

To: Business Editors
(For Immediate Release)



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)

Sunny Optical Technology Announces 2023 Interim Results

**Main Driving Force-Vehicle Related Revenue Keeps Taking on Larger Share
Management of R&D Performance Strengthened in Adherence to Leading Future with
Innovation**

Financial Summary (For the six months ended 30 June)			
	2023	2022	YoY Change
Revenue (RMB million)	14,278.6	16,971.8	-15.9%
Gross Profit (RMB million)	2,130.6	3,522.4	-39.5%
Net Profit (RMB million)	459.4	1,378.8	-66.7%
Profit for the Period Attributable to Owners of the Company (RMB million)	436.7	1,357.9	-67.8%
Basic Earnings per Share (RMB cents)	40.0	124.1	-67.8%

(22 August 2023, Hong Kong) **Sunny Optical Technology (Group) Company Limited** (“**Sunny Optical Technology**” or the “**Company**”, together with its subsidiaries, the “**Group**”), (stock code: 2382.HK), a global-leading integrated optical components and products producer, today announced its interim results for the six months ended 30 June 2023.

For the six months ended 30 June 2023, the Group’s revenue was approximately RMB14,278.6 million, the gross profit approximately RMB2,130.6 million, the gross profit margin approximately 14.9%, the profit for the period attributable to owners of the Company approximately RMB436.7 million, and the basic earnings per share approximately RMB40.0 cents.

In the first half of 2023, key components shortage in the vehicle supply chain has eased and the market demands of vehicle cameras has gradually restored, among which ADAS vehicle cameras experienced the most prominent growth but also encountered fiercer market competition than before. Faced with such environment, in addition to enhancing cooperations with well-known customers home and abroad, the Group also leveraged its advantage of leading technology and continued to made technical innovation efforts in high-end vehicle lens sets and vehicle modules. In addition, the Group continued to explore market opportunities in LiDAR, HUD and smart headlamp with good progress made already. Therefore, for the six months ended 30 June 2023, the revenue of the Group’s vehicle related products was approximately RMB 2,471.1 million, accounting for approximately 17.3% of the Group’s total revenue, increased by 7.1

percentage points as compared to the corresponding period of last year.

In terms of VR/AR field, the revenue of the Group's VR related products was adversely affected by the weak sales of VR market in the first half of 2023. With the launch of cost-effective products and the content ecosystem becoming gradually enriched, the Group is firmly confident in the promising prospect for future growth, and continuously strengthened the R&D efforts in VR near to eye display related products and perception and interaction lens sets and modules. The Group is seeking to gain market recognition with innovative products and technologies and has already acquired multiple world-renowned customers. At the same time, AR market is currently in the industrial incubation period while the technical system, industrial chain construction, product form and content ecology are still being improved and developed, which is expected to be implemented in more scenarios in the future. The Group would continue to invest in resources and increase efforts in the R&D of full-color AR optical waveguides.

Under the challenging circumstances where we saw the persistently weak demand of global smartphone market, the fierce industry competition and the on-going de-spec trend of smartphone cameras, the Group's handset lens sets and handset camera modules faced great pressure. For the six months ended 30 June 2023, the shipment volume of handset lens sets of the Group decreased by approximately 21.3% to approximately 512,760,000 units as compared to the corresponding period of last year, and the shipment volume of handset camera modules decreased by approximately 11.8% to approximately 254,565,000 units as compared to the corresponding period of last year. The Group focused on technology breakthrough of products and technological process, strengthened management of R&D performance and increased customer stickiness consistently so as to solidify our global No.1 positions in terms of the market shares of handset lens sets and handset camera modules.

Mr. Ye Liaoning, Chairman of the Board of Directors, said, "Looking forward, the Group will continue to face grave challenges such as slow recovery of the global economy, weak consumption demand and more intensified competition. However, development direction of the global economy sticking to digital economy and green economy will not change. This will bring new growth potentials and development opportunities to the optoelectronic industry. The rapid development of autonomous driving will promote the adoption of multi-sensor and huge market potentials will appear in VR/AR, robotic vision and other emerging industries. As such, the Group will also explore and seize new opportunities in the markets based on the following three principles, so as to achieve sustainable and healthy business development. 1. Tapping new potential in mature businesses - keep an eye on target major customers and increase our supply proportion; further improve the proportion of high-end and high-value products. 2. Seeking opportunities in emerging industries - strengthen the Group's competitiveness in the vehicle lens sets business and build brand products in this category; increase its resource investment in vehicle modules business to expand its market share; enhance added value to its products and its competitiveness in vehicle LiDAR, HUD, VR/AR, robotic vision and other emerging fields. 3. Focusing on quality while expanding the volume."

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Company Profile:

Sunny Optical Technology (Group) Company Limited is a global-leading integrated optical components and products manufacturer. The Group is principally engaged in the design, R&D, manufacture and sales of optical and optical-related products. Such products include Optical Components (such as vehicle lens sets, optical parts of vehicle LiDAR, VR positioning lens sets, handset lens sets, glass spherical lenses and other optical components), Optoelectronic Products (such as vehicle modules, VR Pancake modules, VR visual modules, handset camera modules, RGBD robotic vision modules and other optoelectronic modules) and Optical Instruments (such as intelligent inspection equipment and microscopes). The Group focuses on optoelectronic-related products that combine optics, electronics, algorithm and mechanical technologies in the application fields such as vehicles, VR/AR, robots and handsets.

Issued by Porda Havas International Finance Communications Group for and on behalf of **Sunny Optical Technology (Group) Company Limited**.

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