

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 Announced 2023 Annual Results

**Steady growth from vehicle business while handset business bottoms out and stabilizes
Grasp new industry opportunities by keeping exploring new optical application**

Financial Summary (For the year ended 31 December)			
	2023	2022	YoY Change
Revenue (RMB million)	31,681.3	33,196.9	-4.6%
Gross Profit (RMB million)	4,590.4	6,605.0	-30.5%
Net Profit (RMB million)	1,150.3	2,474.1	-53.5%
Profit for the Year Attributable to Owners of the Company	1,099.4	2,407.8	-54.3%
Basic Earnings per Share (RMB cents)	100.7	220.3	-54.3%

(20 March 2024, 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 annual results for the year ended 31 December 2023.

For the year ended 31 December 2023, the Group's revenue was approximately RMB 31.68 billion, the gross profit was approximately RMB 4.59 billion, the gross profit margin was approximately 14.5%, the profit for the year attributable to owners of the Company was approximately RMB 1.10 billion, and the basic earnings per share was approximately RMB 100.7 cents.

In 2023, the automobile supply chain started to stabilize, automobile production saw normalization, and the vehicle market regained its growth momentum, especially the EV market, with vehicle camera as a key configuration for the intelligent development of all automobiles. Although the market competition was increasingly fierce, the Group still maintained the global No.1 position by relying on years of hard work at home and abroad in the industry, technological leadership and continuous innovation spirit, and thus further widened the gap with the world's second. In the emerging vehicle optical field, the Group had a comprehensive layout, exploring opportunities in LiDAR, HUD and smart headlamps, seeking technological differentiation routes, and obtaining a number of designated projects during the year. As a result, for the year ended 31 December 2023, the revenue of the Group's vehicle-related products was approximately RMB 5.28 billion, accounting for approximately 16.7% of the Group's total revenue, an increase of approximately 4.3 percentage points compared to last year.

In the emerging consumer-grade optical business, the Group further deepened its strategic cooperation with leading VR customers around the world and successfully achieved mass production of key projects; We continued to strengthen R&D efforts in AR optical waveguides, optical machines and optical engines, and provide customers with a variety of product choices including AR optical integrated solutions. The Group actively invested in the R&D, layout of key technologies and processes, and strived to become the top-pick supplier of well-known customers around the world.

In the context of the macroeconomic downturn and the weak demand of the global smartphone market and the despecification trend, the Group's handset-related business remained under pressure in the first half of 2023, but the demand of the smartphone market gradually picked up in the second half of the year and began to show recovery momentum. As a result, for the year ended 31 December 2023, the Group's shipments of handset lens sets decreased by approximately 1.8% compared to last year, while shipments of handset camera modules increased by approximately 9.8% compared to last year. The smartphone market has entered a mature stage. In the face of cost pressure and competitive pressure, while maintaining the first market position of handset lens sets and handset camera modules in the world, the Group firmly adhered to the "customer-centric" policy, focused on business breakthroughs, pursued technological leadership and product innovation, and high-end layout, with a view to gradually improving product profitability.

In 2024, the Group is still confronted with the bumpy recovery of global economy, insufficient consumption demand, supply chain restructuring, intensified market competition and other challenges. Despite uncertainties surrounding the global economy as indicated by complicated environment, it is anticipated that emerging technologies and industries featured by high technology content, high added value and intensive resources, such as new energy and AI, will serve as new growth points for economic development. In addition, the continuous penetration of intelligence into various industries has brought about new demands for the optoelectronic industry and given rise to new development opportunities. Looking forward, the Group will maintain its strategic focus, commit to the development of the main business of optoelectronics and continue to promote the following three aspects of work: 1) Explore new potential in smartphone related businesses and strive to improve business quality; 2) Build competitiveness in the fields of vehicles, XR and robotic vision and focus on improving market position; and 3) Strengthen management in capital investment, improve input-output efficiency and focus on optimizing operational efficiency.

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