

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

2018 Interim Results Announcement Corporate Presentation

August 2018



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Financial Highlights

Financial Highlights

	»» 2017	»» 2018	Change
<i>(RMB mn)</i>	<i>For the six months ended 30 June</i>		
Revenue	10,031.7	11,976.4	+19.4%
Gross Profit	2,069.7	2,320.1	+12.1%
Profit Before Tax	1,398.0	1,412.4	+1.0%
Income Tax Expense	(237.0)	(222.6)	-6.1%
Effective Tax Rate	17.0%	15.8%	-1.2ppt
Profit for the Period Attributable to Owners of the Company	1,159.2	1,179.8	+1.8%
Basic Earnings per Share <i>(RMB cents)</i>	107.4	108.0	+0.6%

Operating Expenses Analysis



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» 2016

» 2017

» 2018

(RMB mn)

For the six months ended 30 June

(as % of revenue)

(as % of revenue)

(as % of revenue)

Revenue

5,909.6

100.0%

10,031.7

100.0%

11,976.4

100.0%

Total Operating Expenses

484.6

8.2%

822.1

8.1%

824.1

6.8%

- Selling and Distribution Expenses

63.6

1.1%

104.7

1.0%

95.5

0.8%

- R&D Expenditure

273.6

4.6%

535.0

5.3%

544.5

4.5%

- Administrative Expenses

147.4

2.5%

182.4

1.8%

184.1

1.5%



»» 2016

»» 2017

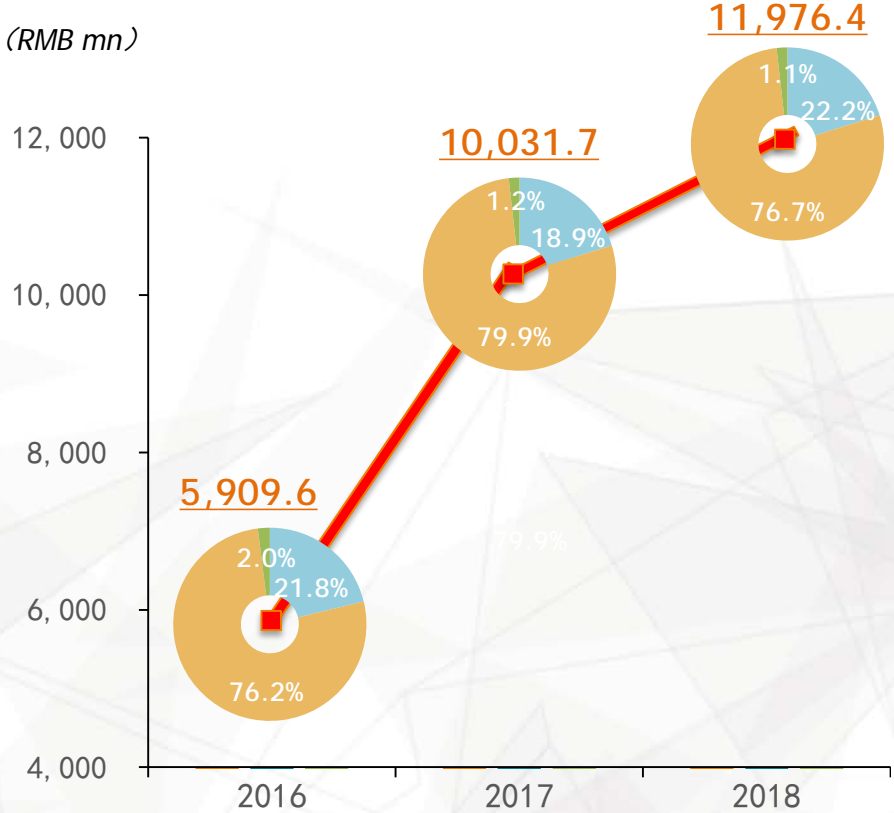
»» 2018

For the six months ended 30 June

Current Ratio <i>(Times)</i>	1.5	1.5	2.0
Operating Cash Inflow <i>(RMB mn)</i>	390.0	578.5	599.6
Cash and Cash Equivalents <i>(RMB mn)</i>	1,973.0	2,656.0	5,875.8
<ul style="list-style-type: none"> <i>Pledged Bank Deposits (RMB mn)</i> 	187.1	276.3	355.3
<ul style="list-style-type: none"> <i>Financial Assets Designated as at Fair Value through Profit and Loss (RMB mn)</i> 	1,363.1	1,640.0	4,003.3
<ul style="list-style-type: none"> <i>Bank Balances and Cash (RMB mn)</i> 	422.8	739.7	1,517.2
Net Cash per Share <i>(RMB cents)</i>	113.8	111.1	41.9
Gearing Ratio <i>(%)</i>	8.7	11.8	26.7
ROE <i>(%)</i>	11.3	20.2	14.8
Capital Expenditure <i>(RMB mn)</i>	353.4	782.6	1,092.0



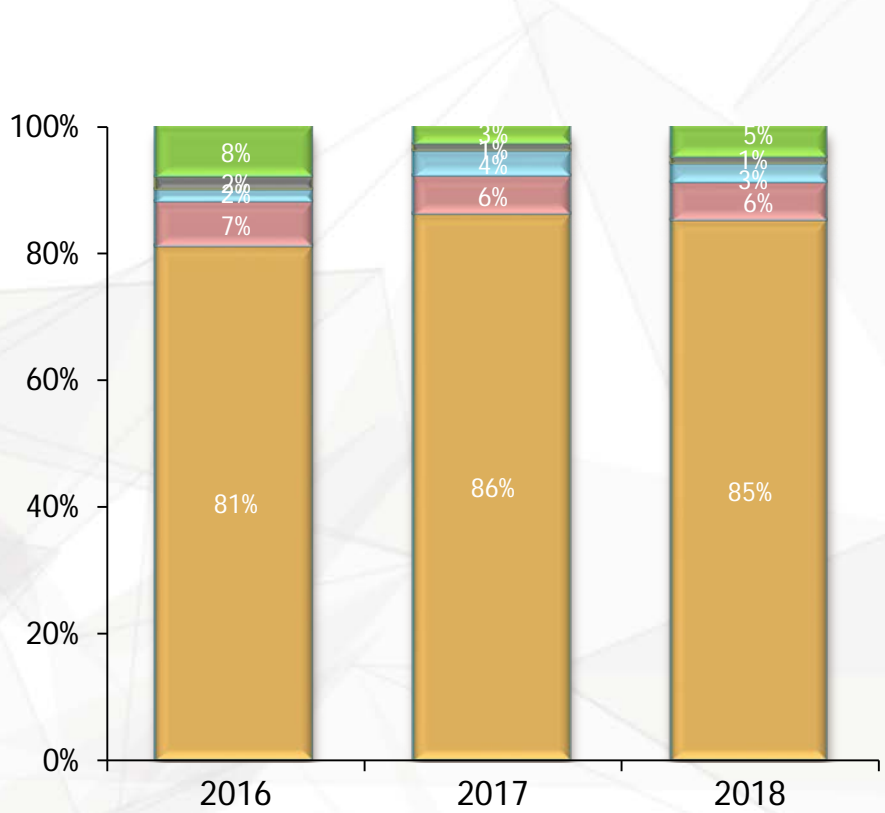
Revenue Breakdown by Business Segments



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

- Optical Components
- Optoelectronic Products
- Optical Instruments
- Total Revenue

Revenue Breakdown by Product Applications



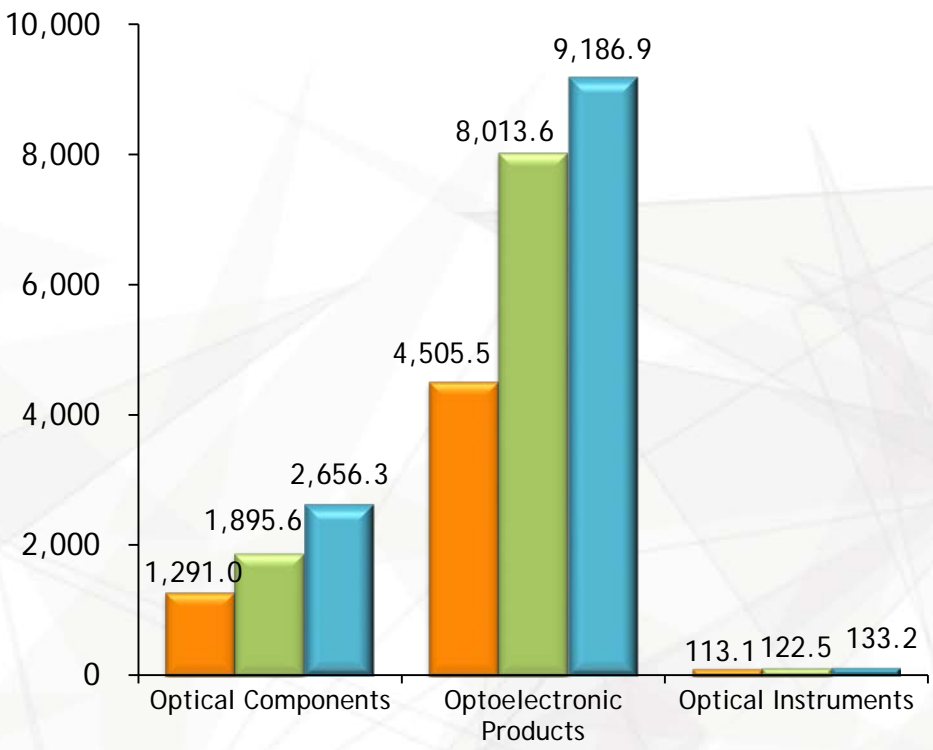
For the six months ended 30 June as % of total revenue for different products based on applications

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

Revenue and Gross Profit Margins by Business Segments

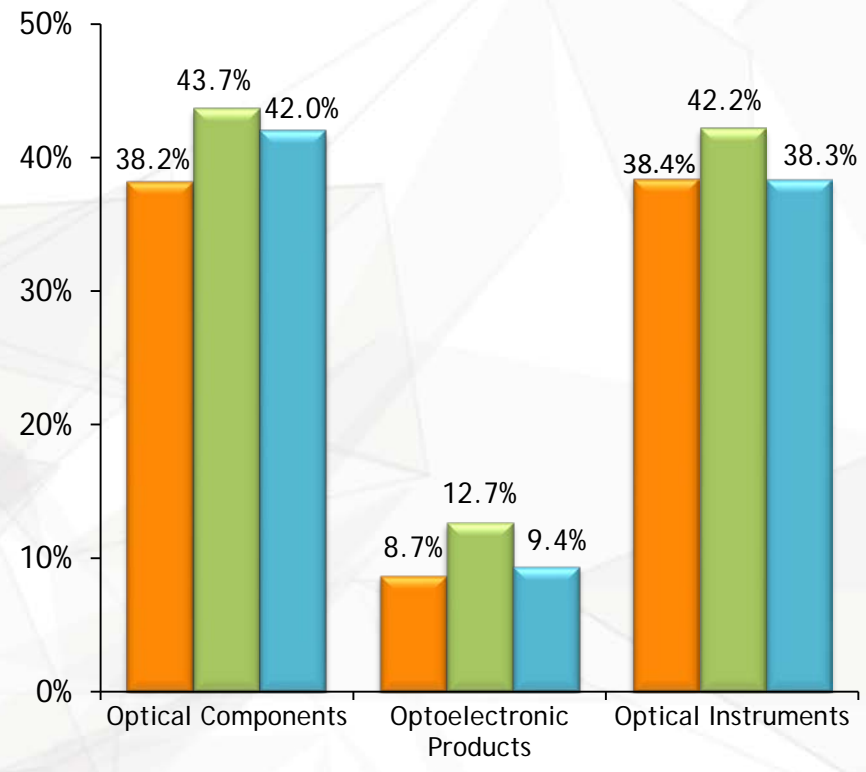
Revenue by Business Segments

(RMB mn)



For the six months ended 30 June
 ■ 2016 ■ 2017 ■ 2018

Gross Profit Margins by Business Segments



For the six months ended 30 June
 ■ 2016 ■ 2017 ■ 2018

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Review of Operations & Development Strategies

Authorized Patents

As of 30 June 2016

342

73 New Patents Added

As of 30 June 2017

482

140 New Patents Added

As of 30 June 2018

757

275 New Patents Added

Invention Patents

- Miniature wide-angle imaging lens
- One new long-wave infrared athermal lens
- 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
- One kind of auto-focus module free of focusing adjustment
- ...

Invention Patents

- High resolution slim lens set
- One new long-wave infrared athermalization lens set with high amount of light through
- One laser vibration, displacement and its transducer measurement
- ...

Invention Patents

- Interactive lens set
- Ultra-thin lens set
- Array camera module with circuit board unit and photosensitive unit and manufacturing method thereof
- Automated test equipment and test method of the camera module
- Fluorescent microscope light source and filter modules linkage
- ...

Significant Achievements in R&D Hi-tech Barriers



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Obtained 757 Patents
275 New Patents Added

»» 2017

»» 2018

Optical Components



- A variety of high-end large aperture handset lens sets with 6P have achieved mass production
- The R&D on handset lens sets with 7P has been completed
- Hybrid handset lens sets have achieved mass production
- A variety of 20-mega pixel tiny handset lens sets have achieved mass production
- 16-mega pixel with FNo.1.65 handset lens sets have achieved mass production
- VR fresnel lenses have achieved mass production
- The R&D of 16-mega pixel with ultra-wide angle handset lens sets has been completed
- The R&D of handset lens sets with large aperture (FNo.1.5) and variable aperture has been completed
- The R&D of 7P handset lens sets with large aperture (FNo.1.4) has been completed
- 24-mega pixel miniaturized head handset lens sets have achieved mass production
- 3D collimating lens sets have achieved mass production

Optoelectronic Products



- The R&D on periscope-style tiny optical zoom modules and periscope-style dual camera modules with high magnification optical zoom function has been completed
- 16-mega pixel with FNo.1.65 handset camera modules have achieved mass production
- 3D structured-light products have been completed R&D and achieved batch production
- The qualification of automotive camera modules has been obtained by a globally renowned Tier 1 client
- The R&D of triple-camera modules of 10-mega pixel above with 5 times magnification optical zoom functions has been completed
- The R&D of 10-mega pixel above handset camera modules with FNo.1.4 has been completed
- Modules based on depth vision have achieved mass production in unmanned retail areas
- The R&D of new patented packaging technology has been completed
- The vehicle camera modules for a world well-known Tier 1 customer have commenced mass production

Optical Instruments



- The LED invert fluorescence microscopes with automatic fluorescence switch first applied in China in life science field have achieved mass production
- The automatic production line solution of automotive camera modules has achieved mass production
- The equipment of IRCF defect inspection and IRCF module defect inspection based on AI have achieved mass production
- Objective lenses with 20 times large field of view for gene sequencing (firstly applied in China) have achieved mass production
- Chip camera modules focus testers have achieved mass production
- Mycobacterium tuberculosis microscopy scanning systems have achieved mass production

Awards and Recognitions



Vivo
"Six Anniversary
Commemoration of
Cooperation"



Vivo
"Innovation Award"



Vivo
"Quality Award"



Panasonic
"Excellent Supplier
Award"



Huawei
"Excellent Quality Award"



Company T
"Top Partner Award"



Panasonic
"Best Collaboration Award"

Institutional Investor

Ranked Top three among Technology/Hardware Companies of the 2018, "Best CEO", "Best CFO", "Best IR Professional", "Best Investor Relations Program", "Best Analyst Day", "Best Corporate Governance", "Best Environmental, Social and Governance Series Metrics", and was awarded the "Most Honored Company"

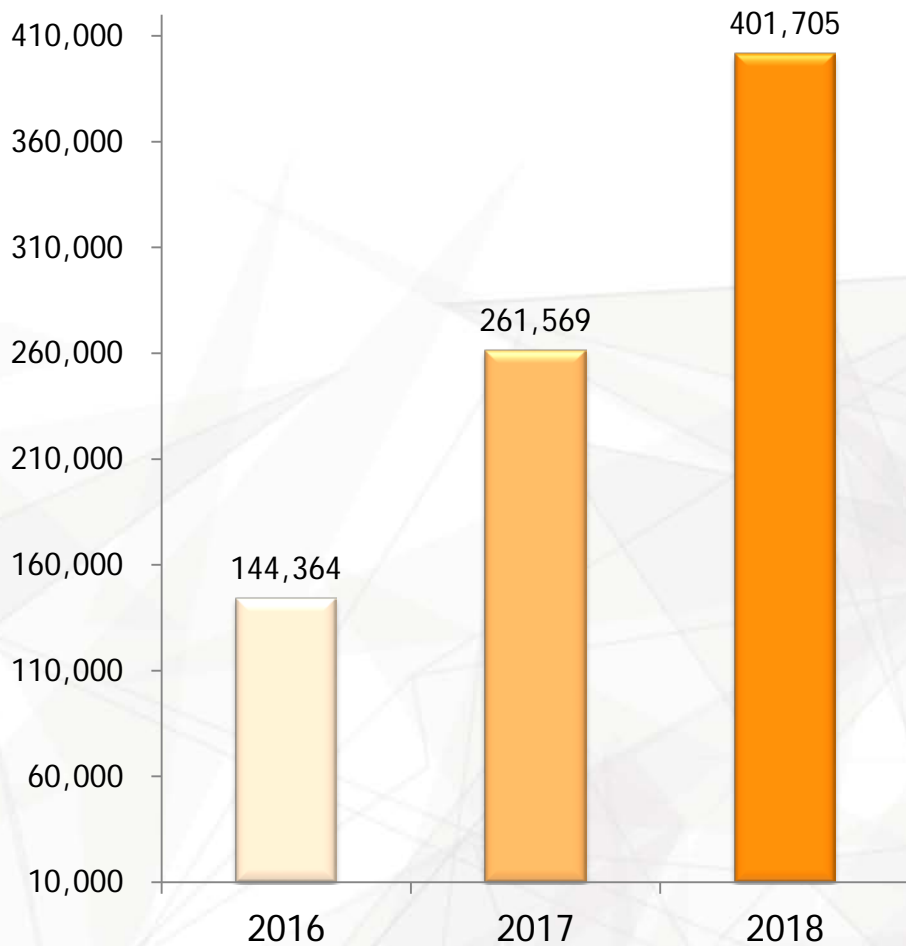
Continue to Gain Global Market Share Strive for Domestic No.1 and Global No.2



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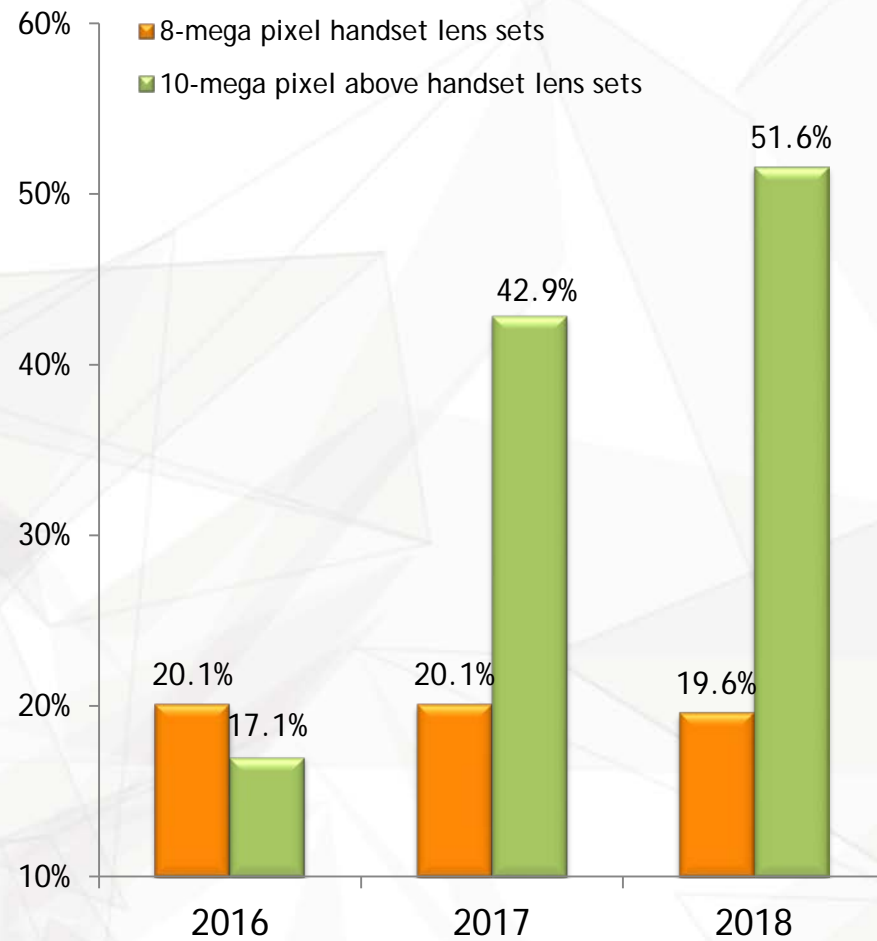
Shipment Volume of the Company's
Handset Lens Sets

(Unit : k)



For the six months ended 30 June

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



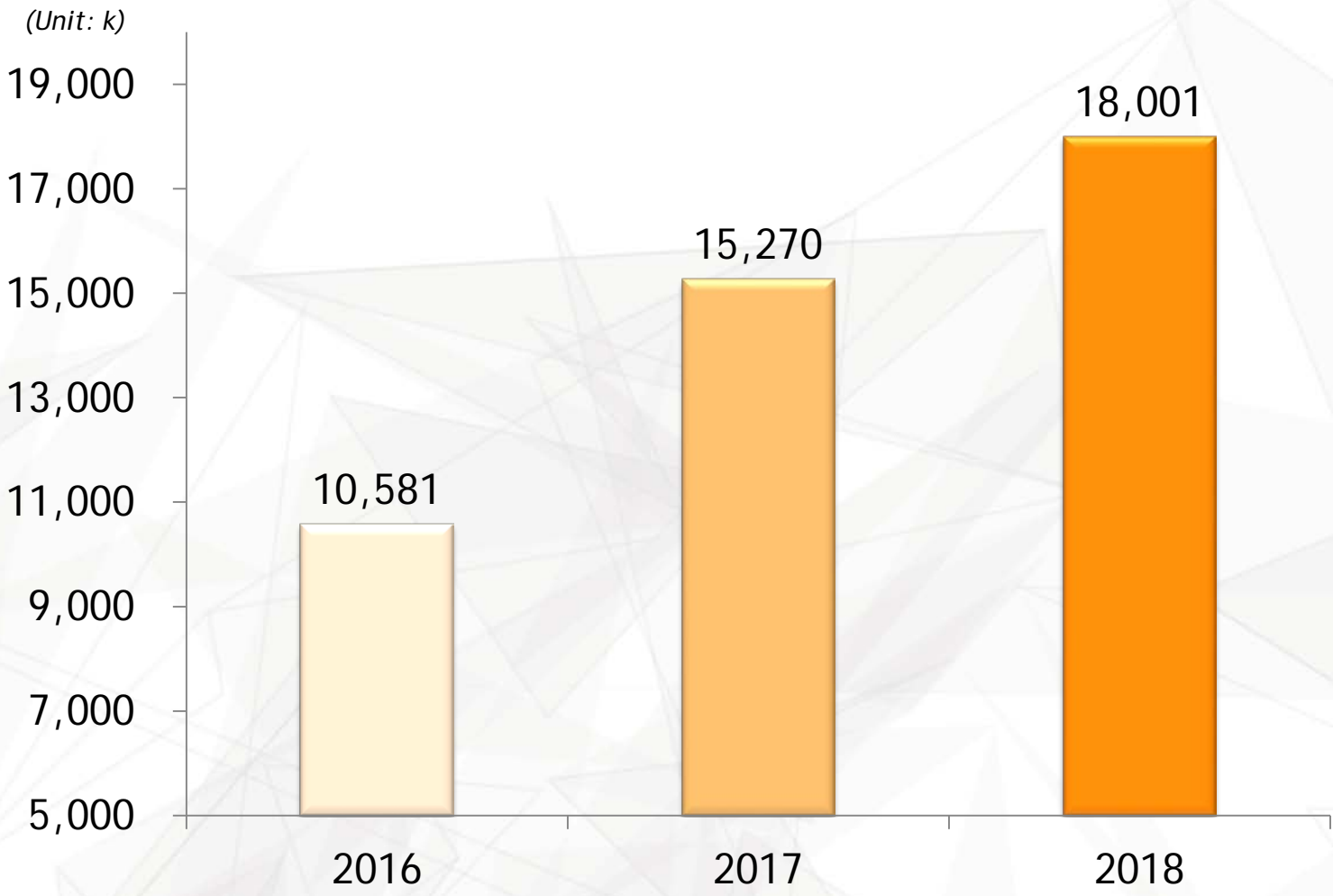
For the six months ended 30 June

Maintain No.1 Position in Global Market Further Expand



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Shipment Volume of the Company's Vehicle Lens Sets



For the six months ended 30 June

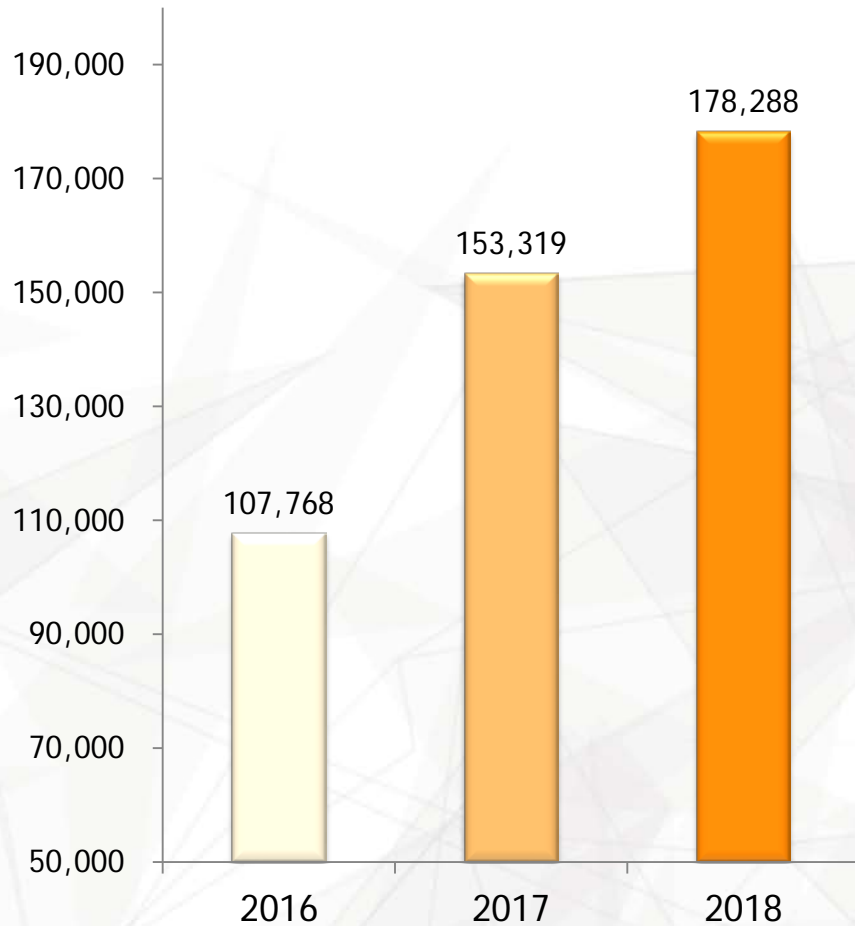
Solidify Leading Position in Domestic Market Further Capture Overseas Clients



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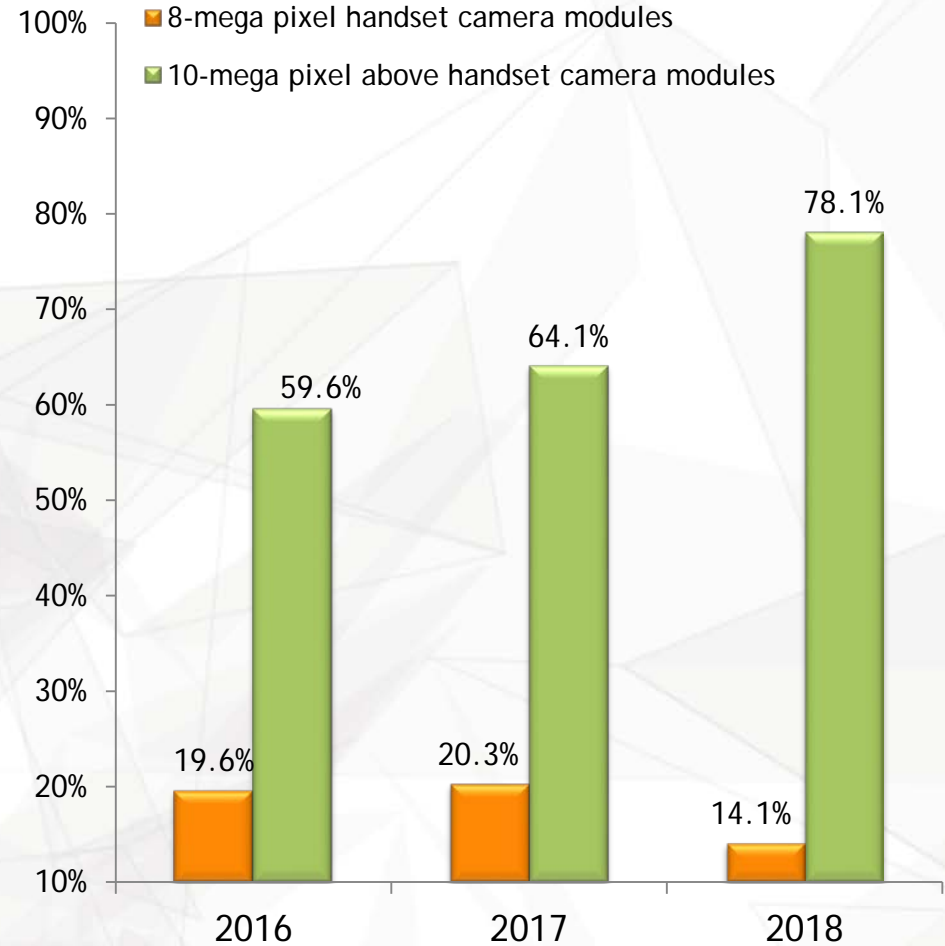
Shipment Volume of the Company's Handset Camera Modules

(Unit: k)

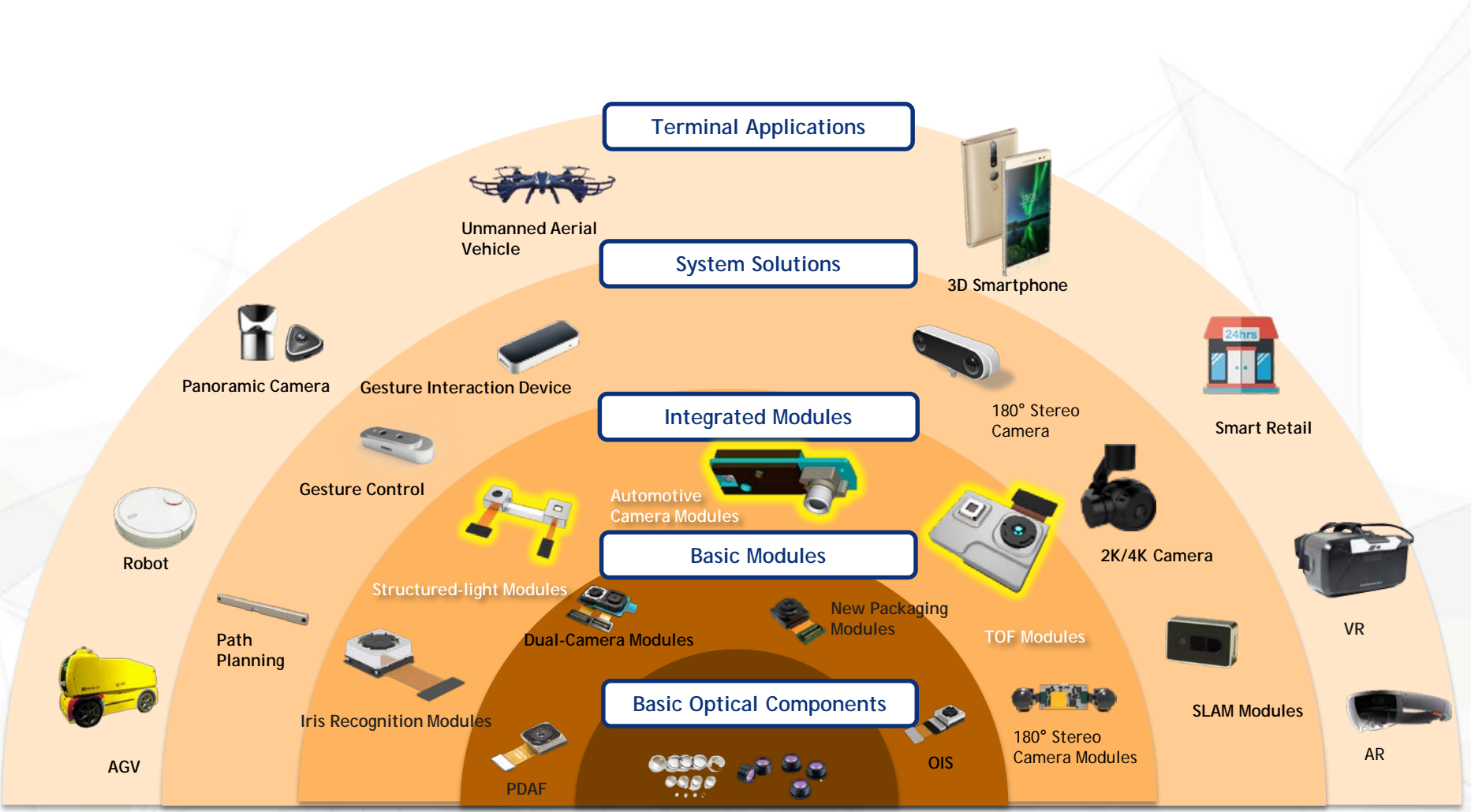


For the six months ended 30 June

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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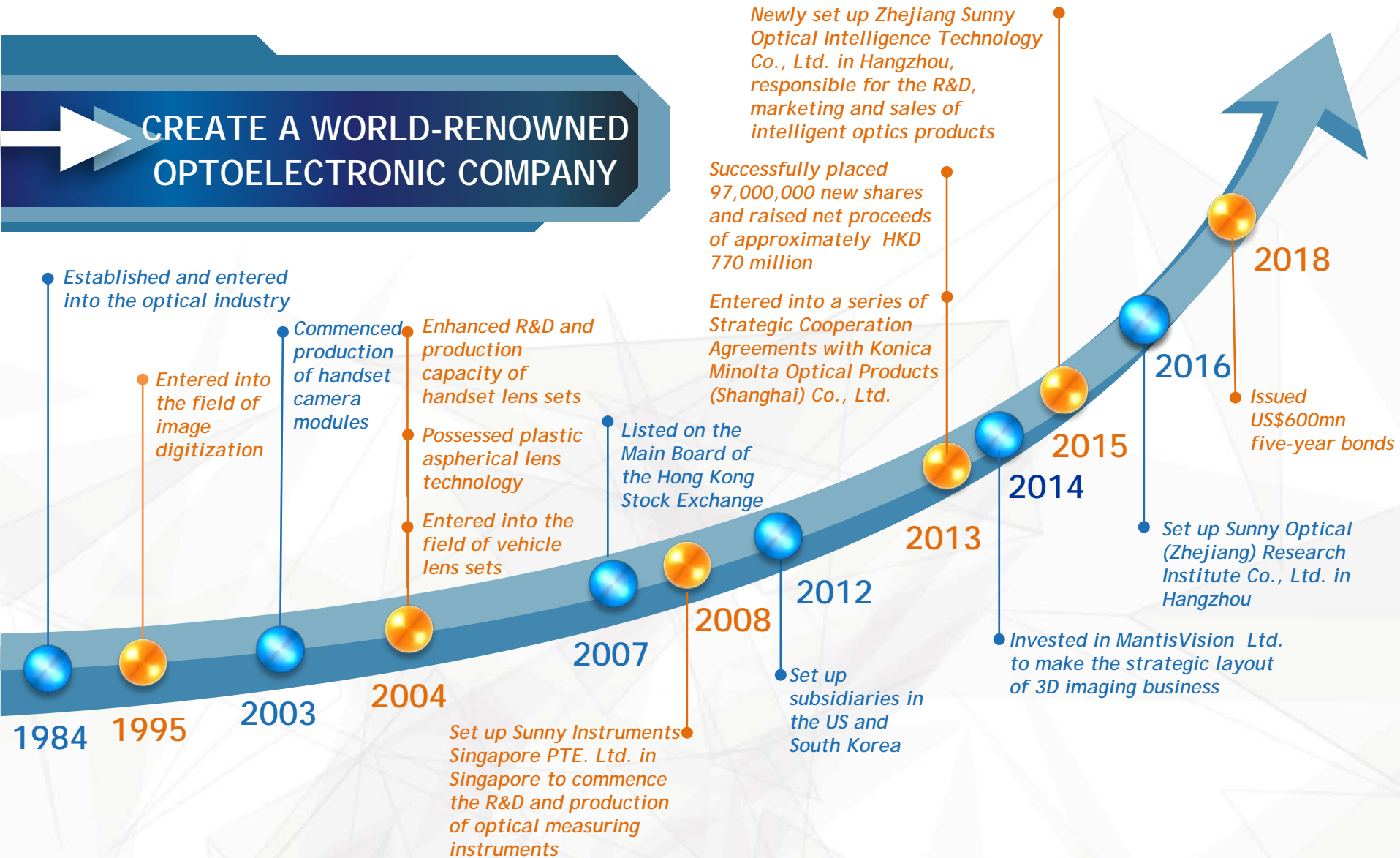
Appendix

Milestones



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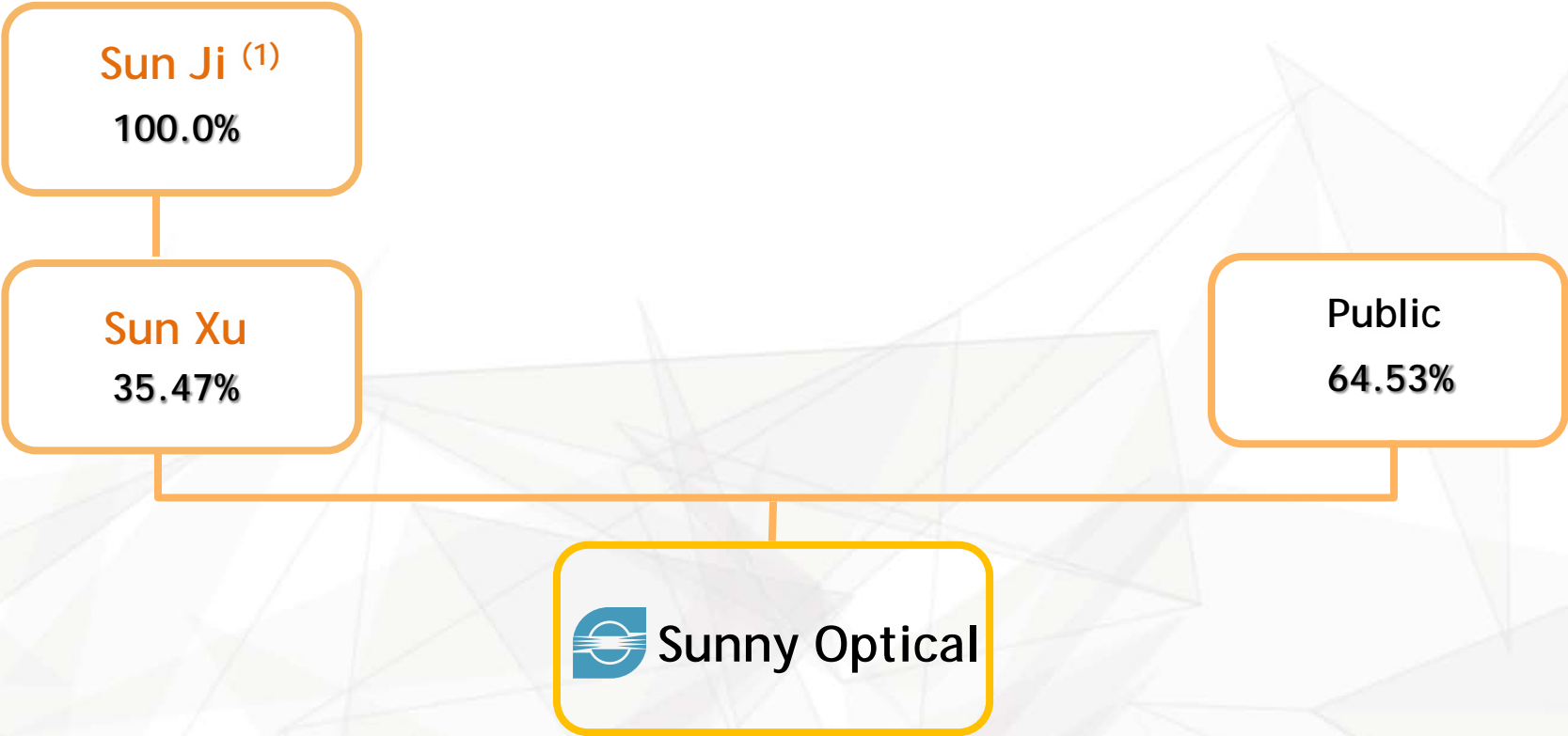
CREATE A WORLD-RENOWNED OPTOELECTRONIC COMPANY



Shareholding Structure



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(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.

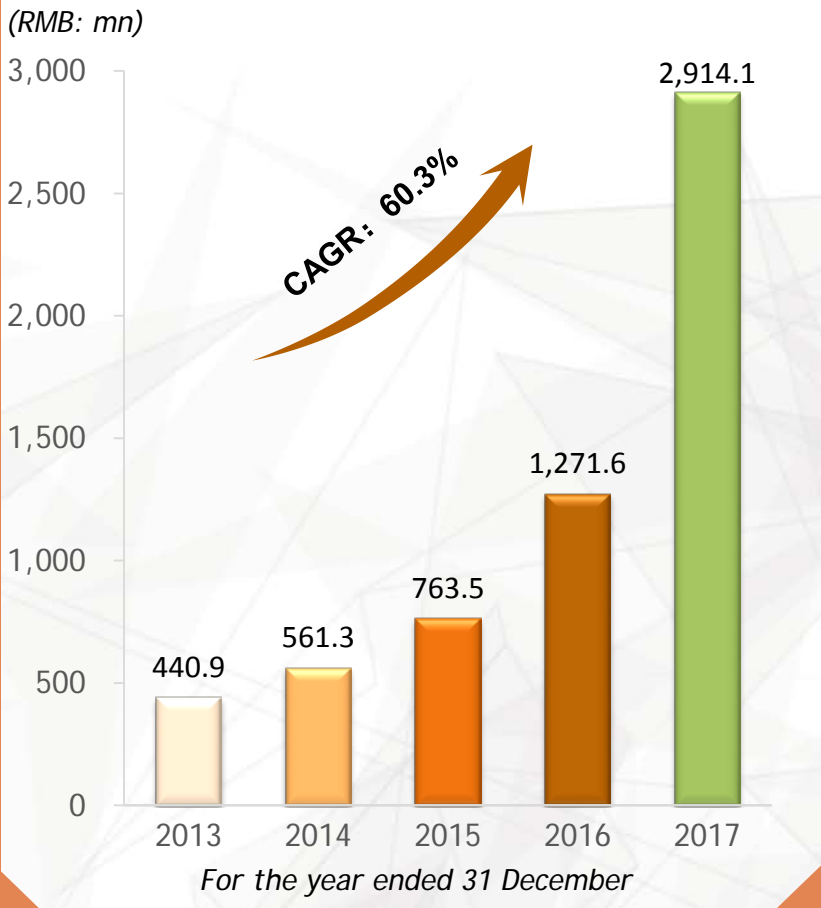
* As at 30 June 2018



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

