

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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in Optics

2015 Interim Results Announcement Corporate Presentation

August 2015



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Agenda



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Financial Highlights

2

Review of Operations & Development Strategies

3

Open Forum

4

Appendix



Financial Highlights

Financial Highlights



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» 2014

» 2015

Change

(RMB mn)

For the six months ended 30 June

Revenue	3,836.1	4,651.2	+21.2%
Gross Profit	561.6	722.0	+28.6%
Profit Before Tax	300.5	349.0	+16.1%
Income Tax Expense	(46.7)	(39.9)	-14.6%
Effective Tax Rate	15.6%	11.4%	- 4.2ppt
Profit for the Period Attributable to Owners of the Company	256.9	307.7	+19.8%
Basic Earnings per Share (RMB cents)	24.05	28.70	+19.3%



Operating Expenses Analysis



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2013

2014



2015

(RMB mn)

For the six months ended 30 June

(as % of
revenue)

(as % of
revenue)

(as % of
revenue)

	2013	(as % of revenue)	2014	(as % of revenue)	2015	(as % of revenue)
Revenue	2,785.7	100.0%	3,836.1	100.0%	4,651.2	100.0%
Total Operating Expenses	224.4	8.1%	292.8	7.6%	398.5	8.5%
• Selling and Distribution Expenses	42.1	1.5%	42.9	1.1%	43.8	0.9%
• R&D Expenditure	101.7	3.7%	149.2	3.9%	236.7	5.1%
• Administrative Expenses	80.6	2.9%	100.7	2.6%	118.0	2.5%

Solid Financial Position



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2013

2014



2015

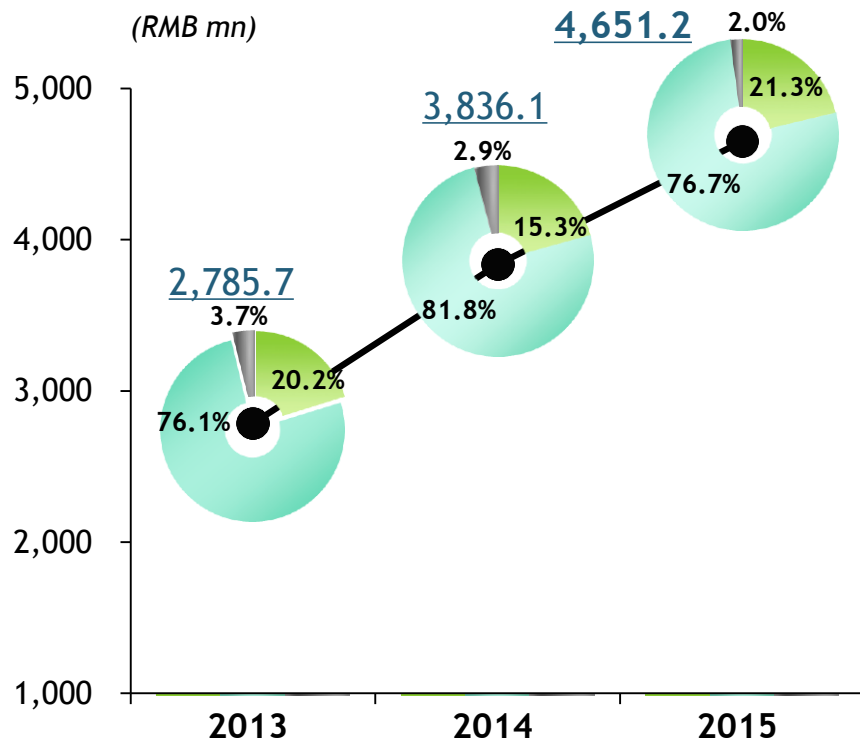
For the six months ended 30 June

Current Ratio (Times)	1.8	1.7	1.6
Operating Cash (Outflow) Inflow (RMB mn)	(84.4)	(579.8)	960.2
Cash and Cash Equivalents (RMB mn)	533.7	1,279.5	1,673.1
• <i>Pledged Bank Deposits (RMB mn)</i>	0.8	92.5	153.2
• <i>Financial Assets Designated as at Fair Value through Profit and Loss (RMB mn)</i>	202.5	487.4	826.0
• <i>Bank Guaranteed Entrusted Loan Receivables (RMB mn)</i>	-	10.0	-
• <i>Bank Balances and Cash (RMB mn)</i>	330.4	689.6	693.9
Net Cash per Share (RMB cents)	20.8	40.1	92.9
Gearing Ratio (%)	9.1	14.7	9.9
ROE (%)	9.7	8.5	9.1
Capital Expenditure (RMB mn)	118.8	205.4	160.3



Revenue Breakdown

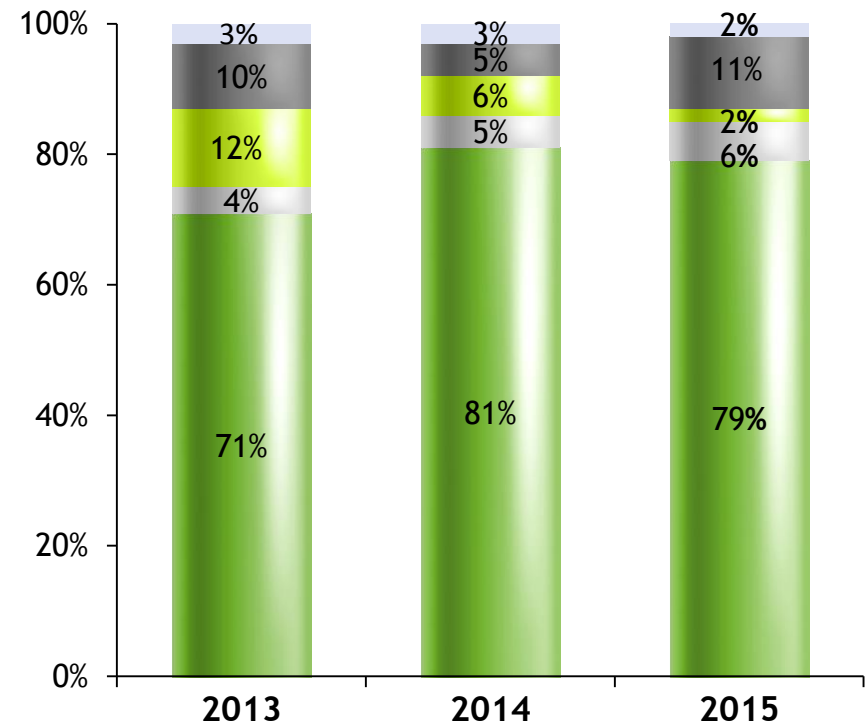
Revenue Breakdown by Business Segments



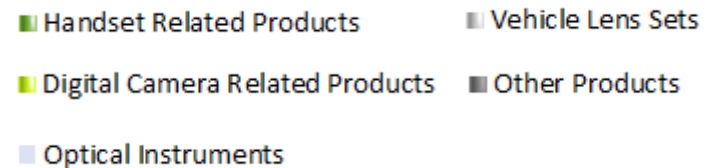
For the period ended 30 June as % of total revenue for different business segments



Revenue Breakdown by Product Applications



For the period ended 30 June as % of total revenue for different products based on applications

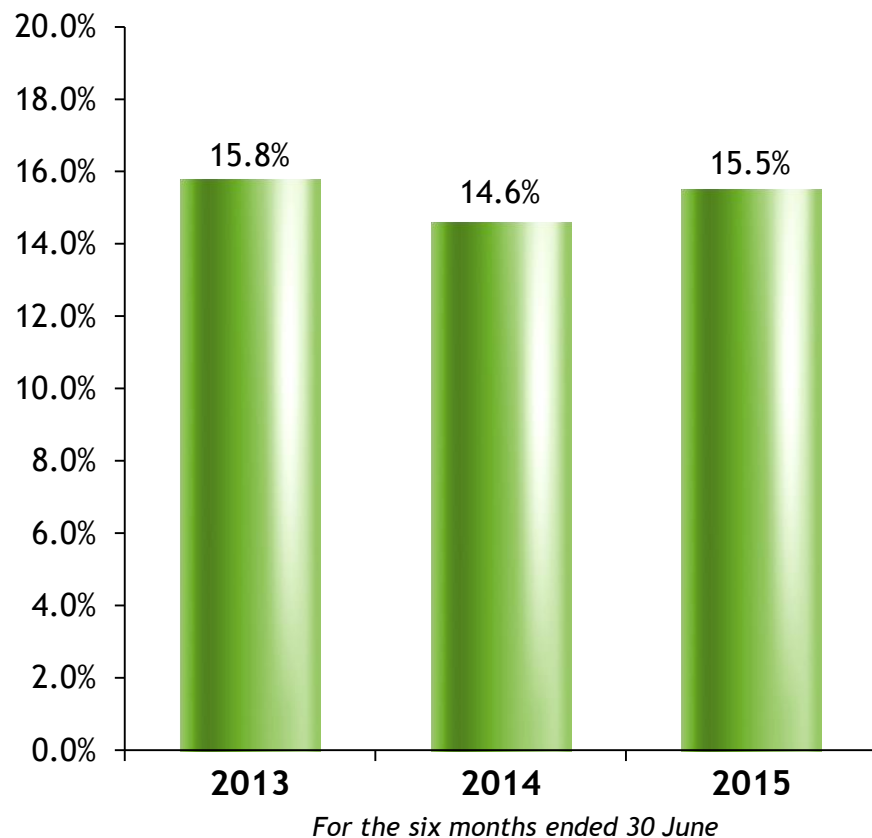


Gross Profit Margin Breakdown

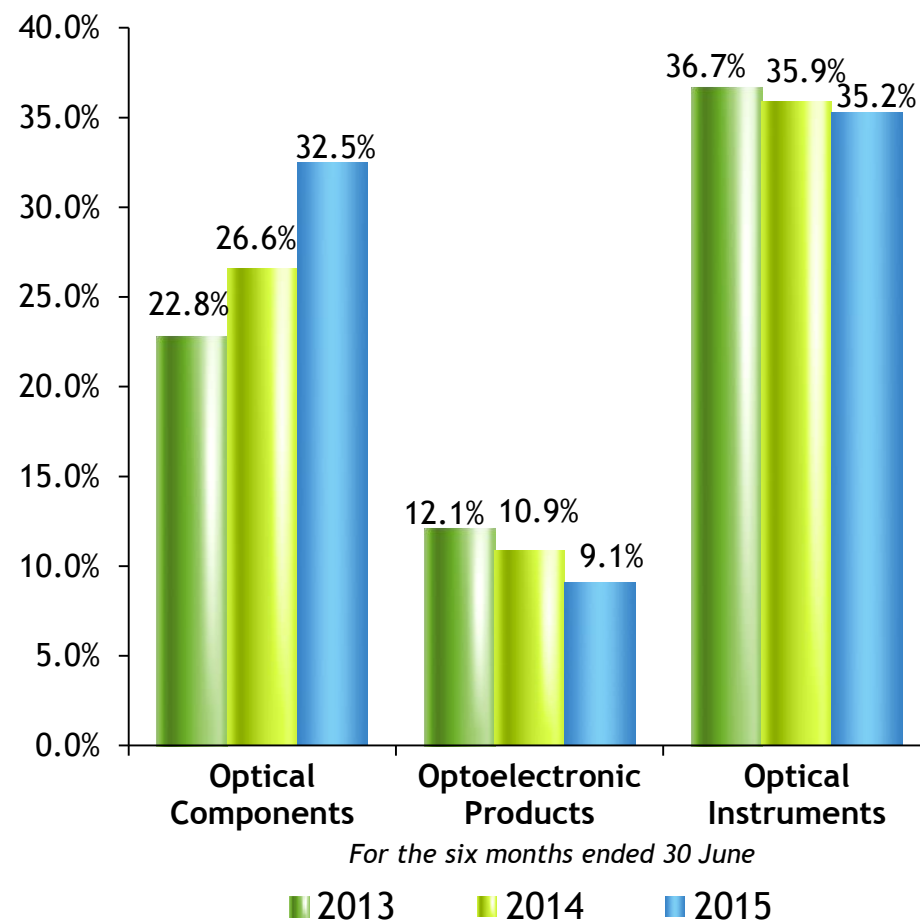


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The Group's Gross Profit Margin



Gross Profit Margins by Business Segments





**Review of Operations &
Development Strategies**

Significant Achievements in R&D Results Hi-tech Barrier



Obtained 269 Patents



2013

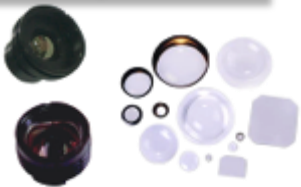


2014



2015

Optical Components



- The R&D of Ultra-thin 8-mega and 13-mega pixel handset lens sets has successfully completed
- 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 of 23-mega pixel handset lens sets have completed
- 16-mega pixel handset lens sets have commenced mass production
- The R&D of high-resolution, wide-angle handset lens sets have completed
- 13-mega pixel (ultra-thin) handset lens sets have commenced mass production
- “Micro-camera lens” has obtained a national invention patent

Optoelectronic Components



- 16-mega pixel handsets camera modules have commenced mass production
- 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
- Dual-camera, OIS, iris recognition modules, PDAF camera modules have commenced mass production
- “A non-film tool and non-film technique applied in process of COB” has obtained a national invention patent
- “The technique of testing the pressure of endoscope” has obtained a national invention patent

Optical Instruments

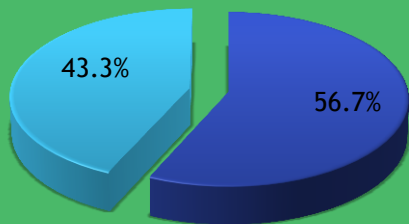


- The project of “Development and Application of Trans-scale Three-dimensional Optoelectronic Vibrating Measuring Instruments” was supported by the dedicated funds for development of major National scientific instruments and equipment from the Ministry of Science and Technology
- The “Three-Dimensional Laser Motion Measurement System and Method” has obtained a national invention patent
- 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 of 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

Strong Client Base

Huawei
Xiaomi
Oppo
BBK
Lenovo

- Top Five Clients of the Group
- Other Clients of the Group



**Vehicle
Lens Sets
Business**

Mobileye
Gentex
TRW
Valeo
Bosch
LG Innotek
Autoliv
Continental
Delphi
Magna
Panasonic

**Handset
Lens Sets
Business**

A Korean Client
Sony
Sharp (Nokia)
Truly

**Handset
Camera
Module
Business**

Google
Moto
Huawei
Xiaomi
Lenovo
Oppo
BBK
Coolpad
Gionee
TCL
ZTE

**Optical
Instruments
Business**

Iscope
Carl Zeiss
Olympus
Optika

**Other
Businesses**

Hikvision
Gopro
DJI
Leap Motion
Liteon
Microtek
Panasonic
Primax
Ricoh
Sanyo

Awards and Recognitions



The Company is ranked the 498th of the “Fortune” (China edition) in 2015 China Top 500 list.



The Company is ranked the 3rd among Technology / Hardware companies of “2015 All-Asia Best Investor Relations” and “2015 Asia’s Best Analyst Days” by “Institutional Investor”, a US magazine. This is the first time the Company is ranked top three of these kinds of awards.



“2014 Quality Gold Prize for Supplier” from Tinno Mobile Technology Corp.



“Excellent Supplier Prize” from 2014 OPPO Supplier Meeting



“Excellent Business Partner Prize” from VIVO



The project of “Research and Industrialization of Key Technologies for High-reliable Chip On Film (“COF”) Handset Camera Modules” has won the first prize of scientific and technological progress award from All-China Federation of Industry and Commerce (“ACFIC”)



SHP8400PMS-I Explosion-proof Process Mass Spectrometer was awarded the “Independent innovation Gold Prize”.

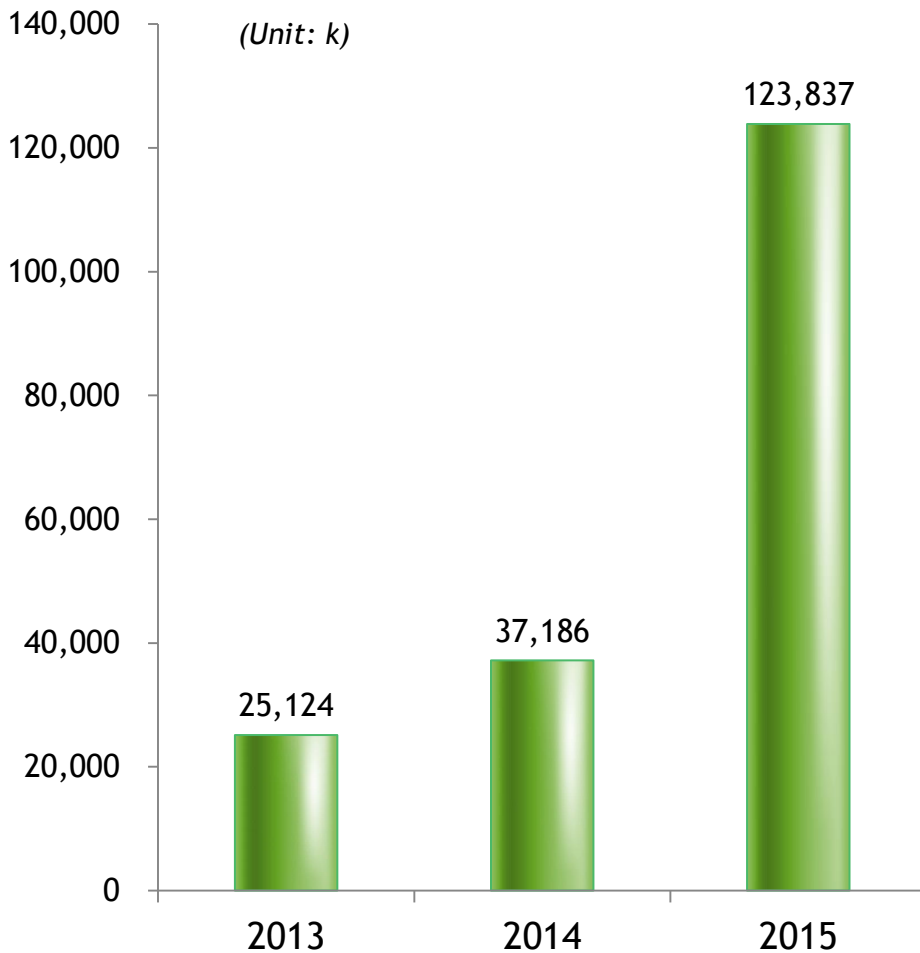


“The Best Strategic Cooperative Partner” from Hikvision

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

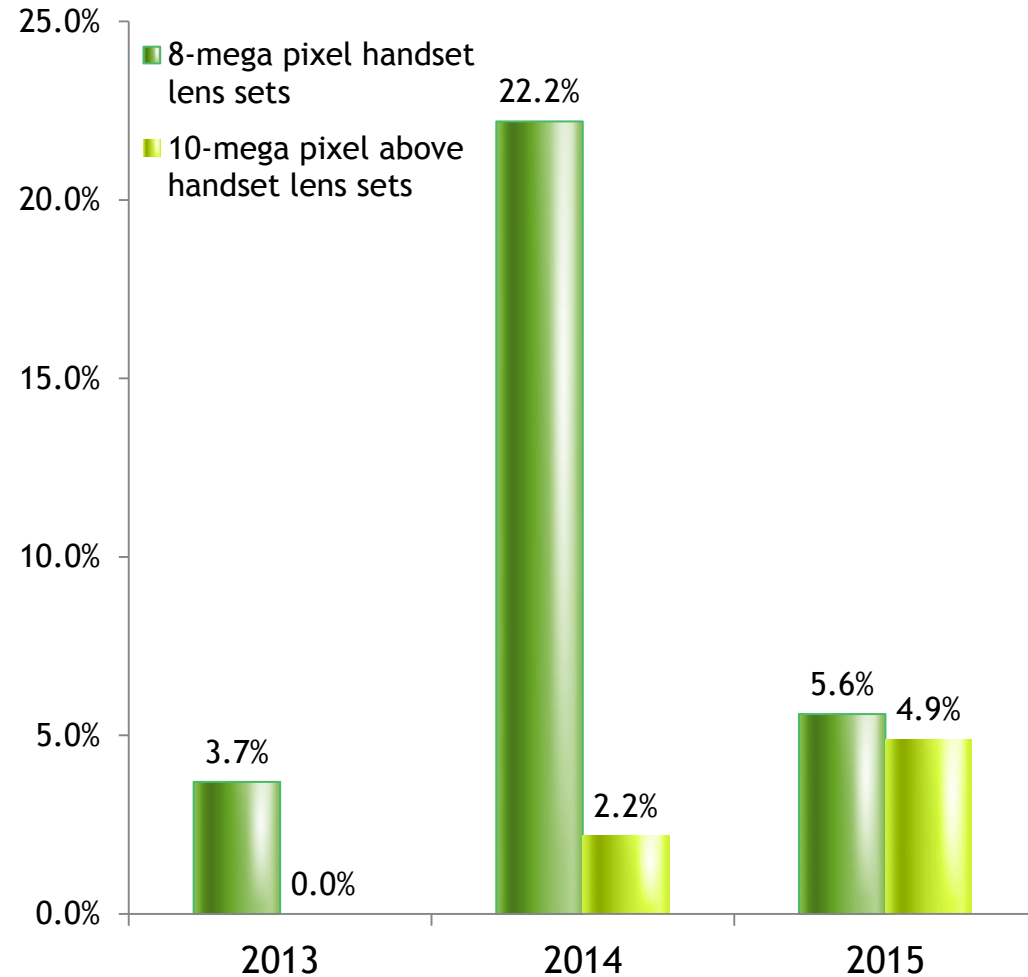


Shipment Volume of Handset Lens Sets



For the six months ended 30 June

Shipment Volume Proportion of Handset Lens Sets by Pixels

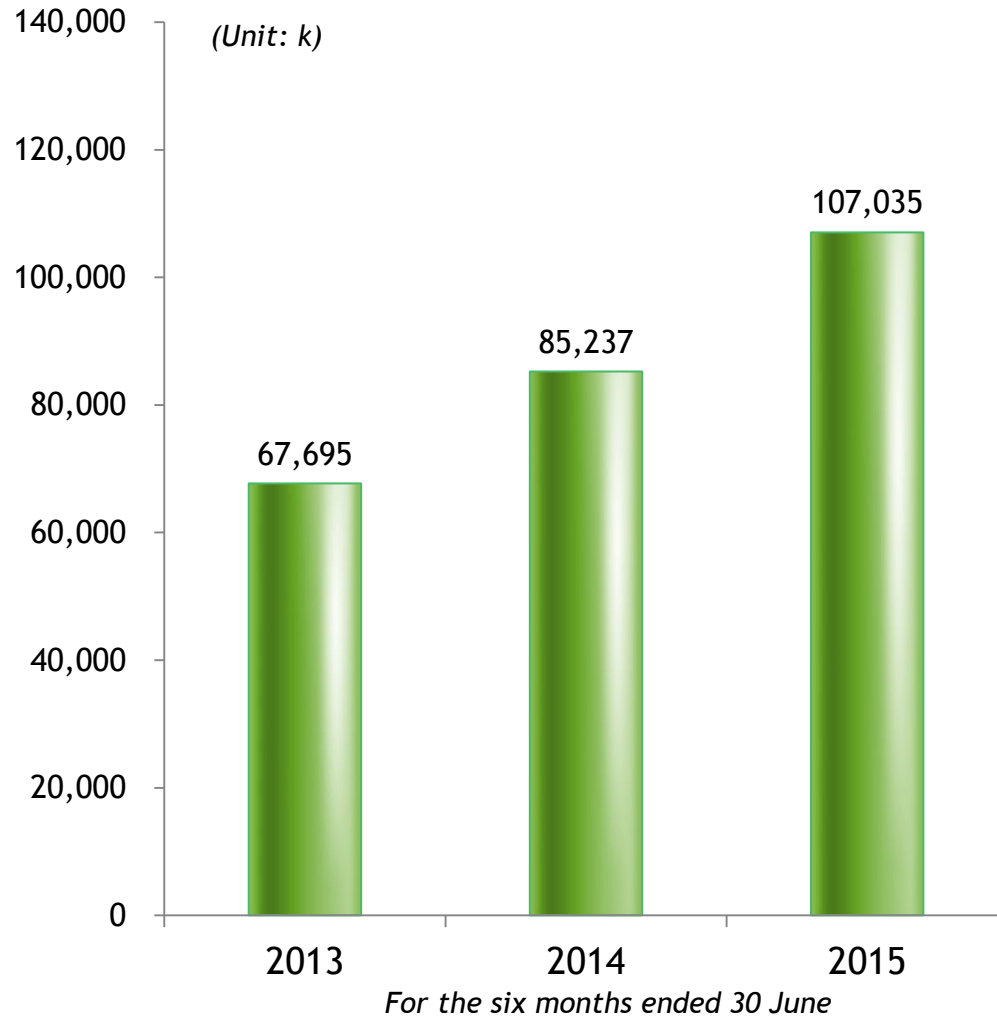


For the six months ended 30 June

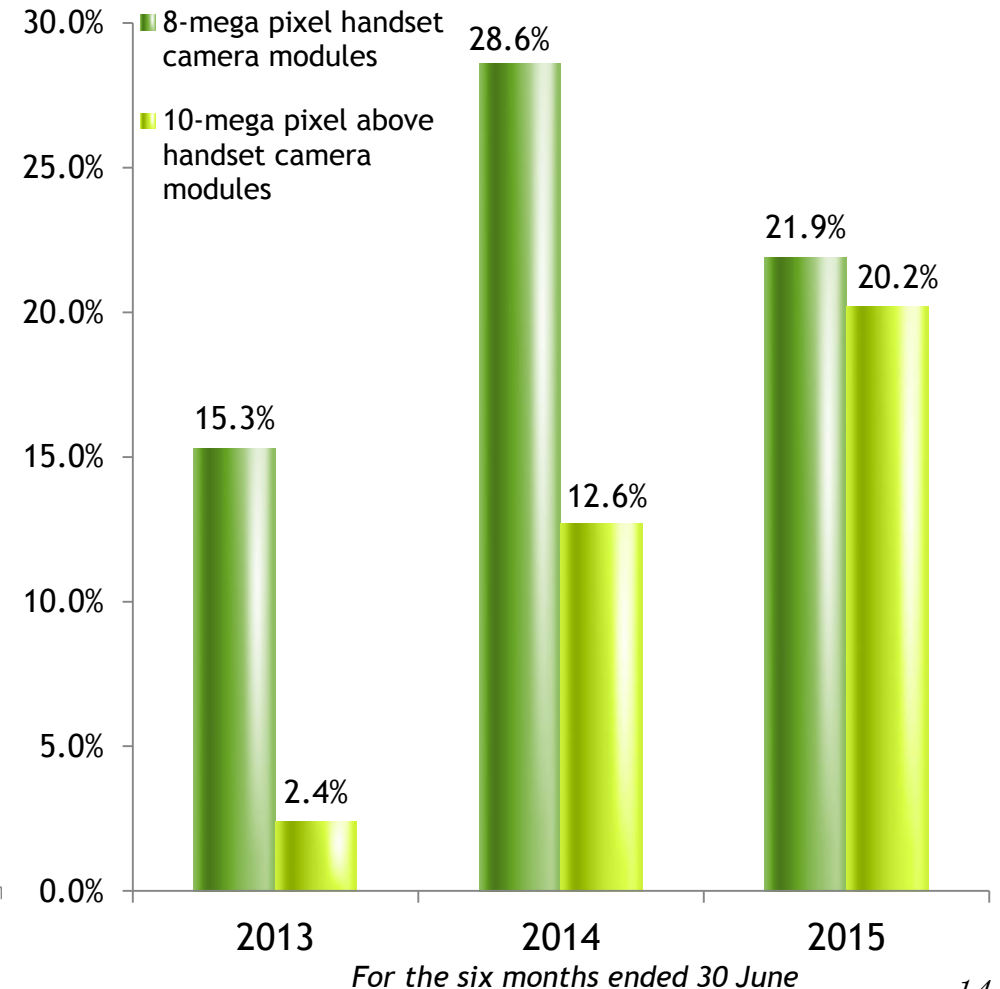
Solidify No.1 Market Share in Domestic Market and Further Capture Overseas Clients



Shipment Volume of Handset Camera Modules



Shipment Volume Proportion of Handset Camera Modules by Pixels

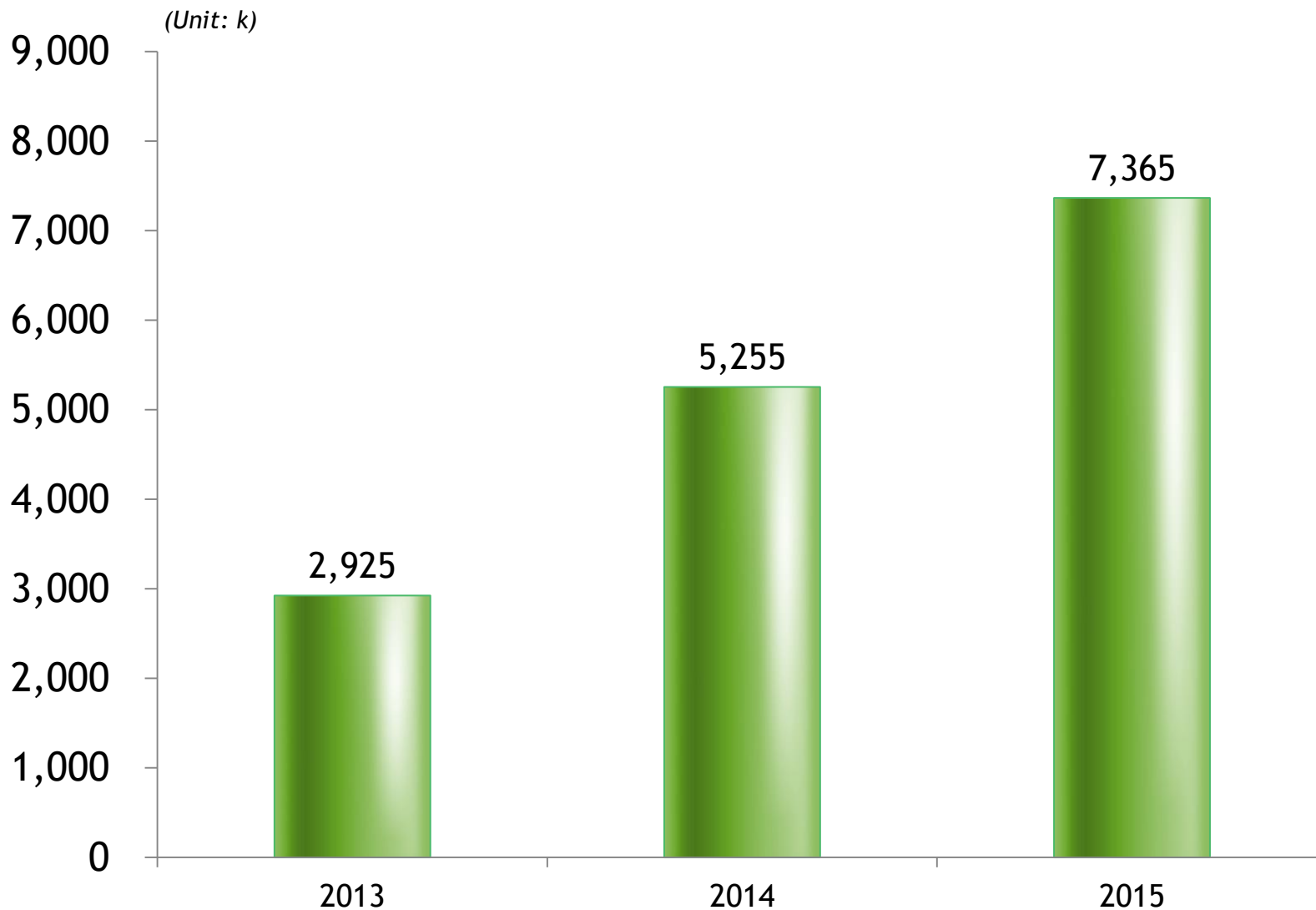


Maintain No. 1 Position in Global Vehicle Lens Sets Market and Further to Improve Market Share



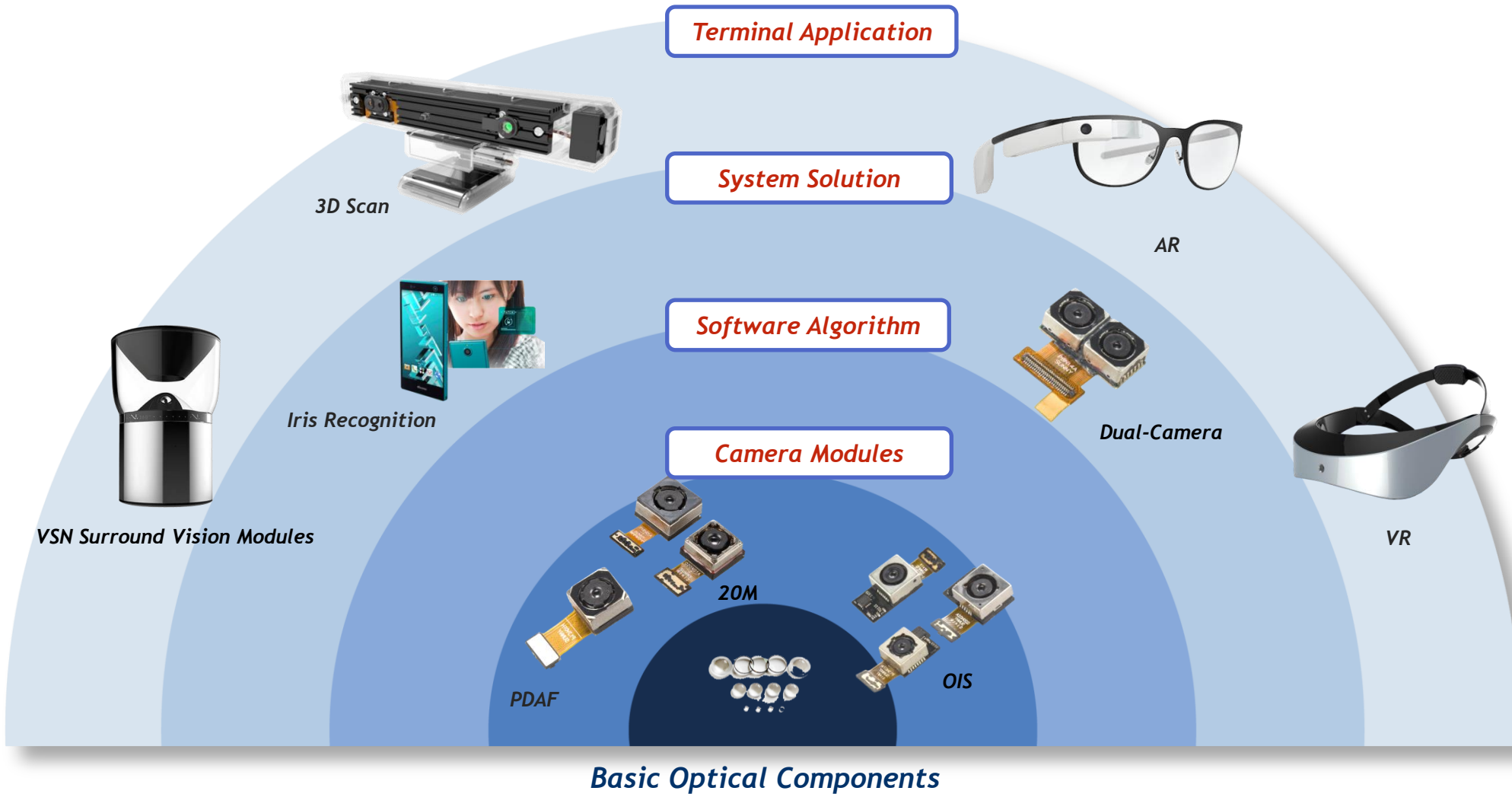
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Shipment Volume of the Company's Vehicle Lens Sets



For the six months ended 30 June

Smart Optical System Solution Provider



Open Forum



IR Contacts

Sunny Optical Technology (Group) Company Limited

*Email: jfma@sunnyoptical.com /
jasmine@sunnyoptical.com /
chris@sunnyoptical.com*

*Tel: +86 574 6253 8091 /
+852 3568 7038*

Media Relations Contacts:

Porda Havas International Finance Communications Group

*Email: sunnyoptical@pordahavas.com
Tel: +852 3150 6788*



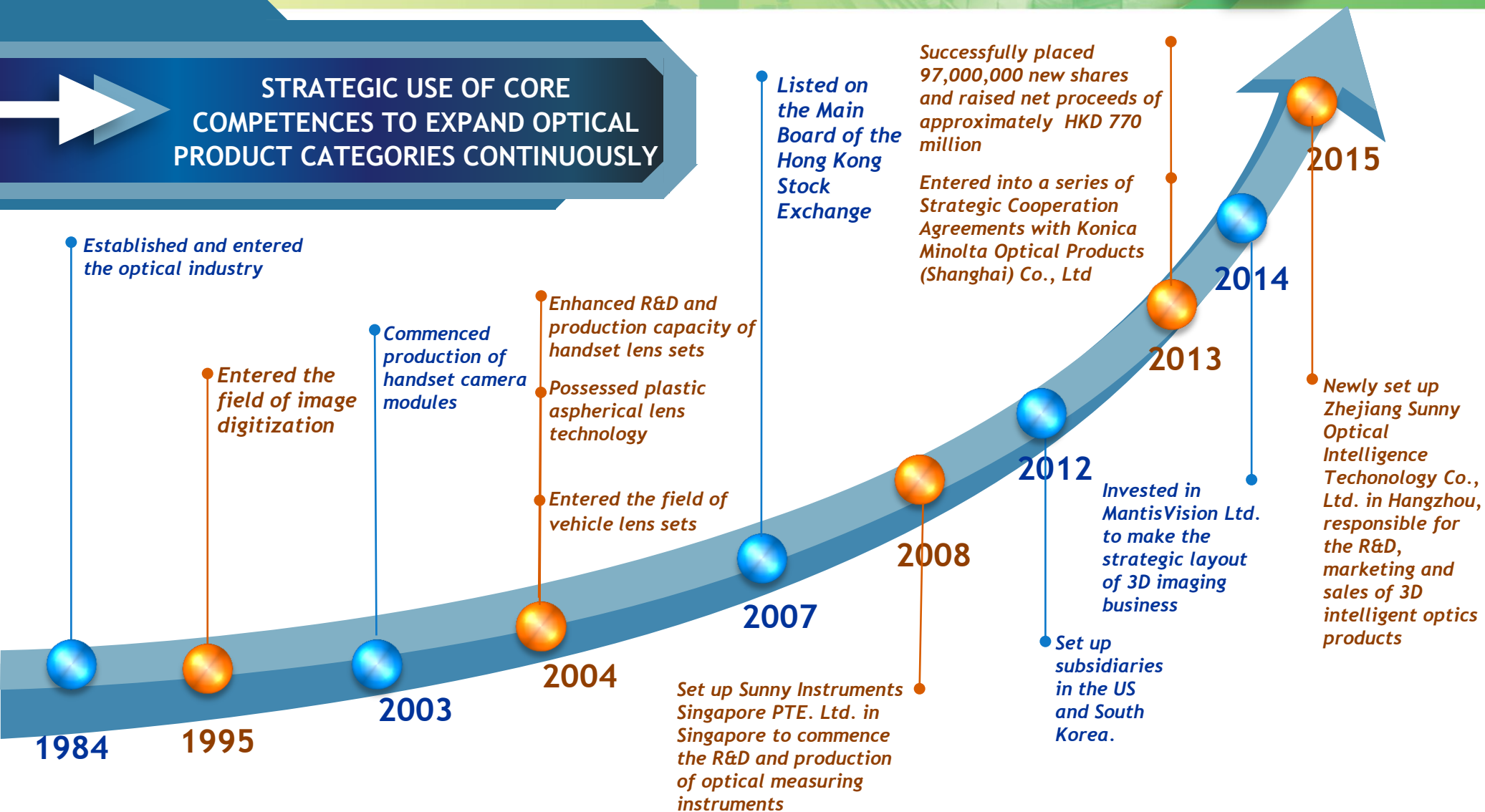
Appendix

Milestones



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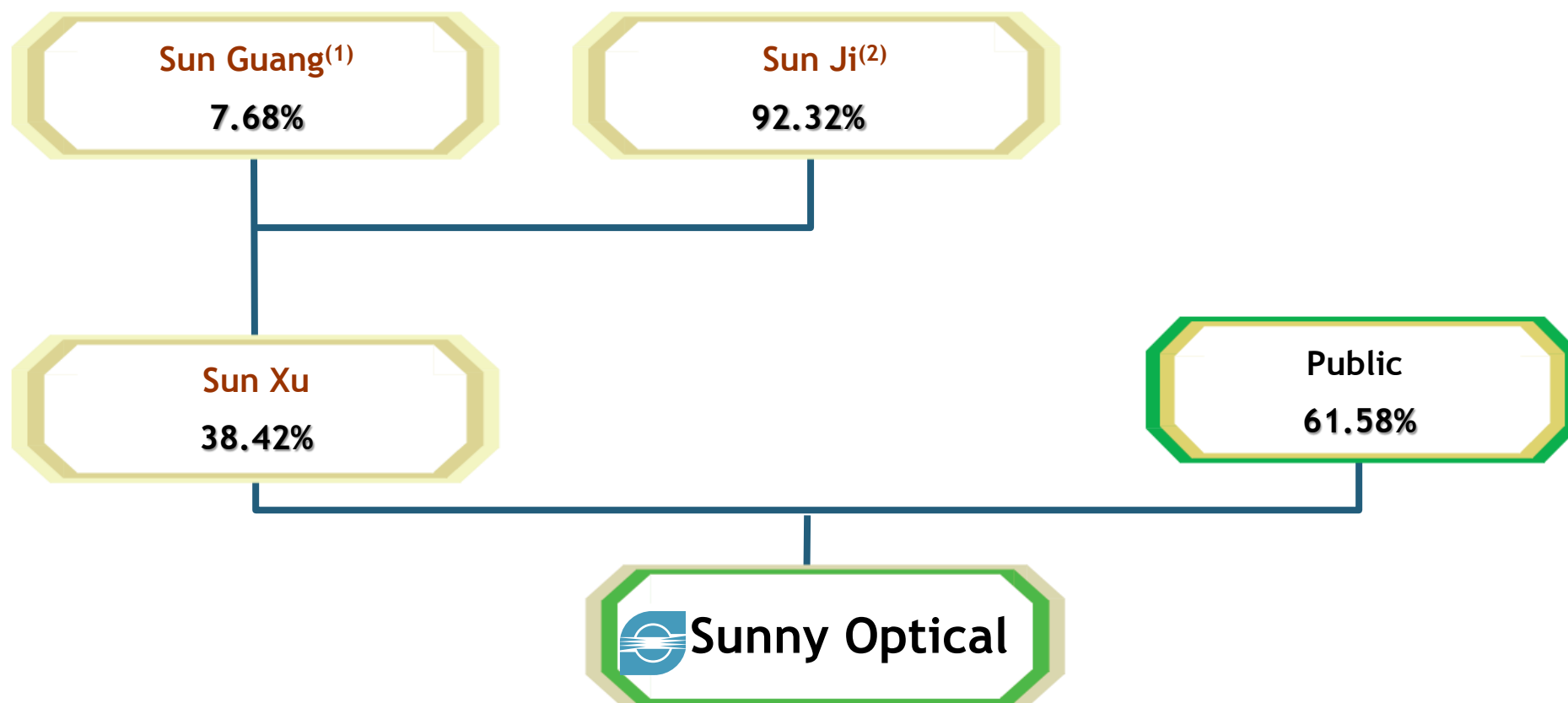
STRATEGIC USE OF CORE
COMPETENCES TO EXPAND OPTICAL
PRODUCT CATEGORIES CONTINUOUSLY



Shareholding Structure



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(1) Mr. WANG Wenjian, the Honorary Chairman of the Board and non-executive Director of the Company, holds all the shares issued of Sun Guang.

(2) 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 2015

Investment Highlights

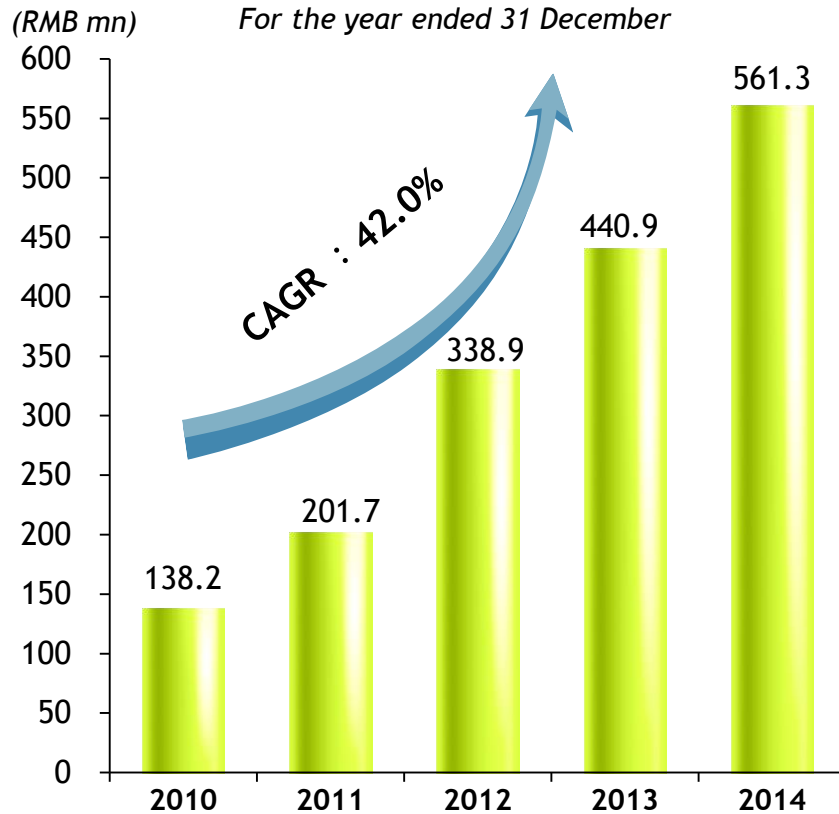


Continued Growth in Net Profit

Final dividends payout ratio was 20%-30% of the profit for the year attributable to owners of the company.



Net Profit



Dividends

