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**FIT Hon Teng Limited**  
**鴻騰六零八八精密科技股份有限公司**

*(Incorporated in the Cayman Islands with limited liability under the name Foxconn Interconnect Technology Limited and carrying on business in Hong Kong as FIT Hon Teng Limited)*  
**(Stock Code: 6088)**

**ANNOUNCEMENT OF ANNUAL RESULTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

**FINANCIAL HIGHLIGHTS**

- Revenue for the year ended December 31, 2025 amounted to US\$5,003 million, representing a YoY increase of 12.4% as compared to US\$4,451 million for the year ended December 31, 2024.
- Profit for the year ended December 31, 2025 amounted to US\$157 million, representing a YoY increase of 1.9% as compared to US\$154 million for the year ended December 31, 2024.
- Basic earnings per share attributable to owners of the Company for the year ended December 31, 2025 amounted to US2.20 cents, representing a YoY increase of 1.4% as compared to US2.17 cents for the year ended December 31, 2024.
- The Board did not declare any final dividend for the year ended December 31, 2025.

The Board is pleased to announce the audited consolidated annual results of the Group for the year ended December 31, 2025 together with the comparative figures for the corresponding period in the previous period as follows:

**CONSOLIDATED INCOME STATEMENT**  
*YEAR ENDED DECEMBER 31, 2025*

|  | <i>Note</i> | <b>2025</b><br><i>USD'000</i> | 2024<br><i>USD'000</i> |
|--|-------------|-------------------------------|------------------------|
| <b>Revenue</b>   | 3           | <b>5,002,827</b>              | 4,451,494              |
| Cost of sales  | 5           | <u><b>(4,057,170)</b></u>     | <u>(3,572,848)</u>     |
| <b>Gross profit</b>  |             | <b>945,657</b>                | 878,646                |
| Distribution costs and selling expenses  | 5           | <b>(128,068)</b>              | (131,430)              |
| Administrative expenses  | 5           | <b>(240,170)</b>              | (241,553)              |
| Research and development expenses  | 5           | <b>(354,102)</b>              | (330,084)              |
| Impairment losses on financial assets – net  |             | <b>(6,245)</b>                | (1,210)                |
| Other income   |             | <b>29,215</b>                 | 22,720                 |
| Other gains – net  | 4           | <u><b>40,639</b></u>          | <u>129,668</u>         |
| <b>Operating profit</b>  |             | <b>286,926</b>                | 326,757                |
| Finance income   |             | <b>23,719</b>                 | 26,367                 |
| Finance costs  |             | <u><b>(71,802)</b></u>        | <u>(74,379)</u>        |
| <b>Finance costs – net</b>   |             | <b>(48,083)</b>               | (48,012)               |
| Share of results of associates and joint venture   |             | <u><b>(603)</b></u>           | <u>(58,211)</u>        |
| <b>Profit before income tax</b>  |             | <b>238,240</b>                | 220,534                |
| Income tax expense   | 6           | <u><b>(81,545)</b></u>        | <u>(66,189)</u>        |
| <b>Profit for the year</b>   |             | <u><b>156,695</b></u>         | <u>154,345</u>         |
| <b>Profit attributable to:</b>   |             |                               |                        |
| Owners of the Company  |             | <b>156,060</b>                | 153,732                |
| Non-controlling interests  |             | <u><b>635</b></u>             | <u>613</u>             |
|  |             | <u><b>156,695</b></u>         | <u>154,345</u>         |
| <b>Earnings per share for profit attributable to owners<br/>of the Company during the year<br/>(expressed in US cents per share)</b> |             |                               |                        |
| Basic earnings per share   | 7           | <b>2.20</b>                   | 2.17                   |
| Diluted earnings per share   | 7           | <u><b>2.20</b></u>            | <u>2.17</u>            |

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
*YEAR ENDED DECEMBER 31, 2025*

|   | <b>2025</b><br><i>USD'000</i> | 2024<br><i>USD'000</i> |
|---|-------------------------------|------------------------|
| <b>Profit for the year</b>  | <b>156,695</b>                | 154,345                |
| <b>Other comprehensive income/(loss):</b>   |                               |                        |
| <i>Items that may be reclassified subsequently to profit or loss</i>                      |                               |                        |
| Exchange difference arising from the translation<br>of foreign operations                 | <b>46,813</b>                 | (113,902)              |
| <i>Items that may not be reclassified subsequently to profit or loss</i>                  |                               |                        |
| Fair value change in financial assets at fair value through<br>other comprehensive income | <b>(13,825)</b>               | (2,159)                |
| Remeasurements of retirement benefit obligations  | <b>784</b>                    | –                      |
| <b>Total other comprehensive income/(loss) for the year,<br/>net of tax</b>               | <b>33,772</b>                 | (116,061)              |
| <b>Total comprehensive income for the year</b>  | <b>190,467</b>                | 38,284                 |
| <b>Total comprehensive income for the year attributable to:</b>                           |                               |                        |
| Owners of the Company   | <b>189,410</b>                | 37,992                 |
| Non-controlling interests   | <b>1,057</b>                  | 292                    |
|   | <b>190,467</b>                | 38,284                 |

**CONSOLIDATED BALANCE SHEET**  
*AS AT DECEMBER 31, 2025*

|   | <i>Note</i> | <b>2025</b><br><i>USD'000</i> | 2024<br><i>USD'000</i> |
|---|-------------|-------------------------------|------------------------|
| <b>ASSETS</b>   |             |                               |                        |
| <b>Non-current assets</b>   |             |                               |                        |
| Property, plant and equipment                                     |             | <b>1,382,378</b>              | 1,191,081              |
| Investment property   |             | <b>6,431</b>                  | 6,338                  |
| Right-of-use assets   |             | <b>131,529</b>                | 116,181                |
| Intangible assets   |             | <b>699,042</b>                | 728,476                |
| Financial assets at fair value through other comprehensive income |             | <b>33,054</b>                 | 34,796                 |
| Financial assets at fair value through profit or loss             |             | <b>44,094</b>                 | 48,652                 |
| Interests in associates and joint venture                         |             | <b>10,619</b>                 | 14,874                 |
| Deposits and prepayments  | <i>9</i>    | <b>25,234</b>                 | 38,339                 |
| Deferred income tax assets  |             | <b>151,914</b>                | 131,828                |
|   |             | <hr/>                         | <hr/>                  |
| <b>Total non-current assets</b>                                   |             | <b>2,484,295</b>              | 2,310,565              |
| <b>Current assets</b>   |             |                               |                        |
| Inventories   |             | <b>1,041,510</b>              | 904,317                |
| Trade receivables   | <i>9</i>    | <b>938,619</b>                | 909,692                |
| Deposits, prepayments and other receivables                       | <i>9</i>    | <b>242,595</b>                | 191,007                |
| Financial assets at fair value through profit or loss             |             | <b>6,354</b>                  | –                      |
| Short-term bank deposits  |             | <b>149,626</b>                | 41,803                 |
| Cash and cash equivalents   |             | <b>1,067,478</b>              | 1,112,799              |
|   |             | <hr/>                         | <hr/>                  |
| <b>Total current assets</b>                                       |             | <b>3,446,182</b>              | 3,159,618              |
|   |             | <hr/> <hr/>                   | <hr/> <hr/>            |
| <b>Total assets</b>   |             | <b>5,930,477</b>              | 5,470,183              |
|   |             | <hr/> <hr/>                   | <hr/> <hr/>            |

**CONSOLIDATED BALANCE SHEET (CONTINUED)**  
*AS AT DECEMBER 31, 2025*

|  | <i>Note</i> | <b>2025</b><br><i>USD'000</i> | 2024<br><i>USD'000</i> |
|--|-------------|-------------------------------|------------------------|
| <b>EQUITY</b>  |             |                               |                        |
| <b>Equity attributable to owners of the Company</b>        |             |                               |                        |
| Share capital  |             | <b>142,651</b>                | 142,382                |
| Treasury shares  |             | <b>(84,436)</b>               | (91,447)               |
| Reserves   |             | <b>2,617,468</b>              | 2,422,294              |
|  |             | <b>2,675,683</b>              | 2,473,229              |
| <b>Non-controlling interests</b>                           |             | <b>10,749</b>                 | 9,859                  |
| <b>Total equity</b>  |             | <b>2,686,432</b>              | 2,483,088              |
| <b>LIABILITIES</b>   |             |                               |                        |
| <b>Non-current liabilities</b>                             |             |                               |                        |
| Bank borrowings  |             | <b>608,456</b>                | 633,515                |
| Lease liabilities  |             | <b>66,384</b>                 | 53,170                 |
| Deferred income tax liabilities                            |             | <b>45,093</b>                 | 41,815                 |
| Deposits received and other payables                       | <i>10</i>   | <b>6,383</b>                  | 17,295                 |
| <b>Total non-current liabilities</b>                       |             | <b>726,316</b>                | 745,795                |
| <b>Current liabilities</b>                                 |             |                               |                        |
| Trade and other payables                                   | <i>10</i>   | <b>1,266,448</b>              | 1,271,052              |
| Contract liabilities                                       |             | <b>6,800</b>                  | 3,134                  |
| Lease liabilities  |             | <b>14,380</b>                 | 9,483                  |
| Bank borrowings  |             | <b>1,185,695</b>              | 904,232                |
| Current income tax liabilities                             |             | <b>44,406</b>                 | 51,382                 |
| Financial liabilities at fair value through profit or loss |             | <b>–</b>                      | 2,017                  |
| <b>Total current liabilities</b>                           |             | <b>2,517,729</b>              | 2,241,300              |
| <b>Total liabilities</b>                                   |             | <b>3,244,045</b>              | 2,987,095              |
| <b>Total equity and liabilities</b>                        |             | <b>5,930,477</b>              | 5,470,183              |

# NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

## 1 GENERAL INFORMATION

Foxconn Interconnect Technology Limited (the “**Company**”, carrying on business in Hong Kong as “**FIT Hon Teng Limited**”) was incorporated in the Cayman Islands as an exempted company with limited liability under the laws of the Cayman Islands. The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited.

The Group is principally engaged in manufacturing and sales of mobile and wireless devices, connectors applied in the communication, computer and automotive markets, and trading and distribution of mobile device related products.

The address of the Company’s registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The ultimate holding company of the Company is Hon Hai Precision Industry Co., Ltd. (“**Hon Hai**”) and the immediate holding company of the Company is Foxconn (Far East) Limited (“**Foxconn HK**”), a wholly owned subsidiary of Hon Hai.

The consolidated financial statements are presented in United States Dollar (“**USD**”) unless otherwise stated.

## 2 BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622.

IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards,
- International Accounting Standards, and
- Interpretations developed by the IFRS Accounting Standards interpretations committee or its predecessor body, the standing interpretations committee.

The consolidated financial statements have been prepared on a historical cost basis, except for financial assets at fair value through other comprehensive income (“**FVOCI**”) and financial assets/liabilities at fair value through profit or loss (“**FVPL**”) that are measured at fair value.

### (a) Amended standards adopted by the Group

The Group has applied the following amendments to standards for the first time for its annual reporting period commencing January 1, 2025:

|                                 |                         |
|---------------------------------|-------------------------|
| Amendments to IAS 21 and IFRS 1 | Lack of Exchangeability |
|---------------------------------|-------------------------|

The amendments to standards listed above did not have any material impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

**(b) New and amended standards not yet adopted**

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for the reporting period ended December 31, 2025 and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and amendments is set out below.

|   |   | <b>Effective for annual<br/>periods beginning<br/>on or after</b> |
|---|---|---|
| Amendments to IFRS 9 and IFRS 7                         | Classification and Measurement of Financial Instruments                               | January 1, 2026   |
| Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 | Annual improvements to IFRS Accounting Standards – Volume 11                          | January 1, 2026   |
| Amendments to IFRS 9 and IFRS 7                         | Contracts Referencing Nature-dependent Electricity                                    | January 1, 2026   |
| IFRS 18   | Presentation and Disclosure in Financial Statements                                   | January 1, 2027   |
| IFRS 19 and Amendments to IFRS 19                       | Subsidiaries without Public Accountability: Disclosures                               | January 1, 2027   |
| Amendments to IFRS 10 and IAS 28                        | Sale or contribution of assets between an investor and its associate or joint venture | To be determined  |

The new standards and amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

**3 SEGMENT INFORMATION**

Operating segment is reported in the manner consistent with the internal reporting provided to the Chief Operating Decision Makers (“**CODM**”). The **CODM**, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors that make strategic decisions. **CODM** assesses the performance of the operating segment based on revenue.

The Group was organized into two main operating segments namely (i) intermediate products and (ii) consumer products. Intermediate products relate to the manufacturing and sales of mobile and wireless devices, and connectors applied in the communication, computer and automotive markets. The Group's intermediate products are mainly manufactured through its production complexes in the People's Republic of China (the “**PRC**”), Vietnam, India, Mexico and Germany. Consumer products relate to the trading and distribution of mobile device related products. The Group's consumer products are mainly manufactured by its production complexes or other third party manufacturers in the **PRC** and Vietnam and distributed globally.

Accordingly, the Group presents the revenue and corresponding assets and liabilities for the segments and does not allocate expenses to the respective segments.

## Segment revenue and results

The following is an analysis of the Group's revenue by operating segment:

*For the year ended December 31, 2025*

|  | <b>Intermediate<br/>products<br/>USD'000</b> | <b>Consumer<br/>products<br/>USD'000</b> | <b>Total<br/>USD'000</b> |
|--|--|--|--------------------------|
| Revenue  | <b>4,437,821</b>                             | <b>663,114</b>                           | <b>5,100,935</b>         |
| Inter-segment revenue eliminations               | <b>(98,108)</b>                              | <b>–</b>                                 | <b>(98,108)</b>          |
| Revenue from external customers                  | <b>4,339,713</b>                             | <b>663,114</b>                           | <b>5,002,827</b>         |
| Gross profit                                     |  |  | <b>945,657</b>           |
| Unallocated:                                     |  |  |                          |
| Operating expenses                               |  |  | <b>(728,585)</b>         |
| Other income                                     |  |  | <b>29,215</b>            |
| Other gains – net                                |  |  | <b>40,639</b>            |
| Finance costs – net                              |  |  | <b>(48,083)</b>          |
| Share of results of associates and joint venture |  |  | <b>(603)</b>             |
| Profit before income tax                         |  |  | <b>238,240</b>           |

*For the year ended December 31, 2024*

|  | <b>Intermediate<br/>products<br/>USD'000</b> | <b>Consumer<br/>products<br/>USD'000</b> | <b>Total<br/>USD'000</b> |
|--|--|--|--------------------------|
| Revenue  | <b>3,899,500</b>                             | <b>685,667</b>                           | <b>4,585,167</b>         |
| Inter-segment revenue eliminations               | <b>(133,673)</b>                             | <b>–</b>                                 | <b>(133,673)</b>         |
| Revenue from external customers                  | <b>3,765,827</b>                             | <b>685,667</b>                           | <b>4,451,494</b>         |
| Gross profit                                     |  |  | <b>878,646</b>           |
| Unallocated:                                     |  |  |                          |
| Operating expenses                               |  |  | <b>(704,277)</b>         |
| Other income                                     |  |  | <b>22,720</b>            |
| Other gains – net                                |  |  | <b>129,668</b>           |
| Finance costs – net                              |  |  | <b>(48,012)</b>          |
| Share of results of associates and joint venture |  |  | <b>(58,211)</b>          |
| Profit before income tax                         |  |  | <b>220,534</b>           |

The following is an analysis of the Group's revenue by product lines:

|                        | <b>2025</b><br><i>USD'000</i> | 2024<br><i>USD'000</i>  |
|------------------------|-------------------------------|-------------------------|
| Smartphones            | <b>824,332</b>                | 942,909                 |
| Cloud                  | <b>812,992</b>                | 590,684                 |
| Consumer interconnects | <b>868,924</b>                | 809,512                 |
| Auto mobility          | <b>932,496</b>                | 480,716                 |
| System products        | <b>1,354,984</b>              | 1,416,113               |
| Others                 | <b>209,099</b>                | 211,560                 |
|                        | <b><u>5,002,827</u></b>       | <b><u>4,451,494</u></b> |

The following categories of revenue by product lines have been renamed to more accurately reflect the market terminology commonly used to describe our products.

*Notes:*

1. The revenue product line of Networking has been renamed as Cloud.
2. The revenue product line of Computing has been renamed as Consumer interconnects.
3. The revenue product line of EV mobility has been renamed as Auto mobility.

Revenue by geographical areas is as follows:

|                                      | <b>2025</b><br><i>USD'000</i> | 2024<br><i>USD'000</i>  |
|--------------------------------------|-------------------------------|-------------------------|
| United States of America (the "USA") | <b>1,765,867</b>              | 2,186,078               |
| The PRC                              | <b>794,787</b>                | 589,615                 |
| Taiwan                               | <b>449,146</b>                | 358,605                 |
| Hong Kong                            | <b>234,939</b>                | 265,134                 |
| Singapore                            | <b>291,309</b>                | 125,941                 |
| United Kingdom                       | <b>130,795</b>                | 103,822                 |
| Ireland                              | <b>202,727</b>                | 75,415                  |
| Germany                              | <b>150,096</b>                | 56,729                  |
| Others                               | <b>983,161</b>                | 690,155                 |
|                                      | <b><u>5,002,827</u></b>       | <b><u>4,451,494</u></b> |

The analysis of revenue by geographical segment is based on the location of major operation of customers.

During the year ended December 31, 2025, there were two customers (2024: two customers) which individually contributed over 10% of the Group's total revenue. The revenue contributed from these customers are as follows:

|            | <b>2025</b><br><i>USD'000</i> | 2024<br><i>USD'000</i> |
|------------|-------------------------------|------------------------|
| Customer A | <b>1,600,506</b>              | 1,669,516              |
| Customer B | <b>604,571</b>                | 532,341                |

Customer A refers to a cluster of customers consisting of a brand company and its nominated contract manufacturers; Customer B is a group of related companies.

The Group monitors the trade receivables, inventories, deposits, prepayments and other receivables, trade and other payables, contract liabilities and related tax exposure corresponding to intermediate products and consumer products to determine the respective marketing strategy and financing arrangement.

### Segment assets and liabilities

At December 31, 2025

|  | <b>Intermediate<br/>products<br/><i>USD'000</i></b> | <b>Consumer<br/>products<br/><i>USD'000</i></b> | <b>Total<br/><i>USD'000</i></b> |
|--|---|---|---------------------------------|
| <b>Assets</b>  |   |   |                                 |
| Segment assets   | <u>2,249,014</u>                                    | <u>849,900</u>                                  | <u>3,098,914</u>                |
| Unallocated:   |   |   |                                 |
| Property, plant and equipment  |   |   | 1,382,378                       |
| Investment property  |   |   | 6,431                           |
| Right-of-use assets  |   |   | 131,529                         |
| Financial assets at fair value through other<br>comprehensive income |   |   | 33,054                          |
| Financial assets at fair value through profit or loss                |   |   | 50,448                          |
| Interests in associates and joint venture                            |   |   | 10,619                          |
| Short-term bank deposits   |   |   | 149,626                         |
| Cash and cash equivalents  |   |   | <u>1,067,478</u>                |
| Total assets   |   |   | <u><u>5,930,477</u></u>         |
| <b>Liabilities</b>   |   |   |                                 |
| Segment liabilities  | <u>1,206,005</u>                                    | <u>163,125</u>                                  | <u>1,369,130</u>                |
| Unallocated:   |   |   |                                 |
| Bank borrowings  |   |   | 1,794,151                       |
| Lease liabilities  |   |   | <u>80,764</u>                   |
| Total liabilities  |   |   | <u><u>3,244,045</u></u>         |

At December 31, 2024

|  | <b>Intermediate<br/>products<br/>USD'000</b> | <b>Consumer<br/>products<br/>USD'000</b> | <b>Total<br/>USD'000</b> |
|--|--|--|--------------------------|
| <b>Assets</b>  |  |  |                          |
| Segment assets   | 2,029,598                                    | 869,211                                  | 2,898,809                |
| Unallocated:   |  |  |                          |
| Property, plant and equipment  |  |  | 1,191,081                |
| Investment property  |  |  | 6,338                    |
| Right-of-use assets  |  |  | 116,181                  |
| Intangible assets  |  |  | 4,850                    |
| Financial assets at fair value through other<br>comprehensive income |  |  | 34,796                   |
| Financial assets at fair value through profit or loss                |  |  | 48,652                   |
| Interests in associates and joint venture                            |  |  | 14,874                   |
| Short-term bank deposits   |  |  | 41,803                   |
| Cash and cash equivalents  |  |  | 1,112,799                |
| Total assets   |  |  | <u>5,470,183</u>         |
| <b>Liabilities</b>   |  |  |                          |
| Segment liabilities  | 1,218,075                                    | 166,603                                  | 1,384,678                |
| Unallocated:   |  |  |                          |
| Bank borrowings  |  |  | 1,537,747                |
| Lease liabilities  |  |  | 62,653                   |
| Financial liabilities at fair value through profit or loss           |  |  | 2,017                    |
| Total liabilities  |  |  | <u>2,987,095</u>         |

The geographical analysis of the Group's non-current assets (other than intangible assets, financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss, interests in associates and joint venture, finance lease receivables and deferred income tax assets) is as follows:

|                    | <b>2025<br/>USD'000</b> | 2024<br>USD'000  |
|--------------------|-------------------------|------------------|
| The PRC            | 484,457                 | 531,388          |
| Vietnam            | 469,658                 | 311,365          |
| India              | 309,535                 | 265,866          |
| The USA            | 85,531                  | 72,480           |
| Germany            | 47,935                  | 47,583           |
| The Czech Republic | 27,547                  | 27,285           |
| France             | 23,100                  | 21,456           |
| Taiwan             | 22,533                  | 11,455           |
| Mexico             | 21,951                  | 19,787           |
| Switzerland        | 17,521                  | 16,428           |
| Others             | 35,804                  | 26,846           |
|                    | <u>1,545,572</u>        | <u>1,351,939</u> |

**4 OTHER GAINS – NET**

|  | <b>2025</b>     | 2024     |
|--|-----------------|----------|
|  | <b>USD'000</b>  | USD'000  |
| Fair value gains/(losses) on financial assets/(liabilities) at fair value through profit or loss |                 |          |
| – currency forward contract  | <b>15,021</b>   | (11,883) |
| – Unlisted private fund investments  | <b>(2,498)</b>  | (6,271)  |
| Net foreign exchange gains   | <b>42,594</b>   | 41,441   |
| Deemed disposal gain on investment accounted for using the equity method                         | <b>9,560</b>    | 10,279   |
| Net gains on disposal of property, plant and equipment   | <b>1,260</b>    | 6,402    |
| Impairment loss on goodwill (Note)   | <b>(20,942)</b> | –        |
| Gains on bargain purchase arising from acquisition of business                                   | –               | 84,753   |
| Others   | <b>(4,356)</b>  | 4,947    |
|  | <b>40,639</b>   | 129,668  |

*Note:*

During the year ended December 31, 2025, the audio business of the Group has been struggling with the raw material supply issue resulting from the rare earth control, a weaker-than-expected consumer market and swinging trade policies. The general perception of the audio business environment for the short term turned pessimistic. The audio business cash-generating unit (“CGU”), which possesses a goodwill of approximately USD20,942,000, failed to achieve its budget that came to the management’s attention as an impairment indicator. Accordingly, management performed an updated impairment assessment and reassessed the recoverable amount of the business unit with reference to the valuation performed by an independent professional valuer. Based on the valuation result, the value-in-use is higher than its fair value less costs of disposal. As a result of the impairment review, the recoverable amount of the audio business CGU to which goodwill has been allocated was lower than its carrying amount as at December 31, 2025. Consequently, impairment losses on goodwill and property, plant and equipment of USD20,942,000 and USD5,380,000 have been charged to the consolidated income statement.

## 5 EXPENSES BY NATURE

|  | 2025<br><i>USD'000</i> | 2024<br><i>USD'000</i> |
|--|------------------------|------------------------|
| Cost of inventories  | 2,622,066              | 2,487,151              |
| Delivery expenses  | 112,781                | 88,762                 |
| Import and export expenses   | 40,815                 | 15,349                 |
| Subcontracting expenses  | 55,167                 | 35,583                 |
| Employee benefit expenses  | 1,161,455              | 926,515                |
| Depreciation of property, plant and equipment  | 225,364                | 203,140                |
| Depreciation of investment property  | 198                    | 198                    |
| Depreciation of right-of-use assets  | 19,529                 | 13,298                 |
| Amortization of intangible assets  | 36,204                 | 33,065                 |
| Moulding and consumables   | 130,319                | 119,693                |
| Utilities  | 67,016                 | 63,503                 |
| Professional expenses  | 112,729                | 90,645                 |
| Short-term and low-value lease expenses  | 11,130                 | 7,028                  |
| Repair and maintenance   | 34,414                 | 24,644                 |
| Auditor's remuneration   |                        |                        |
| – Audit services   | 3,371                  | 3,853                  |
| – Non-audit services   | 963                    | 587                    |
| Others   | 145,989                | 162,901                |
|  | <hr/>                  | <hr/>                  |
| Total cost of sales, distribution costs and selling expenses,<br>administrative expenses and research and development expenses | <b>4,779,510</b>       | <b>4,275,915</b>       |
|  | <hr/> <hr/>            | <hr/> <hr/>            |

## 6 INCOME TAX EXPENSE

The amounts of income tax expense charged to the consolidated income statement represent:

|   | 2025<br><i>USD'000</i> | 2024<br><i>USD'000</i> |
|---|------------------------|------------------------|
| Current income tax                                |                        |                        |
| – for the current year                            | 86,716                 | 84,312                 |
| – Under-provision/(over-provision) in prior years | 2,129                  | (8,543)                |
| Deferred income tax                               | (16,808)               | (9,580)                |
| Withholding tax                                   | 9,508                  | –                      |
|   | <hr/>                  | <hr/>                  |
| Income tax expense                                | <b>81,545</b>          | <b>66,189</b>          |
|   | <hr/> <hr/>            | <hr/> <hr/>            |

## 7 EARNINGS PER SHARE

### (a) *Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to the Company's owners by the weighted average number of ordinary shares in issue, excluding treasury shares, during the years ended December 31, 2025 and 2024.

|  | 2025               | 2024               |
|--|--------------------|--------------------|
| Net profit attributable to the owners of the Company (USD'000)     | <u>156,060</u>     | <u>153,732</u>     |
| Weighted average number of ordinary shares in issue (in thousands) | <u>7,094,384</u>   | <u>7,086,577</u>   |
| Basic earnings per share (US cents)                                | <u><u>2.20</u></u> | <u><u>2.17</u></u> |

### (b) *Diluted earnings per share*

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For the year ended December 31, 2025, diluted earnings per share is the same with the earnings per share (2024: same) as the potential dilutive effect of the share option scheme is not material (2024: the share option schemes are anti-dilutive).

## 8 DIVIDENDS

No dividend in respect of the year ended December 31, 2025 (2024: Nil) has been declared as of the date of approval of these consolidated financial statements.

## 9 TRADE RECEIVABLES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

|  | 2025<br><i>USD'000</i>  | 2024<br><i>USD'000</i>  |
|--|-------------------------|-------------------------|
| Trade receivables due from third parties                 | 804,574                 | 774,354                 |
| Trade receivables due from related parties               | <u>145,085</u>          | <u>142,481</u>          |
| Total trade receivables – gross                          | 949,659                 | 916,835                 |
| Less: loss allowance for impairment of trade receivables | <u>(11,040)</u>         | <u>(7,143)</u>          |
| Total trade receivables – net                            | <u>938,619</u>          | <u>909,692</u>          |
| Deposits and prepayments to third parties                | 62,442                  | 62,884                  |
| Prepayments to related parties                           | 2,424                   | 2,465                   |
| Other receivables  | 126,468                 | 101,571                 |
| Amounts due from related parties                         |                         |                         |
| – Hon Hai related parties                                | 7,062                   | 7,241                   |
| – Associate  | –                       | 22,305                  |
| Value-added tax recoverable                              | <u>69,433</u>           | <u>32,880</u>           |
|  | <u>267,829</u>          | <u>229,346</u>          |
| Less: non-current portion                                |                         |                         |
| – Deposits and prepayments                               | <u>(25,234)</u>         | <u>(38,339)</u>         |
|  | <u>242,595</u>          | <u>191,007</u>          |
| Current portion  | <u><u>1,181,214</u></u> | <u><u>1,100,699</u></u> |

The credit period granted to third parties and the related parties are ranging from 45 to 90 days. The aging analysis of trade receivables based on invoice date, before loss allowance for impairment of trade receivables is as follows:

|                           | 2025<br><i>USD'000</i> | 2024<br><i>USD'000</i> |
|---------------------------|------------------------|------------------------|
| Trade receivables – gross |                        |                        |
| – Within 3 months         | 890,486                | 834,105                |
| – 3 to 4 months           | 39,488                 | 56,504                 |
| – 4 to 6 months           | 6,972                  | 14,963                 |
| – 6 to 12 months          | 5,435                  | 5,160                  |
| – Over 1 year             | 7,278                  | 6,103                  |
|                           | <u>949,659</u>         | <u>916,835</u>         |

## 10 TRADE AND OTHER PAYABLES

|  | 2025<br><i>USD'000</i> | 2024<br><i>USD'000</i> |
|--|------------------------|------------------------|
| Trade payables to third parties                | 675,440                | 702,449                |
| Trade payables to related parties              | 94,174                 | 72,008                 |
|  | <u>769,614</u>         | <u>774,457</u>         |
| Total trade payables                           | 769,614                | 774,457                |
| Amounts due to related parties                 | 11,378                 | 33,714                 |
| Staff salaries, bonuses and welfare payables   | 144,491                | 136,041                |
| Deposits received, other payables and accruals | 347,348                | 344,135                |
|  | <u>1,272,831</u>       | <u>1,288,347</u>       |
| Less: Non-current portion                      | (6,383)                | (17,295)               |
|  | <u>1,266,448</u>       | <u>1,271,052</u>       |

Aging analysis of the trade payables to third parties and related parties is as follows:

|                 | 2025<br><i>USD'000</i> | 2024<br><i>USD'000</i> |
|-----------------|------------------------|------------------------|
| Within 3 months | 726,346                | 731,654                |
| 3 to 4 months   | 30,061                 | 29,449                 |
| 4 to 6 months   | 7,527                  | 7,345                  |
| 6 to 12 months  | 1,776                  | 2,126                  |
| Over 1 year     | 3,904                  | 3,883                  |
|                 | <u>769,614</u>         | <u>774,457</u>         |

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS OVERVIEW AND OUTLOOK

#### Business Overview

For the year ended December 31, 2025, we continued to implement our business strategy to consolidate our position as a global leader in the development and production of interconnect solutions and related products. Through these efforts, our business achieved growth as a result of our successful execution of our product mix improvement strategy. As discussed in more detail below in the section headed “Results of Operations”, our revenue amounted to US\$5,003 million while net profit amounted to US\$157 million for the year ended December 31, 2025, representing an increase of 12.4% and 1.9%, respectively, as compared to the corresponding period in 2024.

For the end market, due to the changes in the product specifications and component architecture of certain high-end smartphone models of branded companies, revenue generated from the smartphones end market for the year ended December 31, 2025 decreased by 12.6% as compared to the same period in 2024.

For the cloud end market, we benefited from the increased demand in the server market driven by artificial intelligence (AI) and the rising demand for new platform cabinet connectors and cables. This led to an increase in the shipment volume of copper-based component products in 2025. In addition, the increased shipment volume of new platform cabinet connectors and cables simultaneously boosted the shipment volume of our existing general-purpose server products. As a result, revenue generated from the cloud end market increased by 37.6% for the year ended December 31, 2025 as compared to the same period in 2024.

For the consumer interconnects end market, consumer interconnect products experienced a strong year, benefiting from a stronger-than-expected recovery in the PC end market in the upgrade cycle of next-generation CPU and power connector components. As a result, for the year ended December 31, 2025, the revenue generated from the consumer interconnects end market increased by 7.3% as compared to the same period in 2024.

For the auto mobility end market, we successfully completed the acquisition of the Auto-Kabel Group, a pioneer in the field of automotive power transmission, on December 2, 2024. For further details, please refer to the announcement of the Company dated July 11, 2024. Auto-Kabel Group was fully consolidated into the Group for the year ended December 31, 2025. Through this acquisition, the Company strengthened its product portfolio in automotive power transmission systems, including advanced high and low voltage power transmission harnesses and busbars. We have also increased our exposure to automobile customers and the broader automotive market. For the year ended December 31, 2025, revenue generated from the auto mobility end market increased by 94.0% as compared to the same period in 2024.

For the system products end market, we experienced an interruption in the upstream of the supply chain, as a result, production schedules were impacted and led to a decline in shipment volume. In addition, the new wireless earphones of our brand customers no longer include charging cables as standard accessories. As a result, the shipment volume of charging cable products decreased. For the year ended December 31, 2025, revenue generated from the system products end market decreased by 4.3% as compared to the same period in 2024.

## Industry Outlook and Business Prospects

### *Industry Outlook*

The popularization of AI applications has pushed rapid technical development in the global connector industry, which raised requirements for higher product bandwidth, greater power transmission capabilities and enhanced compatibility across platforms, while expanding deployment into a broader range of application scenarios. In the future, we believe connectors and cables that have high compatibilities will be more popular in the market. We have seized market opportunities and built global brand awareness, rapidly expanding our market share.

*Smartphones.* High-end smartphone market has demonstrated relatively greater resilience, supported by continued product innovation and replacement demand. Technological upgrades in next-generation models are expected to drive higher performance requirements for related components.

*Cloud.* 5G technology will enhance network speed and capacity, supporting real-time data processing in AI applications and higher data transfer rates, thereby increasing requirements for high-speed and high-bandwidth interconnect solutions in data centers. The growth of IoT devices pushed forth the development in edge computing and consumer interconnects, reflecting the need for reliable and high-performance connectors and cable modules. Global data centers continue to expand and optimize, adopting efficient cooling technologies, increasing storage capacity and performance. The increasing demand for AI hardware facilitates model training and inference, with network security becoming a priority. Hybrid cloud solutions flexibly adjust resources and drive intelligent infrastructure. We will focus on three major trends in data centers: higher energy efficiency, power conversion efficiency and open standard platforms, to develop innovative interconnect solutions that meet evolving industry requirements.

*Consumer interconnects.* The advancement of AI technologies is accelerating the upgrade cycle of electronic products, supporting steady growth in demand for higher-performance connectors. However, amid ongoing economic uncertainty and inflationary pressure, corporate and consumer spending remains conservative. We expect that the overall market demand will stabilize in 2026.

*Auto mobility.* In the next ten years, traditional fuel vehicles, hybrid vehicles and electric vehicles will continue to require high-performance wiring harness products and power transmission to support powertrain, energy supply and intelligent driving features, sustaining demand for advanced automotive interconnect solutions. With the acceleration of the construction of public charging stations, electric vehicles are significant means of reducing carbon emissions, and its integration with autonomous driving technology forms the future trend in transportation, profoundly impacting the global automotive market.

*System products.* The market for acoustic and wireless charging products remains subject to supply chain conditions, global trade policies and changes in product specifications by branded customers, while technological advancements may create potential opportunities.

## ***Business Prospects***

Driven by overall industry prospects, we anticipate the connector industry to continue benefiting from AI-driven technological development and drive the recovery of the consumer electronics industry, despite the impact of ongoing macroeconomic uncertainties in 2026. We will continue to adhere to our plan to focus on the key industries of 5GAIoT, acoustics and auto mobility as part of our “3+3” strategy.

- *Smartphones.* We will continue to focus on next-generation product platforms and seize business opportunities arising from related components upgrades.
- *Cloud.* As demand continues to grow for AI server and satellite communications, network infrastructure has become increasingly crucial. The need for high-speed transmission of massive volumes of data has driven demand for new AI-related products, supporting the growth of our business. Focusing on 5GAIoT and the high-growth track, we systematically expanded key technologies and market share, focused on the development of high-speed connectors and cable modules, continued to deploy core component technologies for optical communications, and deepened cooperation opportunities with leading chip manufacturers, ensuring a comprehensive coverage of the optical interconnection field. We expect the cloud end market to remain a key growth driver.
- *Consumer interconnects.* Continuous upgrades in AI-related components in laptops and computing devices may bring growth momentum. However, tight memory supply and price hikes may dampen consumer demand. We will adopt a prudent approach and prioritize improving profitability.
- *Auto mobility.* We will continue to leverage the technological strengths of our German subsidiary, Auto-Kabel, in high-voltage electric vehicle systems together with our expertise in automotive wiring harnesses. By consolidating the resources of our One Mobility business team in Germany and leveraging our strategic partnership with Hon Hai Group, we aim to capture opportunities in the new energy vehicle market to meet the evolving needs of electric vehicles and autonomous driving. We will leverage our expanded product portfolio and technological capabilities to strengthen key customer relationships, optimize product mix and enhance manufacturing integration, while continuing to invest in automotive electronic systems and autonomous driving components to support long-term development.
- *System products.* Macroeconomic uncertainties and systemic risks have affected consumer confidence, dampening demand for system end products. In response to upstream supply constraints, we have adjusted capacity and reallocated production lines of new products to address the current uncertainty.

## RESULTS OF OPERATIONS

### Revenue

We derive our revenue mainly from the sale of our connector product solutions and other products and also a small portion from the sale of mold parts and sample products and other products for, amongst others, industrial and medical use. In 2025, our revenue amounted to US\$5,003 million, representing a 12.4% increase from US\$4,451 million in 2024. Among the five main end markets, our revenue from (1) the smartphones end market decreased by 12.6%, (2) the cloud end market increased by 37.6%, (3) the consumer interconnects end market increased by 7.3%, (4) the auto mobility end market increased by 94.0%, and (5) the system products end market decreased by 4.3%. The following table sets forth our revenue by end markets in absolute amounts and as percentages of revenue for the years indicated:

|                        | For the year ended December 31,               |              |                  |              |
|------------------------|---|--------------|------------------|--------------|
|                        | 2025  |              | 2024             |              |
|                        | US\$  | %            | US\$             | %            |
|                        | <i>(in thousands, except for percentages)</i> |              |                  |              |
| Smartphones            | 824,332                                       | 16.5         | 942,909          | 21.2         |
| Cloud                  | 812,992                                       | 16.3         | 590,684          | 13.3         |
| Consumer interconnects | 868,924                                       | 17.4         | 809,512          | 18.2         |
| Auto mobility          | 932,496                                       | 18.6         | 480,716          | 10.8         |
| System products        | 1,354,984                                     | 27.1         | 1,416,113        | 31.8         |
| Others                 | 209,099                                       | 4.1          | 211,560          | 4.7          |
| Total                  | <u>5,002,827</u>                              | <u>100.0</u> | <u>4,451,494</u> | <u>100.0</u> |

*Smartphones.* The 12.6% decrease in revenue from the smartphones end market was primarily due to the change in the product specifications and component architecture of high-end smartphones of branded companies, which resulted in lower demand for certain interconnect components supplied by the Group.

*Cloud.* The 37.6% increase in revenue from the cloud end market was primarily due to an increase in demand in the server market driven by the growth of the demand for artificial intelligence (AI), leading to an increase in the shipment volume of copper-based component products in 2025.

*Consumer interconnects.* Revenue from the consumer interconnects end market increased by 7.3%, which was primarily due to the growth of the demand for notebook and tablet PCs, leading to an increase in shipment of our component products.

*Auto mobility.* Revenue from the auto mobility end market increased by 94.0%, which was primarily due to the full-year consolidation of the German Auto-Kabel Group in 2025, compared to only a one-month revenue contribution in 2024 following the completion of its acquisition on December 2, 2024.

*System products.* Revenue from the system products end market decreased by 4.3%, which was primarily due to an interruption in the upstream supply chain for rare earth raw materials, leading to reduced shipment of wireless charging products for smart watches. In addition, the new wireless earphones of our brand customers no longer include charging cables as standard accessories, resulting in lower shipment volume of charging cable products.

## **Cost of Sales, Gross Profit and Gross Profit Margin**

Our cost of sales increased by 13.6% from US\$3,573 million in 2024 to US\$4,057 million in 2025. Our cost of sales primarily includes (1) raw materials and consumables used, (2) consumption of inventories of finished goods and work in progress, (3) employee benefit expenses in connection with our production personnel, (4) depreciation of property, plant and equipment, (5) subcontracting expenses, (6) utilities, molding and consumable expenses, and (7) other costs associated with the production and shipments of our interconnect solutions and other products. In 2025, the increase was primarily driven by the additional production cost together with the higher sales volume after the acquisition of Auto-Kabel Group.

Despite the increase in cost of sales, our gross profit increased by 7.6% from US\$879 million in 2024 to US\$946 million in 2025, primarily due to the increase in revenue after the acquisition of Auto-Kabel Group. However, our gross profit margin decreased from 19.7% in 2024 to 18.9% in 2025, primarily due to the change of product mix, the impact of exchange rates and the increase in precious metals cost.

## **Distribution Costs and Selling Expenses**

Our distribution costs and selling expenses slightly decreased by 2.6% from US\$131 million in 2024 to US\$128 million in 2025, primarily due to the cost control measures conducted during the year.

## **Administrative Expenses**

Our administrative expenses slightly decreased by 0.6% from US\$242 million in 2024 to US\$240 million in 2025, primarily due to the cost control measures conducted during the year.

## **Research and Development Expenses**

Our research and development expenses primarily consist of (1) employee benefit expenses paid to our research and development personnel, (2) molding and consumables expenses relating to the moldings used in research and development, (3) depreciation of molds and molding equipment, and (4) other costs and expenses in connection with our research and development activities. Our research and development expenses increased by 7.3% from US\$330 million in 2024 to US\$354 million in 2025, mainly due to more research and development activities for artificial intelligence (AI) and acoustics-related products during the year.

## **Operating Profit and Operating Profit Margin**

Our operating profit decreased by 12.2% from US\$327 million in 2024 to US\$287 million in 2025. The operating profit in 2024 included a gain of bargain purchase amounting to US\$85 million arising from acquisition of business. Our operating profit margin decreased from 7.3% in 2024 to 5.8% in 2025.

## **Income Tax Expenses**

We incur income tax expenses primarily through our operations in China, Taiwan, United States, Vietnam, India and Germany. Our income tax expenses increased by 23.2% from US\$66 million in 2024 to US\$82 million in 2025, which was primarily due to the withholding tax expense resulting from the distribution of earnings out of the PRC subsidiaries during the year and the increase in operating profit for certain countries.

## **Profit for the year**

Profit for the year slightly increased by 1.9% from US\$154 million in 2024 to US\$157 million in 2025. Our profit margin slight decreased from 3.5% in 2024 to 3.1% in 2025, mainly due to the increase in income tax expense.

## **LIQUIDITY AND CAPITAL RESOURCES**

### **Sources of Liquidity, Working Capital and Borrowings**

We finance our operations primarily through cash generated from our operating activities and bank borrowings. As of December 31, 2025, we had cash and cash equivalents of US\$1,067 million, compared to US\$1,113 million as of December 31, 2024. In addition, as of December 31, 2025, we had short-term bank deposits of US\$150 million, compared to US\$42 million as of December 31, 2024.

As of December 31, 2025, we had total bank borrowings of US\$1,794 million, including short-term borrowings of US\$1,186 million and long-term borrowings of US\$608 million, as compared to US\$1,538 million as of December 31, 2024, which comprised short-term borrowings of US\$904 million and long-term borrowings of US\$634 million. We obtained bank borrowings mainly for our working capital purpose and to supplement our capital needs for investment activities.

Our current ratio, calculated using current assets divided by current liabilities, remained stable at 1.4 times as of December 31, 2025, compared to 1.4 times as of December 31, 2024. Our quick ratio, calculated using current assets less inventories divided by current liabilities, remained stable at 1.0 times as of December 31, 2025, compared to 1.0 times as of December 31, 2024.

### **Cash Flow**

In 2025, our net cash generated from operating activities was US\$267 million, net cash used in investing activities was US\$483 million, and net cash generated from financing activities was US\$109 million.

## **Capital Expenditures**

Our capital expenditures primarily relate to the purchases of land use rights, property, plant and equipment and intangible assets (exclusive of goodwill). We finance our capital expenditures primarily through cash generated from our operating activities and bank borrowings.

In 2025, our capital expenditures amounted to US\$420 million, as compared to US\$496 million in 2024. The capital expenditures in 2025 were primarily used for the establishment of new production complexes in response to customers' globalization expectations, upgrading, maintaining, converting and acquiring production and R&D facilities.

## **Significant Investments, Acquisitions and Disposals**

We did not have any significant investments, material acquisitions or material disposals during the year ended December 31, 2025.

## **Inventories**

Our inventories consist primarily of raw materials, work in progress and finished goods. We review our inventory levels on a regular basis to manage the risk of excessive inventories. Our average number of inventory turnover days for the year ended December 31, 2025 was 88 days as compared to 87 days in 2024. The longer inventory turnover days for the year ended December 31, 2025 was primarily due to the increase in inventory level as explained below.

Our inventories increased from US\$904 million as of December 31, 2024 to US\$1,042 million as of December 31, 2025, primarily due to the increase in inventory level in response to the impact from production line relocation and U.S. tariff policy.

Provision for inventory impairment increased from US\$58 million as of December 31, 2024 to US\$80 million as of December 31, 2025, primarily due to the inventory obsolete of certain product.

## **Trade Receivables**

Our trade receivables are receivables from our third party and related party customers for the sale of our interconnect solutions and other products.

We typically grant to our third party and related party customers a credit period ranging from 45 days to 90 days. Our average number of trade receivables turnover days decreased from 71 days in 2024 to 67 days in 2025. Our average number of trade receivables turnover days for related parties in 2025 was 87 days, as compared to 97 days for 2024.

Our trade receivables increased from US\$910 million as of December 31, 2024 to US\$939 million as of December 31, 2025, primarily due to the slight picking up in global demand of consumer electronic devices in the 4th quarter of 2025.

## **Trade Payables**

Our trade payables primarily relate to the procurement of raw materials. Our average trade payables turnover days decreased from 73 days in 2024 to 69 days in 2025.

Our trade payables slightly decreased from US\$774 million as of December 31, 2024 to US\$770 million as of December 31, 2025.

## **Major Capital Commitments**

As of December 31, 2025, we had capital commitments of US\$96 million, which was primarily connected with the purchase of property, plant and equipment related to our production facilities and investments.

## **Contingent Liabilities**

As of December 31, 2025, there was a notice issued from the foreign trade audit administration from Mexico regarding certain additional payments. Based on currently available information, the management considered that the amount of the obligation cannot be measured with sufficient reliability and does not believe that the ultimate outcome will have a material adverse effect on the Group's financial position, results of operations or cash flows. However, it is subject to inherent uncertainties and the Group's view of the matter may change in the future. Where an unfavorable outcome occurs, there exists the possibility of a material adverse impact on the Group's financial position, results of operations or cash flows for the period in which the unfavorable outcome occurs.

As of December 31, 2025, save as disclosed above and in the section headed "Pledge of Assets" below, we did not have any significant contingent liability, guarantee or any litigation against us.

## **Gearing ratio**

As of December 31, 2025, our gearing ratio, calculated as net debts (which are calculated as total borrowings less cash and cash equivalents and short term bank deposits) divided by total capital, was 21.5% as compared to 15.4% as of December 31, 2024. The increase was primarily due to the increase in borrowings.

## **PLEDGE OF ASSETS**

As of December 31, 2025, (i) certain bank deposits totalling RMB8.2 million (approximately US\$1.2 million) of Chongqing Hon Teng Technology Co., Ltd. (重慶市鴻騰科技有限公司) and Huaian Fu Li Tong Trading Co., Ltd. (淮安市富利通貿易有限公司) have been pledged as customs guarantee and security deposits for bank acceptance notes; (ii) certain bank deposits totalling VND6,676 million (approximately US\$0.3 million) of New Wing Interconnect Technology (Bac Giang) Co., Ltd. and Fu Wing Interconnect Technology (Nghe An) Co., Ltd. have been pledged as power purchase guarantee; (iii) certain bank deposits totalling US\$0.9 million of Belkin International Inc. have been pledged as Travel and Entertainment (T&E) corporate card guarantee; and (iv) certain land and buildings of SAK Auto Kabel AG, with a carrying amount of US\$15,112,000 were secured for bank borrowings of US\$5,052,000.

## **HUMAN RESOURCES AND REMUNERATION OF EMPLOYEES**

As of December 31, 2025, we had approximately 67,563 employees, as compared to 61,720 employees as of December 31, 2024. In 2025, total employee benefit expenses including Directors' remuneration were US\$1,161 million, as compared to US\$927 million in 2024. Remuneration is determined with reference to performance, skills, qualifications and experience of the staff concerned and in accordance with the prevailing industry practice.

In addition to salaries and wages, other employee benefit expenses include cash bonus, pension, housing fund, medical insurance and other social insurances, as well as share-based payment expenses and others. We also adopted the Share Option Scheme and the Restricted Share Award Schemes to offer valuable incentive to attract and retain quality personnel. We have been evaluating, and may adopt, new share incentive schemes that comply with the requirements of the Listing Rules. The remuneration of the Directors is reviewed by the Remuneration Committee and approved by the Board. The relevant Director's experience, duties and responsibilities, time commitment, the Company's performance and the prevailing market conditions are taken into consideration in determining the emolument of the Directors.

## **FOREIGN EXCHANGE RISK**

We operate in various locations and most of our sales, purchases or other transactions are denominated in U.S. dollars, Euros, New Taiwan dollars and Renminbi. Foreign exchange fluctuations may have a significant positive or negative effect on our results of operations. A majority of our Group's entities are exposed to foreign currency risks related to purchasing, selling, financing and investing in currencies other than the functional currencies in which the entities operate. As we enter into transactions denominated in currencies other than the functional currencies in which we or our subsidiaries operate, we face foreign currency risk to the extent that the amounts and relative proportions of various currencies in which our costs and liabilities are denominated deviate from the amounts and relative proportions of the various currencies in which our sales and assets are denominated.

Our consolidated financial information is reported in U.S. dollar. Our PRC and other non-U.S. subsidiaries prepare financial statements in Renminbi or their respective local currencies as their functional currencies, which are then translated into U.S. dollar prior to being consolidated into our financial information. As a result, changes in the value of the U.S. dollar relative to the functional currencies of these subsidiaries create translation gains and losses in other comprehensive income or loss upon consolidation. In addition, as our PRC and other non-U.S. subsidiaries generally have significant U.S. dollar-denominated sales with and accounts receivables due from the Group entities, depreciation of the U.S. dollar would result in foreign exchange losses while appreciation of the U.S. dollar would result in foreign exchange gains.

To further mitigate the foreign exchange risk, we have also adopted a prudent foreign exchange hedging policy. We have implemented internal procedures to monitor our hedging transactions which include limitations on transaction types and transaction value, formulation and review of hedging strategies in light of different market risks involved and other risk management measures. Under such policy, we enter into forward foreign exchange contracts for hedging purposes only but not for speculative purposes. As of December 31, 2025, the nominal principal amount of our forward foreign exchange contracts was US\$400 million.

## **AUDIT COMMITTEE**

The Audit Committee comprises three independent non-executive Directors, namely Messrs. TANG Kwai Chang, CURWEN Peter D and CHAN Wing Yuen Hubert. The audited consolidated annual financial information of the Group for the year ended December 31, 2025 has been reviewed by the Audit Committee.

This annual results announcement is based on the audited consolidated financial statements of the Group for the year ended December 31, 2025 which have been agreed by the external auditor of the Company.

## **SCOPE OF WORK OF PRICEWATERHOUSECOOPERS**

The figures in respect of the Group's consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended December 31, 2025 as set out in this announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, with respect to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

## **CORPORATE GOVERNANCE PRACTICE**

The Board is committed to maintaining high corporate governance standards.

During the year ended December 31, 2025, the Company has applied the principles as set out in the CG Code contained in Appendix C1 to the Listing Rules which are applicable to the Company, and has complied with all applicable code provisions as set out in the CG Code, except the code provision as mentioned below.

Code provision C.2.1 states that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. LU Sung-Ching is both the Company's chairman and chief executive officer, and is responsible for the overall management of our Group and directing the strategic development and business plans of our Group. Given the current stage of development of our Group, the Board believes that vesting the two roles in the same person provides our Company with strong and consistent leadership and facilitates the implementation and execution of our Group's business strategies. Also, the Board considers that this situation will not impair the balance of power and authority between the Board and the management of the Company because the balance of power and authority is governed by the operations of the Board which comprises experienced and high caliber individuals with demonstrated integrity. Furthermore, decisions of the Board are made by way of majority votes. The Board shall nevertheless review the structure from time to time in light of the prevailing circumstances. The Board will continue to review the situation and consider splitting the roles of chairman and chief executive officer in due course after taking into account the then overall circumstances of the Group.

## **MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted the Model Code as its code of conduct regarding securities transactions by the Directors. The Company has made specific inquiries to all Directors about their compliance with the Model Code, and they all confirmed that they complied with the standards specified in the Model Code during the year ended December 31, 2025.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

Save for the Shares as may be purchased by the trustee from time to time pursuant to the Restricted Share Award Schemes, during the year ended December 31, 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (if any)).

## **PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This results announcement is published on the website of HKEx at [www.hkexnews.hk](http://www.hkexnews.hk) and on the Company's website at <http://www.fit-foxconn.com>. The annual report of the Company for the year ended December 31, 2025 will be published on the aforesaid websites and sent to Shareholders in due course.

## **DEFINITIONS**

|                                    |   |
|------------------------------------|---|
| “Audit Committee”                  | the audit committee of the Board;   |
| “Board” or<br>“Board of Directors” | the board of Directors of the Company;  |
| “CG Code”                          | the Corporate Governance Code as set out in Appendix C1 to the Listing Rules;   |
| “China” or “PRC”                   | The People's Republic of China; for the purpose of this announcement only, references to “China” or the “PRC” do not include Taiwan, the Macau Special Administrative Region and Hong Kong; |

|                                       |  |
|---------------------------------------|--|
| “Company”                             | FIT Hon Teng Limited (鴻騰六零八八精密科技股份有限公司), a company incorporated in the Cayman Islands with limited liability under the name Foxconn Interconnect Technology Limited and carrying on business in Hong Kong as FIT Hon Teng Limited, the Shares of which are listed on the Main Board of the Stock Exchange; |
| “Directors”                           | directors of the Company;  |
| “EUR”                                 | Euro, the lawful currency of the member states of the European Union;  |
| “First Restricted Share Award Scheme” | the restricted share award scheme approved and adopted by the Company on January 31, 2018 and amended on May 15, 2018 (as restated, supplemented and amended from time to time);   |
| “Group”, “our Group”, “we” or “us”    | the Company and its subsidiaries;  |
| “HKEx”                                | Hong Kong Exchanges and Clearing Limited;  |
| “Hon Hai”                             | Hon Hai Precision Industry Co., Ltd. (鴻海精密工業股份有限公司), a limited liability company established in Taiwan and listed on the Taiwan Stock Exchange (Stock Code: 2317), and the controlling Shareholder of the Company;   |
| “Hon Hai Group”                       | Hon Hai and its subsidiaries and (where relevant) 30%-controlled entities and, for the purpose of this announcement, excluding the Group;  |
| “Hong Kong” or “HK”                   | the Hong Kong Special Administrative Region of the PRC;  |
| “IFRS”                                | International Financial Reporting Standards;   |
| “Listing Rules”                       | the Rules Governing the Listing of Securities on the Stock Exchange, as amended and supplemented from time to time;  |
| “Model Code”                          | the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules;   |
| “New Taiwan dollars”                  | New Taiwan dollars, the lawful currency of Taiwan;   |
| “Remuneration Committee”              | the remuneration committee of the Board;   |
| “Restricted Share Award Schemes”      | the First Restricted Share Award Scheme and the Second Restricted Share Award Scheme;  |
| “RMB” or “Renminbi”                   | Renminbi, the lawful currency of the PRC;  |

|  |   |
|--|---|
| “Second Restricted Share Award Scheme” | the restricted share award scheme approved and adopted by the Company on November 13, 2018 (as restated, supplemented and amended from time to time);   |
| “Shares(s)”                            | ordinary share(s) of US\$0.01953125 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company; |
| “Shareholder(s)”                       | holder(s) of the Share(s);  |
| “Share Option Scheme”                  | the share option scheme of the Company, approved and adopted by our Shareholders on December 19, 2017 and expired on December 31, 2018;   |
| “Stock Exchange”                       | The Stock Exchange of Hong Kong Limited;  |
| “U.S.” or “United States”              | the United States of America;   |
| “US\$” or “USD”                        | United States dollars, the lawful currency of the United States;  |
| “Vietnam”                              | the Socialist Republic of Vietnam;  |
| “VND”                                  | Vietnamese Dong, being the lawful currency of Vietnam;  |
| “YoY”                                  | year-on-year; and   |
| “%”                                    | percent.  |

By order of the Board  
**FIT Hon Teng Limited\***  
**LU Sung-Ching**  
*Chairman of the Board*

Hong Kong, March 12, 2026

*As of the date of this announcement, the Board comprises Mr. LU Sung-Ching, Mr. LU Pochin Christopher and Mr. PIPKIN Chester John as executive Directors, Mr. CHANG Chuan-Wang and Ms. HUANG Pi-Chun as non-executive Directors, and Mr. CURWEN Peter D, Mr. TANG Kwai Chang and Mr. CHAN Wing Yuen Hubert as independent non-executive Directors.*

\* *Incorporated in the Cayman Islands with limited liability under the name Foxconn Interconnect Technology Limited and carrying on business in Hong Kong as FIT Hon Teng Limited*