FIT Hon Teng Limited
鴻騰六零八八精密科技股份有限公司

1H23 Results Announcement

二零二三年中期度業績發佈會

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Agenda

- 1H23 Financial Overview
- 3Q23 & 2H23 Guidance
- Execution Status Update
- News Update
- ESG
- Q&A Section

Financial Highlight

1H23 Financial Highlight

REVENUE

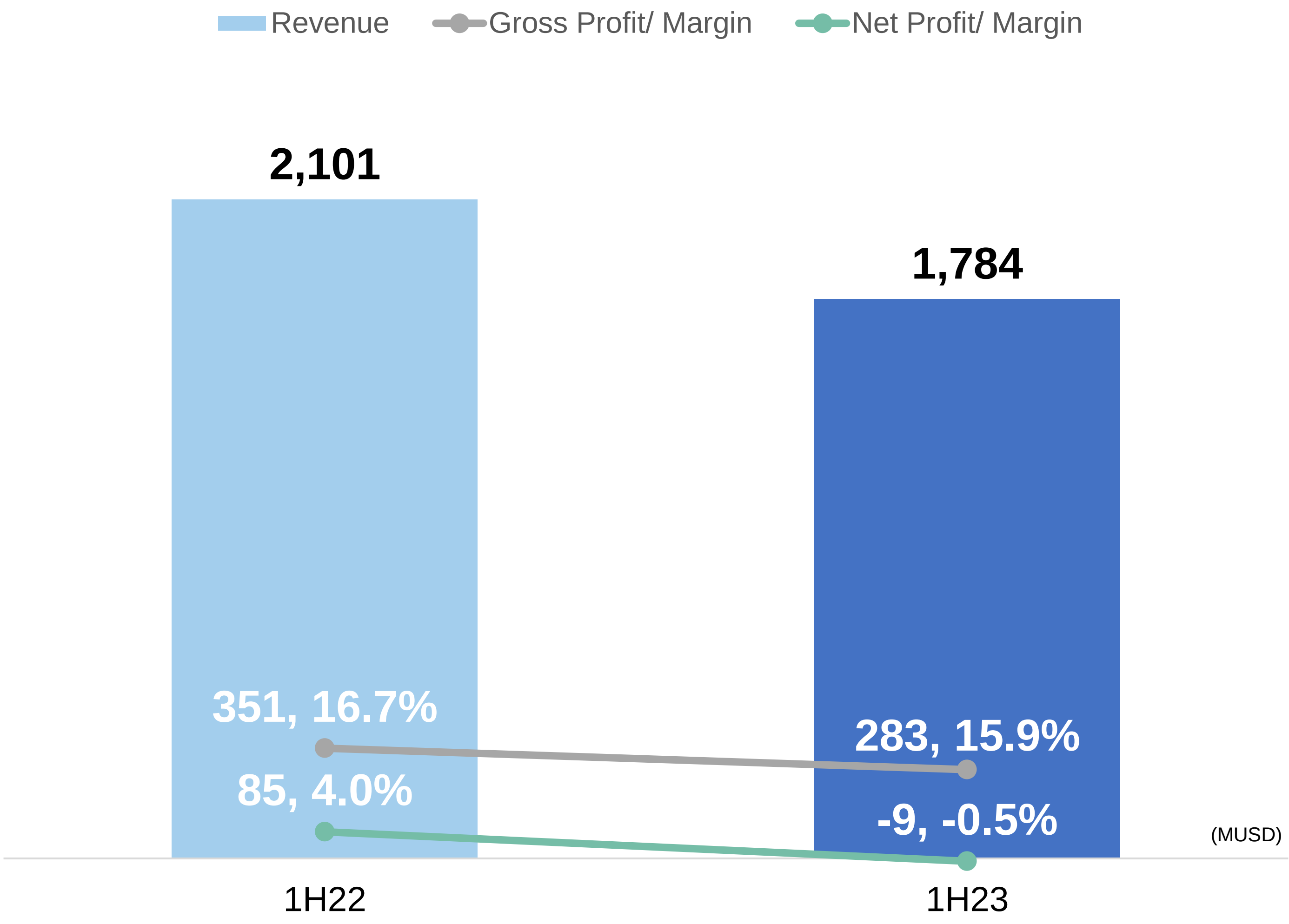
-15%

GROSS PROFIT

-19%

NET INCOME

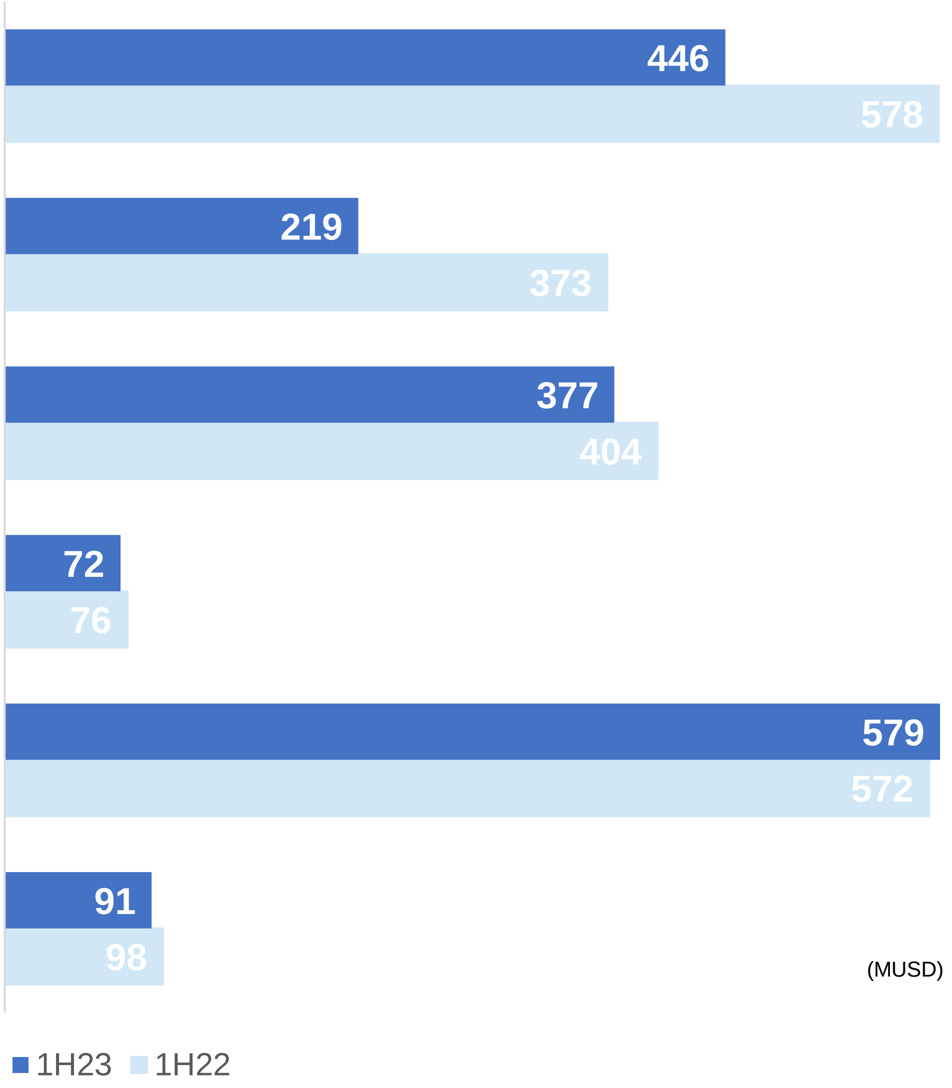
-9M



⬆ > +15% ↗ +5 – 15% ➡ 0 ± 5 ↘ -5 – 15% ⬇ > -15%

1H23 Segment Performance

		1H23 YoY Comparison	
	Revenue Mix	Guidance	Actual
Smartphones	25%	⬇	⬇
Networking	12%	⬇	⬇
Computing	21%	➡	↘
EV Mobility	4%	➡	↘
System Products	33%	➡	➡
Others	5%	⬇	↘



Financial Guidance

Full Year Guidance Recap

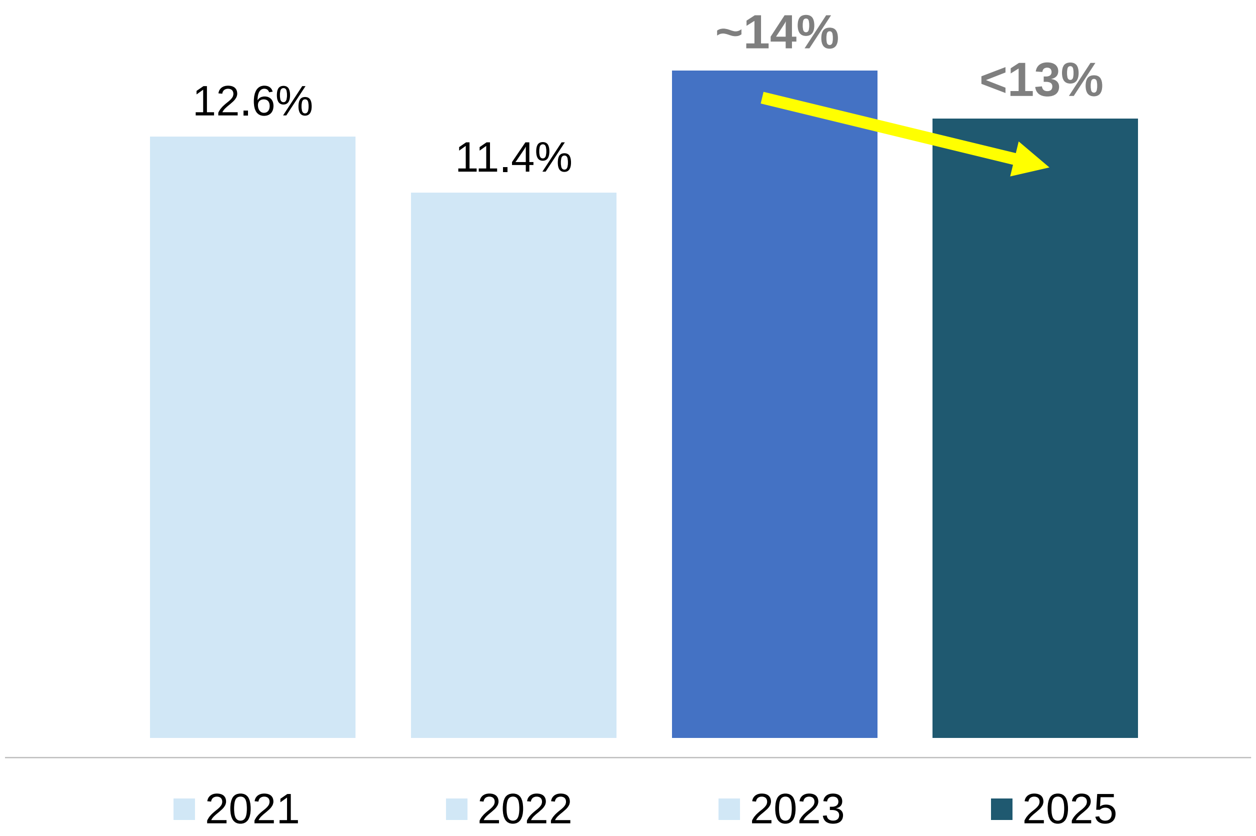
2023 YoY

REVENUE →

GROSS PROFIT ↗

NET INCOME ↘

OPEX Ratio Forecast



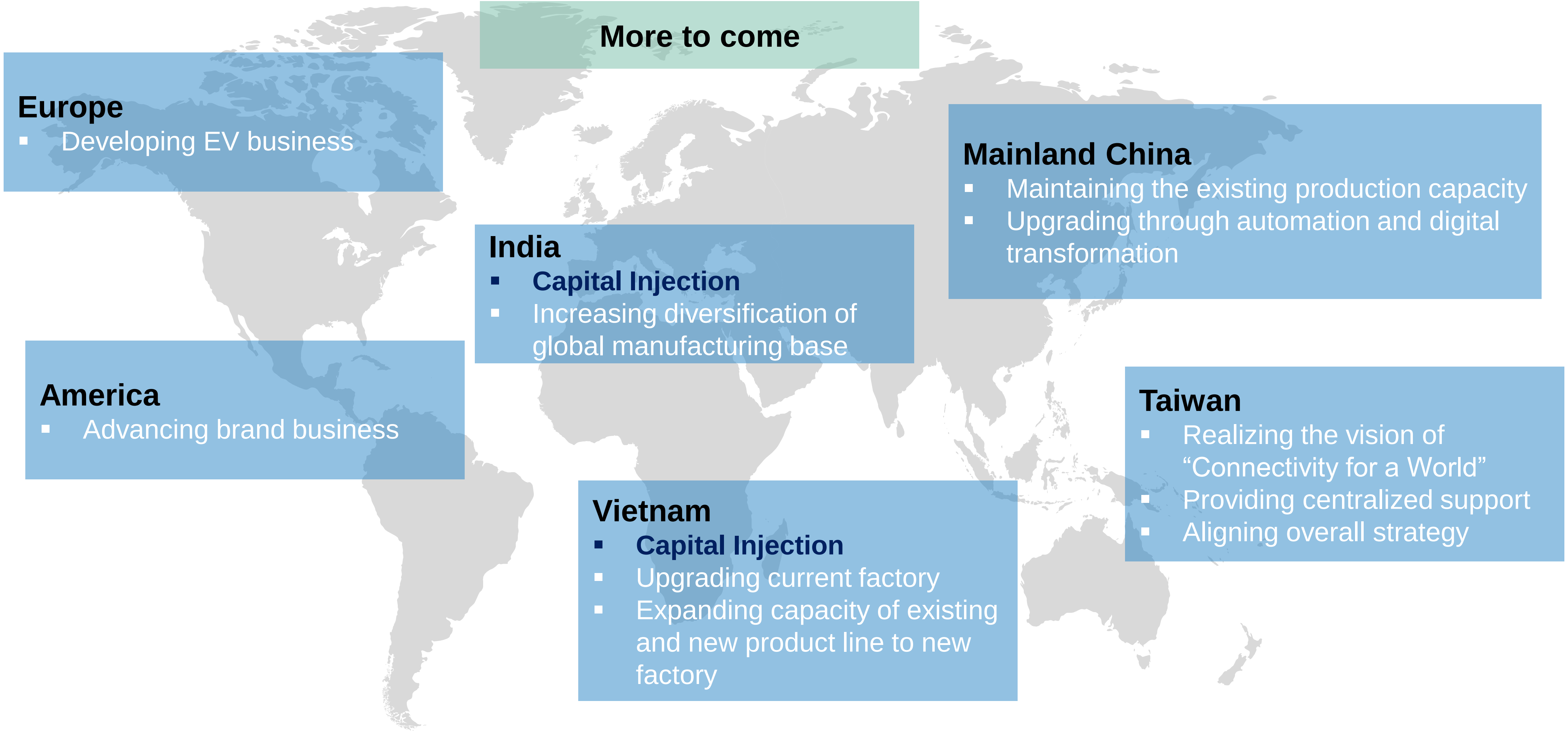
↑ > +15% ↗ +5 – 15% → 0 ± 5 ↘ -5 – 15% ↓ > -15%

2H23 Guidance

	Smartphones	Networking	Computing	EV Mobility	System Products	Others
3Q23 YoY	↘	↓	↗	↑	↘	↓
2H23 YoY	→	↓	↑	↑	→	↓
FY23 YoY	↘	↓	↗	↑	→	↓

Execution Status Updates

Expand Global Services as Industry Trend Diversifies Footprint



More to come

Europe
- Developing EV business

America
- Advancing brand business

India
- **Capital Injection**
- Increasing diversification of global manufacturing base

Vietnam
- **Capital Injection**
- Upgrading current factory
- Expanding capacity of existing and new product line to new factory

Mainland China
- Maintaining the existing production capacity
- Upgrading through automation and digital transformation

Taiwan
- Realizing the vision of “Connectivity for a World”
- Providing centralized support
- Aligning overall strategy

CAPEX Forecast

(MUSD)	2023 (F)	2024 (F)	2025 (F)
Total	~800	950 - 980	400 - 430

1H23 3+3 Execution Status Update

EV Mobility

- New EV business unit developed – FIT Voltaira

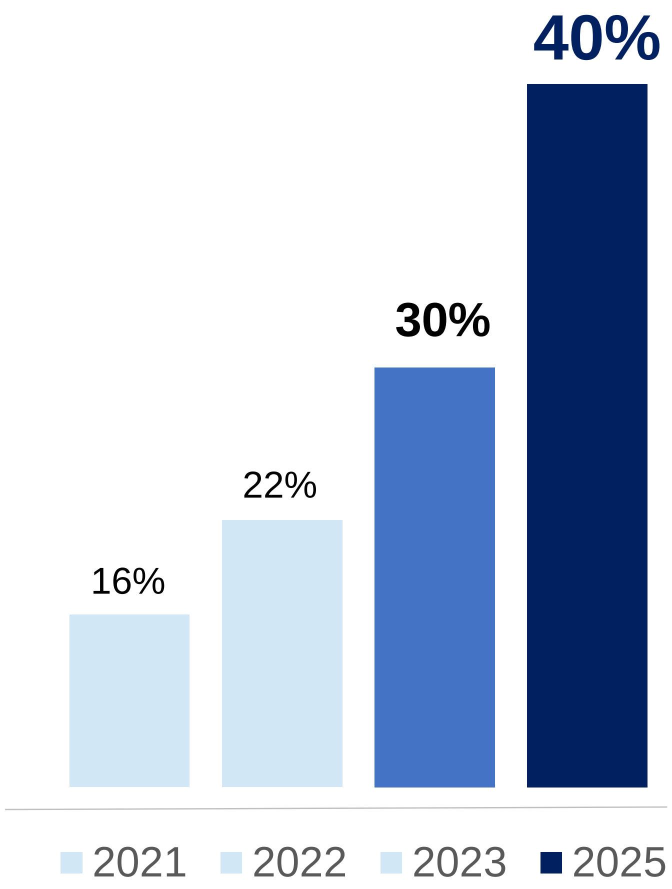
New Generation 5G AIoT

- Key focus for mid-term profit growth
- Winning Reddot Award - 800G Product
- OCP market opportunities development

Audio

- Preparation of global service expansion

Revenue Mix Forecast Update



Enhancing EV Strengths – FIT Voltaira

Completed Acquisition of Prettl SWH Group and Introduces New EV Business Unit – FIT Voltaira

Product Offerings

ELECTRIFY Applications


Wire Harness for Battery Pack


High Voltage Wiring


Transmission Harness


E-Bike Harness

CONNECT Applications


BSD Blind Spot Detection System


LF Antenna


Camera Connector


V2V

SENSE Applications


EPS Sensor


O2 Sensor


Steering Harness


Seat Buckle Switch Harness

Customer Expansion

Serving the champions league of automotive

Tier 1 & leading EV OEMs covering

- Americas
- EMEA
- Asia

Technology & Talent

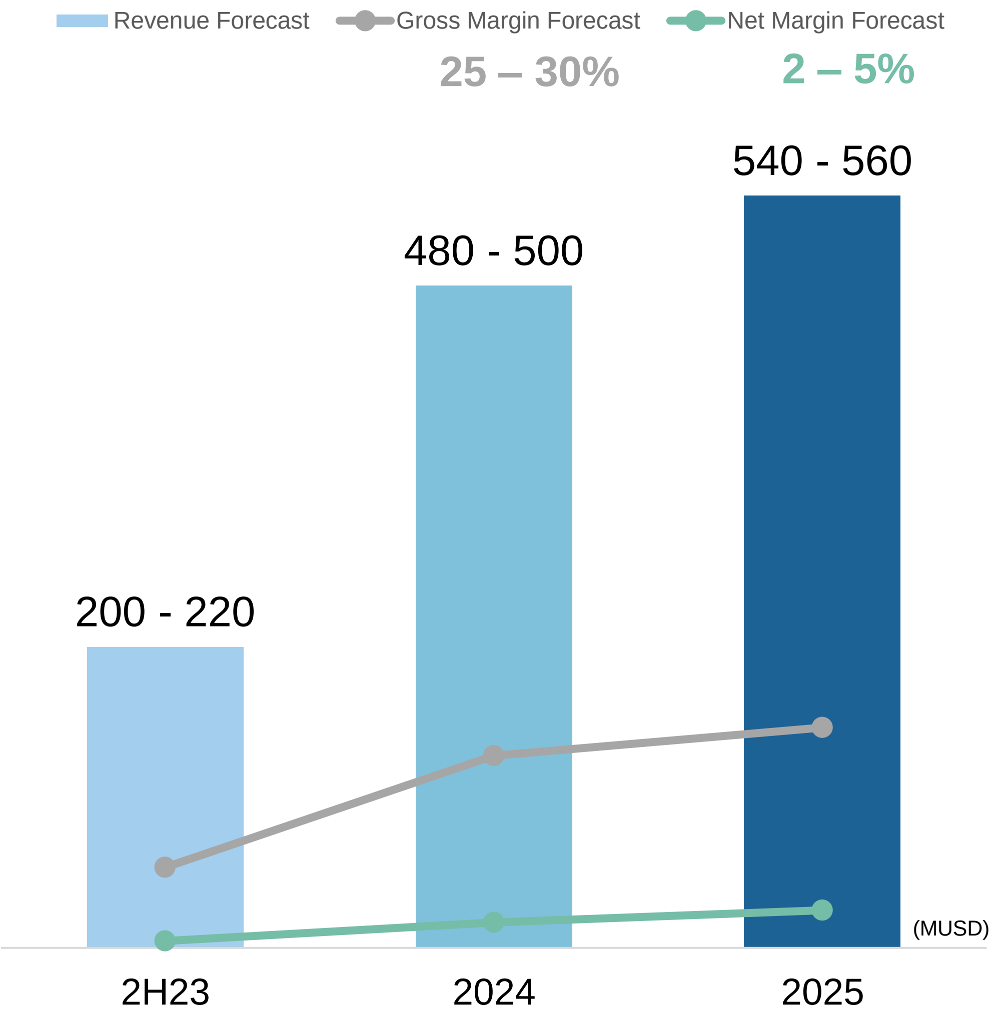
Technology edges create attractive growth trajectory

- Non-standardized production
- High processing know-how

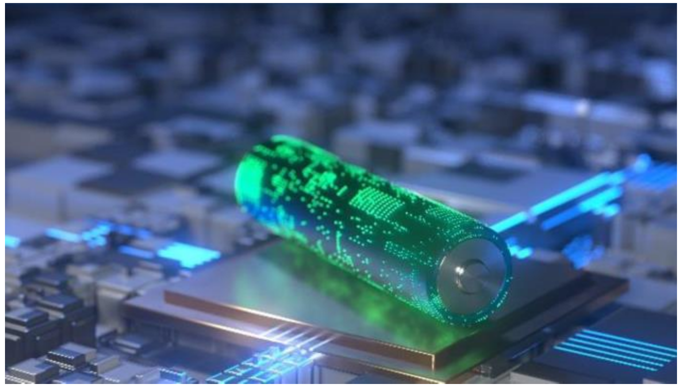
Talent acquisition

- Gaining 50 years of experience with track record in automotive cable manufacturing and wiring.

Significant Growth Driver - Revenue & Margin



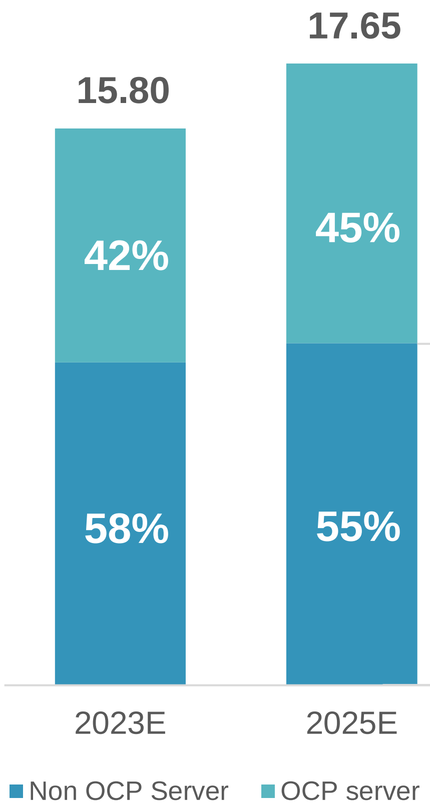
5G AIoT Certified Products Meet Industry Trend



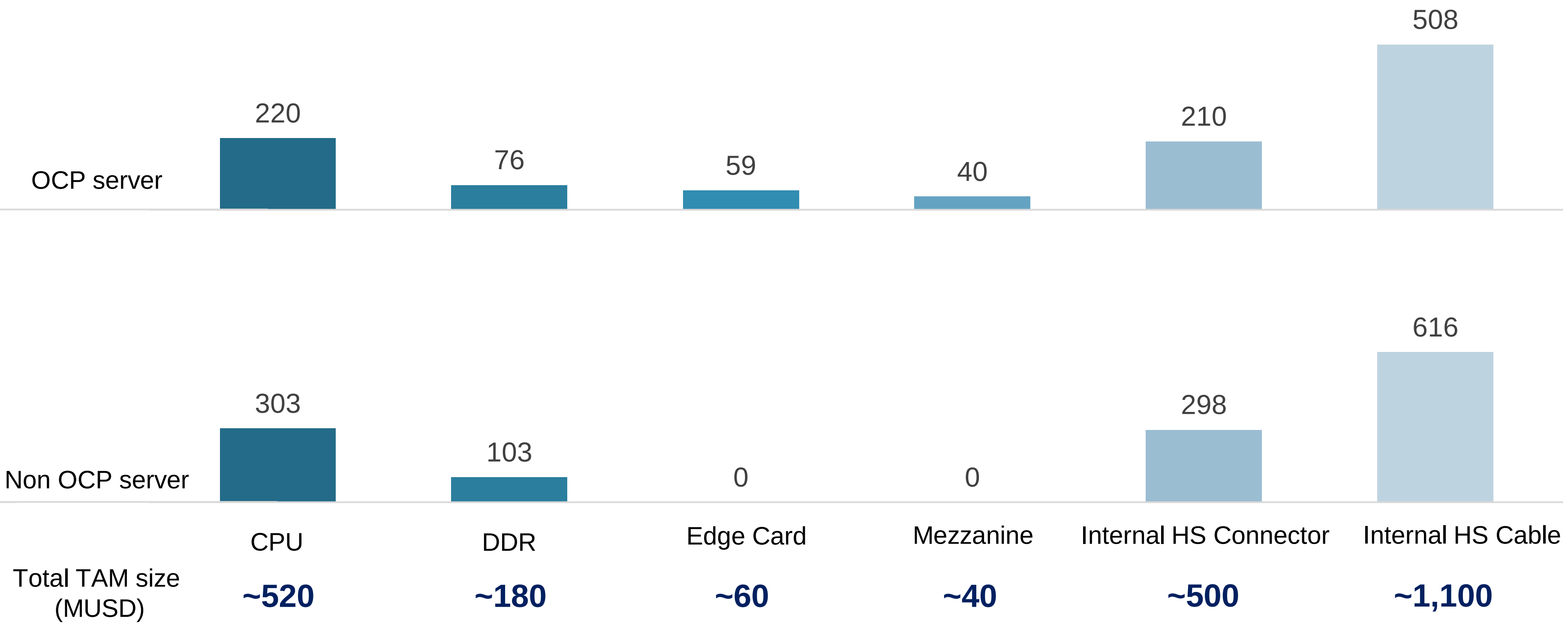
	Energy Saving	Power Efficiency	Open Standard
Industry Trend	Moving away from traditional air cooling towards liquid cooling	Moving away from traditional PSU towards power shelves, uninterrupted power systems	Moving away from unique architecture designs towards the development of open specifications and standards
FIT accomplished	CPU socket & DDR passed the liquid cooling environment test	MCRPS connectors mass-produced & entered association standards	Opened an alliance corresponding M-XIO EDSFF product matching

AI Opens up OCP Market Opportunities

2023 – 2025 Worldwide Server Shipment Forecast (M unit)



2025 Connector & Cable Market TAM size (MUSD)



Audio

Acoustic Offerings

from component to final goods

OEM

Micro acoustic solutions

- Micro speakers
- Speaker modules
- Actuators

ODM

Beats FIT Pro2 TWS

Branded

Belkin Audio Products

- TWS
- Smart Speaker
- Wired headsets

Production Capabilities

from single to various regions

Zhenjiang, China

Product: Micro Speaker

Bắc Giang, Vietnam

Product: TWS

Telangana, India

Coming Soon

Technology Competencies

from Manufacturer to Developer

Wide technical core competences

- Coil technologies
- Vibration-minimization
- CAS 2nd generation technologies

Unique IP for Speaker and Actuator

- Features and architectures, coil technology and measurement engineering
- CAS/ Shamrock/ SiDiAc/ FlatAc/ FAlCo/ Coimeleon/ BI(x)

News Updates

Recent Announcements

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)

VOLUNTARY ANNOUNCEMENT

This is a voluntary announcement made by FIT Hon Teng Limited* (the "**Company**").

The board of directors of the Company (the "**Board**") is pleased to announce that (i) the Company proposed to make a capital injection of US$500,000,000 to Foxconn Interconnect Technology Singapore Pte. Ltd. ("**FIT Singapore**"), a direct wholly-owned subsidiary of the Company; (ii) FIT Singapore proposed to make a capital injection of US$100,000,000 to Fu Wing Interconnect Technology (Nghe An) Company Limited, an indirect wholly-owned subsidiary of the Company; and (iii) FIT Singapore proposed to make a capital injection of US$400,000,000 to Chang Yi Interconnect Technology (India) Private Limited, which is held by FIT Singapore as to 99.99% of the capital stock.

By order of the Board
FIT Hon Teng Limited*
LU Sung-Ching
Chairman of the Board

Hong Kong, August 7, 2023

As of the date of this announcement, the Board comprises Mr. LU Sung-Ching, Mr. LU Pochin Christopher and Mr. PIPKIN Chester John as executive directors, Mr. TRAINOR-DEGIROLAMO Sheldon and Ms. HUANG Pi-Chun as non-executive directors, and Mr. CURWEN Peter D, Mr. TANG Kwai Chang and Mr. CHAN Wing Yuen Hubert as independent non-executive directors.

* *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*

科技網 > 產業 > CarTech/綠能

PRETTL SWH集團更名FIT Voltaira加入鴻騰陣容

杜念魯 / 台北 2023–07–04

為進一步擴充在電動車關鍵零組件領域的實力，符合今後轉型發展策略上的需求，鴻海旗下鴻騰精密科技（FIT）於2023年初宣布以1.86 億歐元（約新台幣 61 億元）購併德國車用元件設計製造業者PRETTL SWH 集團。鴻騰於3日晚間宣布已經完成此購併案。

鴻海旗下鴻騰報捷 再憑高速連接器獲紅點設計大獎

2023/06/27 11:25 回應(0) 人氣(311) 收藏(0)

MoneyDJ新聞 2023-06-27 11:25:16 記者 新聞中心 報導

鴻海(2317)旗下鴻騰精密科技(6088.HK)再次獲得譽為「設計界奧斯卡」的「紅點設計大獎」。鴻騰掌握最火紅的AI話題，以「FITCONN」為題並憑藉創新800G高速連接器展現出色的設計能力，獲得設計概念獎。這項創新的解決方案在遵守既有數據中心的規格和設計規則的同時，也大力提高了數據傳輸效率。

鴻騰指出，近年提出3+3策略發展電動車、聲學及5GAIoT領域，並掌握數據中心領域的最新趨勢，在5GAIoT策略中鎖定「更節能(More Energy Saving)、更效率(More Power Efficiency)、更開放的平台(More Open Platforms)」三大方針，透過其優異技術，持續掌握高毛利的生意機會。

此產品不僅是在外觀做了改變，更徹底打破ASIC晶片堆疊的傳統設計，允許訊號直接通過晶片上的接觸點與跳線連接器，有效消除訊號的損耗，縮短晶片和連接器間的路徑，最大限度地提高了傳輸效率。

Foxconn electronics manufacturing facility in Telangana: Groundbreaking ceremony conducted

Groundbreaking ceremony for Foxconn Interconnect Technology's new electronics manufacturing facility was conducted at Kongara Kalan

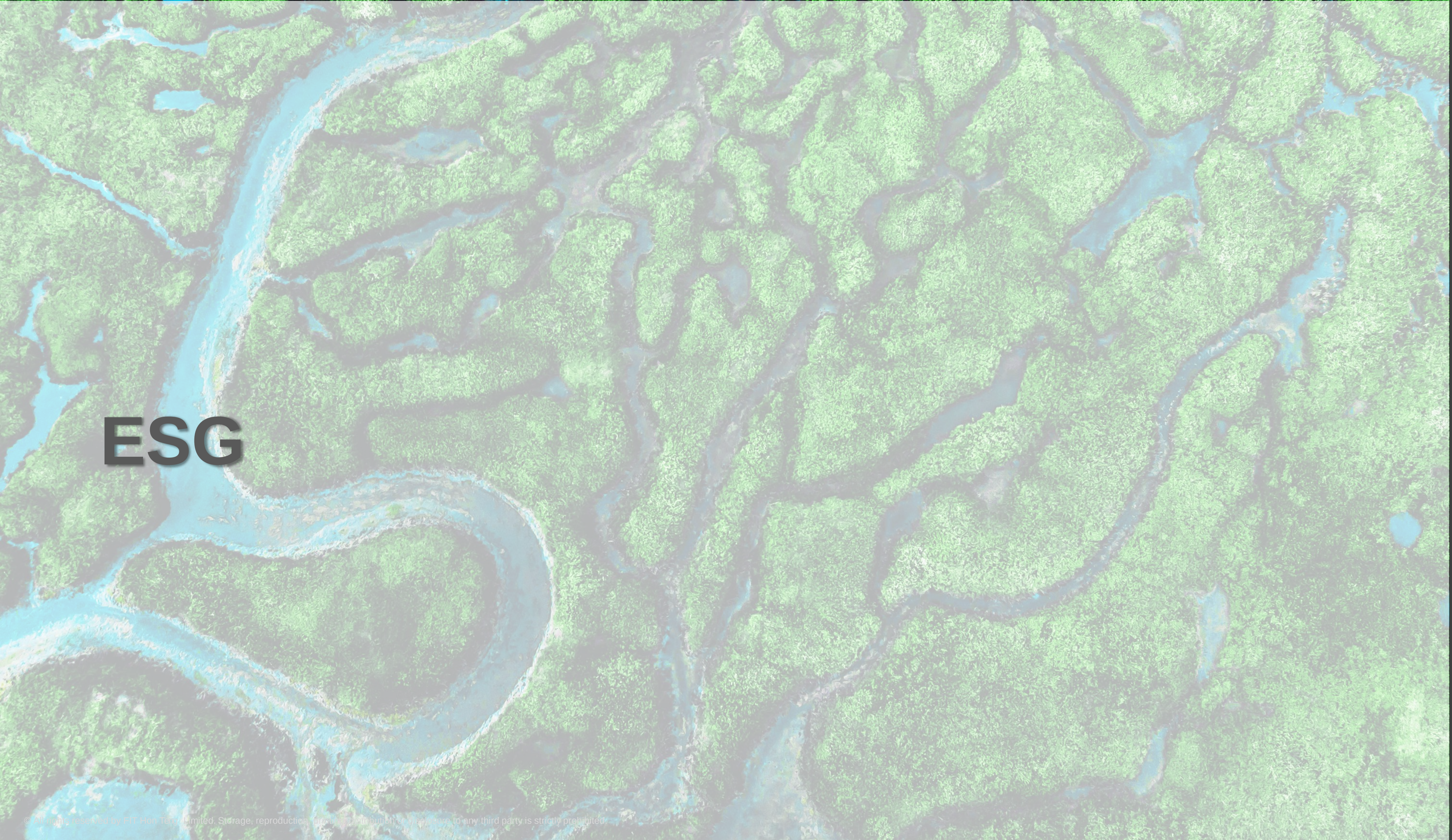
BY TELANGANA TODAY UPDATED ON - 11:59 AM, MON - 15 MAY 23

7 August
Capital Injection

3 July
Prettl SHW Acquisition

27 June
Reddot Awarded 800G Innovation

15 May
India Groundbreaking



ESG

Honour and recognition of FIT in 2022

Hang Seng Corporate Sustainability Index Series Member 2022-2023

FIT receives A rating in Hang Seng Corporate Sustainability Index Series

The Hang Seng Corporate Sustainability Index Series evaluates a corporate's maturity in managing 7 Aspect Subjects covering ESG, FIT is accredited with A rating in 2022, with top 20% position as compared with peers.

Factories Recognitions

UL

VALIDATED

- ABCD HAS ACHIEVED ZERO WASTE TO LANDFILL PLATINUM OPERATIONS, 100% DIVERSION UL.COM/ECV

UL 2799A

PLATINUM

FIT Mainland China factories Zero Waste Project

In line with Apple's waste management policy, FIT participated in Zero Waste Project in 2022. Apple requires suppliers to divert 100% of their waste from landfill, with a maximum of 10% sent to a waste-to-energy facility, in order to achieve the Zero Waste-to-Landfill certification through Underwriters Laboratories (UL).
A project team was formed by the Environmental Engineering Department and led by various business units of different factories. Currently, Shenzhen and Kunshan factories have passed the annual validation this year and obtained UL2799 platinum certification. We target to extend the project to other factories in Mainland China and obtain relevant certifications.

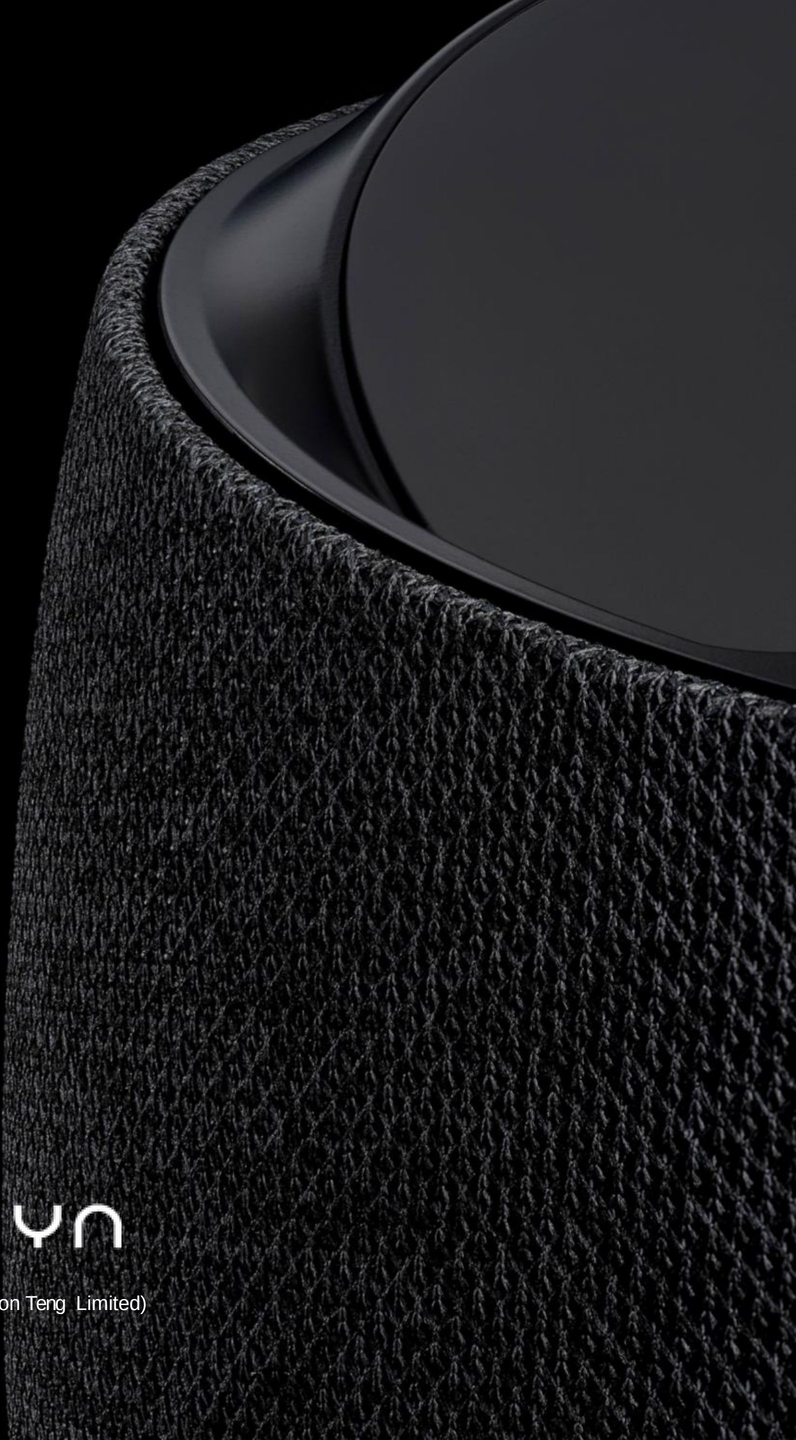
FIT Shenzhen and Chongqing factories "Green Trustworthy Enterprises"

In the first environmental protection credit assessment by the Shenzhen Municipal Government, the Shenzhen factory was recognised as the highest level "Green Trustworthy Enterprise" among over 800 enterprises. The Chongqing factory also won the title of "Integrity Enterprise" in environmental protection credit rating.

FIT Huaian factory "2022 Outstanding Enterprises in Ecological and Environmental Protection”

In January 2023, Huaian factory was selected as one of the corporates in attaining the "Outstanding Enterprises in Ecological and Environmental Protection" by Huaian Economic & Technological Development Zone of Huaian Ecological Environment Bureau.

Q&A section



Appendix

Statement of Comprehensive Income

(M'USD)	1H23	1H22	YoY
Revenue	1,784	2,101	-15%
Gross Profit	283	351	-19%
Gross Profit Margin	16%	17%	-85 bps
Operating Profit	25	88	-72%
Profit before Tax	7	107	-93%
Income Tax Expense	(16)	(22)	-27%
Profit for the Year	(9)	85	-111%
Profit Attributed to :			
Owners of the Company	(9)	85	-111%
Non-controlling Interests	-	-	-
Basic EPS	(0.13)	1.23	-111%

Balance Sheet

(K'USD)	**As of 30 June 2023**	**As of 30 June 2022**	**YoY**
Cash and Cash equivalents	1,383,557	853,917	62%
Inventory	792,038	1,123,084	-29%
Receivables	614,803	779,536	-21%
Other current assets	135,061	204,583	-34%
Non-current assets	1,694,246	1,872,018	-9%
Total Assets	**4,619,705**	**4,833,138**	-4%
Current Liabilities	(2,272,239)	1,796,027	27%
Non-Current Liabilities	(75,263)	662,996	-89%
Total Liabilities	**(2,347,502)**	**2,459,023**	-5%
Equity	**2,272,203**	**2,374,115**	-4%

Cash Conversion Cycle

Days	**1H23**	**1H22**
Average inventory turnover days	105	110
Average trade receivables turnover days	67	79
Average trade payables turnover days	73	78

Terminology

Term	**Definition**
SiC	Silicon Carbide
48V-DC	48 Voltage DC Power Supply
M-CRPS	Common Redundant Power Supply
DC-HMS	Modular Hardware System
PCIe	Peripheral Component Interconnect Express
U.2	Extension of the SATA and SAS storage interfaces
M-XIO	Extensible IO (near side “IO”)
EDSFF	Enterprise & Data Centre SSD Form Factor