

**VIZIONFOCUS INC.**  
*- With your vision focus and clear*

**望隼科技**

Stock code: 4771  
Host : KGI Securities

Presented by: Angus Shih, GM

# Special Note about Forward-Looking Statements

This presentation contains forward-looking statements that are subject to significant risks and uncertainties that can cause actual results to be materially different.

We caution our investors that forward-looking statements reflect our analysis only on their stated date. Except as required by law, Vizionfocus assumes no obligation to update or revise any forward-looking statements whether as a result of new information, future events, or otherwise.

# Agenda

- Company Status
- Market Analysis
- Core Competency
- Operational Results
- Outlook



# Company Profile

<b>Name</b>	VIZIONFOCUS INC.
<b>Incorporated</b>	2012.05.10
<b>Principal place of Business</b>	3F, No.66, Youyi Road, Kuan-Yuan Technology Park, Zhunan Township, Miaoli County, 35059, Taiwan. R.O.C.
<b>Capital</b>	NTD \$520 Million
<b>Chairman/ GM</b>	SC Huang / Angus Shih
<b>Business</b>	R&D, manufacture, and sale of contact lenses
<b>Manufacturing Sites</b>	Zhunan, Taiwan (2), and Jiangsu, China
<b>Production Capacity</b>	34 million lenses/month



Taiwan HQ



Taiwan Fab # 2



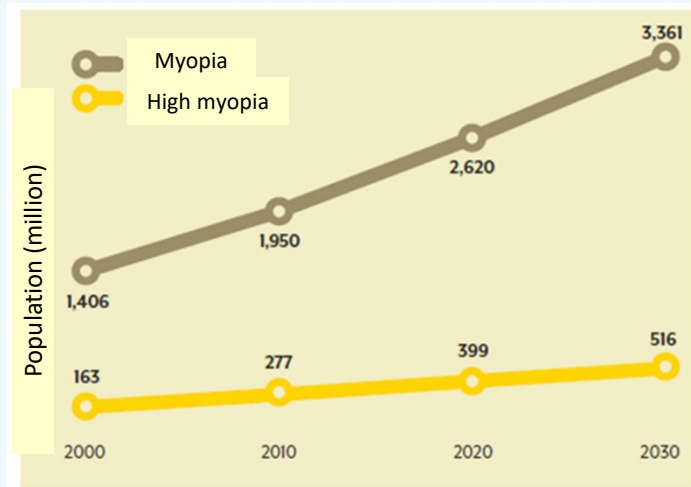
Jiangsu, China

# Company Milestones

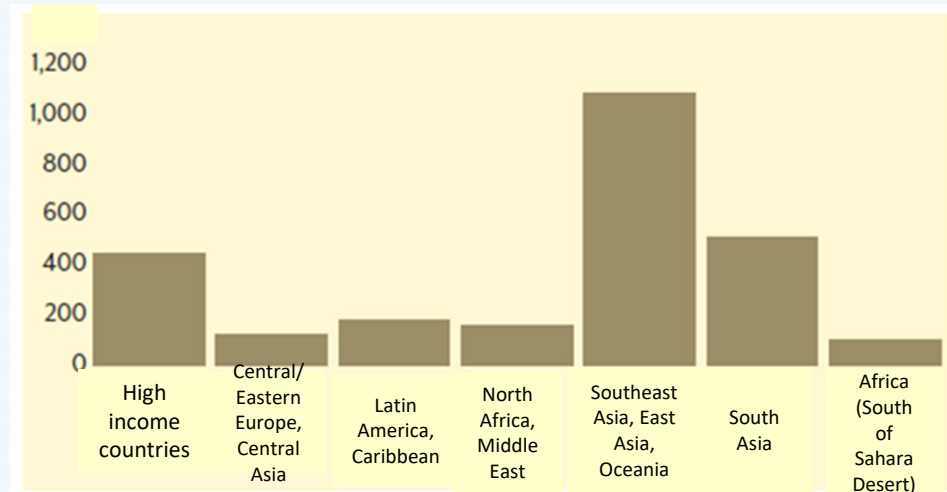
- 2012.05      Incorporated
- 2014.09      Distribution of Cosmetic Lenses to Japan
- 2015.11      Distribution of Clear Lenses to China
- 2019.06      Established Steady Market Supply in China
- 2020.09      Distribution of first Blue light block Lenses to Japan
- 2021.09      Distribution of Performance Lenses to the U.S.
- 2021.11      Registered to Trade Over-the-Counter
- 2022.09      Distribution of Blue light block Lenses to China
- 2022.12      Distribution of Silicone Hydrogel Lenses to Taiwan

# Global Market Analysis

- The global myopic population is estimated to increase from 3 billion in 2020 to 3.8 billion in 2030, an increase of approximately 27%. The contact lens market has an annual growth rate between 4 -6 %. The myopic population is concentrated in Asia.
- Contact lens penetration rate in China is only 8 %--significantly lower than the rest of East Asia (>30%).

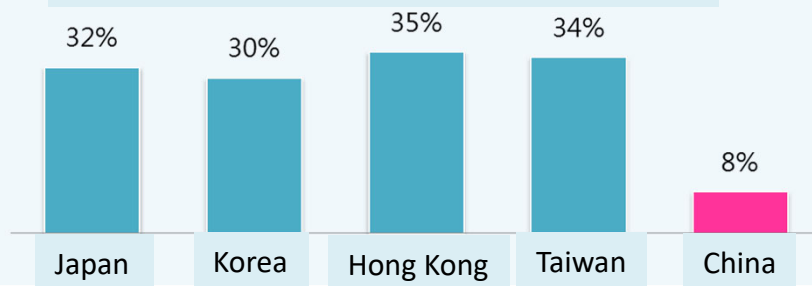


Estimated number of people with myopia and high myopia per decade, 2000–2030



Regional comparison of the total number of myopic patients (million)

Contact lens penetration rate in East Asia (2020)



## References:

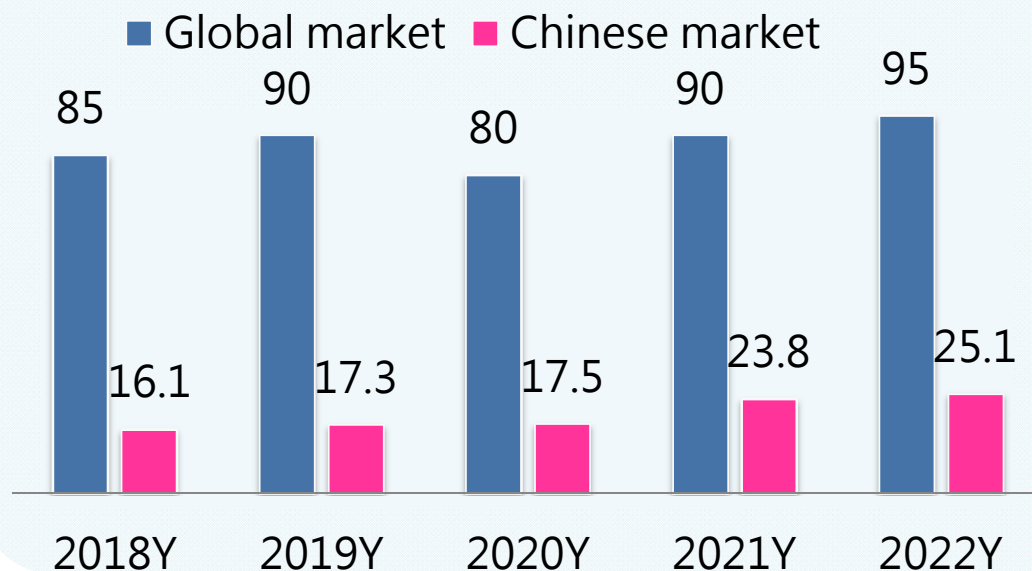
1. Post-epidemic era - changes in consumer market and recovery of contact lens market, GFK 2020
2. WHO 2019 Vision Report

# Global Market Analysis

- The global contact lens market was USD \$9 billion in 2022, with an annual growth rate between 4-6%.
- The top 4 major contact lens players currently account for more than 90% of the contact lens market share. Even though these key players have a large presence in Asia, Chinese consumers are more interested in local brands. This has led to the rapid increase in the production of local Chinese brands resulting in a high growth potential for subcontractors.
- Chinese market saw an 12% CAGR in two years (2018-2020)– with +25% in Online market and CAGR -7% in Offline market.

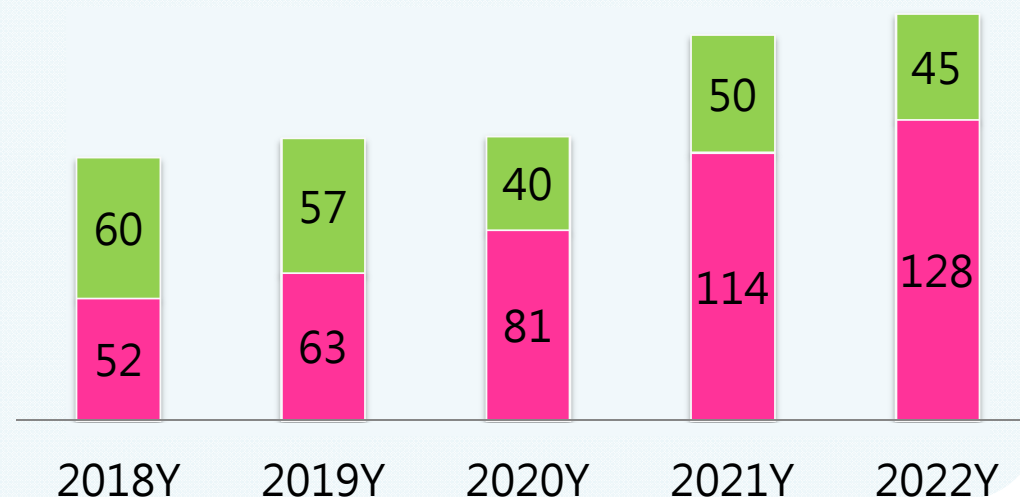
Global contact lens market manufacturing/wholesale

Revenue (100M- USD)



Chinese market sales trend (100M- CNY)

Online market (Pink), Offline market (Green)



## References:

1. Contact Lens Spectrum, accessed in January 2022
2. Contact Lens/Solutions Report, Nanjing Sigo Technology Co., LTD, 01/2023

Exchange rate from USD: CNY (=1: 6.8)

# VF Market Layout



China

58%

Chinese Market:  
2021YOY +80%  
2022YOY +37%

Japan

37%

Japanese Market:  
2021YOY +67%  
2022YOY +33%

Taiwan

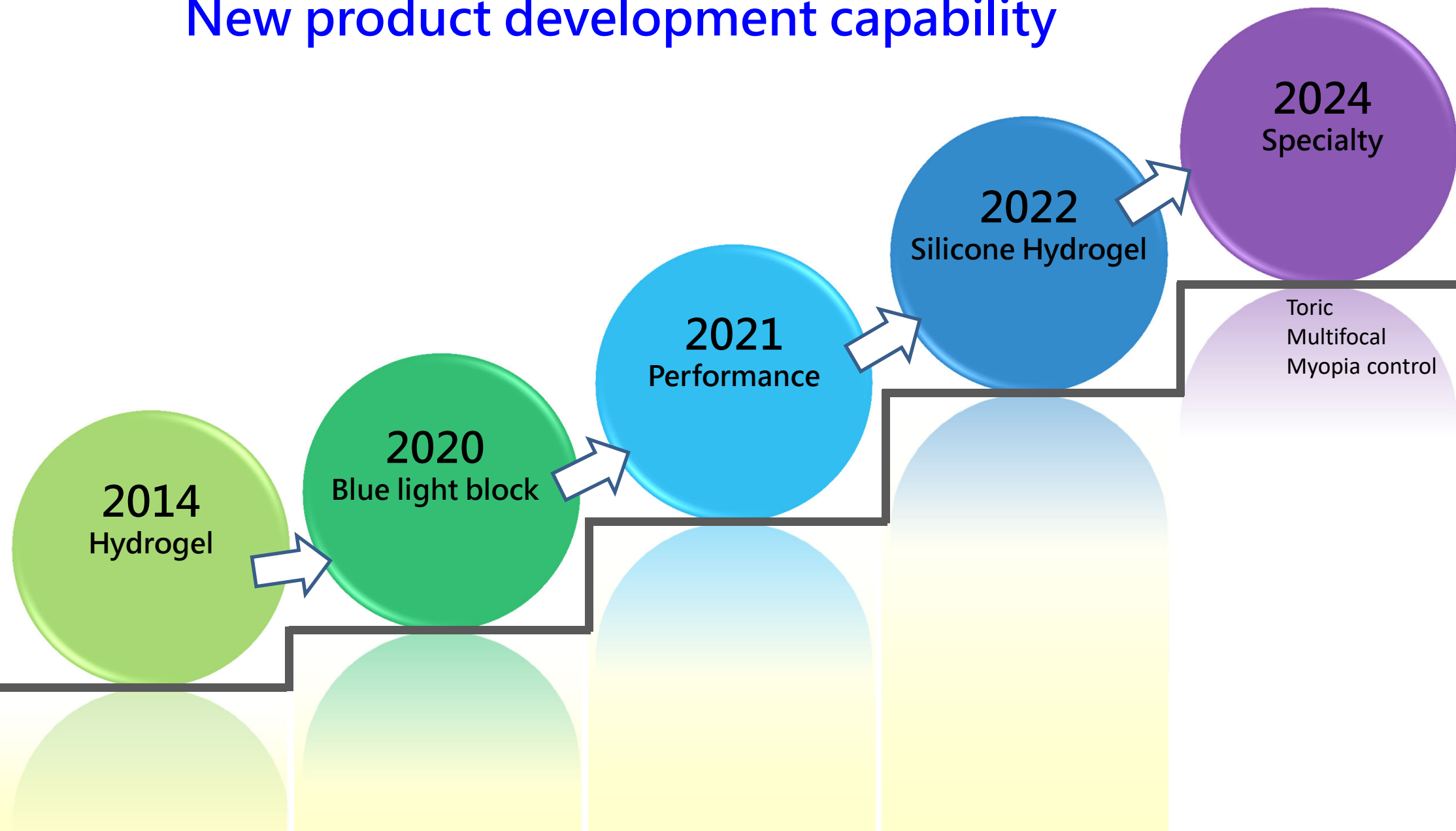
5%

USA

0.1%



# Core Competency 1: New product development capability



# First Blue light block lenses to Japan & China

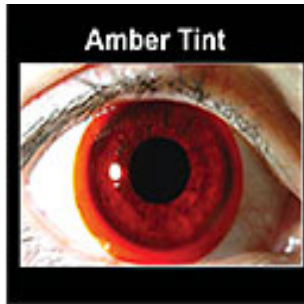
- Japanese market : Product distribution in numerous stores (09/2020)



- Chinese market : Product distribution (09/2022)



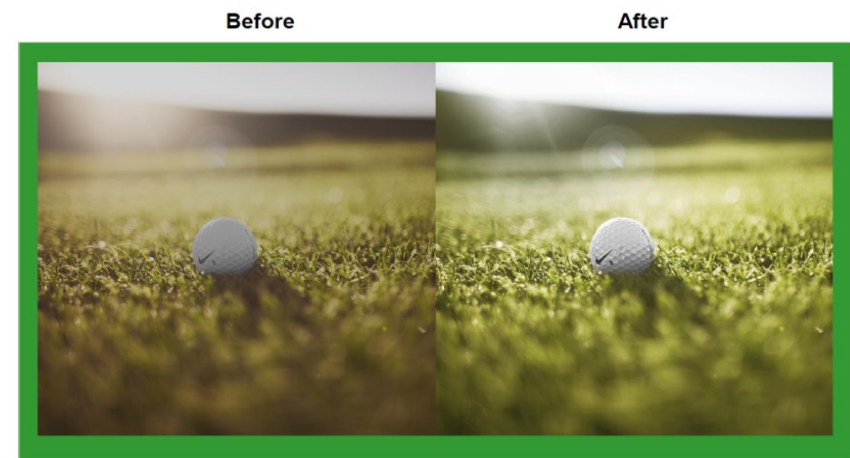
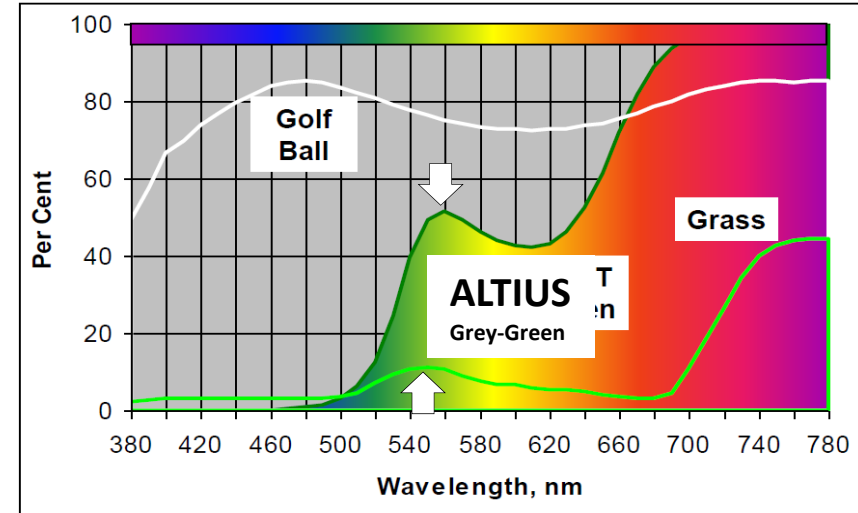
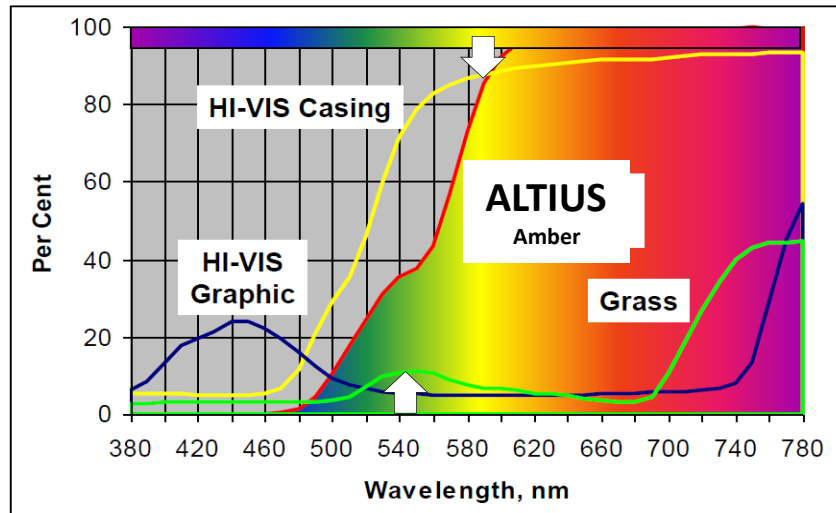
# Performance Contact Lenses



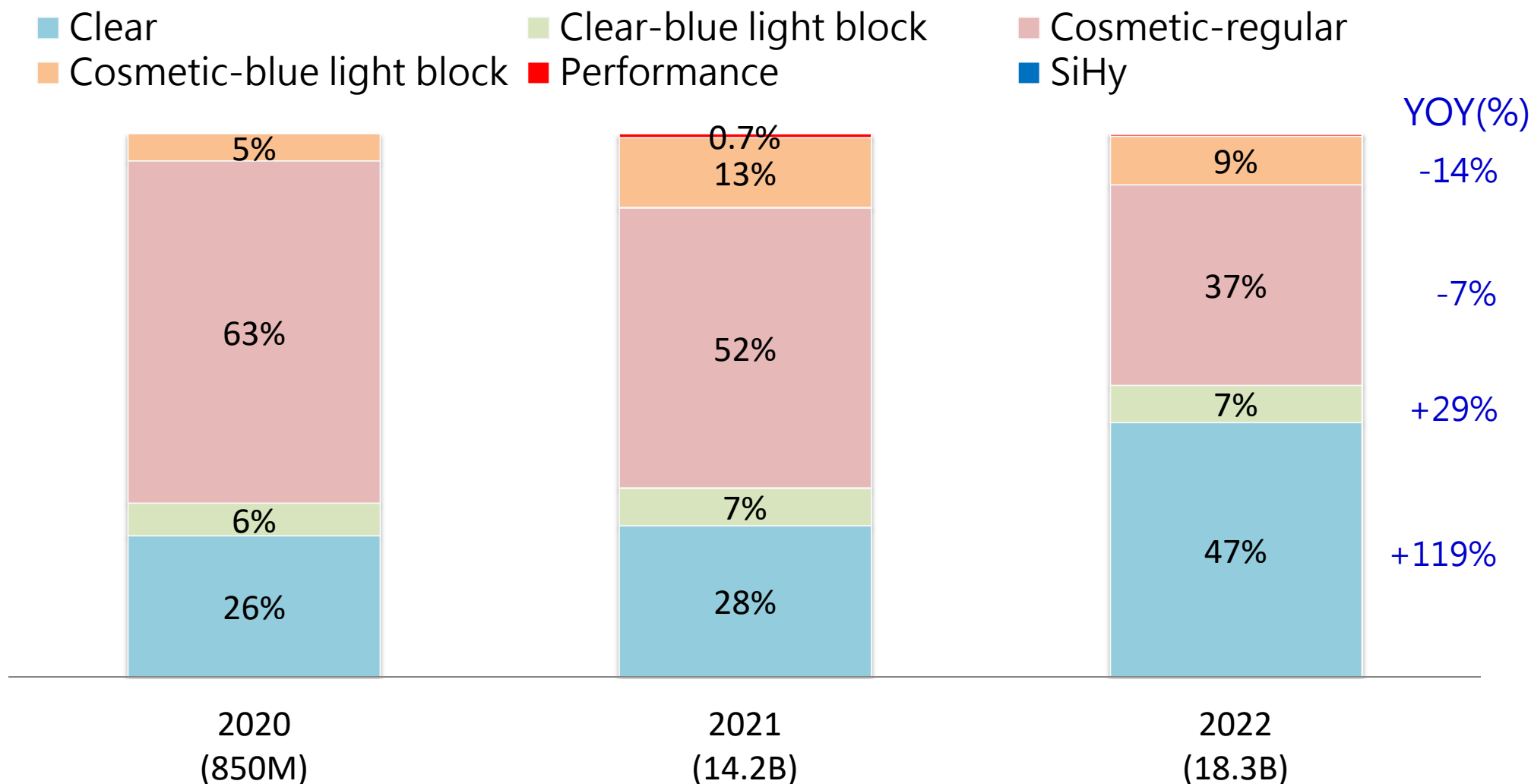
Dynamic Sports: Baseball, Tennis, Soccer...



Environmental: Golf, Water sports, Marathon...



# Product Revenue Composition



Note:

- Performance contact lenses Distribution (0.7%)
- 2022 Revenue growth 29%
- Performance CL 0.4%
- SiHy CL 0.05% (Taiwan)

Exchange rate from USD: NTD (=1: 30.5)

# Core Competency 2: Manufacturing capability

Fully automated  
production lines



New generation and fully automated production lines, pioneer in industry

Smart Manufacturing



Smart Scheduling

AI + APS



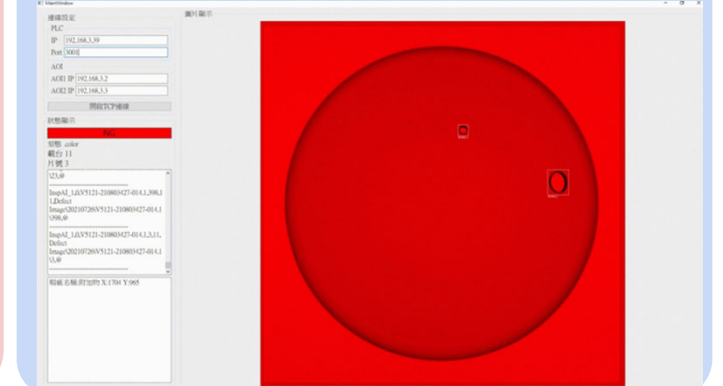
AI Recognition

AI + MES

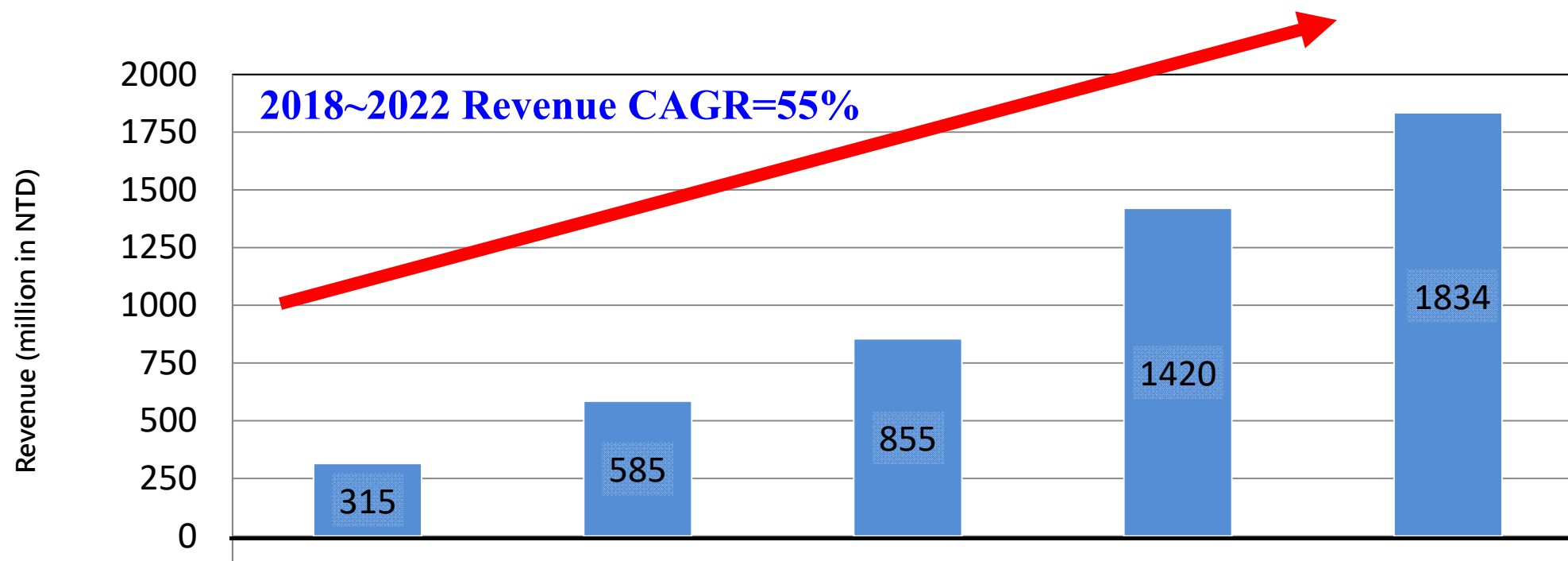


Quality Inspection

AI + Machine vision



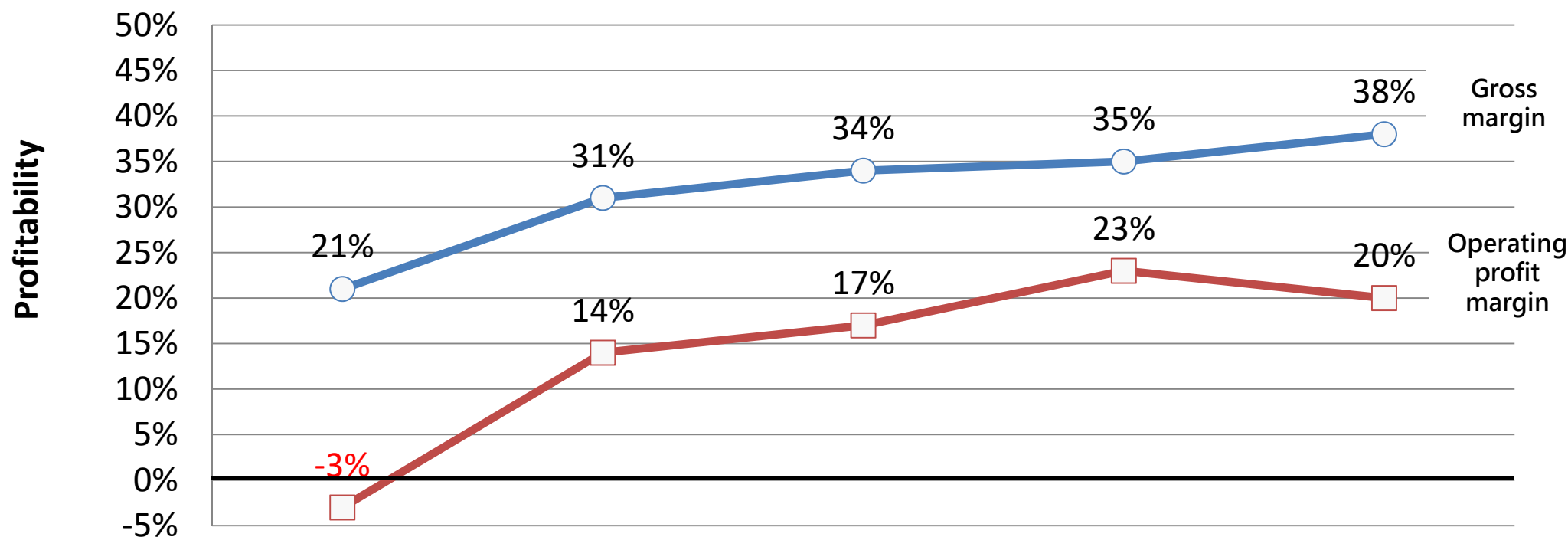
# Operational Results: sustained revenue growth



(Unit: million)	2018Y	2019Y	2020Y	2021Y	2022 Y
Revenue	315	585	855	1420	1834
Revenue growth rate	70%	86%	46%	66%	29%
EPS	0.04	2.49	2.94	4.64	6.02

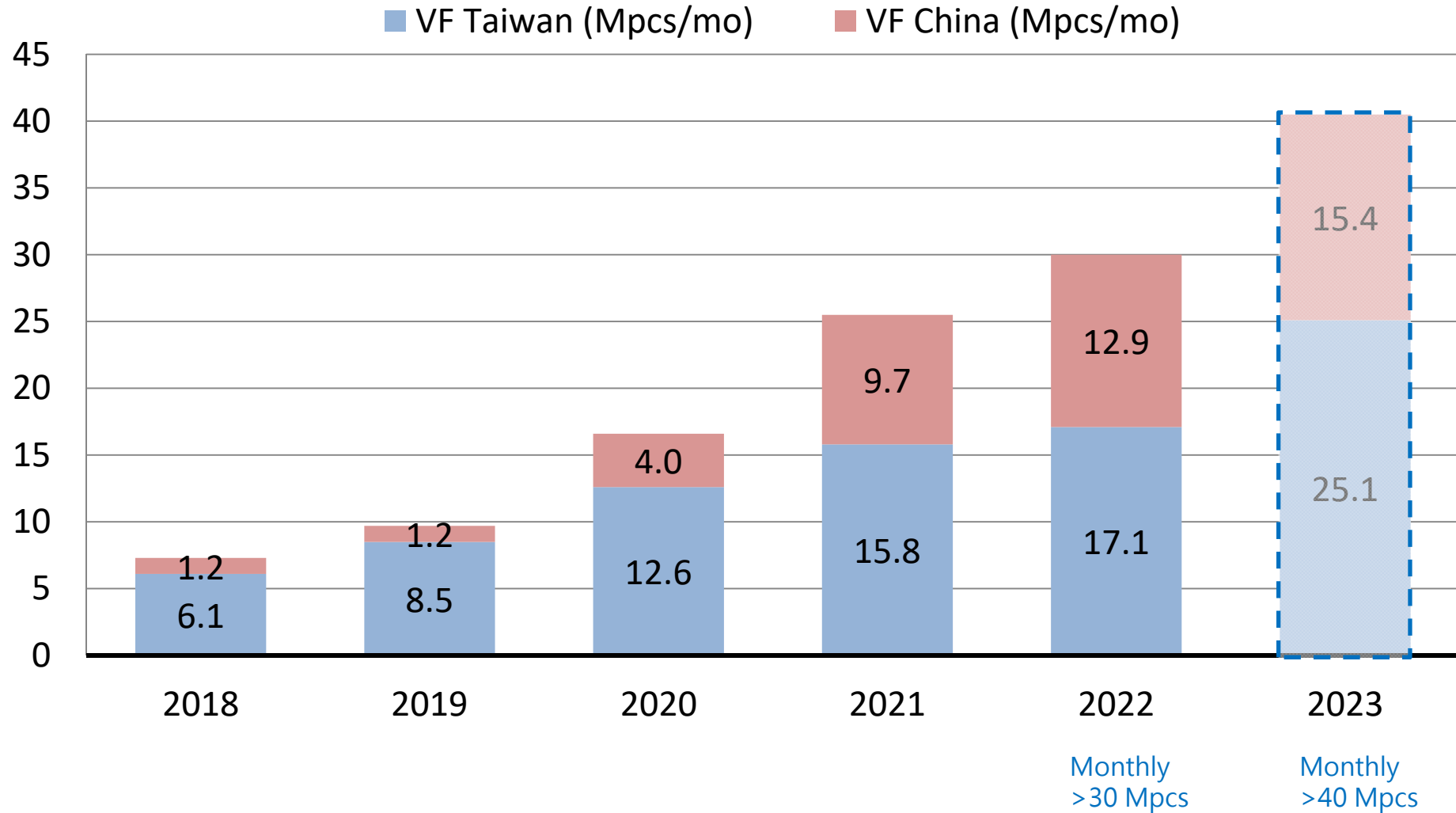
Exchange rate from USD: NTD (=1: 30.5)

# Operational Results : sustained profitability growth



(Unit:%)	2018Y	2019Y	2020Y	2021Y	2022 Y
Gross margin	21%	31%	34%	35%	38%
Operating profit margin	(-3%)	14%	17%	23%	20%

# Production Capacity



# Outlook

- Continuous product innovation to promote new consumer demand  
(SiHy cosmetic lens, indoor sports lens, myopia control lens...)
- Exploration and application of AI in all fields to increase operational efficiency
- Focus in Asia with expansion into global market