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**瑞聲科技控股有限公司**  
**AAC TECHNOLOGIES HOLDINGS INC.**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 02018)**

**RESULTS ANNOUNCEMENT**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2016**

The board of directors (the “**Board**”) of AAC Technologies Holdings Inc. (the “**Company**”) is pleased to announce the unaudited condensed consolidated statement of profit or loss and other comprehensive income of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the three months ended 31 March 2016 (the “**Unaudited Results**”) to enable its shareholders, investors and the public to better appraise the position and business performance of the Group.

The Unaudited Results were reviewed by the Company’s audit committee and approved by the Board on 12 May 2016.

**2016 First Quarter Highlights (unaudited):**

- Revenue increased 10% year-on-year amidst market challenges;
- Upgraded acoustic solutions drove dynamic components sales growth of 36% year-on-year;
- Sales revenue from Chinese customers surged 41% year-on-year, contributing over 35% of total sales;
- Non-acoustic segment delivered 26% of total sales, down 19% year-on-year, mainly due to customers seasonal adjustments. Further customer diversification continues to build a strong technology foundation for this segment.

<i>(RMB Million)</i>	<b>1Q 2016</b>	<i>YoY</i>		<i>QoQ</i>	
		<b>1Q 2015</b>	<b>%</b>	<b>4Q 2015</b>	<b>%</b>
Revenue	<b>2,545</b>	<b>2,305</b>	<b>+10.4%</b>	3,848	-33.9%
Gross Profit	<b>1,031</b>	<b>956</b>	<b>+7.9%</b>	1,594	-35.3%
<i>Gross Profit Margin</i>	<b>40.5%</b>	<b>41.5%</b>	<b>-1.0pt</b>	41.4%	-0.9pt
Net Profit	<b>619</b>	<b>606</b>	<b>+2.1%</b>	1,011	-38.8%
<i>Net Profit Margin</i>	<b>24.3%</b>	<b>26.3%</b>	<b>-2.0pt</b>	26.3%	-2.0pt
Basic EPS (RMB)	<b>0.50</b>	<b>0.49</b>	<b>+2.1%</b>	0.82	-38.8%

## **Business Review**

The Company reported the highest “Q1” sales and earnings in its history. During the January to March period, revenue and gross profit were up 10% and 8% year-on-year to RMB2,545 million and RMB1,031 million respectively despite a new round of market challenges. Upgraded acoustic solutions drove dynamic components sales growth of 36% year-on-year to contribute 66% of the total sales. Higher market share in acoustic solutions led to a 41% year-on-year increase of revenue from Chinese customers to RMB908 million, accounting for over 35% of the total sales. The gross margin reflected the impact of the traditional slow season and shift in customers’ product mix, but still stayed firmly above 40%. Net profit sustained growth of 2.1% year-on-year amounting to RMB619 million. The drop in net profit margin was mainly due to the increased R&D expenses relating to new projects in the pipeline.

The first quarter of the year is seasonally quiet relative to the sales momentum in the western and Chinese festive periods around the final quarter of the year. For this first quarter of 2016, the Company recorded a quarterly drop in revenue of 34% against the backdrop of exceptionally strong fourth quarter results in 2015. However, in this quarter, the Company received persistently encouraging market response for its acoustic solutions especially speaker boxes in certain Android customers. RF Mechanical together with haptics solutions, the two distinct contributors in non-acoustic business, contributed 26% of the total sales in the first quarter, down 19% year-on-year and 60% quarter-on-quarter mainly due to customers seasonal adjustments. The Company sees good opportunity for further customer diversification and will continue to build a strong technology foundation for its non-acoustic segments.

The Company started the year with a solid base of revenue growth even under challenging business climate. We expect to grow further in the coming quarters as the Company is in a prime position to capitalise on accelerating audio performance and rising adoption of speaker boxes amongst Chinese customers. At the same time, contributions from the high value RF Mechanical solutions are expected to increase. As we strive to gain more market share in the non-acoustic business and maintain our leading position in the acoustics market, we will continue to bolster our R&D, in order to deliver innovative products enhancing user experience and offer a wider range of solutions catering for different customer requirements.

### **Important Note**

Shareholders and potential investors should be advised that the Unaudited Results relate only to selected unaudited key performance indicators of the Group and are based on the Group’s internal records and management accounts. The Unaudited Results have not been reviewed or audited by independent auditors and are not a forecast of the performance of the Group as a whole.

Investors and shareholders of the Company are advised to exercise extreme cautious when dealing in the shares of the Company.

### **Forward Looking Statements**

This results announcement may contain certain statements that are forward-looking or which use certain forward-looking terminologies. These forward-looking statements are based on the current beliefs, assumptions and expectations of the Board of Directors of the Company regarding the industry and markets in which it operates. Actual results may differ materially from expectations discussed in such forward-looking statements and opinions. The Group, the Directors, employees and agents of the Group assume (a) no obligation to correct or update the forward-looking statements or opinions contained in this results announcement of the Company; and (b) no liability in the event that any of the forward-looking statements or opinions do not materialise or turn out to be incorrect.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*For the three months ended 31 March 2016*

	<b>1.1.2016 to 31.3.2016 Unaudited RMB'000</b>	1.1.2015 to 31.3.2015 Unaudited RMB'000
Revenue	<b>2,544,746</b>	2,304,711
Cost of goods sold	<b>(1,513,255)</b>	(1,348,672)
Gross profit	<b>1,031,491</b>	956,039
Other income	<b>29,765</b>	28,829
Distribution and selling expenses	<b>(57,144)</b>	(56,019)
Administrative expenses	<b>(98,601)</b>	(89,599)
Research and development costs	<b>(227,003)</b>	(182,592)
Share of results of associates	<b>(1,497)</b>	(850)
Exchange (loss) gain	<b>(3,830)</b>	10,515
Finance costs	<b>(9,499)</b>	(3,955)
Profit before taxation	<b>663,682</b>	662,368
Taxation	<b>(44,509)</b>	(58,270)
Profit for the period	<b>619,173</b>	604,098
Other comprehensive expense: <i>Item that may be subsequently reclassified to profit or loss:</i>		
Exchange differences arising on translation	<b>(2,466)</b>	(4,259)
Total comprehensive income for the period	<b>616,707</b>	599,839
Profit for the period attributable to:		
Owners of the Company	<b>618,707</b>	606,198
Non-controlling interests	<b>466</b>	(2,100)
	<b>619,173</b>	604,098
Total comprehensive income and expense attributable to:		
Owners of the Company	<b>616,458</b>	601,952
Non-controlling interests	<b>249</b>	(2,113)
	<b>616,707</b>	599,839
Earnings per share - Basic	<b>RMB50.38 cents</b>	RMB49.36 cents

By order of the Board  
**AAC Technologies Holdings Inc.**  
**Koh Boon Hwee**  
*Chairman*

Hong Kong, 12 May 2016

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Benjamin Zhengmin Pan and Mr. Mok Joe Kuen Richard; a non-executive Director, namely Ms. Ingrid Chunyuan Wu; and four independent non-executive Directors, namely Mr. Koh Boon Hwee, Mr. Poon Chung Yin Joseph, Dato' Tan Bian Ee and Ms. Chang Carmen I-Hua.*