



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)

2019 Annual Results Corporate Presentation

March 2020





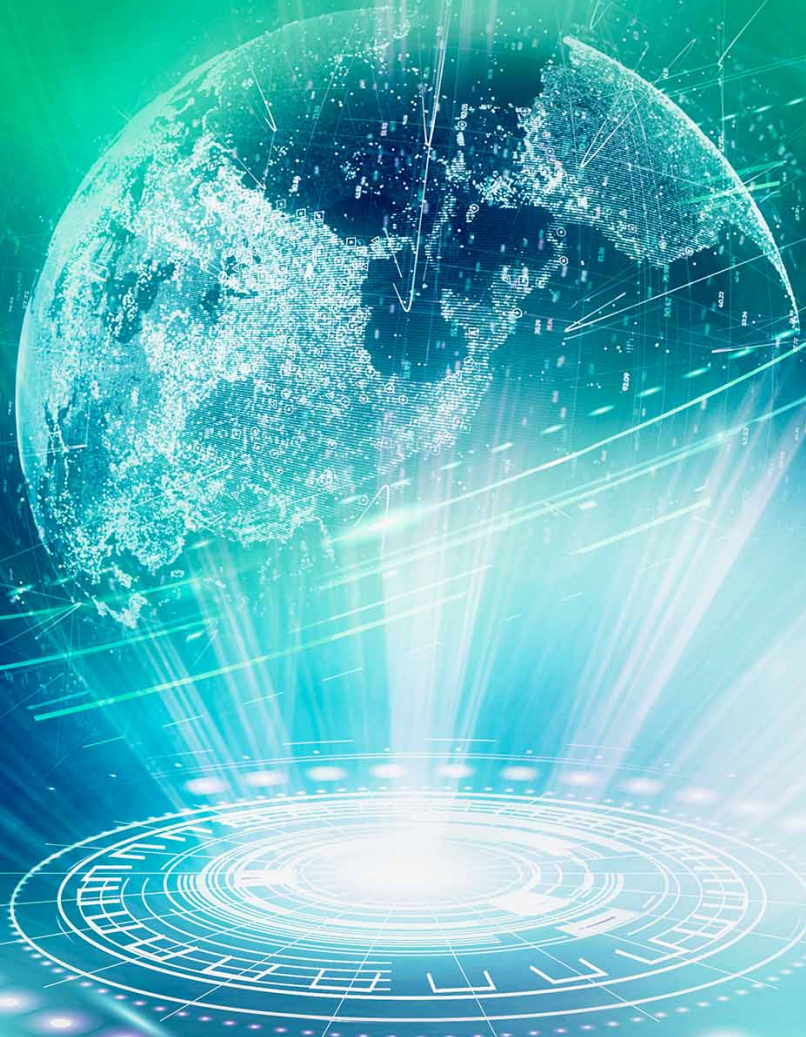
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Agenda

1. Financial Highlights
2. Operation Review
3. Future Outlook
4. Q&A Session
5. Appendix



Financial Highlights





	2018	2019	Change
<i>For the year ended 31 December (RMB mn)</i>			
Revenue	25,931.9	37,848.7	+46.0%
Gross Profit	4,913.1	7,750.7	+57.8%
Profit Before Tax	2,851.3	4,550.3	+59.6%
Income Tax Expense	(338.6)	(531.0)	+56.8%
Effective Tax Rate (%)	11.9	11.7	-0.2ppt
Net Profit	2,512.7	4,019.4	+60.0%
Earnings per Share - Basic <i>(RMB cents)</i>	227.9	364.8	+60.1%



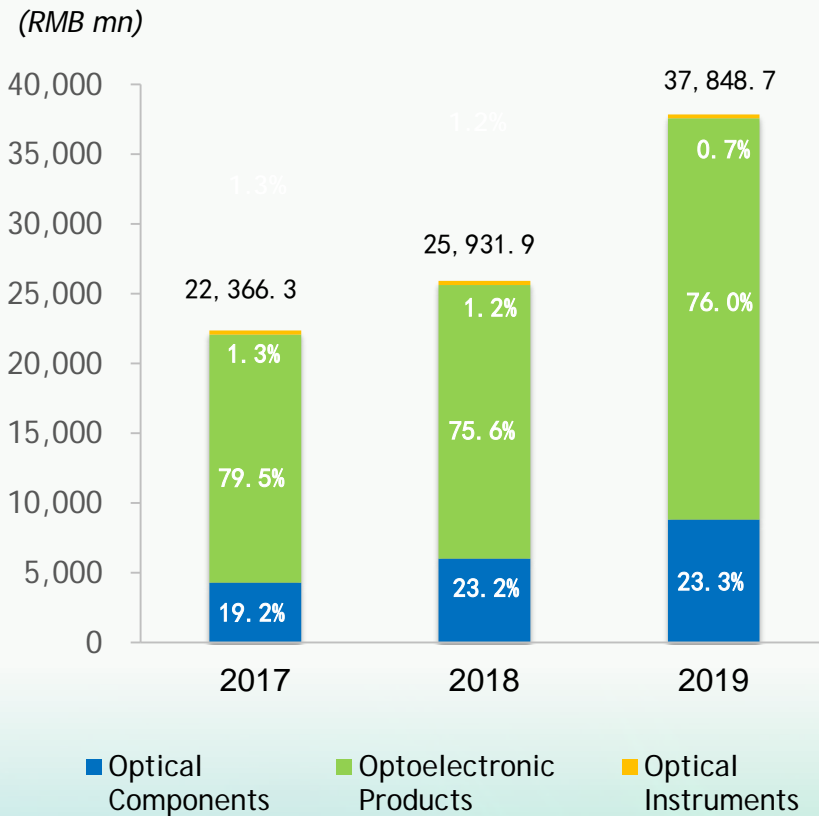
	2017		2018		2019	
<i>For the year ended 31 December (RMB mn)</i>		<i>(as % of revenue)</i>		<i>(as % of revenue)</i>		<i>(as % of revenue)</i>
Revenue	22,366.3	100.0%	25,931.9	100.0%	37,848.7	100.0%
Total Operating Expenses	1,762.2	7.8%	2,006.1	7.8%	3,138.3	8.3%
• Selling and Distribution Expenses	205.1	0.9%	209.9	0.8%	278.6	0.7%
• R&D Expenditure	1,168.2	5.2%	1,362.3	5.3%	2,209.3	5.9%
• Administration Expenses	388.9	1.7%	433.9	1.7%	650.4	1.7%



	2017	2018	2019
<i>As at 31 December/ for the year ended 31 December</i>			
Current Ratio (Times)	1.5	1.9	1.8
Operating Cash Inflow (RMB mn)	2,436.3	3,567.9	4,661.6
Cash and Cash Equivalents (RMB mn)	3,339.5	7,248.6	7,601.1
<ul style="list-style-type: none"> • Pledged Bank Deposits (RMB mn) • Financial Assets at Fair Value through Profit or Loss (RMB mn) • Bank Balances and Cash (RMB mn) 	140.3	214.7	6.1
	1,952.3	4,759.6	5,662.8
	1,246.9	2,274.3	1,932.2
Net Cash per Share (RMB cents)	183.1	154.3	212.6
Gearing Ratio (%)	8.6	24.3	17.2
ROE (%)	38.8	27.1	31.6
Capital Expenditure (RMB mn)	1,765.5	2,617.4	3,167.9

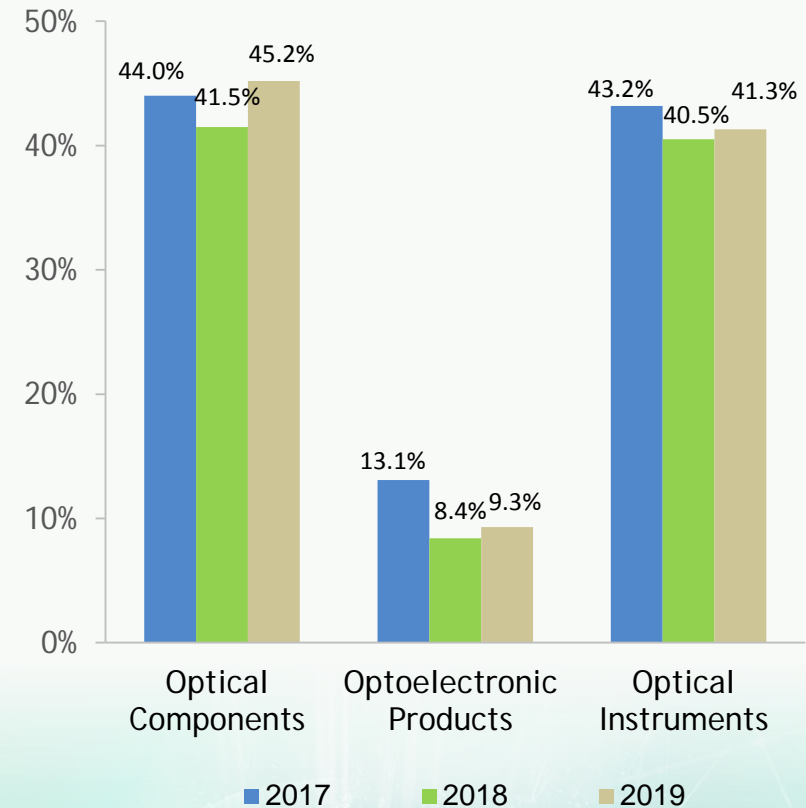
Revenue and Gross Profit Margins By Business Segments

Revenue by Business Segments



For the year ended 31 December

Gross Profit Margins by Business Segments

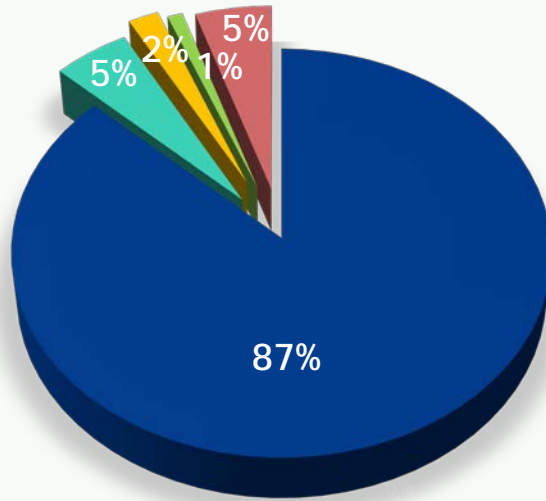


For the year ended 31 December

Revenue Breakdown by Product Applications

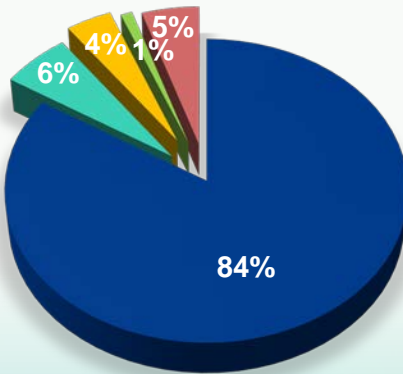


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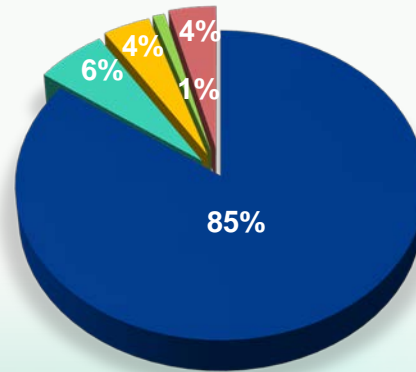


2019

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



2018



2017

For the year ended 31 December

Operation Review

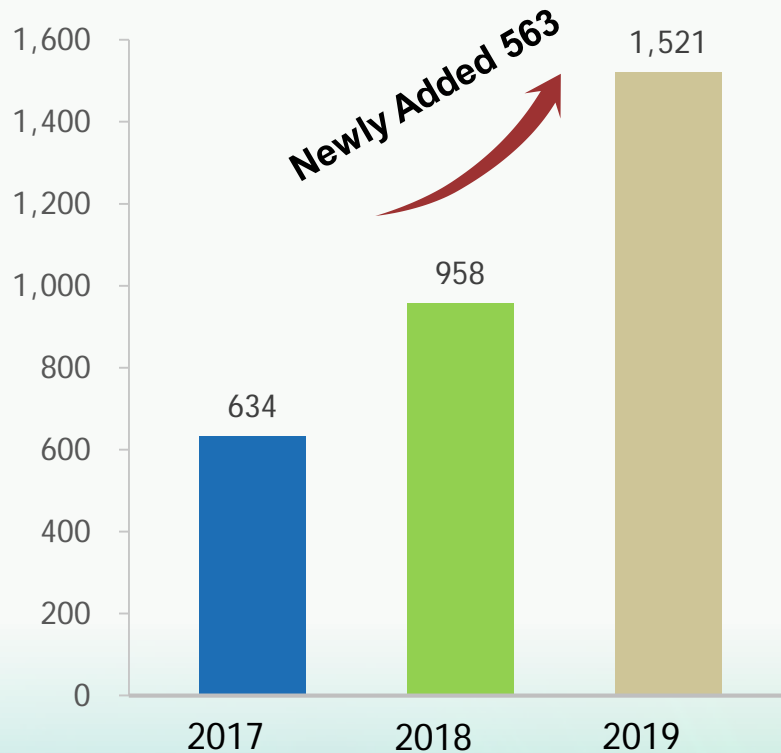


Focus on Patent Layout Strengthen Competitive Advantage



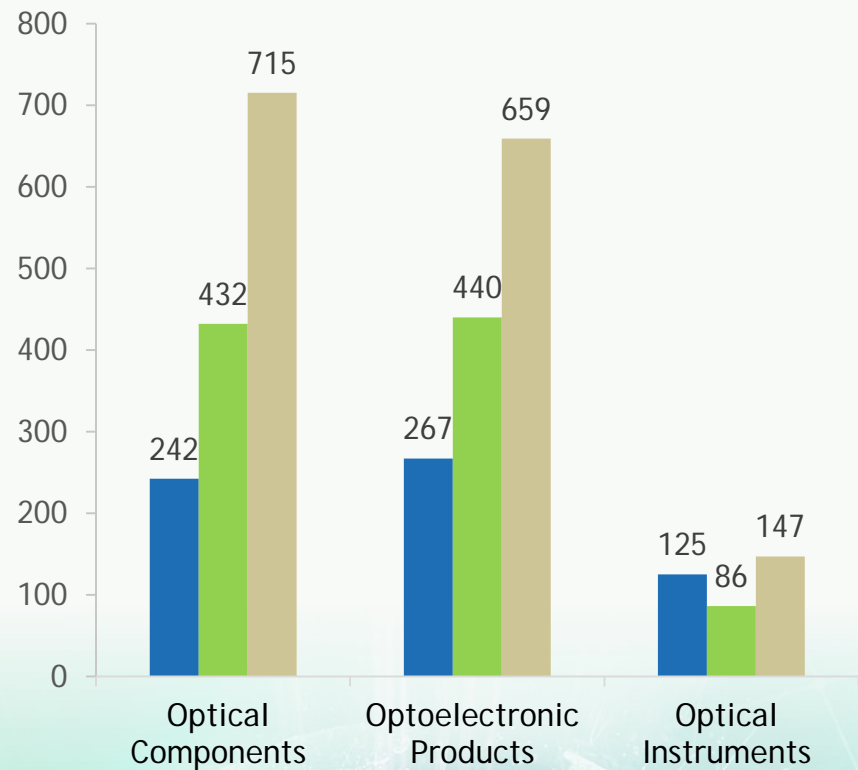
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Number of Authorized Patents of the Company



As at 31 December

Number of Authorized Patents by Business Segments



■ 2017 ■ 2018 ■ 2019
As at 31 December

Significant Achievements in R&D Build Hi-Tech Barriers



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Optical
Components



Optoelectronic
Products



Optical
Instruments

- The R&D of ultra-large image size (1/1.5" and 1/1.3") handset lens sets has been completed
- The R&D of 10-time optical zoom handset lens sets has been completed
- 64-mega pixel large image size (1/1.7") handset lens sets have achieved mass production
- Ultra-miniaturized head (head size is 1.865 mm) handset lens sets have achieved mass production
- 5-time optical zoom handset lens sets have achieved mass production
- The R&D of the front view, side view and rear view vehicle lens sets (which are all 8-mega pixel) applied to L4 autonomous driving has been completed and obtained mass production orders
- The R&D of 10-time optical zoom handset camera modules has been completed
- 5-time optical zoom handset camera modules have achieved mass production
- Ultra-large image size (1/1.3") handset camera modules have achieved mass production
- Ultra-large aperture (FNo.1.4) handset camera modules have achieved mass production
- The R&D of 8-mega pixel front-view vehicle modules has been completed
- The R&D of laser confocal scanning microscope has been completed
- The first domestic 60-time apochromatic oil-immersion objective with a numerical aperture of 1.4 has achieved mass production
- The R&D of pathological section scanner has been completed and obtained batch sales



Continental
"Excellent Supplier in Optical Component Category"



Panasonic
"Excellent Supplier"



Dahua
"Excellent Supplier Award"



OFILM
"Core Supplier Award"

Constituent Stock of
"Hang Seng China Enterprise Index"

"Institutional Investor"
All-Asia Technology/Hardware

"Most Honored Company"

"Best Investor Relations Program"

"Best Corporate Governance"

"Best ESG SRI Metrics"

MSCI ESG rating "BB"



Huawei
"Excellent Quality Award"



Xiaomi
"Best Strategic Cooperation Award"



LG Electronics
"Excellent Supplier"



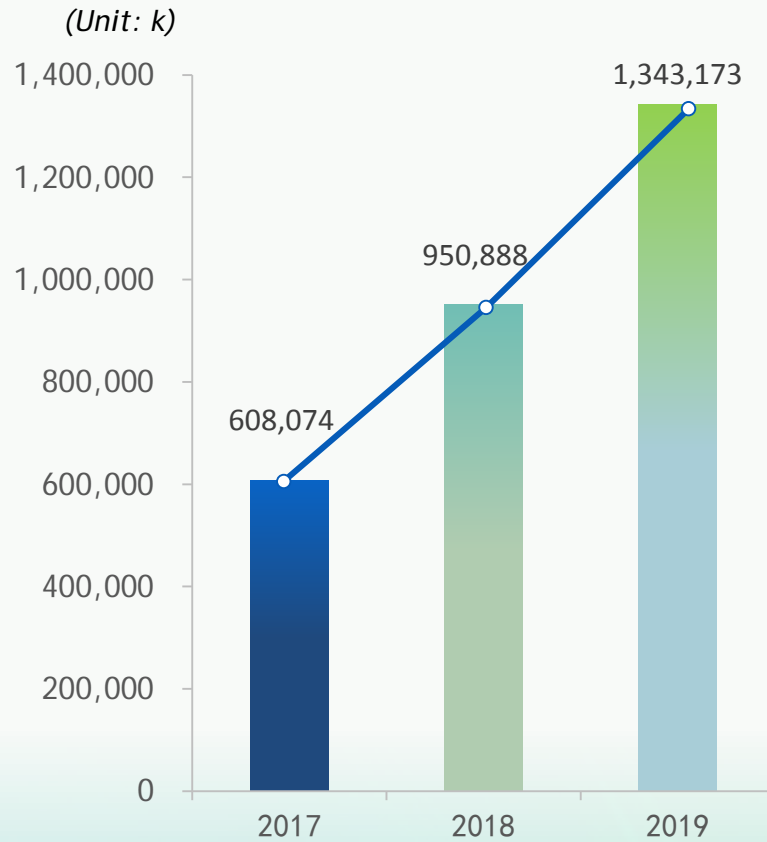
Lenovo
"Excellent Supplier Award"
"Partner Award"



CIOE
"Technology Innovation Award"

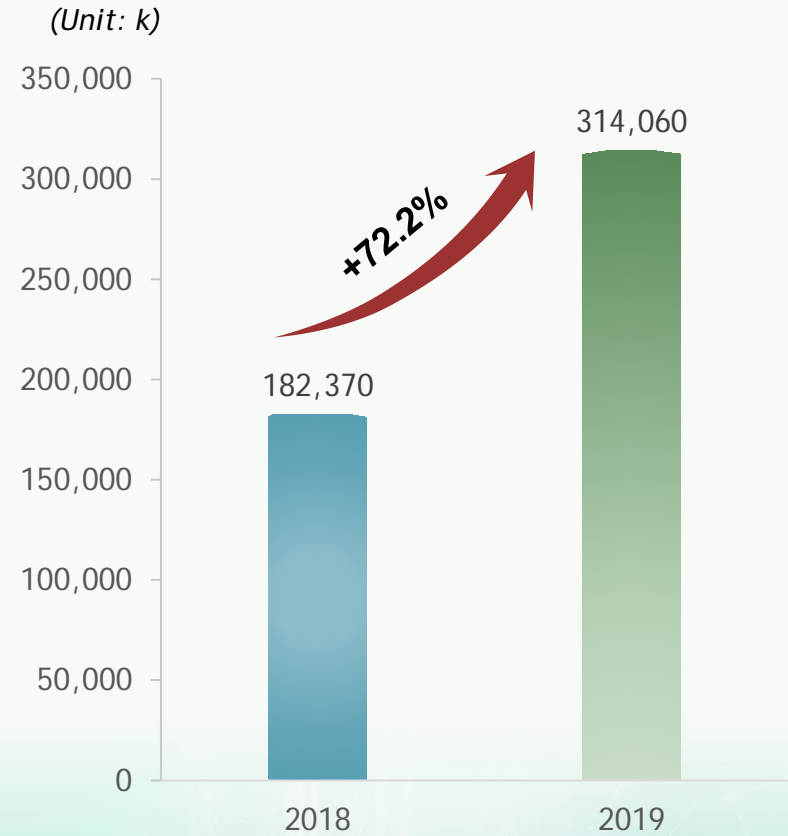


Shipment Volume of the Company's Handset Lens Sets



For the year ended 31 December

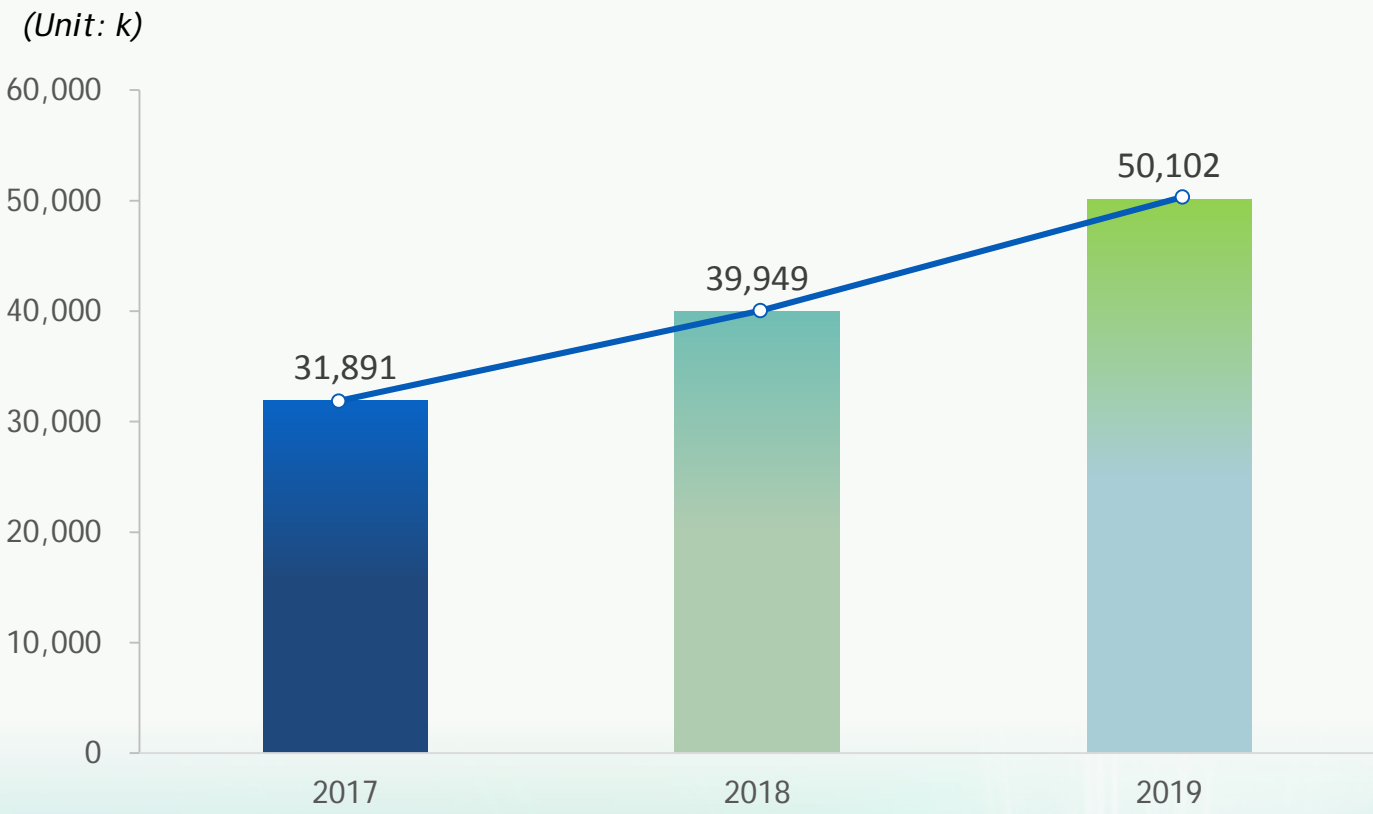
Shipment Volume of the Company's 6P and above Handset Lens Sets



For the year ended 31 December



Shipment Volume of the Company's Vehicle Lens Sets



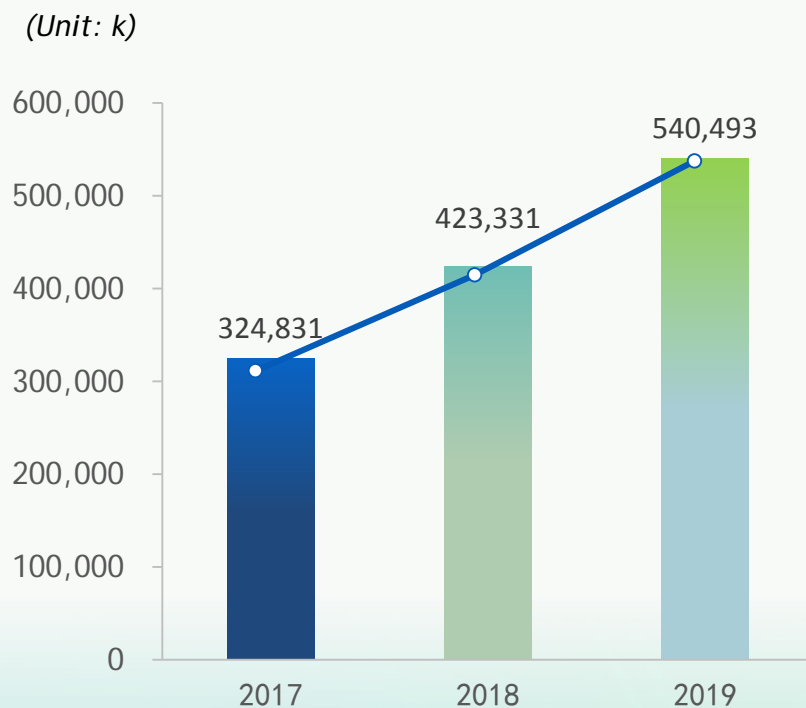
For the year ended 31 December

Solidate the Leading Position in PRC Market Further Cooperate with Overseas Clients



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Shipment Volume of the Company's Handset Camera Modules

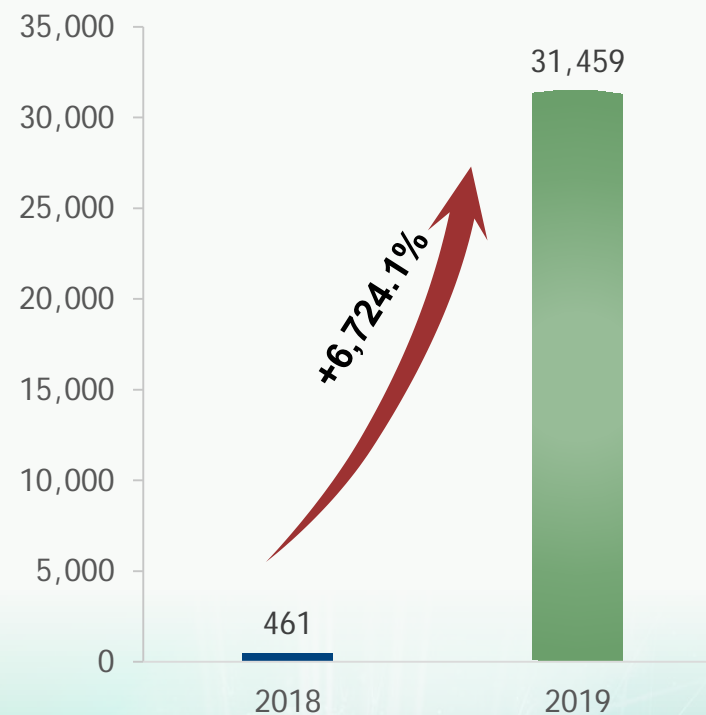


For the year ended 31 December

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

Large image size refers to 1/1.7" and above

(Unit: k)



For the year ended 31 December

Future Outlook

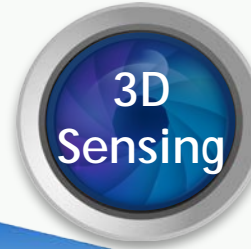


Distinct Upgrade in Handset Cameras

Broad Application Prospects



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Increasing Number of Cameras

- Single Camera
- Dual-Camera
- Triple-Camera
- Multi- Camera

Upgrading Specifications of Rear Cameras

- High Resolution
- Large Image Size
- Ultra-wide Angle
- Large Aperture
- Telephoto Lens Sets
- Video Lens Sets
- ...

Upgrading Specifications of Front Cameras

- Miniaturized Head
- Ultra-thin Lens Sets
- Front Auto Focus
- Biological Recognition
- ...

More Key Components Applied to Emerging Optical Fields

- Diffuser
- Diffractive Optical Element
- Collimating Lens Sets
- ...

Rapid Progress of Autonomous Driving Huge Potential in Optical Applications



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● Vehicle Cameras Related:

- Vehicle Lens Sets
- Vehicle Modules
- Solutions



● Display Related:

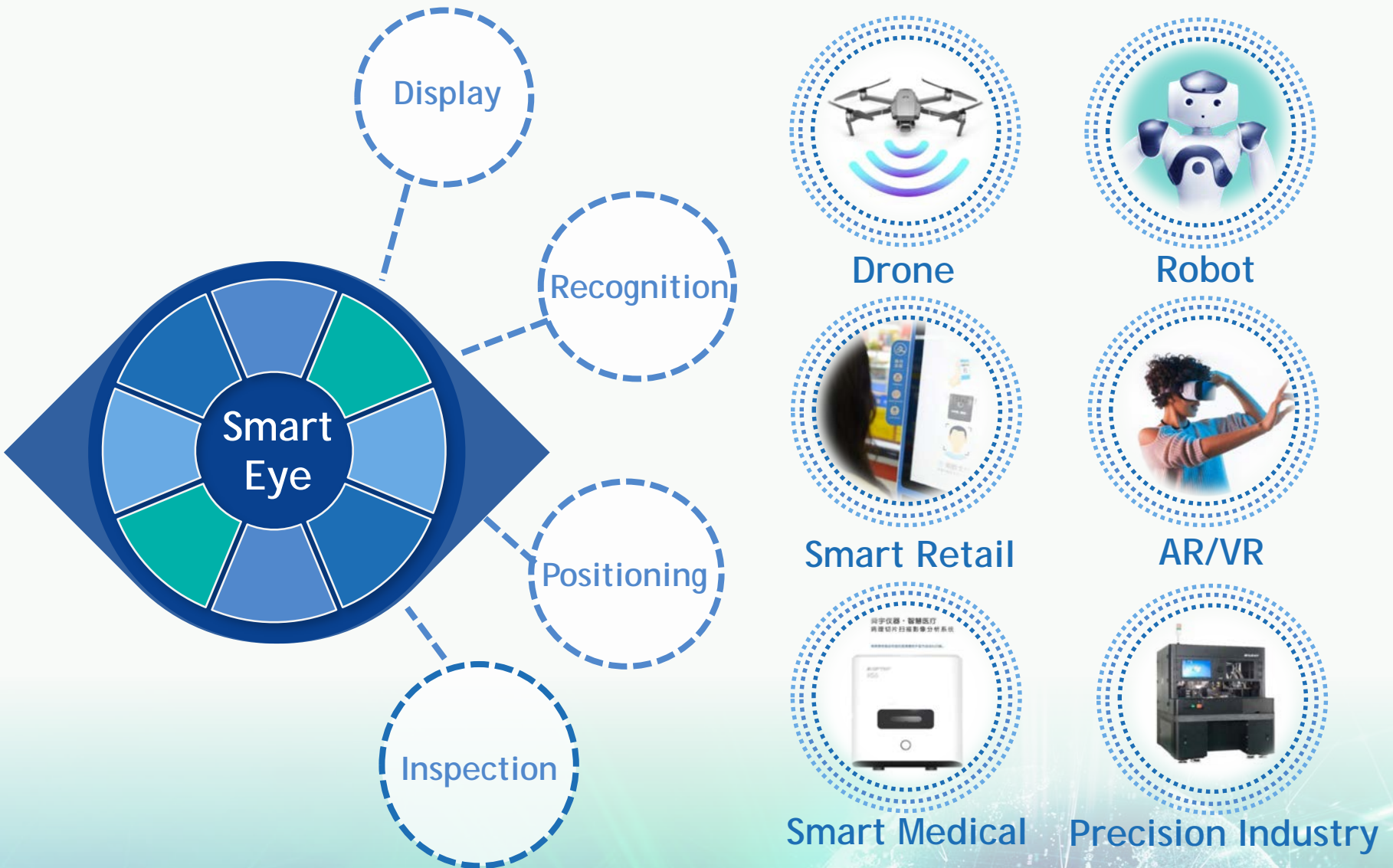
- Head-up Display
- Smart Headlights
- Key Optical Components
- Optical Solutions



● LiDAR Related:

- Key Optical Components
- Optical Solutions





Q & A Session

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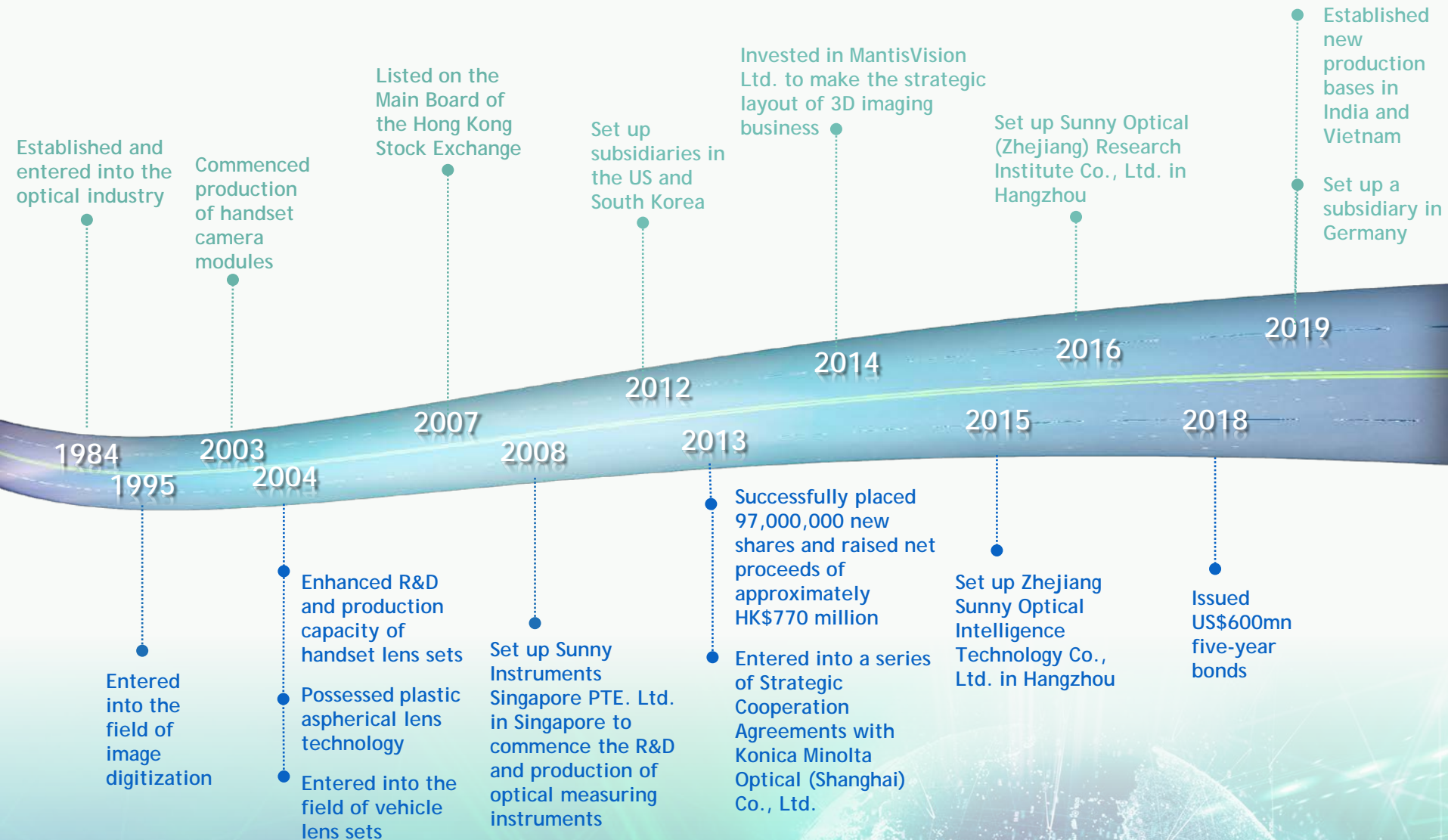
Appendix

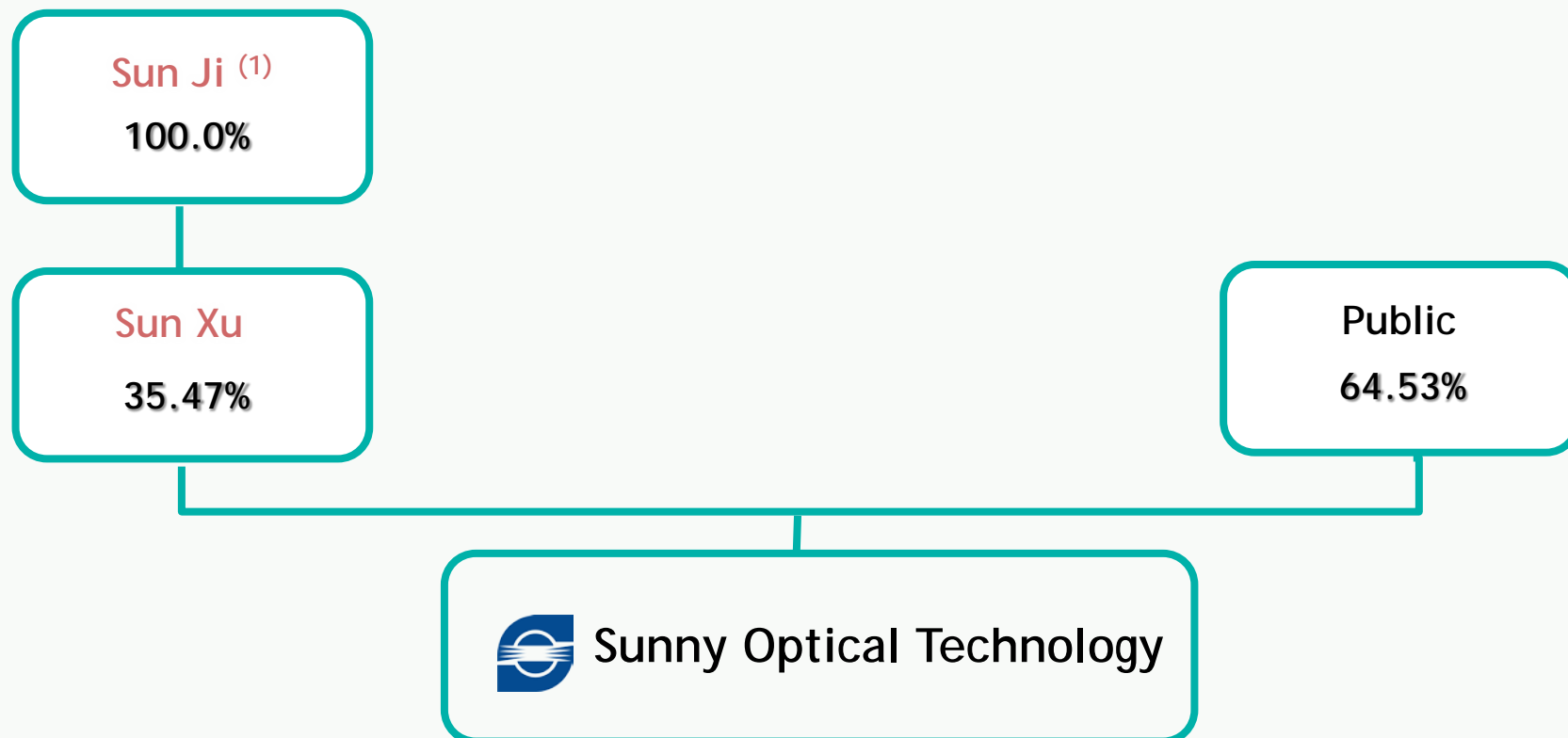


Milestones



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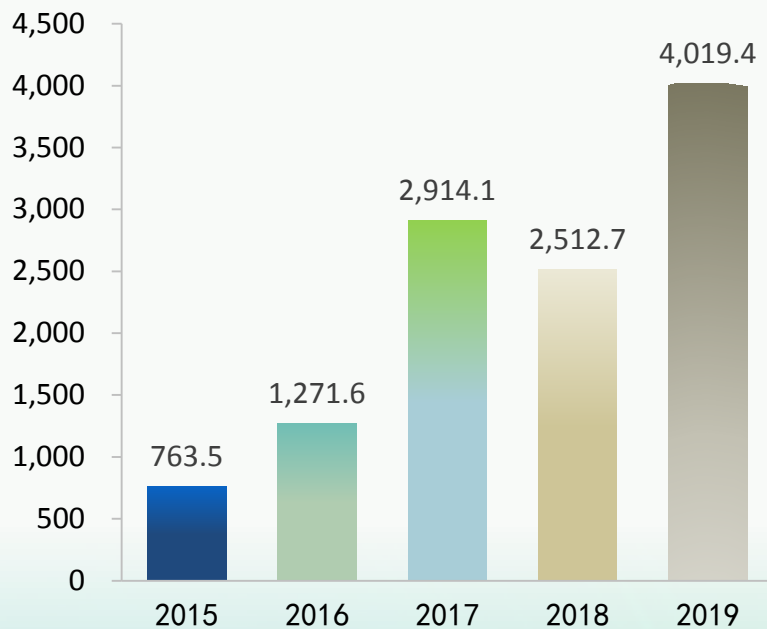
(1) The Sunny Group Employee Offshore Trust is a trust which holds the entire issued share capital of Sun Ji Limited. Mr. Wang Wenjian, together with TMF Trust (HK) Limited, is one of the two trustees and one of the beneficiaries of the Sunny Group Employee Offshore Trust.

* As at 31 December 2019

OUTSTANDING PERFORMANCE IN NET PROFIT

Net Profit

(RMB mn)

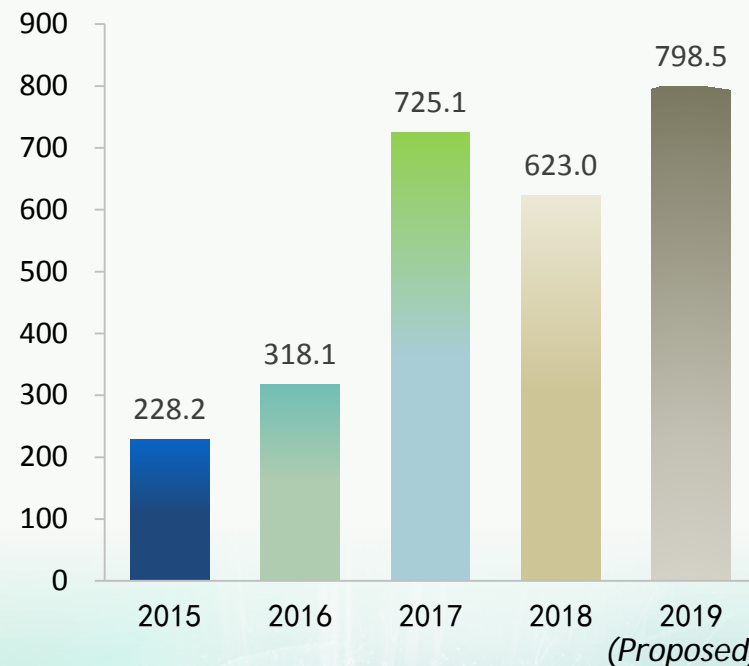


For the year ended 31 December

FINAL DIVIDENDS PAYOUT RATIO AT 20%-30% OF THE PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY

Dividends

(RMB mn)



For the year ended 31 December

(Proposed)