

Abstract of Annual Report 2016

Mar 2017

Financial Highlights- Main Financial Data



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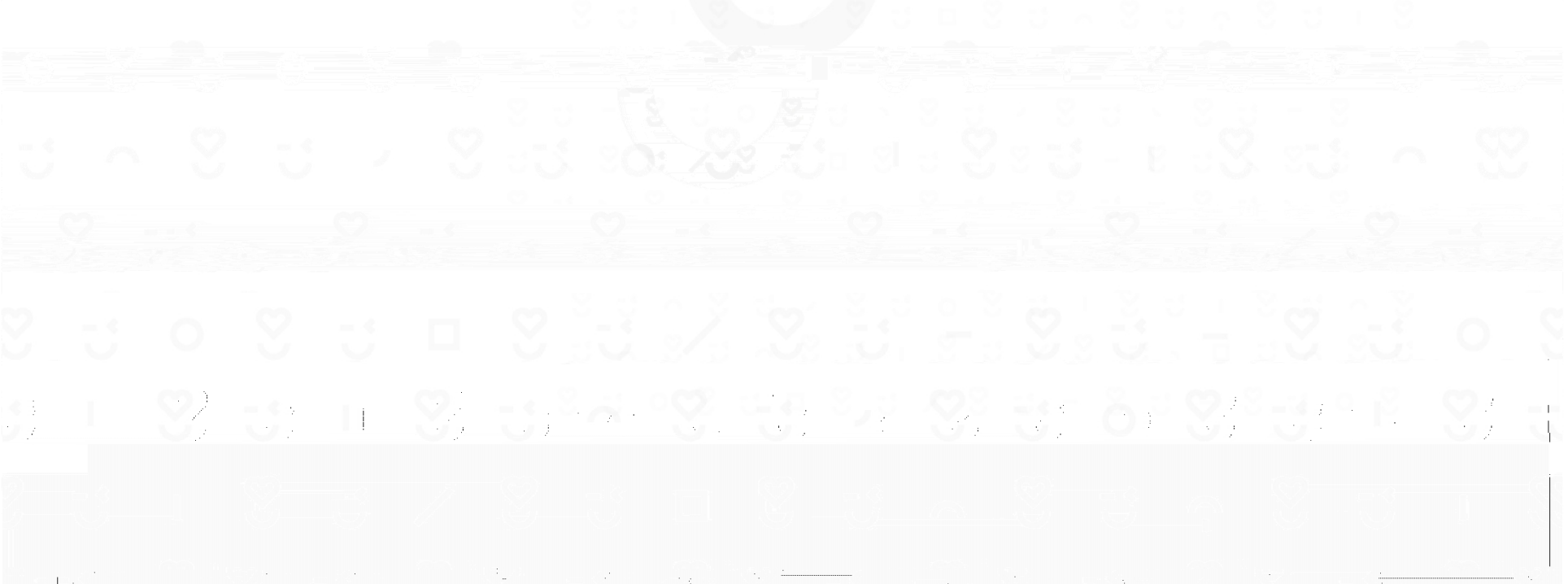
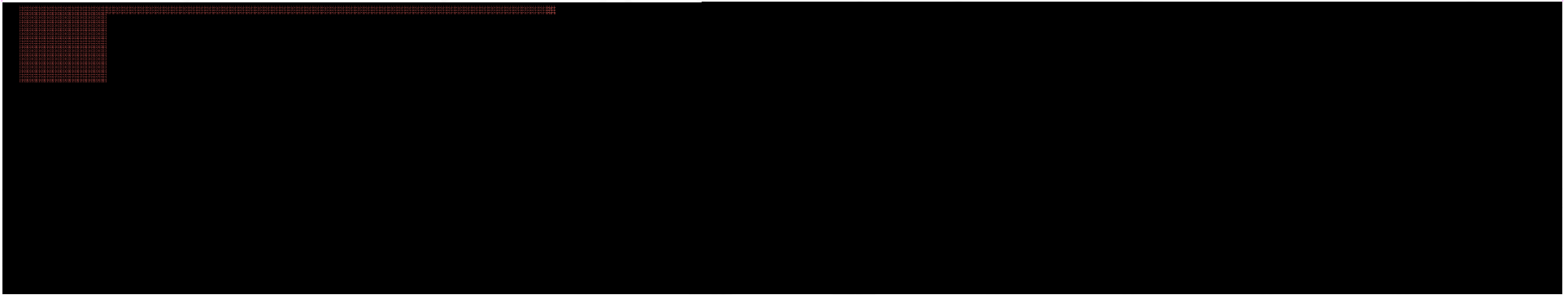
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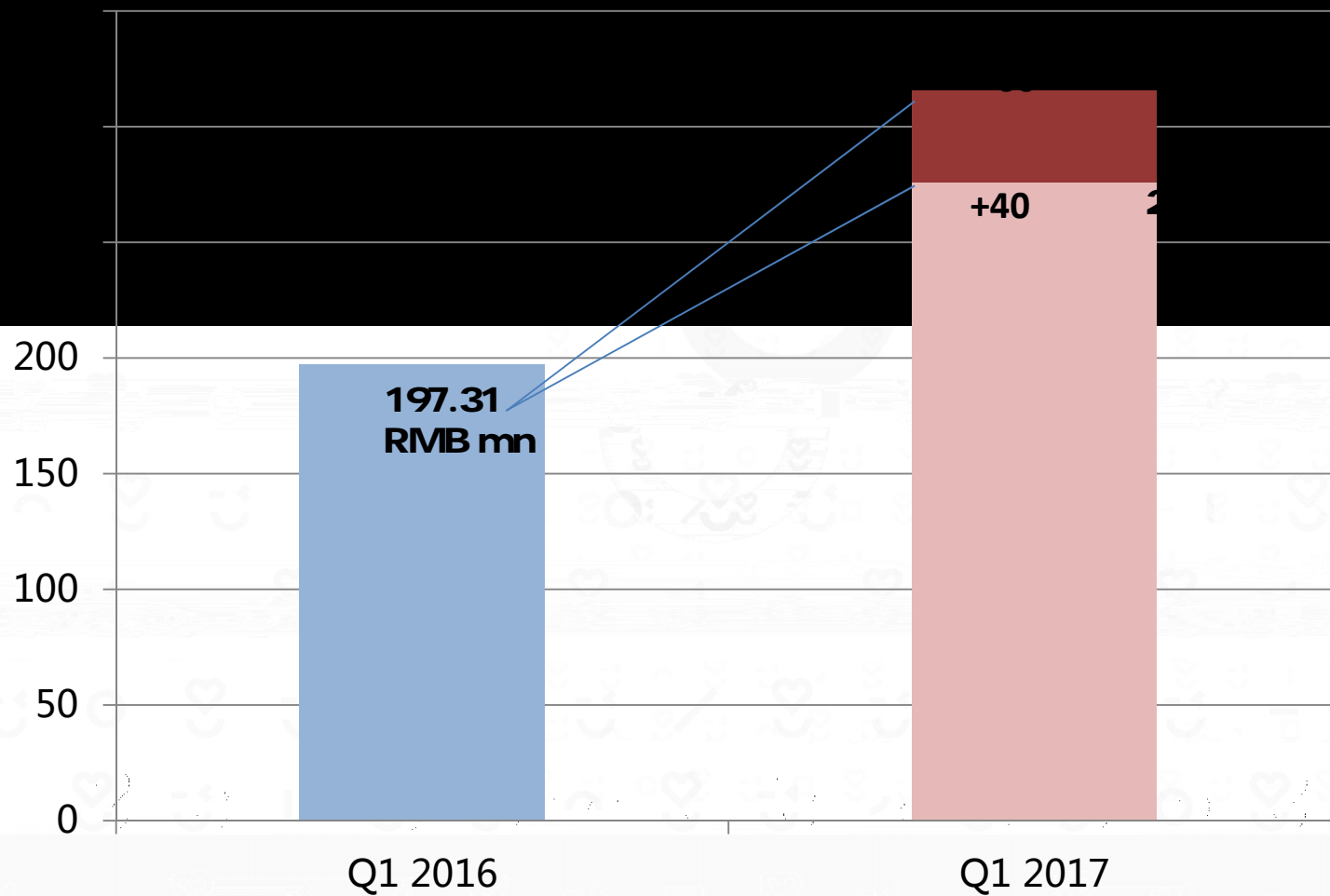
Financial Highlights – Breakdown of Main Business



	Revenue (RMB mn)	COGS (RMB mn)	Gross Profit Margin (GPM) (%)	YOY change in revenue (%)	YOY change in COGS (%)	YOY change in GPM (%)
Electronic Accessories	7,787.18	6,219.83	20.13%	104.54%	114.63%	-3.75%
By Region						
Domestic	4,149.60	3,182.81	23.30%	29.19%	32.36%	-1.84%
Overseas	14,576.21	11,344.12	22.17%	43.73%	48.56%	-2.54%



Variation Range of Profits Attributable to Shareholder of Parent Company for Financial Period From Q1 2017:



1. Industry Leading Capability in Precision and Intelligent Manufacturing

Continuously improving the machining precision and accuracy

Realized self-manufacturing of plastic parts, metal parts, diaphragm and other core raw

2 Multi-technology integrated R&D platform and competent technical personnel

Over 6000 competent R&D specialists in our R&D centres that located all over the world

Established long-term strategic partnerships with world renowned universities and research institutions

7,856 patents (3,141 patents for invention) applied by 31 Dec 2016, of which 2,669 were applied in 2016

3. Continuous innovation and maintenance of key customers

Constantly optimize the resource distribution to serve for existing quality clients

Consolidate the core competitive advantage in our smart mobile terminal industry, and

Dynamic and rich management experience in many specialty areas in order to stay with the industry trends and to avoid the risks.

Development trends

- I. Artificial Intelligence, VR and AR become the important technology development trends (based on the research done by Gartner), broaden the market and provide new

Future development of business strategy

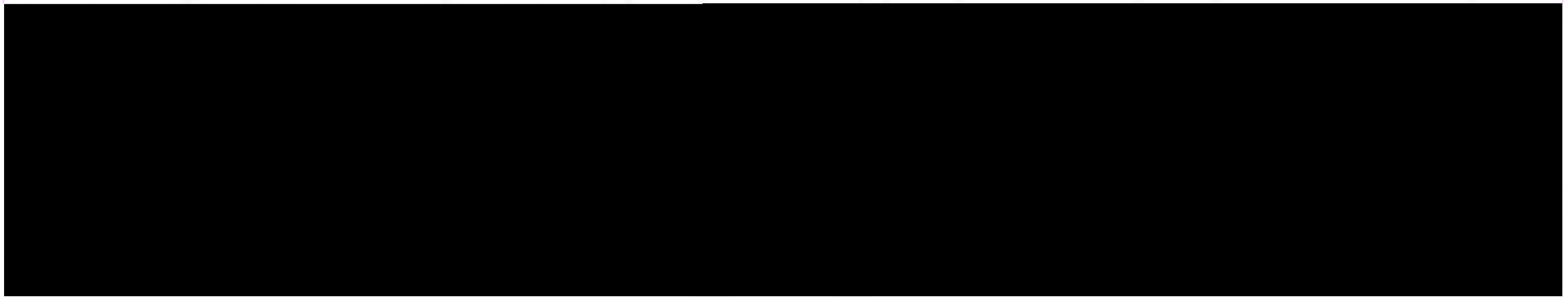
To look for new profit growth opportunity by:

- I. Constantly improving R&D and Manufacturing capabilities, establishing the reputation of "Made by Goertek"
- II. Gradually reducing the OEM business sector, and to focus on the ODM & JDM service
- III. Layout "Hearable, Wearable, Viewable and Robotics as our four products development direction, and our future investment will concentrated on the key technology of these four products

to be continued

Business plan for 2017

In this era of "Smart" , as one of the most promising companies in the fields of consumer electronics, based on the advanced technologies and



Goertek®

THANKS!