

Technology

Global AI smart glasses market set to kick off in 2025

Global AI smart glasses shipment jumped 588% YoY to 2.34mn in 2024, thanks to strong sales of Ray Ban Meta in 4Q24 (1.36mn; +183% QoQ). Looking into 2025, AI smart glasses market is set to continue strong momentum with 135% YoY growth to 5.5mn units, backed by strong product pipeline from Meta/Xiaomi/Bytedance/Ray Neo/Rokid, based on Wellsenn XR. As more players expand into AI smart glass products, we expect BOM cost will decline gradually and more killer apps in AI glasses to become prevalent in the next few years. Overall, we believe tech supply chain will benefit from the booming AI glasses cycle, including Xiaomi/TCL as major IoT brands, Sunny Optical/Q-tech for optics, AAC Tech for speakers/MEMS mic, Luxshare as OEMs, and BOE/TCL in display.

- **Global AI smart glasses shipments totalled 2.34mn in 2024 (+588% YoY) driven by Ray Ban Meta.** In 2024, global AI glasses shipment jumped 588% YoY, mainly due to Ray Ban Meta sales. In 4Q24, global AI glasses shipment grew 174.5% QoQ to 1.4mn (vs 0.51mn in 3Q), driven by seasonal promotions (e.g. Black Friday, Double Eleven, Christmas) and new products from both domestic and overseas brands. By brand, Ray Ban Meta shipped 2.25mn in 2024, capturing 96% market share. By region, overseas accounted for 98% of total shipment, mainly from new-gen Ray Ban Meta given its fashionable appearance, Instagram linkage and AI large models. Domestic sales contributed to 2%, mainly from DreamSmart MYVU, StarV, Jiehuan and LAWK. By glass types, the majority of sales came from photography AI glasses (96%), followed by AR+AI (3%) and audio (1%) AI glasses.
- **AI smart glass momentum well sustained into 2025; Robust pipeline from Meta/Xiaomi/Bytedance/Ray Neo/Rokid.** For 2025, global AI smart glasses market is expected to grow 135% YoY to 5.5mn, based on Wellsenn XR, backed by strong product pipeline from both overseas and domestic players. According to our checks, 1) **Sharge/Ray Neo/Rokid/Looktech** will start to ship new products released in 4Q24. 2) **Xiaomi** will launch its first AI smart glasses in 2Q25E, featuring AI voice assistant, cameras and smart audio functions. 3) **Bytedance** will launch new AI glasses with its large model in 2H25E. 4) **Rokid** is expected to launch in 2Q25E, including a co-branded pair of AI glasses. 5) For **Apple**, we expect it to launch AI glasses in 2026, following better development of supply chain and killer apps/AI models.
- **Stock implications.** We prefer names with rising sales exposure to AI smart glasses. In terms of BOM cost, SoC accounted for 50%+ of total, while structural component/OEM/camera/PCB/battery/acoustics accounted for 12%/9%/5%/4%/4%/3% respectively, based on Wellsenn XR. We believe supply chain names to benefit include Xiaomi as the AI glasses brand, Sunny Optical/Q-tech for optics, AAC Tech in speakers/MEMS mic, Luxshare as OEMs, and BOE/TCL in display.

Valuation Table

Name	Ticker	Rating	Mkt Cap (US\$ mn)	Price (LC)	TP (LC)	Up/Down -side	P/E (x) FY24E	P/E (x) FY25E	P/B (x) FY25E	ROE FY25E
Xiaomi	1810 HK	BUY	111,182	34.50	32.70	-6%	31.9	26.9	3.7	13.8
AAC Tech	2018 HK	BUY	5,904	38.55	40.83	6%	23.1	18.2	1.6	8.8
Sunny Optical	2382 HK	BUY	9,501	67.60	72.52	7%	26.9	22.6	2.5	11.2
Q Tech	1478 HK	BUY	1,067	7.02	6.38	-9%	27.4	14.0	1.4	9.7
Luxshare	002475 CH	BUY	12,612	26.44	27.39	4%	31.5	24.0	2.4	10.0
TCL Electronics	1070 HK	NR	2,168	6.70	NA	NA	12.5	10.4	0.8	8.4

Source: Company data, CMBIGM estimates Note: TP of Xiaomi is under review.

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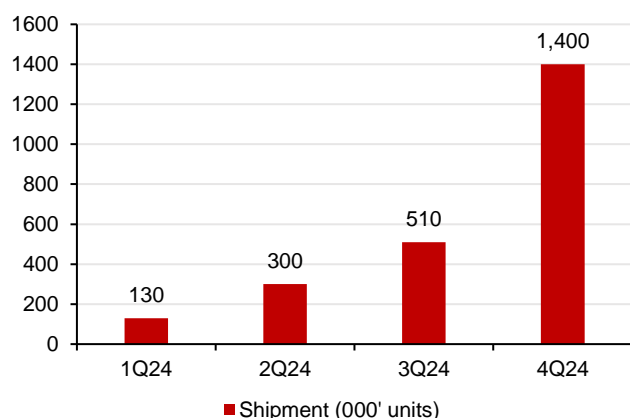
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1. Technology- CES 2025 preview: AI remains the key theme; more on AI glasses/ home/ auto/ satellite/ PC/ robotics ([link](#))
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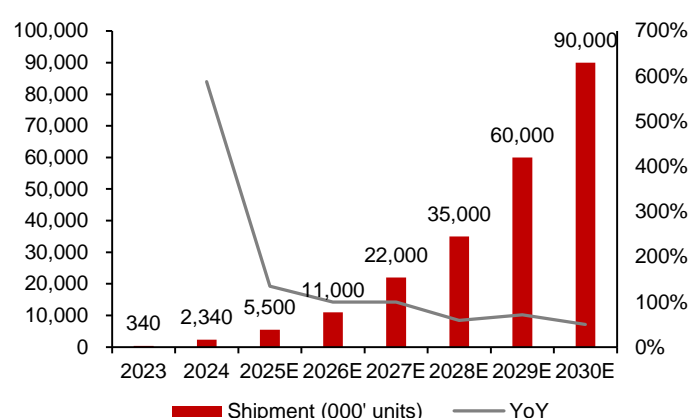
Focus Charts

Figure 1: Global AI smart glasses quarterly sales



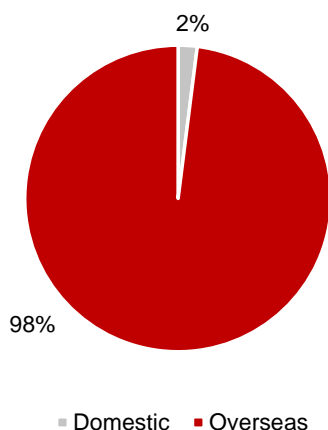
Source: Wellsenn XR, CMBIGM

Figure 2: Global AI smart glasses shipment forecast



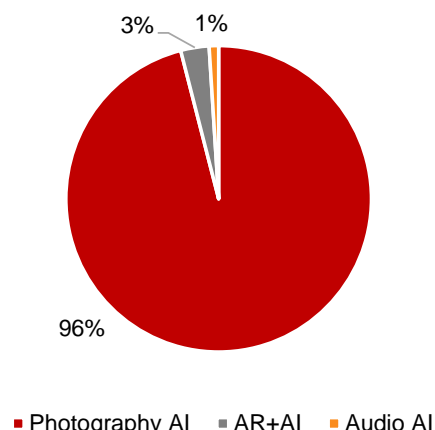
Source: Wellsenn XR, CMBIGM

Figure 3: 2024 Global AI glasses shipment by region



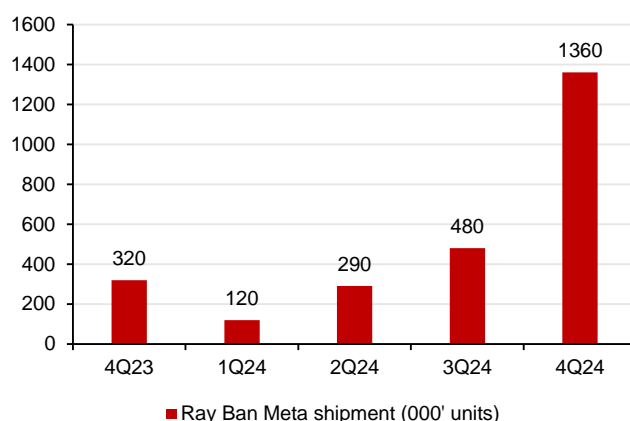
Source: Wellsenn XR, CMBIGM

Figure 4: 2024 Global AI glasses shipment by feature



Source: Wellsenn XR, CMBIGM

Figure 5: Ray Ban Meta glasses sales by quarter



Source: Wellsenn XR, CMBIGM

Figure 6: Ray Ban Meta smart glasses

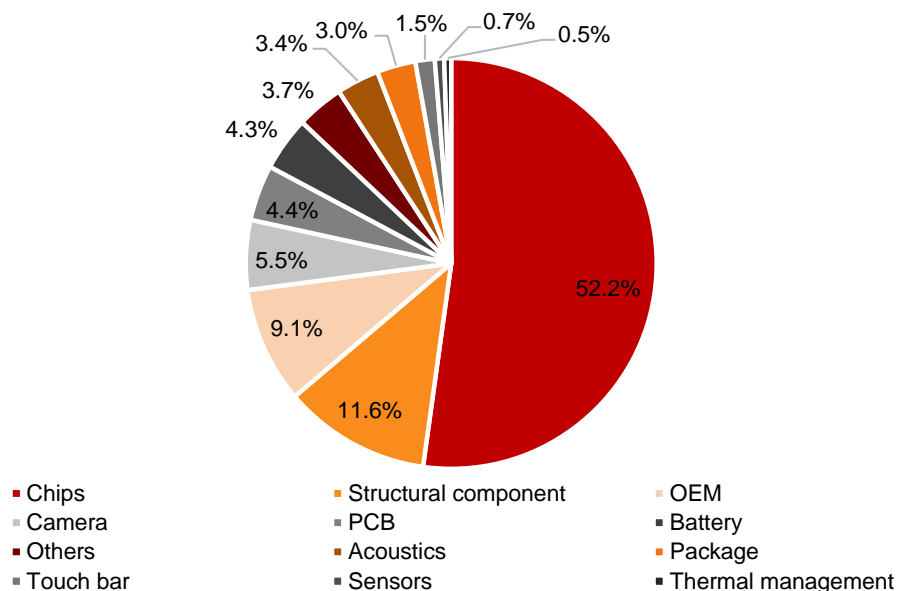


Source: Company website, Kafan, CMBIGM

Figure 7: Summary of AR/AI glasses currently available on China AR/AI glasses market

Brand	Series	Type	Resolution	Optical and display solution	Weight	Price (RMB)
RayNeo	Air 1S	Separate	1920*1080	-	-	1,599
	X2	All-in-one	-	Diffraction Waveguide+MicroLED	119g	4,999
	Air 2 Champion	Separate	1920*1080	Birdbath+Sony 0.55 inch Micro-Oled	76g	1,399
	Air Plus	Separate	1920*1080	-	-	1,399
	Air 3	Separate	1920*1080	Birdbath+SeeYA 0.6 inch Micro-Oled	76g	1,699
Xreal	Air 2	Separate	1920*1080	Birdbath+Sony 0.55 inch Micro-Oled	72g	1,799
	Air 2 Pro	Separate	-	Sony 0.55 inch Micro-Oled	75g	2,599
	Air	Separate	-	Sony Micro Oled	79g	1,451
	Air 2 Ultra	Separate	-	-	83g	5,698
	X	Separate	-	-	106g	-
Rokid	Rokid Glasses	All-in-one	-	Diffraction Waveguide	49g	2,499
	Rokid Max	Separate	1080P/1200P	Birdbath+Sony Micro Oled	75g	3,599
	Rokid Air Lite	Separate	1920*1200	Sony Micro Oled	75g	4,499
INMO	Air	All-in-one	640*400	Micro-OLED	79g	-
	Air 2	All-in-one	640*400	Vertical array light waveguide	-	-
	Go	All-in-one	640*480	Diffraction Waveguide+Micro LED	52g	1,951
meizu	StarV View AR	Separate	1920*1080	Sony OLED	74g	2499/2450
	StarV Air2 AR	All-in-one	640*480	Micro LED+single green light engine	44g	2,799
	MYVU Air	All-in-one	1280*480	0.3cc Micro LED+Diffraction Waveguide	43g	2,499
	MYVU exploration	All-in-one	1280*480	Micro LED+Diffraction Waveguide	71g	-
Xiaomi	Mijia glasses camera	All-in-one	-	Sony Micro-OLED	100g	2,099
Huawei	Huawei Vision Glass	Separate	1920*1080	Micro OLED	112g	2,199
OPPO	Air Glass	Separate	-	Micro LED+waveguide	30g	-
Baidu	Xiao Du AI Glasses	-	-	-	45g	-

Source: Company websites, CMBIGM

Figure 8: Meta Ray-Ban AI glasses BOM breakdown

Source: Wellsenn XR, CMBIGM

Figure 9: Peers valuation

			Mkt Cap	Price	TP	Up/Down	P/E (x)		P/B (x)		ROE (%)	
Company	Ticker	Rating	(US\$ mn)	(LC)	(LC)	-side	FY24E	FY25E	FY24E	FY25E	FY24E	FY25E
Brand												
Apple	AAPL US	NR	3,365,927	223.83	NA	NA	33.4	30.5	54.0	47.1	156.0	166.6
Xiaomi	1810 HK	BUY	111,182	34.50	*32.70	-6%	31.9	26.9	4.2	3.7	13.1	13.8
Transsion	688036 CH	NR	14,833	94.79	NA	NA	20.0	16.8	5.1	4.1	25.9	26.1
Samsung	005930 KS	NR	223,094	53,700	NA	NA	10.9	10.7	1.0	0.9	8.8	8.4
LG	066570 KS	NR	9,623	84,500	NA	NA	12.7	7.4	0.7	0.7	5.9	10.4
TCL Electronics	1070 HK	NR	2,168	6.70	NA	NA	12.5	10.4	0.9	0.8	7.5	8.4
Average							20.2	17.1	11.0	9.6	36.2	39.0
ODM/EMS												
BYDE	285 HK	BUY	11,686	40.40	44.4	10%	18.4	13.5	4.5	3.6	24.2	26.8
Luxshare	002475 CH	BUY	39,351	39.62	55.1	39%	21.1	17.2	3.4	2.8	16.0	16.4
Hon Hai	2317 TT	NR	76,290	180.00	NA	NA	15.7	12.1	1.5	1.4	9.6	11.5
Average					49.8		18.4	14.3	3.1	2.6	16.6	18.2
Optics												
Sunny Optical	2382 HK	BUY	9,501	67.60	72.5	7%	26.9	22.6	2.7	2.5	10.1	11.2
Q Tech	1478 HK	BUY	1,067	7.02	6.8	-3%	27.4	14.0	1.5	1.4	5.4	9.7
Truly	732 HK	NR	487	1.20	NA	NA	-	-	-	-	-	-
Cowell	1415 HK	NR	2,967	26.80	NA	NA	28.4	16.2	5.7	4.2	22.6	28.8
Largan	3008 TT	NR	11,199	2,750	NA	NA	15.6	14.9	2.0	1.8	13.3	13.1
Genius	3406 TT	NR	1,551	451.00	NA	NA	11.2	12.0	2.1	1.9	19.8	16.5
O-Film	002456 CH	NR	5,414	11.92	NA	NA	111.4	44.1	9.5	9.1	6.0	12.2
Lg Innotek	011070 KS	NR	2,474	150,200	NA	NA	6.5	6.9	0.7	0.6	10.9	9.4
Average							32.5	18.7	3.4	3.1	12.6	14.4
Acoustics/Haptics												
AAC Tech	2018 HK	BUY	5,904	38.55	40.83	6%	23.1	18.2	1.7	1.6	7.4	8.8
Luxshare	002475 CH	BUY	39,351	39.62	55.09	39%	21.1	17.2	3.4	2.8	16.0	16.4
Merry	2439 TT	NR	820	106.00	NA	NA	13.0	11.9	1.7	1.5	14.1	14.0
Knowles	KN US	NR	820	106.00	NA	NA	13.0	11.9	1.7	1.5	14.1	14.0
Nidec	6594 JP	NR	1,791	20.34	NA	NA	20.7	18.5	-	-	-	-
Average							22.1	18.0	2.3	2.1	11.2	12.0
Connector												
FIT Hon Teng	6088 HK	BUY	3,603	3.85	4.38	14%	19.6	11.4	1.3	1.2	6.8	10.7
Luxshare	002475 CH	BUY	39,351	39.62	55.09	39%	21.1	17.2	3.4	2.8	16.0	16.4
TE	TEL US	NR	46,290	155.09	NA	NA	20.5	19.2	3.7	3.7	19.1	18.9
Amphenol	APH US	NR	93,845	77.84	NA	NA	42.1	34.5	9.8	8.3	24.9	26.4
Average							25.8	20.6	4.5	4.0	16.7	18.1
Casing												
BYDE	285 HK	BUY	11,686	40.40	44.41	10%	18.4	13.5	4.5	3.6	24.2	26.8
Tongda	698 HK	BUY	102	0.08	0.12	49%	27.3	4.1	0.1	0.1	0.4	2.7
TK Group	2283 HK	BUY	212	1.98	2.82	42%	5.8	4.6	0.9	0.8	15.2	17.4
Everwin	300115 CH	NR	3,457	18.58	NA	NA	34.5	28.8	2.2	1.9	10.6	13.1
Lens Tech	300433 CH	NR	16,766	24.52	NA	NA	30.0	21.7	2.5	2.3	8.4	10.7
Catcher	2474 TT	NR	4,131	199.00	NA	NA	10.9	13.0	0.9	0.9	7.7	6.2
Jabil	JBL US	NR	18,448	168.97	NA	NA	20.1	19.3	11.1	13.7	44.5	61.6
Average							21.0	15.0	3.2	3.3	15.9	19.8
Hinge												
AAC Tech	2018 HK	BUY	5,904	38.55	40.83	6%	23.1	18.2	1.7	1.6	7.4	8.8
Jiangsu Gian	300709 CH	NR	1,036	40.56	NA	NA	-	-	-	-	-	-
KH Vatec	060720 KS	NR	150	9,120	NA	NA	8.9	6.7	0.8	0.8	9.4	11.5
Foseltek	6805 TT	NR	1,506	720.00	NA	NA	39.3	18.9	9.3	6.9	24.4	38.4
Jarlytec	3548 TT	NR	335	166.00	NA	NA	19.9	16.8	2.0	1.9	-	-
NBTM	600114 CH	NR	1,464	17.31	NA	NA	25.6	19.1	3.8	3.4	14.6	17.4
Eontec	300328 CH	NR	782	8.25	NA	NA	-	-	-	-	-	-
Average							23.4	15.9	3.5	2.9	13.9	19.0

Source: Bloomberg, CMBIGM estimates

Note: * TP of Xiaomi is under review.