

FIT Hon Teng Limited
鴻騰六零八八精密科技股份有限公司

2019 Annual Results Announcement

二零一九年年度業績發佈會



belkin

LINKSYS

wemo

PHYN

Agenda

1. Short-term/Long-term Strategy
2. Financial Overview
3. Revenue Mix
4. Financial Highlight
5. FIT-Belkin Integration Update
6. Belkin Growth Drivers
7. CES 2020
8. Q&A

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Short-term/ Long-term Strategy

Longer Term

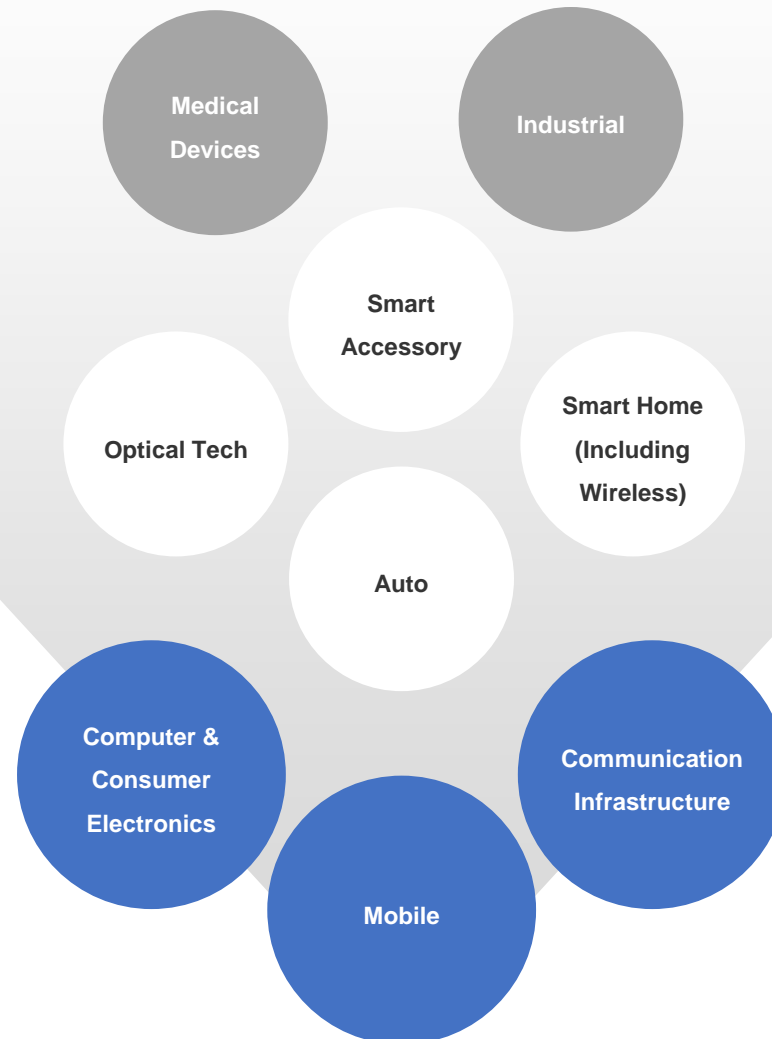
Creating new end markets and acquiring new customers.

Short & Medium Term

Innovating new applications and deepening customer relationships.

Current

Core competencies and existing customers.



New Offers & Assets

Extend Offers & Assets

Existing Products & Assets

Financial Overview

FY2019

Revenue

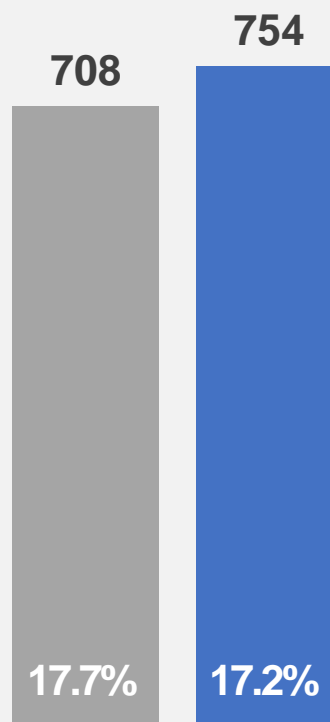
+9.2%



■ 2018 ■ 2019

Gross Profit

+6.5%



■ 2018 ■ 2019

Net Income

+0.6%



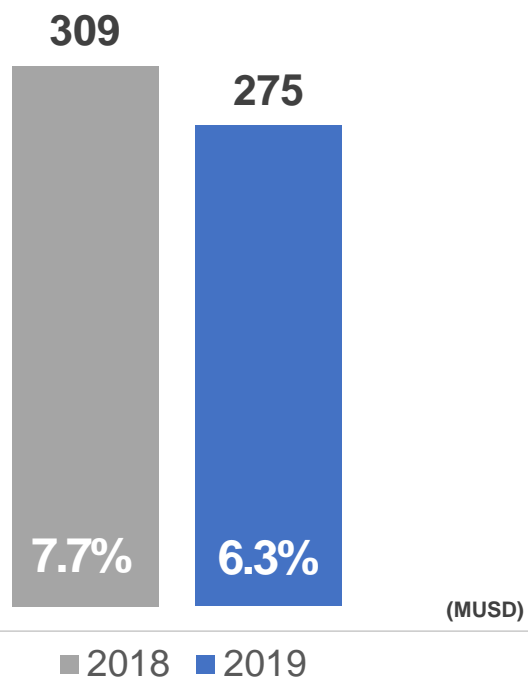
■ 2018 ■ 2019

*Net profit attributable to shareholders.

Financial Overview

FY2019

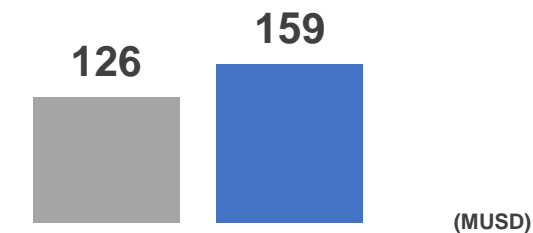
Operating Profit -10.8%



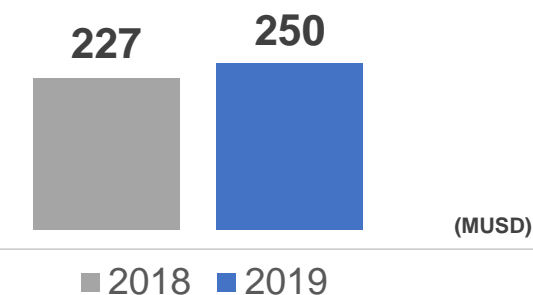
Distribution Costs & Selling Expenses



Administrative Expenses

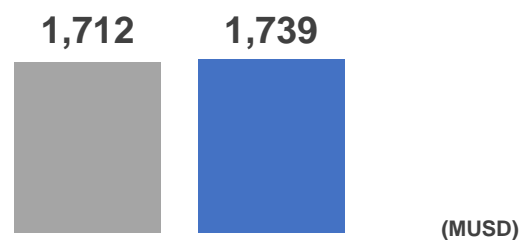


R&D Expenditure

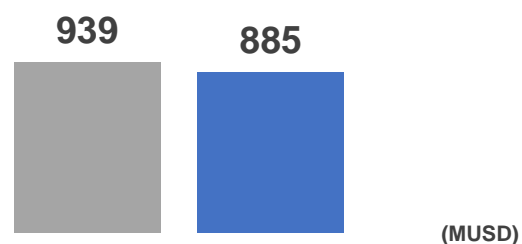


Revenue Mix

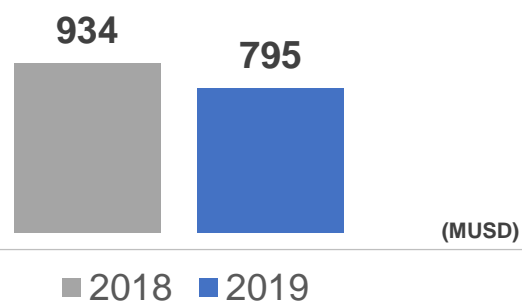
Mobile Devices



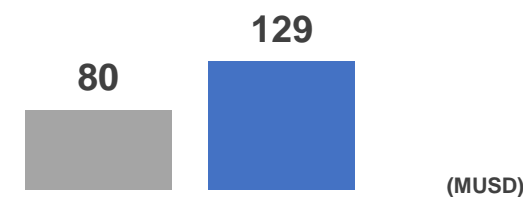
Communications Infrastructure



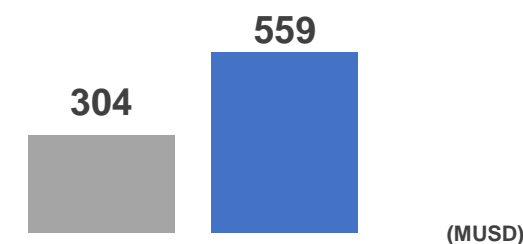
Computer & Consumer Electronics



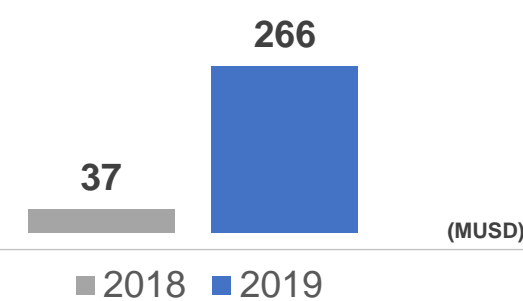
Auto, Industrial & Medical



Smart Accessories

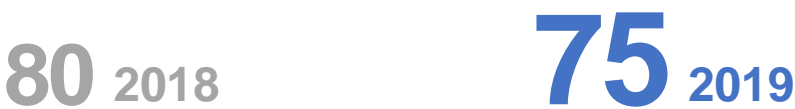


Connected Home

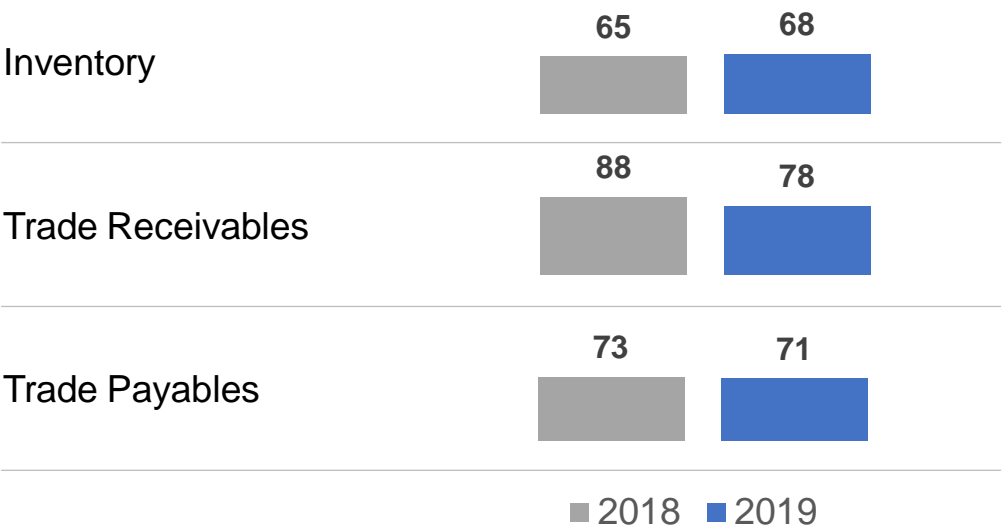


Financial Highlight

Cash Conversion Cycle



Turnover Days



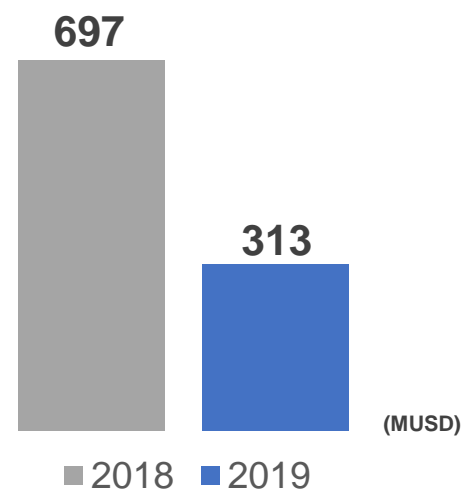
Financial Highlight

EBITDA Margin

13.2% 2018

12.6% 2019

Cash Flow From Operations



2020 Outlook



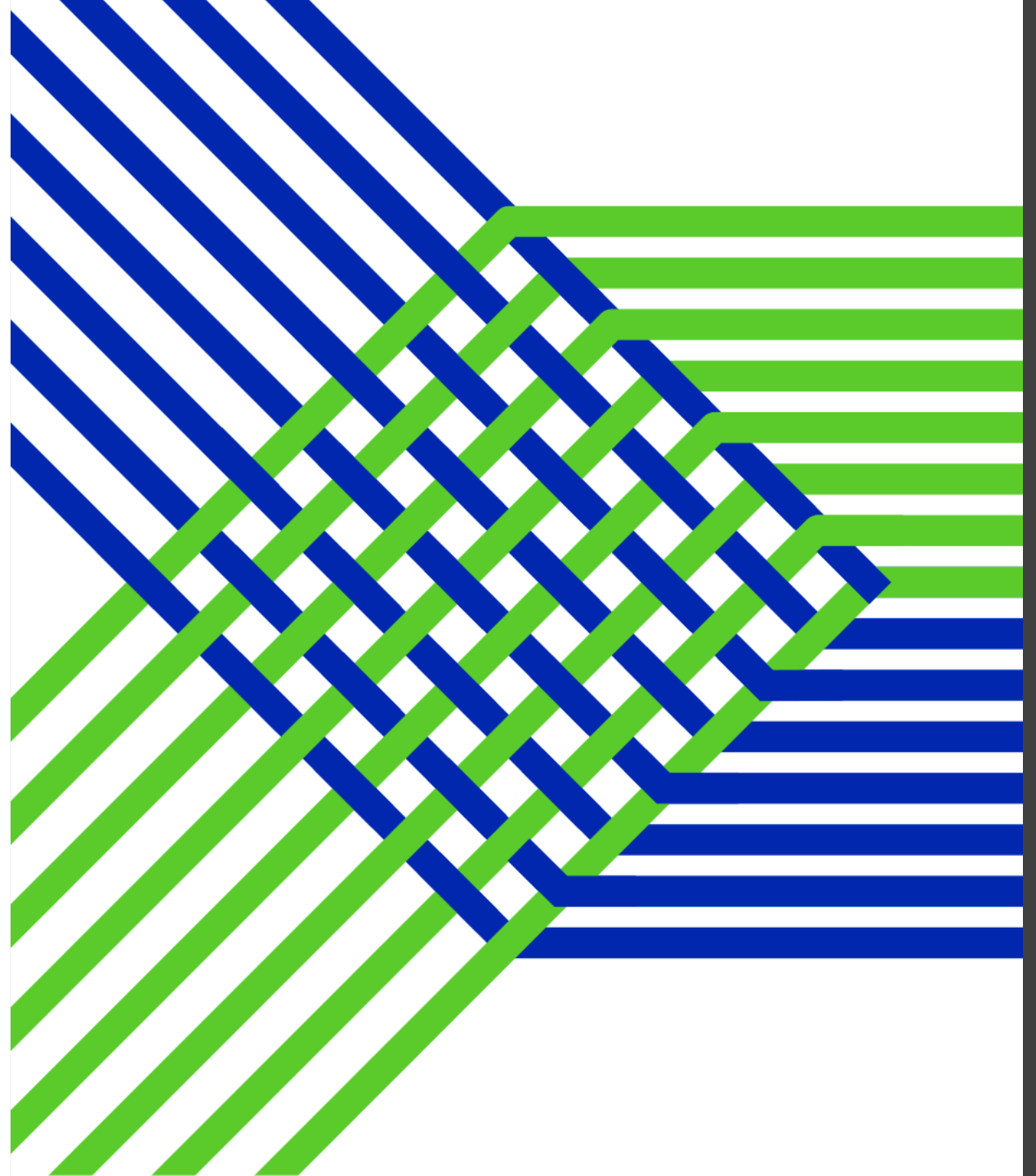
FIT-Belkin Integration Update



Integration Update

We created a global consumer electronics leaders.

- The merger combined best-in-class manufacturing with R&D, design, sales, and marketing prowess.
- New combined entity continuously develops and expands in the market using the power of vertical integration synergy.
- Highly innovative products set to launch this year to drive momentum including smart audio, WiFi 6, 5G, software capabilities such as Linksys Aware.



Growth Drivers

Growth Drivers: 2020

Belkin facilitating and driving total FIT growth and profitability.

- Lead sales opportunities across all of FIT.
- Focused on expanding key FIT technologies, including 5G and smart home.
- Deliver enterprise value via the worldwide distribution of consumer products





Growth Drivers: 2020

Connected Things

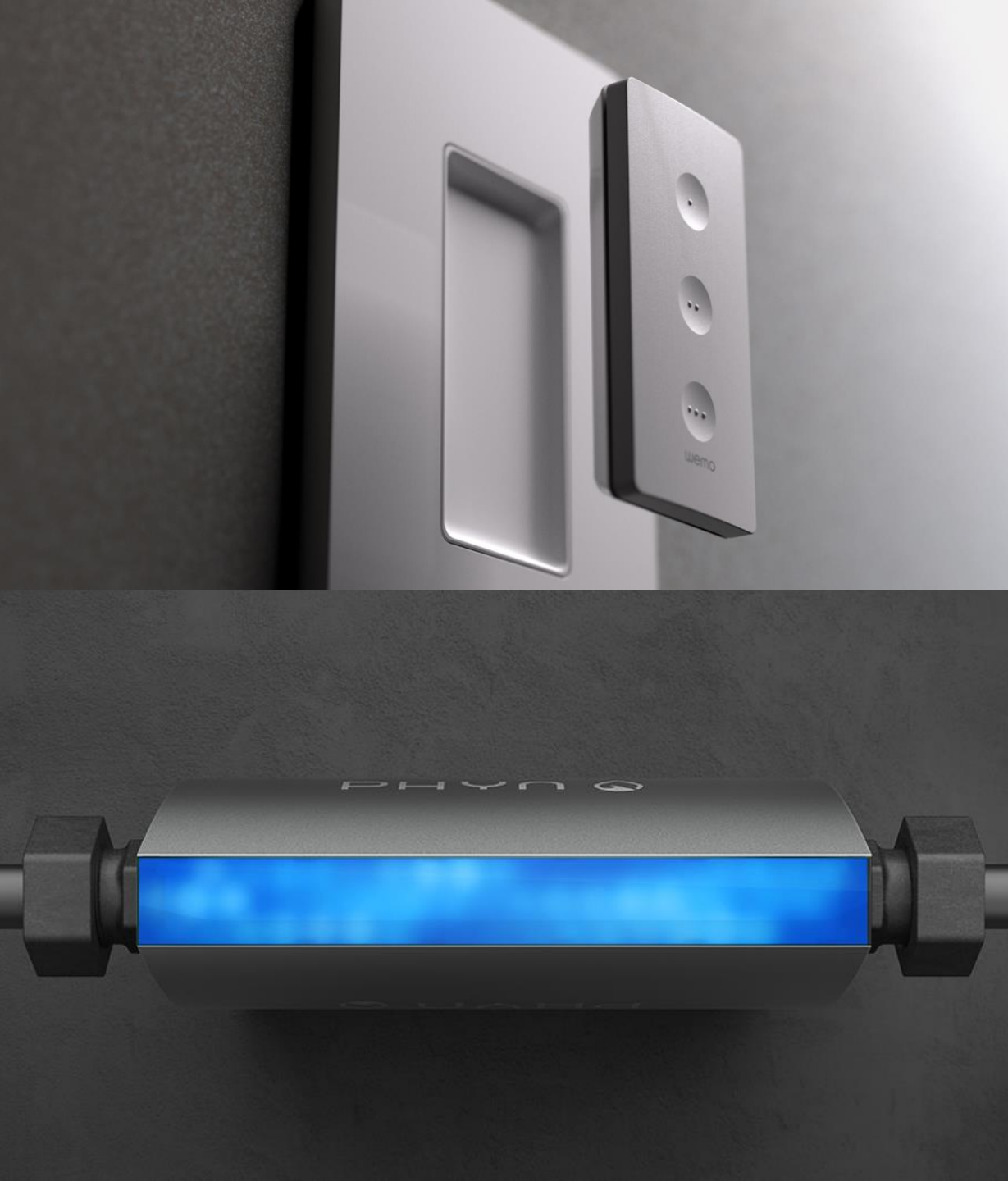
- Launch new audio portfolio starting with SOUNDFORM Elite Hi-Fi Smart Speaker
- Leverage Belkin's market leadership global distribution channels both offline and online to grow in mobile power and connectivity categories
- Continued growth in screen protection at key retailers worldwide

Growth Drivers: 2020

Connected Home & Business

- New features, capabilities, revenues, enabled by software over Velop platform, i.e. recently launched Linksys Aware offers consumers and ISPs security, motion sensing, health and wellness.
- New 5G and more Wi-Fi 6 products launching globally this year.
- Linksys SMB business with new product launches in Cloud Manager, Cybersecurity, access points and smart switches.





Growth Drivers: 2020

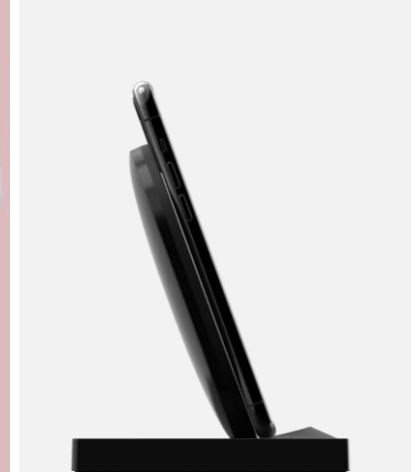
Connected Home

- New Wemo product launches and integrations celebrating multi-platform compatibility and scene controller
- Phyn - Continued sales expansion opportunities, new products and new features such as the commercial grade Phyn XL 1.5" and Phyn XL 2" for enterprise

Growth Drivers: 2020

Channel Expansion

- Accelerate our e-commerce business by leveraging customized products, marketing and operations strategy.
- Greater focus on winning at telecom providers and ISPs globally.
- Further acceleration in Asia, focused on China, utilizing FIT's relationships and reach.
- Continue to innovate the product roadmap and stay at the leading edge of technologies such as 5G, WiFi 6, audio and Gan
- Private label opportunities globally, leveraging FIT's cost and scale.



CES 2020



Awards and Recognition: Belkin CES 2020

The logo for Rolling Stone, featuring the words "Rolling Stone" in a red, stylized, cursive font.

"Best of CES"

The logo for Sunset, featuring the word "Sunset" in an orange, cursive font.

"Smarter Award – Smart Home Accessory"

The logo for Business Insider, featuring the words "BUSINESS INSIDER" in a blue, sans-serif font.

"Best Speaker"

The logo for 9to5Google, featuring the text "9to5Google" in a green, sans-serif font.

"Best Google Assistant
Accessory"

The logo for BEST PRODUCTS, featuring the word "BEST" in a large, bold, black, sans-serif font, with "PRODUCTS" in a smaller, bold, black, sans-serif font below it.

"Best Smart Speaker"

The logo for the ambient, featuring a stylized lowercase "a" inside a circle, followed by the words "the ambient" in a lowercase, sans-serif font.

"Best Smart Speaker"

The logo for Pocket-lint, featuring the word "Pocket-lint" in a bold, black, sans-serif font, with a red power button icon replacing the dot on the "i".

"Best of CES"

The logo for Android Police, featuring a stylized black "A" with a red triangle inside, followed by the words "ANDROID POLICE" in a bold, black, sans-serif font.

"Best of CES"

The logo for iPhone Life MAGAZINE, featuring the words "iPhone Life" in a bold, black, sans-serif font, with "MAGAZINE" in a smaller, blue, sans-serif font below it.

"Best of CES"



ACOUSTICS BY
DEVIALET

Awards and Recognition: Linksys CES 2020



Linksys Aware:
“Best in Show”



5G portfolio:
“Best of Wi-Fi and Networking”



Linksys Aware:
“Innovation Award Honoree – Software and Mobile Apps”



Linksys Aware:
“Best of CES”



Linksys Aware:
“Best Gadget We Saw at CES 2020”



FIT belkin LINKSYS wemo PHYN

Wemo WiFi Smart Plug: “Best Smart Plug”



The image consists of two photographs of smart home products. The top photograph shows the 'Wemo Stage Scene Controller' mounted on a white wall. It is a rectangular white device with a single large button. To its left, a white cylindrical smart speaker sits on a white shelf. The shelf has a clear acrylic display case containing a smartphone and a small green book. The bottom photograph shows the 'Wemo React' smart plug. It is a white rectangular plug that fits into a standard wall outlet. To its left, the same white cylindrical smart speaker is visible on the shelf. The shelf also holds the clear acrylic display case with the smartphone and the small green book. Both photographs feature a white shelf with integrated LED lighting that glows from underneath.

Awards and Recognition: Phyn CES 2020



Phyn Smart Water Assistant:
“Innovation Award
Honoree – Tech for a
Better World”



Phyn Smart Water Assistant:
“Innovation Award
Honoree – Smart
Home”



Phyn Smart Water Assistant:
“Last Gadget
Standing Finalist”



Phyn Smart Water Assistant:
“Best of CES”



Phyn Smart Water Assistant:
“Best Water Monitor”



Thank You



belkin

LINKSYS

wemo

PHYN

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