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**") under 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, Laws of Hong Kong).

The Company provides an update on its profit warning announcement of 2 November 2018 (the "**Last PW**"), pending the Group finalising its audited consolidated financial results for the year ended 31 December 2018 ("**FY 2018**") and publishing its 2018 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 turnover for FY 2018 will exceed US$14.8 billion (compared with turnover of US$12.08 billion for the year ended 31 December 2017 ("**FY 2017**")). However, the Company expects the Group to record a consolidated net loss for FY 2018 of around, or below, US$870 million (compared with consolidated net loss of US$525.394 million for FY 2017), primarily because of various factors highlighted in the Last PW, including the following:

(a) a net increase in the Group's foreign exchange-related losses, which is expected to be around, or below, US$120 million for FY 2018 (compared with a total net gain of around US$19.515 million for FY 2017);

(b) a substantial loss arising from the change in the total fair value of the Group's investments in certain listed companies, which is expected to be around, or below, US$71 million for FY 2018;

(c) a substantial impairment loss relating to the Group's goodwill, which is expected to be around, or below, US$79.5 million for FY 2018; and

(d) a likely substantial impairment loss relating to the Group's interests in a material associate, which is expected to be around, or below, US$78 million for FY 2018.

Additionally, the Company expects to incur a fair value loss on the Group's convertible notes of around, or below, US$44.8 million for FY 2018 and that the challenging conditions the Group has faced since late 2017 and into 2018 may continue into 2019. However, it also expects that operating expenses should reduce, and pressure on the Group's gross margins generally ought to ease, over the course of 2019.

The Company reminds shareholders and potential investors to note the last paragraph of page 83 of the Company's 2018 interim report. The Company will keep matters under review over the first quarter of 2019, and will, as appropriate, provide updates on the Group's business and likely future developments in the "Discussion and Analysis" section of the Company's 2018 final results announcement (currently scheduled to be published in March 2019).

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, 22 February 2019

As at the date of this announcement, 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.