Q1 FY26

Hon Hai Precision Industry Co., Ltd.

2026 First Quarter Financial Results

May 14, 2026

3+3+3=∞

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- This document and relevant information herein may contain internal and external forward-looking information and constitute forward-looking statement.
- This document and relevant information may contain certain forward-looking statements. Such forward-looking statement is not actual results but only reflects the Company’s estimates and expectations and is subject to inherent risks and uncertainties that could cause actual results to differ materially from such statement.
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1 1Q26 Financial Results

2026 Q1 Financial Statements

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1. Consolidated Statements of Income

(NTD in millions)	Q1/26	Q4/25	QoQ	Q1/25	YoY
Revenues	2,119,533	2,606,372	-19%	1,644,316	29%
Gross Profit	130,981	153,327	-15%	100,548	30%
Operating Income	75,649	85,591	-12%	46,500	63%
Total Non-Op. Income and Expenses	(1,617)	(3,309)	51%	12,620	-113%
Income Before Tax	74,031	82,282	-10%	59,120	25%
Income Tax Expense	(17,075)	(28,648)	-40%	(13,287)	29%
Profit (Loss) Attributable to Owner of the Parent	49,919	45,212	10%	42,108	19%
Earnings Per Share (NTD)	3.56	3.23	10%	3.03	17%

Gross Profit Margin	6.18%	5.88%	30 bps	6.11%	6 bps
Operating Profit Margin	3.57%	3.28%	29 bps	2.83%	74 bps
Net Profit Margin	2.36%	1.73%	62 bps	2.56%	-21 Bps
ROE	2.88%	2.83%	5 bps	2.48%	39 Bps

2026 Q1 Financial Statements

2. Consolidated Balance Sheets

(NTD in millions)	2026.3.31	2025.12.31	QoQ	2025.3.31	YoY
Cash and Cash Equivalent	986,317	1,016,440	-3%	929,283	6%
Net Accounts Receivable	1,166,008	1,181,307	-1%	1,062,375	10%
Inventory	1,209,878	1,095,574	10%	1,047,613	15%
Investments Accounted for Using the Equity Method	198,174	197,613	0%	201,774	-2%
Property, Plant and Equipment	562,220	543,393	3%	492,003	14%
Total Assets	5,230,479	5,104,672	2%	4,586,774	14%
Accounts Payable	1,322,837	1,331,933	-1%	1,130,993	17%
Bonds payable	289,268	279,637	3%	266,842	8%
Total Liabilities	3,241,681	3,133,909	3%	2,747,385	18%
Total Equity	1,988,798	1,970,763	1%	1,839,388	8%
Net Cash	325,091	339,103	-4%	281,238	16%
AR Turnover Days	51	43	8	61	-11
Inventory Turnover Days	53	43	11	56	-3
AP Turnover Days	60	50	10	66	-6
Cash Conversion Cycle	44	35	8	51	-8
Debt Ratio	62%	61%	1%	60%	2%

2026 Q1 Financial Statements

3. Consolidated Statements of Cash Flow

(NTD in millions)	2026.1.1~3.31	2025.1.1~3.31
Net Cash Flows from (Used in) Operating Activities	3,217	(51,063)
Net Cash Flows from (Used in) Investing Activities	(29,020)	(63,553)
Net Cash Flows from (Used in) Financing Activities	(26,010)	93,552
Capital Expenditures	(35,774)	(43,835)
Free Cash Flow (FCF) [1]	(32,557)	(94,899)

[1] Free Cash Flow = Net Cash Flows from (Used in) Operating Activities – Capital Expenditures

1Q26 Performance Review

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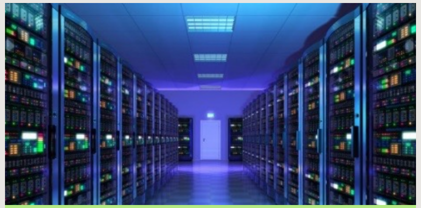
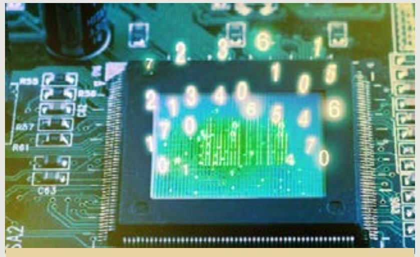


	1Q26		Cloud and Networking Products 48%		Smart Consumer Electronics Products 33%		Computing Products 14%		Components and Other Products 5%	
	Guidance	Actual	Guidance	Actual	Guidance	Actual	Guidance	Actual	Guidance	Actual
QoQ	↓	↓	→	↘	↓	↓	↘	→	↓	↓
YoY	↑	↑	↑	↑	↗	↗	↘	↘	↗	↗

2 2Q26 & FY26 Business Outlook

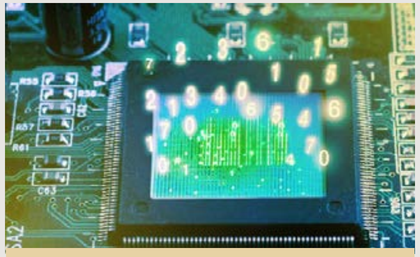
2Q26 Outlook



	2Q26	Cloud and Networking Products	Smart Consumer Electronics Products	Computing Products	Components and Other Products
QoQ	↗	↑	→	↗	→
YoY	↑	↑	↗	→	↗

FY26 Business Outlook

FY26	Cloud and Networking Products	Smart Consumer Electronics Products	Computing Products	Components and Other Products
				

YoY 2026/5/14	FY26	Cloud and Networking Products	Smart Consumer Electronics Products	Computing Products	Components and Other Products
	↑	↑	↗	↘	→

Financial Highlights: Core operating profits

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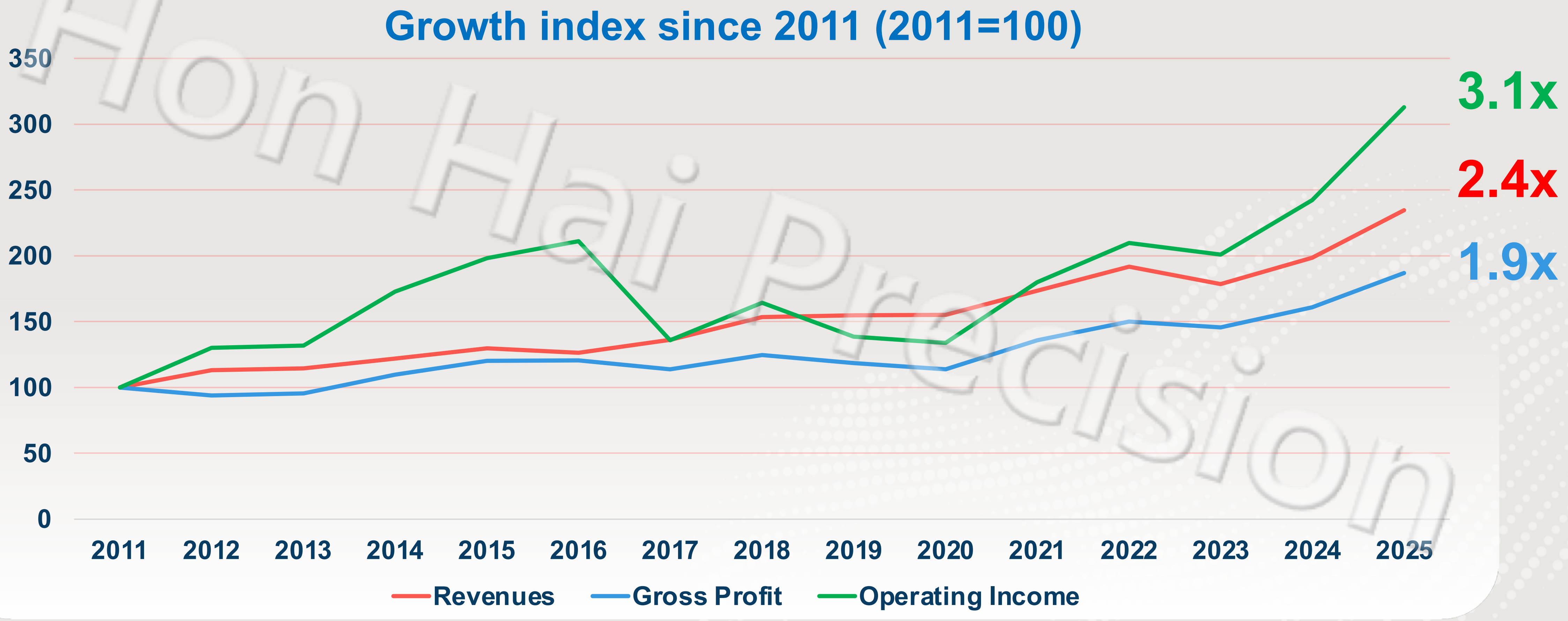
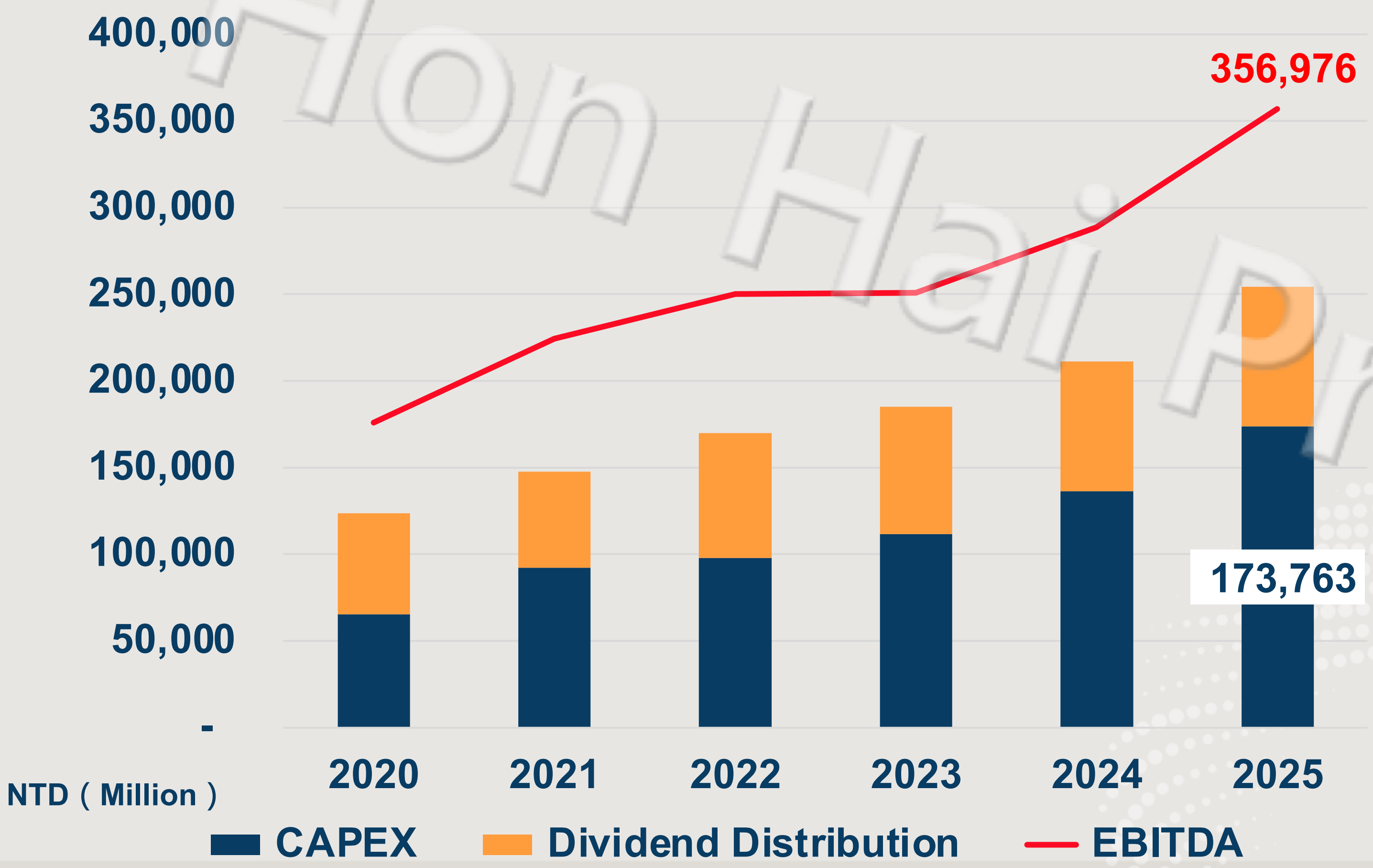
- Growth rate of operating profit exceeding growth rate of revenue, indicating core profit has scale advantage

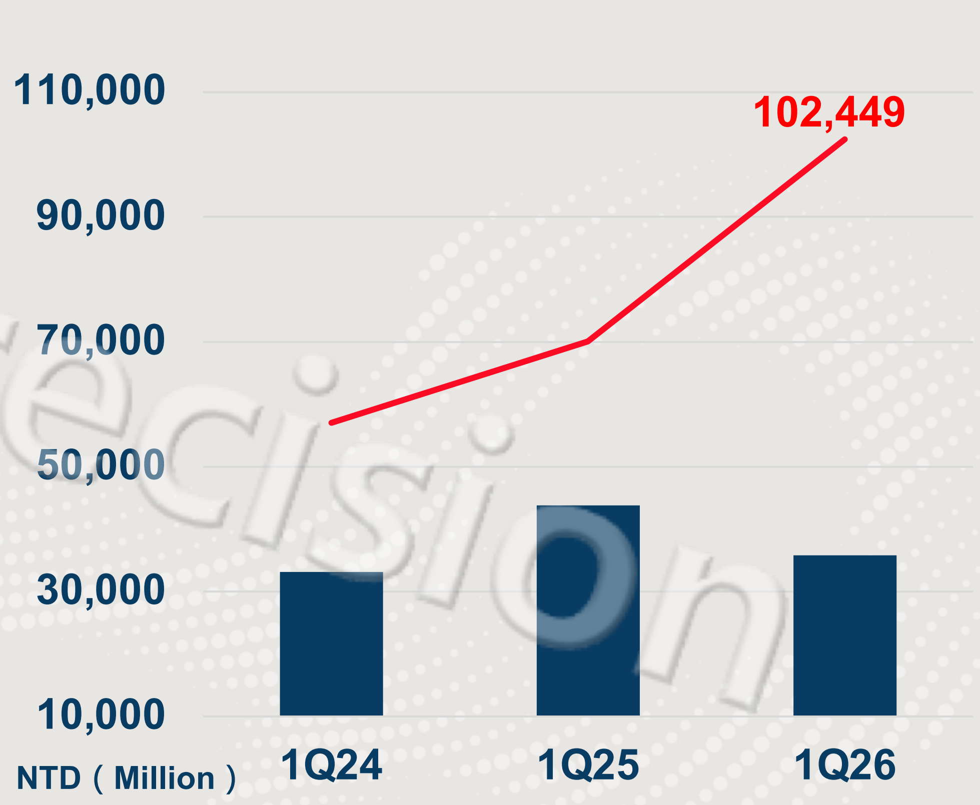


Financial Highlights: Solid constitution and improved shareholder returns

- EBITDA has held solid over time to support capital expenditures and dividend payments

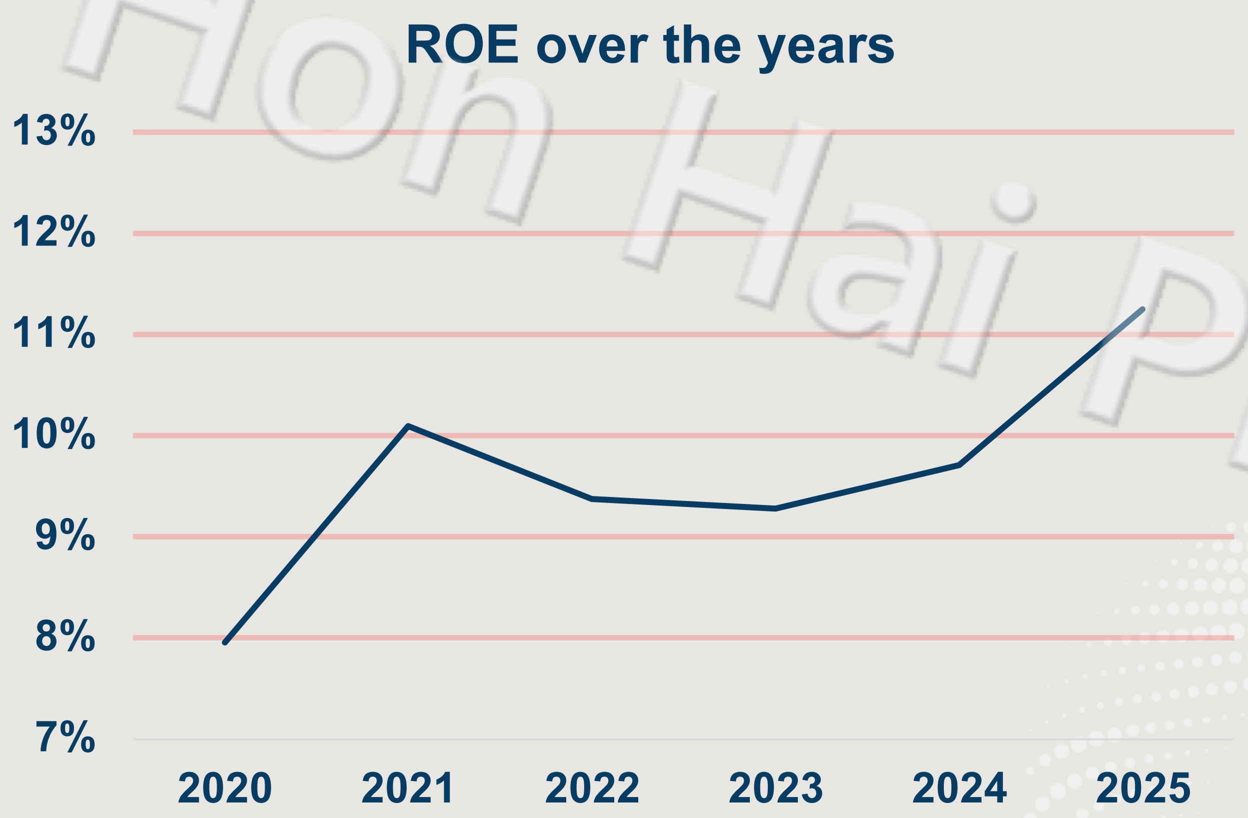


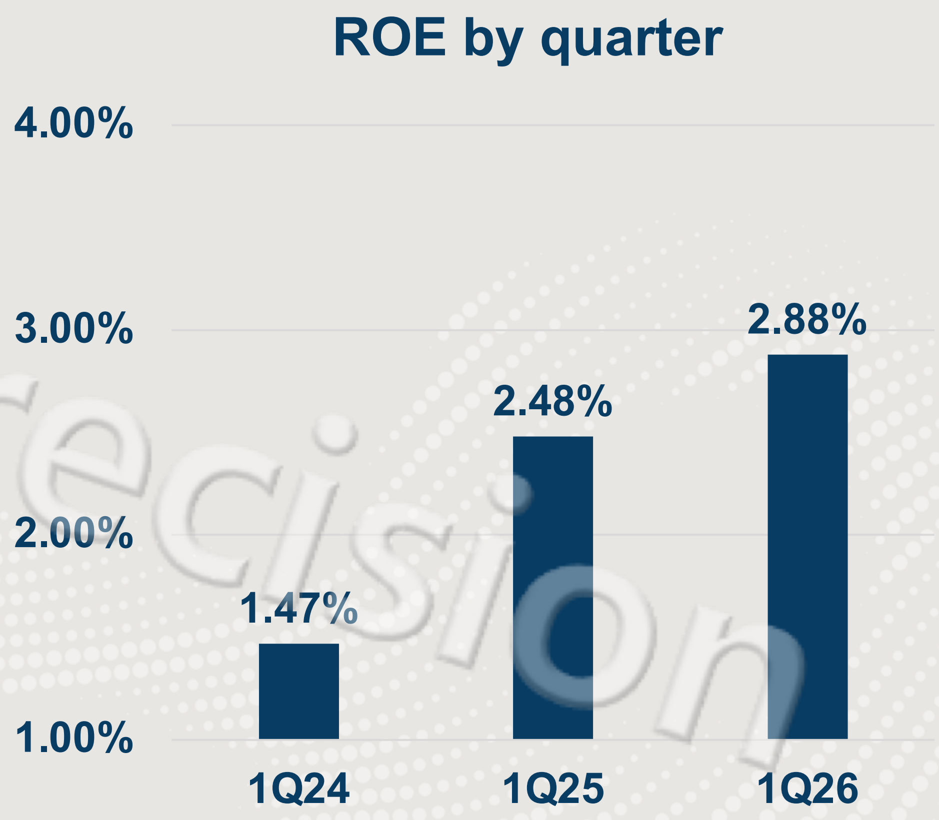
EBITDA & CAPEX by quarter



Financial Highlights: Solid constitution and improved shareholder returns

■ **Profits have steadily increased, with ROE moving toward the 12% target**





3 Major Business Development

AI server outlook

Strong demand for AI servers

- 2Q26 AI Rack shipments: High double-digit QoQ growth
- 2026 AI Rack shipments: >1x growth
- 2026 Diverse AI solution shipments: Increase QoQ
- 800G+ Switches: 2x growth this year
- CPO Switches: mass production and shipment in 3Q26

Sovereign AI Project: Steady progress

Visionbay.ai Supercomputing Center

Increased capital by NT$30 billion equity investment

Hon Hai joins forces with Amini and Bull

Entering African sovereign AI market

EV and Three Major Smart Platforms

EV

- **Polish EMP Strategic Cooperation:**
  Evaluate the establishment of EV manufacturing R&D center to serve the European market
- **Hon Hai Mitsubishi Electric MOU:**
  Evaluate the establishment of component and module JV to strengthen the EV supply chain layout
- **Qiaotou Electric Bus Factory:**
  Complete in 1H26, the production line is being adjusted

Smart Manufacturing

- **Genesis Platform:**
  From technology display to production line landing
- **Agentic AI:**
  Collaborate across systems, with factories beginning to have decision-making capabilities
- **Physical AI:**
  Deployed humanoid robots and collaborative robots in US factories in 2Q26

Smart City

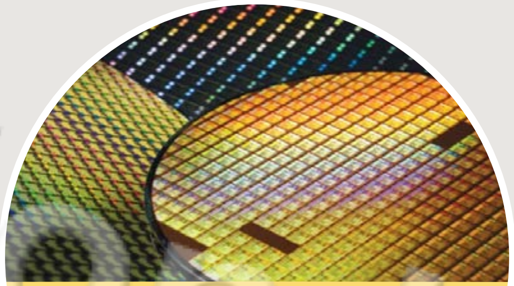
- **Kaohsiung local cooperation:**
  Continue to promote the integration of municipal customer service systems and AI agents
- **Continue to expand the global market, starting from successful cases such as Mexico and the Philippines**

Digital Health Progress

- Physical AI in Healthcare: Collaborating with Kawasaki to showcase AI scrub-assist robots for surgical workflow optimization
- Smart Hospital Automation: Partnering with Taipei VGH to drive automation and robotic deployment
- Mackay, Kang Chuang, Minsheng cooperation: Taiwan's first "smart AI care integration" field

- Driving Hospital Process Automation: Establish the CoDoctor AI medical agent system
- Strengthen the layout of smart hospitals: Develop AI intelligent blood collection and labeling and labeling system and automated microbial detection system
- Medical Materials GMP Factory Construction Plan: Complete land acquisition and plant design and planning before Q2; Construction will be completed in Q4 2027

Semiconductor Progress



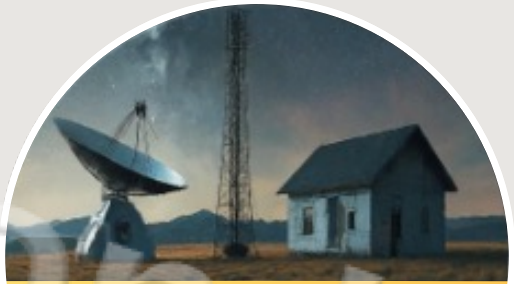
Important Developments

- **8-inch fab:**
  The new product development has passed customer verification and mass production at the end of April
- **Global Packaging and Testing Layout:**
  India's joint venture OSAT factory completed its first capital injection and started factory construction

Future Prospects

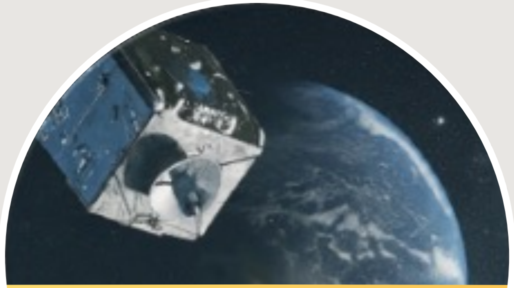
- **SiC Product Certification:**
  Q3: customer to complete the A sample product verification
  Q4: to complete the final verification of durability and electromagnetic interference
- **Design Services:**
  AI power delivery chiplet, and complete mass production design tape out in 2H26

Next-Gen Communication Progress



Important Developments

- The second generation of low Earth orbit satellite "Pearl":
  Launched through SpaceX, and successfully entered predetermined orbit
- It is equipped with Ka-band inter-satellite link (ISL) payload for docking and transmission verification between two satellites



Future Prospects

- The Group's future layout:
  Mobile communication supplements, Direct to Cell phone connection, remote area networking, Industrial IOT, site-specific redundant communication, etc

4 Recap of Recent Major Events

Recent Major Events | Latest Operational Progress

NVIDIA GTC
Showcasing the latest AI products and vertical integration capabilities

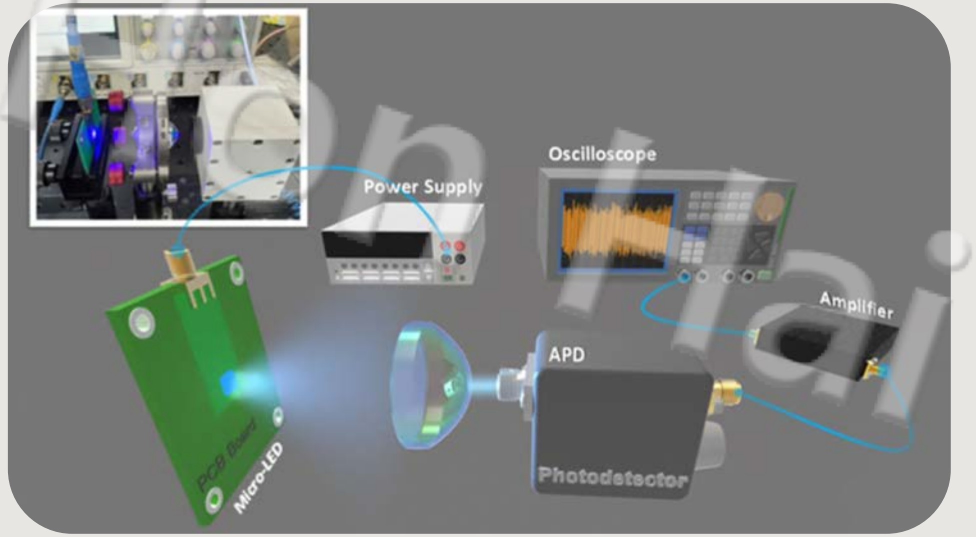
Taipei Smart City Exhibition
Showcase the application of the Smart City platform

AUTOTRONICS TAIPEI
Smart EV Platform Integration

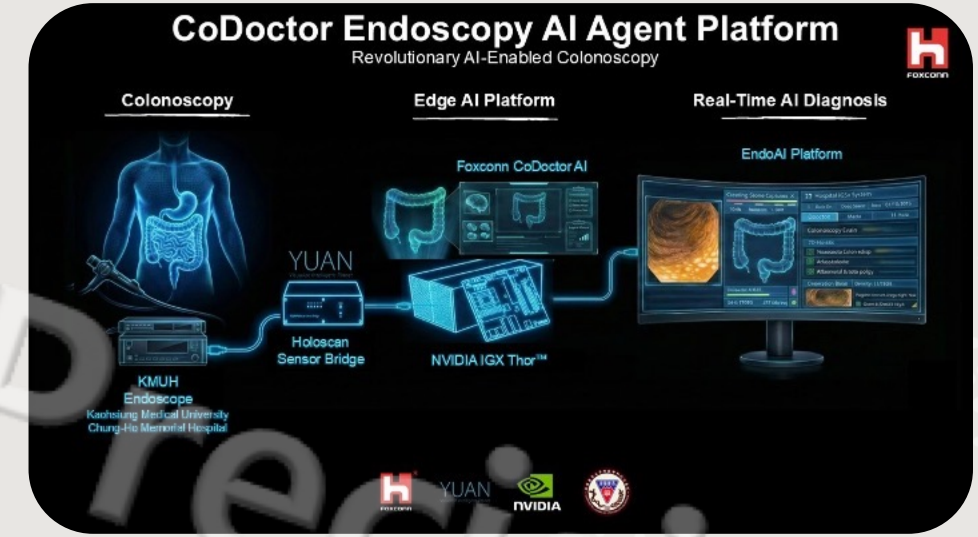
Announced strategic cooperation with SAP
Accelerate AI-driven manufacturing and supply chain transformation

New Rotating CEO
Michael Chiang, General Manager of Business Group takes leadership baton

Recent Major Events | Innovative Breakthroughs



HHRI, NYCU and RPI
Develop World-Leading Micro-LED Quantum Random Number Generator



KMUH and Hon Hai Launch
World's First NVIDIA IGX Thor-Powered Colonoscopy AI Agent

Recent Major Events | ESG

Hon Hai Foxconn Sustainability Awards
Held at record scale, showcasing ESG innovation achievements

Launched Global Initiative for Nature-based Solutions
Leading the value chain towards a nature-positive and net-zero vision

Spreading Love Through Tech!
Joined hands with Tzu Chi Foundation to donate CoDoctor devices in Hualien

Satoyama School Spring Course
Firefly Tour

Recent Major Events | Overseas Campus

Czech Republic

- In response to the national cleanup campaign, employees tidied up and cleared trash around the factory
- Foxconn Lab continues to expand, strengthening industry-academia cooperation and talent development

United States

- In response to Earth Day, the Wisconsin team removed invasive plants to protect the ecology

Vietnam

- Hanoi regional headquarters office officially inaugurated, creating a new model of office work that integrates technology and local culture

Recent Major Events | Awards

Selected for
"TIME100 Most Influential Companies 2026"

Selected for Clarivate
"Top 100 Global Innovators 2026“
The best of Taiwanese private enterprises

Hon Hai Education Foundation won
The 3rd Lianjing Humanities
Enterprise Award

Robert Berry, U.S. Head of Legal Affairs, was awarded
Milwaukee, Wisconsin, "40 Under 40" honor

Recent Major Events | Event Preview

COMPUTEX
2026.06.02 – 2026.06.05

VivaTech
2026.06.17 – 2026.06.20

Taiwan EXPO Japan
2026.07.15 – 2026.07.17

5 Q&A

Share

Collaborate

Thrive

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