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**FIH Mobile Limited**  
**富智康集團有限公司**

*(incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 2038)

**ADDITIONAL INSIDE INFORMATION RELATING TO LAST PROFIT WARNING**

This announcement is made by FIH Mobile Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Company provides an update on its profit warning announcement of 4 December 2020 (the “**Last PW**”), pending the Group finalising its consolidated final results for the year ended 31 December 2020 (“**FY 2020**”) and publishing its 2020 final results announcement and annual report.

The Company’s board of directors (the “**Board**”) informs shareholders and potential investors that after further assessment of the Group’s latest unaudited management accounts and other information currently available\*, the Company estimates that the Group’s revenue for FY 2020 will exceed US\$8.934 billion (compared with around US\$14.378 billion for the year ended 31 December 2019 (“**FY 2019**”). The Company expects the Group to record a consolidated net loss for FY 2020 of around, or below, US\$175 million (compared with a consolidated net loss of US\$12.178 million (including the profit of US\$20.339 million from its discontinued operation) for FY 2019), primarily because of various factors highlighted in the Last PW, including the following:-

- (a) the novel coronavirus (COVID-19) pandemic: further to the Company’s announcement of 11 November 2020, as at the date of this announcement: (i) the Group’s financial resources (including cash, cash flow and liquidity positions) and working capital remain sufficient to finance its operations and capital commitments; (ii) the Group made an allowance of around US\$6 million for FY 2020 in respect of credit losses arising from trade receivables (compared with the reversal of allowance for credit losses of US\$0.17 million for FY 2019); and (iii) the majority of the Mainland Chinese government’s COVID-19 relief packages has been collected;
- (b) the substantial costs, expenses and/or losses, totalling around, or below, US\$12 million for FY 2020, arising from the Group’s continuing rightsizing/restructuring of the underperforming parts of its manufacturing operations, so that the Group could achieve its business strategy to become more asset-light and lean; and
- (c) ancillary and consequential to (b) above: a substantial loss of around, or below, US\$43 million for FY 2020 arising from the impairment and/or write-off of the Group’s under-utilised/obsolete assets (compared with US\$11 million for FY 2019).

The Company’s 2020 final results announcement (currently scheduled to be published by March 2021) will provide more information about (among other things): (i) the Group’s business, performance and likely future developments; (ii) the revenue, gross profit/loss, gross margins, other income, gains and losses, operating expenses and other costs and expenses figures which have contributed to the Group’s consolidated final results for FY 2020; and (iii) various government incentives which are expected to be received in the coming quarters.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**CHIH Yu Yang**  
Acting Chairman

Hong Kong, 5 February 2021

\* The Group has discontinued its logistics and distribution business with effect from 1 January 2019, and therefore, the figures for FY 2020 shown in this announcement relate to the Group’s continuing operations only.

*As at the date of this announcement, the Board comprises three executive directors, namely Mr. CHIH Yu Yang, Dr. KUO Wen-Yi and Mr. MENG Hsiao-Yi; and three independent non-executive directors, namely Mr. LAU Siu Ki, Dr. Daniel Joseph MEHAN and Mr. TAO Yun Chih.*