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FIH[®] 富智康[®]

FIH Mobile Limited
富智康集團有限公司

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

**(1) CERTAIN FINANCIAL INFORMATION FOR
THE THREE MONTHS ENDED 31 MARCH 2026
AND
(2) UPDATE ON EXPECTED 2026 INTERIM PERFORMANCE**

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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

**(1) CERTAIN FINANCIAL INFORMATION FOR THE THREE MONTHS ENDED
31 MARCH 2026**

Further to the disclosure on pages 38 and 39 of the Company’s 2025 annual report (the “**2025 Annual Report**”), under applicable disclosure requirements of the Taiwan Stock Exchange Corporation, 鴻海精密工業股份有限公司 Hon Hai Precision Industry Co., Ltd.* (being the Company’s ultimate controlling shareholder whose shares are listed on the Taiwan Stock Exchange Corporation) is required to disclose on or about 14 May 2026 (as currently scheduled) certain unaudited consolidated financial information of the Group for the three months ended 31 March 2026 (the “**current period**”).

To facilitate timely dissemination of information to investors and potential investors in Hong Kong and Taiwan, the Company’s board of directors (the “**Board**”) would like to inform the Company’s shareholders and potential investors of the following unaudited consolidated financial information of the Group for the current period, which is extracted from the Group’s latest unaudited management accounts and other relevant information currently available:

IMPORTANT

As mentioned above, the Group’s results for the current period as set out in this announcement are unaudited, but have been reviewed in accordance with the relevant financial standards. The Group’s results of operations in the past have fluctuated and may in the future continue to fluctuate (possibly significantly) from one period to another period. Accordingly, the Group’s results of operations for any period should not be considered to be indicative of the results to be expected for any future period, and shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company. For more details, please refer to pages 38 and 39 of the 2025 Annual Report in respect of the Group’s quarterly performance.

Condensed Consolidated Statement of Financial Position

	As at		
	31 March 2026	31 December 2025	31 March 2025
	US\$'000	US\$'000	US\$'000
	(unaudited)	(audited)	(unaudited)
Current assets	2,924,012	2,923,276	3,006,750
Non-current assets	797,495	820,728	788,336
Current liabilities	(2,169,987)	(2,194,539)	(2,313,576)
Non-current liabilities	(27,511)	(27,518)	(19,244)
Total net assets	<u>1,524,009</u>	<u>1,521,947</u>	<u>1,462,266</u>

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	For the three-month period ended 31 March	
	2026	2025
	US\$'000	US\$'000
	(unaudited)	(unaudited)
Revenue and other operating revenue	<u>1,119,590</u>	<u>1,017,198</u>
Profit for the period	3,069	1,072
Other comprehensive expense, net of tax	<u>(8,364)</u>	<u>(2,595)</u>
Total comprehensive expense for the period	<u>(5,295)</u>	<u>(1,523)</u>

Condensed Consolidated Statement of Cash Flows

	For the three-month period ended 31 March	
	2026	2025
	US\$'000	US\$'000
	(unaudited)	(unaudited)
Net cash used in operating activities	(101,726)	(267,014)
Net cash from (used in) investing activities	40,500	(41,594)
Net cash from financing activities	102,518	209,885
Effect of foreign exchange changes	<u>(1,923)</u>	<u>1,278</u>
Net increase (decrease) in cash and cash equivalents	<u>39,369</u>	<u>(97,445)</u>
Cash and cash equivalents, beginning of period	<u>1,006,882</u>	<u>1,516,241</u>
Cash and cash equivalents, end of period	<u>1,046,251</u>	<u>1,418,796</u>

The Group's unaudited consolidated interim results and other related details will be disclosed in the 2026 interim results announcement and interim report to be published by the Company.

(2) UPDATE ON EXPECTED 2026 INTERIM PERFORMANCE

Reference is made to the Company's statements regarding the Group's expected performance for the six months ending 30 June 2026 ("1H2026"), including the "1H 2026 Outlook" as disclosed in the 2025 Annual Report, which stated that the Group has been implementing strategic initiatives, including product and customer diversification, proactive optimisation of its customer portfolio, continuous investment in research and development, and enhancements to operational efficiency, with a view to improving margin performance and the overall quality of earnings. As disclosed therein, early internal operational indicators suggest improvements in gross margin parameters following the proactive exit from unprofitable or low-margin businesses and the optimisation of its customer portfolio, alongside ongoing operating expense control, site consolidation and efficiency improvements, although such initiatives may involve non-recurring costs and operational transition risks. Management expected that a year-on-year improvement may be achievable in 1H2026, subject to market demand, component supply, geographical conflict and other risk factors.

The Board wishes to inform the Company's shareholders and potential investors that, after further assessment of the Group's latest unaudited management accounts and other relevant information currently available, the Company currently expects the Group to record a slight year-on-year increase in revenue and a modest improvement in its financial results for 1H2026, as compared to the same period last year, based on information currently available, due to the factors outlined below.

Positive factors that are expected to offset the negative factors (as set out hereinafter):

- (i) **Increase in revenue** to approximately US\$1,119.6 million for the current period, compared to approximately US\$1,017.2 million for the same period last year. This growth was primarily propelled by the steady development of our automotive electronics business, alongside the diversified customer mix and the acquisition of new customers.
- (ii) **Improvement in gross margin**, which improved to approximately 3.61% for the current period, compared to approximately 3.17% for the same period last year, due to a shift to higher-margin sectors, including automotive electronics, smart manufacturing and manufacturing equipment/robotics, as well as the proactive exit from unprofitable or low-margin businesses.
- (iii) **Increase in government subsidies**, which increased to approximately US\$1.4 million for the current period, compared to approximately US\$0.7 million for the same period last year.
- (iv) **Reduction in interest expense**, with interest expense decreased to approximately US\$4.7 million for the current period, compared to approximately US\$7.8 million for the same period last year, mainly due to lower bank borrowings and the impact of reduction in interest rates, while net interest income slightly increased to approximately US\$6.2 million (same period last year: approximately US\$5.3 million).

Negative Factors:

- (i) **Ongoing impact of legacy businesses**, while certain underperforming or legacy businesses continue to have an adverse financial impact, the magnitude of this impact has been reduced as mentioned above.
- (ii) **Decrease in the Group's foreign exchange gains**, which decreased to approximately US\$8.0 million loss for the current period, compared to approximately US\$2.9 million gain for the same period last year, primarily due to the appreciation of Renminbi against the United States dollar during the current period.
- (iii) **Decrease in bank interest income**, which decreased to approximately US\$10.9 million for the current period, compared to approximately US\$13.1 million for the same period last year, following the decline in deposit interest rates.
- (iv) **Increase in operating expenses**, with operating expenses increased to approximately US\$37.5 million for the current period, compared to approximately US\$34.5 million for the same period last year, mainly due to continued investment in automation, robotics, Edge AI-related technologies and advanced manufacturing capabilities, partially offset by ongoing cost control measures.

The Company wishes to emphasise that, while the Group expects an improvement in performance for 1H2026 as compared to the same period last year, such improvement is expected to be moderate, taking into account the seasonal nature of the smart manufacturing business, ongoing internal operation efficiency improvement and the continued investment in strategic initiatives.

The Company further reiterates that the macroeconomic environment remains uncertain and challenging, and the Group's performance may be affected by various factors, including without limitation market demand, component supply conditions, tariff developments, geopolitical tensions and global economic conditions, some of which are beyond the Company's control. The above forward-looking statements are based on current assumptions and actual results may differ materially.

The Company will continue to monitor developments closely as the second quarter of 2026 progresses and will make further announcements in compliance with the Listing Rules and/or the SFO, as appropriate.

The Company has been proactively taking appropriate and reasonable steps to improve the Group's performance, notwithstanding the various long-standing challenges.

As mentioned above, the Group's unaudited consolidated interim results and other related details will be disclosed in the 2026 interim results announcement and interim report to be published by the Company.

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

By Order of the Board
HUANG Ying Shih
Chairman of the Board

Hong Kong, 8 May 2026

As at the date of this announcement, the Board comprises two executive directors, namely Mr. LIN Chia-Yi (also known as Charles LIN) and Dr. KUO Wen-Yi; two non-executive directors, namely Mr. HUANG Ying Shih (also known as Philip HUANG) and Mr. CHANG Chuan-Wang; and three independent non-executive directors, namely Mr. LAU Siu Ki, Ms. CHEN Shu Chuan (also known as Nadia CHEN) and Mr. CHIU Yen-Tsen (also known as CHIU Yen-Chen, Dennis).

** For identification purposes only*