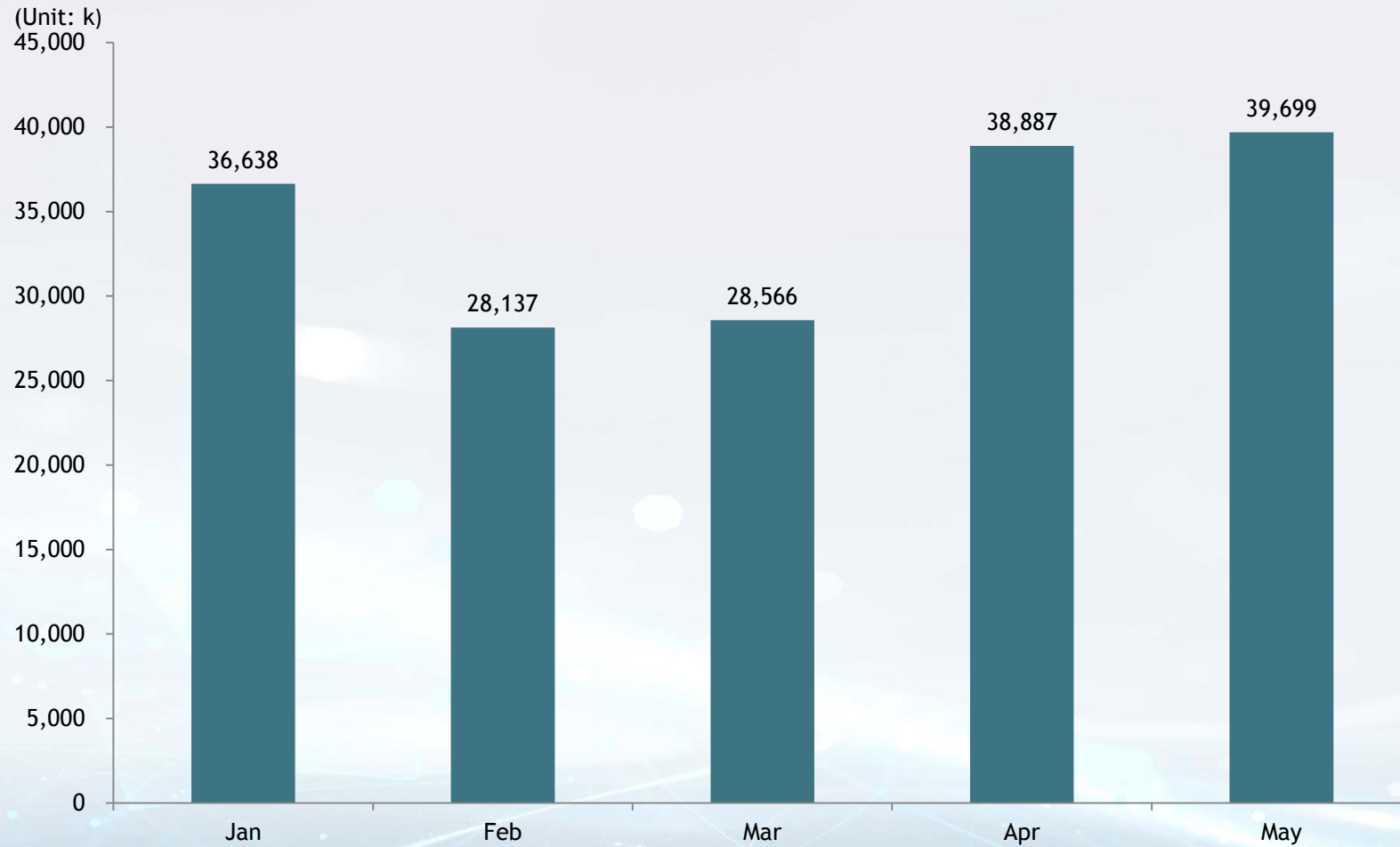


Monthly Shipment of Each Core Product in 2019



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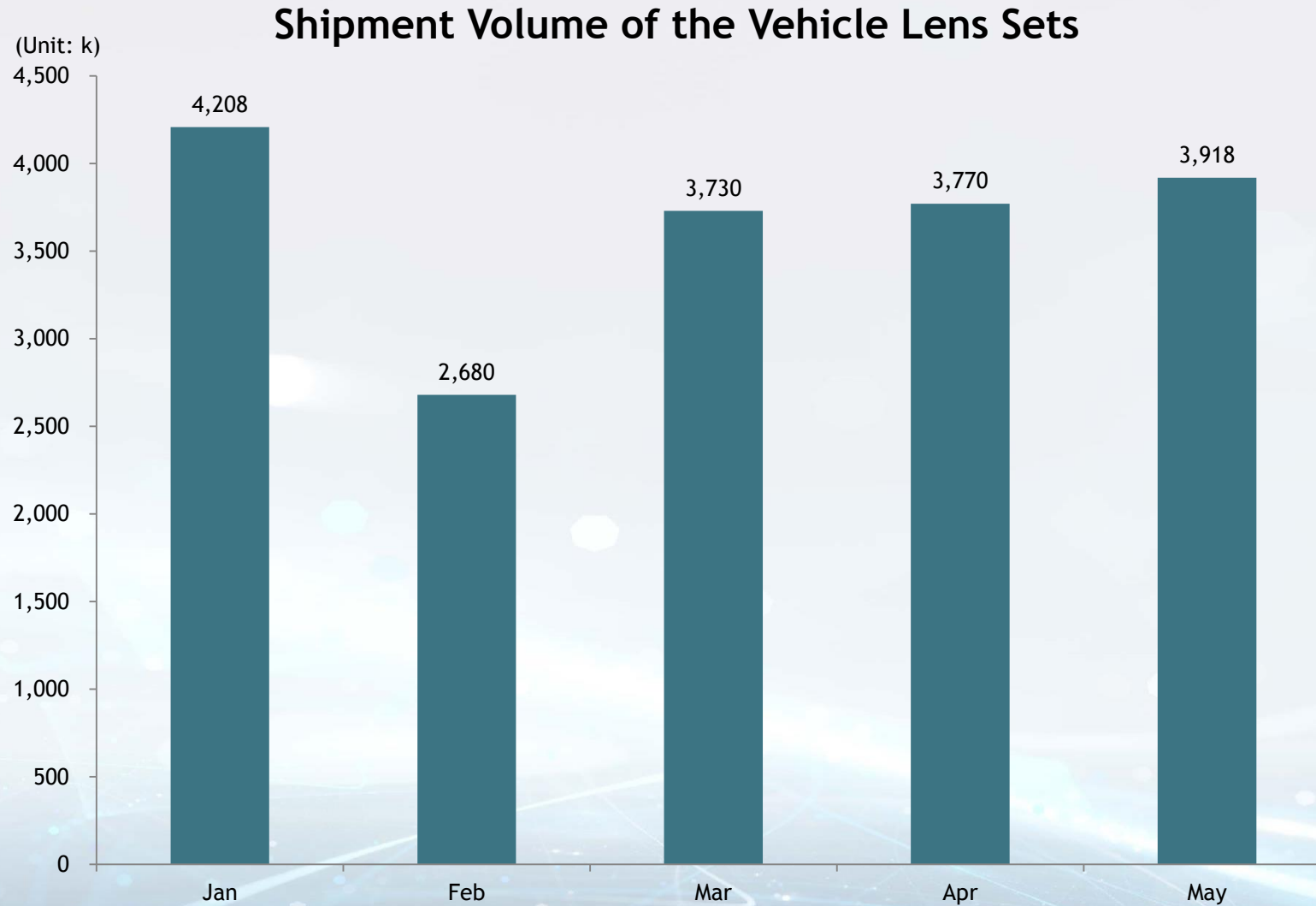
Shipment Volume of the Handset Camera Modules



Monthly Shipment of Each Core Product in 2019



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Trend of Rear Lens Sets



Main Camera
Large Image &
High Resolution

① 32M → 48M → 64M
② 1/2.8" → 1/2" → 1/1.7" → Much Larger

Ultra Wide FOV

① Larger FOV ② Lower Cost

Telephoto Lens Set

Equivalent Focal Length: 51mm → 70mm → 125mm

2M/5M Depth of Field

Macro Lens Set

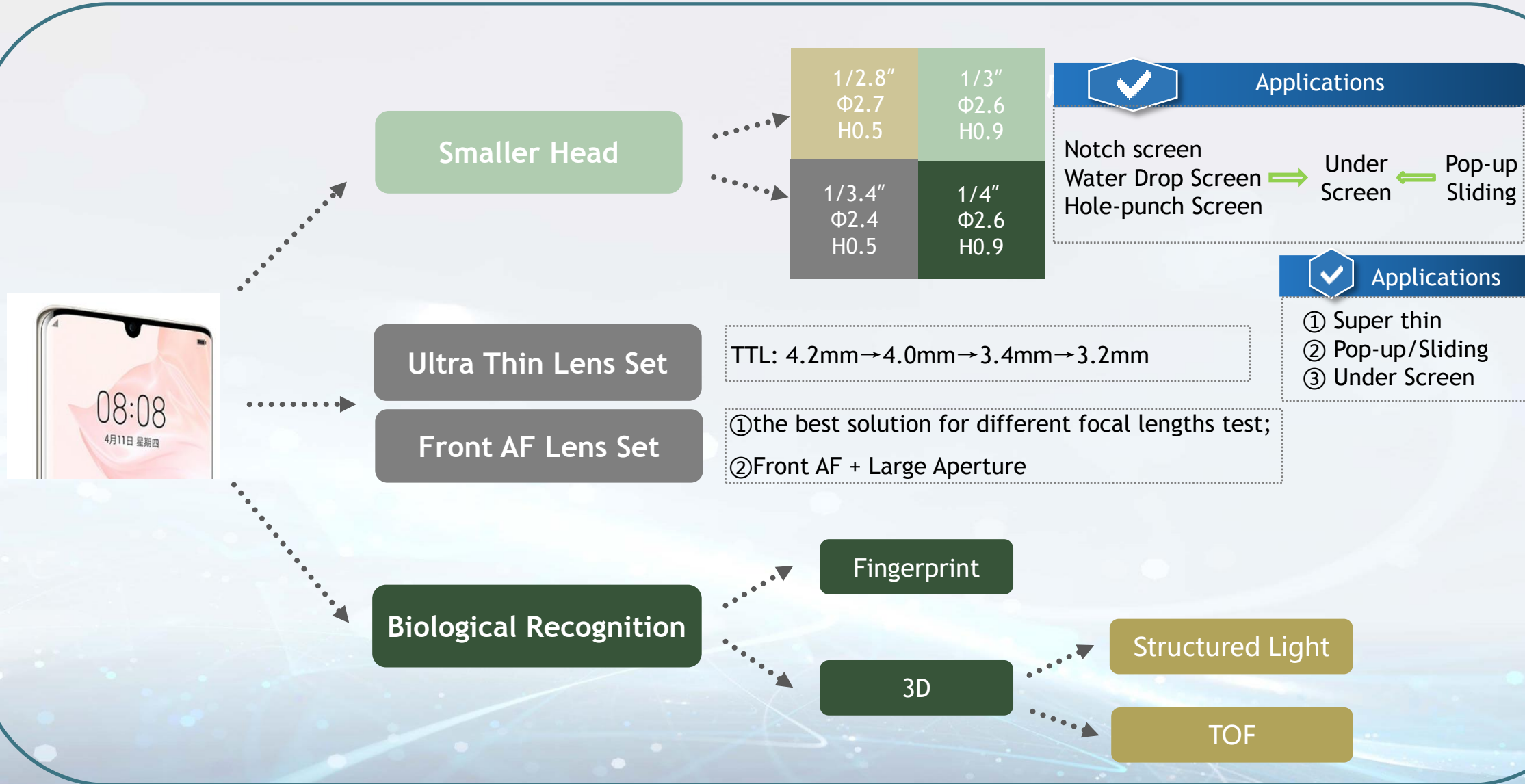
FF → AF

Video

Large Pixel + Large Aperture + OIS

3D Lens Set

Hybrid Lens Set



Intelligent Equipment



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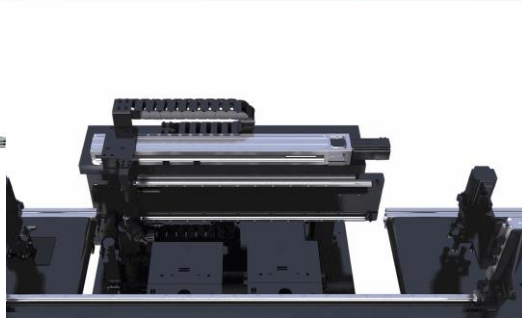
Combine big data and machine learning to develop more intelligent equipment for testing, manufacturing and assembly.



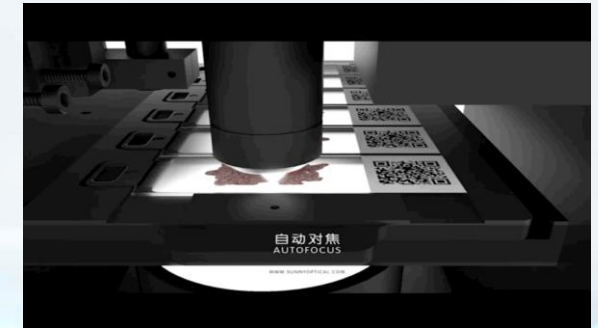
Automotive Camera Module
Active Alignment Equipment



IRCF Defect Inspection Equipment



Scanning Detection Equipment for
ACF Conductive Particle



Pathological Section Scan-imaging Analysis System

Strategy Initiatives



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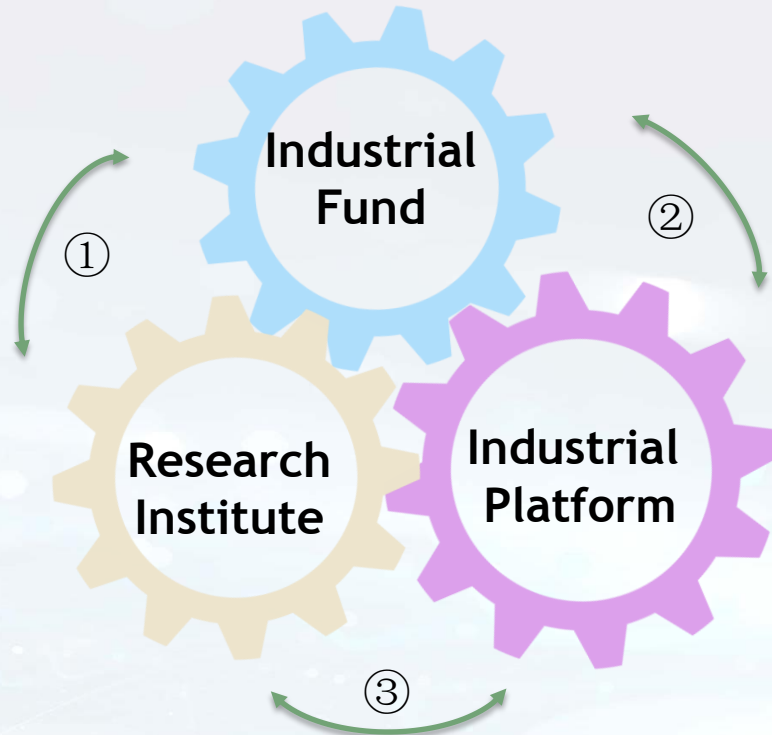
1. Transformation from an optical products manufacturer to a smart optical system solution provider



2. Transformation from an instrument manufacturer to a system solution integrator



3. Iron Triangle (Industrial Fund / Research Institute / Industrial Platform) cooperates with each other to accelerate the development of the Group.



External

- **Industrial Fund**
Investment fields of industry fund---- partners and upstream & downstream of products

Internal

- **Industrial Platform**
Co-creation and startups
- **Research Institute**
Set up Sunny Research Institute in Hangzhou

- ① Pay attention to the industrial technology and products with the research institute.
- ② Complement internal startups; marketing analyze, participate, cultivate on internal venture project
- ③ The products hatched from Sunny Research Institute are commercialized by internal startups.

Financial Highlights



Financial Highlights



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<i>For the year ended 31 December (RMB mn)</i>	2017	2018	Change
Revenue	22,366.3	25,931.9	+15.9%
Gross Profit	4,802.8	4,913.1	+2.3%
Profit Before Tax	3,318.3	2,851.3	-14.1%
Income Tax Expense	(404.2)	(338.6)	-16.2%
Effective Tax Rate (%)	12.2	11.9	-0.3ppt
Profit for the Year Attributable to Owners of the Company	2,901.6	2,490.9	-14.2%
Earnings per Share - Basic <i>(RMB cents)</i>	266.8	227.9	-14.6%

Operating Expenses Analysis



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<i>For the year ended 31 December</i> <i>(RMB mn)</i>	2016		2017		2018	
	<i>(as % of revenue)</i>		<i>(as % of revenue)</i>		<i>(as % of revenue)</i>	
Revenue	14,611.8	100.0%	22,366.3	100.0%	25,931.9	100.0%
Total Operating Expenses	1,179.5	8.2 %	1,762.2	7.8 %	2,006.1	7.8 %
Selling and Distribution Expenses	153.9	1.1 %	205.1	0.9 %	209.9	0.8 %
R&D Expenditure	694.4	4.8 %	1,168.2	5.2 %	1,362.3	5.3 %
Administration Expenses	331.2	2.3 %	388.9	1.7 %	433.9	1.7 %

Solid Financial Position



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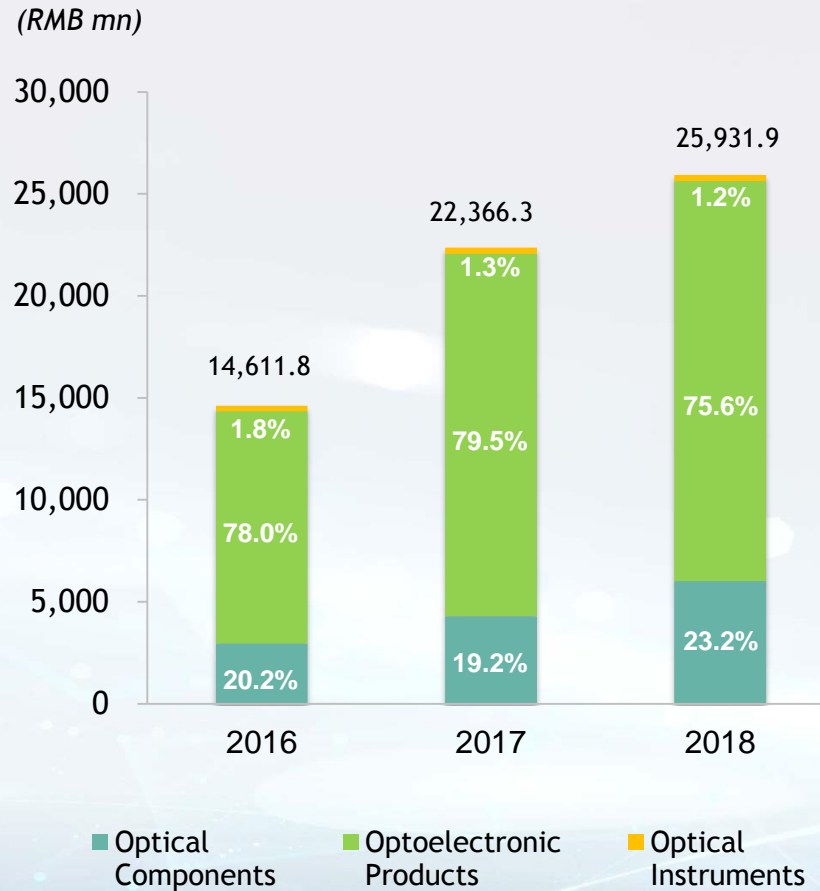
<i>As at 31 December/ for the year ended 31 December</i>	2016	2017	2018
Current Ratio (Times)	1.4	1.5	1.9
Operating Cash Inflow (RMB mn)	1,615.5	2,436.3	3,567.9
Cash and Cash Equivalents (RMB mn)	2,754.7	3,339.5	7,248.6
Pledged Bank Deposits (RMB mn)	101.0	140.3	214.7
Financial Assets at Fair Value through Profit or Loss (RMB mn)	2,027.5	1,952.3	4,759.6
Bank Balances and Cash (RMB mn)	626.2	1,246.9	2,274.3
Net Cash per Share (RMB cents)	171.2	183.1	154.3
Gearing Ratio (%)	7.8	8.6	24.3
ROE (%)	25.9	38.8	27.1
Capital Expenditure (RMB mn)	972.7	1,765.5	2,617.4

Revenue and Gross Profit Margins By Business Segments



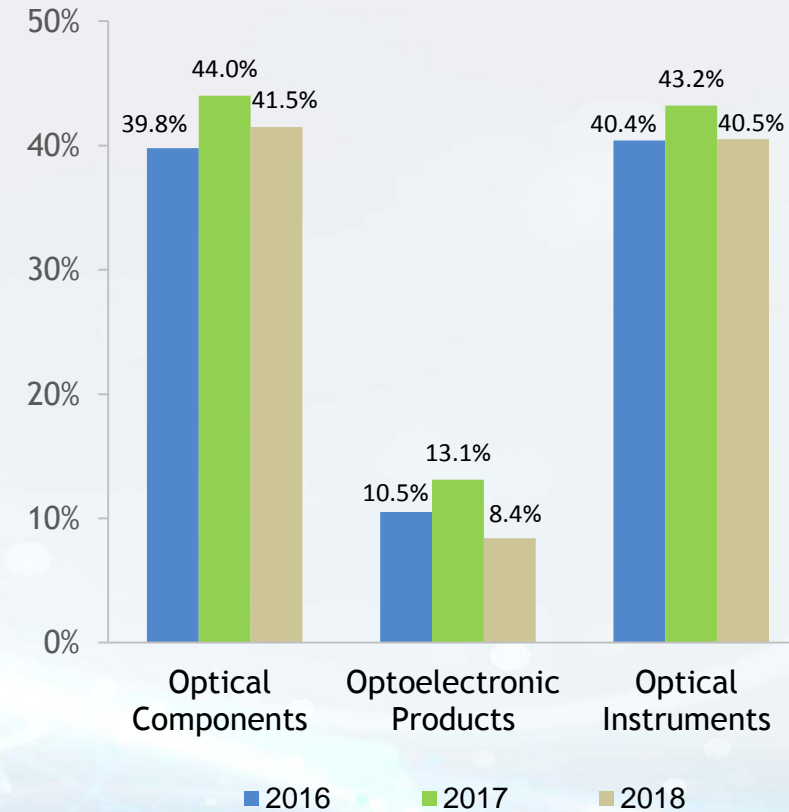
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Revenue by Business Segments



For the year ended 31 December

Gross Profit Margins by Business Segments

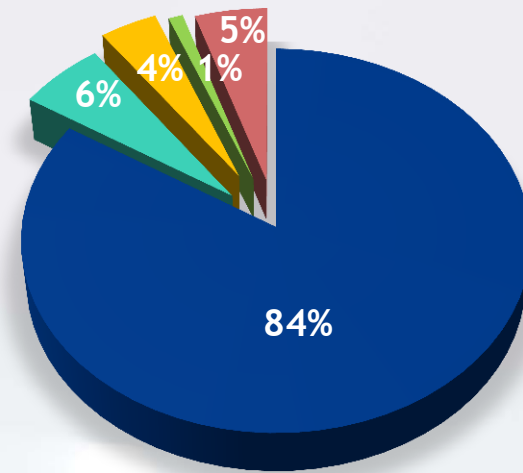


For the year ended 31 December

Revenue Breakdown by Product Applications

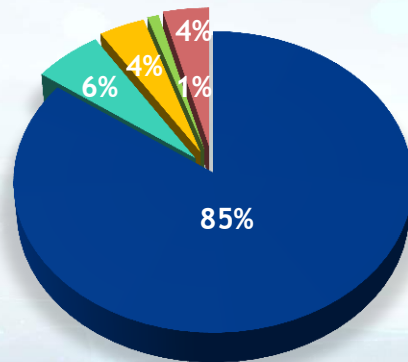


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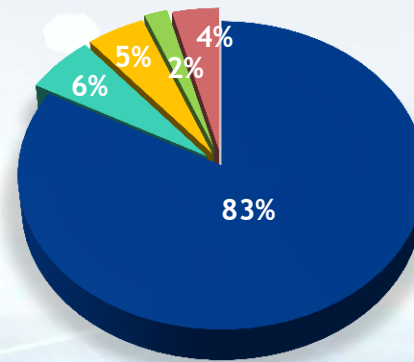


- Handset Related Products
- Vehicle Lens Sets
- Digital Camera Related Products
- Optical Instruments
- Other Products

2018



2017



2016

For the year ended 31 December

Thanks!

