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)

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

Reference is made to the Company's profit warning announcement dated 4 May 2018 and the Company's announcement dated 29 June 2018 regarding additional inside information relating to last profit warning (collectively, the "Previous Announcements"), and also the paragraphs regarding the Group's consolidated final results for the year ending 31 December 2018 as set forth at page 83 (the second last paragraph and the last paragraph) and page 84 of the Company's 2018 interim report (the "2018 Interim Report").

The Company's board of directors (the "Board") would like to inform the Company's shareholders and potential investors that on the basis of a preliminary review of the Group's latest unaudited management accounts and other information currently available, the Company currently estimates that the Group's turnover for the nine months ended 30 September 2018 is likely to be around US$10.36 billion, compared with the Group's turnover of approximately US$8.26 billion for the nine months ended 30 September 2017. However, the Company currently expects the Group to record a consolidated net loss of approximately US$575,253,000 for the nine months ended 30 September 2018. Accordingly, the Company currently expects a consolidated net loss for the year ending 31 December 2018 which is likely to be significantly higher than the Group's consolidated net loss of US$525,394,000 for the year ended 31 December 2017.

Various factors are relevant to the above, including the following: (1) the challenging conditions that the Group has faced since the second half of 2017 having continued into 2018; (2) pressure on the Group's gross margins generally; (3) increase in the expenses relating to the continuous growth of the Group's IIDM (Integration, Innovation, Design, Manufacture) business (including ancillary logistics and distribution services) as more particularly described in the "Discussion and Analysis" section of the 2018 Interim Report; (4) a net increase in the Group's foreign exchange-related losses (which, when netted off against foreign exchange-related incomes, amounts to approximately US$131 million for the nine months ended 30 September 2018); (5) a substantial loss arising from the change in the total fair value of the Group's investments in certain listed companies, in respect of which fair value gains or losses are booked to the Group's statement of profit or loss (the Company currently expects a fair value loss for such investments totalling approximately US$47,950,000 for the nine months ended 30 September 2018); and (6) potentially, impairment loss relating to the Group's property, plant and equipment, goodwill and interest in associates (the likely magnitude of which currently cannot be reasonably and meaningfully estimated). Further to the Previous Announcements, on the basis of the currently available information, the Company currently expects all of the factors above to continue into the last quarter of 2018.

The Company will keep matters under review as the last quarter of 2018 has been progressing. At this stage, the Company is unable to reasonably and meaningfully estimate the likely magnitude of the Group's consolidated net loss for the year ending 31 December 2018. The Company will make further announcement(s) in compliance with the Listing Rules and/or the SFO, as appropriate.

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
CHIH Yu Yang
Acting Chairman

Hong Kong, 2 November 2018

As at the date of this announcement (after trading hours), the Board of the Company comprises three executive directors, namely Mr. CHIH Yu Yang, Mr. WANG Chien Ho and Dr. KUO Wen-Yi; and three independent non-executive directors, namely Mr. LAU Siu Ki, Dr. Daniel Joseph MEHAN and Mr. TAO Yun Chih.