

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

2025 Interim Report



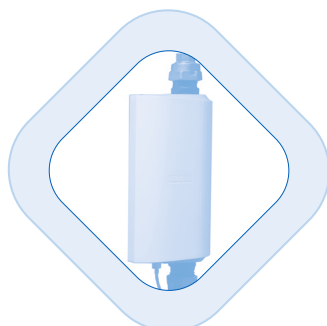
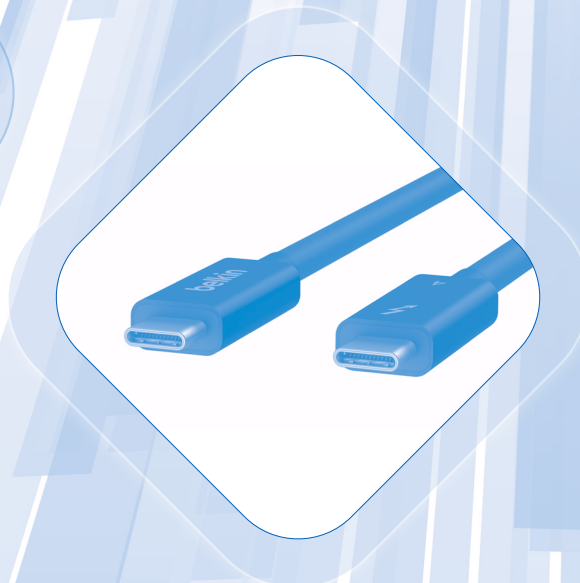
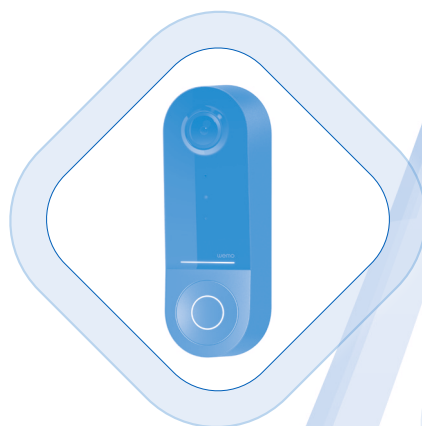
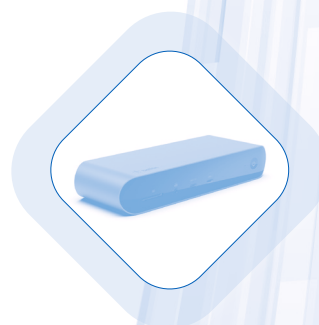
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The English text of this interim report shall prevail over the Chinese text in case of any inconsistency.



Corporate Information

LEGAL NAME OF THE COMPANY

FIT Hon Teng Limited (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)

PLACE OF LISTING AND STOCK CODE

The Stock Exchange of Hong Kong Limited
Stock code: 6088

DIRECTORS

Executive Directors

LU Sung-Ching (盧松青)
LU Pochin Christopher (盧伯卿)
PIPKIN Chester John

Non-executive Directors

CHANG Chuan-Wang (張傳旺)
HUANG Pi-Chun (黃碧君)

Independent non-executive Directors

CURWEN Peter D
TANG Kwai Chang (鄧貴彰)
CHAN Wing Yuen Hubert (陳永源)

JOINT COMPANY SECRETARIES

WONG Kenneth Tak-Kin (黃德堅)
NG Sau Mei (伍秀薇) (FCG, HKFCG)

AUDIT COMMITTEE

TANG Kwai Chang (鄧貴彰) (Chairman)
CURWEN Peter D
CHAN Wing Yuen Hubert (陳永源)

REMUNERATION COMMITTEE

CHAN Wing Yuen Hubert (陳永源) (Chairman)
TANG Kwai Chang (鄧貴彰)
CHANG Chuan-Wang (張傳旺)

NOMINATION COMMITTEE

LU Sung-Ching (盧松青) (Chairman)
CHAN Wing Yuen Hubert (陳永源)
CURWEN Peter D

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

CURWEN Peter D (Chairman)
PIPKIN Chester John
HUANG Pi-Chun

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants and
Registered Public Interest Entity Auditor

LEGAL ADVISOR

Sullivan & Cromwell (Hong Kong) LLP

PRINCIPAL BANKS

Citibank, Taiwan Limited
Bank of America, Taipei Branch

AUTHORIZED REPRESENTATIVES

LU Pochin Christopher (盧伯卿)

NG Sau Mei (伍秀薇)

SHARE REGISTRAR AND TRANSFER OFFICE

Principal

Conyers Trust Company (Cayman) Limited

Cricket Square

Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111

Cayman Islands

Hong Kong

Computershare Hong Kong Investor Services Limited

Shops 1712-1716, 17th Floor, Hopewell Centre

183 Queen's Road East, Wanchai

Hong Kong

REGISTERED OFFICE

Cricket Square

Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111

Cayman Islands

PRINCIPAL PLACE OF BUSINESS AND ADDRESS OF HEADQUARTERS

66-1, Chungshan Road

Tucheng District, New Taipei City 23680

Taiwan

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

31/F, Tower Two, Times Square

1 Matheson Street, Causeway Bay

Hong Kong

WEBSITE

<http://www.fit-foxconn.com>

Financial Highlights

	Six months ended June 30,		Change %
	2025	2024	
	USD'000 Unaudited	USD'000 Unaudited	
Key income statement items			
Revenue	2,304,962	2,066,760	11.5
Gross profit	428,517	421,193	1.7
Operating profit	105,119	93,175	12.8
Profit attributable to owners of the Company	31,511	32,524	(3.1)

	Six months ended June 30,		Change % point
	2025	2024	
	Unaudited	Unaudited	
Key financial ratios			
Gross profit margin	18.6%	20.4%	(1.8)
Operating profit margin	4.6%	4.5%	0.1
Margin of profit attributable to owners of the Company	1.4%	1.6%	(0.2)

	Six months ended June 30,	Year ended December 31,	Six months ended June 30,
	2025	2024	2024
Key operating ratios			
Average inventory turnover days ¹	92	87	90
Average trade receivables turnover days ²	71	71	72
Average trade payables turnover days ¹	71	73	68

- (1) Average inventory and trade payables turnover days are based on the average balance of such item divided by cost of sales for the relevant period and multiplied by the number of days in the relevant period. Average balance is calculated as the average of the beginning balance and ending balance of a given period. The number of days for the year ended December 31, 2024 is 365 days. The number of days for the six months ended June 30, 2025 is 181 days.
- (2) Average trade receivables turnover days are based on the average balance of trade receivables, which includes trade receivables due from third parties and trade receivables due from related parties, divided by revenue for the relevant period and multiplied by the number of days in the relevant period. Average balance is calculated as the average of the beginning balance and ending balance of a given period. The number of days for the year ended December 31, 2024 is 365 days. The number of days for the six months ended June 30, 2025 is 181 days.

Management Discussion and Analysis

BUSINESS OVERVIEW AND OUTLOOK

Business Overview

For the six months ended June 30, 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 details below in the section headed “Results of Operations”, our revenue amounted to US\$2,305 million, representing an increase of 11.5% as compared to the corresponding period in 2024, while net profit amounted to US\$30 million for the six months ended June 30, 2025. The net profit slightly decreased to US\$30 million for the six months ended June 30, 2025 from US\$33 million for the same period in 2024.

Smartphone component products continued to be our main source of revenue by end market. Due to the change in the product structure of high-end smartphones of branded companies, revenue generated from the smartphone end market for the six months ended June 30, 2025 decreased by 12.1% 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 simultaneously boosted the shipment volume of our existing general-purpose server products, leading 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 35.7% for the six months ended June 30, 2025 as compared to the same period in 2024.

For the consumer interconnects end market, consumer interconnect products experienced a strong quarter, 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 six months ended June 30, 2025, the revenue generated from the consumer interconnects end market increased by 14.3% as compared to the same period in 2024.

For the auto mobility end market, we successfully completed the acquisition of the Auto-Kabel Group on December 2, 2024. Auto-Kabel is headquartered in Hausen im Wiesental, Baden-Württemberg, Germany. They are a pioneer in the field of automotive power transmission. For further details, please refer to the announcement of the Company dated July 11, 2024. The acquisition will strengthen FIT Voltaira’s product portfolio in automotive power transmission systems, including advanced high and low voltage power transmission harnesses and busbars. For the six months ended June 30, 2025, revenue generated from the EV end-market increased by 102.3% compared to the corresponding period in 2024.

For the system products end market, there is an interruption in the upstream of the supply chain. As a result, shipment of wireless charging products for watches declined. In addition, the new wireless earphones of our brand customers no longer include charging cable as standard accessories. As a result, the shipment volume of charging cable products decreased. For the six months ended June 30, 2025, revenue generated from the system products end market decreased by 12.4% as compared to the same period in 2024.

INDUSTRY OUTLOOK AND BUSINESS PROSPECTS

Industry Outlook

With the popularization of AI applications, the global connector industry is undergoing rapid technical development which requires higher product bandwidth, power and compatibility, which enables connector products and cable products to be deployed in more application scenarios. In the future, for products across various application fields, we believe connectors and cables that have better compatibilities will be more popular in the market. In such an environment, we have seized emerging market opportunities and built brand awareness globally, thereby rapidly expanding our market share.

Smartphones. Although the global demand for smartphone is affected by inflation, with a decline in willingness to consume and potential downward trend in phone shipments, we remain positive on the high-end smartphone market and will continue to seize business opportunities for related components.

Cloud. The widespread adoption of 5G technology will significantly enhance network speed and capacity, supporting more device connections and lowering latency. This is crucial for real-time data processing in AI applications, supporting higher data transfer rates and a wider range of application scenarios. With the increase in IoT devices, edge consumer interconnects will become a key technology. It allows data to be processed close to the data source, reducing latency and improving efficiency. This is particularly important for AI applications that require rapid response. To support the demand for AI servers, global data centers will continue to expand and optimize. This includes adopting more efficient cooling technologies, using renewable energy to reduce carbon footprint, and increasing consumer interconnects power and storage capacity. As AI applications grow, the demand for dedicated AI hardware, such as TPUs, GPUs, and FPGAs, will increase. These hardware components can accelerate the training and inference processes of AI models, thereby improving overall performance. As the complexity of network infrastructure increases, cybersecurity will become a major concern. AI technology will be used to enhance security measures, detecting and defending against potential cyberattacks. Cloud consumer interconnects will continue to be a crucial pillar for AI servers, providing flexible resource management and scalability. Hybrid cloud solutions will allow enterprises to flexibly adjust resources between public and private clouds to meet different business needs. These trends indicate that global network infrastructure will become more intelligent, efficient and secure in the coming years, providing a solid foundation for the widespread deployment of AI servers and applications. We will focus on three major trends in data centers: higher energy efficiency, higher power conversion efficiency, and more open standard platforms, to meet customer demands for innovative connectors and create market potential.

Consumer Interconnects. The steady need for various connectors in the consumer interconnects end market has laid a solid foundation for the demand for connectors. We have also observed that the AI trend helps promote the upgrade of electronic products. However, due to the impact of overall economic uncertainty and inflation, corporate and consumer spending tends to be conservative, and market demand is expected to stabilize in 2025.

Auto Mobility. In the next ten years, be it traditional fuel vehicles, hybrid vehicles or electric vehicles, a large number of high-performance sensor wiring harness products and power wiring harness products is required to ensure the stability and reliability of a vehicle in terms of powertrain, energy supply, intelligent driving and safety monitoring. With the popularization of autonomous driving and intelligent networking technologies, the number of in-car sensors and control systems will continue to increase, further driving the demand for high-quality wiring harness products. Many countries are accelerating the construction of public charging stations to address consumers' range anxiety. Electric vehicles are seen as an important means of reducing carbon emissions in the transportation sector. With the increased use of renewable energy, the environmental benefits of electric vehicles will become more significant. The integration of electric vehicles with autonomous driving technology is considered one of the future trends in transportation. This will further change the way people travel, improving transportation efficiency and safety. These factors collectively drive the rapid development of electric vehicles and will have a profound impact on the global automotive market in the coming years.

System Products. The continuous pursuit of entertainment experience has driven the demand for acoustic and wireless fast charging products in the electronic consumer market, and the growth in the technology field in the coming year will lead to a potential growth trend for entertainment related system products.

Business Prospects

Driven by the overall industry prospects, we anticipate the connector industry to ride the AI wave and drive the recovery of consumer electronics industry, despite still being affected by uncertainties in the general environment in 2025. We would stick to our plan to continuously focus on 5GAIoT, acoustics and auto mobility end markets.

- *Smartphones.* We will closely monitor whether the smartphone shipments of brand companies will be affected by overall uncertainties. However, this end market is still expected to remain as a major source of revenue contribution.
- *Cloud.* As demand explodes for AI server and satellite communications, the development of network infrastructure has become crucial. The need for high-speed transmission of massive data will provide us with medium to long-term growth momentum. We focus on developing and producing high-speed connectors and cable modules to meet this surge in demand, expecting significant revenue growth and further consolidation of our leadership position in the market. At the same time, we are continuously investing in technological innovation and product development to ensure that we can provide the most advanced solutions to support future network infrastructure needs.
- *Consumer Interconnects.* We continue to see growth momentum from new component upgrades related to artificial intelligence (AI) in laptops and computing devices. However, the tariff situation led to uncertainty in shipments and limited order visibility in the supply chain. As a result, we will focus more on profitability rather than revenue growth.

Management Discussion and Analysis

- Auto Mobility.** At the end of 2024, we acquired Germany's Auto-Kabel Group to strengthen our presence in the automotive electrification sector. By leveraging Auto-Kabel's leading position and innovative capabilities in high-voltage electric vehicle systems, combined with our expertise in automotive wiring harness technology, we aim to achieve product and technology complementarity with Auto-Kabel Group. By integrating the resources of the German automotive business team who recently joined us, we intend to deepen relationships with automotive brand customers, expand distribution channels, develop technology, and integrate manufacturing. We believe that with our leading position in the development and production of interconnect solutions, we will be able to seize the opportunity of the transition from traditional ICE vehicles to new energy vehicles. Additionally, our strategic partnership with Hon Hai Group will also help us capture new opportunities in the future automotive electronics market. We believe that, with our leading position in the development and production of interconnect solutions, we will be able to tap into the emerging demand for electric vehicles. We also plan to increase our investments in developing in-vehicle electronic systems and key autonomous driving components.
- System Products.** The indirect effect of systemic risks dampened consumer confidence, resulting in persistently weak demand for system products. In addition, in response to potential upstream constraints, we have reallocated production of new products and adjusted our capacity to better 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. For the six months ended June 30, 2025, our revenue amounted to US\$2,305 million, representing a 11.5% increase from US\$2,067 million for the same period in 2024. Among the five main end markets, our revenue from (1) the smartphones end market decreased by 12.1%, (2) the cloud end market increased by 35.7%, (3) the consumer interconnects end market increased by 14.3%, (4) the auto mobility end market increased by 102.3%, and (5) the system products end market decreased by 12.4%. The following table sets forth our revenue by end markets in absolute amounts and as percentages of revenue for the half years indicated:

	For the Six Months Ended June 30,			
	2025		2024	
	US\$	%	US\$	%
(in thousands, except for percentages)				
Smartphones	365,123	15.8	415,228	20.1
Cloud	353,901	15.4	260,729	12.6
Consumer interconnects	432,403	18.8	378,226	18.3
Auto mobility	459,755	19.9	227,270	11.0
System products	588,516	25.5	671,576	32.5
Others	105,264	4.6	113,731	5.5
Total	2,304,962	100.0	2,066,760	100.0

Smartphones. The 12.1% decrease in revenue from the smartphones end market was primarily due to the change in the product structure of high-end smartphones of branded companies.

Cloud. The 35.7% 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. The revenue from the consumer interconnects end market increased by 14.3%, 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. The revenue from the auto mobility end market increased by 102.3%, which was primarily due to the completion of the acquisition of the German Auto-Kabel Group on December 2, 2024, a group specializing in automotive power transmission.

System Products. The revenue from the system products end market decreased by 12.4%, which was primarily due to an interruption in the upstream of the supply chain. As a result, shipment of wireless charging products for watches declined. 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.

Cost of Sales, Gross Profit and Gross Profit Margin

Our cost of sales increased by 14.0% from US\$1,646 million for the six months ended June 30, 2024 to US\$1,876 million for the same period 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 shipment of our interconnect solutions and other products. For the six months ended June 30, 2025, the increase was primarily driven by the increase in revenue after the acquisition of Auto-Kabel Group.

As a result of the foregoing, our gross profit increased by 1.7% from US\$421 million for the six months ended June 30, 2024 to US\$429 million for the same period in 2025, primarily due to the increase in revenue after the acquisition of Auto-Kabel Group. Our gross profit margin decreased from 20.4% for the six months ended June 30, 2024 to 18.6% for the same period in 2025, primarily due to the change of product mix and the impact of exchange rates.

Distribution Costs and Selling Expenses

Our distribution costs and selling expenses decreased by 8.3% from US\$62 million for the six months ended June 30, 2024 to US\$57 million for the same period in 2025, primarily due to the cost control measures conducted during the period.

Management Discussion and Analysis

Administrative Expenses

Our administrative expenses increased by 33.4% from US\$118 million for the six months ended June 30, 2024 to US\$158 million for the same period in 2025, primarily due to the administrative expenses incurred from the Auto-Kabel Group which was acquired at the end of 2024.

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 decreased by 4.9% from US\$172 million for the six months ended June 30, 2024 to US\$163 million for the same period in 2025, mainly due to fewer research and development activities during the period.

Operating Profit and Operating Profit Margin

As a result of the foregoing, our operating profit increased by 12.8% from US\$93 million for the six months ended June 30, 2024 to US\$105 million for the same period in 2025, primarily due to the diversified product portfolios. Our operating profit margin increased from 4.5% for the six months ended June 30, 2024 to 4.6% for the same period in 2025.

Income Tax Expense

We incur income tax expenses primarily through our operations in China, Taiwan, United States, and Vietnam. Our income tax expenses increased by 75.0% from US\$29 million for the six months ended June 30, 2024 to US\$50 million for the same period in 2025, which was primarily due to withholding tax expense resulting from the distribution of earnings out of the PRC subsidiaries during the period and the increase in operating profit for certain countries.

Profit for the Period

As a result of the increase in income tax expense, profit for the year decreased by 7.5% from US\$33 million for the six months ended June 30, 2024 to US\$30 million for the same period in 2025. Our profit margin decreased from 1.6% for the six months ended June 30, 2024 to 1.3% for the same period in 2025.

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 June 30, 2025, we had cash and cash equivalents of US\$1,101 million, compared to US\$1,113 million as of December 31, 2024. In addition, as of June 30, 2025, we had short-term bank deposits of US\$157 million, compared to US\$42 million as of December 31, 2024.

Management Discussion and Analysis

As of June 30, 2025, we had total bank borrowings of US\$1,823 million, including short-term borrowings of US\$1,209 million and long-term borrowings of US\$614 million, as compared to US\$1,538 million as of December 31, 2024, which comprised of 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, was 1.4 times as of June 30, 2025, compared to 1.4 times as of December 31, 2024. Our quick ratio, calculated using current assets less inventories divided by current liabilities, was 0.9 times as of June 30, 2025, compared to 1.0 times as of December 31, 2024. The decreases in our quick ratio was primarily due to the increase in inventories.

Cash Flow

For the six months ended June 30, 2025, our net cash generated from operating activities was US\$118 million, net cash used in investing activities was US\$352 million, and net cash generated from financing activities was US\$192 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.

For the six months ended June 30, 2025, our capital expenditures amounted to US\$275 million, as compared to US\$211 million for the same period in 2024. The capital expenditures for the six months ended June 30, 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 six months ended June 30, 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 six months ended June 30, 2025 was 92 days as compared to 90 days for the six months ended June 30, 2024. The longer inventory turnover days for the six months ended June 30, 2025 was primarily due to the change in product mix toward consumer products which have longer turnover periods.

Our inventories increased from US\$904 million as of December 31, 2024 to US\$989 million as of June 30, 2025, primarily due to the expansion of our business scale in general.

Provision for inventory impairment increased from US\$58 million as of December 31, 2024 to US\$62 million as of June 30, 2025, which is in line with the increase in the inventory balance during the period.

Management Discussion and Analysis

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 slightly decreased from 72 days for the six months ended June 30, 2024 to 71 days for the six months ended June 30, 2025. Our average number of trade receivables turnover days for related parties for the six months ended June 30, 2025 was 94 days as compared to 99 days in 2024.

Our trade receivables decreased from US\$910 million as of December 31, 2024 to US\$876 million as of June 30, 2025, primarily due to intrinsic seasonality of our business.

Trade Payables

Our trade payables primarily relate to the procurement of raw materials. Our average trade payables turnover days slightly increased from 68 days for the six months ended June 30, 2024 to 71 days for the six months ended June 30, 2025.

Our trade payables decreased from US\$774 million as of December 31, 2024 to US\$693 million as of June 30, 2025, primarily due to intrinsic seasonality of our business.

Major Capital Commitments

As of June 30, 2025, we had capital commitments of US\$37 million, which was primarily connected with the purchase of property, plant and equipment related to our production facilities and investments.

Contingent Liabilities

As of June 30, 2025, save as disclosed in the section headed “Pledge of Assets” below, we did not have any significant contingent liability, guarantee or any litigation against us that would have a material impact on our financial position or results of operations.

Gearing ratio

As of June 30, 2025, our gearing ratio, calculated as net debts (which are calculated as total borrowings less cash, cash equivalents and short term bank deposits) divided by total capital, was 22.1% as compared to 15.4% as of December 31, 2024.

PLEDGE OF ASSETS

As of June 30, 2025, (i) certain bank deposits totaling RMB8 million (approximately US\$1 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 totaling VND11,270 million (approximately US\$0.4 million) of New Wing Interconnect Technology (Bac Giang) Co., Ltd have been pledged as power purchase guarantee; and (iii) certain bank deposits totaling US\$0.8 million of Belkin International Inc. have been pledged as Travel and Entertainment (T&E) corporate card guarantee.

HUMAN RESOURCES AND REMUNERATION OF EMPLOYEES

As of June 30, 2025, we had approximately 68,970 employees, as compared to 61,720 employees as of December 31, 2024. Total employee benefit expenses including Directors' remuneration were US\$533 million, as compared to US\$461 million for the same period 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.

Management Discussion and Analysis

Our condensed consolidated interim 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 receivable 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 June 30, 2025, the nominal principal amount of our forward foreign exchange contracts was US\$540 million.

INTERIM DIVIDEND

The Board did not declare any interim dividend for the six months ended June 30, 2025.

Report on Review of Interim Financial Information



羅兵咸永道

To the Board of Directors of FIT Hon Teng Limited

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

Introduction

We have reviewed the interim financial information set out on pages 17 to 68, which comprises the interim condensed consolidated balance sheet of FIT Hon Teng Limited (the "Company") and its subsidiaries (together, the "Group") as at June 30, 2025 and the interim condensed consolidated income statement, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and notes, comprising material accounting policy information and other explanatory information. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting". The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Report on Review of Interim Financial Information

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, August 12, 2025

Interim Condensed Consolidated Income Statement

For the six months ended June 30, 2025

		For the six months ended June 30,	
		2025	2024
	Note	USD'000	USD'000
		(unaudited)	(unaudited)
Revenue	7	2,304,962	2,066,760
Cost of sales	10	(1,876,445)	(1,645,567)
Gross profit		428,517	421,193
Distribution costs and selling expenses	10	(56,813)	(61,980)
Administrative expenses	10	(158,075)	(118,492)
Research and development expenses	10	(163,135)	(171,606)
Impairment loss on financial assets		(2,201)	(102)
Other income	8	9,747	9,909
Other gains – net	9	47,079	14,253
Operating profit		105,119	93,175
Finance income		10,352	14,585
Finance costs		(35,239)	(40,022)
Finance costs – net		(24,887)	(25,437)
Share of results of associates and joint ventures		259	(6,343)
Profit before tax		80,491	61,395
Income tax expense	11	(50,278)	(28,723)
Profit for the period		30,213	32,672
Profit/(loss) attributable to:			
Owners of the Company		31,511	32,524
Non-controlling interests		(1,298)	148
		30,213	32,672
Earnings per share for profit attributable to owners of the Company (expressed in US cents per share)			
Basic earnings per share	12	0.44	0.46
Diluted earnings per share	12	0.44	0.46

The above condensed consolidated interim income statement should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended June 30, 2025

	For the six months ended June 30,	
	2025	2024
	USD'000 (unaudited)	USD'000 (unaudited)
Profit for the period	30,213	32,672
Other comprehensive income/(loss):		
<i>Item that may be reclassified subsequently to profit or loss</i>		
Currency translation differences	41,310	(84,546)
<i>Item that will not be reclassified subsequently to profit or loss</i>		
Fair value change in financial assets at fair value through other comprehensive income	(80)	94
Total other comprehensive income/(loss) for the period, net of tax	41,230	(84,452)
Total comprehensive income/(loss) for the period	71,443	(51,780)
Total comprehensive income/(loss) for the period attributable to:		
Owners of the Company	72,451	(51,855)
Non-controlling interests	(1,008)	75
	71,443	(51,780)

The above condensed consolidated interim statement of comprehensive income should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Balance Sheet

As at June 30, 2025

	Note	As at June 30, 2025 USD'000 (unaudited)	As at December 31, 2024 USD'000 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment	14	1,310,914	1,191,081
Investment property	15	6,377	6,338
Right-of-use assets		134,385	116,181
Intangible assets	16	705,697	728,476
Financial assets at fair value through other comprehensive income	17	34,730	34,796
Financial assets at fair value through profit or loss	18	44,251	48,652
Interests in associates and joint ventures	19	14,050	14,874
Deposits and prepayments	20	39,430	38,339
Deferred income tax assets		129,115	131,828
		2,418,949	2,310,565
Current assets			
Inventories		988,811	904,317
Trade receivables	20	876,017	909,692
Deposits, prepayments and other receivables	20	173,192	191,007
Financial assets at fair value through profit or loss	18	5,251	–
Income tax recoverable		16,502	–
Short-term bank deposits		157,005	41,803
Cash and cash equivalents		1,100,512	1,112,799
Total current assets		3,317,290	3,159,618
Total assets		5,736,239	5,470,183
EQUITY			
Equity attributable to owners of the Company			
Share capital	21	142,475	142,382
Treasury shares		(93,927)	(91,447)
Reserves		2,496,756	2,422,294

Interim Condensed Consolidated Balance Sheet

As at June 30, 2025

	Note	As at June 30, 2025 USD'000 (unaudited)	As at December 31, 2024 USD'000 (audited)
		2,545,304	2,473,229
Non-controlling interests		8,851	9,859
Total equity		2,554,155	2,483,088
LIABILITIES			
Non-current liabilities			
Bank borrowings	22	613,782	633,515
Lease liabilities		68,797	53,170
Deferred income tax liabilities		36,255	41,815
Deposits received and other payables	23	9,108	17,295
Total non-current liabilities		727,942	745,795
Current liabilities			
Trade and other payables	23	1,188,111	1,271,052
Contract liabilities		2,934	3,134
Lease liabilities		15,429	9,483
Bank borrowings	22	1,208,752	904,232
Current income tax liabilities		38,916	51,382
Financial liabilities at fair value through profit or loss	18	–	2,017
Total current liabilities		2,454,142	2,241,300
Total liabilities		3,182,084	2,987,095
Total equity and liabilities		5,736,239	5,470,183

The above condensed consolidated interim balance sheet should be read in conjunction with the accompanying notes.

The condensed consolidated interim financial information on pages 17 to 68 were approved by the Board of Directors on August 12, 2025 and were signed on its behalf by:

Mr. Sung-ching Lu

Mr. Pochin Christopher Lu

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended June 30, 2025

(unaudited)	Attributable to owners of the Company							
	Share premium						Non-controlling interests	Total equity
	Share capital	Treasury shares	and capital reserve	Other reserves	Retained earnings	Sub-total		
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000		
Balance as at January 1, 2025	142,382	(91,447)	618,516	(190,255)	1,994,033	2,473,229	9,859	2,483,088
Comprehensive income/(loss):								
– Profit/(loss) for the period	–	–	–	–	31,511	31,511	(1,298)	30,213
Other comprehensive income:								
– Exchange difference arising on the translation of foreign operations	–	–	–	41,020		41,020	290	41,310
– Fair value change in financial assets at fair value through other comprehensive income	–	–	–	(80)	–	(80)	–	(80)
Total comprehensive income/(loss)	–	–	–	40,940	31,511	72,451	(1,008)	71,443
Transactions with owners								
– Exercise of options issued under the share option scheme	93	–	2,011	–	–	2,104	–	2,104
– Shares purchased for share award scheme	–	(2,480)	–	–	–	(2,480)	–	(2,480)
– Appropriation of statutory reserves	–	–	–	6,397	(6,397)	–	–	–
Total transactions with owners, recognized directly in equity	93	(2,480)	2,011	6,397	(6,397)	(376)	–	(376)
Balance at June 30, 2025	142,475	(93,927)	620,527	(142,918)	2,019,147	2,545,304	8,851	2,554,155

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended June 30, 2025

(unaudited)	Attributable to owners of the Company							
			Share				Non-	
	Share	Treasury	and capital	Other	Retained		controlling	Total
	capital	shares	reserve	reserves	earnings	Sub-total	interests	equity
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Balance as at January 1, 2024	142,382	(91,859)	618,516	(84,423)	1,850,209	2,434,825	2,553	2,437,378
Comprehensive income								
– Profit for the period	–	–	–	–	32,524	32,524	148	32,672
Other comprehensive (loss)/income:								
– Exchange difference arising on the translation of foreign operations	–	–	–	(84,473)	–	(84,473)	(73)	(84,546)
– Fair value change in financial assets at fair value through other comprehensive income	–	–	–	94	–	94	–	94
Total comprehensive (loss)/income	–	–	–	(84,379)	32,524	(51,855)	75	(51,780)
Transactions with owners								
– Appropriation of statutory reserves	–	–	–	8,535	(8,535)	–	–	–
Total transactions with owners, recognized directly in equity	–	–	–	8,535	(8,535)	–	–	–
Balance at June 30, 2024	142,382	(91,859)	618,516	(160,267)	1,874,198	2,382,970	2,628	2,385,598

The above condensed consolidated interim statement of changes in equity should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended June 30, 2025

	For the six months ended June 30,	
	2025	2024
	USD'000	USD'000
	(unaudited)	(unaudited)
Cash flow from operating activities		
Cash generated from operations	201,800	21,914
Income tax paid	(83,994)	(63,636)
Net cash generated/(used in) from operating activities	117,806	(41,722)
Cash flow from investing activities		
Payments for the purchase of property, plant and equipment	(281,483)	(209,806)
Payments for the purchase of intangible assets	(2,252)	(1,112)
Payments for investments in financial assets at fair value through profit or loss	(231)	(767)
Proceeds from settlement on forward exchange contracts	8,680	4,664
Proceeds from disposal of property, plant and equipment	18,436	14,107
Proceeds from finance lease receivables	–	14,818
Proceeds from disposal of subsidiary	3,885	–
Increase in short-term bank deposits	(115,202)	(138,659)
Interest received	16,109	14,585
Net cash used in investing activities	(352,058)	(302,170)
Cash flow from financing activities		
Proceeds from issuance of ordinary shares	2,104	–
Shares purchased for share award scheme	(2,480)	–
Proceeds from bank borrowings	4,147,143	3,688,364
Repayment of bank borrowings	(3,909,635)	(3,546,746)
Principal elements of lease payments	(7,616)	(3,943)
Interest paid	(37,996)	(40,022)
Net cash generated from financing activities	191,520	97,653
Net decrease in cash and cash equivalents	(42,732)	(246,239)
Cash and cash equivalents at beginning of the period	1,112,799	1,316,364
Exchange difference on cash and cash equivalents	30,445	(44,473)
Cash and cash equivalents at end of the period	1,100,512	1,025,652

The above condensed consolidated interim statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Interim Condensed Consolidated Financial Information

1 General information of the Group

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 Group is principally engaged in the 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 condensed consolidated interim financial information is presented in United States Dollar (“USD”) unless otherwise stated.

2 Basis of preparation

The unaudited condensed consolidated interim financial information for the six months ended June 30, 2025 is prepared in accordance with International Accounting Standard (“IAS”) 34, “Interim Financial Reporting” and should be read in conjunction with the annual financial statements for the year ended December 31, 2024 (“Annual Financial Statements”), which has been prepared in accordance with International Financial Reporting Standards (“IFRS”).

3 Summary of material accounting policies

The accounting policies applied are consistent with those as described in the Annual Financial Statements, except for the adoption of new and amended standards as set out in note 3(i).

Notes to the Condensed Consolidated Interim Financial Information

3 Summary of material accounting policies (continued)

(i) Amendments to standards adopted by the Group

The Group has applied the following amendments to standards which are mandatory for the financial year beginning January 1, 2025 and are relevant to its operations:

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

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

(ii) New standards and amendments to standards which are not yet effective for this financial period and have not been early adopted by the Group

The Group has not early adopted the following new standards and amendments to standards that have been issued but are not yet effective for the period:

		Effective for accounting periods beginning on or after
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	January 1, 2026
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	January 1, 2026
IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	Annual improvements to IFRS Accounting Standards – Volume 11	January 1, 2026
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
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 Group will adopt the new standards and amendments to standards when they become effective. The Group are in the process of assessing the financial impact of the adoption of the above new standards and amendments to standards, none of which is expected to have a significant effect on the condensed consolidated interim financial information of the Group.

Notes to the Condensed Consolidated Interim Financial Information

4 Estimates

The preparation of condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group's Annual Financial Statements.

5 Financial risk management and financial instruments

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk and price risk), credit risk and liquidity risk.

The condensed consolidated interim financial information does not include all financial risks management information and disclosures required in the Annual Financial Statements, and should be read in conjunction with the Annual Financial Statements.

There have been no changes in the risk management policies since the year ended December 31, 2024.

(b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

As at June 30, 2025, the Group held deposits at banks and cash in hand of USD1,257,517,000 (as at December 31, 2024: USD1,154,602,000).

The Group monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet its operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. The Group expects to fund the future cash flow needs through internally generated cash flows from operations and borrowings from banks.

Notes to the Condensed Consolidated Interim Financial Information

5 Financial risk management and financial instruments (continued)

(b) Liquidity risk (continued)

(i) Financing arrangements

As at June 30, 2025 and December 31, 2024, the Group had the following bank borrowings:

	As at June 30, 2025 USD'000 (unaudited)	As at December 31, 2024 USD'000 (audited)
Floating rate – unsecured		
Expiring within one year	1,208,752	904,232
Expiring between one to five years	613,782	633,515
	1,822,534	1,537,747

(ii) Maturities of financial liabilities

The table below analyzes the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

At June 30, 2025
(unaudited)

	Less than 1 years USD'000	From 1 year to 2 years USD'000	From 2 years to 5 years USD'000	Over 5 years USD'000	Total contractual cash flows USD'000	Carrying amount USD'000
Trade and other payables (excluding employees benefits related payable and other taxes payable)	1,080,772	–	–	–	1,080,772	1,080,772
Lease liabilities	19,524	18,117	45,187	16,805	99,633	84,226
Borrowings	1,253,474	36,374	627,280	–	1,917,128	1,822,534

Notes to the Condensed Consolidated Interim Financial Information

5 Financial risk management and financial instruments (continued)

(b) Liquidity risk (continued)

(ii) Maturities of financial liabilities (continued)

At December 31, 2024

(audited)

	Less than 1 years USD'000	From 1 year to 2 years USD'000	From 2 years to 5 years USD'000	Over 5 years USD'000	Total contractual cash flows USD'000	Carrying amount USD'000
Trade and other payables (excluding employees benefits related payable and other taxes payable)	1,144,710	–	–	–	1,144,710	1,144,710
Lease liabilities	12,862	16,169	21,014	19,649	69,694	62,653
Bank borrowings	939,680	31,358	640,216	–	1,611,254	1,537,747
Financial liabilities at fair value through profit or loss	2,017	–	–	–	2,017	2,017

The amounts disclosed in the table are based on the contractual undiscounted cash flows, including interest payments computed using contractual rates. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

(iii) Available banking facilities

As at June 30, 2025, the Group had undrawn banking facilities of approximately USD1,605,000,000 (as at December 31, 2024: USD1,738,532,000). For details, please refer to Note 22.

(c) Fair value estimation

The Group's financial assets at fair value through profit or loss ("FVPL"), financial assets at fair value through other comprehensive income ("FVOCI") and financial liabilities at fair value through profit or loss ("FVPL") are carried at fair value while the carrying amounts of the Group's cash and cash equivalents, short-term bank deposits, finance lease receivables, trade receivables, deposits, other receivables, amounts due from related parties (non-trade) and, trade and other payables (excluding employees benefits related payable and other taxes payable), lease liabilities and bank borrowings approximate their fair values due to their short maturities and/or bear interest rate at market rates. The nominal values less estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.

Notes to the Condensed Consolidated Interim Financial Information

5 Financial risk management and financial instruments (continued)

(c) Fair value estimation (continued)

The table below analyzes the Group's financial instruments carried at fair values as at June 30, 2025 and December 31, 2024 by the level of inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

	Level 1 USD'000 (unaudited)	Level 2 USD'000 (unaudited)	Level 3 USD'000 (unaudited)	Total USD'000 (unaudited)
As at June 30, 2025				
Financial assets				
Financial assets at fair value through profit or loss	–	1,463	48,039	49,502
Financial assets at fair value through other comprehensive income	230	–	34,500	34,730
	230	1,463	82,539	84,232
As at June 30, 2025				
Financial liabilities				
Financial liabilities at fair value through profit or loss	–	–	–	–

Notes to the Condensed Consolidated Interim Financial Information

5 Financial risk management and financial instruments (continued)

(c) Fair value estimation (continued)

	Level 1	Level 2	Level 3	Total
	USD'000	USD'000	USD'000	USD'000
	(audited)	(audited)	(audited)	(audited)
As at December 31, 2024				
Financial assets				
Financial assets at fair value through profit or loss	–	–	48,652	48,652
Financial assets at fair value through other comprehensive income	310	–	34,486	34,796
	310	–	83,138	83,448
Financial liabilities				
Financial liabilities at fair value through profit or loss	–	2,017	–	2,017

There were no transfers among the levels 1, 2 and 3 during the six months ended June 30, 2025. There were also no changes made to any of the valuation techniques applied as of December 31, 2024.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required for evaluating the fair value of a financial instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. Specific valuation techniques used to value financial instruments mainly include:

- (a) The use of quoted market prices for similar instruments;
- (b) Other techniques, including discounted cash flow analysis, are used to determine fair value for financial instruments.

5 Financial risk management and financial instruments (continued)

(c) Fair value estimation (continued)

The Group has a team of personnel who monitor the valuation of the investments on these level 3 instruments for financial reporting purposes. The team would assess the fair value of each investment at least once semi-annually, which coincides with the Group's reporting dates. On an annual basis, the team would adopt various valuation techniques to determine the fair value of the Group's level 3 instruments with the assistance of external valuation experts.

The level 3 instruments mainly include investments in unlisted companies classified as FVPL or FVOCI. As these investments and instruments are not traded in an active market, a majority of their fair values have been determined using applicable valuation techniques including comparable transactions approach and other optional pricing approach. These valuation approaches require significant judgment, assumptions and inputs, including risk-free rates, expected volatility, relevant underlying financial projections, and market information of recent transactions (such as recent fund raising transactions undertaken by the investees) and other exposure, etc.

The changes and movement of financial instruments in level 3 for the six months ended June 30, 2025 and 2024 are as follows:

	For the six months ended June 30,	
	2025 USD'000 (unaudited)	2024 USD'000 (unaudited)
Financial assets		
At beginning of period	83,138	58,166
Addition	8,019	767
Disposal	(6,231)	–
Transfer	–	15,000
Fair value change	(2,498)	(5,127)
Exchange difference	111	(140)
At end of period	82,539	68,666

Notes to the Condensed Consolidated Interim Financial Information

6 Segment information

The 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, 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”) and Vietnam. Consumer products refers 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 or the other assets to the respective segments.

Segment revenue and results

For the six months ended June 30, 2025, the Group’s revenue by operating segment is as follows:

	Intermediate products USD'000 (unaudited)	Consumer products USD'000 (unaudited)	Total USD'000 (unaudited)
Revenue	2,071,695	286,745	2,358,440
Inter-segment revenue eliminations	(53,478)	–	(53,478)
Revenue from external customers	2,018,217	286,745	2,304,962
Gross profit			428,517
Unallocated:			
Operating expenses			(380,224)
Other income			9,747
Other gains – net			47,079
Finance costs – net			(24,887)
Share of results of associates and joint ventures			259
Profit before tax			80,491

Notes to the Condensed Consolidated Interim Financial Information

6 Segment information (continued)

Segment revenue and results (continued)

For the six months ended June 30, 2024, the Group's revenue by operating segment is as follows:

	Intermediate products USD'000 (unaudited)	Consumer products USD'000 (unaudited)	Total USD'000 (unaudited)
Revenue	1,838,626	300,845	2,139,471
Inter-segment revenue eliminations	(72,711)	–	(72,711)
Revenue from external customers	1,765,915	300,845	2,066,760
Gross profit			421,193
Unallocated:			
Operating expenses			(352,180)
Other income			9,909
Other gains – net			14,253
Finance costs – net			(25,437)
Share of results of associates and joint ventures			(6,343)
Profit before tax			61,395

Notes to the Condensed Consolidated Interim Financial Information

6 Segment information (continued)

Segment revenue and results (continued)

For the six months ended June 30, 2025 and 2024, revenue by product lines is as follows:

	For the six months ended June 30,	
	2025	2024
	USD'000 (unaudited)	USD'000 (unaudited)
Smartphones	365,123	415,228
Cloud	353,901	260,729
Consumer interconnects	432,403	378,226
System products	588,516	671,576
Auto mobility	459,755	227,270
Others	105,264	113,731
	2,304,962	2,066,760

The following categories of revenue by product lines has 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.

Notes to the Condensed Consolidated Interim Financial Information

6 Segment information (continued)

Segment revenue and results (continued)

For the six months ended June 30, 2025 and 2024, revenue by geographical areas is as follows:

	For the six months ended June 30,	
	2025	2024
	USD'000 (unaudited)	USD'000 (unaudited)
United States of America	812,496	906,525
The PRC	382,372	347,731
Taiwan	204,742	185,138
Hong Kong	109,406	114,257
Singapore	133,002	72,077
United Kingdom	51,030	44,032
Germany	79,629	37,071
Ireland	79,959	39,031
Others	452,326	320,898
	2,304,962	2,066,760

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

For the six months ended June 30, 2025, there were two customers (2024: two customers), which individually contributed over 10% of the Group's total revenue. During the period, the revenue contributed from these customers are as follows:

	For the six months ended June 30,	
	2025	2024
	USD'000 (unaudited)	USD'000 (unaudited)
Customer A	717,741	812,794
Customer B	284,238	244,853

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.

Notes to the Condensed Consolidated Interim Financial Information

6 Segment information (continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating segment:

As at June 30, 2025:

	Intermediate products USD'000 (unaudited)	Consumer products USD'000 (unaudited)	Total USD'000 (unaudited)
Assets			
Segment assets	2,065,814	843,261	2,909,075
Unallocated:			
Property, plant and equipment			1,310,914
Investment property			6,377
Right-of-use assets			134,385
Intangible assets			3,187
Financial assets at fair value through other comprehensive income			34,730
Financial assets at fair value through profit or loss			49,502
Interests in associates and joint ventures			14,050
Income tax recoverable			16,502
Short-term bank deposits			157,005
Cash and cash equivalents			1,100,512
Total assets			5,736,239
Liabilities			
Segment liabilities	1,120,573	154,751	1,275,324
Unallocated:			
Bank borrowings			1,822,534
Lease liabilities			84,226
Total liabilities			3,182,084

Notes to the Condensed Consolidated Interim Financial Information

6 Segment information (continued)

Segment assets and liabilities (continued)

As at December 31, 2024:

	Intermediate products USD'000 (audited)	Consumer products USD'000 (audited)	Total USD'000 (audited)
Assets			
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 comprehensive income			34,796
Financial assets at fair value through profit or loss			48,652
Interests in associates and joint ventures			14,874
Short-term bank deposits			41,803
Cash and cash equivalents			1,112,799
Total assets			5,470,183
Liabilities			
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			2,987,095

Notes to the Condensed Consolidated Interim Financial Information

6 Segment information (continued)

Segment assets and liabilities (continued)

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

	As at June 30, 2025 USD'000 (unaudited)	As at December 31, 2024 USD'000 (audited)
The PRC	516,152	531,388
Vietnam	382,515	311,365
India	321,512	265,866
United States of America	87,056	72,480
Germany	47,082	47,583
The Czech Republic	30,407	27,285
France	23,898	21,456
Mexico	21,233	19,787
Switzerland	18,232	16,428
Taiwan	12,991	11,455
Others	30,028	26,846
	1,491,106	1,351,939

7 Revenue

	For the six months ended June 30, 2025 USD'000 (unaudited)	2024 USD'000 (unaudited)
Sales of goods	2,265,680	2,042,107
Sales of scrap materials	35,148	23,953
Provisions of services	4,134	700
	2,304,962	2,066,760

Notes to the Condensed Consolidated Interim Financial Information

7 Revenue (continued)

The Group has recognized following liabilities related to contracts with customers as at June 30, 2025 and December 31, 2024.

	As at June 30, 2025 USD'000 (unaudited)	As at December 31, 2024 USD'000 (audited)
Contract liabilities – sales of goods	2,934	3,134

The amounts of the revenue recognized during the six months ended June 30, 2025 and 2024 related to carried-forward contract liabilities are:

	For the six months ended June 30, 2025 USD'000 (unaudited)	2024 USD'000 (unaudited)
Sales of goods	3,134	5,297

8 Other income

	For the six months ended June 30, 2025 USD'000 (unaudited)	2024 USD'000 (unaudited)
Government grants	2,401	4,624
Rental income from properties	1,655	2,023
Dividend income	1,186	–
Others	4,505	3,262
	9,747	9,909

Notes to the Condensed Consolidated Interim Financial Information

9 Other gains – net

	For the six months ended June 30,	
	2025	2024
	USD'000 (unaudited)	USD'000 (unaudited)
Net foreign currency exchange gains, net	57,845	16,548
Fair value gains/(losses) on financial assets at fair value through profit or loss	9,662	(3,919)
Net gains on disposal of property, plant and equipment	2,372	1,232
Impairment loss on goodwill (Note)	(20,942)	–
Others	(1,858)	392
	47,079	14,253

Note:

During the six month ended June 30, 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 calculation 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 June 30, 2025. Consequently, impairment losses on goodwill and property, plant and equipment of USD20,942,000 and USD5,380,000, respectively, have been charged to the interim condensed consolidated statement of comprehensive income.

Notes to the Condensed Consolidated Interim Financial Information

10 Expenses by nature

	For the six months ended June 30,	
	2025	2024
	USD'000 (unaudited)	USD'000 (unaudited)
Cost of inventories	1,203,449	1,097,956
Subcontracting expenses	39,795	37,954
Utilities	30,980	27,109
Employee benefit expenses	533,672	461,441
Amortization of intangible assets (Note 16)	16,590	15,439
Depreciation of property, plant and equipment (Note 14)	121,820	114,346
Depreciation of investment property (Note 15)	98	99
Depreciation of right-of-use assets	9,930	7,274
Mouldings and consumables	79,588	72,826
Legal and professional expenses	54,085	47,425
Delivery expenses	50,561	40,596
Other tax and related surcharges	8,905	6,352
Import and outport expenses	15,932	6,266
Repair and maintenance expenses	18,517	11,985
Impairment loss on property, plant and equipment	5,380	–
Others	65,156	50,577
Total cost of sales, distribution costs and selling expenses, administrative expenses and research and development expenses	2,254,468	1,997,645

Notes to the Condensed Consolidated Interim Financial Information

11 Income tax expense

Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rates expected for the full financial year. The amounts of income tax expense charged to the condensed consolidated interim income statement represent:

	For the six months ended June 30,	
	2025	2024
	USD'000 (unaudited)	USD'000 (unaudited)
Current income tax	43,617	31,325
Deferred income tax	(2,847)	(2,602)
Withholding tax	9,508	–
Income tax expense	50,278	28,723

(a) The PRC corporate income tax

The corporate income tax ("CIT") is calculated based on the statutory profit of the PRC subsidiaries in accordance with the PRC tax laws and regulations. The standard PRC CIT rate is 25% during the six months ended June 30, 2025 (for the six months ended June 30, 2024: 25%).

During the six months ended June 30, 2025, five (for the six months ended June 30, 2024: four) PRC subsidiaries of the Group are qualified for new/high-technology enterprises status and enjoyed preferential income tax rate of 15% (for the six months ended June 30, 2024: 15%).

One (for the six months ended June 30, 2024: one) of the PRC subsidiaries of the Group is qualified for a preferential income tax rate of 15% (for the six months ended June 30, 2024: 15%) under Notice of the Ministry of Finance, The General Administration of Customs and the State Administration of Taxation on the Taxation Policies for Deepening the Implementation of the Western Development Strategy during the period ended June 30, 2025 and 2024.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in the PRC. A lower withholding tax rate may be applied if there is a tax treaty between the PRC and the jurisdiction of the foreign investors. For the Group, the withholding tax rate was 5% on the remittance of dividends from the subsidiaries in the PRC.

11 Income tax expense (continued)

(b) Taiwan profit-seeking enterprise income tax

Taiwan profit-seeking enterprise income tax has been provided for at the rate of 20% on the estimated taxable income during the six months ended June 30, 2025 (for the six months ended June 30, 2024: 20%).

(c) Vietnam corporate income tax

Vietnam corporate income tax is calculated at the rate of 20% on taxable profits of the subsidiary in accordance with Vietnam Income Tax Act for the six months ended June 30, 2025 (for the six months ended June 30, 2024: 20%).

Pursuant to the Investment Registration Certificate, a subsidiary incorporated in Vietnam received tax incentives for supporting industries in which certain profit is calculated at the preferential tax rate of 10% during the six months ended June 30, 2025 (for the six months ended June 30, 2024: 10%).

(d) United States of America ("USA") corporate income tax

USA corporate income tax has been provided for at the statutory rate of 21% for the six months ended June 30, 2025 (for the six months ended June 30, 2024: 21%) on the estimated taxable profits of the subsidiaries incorporated in the USA.

Effective from the year ended December 31, 2022, research and development expenses incurred by the Group's entities in the USA, on or after January 1, 2022 will be deferred and be amortized over 5 to 15 years to deduct against the respective taxable income.

The corporate income taxes imposed by the United States possessions and foreign countries are generally allowed as a foreign tax credit on the related foreign sourced income under Internal Revenue Code Section 901 of the USA. The foreign tax credit is limited to the USA corporate income tax on foreign-sourced income.

(e) Other foreign countries income tax

Taxes on profits in other foreign countries, including UK, Hong Kong and Germany have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

Notes to the Condensed Consolidated Interim Financial Information

11 Income tax expense (continued)

(f) OECD Pillar Two model rules

The Group is within the scope of the OECD Pillar Two model rules. Pillar Two legislation was enacted in certain jurisdictions in which the subsidiaries of the Group are incorporated, and came into effect from January 1, 2025. For the six months ended June 30, 2025, the Group did not have material related current tax exposure.

Under the legislation, the Group is liable to pay a top-up tax for the difference between the Global Anti-Base Erosion Proposal ('GloBE') effective tax rate for each jurisdiction and the 15% minimum rate. Majority of the entities within the Group have an effective tax rate that exceeds 15%, except for certain subsidiaries that operates in Vietnam and Netherlands.

Considering the impact of Pillar Two exposure being immaterial, no additional provision is proposed by the management.

12 Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Company by the weighted average number of ordinary shares in issue, excluding treasury shares, during the six months ended June 30, 2025 and 2024.

	For the six months ended June 30,	
	2025 (unaudited)	2024 (unaudited)
Net profit attributable to the owners of the Company (USD'000)	31,511	32,524
Weighted average number of ordinary shares in issue (in thousands)	7,088,054	7,085,255
Basic earnings per share in US cents	0.44	0.46

(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 six months ended June 30, 2025, diluted earnings per share is the same with the earnings per share because the share option schemes are anti-dilutive (2024: same).

Notes to the Condensed Consolidated Interim Financial Information

13 Dividend

No interim dividend in respect of the six months ended June 30, 2025 has been declared as of the date of this report (for the six months ended June 30, 2024: nil).

14 Property, plant and equipment

	Property, plant and equipment USD'000 (unaudited)
For the six months ended June 30, 2025	
Net book value	
At beginning of the period	1,191,081
Additions	232,484
Disposals	(17,513)
Depreciation (Note 10)	(121,820)
Impairment loss	(5,380)
Exchange difference	32,062
At end of period	1,310,914
For the six months ended June 30, 2024	
Net book value	
At beginning of the period	899,787
Additions	163,991
Disposals	(12,875)
Depreciation (Note 10)	(114,346)
Exchange difference	(31,312)
At end of period	905,245

Notes to the Condensed Consolidated Interim Financial Information

15 Investment property

	Investment property USD'000 (unaudited)
For the six months ended June 30, 2025	
Net book value	
At beginning of the period	6,338
Depreciation (Note 10)	(98)
Exchange difference	137
At end of period	6,377
For the six months ended June 30, 2024	
Net book value	
At beginning of the period	6,738
Depreciation (Note 10)	(99)
Exchange difference	(185)
At end of period	6,454

Notes to the Condensed Consolidated Interim Financial Information

16 Intangible assets

	Intangible assets		
	Goodwill	Other intangible assets	Total
	USD'000	USD'000	USD'000
	(unaudited)	(unaudited)	(unaudited)
For the six months ended June 30, 2025			
Net book value			
At beginning of the period	490,504	237,972	728,476
Additions	–	2,252	2,252
Disposal of a subsidiary	(3,961)	–	(3,961)
Amortization (Note 10)	–	(16,590)	(16,590)
Impairment (Note 9)	(20,942)	–	(20,942)
Exchange difference	9,419	7,043	16,462
At end of period	475,020	230,677	705,697
For the six months ended June 30, 2024			
Net book value			
At beginning of the period	479,898	220,393	700,291
Additions	–	1,112	1,112
Amortization (Note 10)	–	(15,439)	(15,439)
Exchange difference	(2,555)	(2,591)	(5,146)
At end of period	477,343	203,475	680,818

Notes to the Condensed Consolidated Interim Financial Information

17 Financial assets at fair value through other comprehensive income

	For the six months ended June 30,	
	2025	2024
	USD'000 (unaudited)	USD'000 (unaudited)
At beginning of period	34,796	19,630
Fair value change	(80)	94
Exchange difference	14	(30)
At end of period	34,730	19,694

The financial assets at FVOCI represent the Group's investments in listed and private companies.

(i) Classification of financial assets at FVOCI

Financial assets at FVOCI comprise equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognize in this category. These are strategic investments and the Group considers this classification to be more relevant.

The financial assets were presented as non-current assets unless they will be matured, or management intended to dispose of them within 12 months from the balance sheet date.

Notes to the Condensed Consolidated Interim Financial Information

17 Financial assets at fair value through other comprehensive income (continued)

(ii) Analyzed by geographical areas

Analysis of financial assets at FVOCI by geographical areas is as follows:

	As at June 30, 2025 USD'000 (unaudited)	As at December 31, 2024 USD'000 (audited)
Equity investments in a listed company, stated at quoted market price:		
Taiwan	230	310
Equity investments in unlisted private entities based on the place of incorporation:		
United States of America	31,856	31,856
France	676	676
Taiwan	1,071	1,071
The PRC	697	683
Hong Kong	200	200
	34,500	34,486
	34,730	34,796

(iii) Dividend

During the six months ended June 30, 2025, there was USD1,186,000 dividend declared and distribution from the investments (for the six months ended June 30, 2024: Nil).

Notes to the Condensed Consolidated Interim Financial Information

18 Financial assets/liabilities at fair value through profit or loss

(i) Classification of financial assets/liabilities at FVPL

Financial assets designated at FVPL comprise unlisted convertible preferred shares, private fund investments and currency forward contracts.

Financial liabilities designated at FVPL comprise currency forward contracts.

The financial assets were presented as non-current assets unless they will be matured, or management intended to dispose of them within 12 months from the balance sheet date.

(ii) Financial assets/(liabilities) at FVPL

	As at June 30, 2025 USD'000 (unaudited)	As at December 31, 2024 USD'000 (audited)
Non-current assets		
Unlisted private fund investments	37,801	45,690
Unlisted private entity shares	2,962	2,962
Contingent consideration	3,488	–
	44,251	48,652
Current assets/(liabilities)		
Contingent consideration	3,788	–
Currency forward contracts (Note (a))	1,463	(2,017)
	5,251	(2,017)

Notes:

- (a) The aggregate notional principal amount of outstanding currency forward contracts as at June 30, 2025 was USD540,000,000 (as at December 31, 2024: USD235,000,000). The maturity dates of these currency forward contracts were in July 2025 (as at December 31, 2024: in January 2025). They are presented as current assets or liabilities if they are expected to be settled within 12 months after the balance sheet date.

Notes to the Condensed Consolidated Interim Financial Information

18 Financial assets/liabilities at fair value through profit or loss (continued)

(iii) Movement of financial instruments excluding currency forward contracts

	Non-current financial assets	
	For the six months ended June 30,	
	2025 USD'000 (unaudited)	2024 USD'000 (unaudited)
At beginning of period	48,652	38,709
Additions	4,231	767
Fair value change	(2,498)	(5,127)
Disposal	(6,231)	–
Transfer	–	15,000
Exchange difference	97	(121)
At end of period	44,251	49,228

(iv) Dividend

During the six months ended June 30, 2025 and the year ended December 31, 2024, there were no dividend declared by and distribution from the investments.

Notes to the Condensed Consolidated Interim Financial Information

19 Interests in associates and joint ventures

	As at June 30, 2025 USD'000 (unaudited)	As at December 31, 2024 USD'000 (audited)
Associates and joint ventures	14,050	14,874

Movements of interests in associates and joint ventures are analyzed as follows:

	For the six months ended June 30, 2025 USD'000 (unaudited)	2024 USD'000 (unaudited)
At beginning of period	14,874	73,193
Share of results	259	(6,343)
Disposal	(2,000)	–
Exchange difference	917	–
At end of period	14,050	66,850

Note:

During the six months ended June 30, 2025, the Group disposed the entire equity interests in Linksys Holding Inc., an investment in associate of the Group, to an independent third party and no material gain or loss was recognised.

Notes to the Condensed Consolidated Interim Financial Information

20 Trade and other receivables

	As at June 30, 2025 USD'000 (unaudited)	As at December 31, 2024 USD'000 (audited)
Trade receivables due from third parties	735,845	774,354
Trade receivables due from related parties (Note 26)	149,630	142,481
Total trade receivables – gross	885,475	916,835
Less: loss allowances for impairment of trade receivables	(9,458)	(7,143)
Total trade receivables – net	876,017	909,692
Deposits and prepayments to third parties	74,637	62,884
Prepayments to related parties	2,689	2,465
Other receivables	85,438	101,571
Amounts due from related parties (Note 26)		
– Hon Hai related parties	6,676	7,241
– Associate	–	22,305
Value added tax recoverable	43,182	32,880
	212,622	229,346
Less: non-current portion		
Deposits and prepayments	(39,430)	(38,339)
	173,192	191,007
Current portion	1,049,209	1,100,699

For trade receivables, the credit period granted to third parties and related parties are ranging from 45 to 90 days.

Notes to the Condensed Consolidated Interim Financial Information

20 Trade and other receivables (continued)

As at June 30, 2025 and December 31, 2024 the aging analysis of trade receivables based on invoice date, before loss allowance for impairment of trade receivables, is as follows:

	As at June 30, 2025 USD'000 (unaudited)	As at December 31, 2024 USD'000 (audited)
Trade receivables – gross		
Within 3 months	792,223	834,105
3 months to 1 year	85,714	76,627
Over 1 year	7,538	6,103
	885,475	916,835

21 Share capital

	Number of ordinary shares (thousand) (Unaudited)	Amount USD'000 (Unaudited)
Authorized:		
As at January 1, 2025 and June 30, 2025	15,360,000	300,000
As at January 1, 2024 and June 30, 2024	15,360,000	300,000
Issued and fully paid:		
As at January 1, 2025	7,289,949	142,382
Exercise of options issued under the share option scheme	4,790	93
As at June 30, 2025	7,294,739	142,475
As at January 1, 2024 and June 30, 2024	7,289,949	142,382

Notes to the Condensed Consolidated Interim Financial Information

22 Bank borrowings

	As at June 30, 2025 USD'000 (unaudited)	As at December 31, 2024 USD'000 (audited)
Non-current		
Bank borrowings, unsecured	613,782	633,515
Current		
Bank borrowings, unsecured	1,208,752	904,232
	1,822,534	1,537,747

As at June 30, 2025, the Group drew down USD1,822,534,000 (as at December 31, 2024: USD1,537,747,000) from the total borrowing and overdraft facilities of approximately USD3,427,534,000 (as at December 31, 2024: USD3,276,279,000) granted by banks.

As at June 30, 2025, the Group's weighted average interest rate for the unsecured bank borrowings was 3.67% (as at December 31, 2024: 3.87%) per annum.

As at June 30, 2025, the carrying amount of bank borrowings approximates their fair value as the interest payable on these borrowings is either close to current market rates or the borrowings are of a short-term nature.

Loan covenants

The Group is required to comply with the following financial covenants for certain bank borrowing of USD599,333,000 as at June 30, 2025 (USD619,133,000 as at December 31, 2024):

- (a) the current ratio must be more than 100%, and
- (b) the gearing ratio (total bank borrowings less cash and cash equivalents and short-term bank deposits to total equity excluding intangible assets) must be not more than 100%, and
- (c) the ratio of net finance cost to EBITDA must not be more than 20%.

Notes to the Condensed Consolidated Interim Financial Information

22 Bank borrowings (continued)

Loan covenants (continued)

The Group has complied with these covenants throughout the reporting period. As at June 30, 2025, the current ratio was 135% (as at December 31, 2024: 141%), the adjusted gearing ratio was 30.6% (as at December 31, 2024: 21.8%) and the ratio of net finance cost to EBITDA was 9% (as at December 31, 2024: 9%).

There are no indication that the Group may have difficulties complying with the covenants in the coming future.

23 Trade and other payables

	As at June 30, 2025 USD'000 (unaudited)	As at December 31, 2024 USD'000 (audited)
Trade payables due to third parties	601,898	702,449
Trade payables due to related parties (Note 26)	90,874	72,008
Total trade payables	692,772	774,457
Amounts due to related parties (Note 26)	9,951	33,714
Staff salaries, bonuses and welfare payables	111,669	136,041
Deposits received, other payables and accruals	382,827	344,135
	1,197,219	1,288,347
Less: non-current portion	(9,108)	(17,295)
Current portion	1,188,111	1,271,052

Notes to the Condensed Consolidated Interim Financial Information

23 Trade and other payables (continued)

As at June 30, 2025 and December 31, 2024, the aging analysis of the trade payables to third parties and related parties of trading in nature based on invoice date is as follows:

	As at June 30, 2025 USD'000 (unaudited)	As at December 31, 2024 USD'000 (audited)
Within 3 months	681,476	731,654
3 months to 1 year	10,147	38,920
Over 1 year	1,149	3,883
	692,772	774,457

24 Share-based payments

(a) Share options scheme

In December 2018, the Company granted certain eligible employees an aggregated 41,763,000 share options at an exercise price of HK\$3.422 per share (equivalent to USD0.44 per share).

All the share options granted have been vested as of June 30, 2025 and December 31, 2024.

The fair value of the options determined using the Black-Scholes model at the date of the grant was approximately USD6,139,000.

Certain share options have lapsed during the vesting period. No share-based payment expense was incurred under this scheme for the six months ended June 30, 2025 (for the six months ended June 30, 2024: nil).

Notes to the Condensed Consolidated Interim Financial Information

24 Share-based payments (continued)

(a) Share options scheme (continued)

Set out below are summaries of options granted under the plan:

	For the six months ended June 30,	
	2025	2024
	Number of	Number of
	shares options (‘000) (unaudited)	shares options (‘000) (unaudited)
Balance as at beginning of period	15,810	15,953
Exercise during the period	(4,790)	–
Lapsed during the period	(160)	(80)
Balance as at end of period	10,860	15,873
Vested and exercisable at end of period	10,860	15,873

During the six months ended June 30, 2025, 4,790,000 shares of options were exercised (for the six months ended June 30, 2024: nil).

As at June 30, 2025 and December 31, 2024, the outstanding share options have the following expiry dates:

Grant date	Expiry date	As at	As at
		June 30, 2025	December 31, 2024
		Share options (‘000)	Share options (‘000)
December 28, 2018	December 29, 2025	10,860	15,810
Weighted average remaining contractual life of options outstanding at end of period/year		0.5 year	1 year
Weighted average share price at the time of exercise of options during the period/year		\$0.48	Not applicable

Notes to the Condensed Consolidated Interim Financial Information

24 Share-based payments (continued)

(b) Share award schemes (Treasury shares)

	As at			
	June 30, 2025 Shares (‘000) (unaudited)	December 31, 2024 Shares (‘000) (audited)	June 30, 2025 USD’000 (unaudited)	December 31, 2024 USD’000 (audited)
Restricted share award scheme ("2018 scheme")	199,555	199,555	89,151	89,151
Second restricted share award scheme ("2019 scheme")	10,301	3,110	4,776	2,296
	209,856	202,665	93,927	91,447

	2018 scheme		2019 scheme	
	Number of Shares (‘000) (unaudited)	USD’000 (audited)	Number of Shares (‘000) (unaudited)	USD’000 (audited)
Balance as at January 1, 2024 and June 30, 2024	201,690	89,785	3,004	2,074
Balance as at January 1, 2025	199,555	89,151	3,110	2,296
Acquisition of treasury shares during the period	–	–	7,191	2,480
Balance as at June 30, 2025	199,555	89,151	10,301	4,776

24 Share-based payments (continued)

(b) Share award schemes (Treasury shares) (continued)

(i) 2018 scheme

On May 21, 2018, the Company adopted the restricted share award scheme to provide incentive to encourage participants to contribute to the Group. The restricted share award scheme are subject to the terms of the scheme and the listing rules of the Main Board of the Hong Kong Stock Exchange. Existing shares of the Company will be purchased by an independent trustee from the market out of cash contributed by the Group and be held in trust until such shares are awarded and vested in accordance with the provisions of the share award scheme.

No shares shall be purchased pursuant to the share award scheme if as a result of such purchase, the number of shares administered under the share award scheme shall exceed 10% of the issued capital of the Company. The maximum number of shares which may be granted to a participant at any one time or in the aggregate may not exceed 1% of the issued capital of the Company at the adoption date.

Subject to any early termination as may be determined by the board, the share award scheme shall be valid and effective for a period of 10 years commencing on the adopting date.

During the six months ended June 30, 2025, no treasury shares were purchased from the market under this share award scheme. During the six months ended June 30, 2025, the Group did not award any treasury shares to eligible employees.

24 Share-based payments (continued)

(b) Share award schemes (Treasury shares) (continued)

(ii) 2019 scheme

In March 2019, the Company adopted the second restricted share award scheme (the “Second Scheme”) to provide incentive to encourage the participating employees to contribute to the Group. The Second Scheme is operated by the administration committee and the Trustee in accordance with the scheme rules and the trust deed. The Trustee shall hold the trust fund in accordance with the terms of the Trust Deed.

No shares shall be purchased pursuant to the Second Scheme if as a result of such purchase, the number of Shares administered under the Second Scheme shall exceed 674,353,688 shares, being 10% of the issued share capital of the Company at the date of the adoption of the Second Scheme, or such other limit as determined by the administration committee at its sole discretion. The maximum number of award shares which may be granted to a selected participant at any one time or in the aggregate may not exceed 67,435,368 shares, being 1% of the issued share capital of the Company on the same date.

Subject to any early termination as may be determined by the board, the Second Scheme shall remain valid and effective for a period of ten years commencing on March 26, 2019.

During the six months ended June 30, 2025, 7,191,000 treasury shares were purchased at a consideration of approximately USD2,480,000 from the market under the Second Scheme.

During the six months ended June 30, 2025, the Group did not award any treasury shares to eligible employees.

Notes to the Condensed Consolidated Interim Financial Information

25 Commitments

(a) Capital commitments

Capital commitments contracted for on each balance sheet date but not yet incurred are as follows:

	As at June 30, 2025 USD'000 (unaudited)	As at December 31, 2024 USD'000 (audited)
Investments in funds	6,645	14,444
Property, plant and equipment	30,777	23,578
	37,422	38,022

(b) Operating leases rental receivables – the Group as lessor

As at June 30, 2025, minimum lease payments receivable under non-cancellable operating leases of properties not recognized are as follows:

	As at June 30, 2025 USD'000 (unaudited)	As at December 31, 2024 USD'000 (audited)
No later than 1 year	1,658	2,025
Later than 1 year and no later than 2 years	266	227
Later than 2 years and no later than 5 years	594	407
Later than 5 years	1,094	1,366
	3,612	4,025

Notes to the Condensed Consolidated Interim Financial Information

26 Related-party transactions

In addition to the information disclosed elsewhere in the condensed consolidated interim financial information, the following transactions took place between the Group and its related parties, which are mainly Hon Hai, subsidiaries of Hon Hai and associates of Hon Hai, at terms agreed between the parties.

(a) The following transactions were carried out with related parties:

	For the six months ended June 30,	
	2025	2024
	USD'000 (unaudited)	USD'000 (unaudited)
(i) Sales of goods and services		
– Subsidiaries of Hon Hai	188,845	167,147
– Associates of Hon Hai	92,084	74,616
– Hon Hai	3,309	2,088
	284,238	243,851
(ii) Purchase of goods		
– Subsidiaries of Hon Hai	161,921	164,770
– Associates of Hon Hai	24,480	26,940
– Hon Hai	1,724	2,958
	188,125	194,668
(iii) Purchase of property, plant and equipment and right-of-use assets		
– Subsidiaries of Hon Hai	605	664
– Associates of Hon Hai	1,570	399
– Hon Hai	–	94
	2,175	1,157

Notes to the Condensed Consolidated Interim Financial Information

26 Related-party transactions (continued)

(a) The following transactions were carried out with related parties: (continued)

	For the six months ended June 30,	
	2025	2024
	USD'000 (unaudited)	USD'000 (unaudited)
(iv) Subcontracting expenses		
– Subsidiaries of Hon Hai	137	618
– Associates of Hon Hai	26	–
– Hon Hai	1	–
	164	618
(v) Molding costs		
– Subsidiaries of Hon Hai	3,288	3,887
– Associates of Hon Hai	16	28
– Hon Hai	–	1
	3,304	3,916
(vi) Rental income		
– Subsidiaries of Hon Hai	674	654
– Associates of Hon Hai	664	610
	1,338	1,264

Notes to the Condensed Consolidated Interim Financial Information

26 Related-party transactions (continued)

(a) The following transactions were carried out with related parties: (continued)

	For the six months ended June 30,	
	2025	2024
	USD'000 (unaudited)	USD'000 (unaudited)
(vii) Rental expenses		
– Subsidiaries of Hon Hai	1,294	984
– Hon Hai	–	486
– Associates of Hon Hai	543	148
	1,837	1,618
(viii) Key management compensation		
– Salaries, housing allowances, other allowances and benefits in kind	1,640	1,613
– Contributions to pension schemes	23	21
	1,663	1,634

The related party transactions as set out under (i) to (viii) above were carried out on terms mutually agreed between the parties. In the opinion of the directors of the Company, these transactions are in the ordinary course of business of the Group and in accordance with the terms of the underlying agreements.

Notes to the Condensed Consolidated Interim Financial Information

26 Related-party transactions (continued)

(b) Balances with related parties:

Amounts due from related parties:

	As at June 30, 2025 USD'000 (unaudited)	As at December 31, 2024 USD'000 (audited)
(i) Trade receivables:		
– Hon Hai	2,759	2,250
– Subsidiaries of Hon Hai	88,870	80,771
– Associates of Hon Hai	58,001	59,460
	149,630	142,481
(ii) Other receivables:		
– Hon Hai	5,367	5,186
– Subsidiaries of Hon Hai	1,042	1,862
– Associates of Hon Hai	267	193
	6,676	7,241
– Associate	–	22,305
	6,676	29,546
(iii) Prepayments:		
– Subsidiaries of Hon Hai	2,560	2,287
– Associates of Hon Hai	129	178
	2,689	2,465

Notes to the Condensed Consolidated Interim Financial Information

26 Related-party transactions (continued)

(b) Balances with related parties: (continued)

Amounts due to related parties:

	As at June 30, 2025 USD'000 (unaudited)	As at December 31, 2024 USD'000 (audited)
(i) Trade payables:		
– Hon Hai	299	366
– Subsidiaries of Hon Hai	77,615	60,612
– Associates of Hon Hai	12,960	11,030
	90,874	72,008
(ii) Other payables:		
– Hon Hai	441	540
– Subsidiaries of Hon Hai	8,193	13,583
– Associates of Hon Hai	1,317	19,591
	9,951	33,714

Note:

The above balances with related parties were unsecured, interest-free and repayable on demand. The carrying amounts of these balances approximated their fair values.

Notes to the Condensed Consolidated Interim Financial Information

27 Pledge of assets

As of June 30, 2025, bank deposits totalling USD2,317,000 (December 31, 2024: USD1,329,000) have been pledged, among them, USD1,075,000 (December 31, 2024: USD1,085,000) have been pledged as customs guarantee, USD428,000 (December 31, 2024: USD244,000) have been pledged as power purchase guarantee, and certain bank deposits totalling USD814,000 (December 31, 2024: Nil) of Belkin International Inc. have been pledged as Travel and Entertainment (T&E) corporate card guarantee.

28 Events occurring after the reporting period

There were no material subsequent events that might affect the Group.

Other Information

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As of June 30, 2025, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under the provisions of the SFO), or which were required to be entered in the register required to be kept by the Company under section 352 of the SFO, or which had otherwise been notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

(i) Long positions in the Shares

Name of Director	Capacity and nature of interest	Number of Shares held	Approximate percentage of shareholding
LU Sung-Ching (盧松青)	Beneficial owner	420,651,000	5.77%
LU Pochin Christopher (盧伯卿)	Beneficial owner	12,512,000	0.17%
PIPKIN Chester John	Beneficial owner	1,790,000	0.02%

Other Information

(ii) Long position in the share capital or debentures of the associated corporations of the Company

Name of Director	Name of associated corporation of the Company	Capacity and nature of interest	Number of shares in the associated corporation	Approximate percentage of shareholding in the associated corporation
LU Sung-Ching (盧松青)	Hon Hai	Beneficial owner	2,400	0.000017%
		Interests of spouse	3,523	0.000025%
CHANG Chuan-Wang (張傳旺)	Hon Hai	Beneficial owner	17,000	0.000123%
HUANG Pi-Chun (黃碧君)	Hon Hai	Beneficial owner	2,000	0.000014%

Save as disclosed above, as of June 30, 2025, none of the Directors or chief executives of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were entered in the register required to be kept by the Company under section 352 of the SFO, or which had otherwise been notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

During the six months ended June 30, 2025, there were no rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective spouses or minor children, nor were there any such rights exercised by the Directors; nor was the Company, or any of its holding companies, fellow subsidiaries, and subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As of June 30, 2025, according to the register kept by the Company pursuant to section 336 of the SFO and, so far as was known to the Directors or chief executives of the Company, the persons or entities, other than a Director or chief executive of the Company, who had an interest or a short position in the Shares or the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other company which is a subsidiary of the Company or in any options in respect of such share capital, were as follows:

Long positions in the Shares

Name of Shareholder	Capacity and nature of interest	Number of Shares held	Approximate percentage of shareholding
Hon Hai	Interest in controlled corporation ¹	5,179,557,888	71.00%
Foxconn (Far East) Limited ("Foxconn Far East Cayman")*	Interest in controlled corporation ²	5,179,557,888	71.00%
Foxconn (Far East) Limited ("Foxconn Far East Hong Kong")**	Beneficial owner	5,179,557,888	71.00%

* Foxconn Far East Cayman is an exempted company incorporated in the Cayman Islands with limited liability on January 25, 1996 which owns 100% of the issued shares of Foxconn Far East Hong Kong.

** Foxconn Far East Hong Kong is a limited liability company incorporated in Hong Kong on December 29, 1988.

Notes:

- Hon Hai holds the entire issued share capital of Foxconn Far East Cayman, which in turn holds the entire issued share capital of Foxconn Far East Hong Kong.
- Foxconn Far East Cayman holds the entire issued share capital of Foxconn Far East Hong Kong, which in turn holds 5,179,557,888 Shares.

Save as disclosed above, as of June 30, 2025, the Company had not been notified by any persons (other than the Directors or chief executives of the Company) who had interests or short positions in the Shares or underlying Shares which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be and were recorded in the register required to be kept by the Company under section 336 of the SFO.

SHARE OPTION SCHEME

The Share Option Scheme was conditionally approved and adopted by our Shareholders on December 19, 2017 (the “Adoption Date”). The terms of the Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules. The purpose of the Share Option Scheme is to enable the Group to offer valuable incentive to attract and retain quality personnel to work towards enhancing the value and attaining the long-term objectives of the Group.

The Board may, in its absolute discretion, offer to grant an option (an “Option”) to any director or employee of the Group, any customer of or supplier of goods or services to the Group, any customer of or supplier of goods or services to any entity in which the Group holds any equity interest (an “Invested Entity”), or any person or entity that provides research, development or technical support to the Group or any Invested Entity (each of whom a “Qualified Participant”). An offer for an Option must be accepted by the relevant Qualified Participant on a date not later than five business days after the Option is offered to a Qualified Participant. An amount of HK\$1.00 is payable as consideration for acceptance of the grant.

The maximum number of Shares which may be issued upon the exercise of all Options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company shall not exceed 130,000,000 Shares, representing approximately 1.9% of the share capital of the Company in issue at the Adoption Date (the “Option Limit”) provided that:

- (i) the Company may seek approval by Shareholders in a general meeting to refresh the Option Limit; and
- (ii) the Company may seek separate Shareholders’ approval in a general meeting to grant Options beyond the Option Limit provided that the Options in excess of the Option Limit are granted only to Qualified Participants specifically identified by the Company before such approval is sought,

subject to the limitation that the maximum number of Shares which may be issued or issuable upon exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company shall not exceed 30% of the issued share capital of the Company from time to time.

The maximum number of Shares (issued and to be issued upon the exercise of Options) in respect of which Options may be granted under the Share Option Scheme to any one grantee in any 12-month period shall not exceed 1% of the share capital of the Company in issue unless the Shareholders’ approval has been obtained in accordance with the Listing Rules.

The Share Option Scheme was in force from the Adoption Date up to (and including) December 31, 2018. As of the Latest Practicable Date, the Share Option Scheme has expired. A grantee may subscribe for Shares during such period as may be determined by the Directors (which shall not be more than 10 years from the date of grant of the relevant Option and may include the minimum period, if any, for which an Option must be held before it can be exercised). The Directors may, at their absolute discretion, specify at the time of the grant, the performance targets (if any) that must be achieved before the Option can be exercised.

The exercise price of an Option shall not be less than the higher of (i) the closing price per Share as stated in the Stock Exchange's daily quotations sheet on the date of the grant of the Option; (ii) the average closing price per Share as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the date of the grant of the Option; and (iii) nominal value of the Shares.

For further details about the Share Option Scheme, please refer to the Company's circular dated December 4, 2017.

As of June 30, 2025, details of the interests of other employee participants under the Share Option Scheme are set out below:

Number of share options										Closing price of the Shares immediately before the date on which the share options were granted HK\$	Exercise price of share options HK\$	Weighted average closing price of the Shares immediately before the date(s) on which share options were exercised HK\$	Fair value of share options at date of grant ⁴ HK\$
Name or category of participant	Total number of share options granted	Outstanding as of January 1, 2025	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period	Balance as of June 30, 2025 ¹	Date of grant of share options ²	Exercise period of share options (both dates inclusive) ³				
<i>Other employee participants</i>	31,580,000	15,810,000	–	4,790,000	160,000	–	10,860,000	December 28, 2018	25%: December 28, 2019 to December 28, 2025; 25%: December 28, 2020 to December 28, 2025; 25%: December 28, 2021 to December 28, 2025; 25%: December 28, 2022 to December 28, 2025	3.380	3.422	3.85	N/A
	31,580,000	15,810,000	–	4,790,000	160,000	–	10,860,000						

Other Information

Notes:

1. The total number of Shares available for issue under the Share Option Scheme is 10,860,000 Shares, representing approximately 0.15% of the issued Shares (excluding treasury Shares) as of the Latest Practicable Date.
2. As the Share Option Scheme has expired, (i) there were no share options available for grant under the Share Option Scheme during the six months ended June 30, 2025 and (ii) the disclosure of fair value is not applicable.
3. The share options were vested on every December 28 of each exercise period. For details, please refer to Note 24(a) to the interim condensed consolidated financial information.

Save as disclosed above, the Company has not entered into any other share option scheme.

RESTRICTED SHARE AWARD SCHEMES

The First Restricted Share Award Scheme

The First Restricted Share Award Scheme was approved and adopted by the Company on January 31, 2018 and amended on May 15, 2018. The purpose of the First Restricted Share Award Scheme is to recognize the contributions by the selected participants, to give them incentives to achieve performance goals, and to attract suitable personnel for further development of the Group. The selected participants under the First Restricted Share Award Scheme include any individual being an employee, officer, agent or consultant of the Company or any subsidiary of the Company, who is not (i) a core connected person of the Company (as defined under the Listing Rules) or (ii) a person who is not recognized by the Hong Kong Stock Exchange as a member of “the public” under Rule 8.24 of the Listing Rules.

The maximum number of Shares which may be administered under the First Restricted Share Award Scheme shall not exceed 673,385,488 Shares, representing approximately 10% of the share capital of the Company as of the date of the Board’s approval of the First Restricted Share Award Scheme and approximately 9.23% of the share capital of the Company as of the Latest Practicable Date, or such other limit as determined by the administration committee of the First Restricted Share Award Scheme at its sole discretion. The maximum number of Shares which may be granted to a selected participants at any one time or in aggregate may not exceed 67,338,548 Shares, being 1% of the issued share capital of the Company as of the date of the Board’s approval of the First Restricted Share Award Scheme.

The First Restricted Share Award Scheme remains valid and effective for a period of ten years from the date of the Board’s approval of the First Restricted Share Award Scheme, up to (and including) January 31, 2028, and can be terminated or extended by a resolution of the Board. As of the Latest Practicable Date, the remaining life of the First Restricted Share Award Scheme is approximately two years and six months.

Please refer to the Company's announcement dated May 21, 2018 for further details of the First Restricted Share Award Scheme.

As of January 1, 2025, there were no outstanding Shares under the First Restricted Share Award Scheme. During the six months ended June 30, 2025, no Shares had been acquired under the First Restricted Share Award Scheme or granted to any selected participants. Therefore, as of June 30, 2025, there were no outstanding Shares under the First Restricted Share Award Scheme.

The Second Restricted Share Award Scheme

The Second Restricted Share Award Scheme was approved and adopted by the Company on November 13, 2018. The purpose of the Second Restricted Share Award Scheme is to recognize the contributions by the selected participants, to give them incentives to achieve performance goals, and to attract suitable personnel for further development of the Group. The selected participants under the Second Restricted Share Award Scheme include any individual being a Director (including executive and non-executive Director), employee, officer, agent or consultant of the Company or any subsidiary of the Company.

The maximum number of Shares which may be administered under the Second Restricted Share Award Scheme shall not exceed 674,353,688 Shares, representing approximately 10% of the share capital of the Company as of the date of the adoption of the Second Restricted Share Award Scheme and approximately 9.24% of the share capital of the Company of the Latest Practicable Date, or such other limit as determined by the administration committee of the Second Restricted Share Award Scheme at its sole discretion. The maximum number of Shares which may be granted to a selected participant at any one time or in the aggregate may not exceed 67,435,368 Shares, being 1% of the issued share capital of the Company as of the date of the adoption of the Second Restricted Share Award Scheme.

The Second Restricted Share Award Scheme remains valid and effective for a period of ten years from the adoption of the Second Restricted Share Award Scheme, up to (and including) November 13, 2028, and can be terminated or extended by a resolution of the Board. As of the Latest Practicable Date, the remaining life of the Second Restricted Share Award Scheme is approximately three years and three months.

Please refer to the Company's announcement dated March 26, 2019 for further details of the Second Restricted Share Award Scheme.

As of January 1, 2025, there were no outstanding Shares under the Second Restricted Share Award Scheme. During the six months ended June 30, 2025, no Shares had been granted to any selected participants under the Second Restricted Share Award Scheme. Therefore, there were no outstanding Shares under the Second Restricted Share Award Scheme as of June 30, 2025.

Save as disclosed above, the Company has not entered into any other share award schemes.

Other Information

The total number of Shares that may be issued in respect of options and awards granted under all share schemes of the Company during the six months ended June 30, 2025 divided by the weighted average number of Shares in issue (excluding treasury Shares) for the six months ended June 30, 2025 was 0.2%.

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

Save as disclosed under the section headed "Restricted Share Award Schemes", during the six months ended June 30, 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). As of June 30, 2025, the Company did not hold any treasury Shares.

CORPORATE GOVERNANCE PRACTICE

The Board is committed to maintaining high corporate governance standards.

During the six months ended June 30, 2025, the Company had 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 had 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 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 six months ended June 30, 2025.

DISCLOSURE OF CHANGES IN DIRECTORS' INFORMATION

There is no information in respect of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the publication of the Company's 2024 annual report.

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 unaudited interim condensed consolidated financial information of our Group for the six months ended June 30, 2025 and this interim report have been reviewed by the Audit Committee.

PricewaterhouseCoopers, the external auditor of the Company, has also reviewed the unaudited interim condensed consolidated financial information for the period in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Auditing and Assurance Standards Board.

APPENDIX D2 TO THE LISTING RULES

According to paragraph 40 of Appendix D2 to the Listing Rules headed "Disclosure of Financial Information", save as disclosed herein, the Company confirms that the Company's current information in relation to those matters set out in paragraph 32 of Appendix D2 to the Listing Rules has not been changed significantly from the information disclosed in the Company's 2024 annual report.

SUFFICIENCY OF PUBLIC FLOAT

Reference is made to the section headed "Waivers from Compliance with the Listing Rules — Waiver in relation to Public Float" in the Prospectus which states that the Company's minimum public float will be the higher of (a) 15% of the total issued share capital of the Company; (b) such percentage of Shares held by the public immediately after completion of the Global Offering (as defined in the Prospectus) (assuming the Over-allotment Option (as defined in the Prospectus) is not exercised); or (c) such percentage of Shares to be held by the public after the exercise of the Over-allotment Option (as defined in the Prospectus), of the enlarged issued share capital of the Company. The applicable minimum public float for the Shares is 20.48%. Based on the information made publicly available to the Company and to the best of the Directors' knowledge, information and belief, the Company had maintained sufficient public float as approved by the Stock Exchange and as permitted under the Listing Rules throughout the six months ended June 30, 2025.

Definitions

“Audit Committee”	the audit committee of the Board;
“Board” or “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 interim report only, references to “China” or the “PRC” do not include Taiwan, the Macau Special Administrative Region or 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;
“Director(s)”	director(s) of the Company;
“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;
“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), which is 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 interim report, excluding the Group;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“IFRS”	International Financial Reporting Standards;

“Latest Practicable Date”	August 12, 2025, being the latest practicable date for the purpose of ascertaining certain information contained in this interim report;
“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;
“Prospectus”	the prospectus dated June 29, 2017 issued by the Company;
“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”	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);
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) with nominal value 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, which was conditionally 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;
“Subsidiary(ies)”	the subsidiary(ies) of the Company;

Definitions

“treasury shares”	has the meaning as ascribed to it under the Listing Rules;
“U.S.” or “United States”	the United States of America;
“US\$”, “USD” or “U.S. dollar(s)”	United States dollars, the lawful currency of the United States;
“Vietnam”	the Socialist Republic of Vietnam;
“VND”	Vietnamese dong, the lawful currency of Vietnam; and
“%”	percent.