



**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)*

*(Stock Code: 2382.HK)*

# 2022 Interim Results Corporate Presentation

August 2022

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# Agenda

1

**Financial Overview**

2

**Operation Review**

3

**Outlook**

4

**Appendix**



1

# Financial Overview

# Performance in Line with Overall Market Situation

|  | 1H21     | 1H22            | Change  |
|--|----------|-----------------|---------|
| <i>(RMB mn)</i>  |          |                 |         |
| <b>Revenue</b>   | 19,833.4 | <b>16,971.8</b> | -14.4%  |
| <b>Gross Profit</b>  | 4,946.4  | <b>3,522.4</b>  | -28.8%  |
| <b>Profit Before Tax</b>   | 3,229.0  | <b>1,683.8</b>  | -47.9%  |
| <b>Income Tax Expense</b>  | (522.3)  | <b>(304.9)</b>  | -41.6%  |
| <b>Effective Tax Rate (%)</b>                                      | 16.2     | <b>18.1</b>     | +1.9ppt |
| <b>Profit for the Period Attributable to Owners of the Company</b> | 2,688.0  | <b>1,357.9</b>  | -49.5%  |
| <b>Earnings per Share – Basic</b> <i>(RMB cents)</i>               | 245.9    | <b>124.1</b>    | -49.5%  |

# Well-controlled Operating Expenses

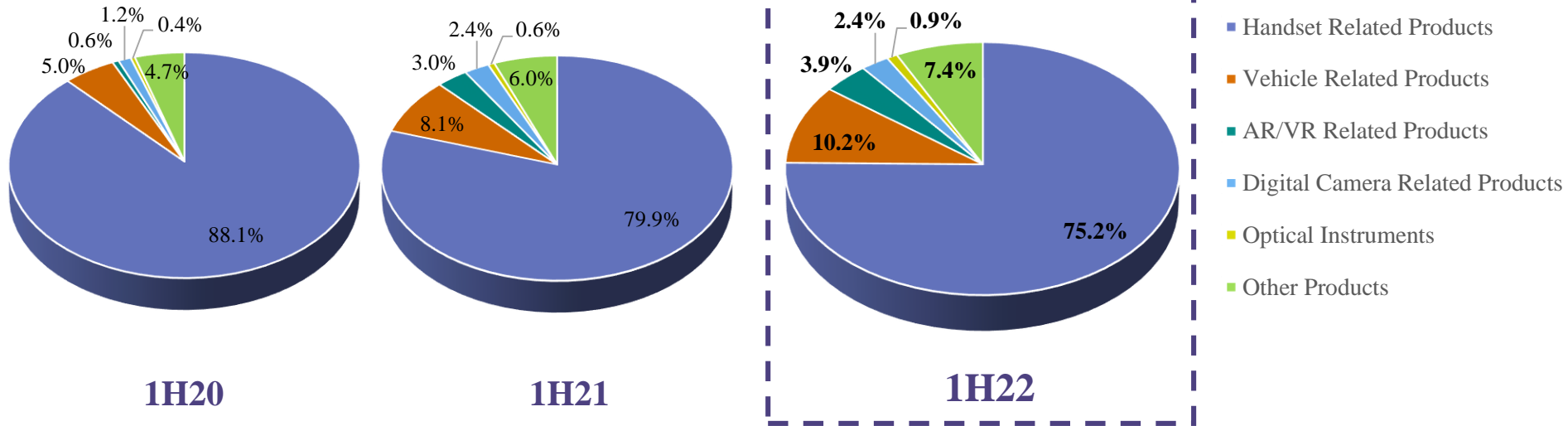
|  | 1H20     |                          | 1H21     |                          | 1H22            |                          |
|--|----------|--------------------------|----------|--------------------------|-----------------|--------------------------|
| <i>(RMB mn)</i>                            |          | <i>(as % of revenue)</i> |          | <i>(as % of revenue)</i> |                 | <i>(as % of revenue)</i> |
| <b>Revenue</b>                             | 18,863.8 | 100.0%                   | 19,833.4 | 100.0%                   | <b>16,971.8</b> | 100.0%                   |
| <b>Total Operating Expenses</b>            | 1,537.4  | 8.2%                     | 1,853.5  | 9.4%                     | <b>2,069.6</b>  | 12.3%                    |
| • <b>Selling and Distribution Expenses</b> | 136.0    | 0.7%                     | 155.5    | 0.8%                     | <b>163.4</b>    | 1.0%                     |
| • <b>R&amp;D Expenditure</b>               | 1,068.0  | 5.7%                     | 1,320.8  | 6.7%                     | <b>1,468.2</b>  | 8.7%                     |
| • <b>Administration Expenses</b>           | 333.4    | 1.8%                     | 377.2    | 1.9%                     | <b>438.0</b>    | 2.6%                     |

# Healthy Financial Position

|   | 1H20    | 1H21     | 1H22            |
|---|---------|----------|-----------------|
| <b>Current Ratio</b> <i>(Times)</i>   | 1.8     | 2.1      | <b>1.8</b>      |
| <b>Operating Cash Inflow</b> <i>(RMB mn)</i>  | 2,003.9 | 2,395.9  | <b>1,571.1</b>  |
| <b>Cash and Cash Equivalents</b> <i>(RMB mn)</i>  | 7,516.7 | 11,872.9 | <b>14,419.2</b> |
| • <b>Pledged Bank Deposits</b> <i>(RMB mn)</i>  | 3.8     | 4.7      | <b>7.1</b>      |
| • <b>Financial Assets at Fair Value through Profit or Loss</b> <i>(RMB mn)</i>            | 5,702.4 | 8,420.2  | <b>8,279.4</b>  |
| • <b>Time Deposits, Short Term Fixed Deposits, Bank Balances and Cash</b> <i>(RMB mn)</i> | 1,810.5 | 3,448.0  | <b>6,132.7</b>  |
| <b>Net Cash per Share</b> <i>(RMB cents)</i>  | 122.8   | 534.5    | <b>747.0</b>    |
| <b>Gearing Ratio</b> <i>(%)</i>   | 19.9    | 16.4     | <b>16.3</b>     |
| <b>ROE</b> <i>(%)</i>   | 13.0    | 14.6     | <b>6.5</b>      |
| <b>Capital Expenditure</b> <i>(RMB mn)</i>  | 1,526.7 | 1,061.3  | <b>1,364.3</b>  |

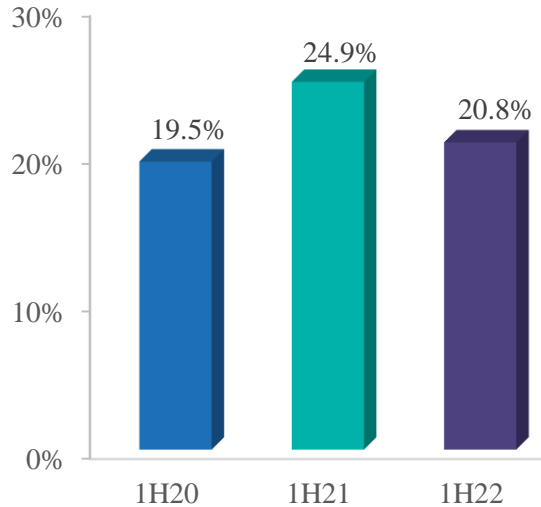


## Revenue Breakdown by Product Applications

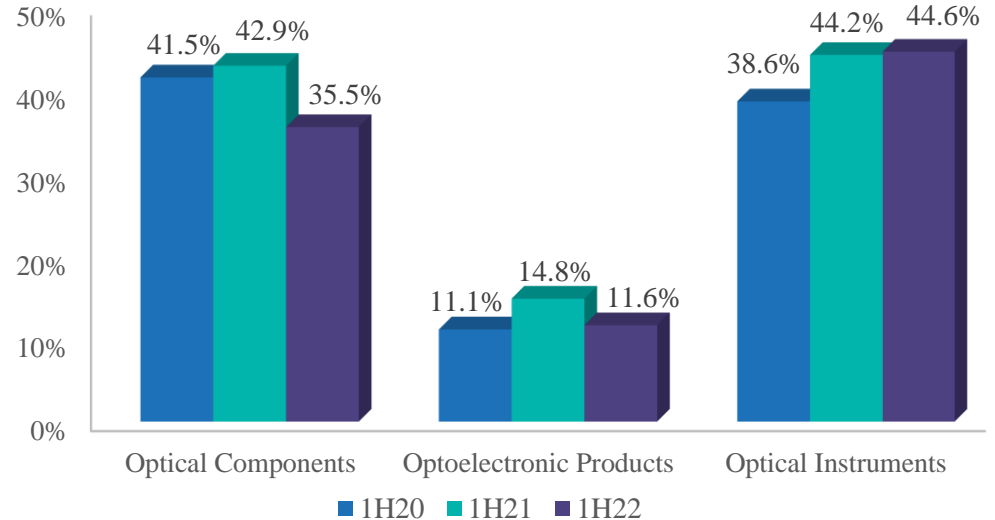




## Consolidated Gross Profit Margin



## Gross Profit Margins by Business Segments



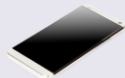


## **2** Operation Review

## Optical Components

## Optoelectronic Products

## Optical Instruments



### Smartphone Related

#### R&D Completed

- 1-inch hybrid lens sets
- 200MP ultra-thin lens sets
- Wide-angle (100° ) front lens sets

#### Mass Production Achieved

- **Ultra-thin miniaturized head lens sets**  
*Used for foldable phones*
- **200MP ultra-large image size (1/1.22") lens sets**
- **Ultra-wide angle lens sets with two pieces of freeform lenses**



### Vehicle Related

#### R&D Completed

- **Various 5MP hybrid in-cabin monitoring lens sets**  
*Achieve monitoring the driver and passengers simultaneously and has obtained the platform-based projects from various automobile manufacturers*

#### Mass Production Achieved

- **3MP hybrid side-view ADAS lens sets**  
*Increase the luminous flux with smaller size, and decrease cost significantly*
- **3MP large aperture (FNo. 1.6) hybrid surround-view lens sets**  
*Leverage on highly precise control technology of temperature excursion and tackle the technical difficulty of large aperture lens sets being subject to focus shift*



### Emerging Optics

#### R&D Completed

- **Projection lens sets for AR optical engine**  
*Ultra-miniaturized size with outstanding temperature excursion performance*

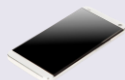
#### Mass Production Achieved

- **New-generation VR positioning lens sets**  
*Further tackle temperature excursion to improve the stability of spatial orientation*
- **VR pancake modules**

## Optical Components

## Optoelectronic Products

## Optical Instruments



### Smartphone Related

#### R&D Completed

- Internal focusing camera modules  
*First one in the industry*
- Tunable OIS camera modules

#### Mass Production Achieved

- Ultra-large image size (1/1.12") OIS camera modules



### Vehicle Related

#### R&D Completed

- 8MP A-PHY transmission technology modules
- 5MP OMS modules

#### Mass Production Achieved

- 3MP high-definition surround-view modules
- 8MP sensing modules for external environment  
*3 projects added*

#### Designated Projects

- 3 new 8MP sensing modules for external environment projects



### Robotic Vision

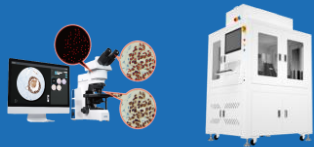
- Completed the R&D of the first-generation standardized products of AI modules
- Batch packaging design of visual AI chips was completed and put into use

- 3D visual modules have been commenced mass production  
*Used in sweeping robots (ToF or structured light solution), commercial robots(ToF solution) and shipped to industry-leading customers*

Optical  
Components

Optoelectronic  
Products

Optical  
Instruments



## Microscopes

- **Mass production of 25X flat field multiphoton excitation dedicated objectives**  
*The first commercial product in China, both near-infrared wide-field and multiphoton imaging have achieved excellent results in life science research, especially with high spatial resolution at large depths, and have been recognised by many research institutes and universities*
- **Mass production of near-infrared region-II microscope in vivo imaging system**  
*Used in the field of living life sciences, achieving the industry-leading level of wide-field microscopic detection depth and resolution*



## Intelligent Equipment

### Industrial Field

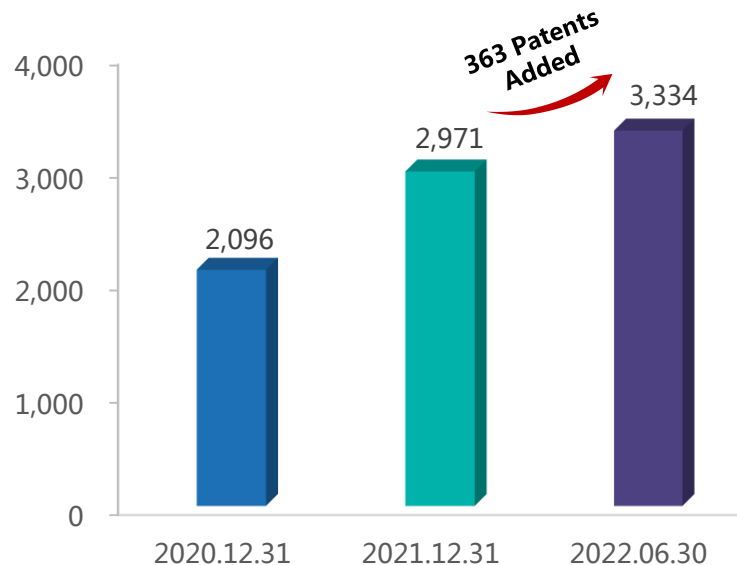
- **Completed the R&D of patterned wafer automated optical inspection equipment**  
*Achieve sub-micron defect detection on the wafer surface, which was in an industry-leading position in domestic market*



### Medical Field

- **Mass production of chromosome caryotype auto microscopic scanner**  
*Applied in prenatal examination, screening and diagnosis, genetic diseases diagnosis, hematologic tumor diagnosis and other fields and has successfully replaced imported equipment*

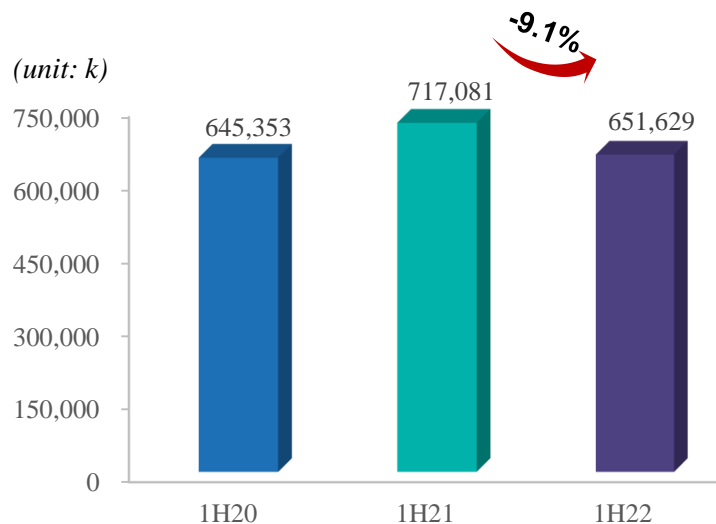
## Number of Authorized Patents



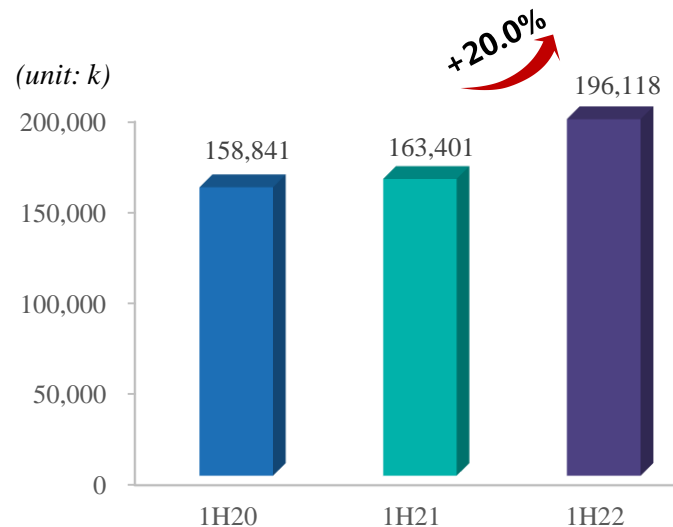
- ◆ In the first half of 2022, 363 new authorized patents were obtained, including 116 invention patents
- ◆ As at 30 June 2022, 4,064 patents are pending for approval, mainly related to the fields of handsets, vehicles, security surveillance, AR/VR, robots, etc.

# Made Breakthroughs in a New International Customer Expanded Industrial Leading Advantages

## Shipment Volume of the Company's Handset Lens Sets



## Shipment Volume of the Company's 6P and above Handset Lens Sets

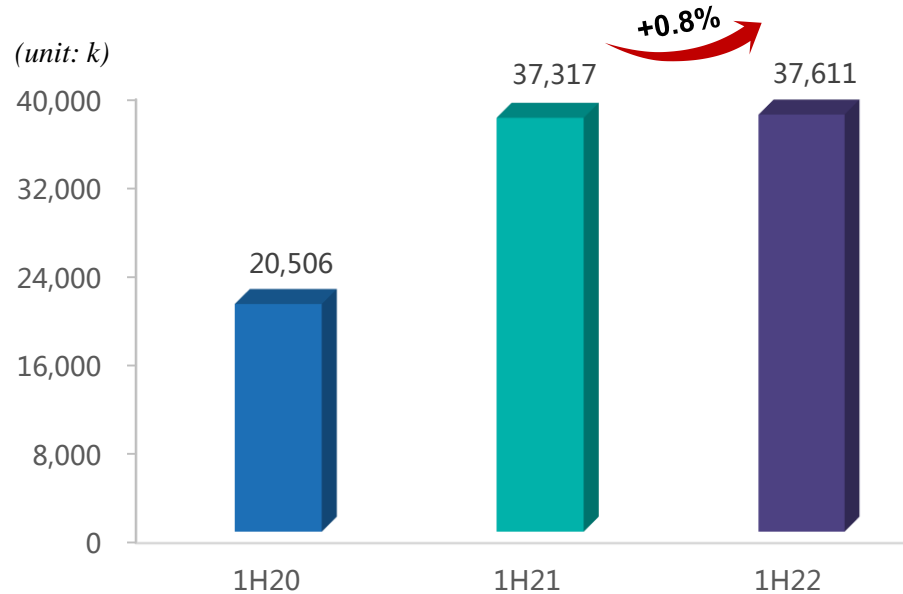




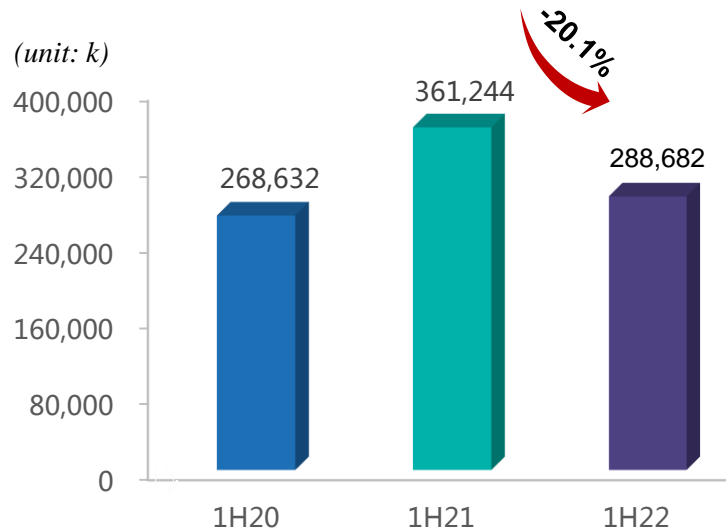
# Continued to Maintain Leading Position as Global No.1

## Raised Barriers of Product Technology

Shipment Volume of  
the Company's Vehicle Lens Sets

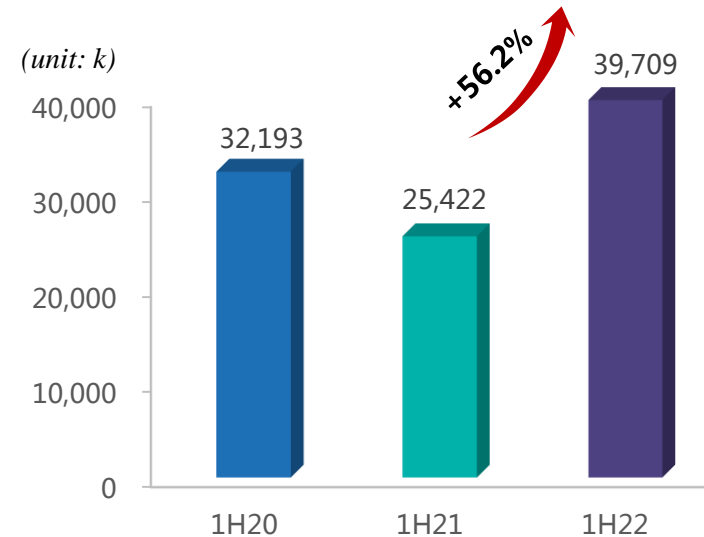


## Shipment Volume of the Company's Handset Camera Modules



## Total Shipment Volume of the Company's Periscope Modules and Large Image Size Modules

\* Large image size modules refer to modules with 1/1.7" and above image size



# Expanded Global Layout

## Enhanced Large-scale and High-end Manufacturing Capabilities

 Production Base  R&D Center



# 3 Outlook

# Continued to Strive for Differentiated Breakthroughs on Smartphone Cameras

## Main Camera

- Large image size
- Large aperture
- Variable aperture
- Internal focusing
- Hybrid (G+P)
- Ultra-thin (foldable screen)
- Dual OIS & sensor-shift stabilisation

## Ultra-wide Angle

- Wide angle
- Small distortion
- Freeform
- Fisheye camera (  $> 150^\circ$  )
- Video stabilisation
- Combination of main camera with wide angle

## Telephoto

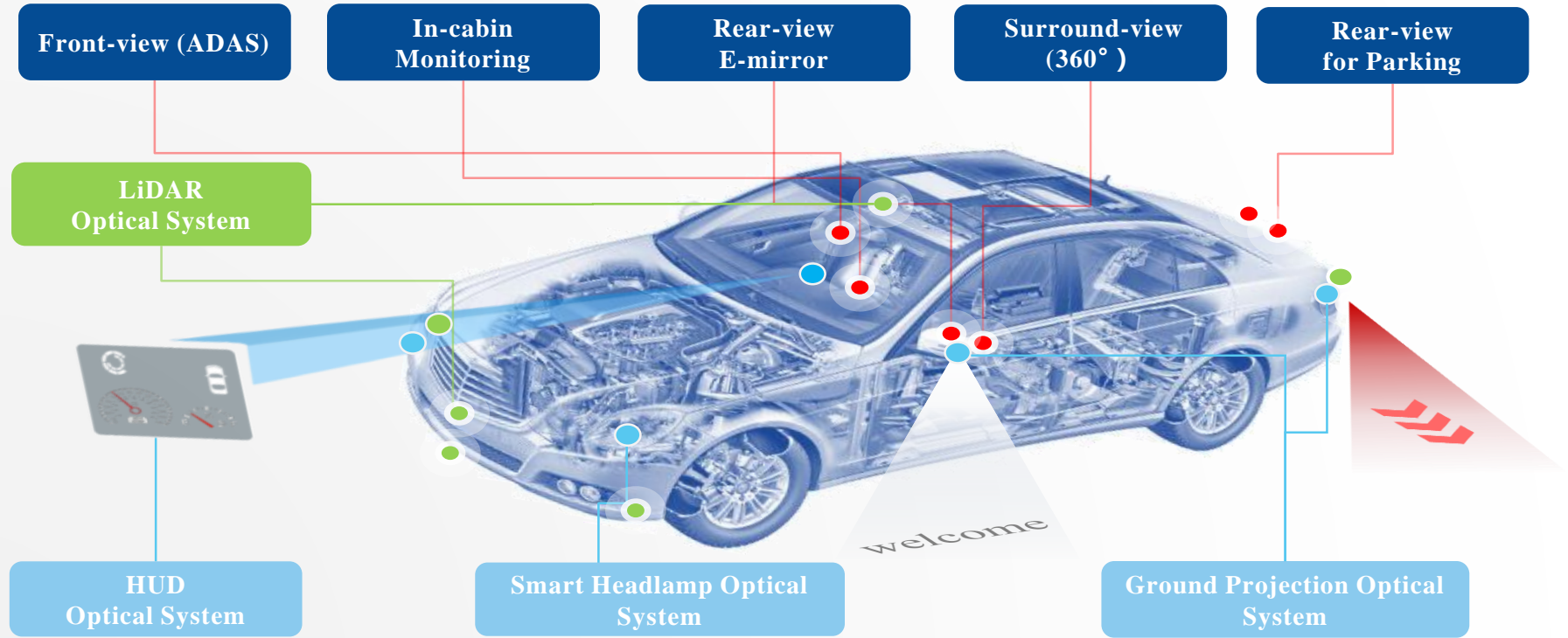
- 2X~3X practical portrait
- 5X~10X ultra-long focal length
- Continuous optical zoom
- High resolution with large image size
- Telephoto & macro-shooting two in one



## Front Camera

- Ultra-miniaturized head
- Front AF/OIS
- Under-screen camera with large aperture

# Rapid Progress in Autonomous Driving Huge Potential in Optical Applications

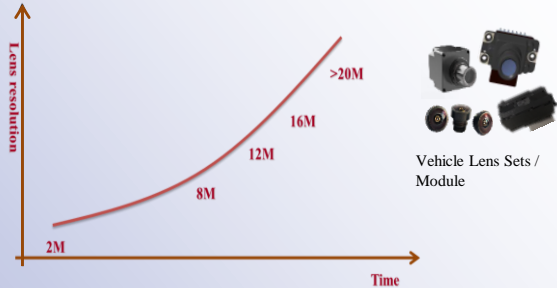




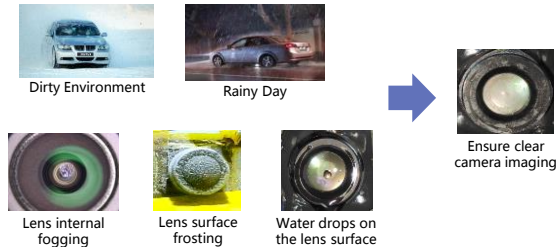
# Define Strategic Position for Vehicle Related Optical Products

## Develop Sustainable Growth Driving Force

### Vehicle Camera Related Products



- The pixels are getting higher and higher. The clearer they are, the further you can see.



- Higher requirements on active resistance to environmental interference: defogging, heating, defrosting and self-cleaning.

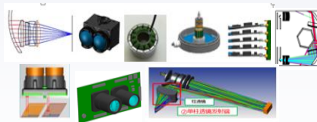
### LiDAR Related Products

- LiDAR is becoming a standard component in new smart electric vehicles
- It is expected that the mass production of before-market LiDAR will see an intensive growth from 2022-2025, and will gradually penetrate from high-end to mid- and low-end vehicle models after 2024

#### Strategic Positioning:



- Focus on the design and processing of transmitter and receiver modules, integrated transceiver modules, and core optical components and assemblies



- OEM services for various solutions (mechanical, MEMS, 3D Flash, multilateral scanning) of LiDAR

### Display Related Products

- 2021 was the first year of AR-HUD commercialization, AR-HUD starts to get on board and enter into the stage of mass production gradually
- Headlamp will gradually develop from traditional lighting optics to imaging optics in the future, and there is a trend of continuous development to high pixel, and the imaging contents will become richer

#### Strategic Positioning:

- Accelerate the diversified product layout of AR-HUD to enhance customer satisfaction
- Expand the product line of ground projection and break through the cutting edge technology of headlamp for mass production and iteration to seize the market opportunity in advance



HUD / Smart Headlamp related products  
(including PGU, ground projection modules, key optical components and assemblies)



## Display

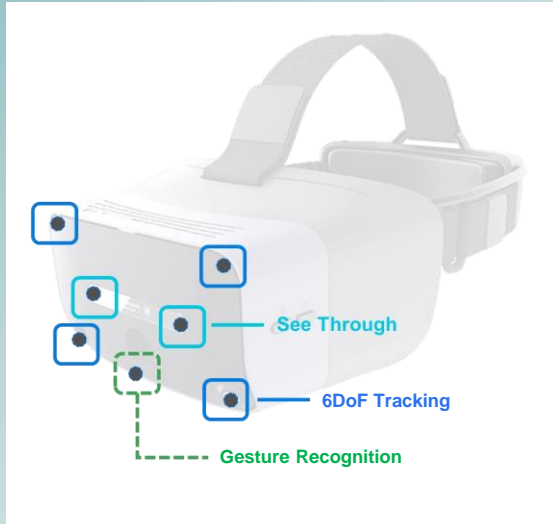


Fresnel

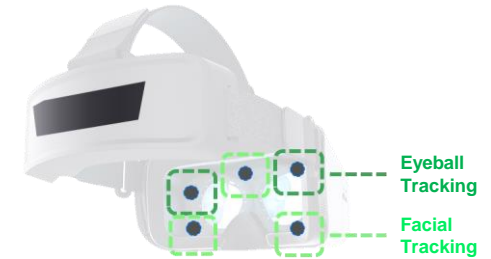


Pancake

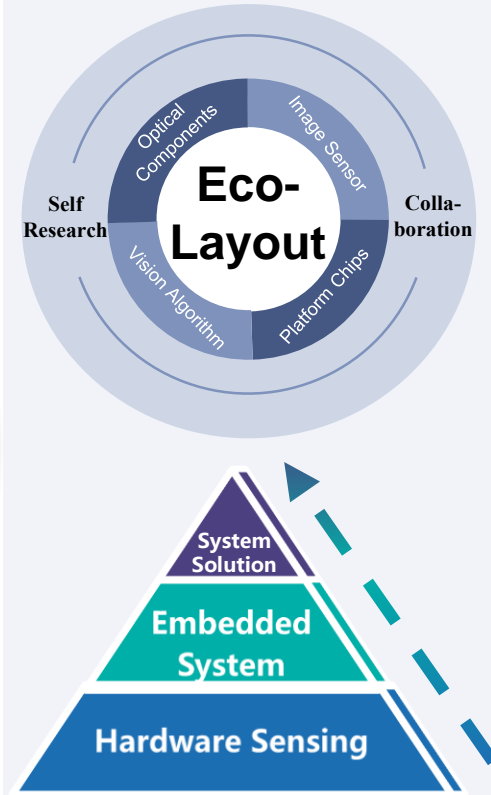
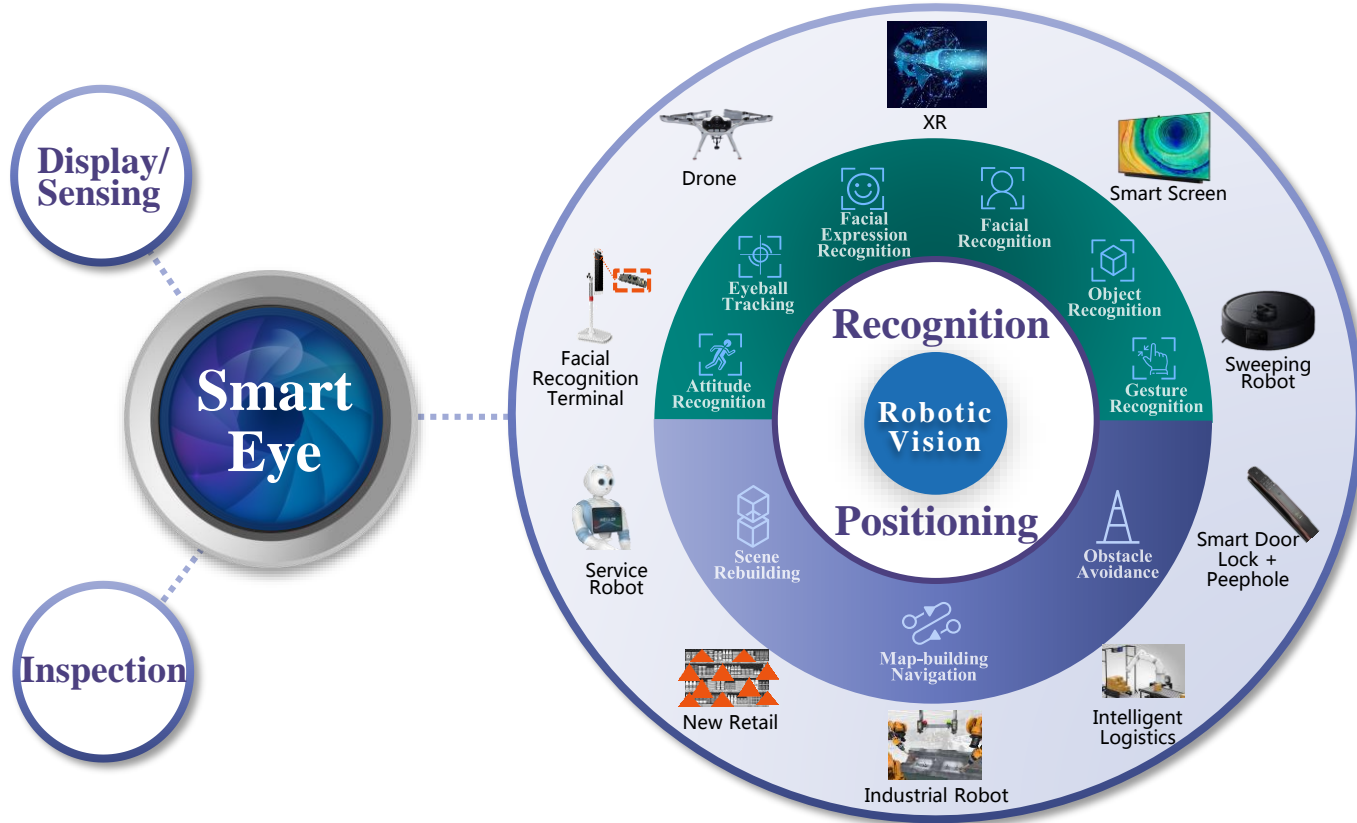
## Sensing



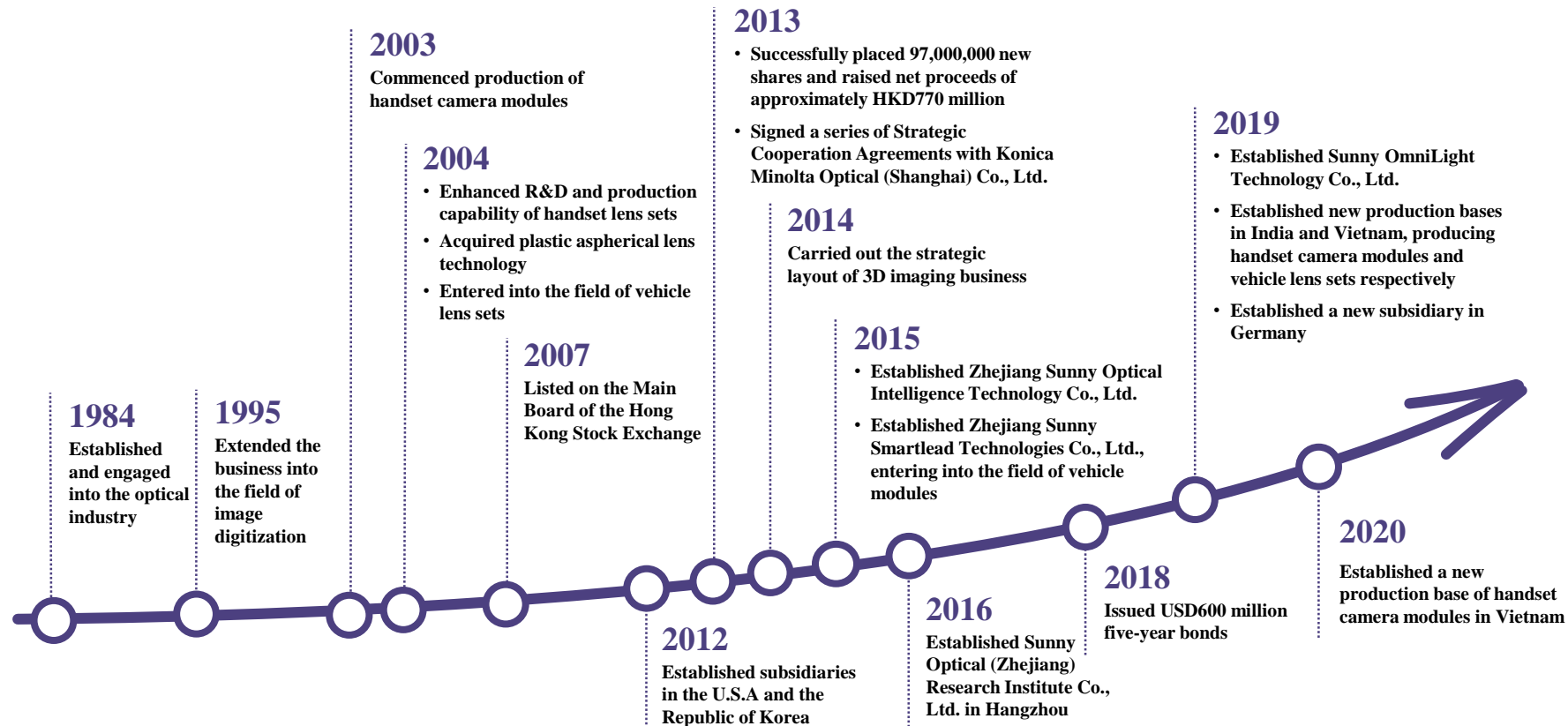
## Interaction



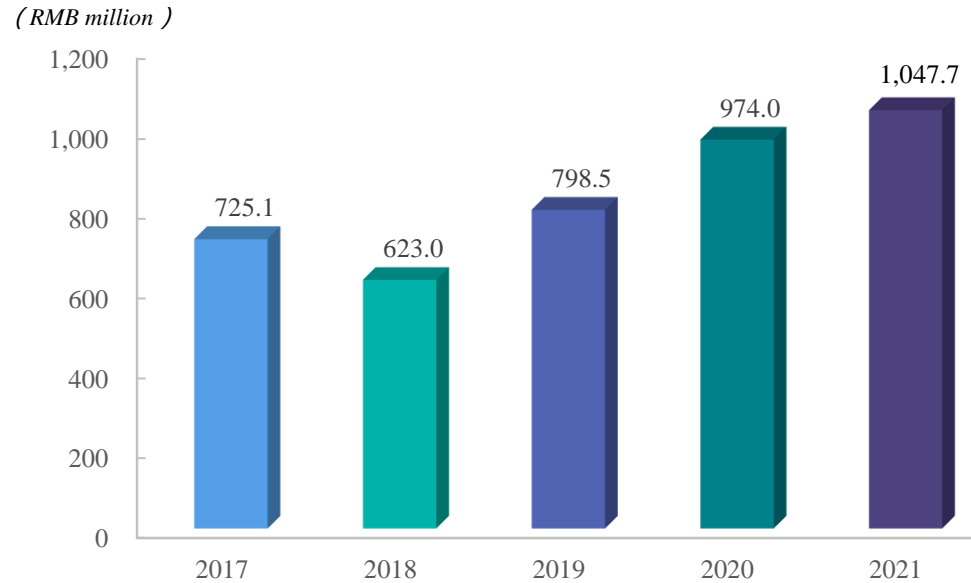
# Seize New Opportunities in Markets Take the Lead in the Industry



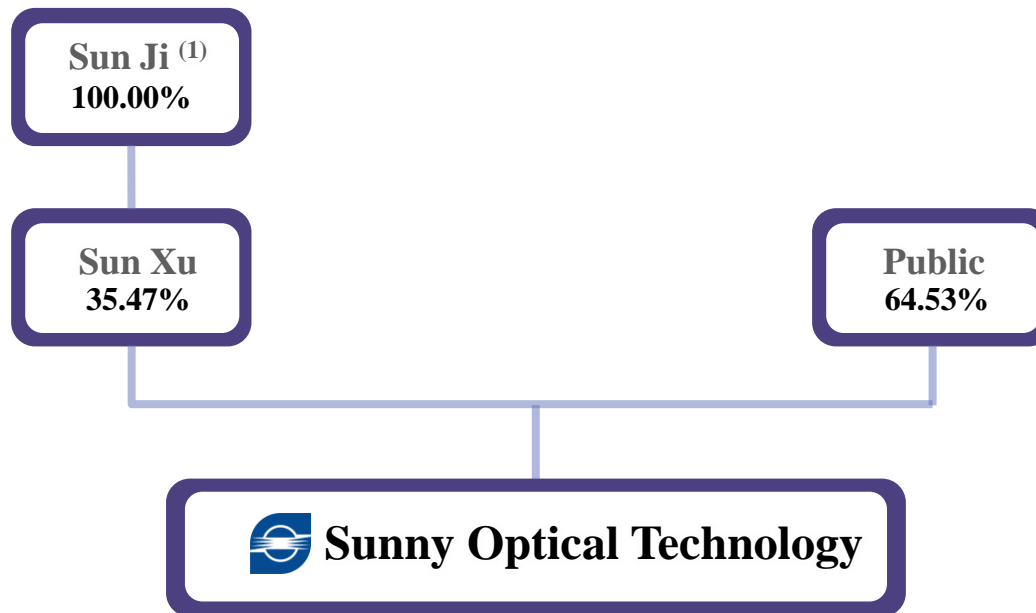
# **4** Appendix



## Dividends



*For the year ended 31 December*



- (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, 2022

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