



FIT HON TENG LIMITED

鴻騰六零八八精密科技股份有限公司

2019 INTERIM RESULTS ANNOUNCEMENT

二零一九年中期業績發佈會



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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.

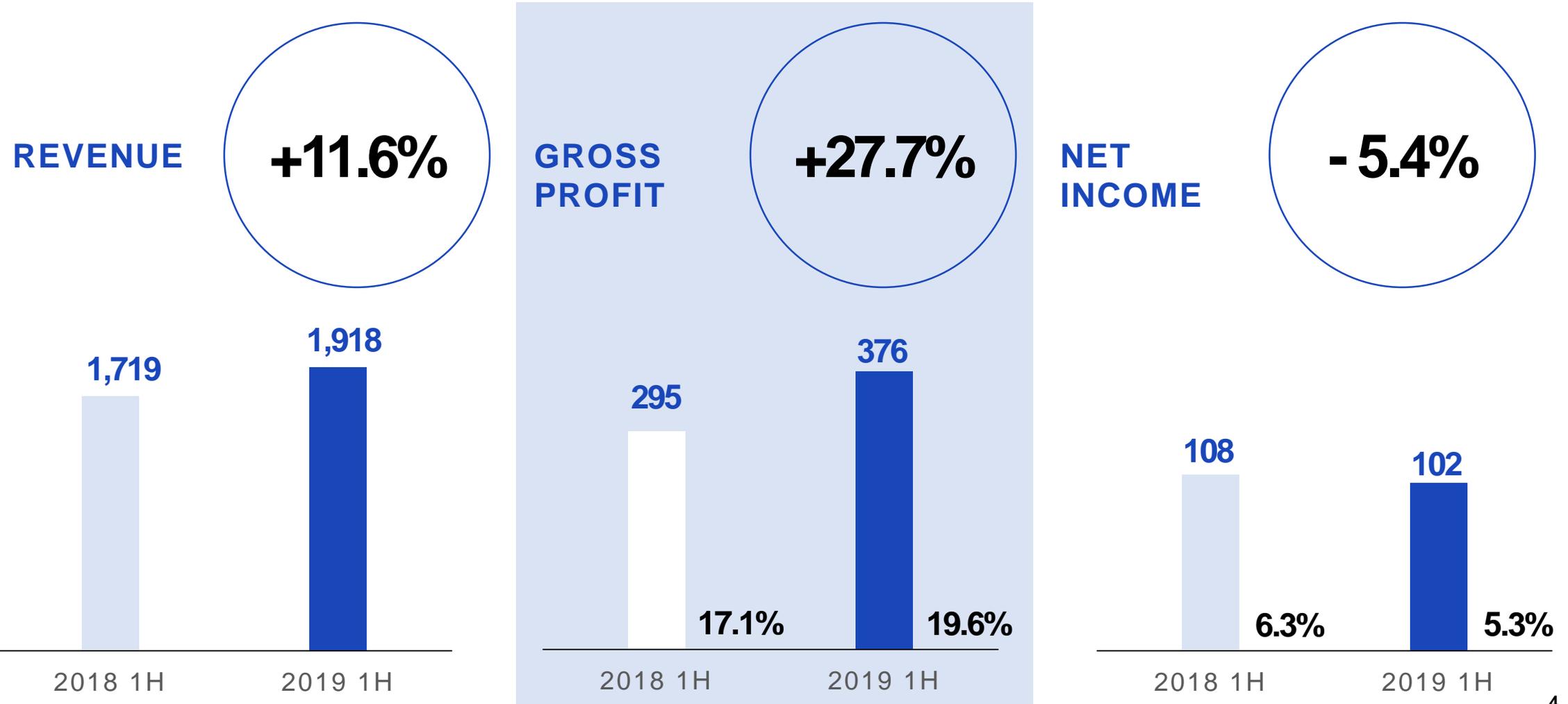
CURRENT

Core competencies and existing customers.



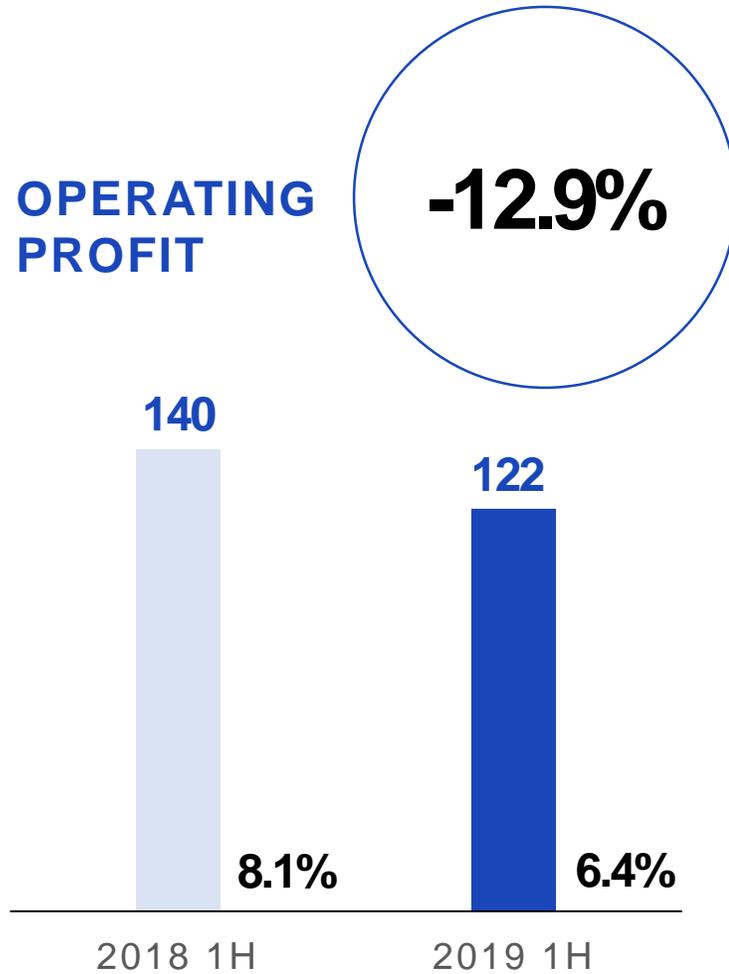
Financial Overview

FY2019 1H



Financial Overview

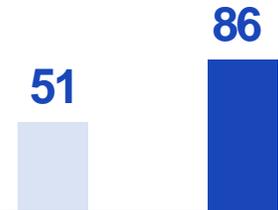
FY2019 1H



DISTRIBUTION COSTS & SELLING EXPENSES



ADMINISTRATIVE EXPENSES



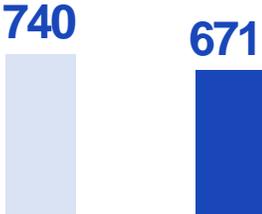
R&D EXPENDITURE



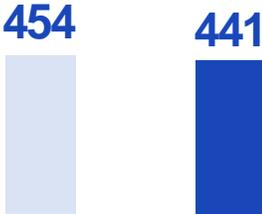
2018 1H 2019 1H

Revenue Mix

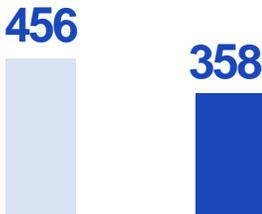
MOBILE DEVICES



COMMUNICATIONS INFRASTRUCTURE



COMPUTER & CONSUMER ELECTRONICS



AUTO, INDUSTRY & MEDICAL



SMART ACCESSORIES



CONNECTED HOME



2018 1H 2019 1H

2018 1H 2019 1H

Financial Highlight

CASH CONVERSION CYCLE

80 2018 **78** 2019 1H

TURNOVER DAYS

Inventory	65	80
Trade Receivables	88	83
Trade Payables	73	85
	2018	2019 1H



Financial Highlight

EBITDA MARGIN

2019 1H

13.0%

2018 1H

14.6%

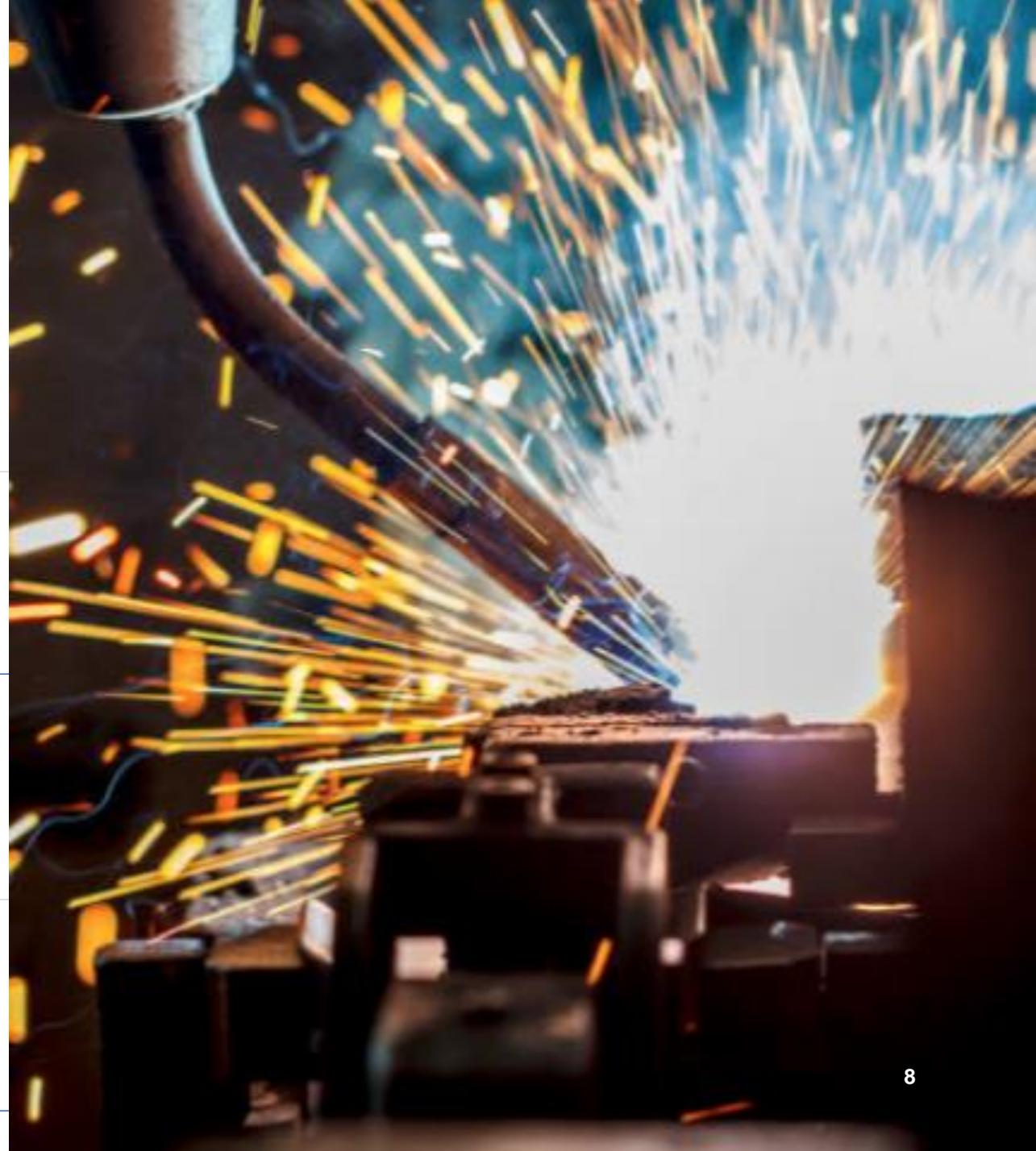
CASH FLOW FROM OPERATIONS

2019 1H

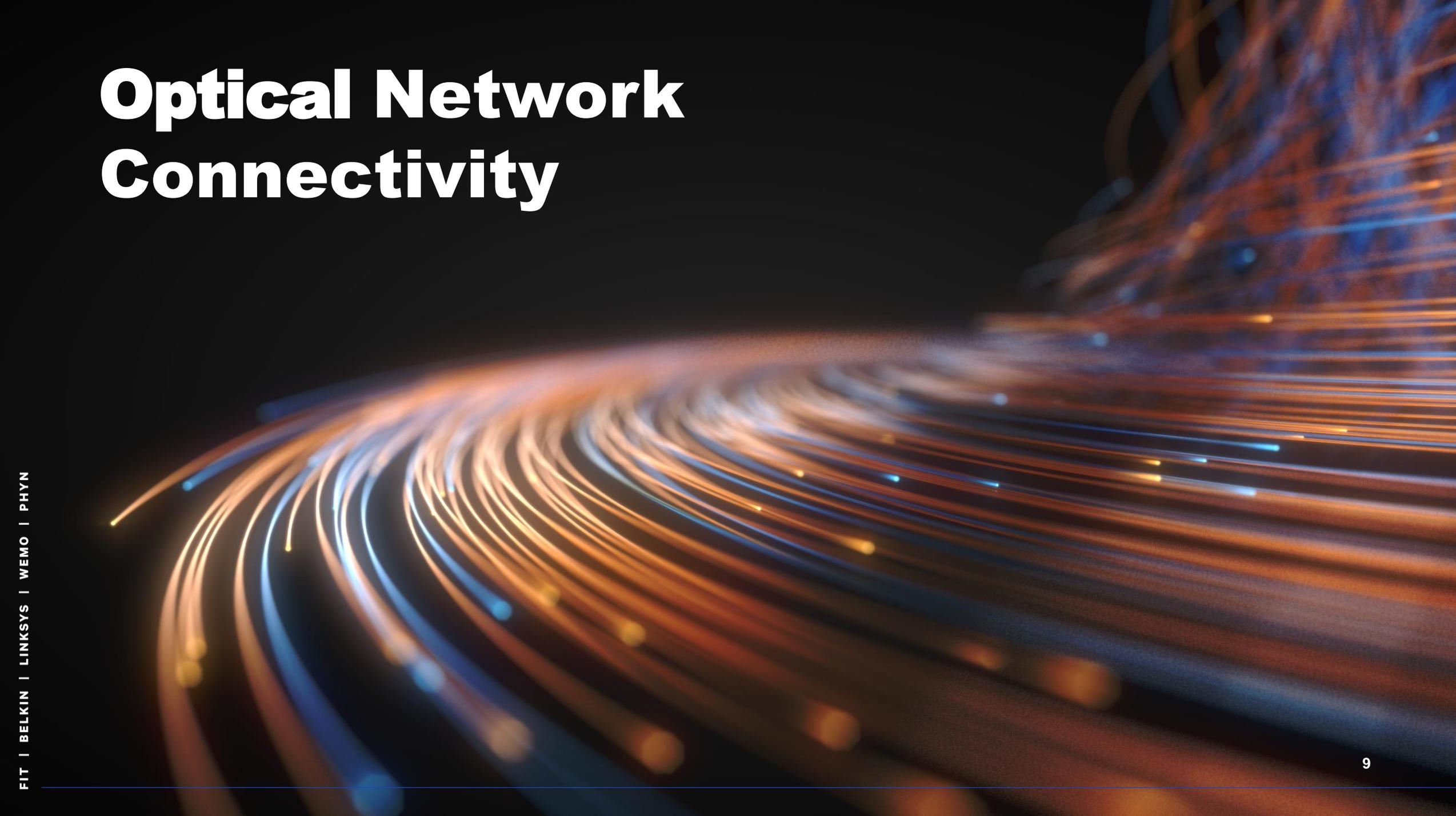
200 MUSD

2018 1H

338 MUSD



Optical Network Connectivity

The background of the slide is a dynamic, abstract composition of glowing fiber optic cables. The cables are arranged in a dense, overlapping pattern that creates a sense of depth and movement. The primary colors are a vibrant blue and a warm orange, with the light trails appearing to flow from the foreground towards the background. The overall effect is one of high-tech connectivity and data transmission.

Solutions for Optical Network Connectivity

DATA CENTER / ENTERPRISE



\$3,659M

10G | 40G | 100G
SAN: 8G, 16G, 32G

200G | 400G | 800G
SAN: 64G, 128G

GAGR
(2019-2023)
= 15%

SWITCH / ROUTER



\$1,607M

1G | 10G | 25G | 40G | 100G

50G | 400G | 800G

GAGR
(2019-2023)
= 12%

CAMPUS / METRO



\$1,053M

10G | 40G | 100G

200G | 400G | 800G

GAGR
(2019-2023)
= 10%

WIRELESS



\$355M

3G | 6G | 9.8G

25G | 50G | 100G

GAGR
(2019-2023)
= 21%

2019 TAM

PRESENT

FUTURE

FIT-Belkin Integration Update

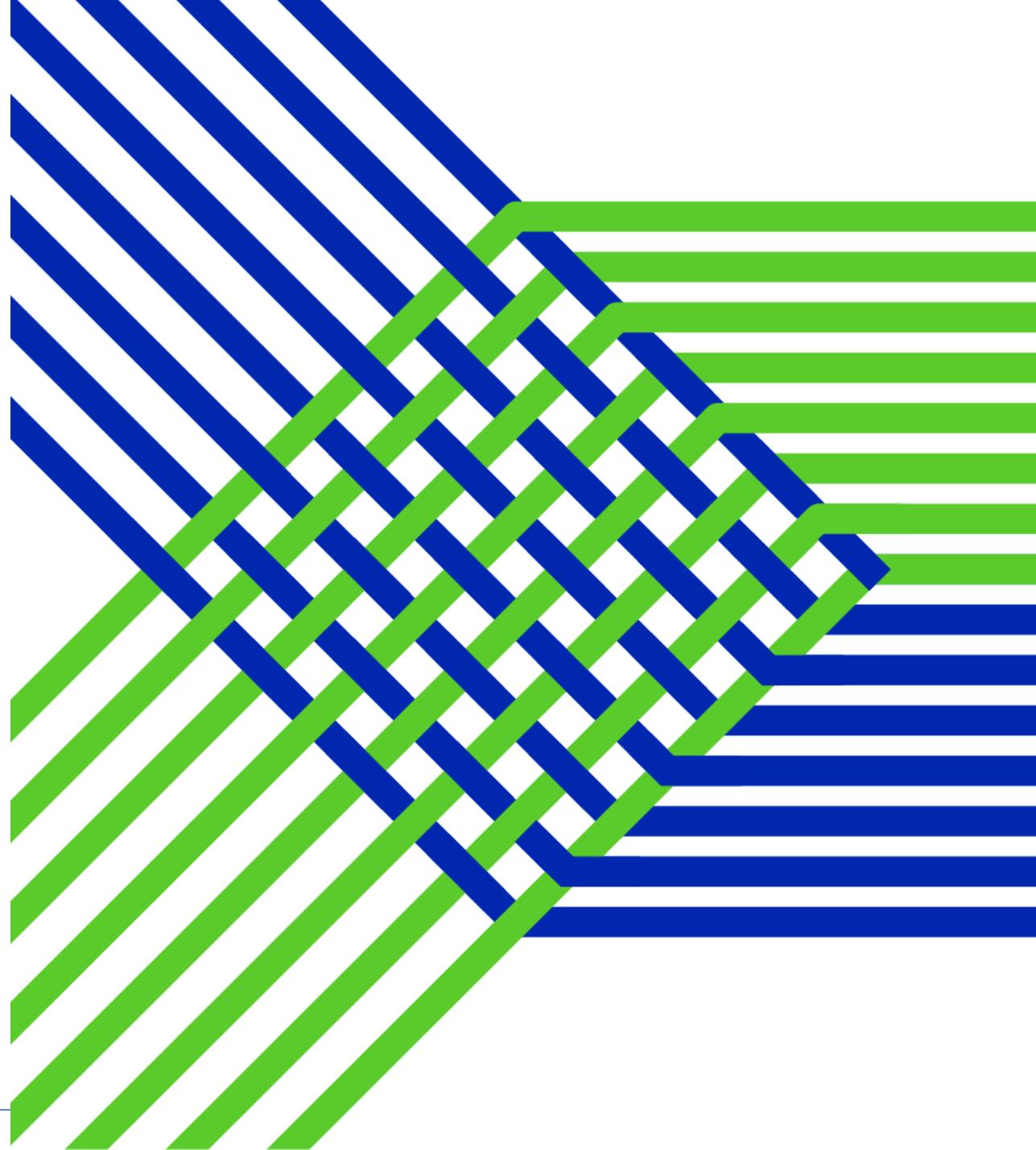
FIT | BELKIN | LINKSYS | WEMO | PHYN



Integration Update

We are on schedule to meeting the objectives of the Belkin acquisition

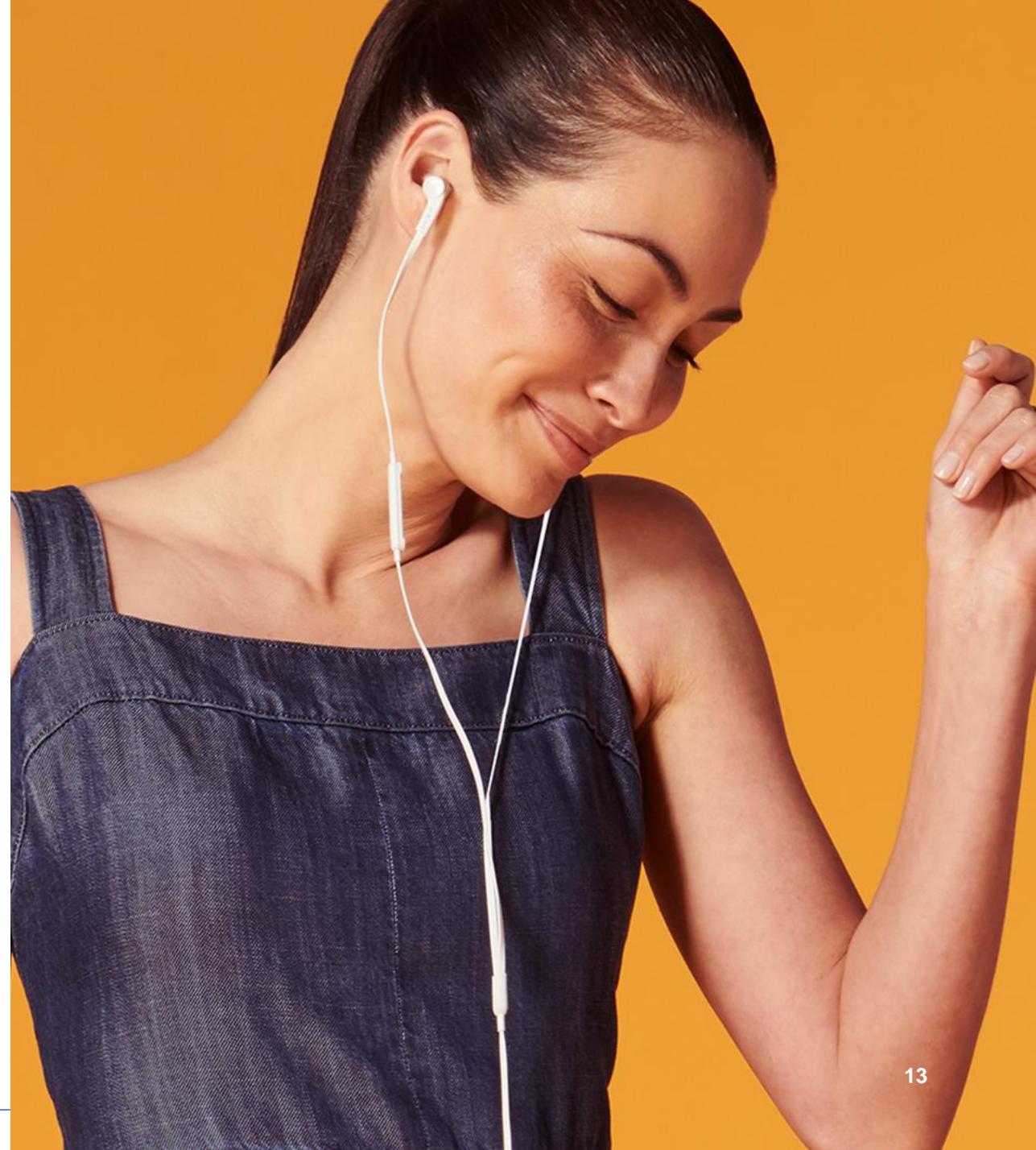
- Belkin leveraging FIT's manufacturing expertise and scale.
- Belkin manufacturing in process of transitioning outside of China.
- Expansion opportunities in Asia, leveraging FIT relationships.



Growth Drivers: 2H 2019 and 2020

Belkin facilitating and driving total FIT growth and profitability.

- Belkin is leading sales opportunities across all of FIT.
- Focused on expanding key FIT technologies, including 5G and smart home.
- Prioritizing top sales accounts featuring some of the top technology companies globally.



Growth Drivers: 2H 2019 and 2020

Connected Things

- Secure key industry leadership in transition from wired to wireless in Connectivity, Power and Audio.
- Leverage Belkin's market leadership in Mobile Power and global distribution channels to grow Digital Audio category.
- Continued growth in Screen Protection at key retailers worldwide.



Growth Drivers: 2H 2019 and 2020

Connected Home

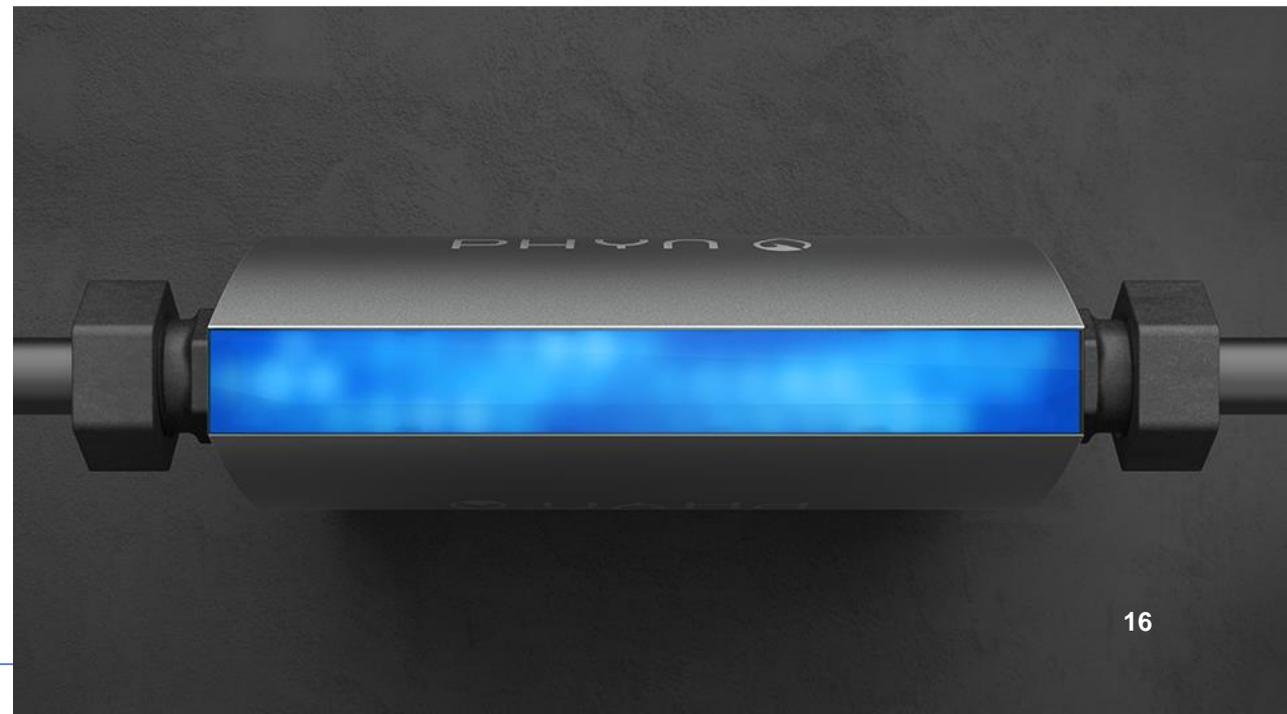
- Linksys Velop as the preferred neutral platform of home networking for ISP's.
- New features, capabilities, revenues, enabled by software over Velop platform, including security, motion sensing, and health and wellness.
- 5G and Wi-Fi 6 products launching globally.
- Linksys SMB business with new product launches in Cloud Manager, Cybersecurity, access points and smart switches.



Growth Drivers: 2H 2019 and 2020

Connected Home

- New Wemo product launches and integrations planned for 2020.
- Phyn - Continued sales expansion opportunities, new products and new features coming.



Growth Drivers: 2H 2019 and 2020

Channel Expansion

- Accelerate our e-commerce business by leveraging customized products, marketing and operations strategy.
- Greater focus on winning at telecom providers and ISP's globally.
- Further acceleration in Asia, focused on China, utilizing FIT's relationships and reach.
- Private label opportunities globally, leveraging FIT's cost and scale.
- Focus on expansion of B2B verticals (e.g., schools, hotels, restaurants, SMB offices).



Foxconn Interconnect Technology Limited

(Incorporated in the Cayman Islands and carrying on business in Hong Kong as FIT Hon Teng Limited)

鴻騰精密科技股份有限公司

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