

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

# 2020 Annual Results Announcement

二零二零年年度業績發佈會



belkin

LINKSYS

wemo

PHYN

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# Agenda

**2020 Financial Overview**

**2021 Outlook**

**2021 Growth Strategy**

**Belkin Updates**

**CSR & ESG**

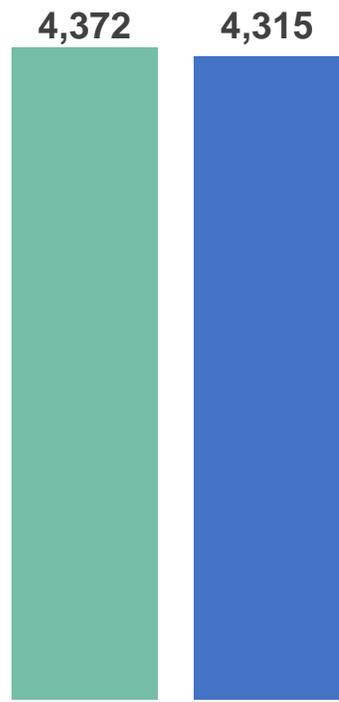
**Q&A Section**

# Financial Overview

# 2020 Financial Highlight

## Revenue

- 1.3%



(MUSD)

■ 2019 ■ 2020

## Gross Profit

- 23.1%



(MUSD)

■ 2019 ■ 2020

## Net Income

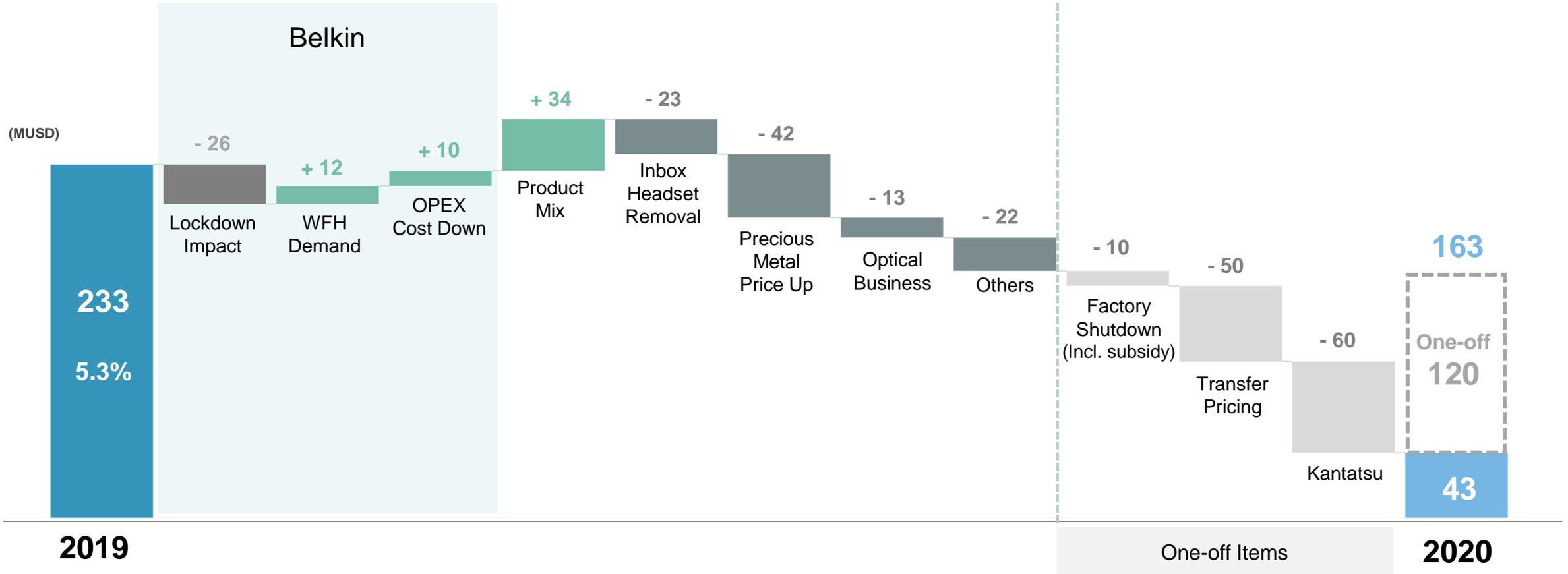
- 81.5%



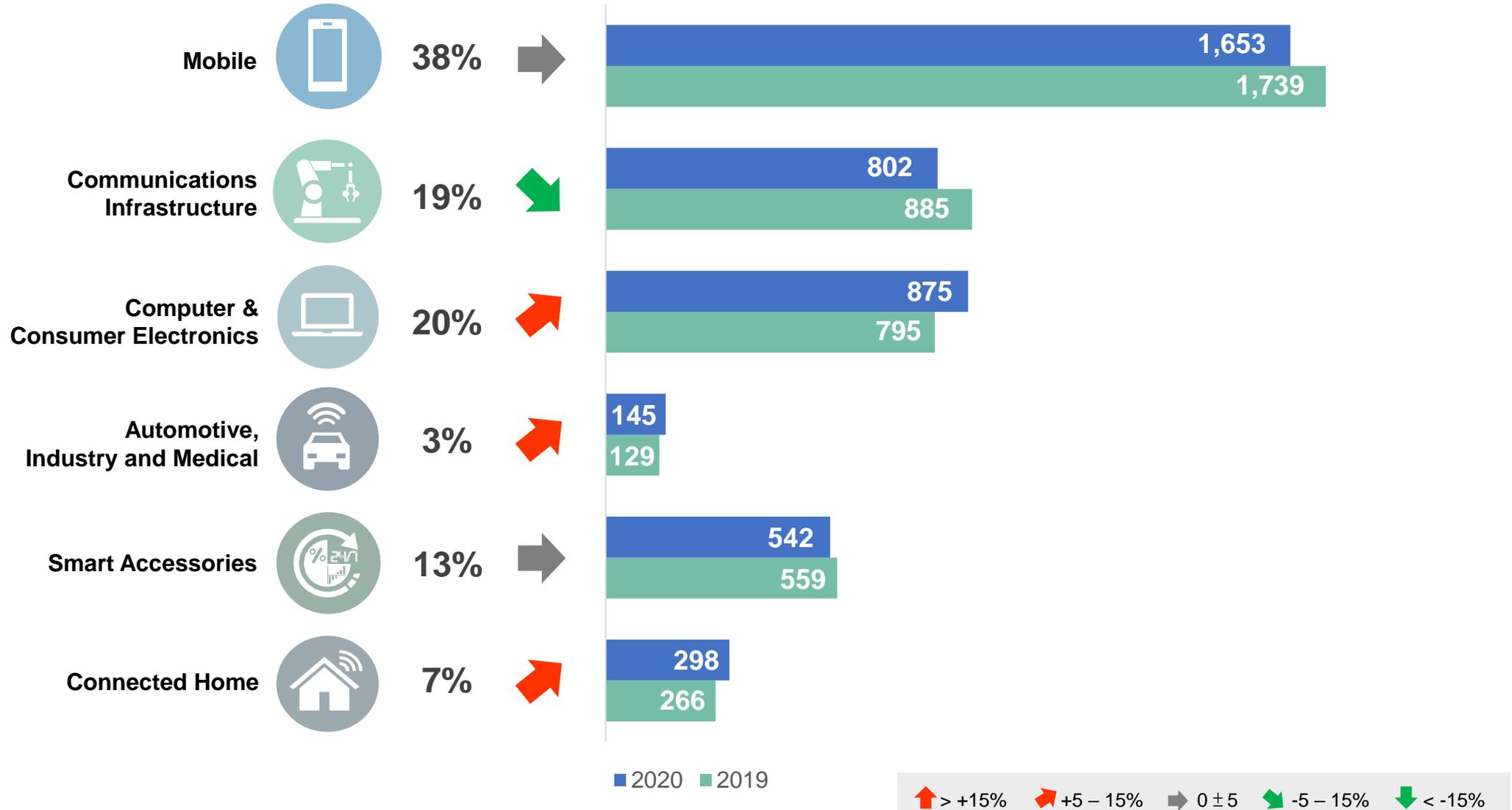
(MUSD)

■ 2019 ■ 2020

# Net Profit Margin



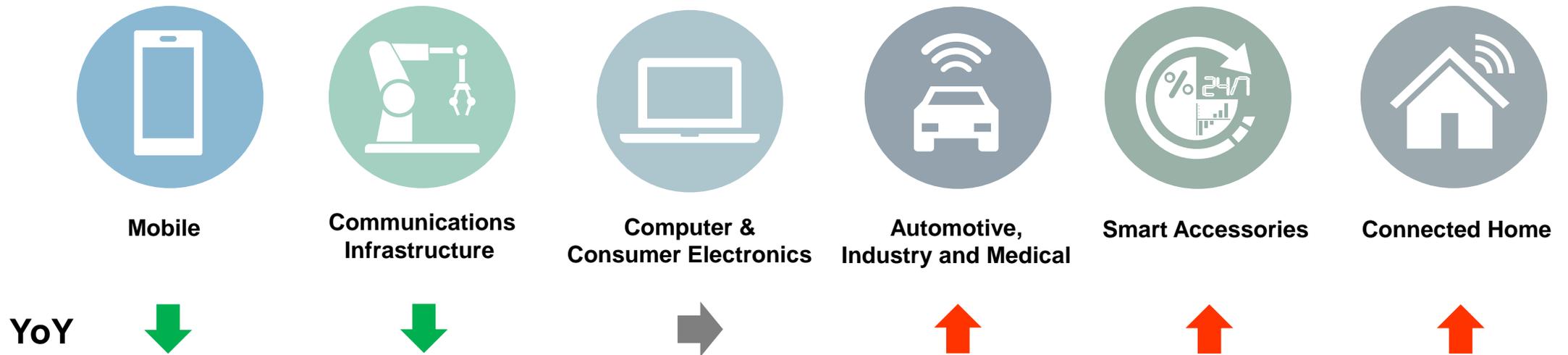
# Revenue Mix



# 2021 Outlook

# Giving Our Utmost to Fight for Profitability

## 2021 Outlook



↑ > +15%   ↑ +5 - 15%   → 0 ± 5   ↓ -5 - 15%   ↓ < -15%

# 2021 Growth Strategy

# FIT Competitive Edges



## Relationship with Hon Hai

**preferred interconnect solution partner**

beneficiary of Hon Hai supply chain and ecosystem



## Customer Relationship

**long term and collaborative relationships**

with industry leading customers



## R&D Capabilities

**5,100 patents<sup>(3)</sup>**

**1,000 active patent applications worldwide**

Major contributor to industry standards



## Production Capabilities

quick-to-ramp

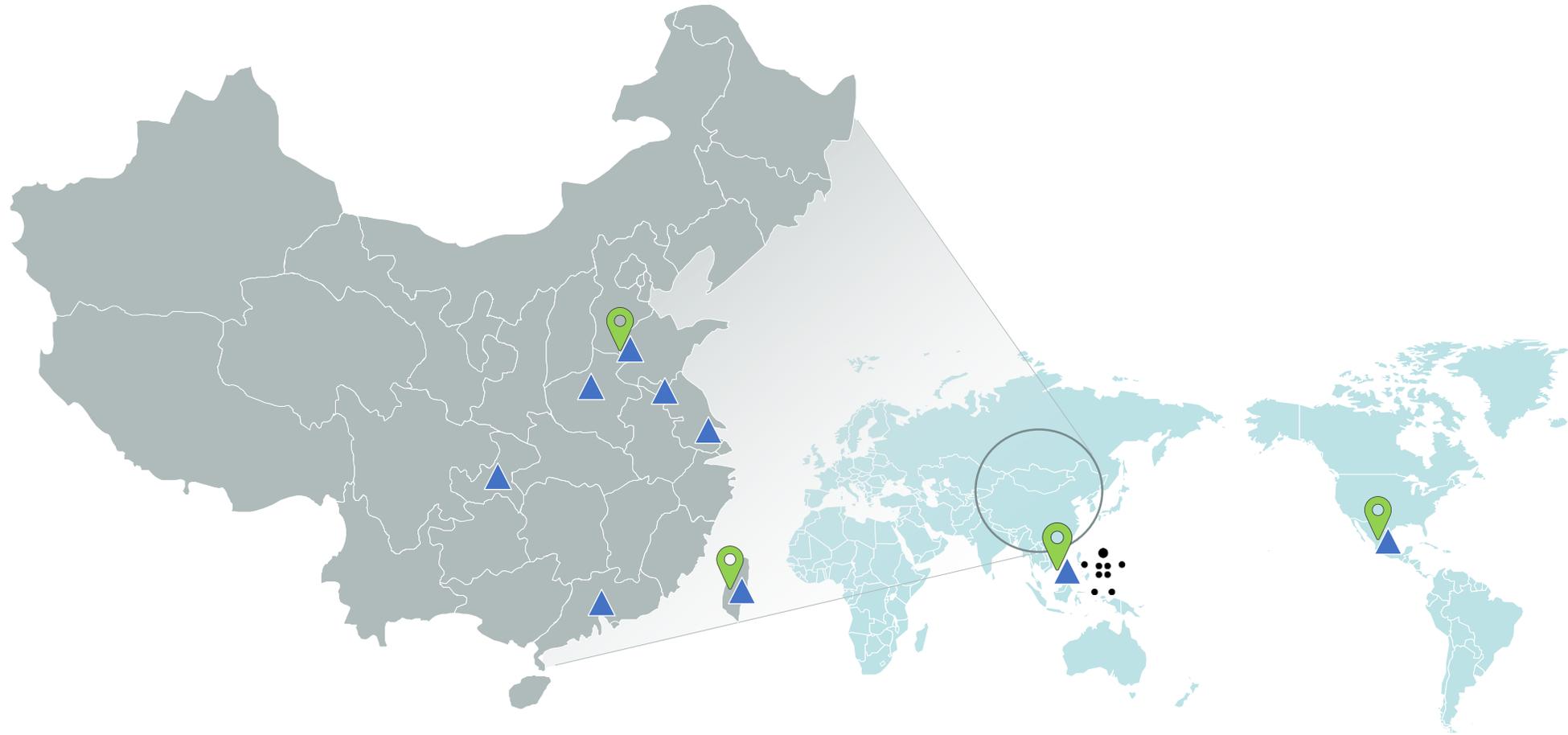
**mass production capabilities**

**strict quality control**

Notes:  
(2) Integrated Innovative Design Manufacturer  
(3) Of which license exclusively more than 2,300 patents from Hon Hai through patent licensing agreements

# Global Production Footprint

4 R&D Centres and 9 Production Facilities across Asia and Americas



 R&D centers

 Production Facilities

# We Are a Global Market Leader of Interconnect Solutions<sup>(1)</sup>

End market share ranking

# **1**  
**Global computer &  
consumer electronics  
and  
Greater China connector**  
with **10.4%** market share

# **2**  
**Global mobile devices**

# **3**  
**Global connector**  
with **6.3%** market share

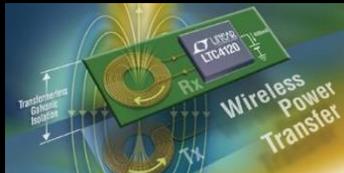
# FIT 3+3 Strategy

## Copper to Optics



CPO (Co-Packaged Optics)

## Wire to Wireless

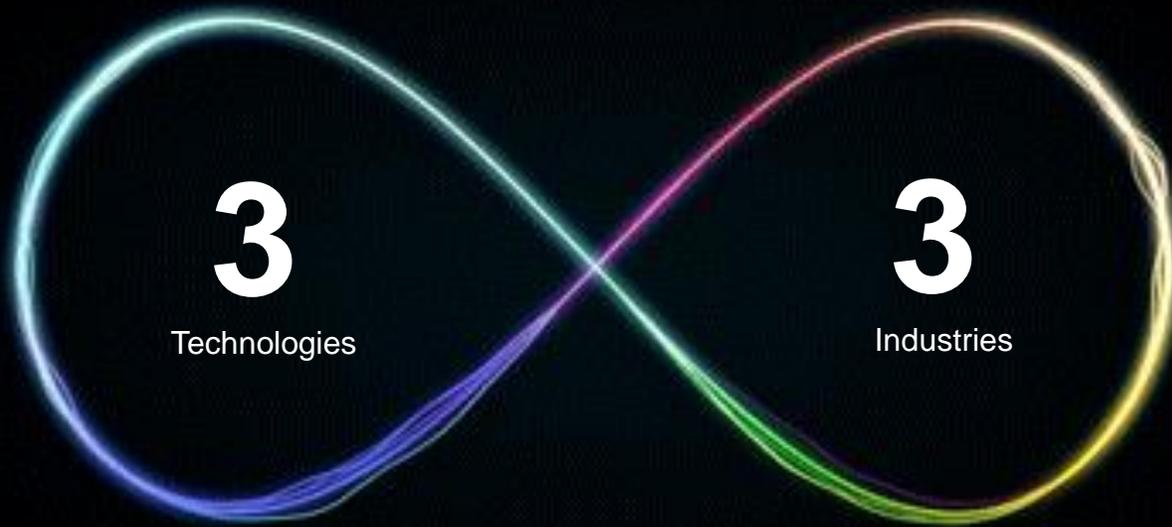


Wireless Charging & Antenna

## Component to Module



Audio & Home Solutions



Auto



Audio

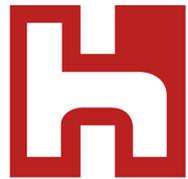


Connected Home

# Automotive

## 2021 On-going Electric Vehicle Project

We Are One of The Core Members of



STELLANTIS



### Stellantis' first CEO: the cooperation with Foxconn is in progress, and there will be results in the next few months



Jan 20, 2021 10:03 AM (GMT+8) · EqualOcean



Tang Weishi, the first CEO of stellantis group, a merger of FCA and PSA, said yesterday that the partnership with Foxconn was "strategic work" and that clear results would be seen in the coming months. Early last year, FCA and Foxconn reached an agreement to set up a joint venture to jointly develop and produce electric vehicles for the Chinese market.

Equal Ocean 20/01/2021

### STELLANTIS CEO SAYS JOINT VENTURE WITH FOXCONN IS PART OF WIDER STRATEGIC REVIEW ON CHINA THAT SHOULD CONCLUDE WITHIN A FEW MONTHS

01/19/2021 | 04:01pm GMT



STELLANTIS CEO SAYS JOINT VENTURE WITH FOXCONN IS PART OF WIDER STRATEGIC REVIEW ON CHINA THAT SHOULD CONCLUDE WITHIN A FEW MONTHS

© Reuters 2021

Reuters 19/01/2021

# Automotive Products



Potential Customers

## Charger Port Door Assembly



Charger Port Door for EV

## EV Charger Module



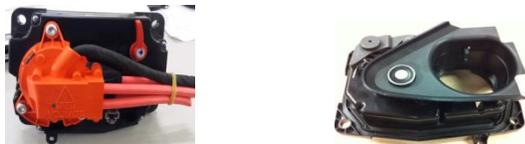
Junction Box for Model S/X

High Voltage Distribution For EV

## EV Charger System Output Assy



## EV-Inlet Charger port



EV-Inlet Charger Port (EU)

EV-Inlet Charger Port (US)

## Cables



Automobile Display cable

Automobile Internal cable

## Automotive Target



**>50%**

AIM YoY Revenue Target Growth

**+90%**

Key EV Account Target Contribution Share in Auto

# Audio



# >400%

Target Audio YoY Revenue Growth

# Belkin Update

# Connected Home - Strategic Alliance

## Fortinet Climbs as It Goes After Work-from-Home Market

Investing.com | Stock Markets | 15 hours ago (Mar 22, 2021 12:04PM ET)



**FIT** x **FORTINET**

**LINKSYS**

By Dhirendra Tripathi

Investing.com – Fortinet (NASDAQ:FTNT) shares rose 2.5% Monday after the company made strategic moves to capture opportunities thrown up by the new normal of work-from-home.

Fortinet has made a strategic investment of \$75M in Foxconn Interconnect (HK:6088) Interconnect's arm Linksys, which provides router connectivity solutions to consumers and businesses worldwide.

Investing.com 23/03/2021

## Fortinet invests \$75 million in router maker Linksys with focus on securing home office networks

The companies said they plan to work together to build enterprise-grade connectivity and security into Linksys' portfolio of wireless routers.

By Natalie Gagliardi for Between the Lines | March 22, 2021 – 14:30 GMT (22:30 SGT) | Topic: Networking

Fortinet said Monday that has invested \$75 million in router maker Linksys as part of a strategic alliance. The companies said they plan to work together to build enterprise-grade connectivity and security into Linksys' portfolio of wireless routers.

"To compete effectively in today's digital world, the enterprise-grade security and high-performance connectivity enjoyed across today's corporate edges, including the LAN, WAN, data center, and cloud, must now be extended to mobile end-users, IoT devices, and home offices," Fortinet wrote in a [press release](#).

"Our strategic alliance with Linksys will deliver enterprise-grade performance and security to WFH networks and deliver the most secure, reliable network connectivity and performance on the market, keeping organizations agile, safe, and productive."

**FEATURED**

What laptop should I buy? Windows 10 or MacOS, plus 10 more things to consider

Linus Torvalds on how AMD and Intel are changing how processor interrupts are handled

Cheap, but good: How to build a budget PC for \$400 or less

ZDNet 23/03/2021

# Integration Synergies – Collaboration in Development to Strengthen Customer Partnership



## Belkin 2020 Recap & 2021 Growth

### 2020 Q4 Demand Generated by S/WFH

4Q20 YoY Growth

- Online Revenue +40%
- Whole Home WiFi Products +84%
- Education Product Sales 4X

### 2021 Target Growth

Smart / Connected Things

- Online + DD
- Mobile Power + DD
- Audio + TD
- Connectivity and Screen Protection + SD

Smart / Connected Home

- WiFi 6E and WiFi 6 Mesh devices + DD
- ISP business with 5G products + DD

20Q4 Revenue

**+15%**

20Q4 Gross Profit

**+24%**

### Key Areas in 2021

**Belkin MagSafe & Mobile Power**

**Belkin Audio**

**Linksys momentum in Whole Home WiFi & WFH**

# Belkin Product Updates

Made for 15W

## BOOST↑CHARGE™



## SOUNDFORM™



**LINKSYS**



Works with

**wemo**



**PHYN**  
**KOHLER**



# CSR & ESG



## Corporate Social Responsibility

Belkin Face Masks Donated to Combat COVID

**50K**

Belkin Education Products Donated to Students in Need

**5K**



# Environmental, Social and Governance Focus 2020



## Compliance and Anti-Corruption

>14K staffs & hours of anti-corruption training



## Green Oriented

Decrease in waste water

Increase in gasoline consumption saving

25% renewable energy by Belkin operation



## Quality Oriented

New version of the failure mode and impact analysis standard



## Safety First

Established a safety production management system



## People Oriented

A founding member of the RBA.

Personnel scale expanded 15.6%



## Walk With Love

Charitable donations increased 1476.4%

Factories in mainland China carried out "6+1" charity activities

# Q&A section



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# THANK YOU!



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# Appendix

## Statement of Comprehensive Income

(M'USD)	2020	2019	YoY
Revenue	4,315	4,372	-1.30%
Gross Profit	580	754	-23.08%
Gross Profit Margin	17.2%	13.4%	
<b>Operating Profit</b>	<b>125</b>	<b>275</b>	<b>-54.55%</b>
<b>Profit before Tax</b>	<b>117</b>	<b>266</b>	<b>-56.02%</b>
Income Tax Expense	(74)	(33)	124.24%
<b>Profit for the Year</b>	<b>43</b>	<b>233</b>	<b>-81.55%</b>
Profit Attributed to :			
Owners of the Company	43	235	
Non-controlling Interests	0.1	(2.2)	
<b>Basic EPS</b>	<b>0.64</b>	<b>3.57</b>	

## Balance Sheet

(K'USD)	2020	2019	YoY
Cash and Cash equivalents	766,112	892,111	-14.12%
Inventory	944,128	702,587	34.38%
Receivables	871,534	930,223	-6.31%
Other current assets	266,339	216,988	22.74%
Non-current assets	1,790,824	1,665,120	7.55%
<b>Total Assets</b>	<b>4,638,937</b>	<b>4,407,029</b>	<b>5.26%</b>
Current Liabilities	1,789,962	1,662,178	7.69%
Non-Current Liabilities	658,599	667,504	-1.33%
<b>Total Liabilities</b>	<b>2,448,561</b>	<b>2,329,682</b>	<b>5.10%</b>
<b>Equity</b>	<b>2,190,376</b>	<b>2,077,347</b>	<b>5.44%</b>

# End Market Overview



## Mobile

- Connectors/Antenna module
- External cables for devices connection
- Accessories (earphone/adapter)
- Wireless accessories



Mobile phones



Wireless devices



Cables



Mobile accessories



## Communications Infrastructure

- Copper-based components
- Cable components
- Connectors
- CPU socket for server



Data center



Enterprise networking



Ethernet Mobile Fronthaul



Fiber channel



## Computer & Consumer Electronics

- External cables for devices connection
- Internal enabling components
- Wireless modules
- Connectors and cables for drives



Desktop computer



2-in-1 notebook and tablet



Game console



Television

# End Market Overview



## Smart Accessories

- Mobile, power, wireless chargers
- Hubs & docking
- USB-C & lightning accessories
- TWS & smart speakers
- Smartwatch peripheral
- Educational



BOOST↑CHARGE PRO  
3-in-1 Wireless Charger  
with MagSafe



SOUNDFORM ELITE  
Smart Speaker +  
Wireless Charger



Car Vent Mount PRO  
with MagSafe



Thunderbolt 3 Dock  
Plus



BOOST↑CHARGE  
Dual USB-C PD GaN  
Wall Charger 68W



## Connected Home

- Routers & switches
- networking business solution
- App-based home accessories
- Home security
- Wemo – Home automation
- Phyn – Smart water control system



Phyn Smart  
Water Assistant



Wemo Light  
Switch 3-Way



Wemo Wi-Fi  
Smart Plug



Wemo Wi-Fi  
Smart Dimmer



Wemo Outdoor Smart Plug

# End Market Overview



## Automotive

- Interconnect solutions
- Navigation & entertainment devices
- External charging cables
- Connectors & charging guns



Inlet Charger Port



Charger Port Door



Charging guns



EU Adapter



## Industry

- Customized connectors & cables
- For:
  - automated machinery
  - Power generators
  - Robotics



Industrial connectors and cables



## Medical

- Customer specific connectors
- Components and cables
- For medical monitoring devices



Medical cable assemblies

Change The Way You Charge

BOOST↑CHARGE™



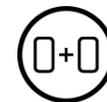
Made for MagSafe



Faster Wireless Charging



Fast Charge PD



Multi-Device Charging

# Sound That Powers Your Everyday Moments

SOUNDFORM™



Sound like you're there



Instant connection



More life for longer



Listen and be heard

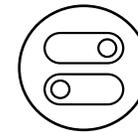
# We Will Deliver Edge Intelligence to Every Endpoint



**Access Points**



**Routers**



**Switches**



**5G**

# Smart Solutions For Your Smart Home

wemo



Works with Apple HomeKit



Smart Home

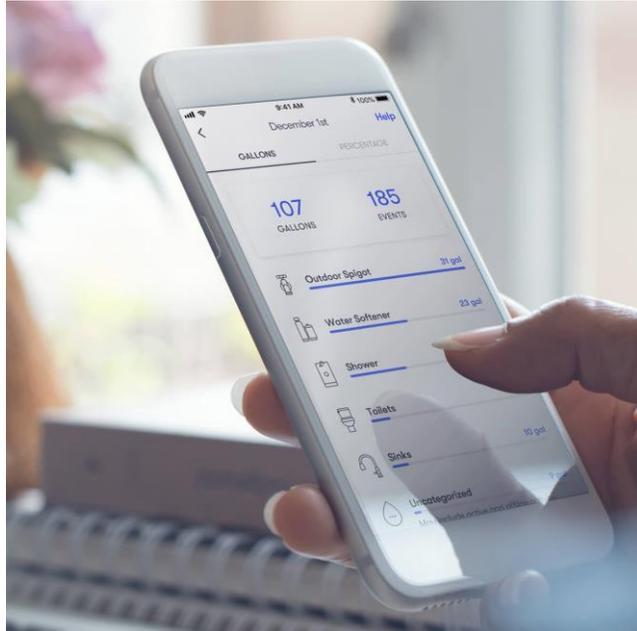


Voice Command

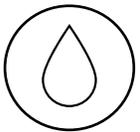


Added Security

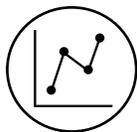
# Partnership with Kohler to launch "Kohler powered by Phyn"



“ Phyn, a spinoff of gadget maker Belkin, has been in the smart water market for several years now, and Kohler's new partnership puts them in a better position to reach consumers looking for options from traditional bathroom and kitchen brands. ”



**Smart Water Technology**



**Detailed Insights**



# Outstanding Achievements and Awards

## Belkin key awards overview



2020 Sustainability Leadership Award



2021 Rolling Stone Best of CES



2021 iMore Editor's Choice



2021 Best Products Best of CES



2021 Newsweek Best of CES



2021 Gear Patrol Best of CES



2021 CES Innovation Award



2020 Accessory Manufacturer of the Year



2020 Rolling Stone Editor's Choice



2020 Business Insider Reviews



2020 Business Insider Best of CES

## Award-winning whole-home mesh Wi-Fi

**LINKSYS**

- Simple setup
- Home-friendly design
- Compatible with 3<sup>rd</sup> parties
- Wi-Fi 6
- Wi-Fi 6E



POPULAR MECHANICS

GIZMODO