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)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2020

FINANCIAL HIGHLIGHTS

- Revenue for the year ended December 31, 2020 amounted to US$4,315 million, representing a YoY decrease of 1.3% as compared to US$4,372 million for the year ended December 31, 2019.
- Profit for the year ended December 31, 2020 amounted to US$43 million, representing a YoY decrease of 81.5% as compared to US$233 million for the year ended December 31, 2019.
- Basic earnings per share attributable to owners of the Company for the year ended December 31, 2020 amounted to US0.64 cents, representing a YoY decrease of 82.1% as compared to US3.57 cents for the year ended December 31, 2019.
- The Board did not declare any final dividend for the year ended December 31, 2020.

CHANGE OF COMPOSITION OF BOARD COMMITTEE

The Board hereby announces that, with effect from March 29, 2021, Mr. TRAINOR-DEGIROLAMO Sheldon has been appointed as a member of the Nomination Committee and Mr. CHAN Wing Yuen Hubert has ceased to be a member of the Nomination Committee.

The Board is pleased to announce the audited consolidated annual results of the Group for the year ended December 31, 2020 together with the comparative figures for the corresponding period in the previous year as follows:

CONSOLIDATED INCOME STATEMENT
YEAR ENDED DECEMBER 31, 2020

	Note	**2020** *USD'000*	2019 *USD'000*
Revenue	*4*	**4,314,661**	4,372,382
Cost of sales	*5*	**(3,734,889)**	(3,618,187)
Gross profit		**579,772**	754,195
Distribution costs and selling expenses	*5*	**(96,638)**	(110,531)
Administrative expenses	*5*	**(133,853)**	(158,722)
Research and development expenses	*5*	**(235,143)**	(249,787)
(Recognition)/reversal of impairment losses on financial assets – net		**(220)**	1,219
Other income		**13,380**	24,143
Other (losses)/gains – net		**(2,541)**	14,653
Operating profit		**124,757**	275,170
Finance income		**17,610**	21,837
Finance costs		**(16,992)**	(29,333)
Finance income/(costs) – net		**618**	(7,496)
Share of results of associates and a joint venture		**(8,851)**	(1,764)
Profit before income tax		**116,524**	265,910
Income tax expense	*6*	**(73,949)**	(32,615)
Profit for the year		**42,575**	233,295
Profit attributable to:			
Owners of the Company		**42,509**	235,414
Non-controlling interests		**66**	(2,119)
		42,575	233,295
Earnings per share for profit attributable to owners of the Company during the year (expressed in US cents per share)			
Basic earnings per share	*7*	**0.64**	3.57
Diluted earnings per share	*7*	**0.62**	3.49

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED DECEMBER 31, 2020

	2020	2019
	USD'000	*USD'000*
Profit for the year	**42,575**	233,295
Other comprehensive income/(loss):		
Items that may be reclassified subsequently to profit or loss		
Exchange difference arising on the translation of foreign operations	**74,337**	(37,511)
Realization of currency translation difference upon disposals of subsidiaries	**9**	–
Items that may not be reclassified subsequently to profit or loss		
Fair value change in financial assets at fair value through other comprehensive income	**(4,820)**	3,524
Total other comprehensive income/(loss) for the year, net of tax	**69,526**	(33,987)
Total comprehensive income for the year	**112,101**	199,308
Total comprehensive income/(loss) for the year attributable to:		
Owners of the Company	**112,024**	201,458
Non-controlling interests	**77**	(2,150)
	112,101	199,308

CONSOLIDATED BALANCE SHEET
AS AT DECEMBER 31, 2020

	Note	**2020**	2019
		USD'000	*USD'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**727,882**	566,090
Right-of-use assets		**77,568**	62,772
Intangible assets		**709,244**	744,541
Financial assets at fair value through other comprehensive income		**23,024**	17,694
Financial assets at fair value through profit or loss		**14,855**	56,957
Interests in associates and a joint venture		**24,426**	21,710
Deposits and prepayments	*9*	**27,848**	17,973
Finance lease receivables		**51,235**	62,452
Deferred income tax assets		**134,742**	114,931
		1,790,824	1,665,120
Current assets			
Inventories		**944,128**	702,587
Trade receivables	*9*	**871,534**	930,223
Deposits, prepayments and other receivables	*9*	**116,913**	76,446
Finance lease receivables		**16,126**	15,645
Financial assets at fair value through profit or loss		**7,528**	6,886
Short-term bank deposits		**125,772**	118,011
Cash and cash equivalents		**766,112**	892,111
		2,848,113	2,741,909
Total assets		**4,638,937**	4,407,029

CONSOLIDATED BALANCE SHEET (CONTINUED)

AS AT DECEMBER 31, 2020

	Note	**2020**	2019
		USD'000	*USD'000*
EQUITY			
Equity attributable to owners of the Company			
Share capital		**134,623**	134,400
Treasury shares		**(92,092)**	(92,930)
Reserves		**2,145,341**	2,025,277
		2,187,872	2,066,747
Non-controlling interests		**2,504**	10,600
Total equity		**2,190,376**	2,077,347
LIABILITIES			
Non-current liabilities			
Bank borrowings		**574,559**	574,176
Lease liabilities		**28,553**	22,582
Deferred income tax liabilities		**50,351**	60,995
Deposits received and other payables	*10*	**5,136**	9,751
		658,599	667,504
Current liabilities			
Trade and other payables	*10*	**1,031,555**	1,086,463
Contract liabilities		**8,486**	3,174
Lease liabilities		**17,044**	16,389
Bank borrowings		**604,370**	493,546
Current income tax liabilities		**128,507**	62,606
		1,789,962	1,662,178
Total liabilities		**2,448,561**	2,329,682
Total equity and liabilities		**4,638,937**	4,407,029

NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

1 GENERAL INFORMATION

Foxconn Interconnect Technology Limited (the "**Company**", carrying on business in Hong Kong as "**FIT Hon Teng Limited**") was incorporated in the Cayman Islands as an exempted company with limited liability under the laws of the Cayman Islands.

The Group is principally engaged in manufacturing and sales of mobile and wireless devices, connectors applied in the communication, computer and automotive markets, and trading and distribution of routers and mobile device related products.

The address of the Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The ultimate holding company of the Company is Hon Hai Precision Industry Co., Ltd. ("**Hon Hai**") and the immediate holding company of the Company is Foxconn (Far East) Limited ("**Foxconn HK**"), a wholly owned subsidiary of Hon Hai.

The consolidated financial information is presented in United States Dollar ("**USD**") unless otherwise stated.

2 BASIS OF PREPARATION

The consolidated financial information, contained in this announcement, has been extracted based on the audited consolidated financial statements of the Group for the year ended December 31, 2020 which have been prepared in accordance with International Financial Reporting Standards ("**IFRSs**") issued by International Accounting Standards Board ("**IASB**") and Appendix 16 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New and amended standards adopted by the Group

The Group has applied the following amendments and revised conceptual framework for the financial year beginning on January 1, 2020 and are relevant to its operations.

Amendments to IAS 1 and IAS 8	Definition of material
Amendments to IAS 39, IFRS 7 and IFRS 9	Interest rate benchmark reform
Amendments to IFRS 3	Definition of a business
Amendments to IFRS 16	COVID-19 related rent concessions
Conceptual Framework for Financial Reporting 2018	Revised conceptual framework for financial reporting

The Group has early adopted the amendments to IFRS16 during the year. The amendments and conceptual framework listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

New standard, amendments and annual improvement which are not yet effective for this financial period and have not been early adopted by the Group

Certain new accounting standards, amendments to existing standards and annual improvements have been published that are not mandatory for December 31, 2020 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

		Effective for annual periods beginning on or after
Amendments to annual improvements project	Annual improvements 2018-2020 cycle	January 1, 2022
Amendments to IAS 16	Property, plant and equipment: Proceeds before intended use	January 1, 2022
Amendments to IAS 37	Onerous contracts: Costs of fulfilling a contract	January 1, 2022
Amendments to IFRS 3	Reference to the conceptual framework	January 1, 2022
Amendments to IAS 1	Presentation of financial statements on classification of liabilities	January 1, 2023
IFRS 17	Insurance contracts	January 1, 2023
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associate or joint venture	To be determined

4 SEGMENT INFORMATION

The operating segment is reported in the manner consistent with the internal reporting provided to the Chief Operating Decision Makers ("**CODM**"). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors that make strategic decisions. CODM assesses the performance of the operating segment based on revenue.

The Group was organized into two main operating segments namely (i) intermediate products and (ii) consumer products. Intermediate products relate to the manufacturing and sales of mobile and wireless devices, connectors applied in the communication, computer and automotive markets. The Group's intermediate products are mainly manufactured through its production complexes in the PRC and Vietnam. Consumer products refers to trading and distribution of routers and mobile device related products. The Group's consumer products are mainly manufactured by its production complexes or other third party manufacturers in the PRC and Vietnam and distributed globally.

Segment revenue and results

The following is an analysis of the Group's revenue by operating segment:

For the year ended December 31, 2020

	Intermediate products *USD'000*	Consumer products *USD'000*	Total *USD'000*
Revenue	3,594,418	838,755	4,433,173
Inter-segment revenue eliminations	(118,512)	–	(118,512)
Revenue from external customers	3,475,906	838,755	4,314,661
Gross profit			579,772
Unallocated:			
Operating expenses			(465,854)
Other income			13,380
Other losses – net			(2,541)
Finance income – net			618
Share of results of associates and a joint venture			(8,851)
Profit before income tax			116,524

For the year ended December 31, 2019

	Intermediate products *USD'000*	Consumer products *USD'000*	Total *USD'000*
Segment Revenue	3,639,543	824,170	4,463,713
Inter-segment revenue eliminations	(91,331)	–	(91,331)
Revenue from external customers	3,548,212	824,170	4,372,382
Gross profit			754,195
Unallocated:			
Operating expenses			(517,821)
Other income			24,143
Other gains – net			14,653
Finance costs – net			(7,496)
Share of results of associates and a joint venture			(1,764)
Profit before income tax			265,910

Revenue by geographical areas is as follows:

	2020	2019
	USD'000	*USD'000*
United States of America	**2,258,966**	1,908,404
The PRC	**738,352**	1,034,694
Taiwan	**492,026**	370,850
Hong Kong	**288,640**	340,799
Singapore	**111,559**	222,543
Malaysia	**104,147**	101,961
Others	**320,971**	393,131
	4,314,661	4,372,382

The analysis of revenue by geographical segment is based on the location of major operation of customers.

During the year ended December 31, 2020, there were two customers (2019: two customers) which individually contributed over 10% of the Group's total revenue. During the year, the revenue contributed from these customers are as follows:

	2020	2019
	USD'000	*USD'000*
Customer A	**1,431,721**	1,440,769
Customer B	**594,156**	843,534

Customer A refers to a cluster of customers consisting of a brand company and its nominated contract manufacturers; Customer B is a group of related companies.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating segment:

At December 31, 2020

	Intermediate products *USD'000*	Consumer products *USD'000*	Total *USD'000*
Assets			
Segment assets	1,703,802	1,075,222	2,779,024
Unallocated:			
Property, plant and equipment			727,882
Right-of-use assets			77,568
Intangible assets			25,385
Financial assets at fair value through other comprehensive income			23,024
Financial assets at fair value through profit or loss			22,383
Interests in associates and a joint venture			24,426
Finance lease receivables			67,361
Short-term bank deposits			125,772
Cash and cash equivalents			766,112
Total assets			4,638,937
Liabilities			
Segment liabilities	903,211	320,824	1,224,035
Unallocated:			
Bank borrowings			1,178,929
Lease liabilities			45,597
Total liabilities			2,448,561

At December 31, 2019

	Intermediate products *USD'000*	Consumer products *USD'000*	Total *USD'000*
Assets			
Segment assets	1,532,198	1,028,788	2,560,986
Unallocated:			
Property, plant and equipment			566,090
Right-of-use assets			62,772
Intangible assets			25,715
Financial assets at fair value through other comprehensive income			17,694
Financial assets at fair value through profit or loss			63,843
Interests in associates and a joint venture			21,710
Finance lease receivables			78,097
Short-term bank deposits			118,011
Cash and cash equivalents			892,111
Total assets			4,407,029
Liabilities			
Segment liabilities	944,574	278,415	1,222,989
Unallocated:			
Bank borrowings			1,067,722
Lease liabilities			38,971
Total liabilities			2,329,682

The geographical analysis of the Group's non-current assets (other than intangible assets, financial asset at fair value through other comprehensive income, financial assets at fair value through profit or loss, finance lease receivable and deferred income tax assets) is as follows:

	2020 ***USD'000***	2019 *USD'000*
The PRC	**543,992**	460,279
Vietnam	**234,134**	125,875
Taiwan	**14,454**	11,346
United States of America	**50,772**	39,867
Singapore	**6,445**	689
Others	**7,927**	30,489
	857,724	668,545

5 EXPENSES BY NATURE

	2020	2019
	USD'000	*USD'000*
Cost of inventories	**2,545,166**	2,328,827
Delivery expenses	**69,214**	64,137
Import and export expenses	**27,182**	33,226
Subcontracting expenses	**112,957**	364,266
Employee benefit expenses	**749,582**	621,917
Depreciation of property, plant and equipment	**177,110**	183,155
Depreciation of right-of-use assets	**21,109**	27,480
Moulding and consumables	**198,753**	207,236
Utilities	**48,434**	51,783
Professional expenses	**48,778**	53,185
Short-term and low-value lease expenses	**8,661**	6,081
Repair and maintenance	**34,163**	32,324
Amortization of intangible assets	**42,914**	44,324
Impairment of intangible assets	**–**	4,474
Auditor's remuneration	**1,170**	1,052
Others	**115,330**	113,760
Total cost of sales, distribution costs and selling expenses, administrative expenses and research and development expenses	**4,200,523**	4,137,227

6 INCOME TAX EXPENSE

The amounts of income tax expense charged/(credited) to the consolidated income statement represent:

	2020	2019
	USD'000	*USD'000*
Current income tax		
– for the current year	**54,745**	57,600
– for prior years	**49,659**	(4,812)
Deferred income tax	**(30,455)**	(20,173)
Income tax expense	**73,949**	32,615

7 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the Company's owners by the weighted average number of ordinary shares in issue, excluding treasury shares, during the years ended December 31, 2020 and 2019.

	2020	2019
Net profit attributable to the owners of the Company (USD'000)	**42,509**	235,414
Weighted average number of ordinary shares in issue (in thousands)	**6,673,629**	6,585,524
Basic earnings per share (US cents)	**0.64**	3.57

(b) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. During the year ended December 31, 2020, there were four outstanding share-based compensation schemes and only the senior management share grant scheme has dilutive effect to the earnings per share (2019: same).

	2020	2019
Net profit attributable to the owners of the Company (USD'000)	**42,509**	235,414
Weighted average number of ordinary shares in issue (in thousands)	**6,673,629**	6,585,524
Adjustments for:		
– impact of the senior management share grant schemes (in thousands)	**212,904**	169,469
Weighted average number of ordinary shares for diluted earnings per share (in thousands)	**6,886,533**	6,754,993
Diluted earnings per share (US cents)	**0.62**	3.49

Dilutive potential ordinary shares include shares and options granted under senior management and employees' share grant schemes, share award and share option schemes.

The senior management share grant scheme has been included in the determination of diluted earnings per share to the extent to which they are dilutive. The number of shares calculated as above is compared with the number of shares that would have been outstanding assuming the completion of the share issue to the grantees.

The employee's share restricted share scheme, share options schemes and share award schemes are not included in the calculation of diluted earnings per share because they are anti-dilutive for the year ended December 31, 2020 (2019: same). These shares and options could potentially dilute basic earnings per share in the future.

8 DIVIDENDS

No dividend in respect of the years ended December 31, 2020 and 2019 has been declared as of the date of this annoucement.

9 TRADE RECEIVABLES, DEPOSIT, PREPAYMENTS AND OTHER RECEIVABLES

	2020	2019
	USD'000	*USD'000*
Trade receivables due from third parties	**725,263**	673,711
Trade receivables due from related parties	**148,173**	258,194
Total trade receivables – gross	**873,436**	931,905
Less: loss allowance for impairment of trade receivables	**(1,902)**	(1,682)
Total trade receivables – net	**871,534**	930,223
Deposits and prepayments	**76,818**	48,945
Other receivables	**16,230**	11,805
Amounts due from related parties	**6,776**	5,690
Value-added tax recoverable	**44,937**	27,979
	144,761	94,419
Less: non-current portion		
– Deposits and prepayments	**(27,848)**	(17,973)
	116,913	76,446
Current portion	**988,447**	1,006,669

The credit period granted to third parties and the related parties are ranging from 30 to 180 days. The aging analysis of trade receivables based on invoice date, before loss allowance for impairment of trade receivables, as at December 31, 2020 and 2019, is as follows:

	2020	2019
	USD'000	*USD'000*
Trade receivables – gross		
– Within 3 months	**796,323**	823,827
– 3 to 4 months	**53,951**	74,537
– 4 to 6 months	**17,657**	28,975
– 6 to 12 months	**3,950**	2,904
– Over 1 year	**1,555**	1,662
	873,436	931,905

10 TRADE AND OTHER PAYABLES

	2020	2019
	USD'000	*USD'000*
Trade payables to third parties	**560,710**	527,394
Trade payables to related parties	**113,184**	164,104
Total trade payables	**673,894**	691,498
Amounts due to related parties	**25,151**	78,590
Staff salaries, bonuses and welfare payables	**115,509**	110,999
Deposits received, other payables and accruals	**222,137**	215,127
	1,036,691	1,096,214
Less: non-current portion	**(5,136)**	(9,751)
Current portion	**1,031,555**	1,086,463

Aging analysis of the trade payables to third parties and related parties as at December 31, 2020 and 2019, is as follows:

	2020	2019
	USD'000	*USD'000*
Within 3 months	**558,108**	579,691
3 to 4 months	**70,602**	63,911
4 to 6 months	**34,762**	37,378
6 to 12 months	**9,043**	9,913
Over 1 year	**1,379**	605
	673,894	691,498

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW AND OUTLOOK

Business Overview

In 2020, we continued to implement our business strategy to solidify our position as a global leader in the development and production of interconnect solutions and related products. However, due to the outbreak of the COVID-19 pandemic in late January 2020, our factories in China did not fully resume work until mid-March 2020. The rapid spread of the COVID-19 in Europe and the Americas in mid-March 2020 has shut down physical supply chains, which has had an impact on our performance. We have experienced a slight decline in our performance. As discussed in more details in the "Results of Operations" section below, in 2020, our revenue amounted to US$4,315 million, and our profit amounted to US$43 million, representing a decrease of 1.3% and a decrease of 81.5% compared to 2019, respectively.

Mobile devices continued to be our largest source of revenue by end market. In 2020, due to the cancellation of the configuration of wired earphones by brand companies for their new smartphones, we recorded reduced shipments of wired earphones, but our Lightning cable products made up part of the gap. As a result, our revenue from the mobile devices end market decreased by 4.9% in 2020 compared to the same period in 2019.

For the communications infrastructure end market, there was an increase in our CPU socket and memory card slot product business, which was mainly attributable to the work-from-home arrangement and home-based learning for schools during the COVID-19 outbreak. However, the demand for some optical modules recorded a decrease due to the Sino-U.S. trade conflicts and changes in our optical module business model. As a result, our revenue from the communications infrastructure end market decreased by 9.4% in 2020 compared to the same period in 2019.

For the computer and consumer electronics end market, revenue from laptops and tablets related products experienced an increase, likewise due to the work-from-home arrangement and home-based learning during the COVID-19 outbreak. Our revenue from the computer and consumer electronics end market increased by 10.1% in 2020 compared to the same period in 2019.

Furthermore, due to the growth in revenue related to our automotive products and industrial products (Burn In and Testing Socket) applications, our revenue from the automotive, industrial and medical end market increased by 11.7% in 2020 compared to the same period in 2019.

For the connected home end market, revenue from routers and network related products experienced an increase, likewise due to the work-from-home arrangement and home-based learning during the COVID-19 outbreak. Our revenue from the connected home end market increased by 12.4% in 2020 compared to the same period in 2019.

The rapid spread of COVID-19 in Europe and the Americas in mid-March 2020 has shut down physical supply chains, which has had an impact on our performance. However, our new true wireless bluetooth earphone products made up part of the gap. Our revenue from the smart accessories end market decreased by 3.1% in 2020 compared to the same period in 2019.

Industry Outlook and Business Prospects

Industry Outlook

The global connector industry is undergoing rapid technical development with better product functionality and higher compatibility, which enables connector products to be applied in more situations and scenarios. In the future, connectors that are compatible with various kinds of products across application fields are likely to become more popular in the market. In such an environment, we believe advanced market players, including us, and first movers are more likely to seize emerging market opportunities as well as to build their brand awareness globally, leading to a fast expansion of their market share. With that in mind, we have witnessed a varied development trend for different end markets for connectors, and we believe such varied trends will continue in the near future. As such, we have been reviewing and focusing on the trends of different end markets and we adjust our strategic focuses from time to time.

Mobile devices. Demand for mobile devices continues to expand around the world. The arrival of the 5G generation will drive the replacement of mobile phones, and it is expected that the mobile phone industry will return to growth in 2021, which will also bring business opportunities for 5G-related components.

Communications infrastructure. Demand for communications infrastructure connectors is largely driven by the accelerating growth in data traffic and continually growing need for additional network bandwidth, which is mainly attributable to technological advancement, such as the adoption of 5G network in the business sector in the next few years. As traffic increases, more data centers' capacity gets to be built. Data centers require a variety of physical connectors, routers, electricity, signals, and networks, which generate heavy demand for connectors. Increasing deployment of data centers will be sufficient to maintain secure continuous and strong demand for connectors. In addition, cloud computing has emerged as a major growth driver in the data center industry. Cloud computing requires a great number of physical sensor connectors, routers, electricity, signals, and networks, which generates heavy demand for sensor connectors and creates market potential for innovative connectors.

Computer and consumer electronics. The steady need for various connectors in the computer and consumer electronics product end market has laid a solid foundation for demand for connectors, contributing to the steady growth of connector market in the past and potential for future growth. As the global connector industry is undergoing rapid technical development with better product functionality and higher compatibility, connector products can be applied in more situations and scenarios, which drives the demand for connectors in this end market. It is estimated that working from home and home-based learning will continue, which will drive growth.

Automotive, industrial and medical. We expect the overall market share to be boosted by the increasing demand for electric vehicles and the gradual increase in the attach rate of in-vehicle infotainment-related products.

Connected home. With the rapid development of connected home, alongside the trend of working from home and home-based learning, household appliances become more and more interconnected, so they are equipped with more interconnect equipment, and Wi-Fi 6/6E will drive the demand for interconnected device upgrades.

Smart accessories. The popularity of smartphones has driven the demand for various smart accessories products (such as chargers, earphones, screen protectors, and mobile power supplies etc.). The size of the smart accessories end market is growing and the product categories are expanding. New products will stimulate consumer demand.

Business Prospects

We anticipate the overall connector industry, particularly the end markets we strategically focus on, will continue to grow in 2021. We plan to continue our strategic focus on the mobile devices as well as automotive, industrial and medical end markets. However, due to the cancellation of the configuration of wired earphones of brand companies' new smartphones and the changes in our optical module business model, the performance in 2021 is expected to be affected:

- *Mobile devices.* Due to the cancellation of the configuration of wired earphones of brand companies' new smartphones, we expect the shipments of wired earphones and related products to be further reduced. However, we anticipate that this end market will continue to be our main revenue contributor.

- *Communications infrastructure.* There will be increase in high-speed connectors and cables, and memory card slot product business. However, the changes in our business model of optical modules will affect the overall performance of the communications infrastructure business in 2021.

- *Computer and consumer electronics.* Although the trend of working from home and home-based learning will continue and increase the demand for laptops and tablets related products, in the long run, industry growth is expected to continue to slow down, so we will focus more on profitability than revenue growth.

- *Automotive, industrial and medical.* We believe the demand from our key customers in this end market will continue to be strong, and we expect to benefit from industry trends. We will continue to strategically pursue opportunities in the emerging application of our interconnect solutions and other products. We believe that, with our leading position in the development and production of interconnect solutions, we would be able to tap into the burgeoning demand for electric vehicles. We also plan to increase our investments in developing in-vehicle electronic systems and key autonomous driving components. Furthermore, our strategic partnership with Hon Hai Group puts us in a good position to capture the emerging future opportunities in the automotive electronics market.

- *Connected home.* We will strengthen the development of smart products in the field related to home living and provide novel designs of smart products, in order to bring to consumers more comfort and convenience in terms of home living. In addition, this expectation has been strongly realized in the CES 2020 exhibition. In the CES 2020 exhibition, we introduced the Wi-Fi 6 Mesh router systems, 5G mobile hotspot, and Mesh Gateway. Working from home and home-based learning will drive demand for routers, but its final performance may be affected due to uncertainty in the supply of some key components.

- *Smart accessories.* In the CES 2020 exhibition, we introduced powerful new GaN chargers, wireless charging docks, screen protection solutions, and an entire portfolio of audio products (TWS, Smart Speaker). With the Belkin International brand and the Group's resources, we will expand the product lines and seize market share by leveraging the sales network of our global partners.

RESULTS OF OPERATIONS

Revenue

We derive our revenue mainly from the sale of our interconnect solutions and other products and, to a lesser extent, from the sale of molding parts and sample products and others. In 2020, our revenue amounted to US$4,315 million, representing a 1.3% decrease from US$4,372 million in 2019. Among the six main end markets, our revenue from (1) the mobile devices end market decreased by 4.9%, (2) the communications infrastructure end market decreased by 9.4%, (3) the computer and consumer electronics end market increased by 10.1%, (4) the automotive, industrial and medical end market increased by 11.7%, (5) the connected home end market increased by 12.4%, and (6) the smart accessories end market decreased by 3.1%. The following table sets forth our revenue by end markets in absolute amounts and as percentages of revenue for the years indicated:

	For the year ended December 31,			
	2020		2019	
	US$	***%***	*US$*	*%*
	(in thousands, except for percentages)			
Mobile devices	**1,653,425**	**38.3**	1,739,108	39.8
Communications infrastructure	**801,600**	**18.6**	884,544	20.2
Computer and consumer electronics	**874,893**	**20.3**	794,596	18.2
Automotive, industrial and medical	**144,591**	**3.3**	129,414	2.9
Connected home	**298,450**	**6.9**	265,557	6.1
Smart accessories	**541,702**	**12.6**	559,163	12.8
Total	**4,314,661**	**100.0**	4,372,382	100.0

Mobile devices. The revenue from the mobile devices end market decreased by 4.9%, mainly due to the cancellation of the configuration of wired earphones by brand companies for their new smart phones. We recorded reduced shipments of wired earphones, but our Lightning cable products made up part of the gap.

Communications infrastructure. The revenue from server-related products increased, but the revenue from the communications infrastructure end market decreased by 9.4% due to reduced shipments of some optical modules, which were affected by the Sino-U.S. trade conflicts and changes in business pattern.

Computer and consumer electronics. The revenue from the computer and consumer electronics end market increased by 10.1%, which was mainly attributable to the work-from-home arrangement and home-based learning during the COVID-19 outbreak.

Automotive, industrial and medical. The revenue from the automotive, industrial and medical end market increased by 11.7%, which was primarily due to the growth in revenue related to our applications for industrial products (Burn In and Testing Socket).

Connected home. The revenue from the connected home end market increased by 12.4%, which was mainly attributable to the revenue from routers and network related products which experienced an increase due to the work-from-home arrangement and home-based learning during the COVID-19 outbreak.

Smart accessories. The revenue from the smart accessories end market decreased by 3.1%, which was mainly due to the shutdown of physical supply chains resulting from the rapid spread of COVID-19 in Europe and the Americas in mid-March 2020, which has had an impact on our performance. However, our new true wireless bluetooth earphone products made up part of the gap.

Cost of Sales, Gross Profit and Gross Profit Margin

Our cost of sales increased by 3.2% from US$3,618 million in 2019 to US$ 3,735 million in 2020. Our cost of sales primarily includes (1) raw materials and consumables used, (2) consumption of inventories of finished goods and work in progress, (3) employee benefit expenses in connection with our production personnel, (4) depreciation of property, plant and equipment, (5) subcontracting expenses, (6) utilities, molding and consumables expenses, and (7) other costs associated with the production of our interconnect solutions and other products. In 2020, the increase was primarily impacted by the work stoppages during the outbreak of COVID-19 coupled with the continual rise in raw precious metal prices and the changes in business model of optical modules.

As a result of the foregoing, our gross profit decreased by 23.1% from US$754 million in 2019 to US$580 million in 2020. Our gross profit margin decreased from 17.2% in 2019 to 13.4% in 2020.

Distribution Costs and Selling Expenses

Our distribution costs and selling expenses decreased by 12.6% from US$111 million in 2019 to US$97 million in 2020, primarily due to the impact of the changes in business model of optical modules.

Administrative Expenses

Our administrative expenses decreased by 15.7% from US$159 million in 2019 to US$134 million in 2020, primarily due to the impact of the changes in business model of optical modules.

Research and Development Expenses

Our research and development expenses primarily consist of (1) employee benefit expenses paid to our research and development personnel, (2) molding and consumables expenses relating to the moldings used in research and development, (3) depreciation of molds and molding equipment, and (4) other costs and expenses in connection with our research and development activities. Our research and development expenses decreased by 6.0% from US$250 million in 2019 to US$235 million in 2020, mainly due to the impact of the changes in business model of optical modules and the decrease in research and development expenses for optical communication products.

Operating Profit and Operating Profit Margin

As a result of the foregoing, our operating profit decreased by 54.5% from US$275 million in 2019 to US$125 million in 2020, primarily due to the decrease in gross profit resulting from the increased cost of sales and recognition of fair value loss on the investments in unlisted convertible preferred shares. Our operating profit margin decreased from 6.3% in 2019 to 2.9% in 2020.

Income Tax Expense

We incur income tax expenses primarily relating to our operations in China, Taiwan, United States, Vietnam and Mexico. Our income tax expenses increased by 124% from US$33 million in 2019 to US$74 million in 2020. Effective income tax rate increased from 12.3% to 63.5%, primarily due to the provision of tax liabilities in relation to the profits earned in a number of years before the completion of the Group reorganization.

Profit for the year

As a result of the decrease in operating profit, profit for the year decreased by 81.5% from US$233 million in 2019 to US$43 million in 2020. Our profit margin decreased from 5.3% in 2019 to 1.0% in 2020.

LIQUIDITY AND CAPITAL RESOURCES

Sources of Liquidity, Working Capital and Borrowings

We finance our operations primarily through cash generated from our operating activities and bank borrowings. As of December 31, 2020, we had cash and cash equivalents of US$766 million, compared to US$892 million as of December 31, 2019. In addition, as of December 31, 2020, we had short-term bank deposits of US$126 million, compared to US$118 million as of December 31, 2019.

As of December 31, 2020, we had total bank borrowings of US$1,179 million, including short-term borrowings of US$604 million and long-term borrowings of US$575 million, as compared to the total bank borrowings of US$1,068 million, including short-term borrowings of US$494 million and long-term borrowings of US$574 million, as of December 31, 2019. We incur bank borrowings mainly for our working capital purpose and to supplement our capital needs for investment and acquisition activities. The increase in bank borrowings in 2020 was primarily for the working capital purpose.

Our current ratio, calculated using current assets divided by current liabilities, was 1.6 times as of December 31, 2020, compared to 1.6 times as of December 31, 2019. Our quick ratio, calculated using current assets less inventories divided by current liabilities, was 1.1 times as of December 31, 2020, compared to 1.2 times as of December 31, 2019. The decrease in our quick ratio was primarily due to the increase in short-term borrowings and inventories.

Cash Flows

In 2020, our net cash generated from operating activities was US$115 million, net cash used in investing activities was US$356 million, and net cash generated from financing activities was US$71 million.

Capital Expenditures

Our capital expenditures primarily relate to the purchase of land use rights, property, plant and equipment and intangible assets (exclusive of goodwill). We finance our capital expenditures primarily through cash generated from our operating activities, bank borrowings and IPO proceeds. We also have funded and will continue to fund part of our capital expenditures using our IPO proceeds. See “Use of IPO Proceeds” below for details.

In 2020, our capital expenditures amounted to US$387 million as compared to US$288 million in 2019. The capital expenditures in 2020 were primarily used for expanding site and equipment of the factories in Vietnam.

Significant Investments, Acquisitions and Disposals

On September 15, 2020, Foxconn (Kunshan) Computer Connector Co., Ltd. (a wholly-owned subsidiary of the Company) entered into a partnership agreement with Foshan Huacheng Investment Co., Ltd. (a connected person of the Company), Shenzhen Foxport Technology Corporation Limited (a connected person of the Company), and five independent third parties in relation to the establishment and management of the Guangdong Hongfu Xinghe Hongtu Venture Capital Fund (Limited Partnership) (the "**Fund**"). The Fund is a limited partnership registered in the PRC and will engage in venture capital investment to facilitate the development of emerging industries. For further details, please refer to the Company's announcement dated September 15, 2020.

Save as disclosed above, we did not have any significant investments, material acquisitions or material disposals during the year ended December 31, 2020.

Inventories

Our inventories consist primarily of raw materials, work in progress and finished goods. We review our inventory levels on a regular basis to manage the risk of excessive inventories. Our average inventory turnover days for the year ended December 31, 2020 was 81 days as compared to 68 days in 2019. The higher inventory turnover days for the year ended December 31, 2020 was primarily due to the change in product mix which takes longer turnover periods.

Our inventories increased from US$703 million as of December 31, 2019 to US$944 million as of December 31, 2020, primarily due to the expansion of our factories in Vietnam and our early stock preparation for Chinese New Year.

Provision for inventory impairment increased from US$25 million as of December 31, 2019 to US$34 million as of December 31, 2020, which is in line with the increase in the inventory balance during the period.

Trade Receivables

Our trade receivables are receivables from our third party and related party customers for the sale of our interconnect solutions and other products.

We typically grant to our third party and related party customers a credit period ranging from 30 days to 180 days. Our average trade receivables turnover days decreased from 78 days in 2019 to 76 days in 2020, and there is no significant change. Our average trade receivables turnover days for related parties in 2020 was 125 days, as compared to 125 days for 2019.

Our trade receivables decreased from US$930 million as of December 31, 2019 to US$872 million as of December 31, 2020, primarily due to our efforts in enhancing the collection and control of trade receivables overdue.

Trade Payables

Our trade payables primarily relate to the procurement of raw materials, work in progress and finished goods. Our average trade payables turnover days in 2020 was 67 days, remaining stable as compared to 71 days in 2019.

Our trade payables decreased from US$691 million as of December 31, 2019 to US$674 million as of December 31, 2020.

Major Capital Commitments

As of December 31, 2020, we had capital commitments of US$22 million, which was primarily connected with investment and purchase of property, plant and equipment.

Contingent Liabilities

As of December 31, 2020, save as disclosed in "Pledge of Assets" below, we did not have any significant contingent liability, guarantee or any litigation against us that would have a material impact on our financial position or results of operations.

Gearing ratio

As of December 31, 2020, our gearing ratio, calculated as net debts (which are calculated as total borrowings less cash and cash equivalents and short term bank deposits) divided by total capital, was 11.6% (as at December 31, 2019: 2.7%).

USE OF IPO PROCEEDS

We completed our IPO and, including the issue of the over-allotment Shares, received proceeds of US$394 million, which have been used and will continue to be used in the manner consistent with that mentioned in the section headed "Future Plans and Use of Proceeds" of the Prospectus.

The use of proceeds is set out as below:

Item	Available on December 31, 2019 *(US$' 000)*	**Utilized between December 31, 2019 and December 31, 2020** ***(US$' 000)***	**Unutilized as at December 31, 2020** ***(US$' 000)***
Investment in new interconnect technologies and solutions for batteries for electric vehicles and for electronic vehicle connectivity solutions	29,550	**29,550**	**0**
Establish an enhanced management information technology platform including purchase of enterprise resource planning systems and modules, as well as implementation	11,898	**10,065**	**1,833**

The expected timeline of the intended use of the unutilized proceeds is set out as below:

Item	**Unutilized as of December 31, 2020** ***(US$'000)***	**Expected timeline**
Establish an enhanced management information technology platform including purchase of enterprise resource planning systems and modules, as well as implementation	**1,833**	The remaining amount is expected to be fully utilized by the second half of 2021 as payment made for the implementation of an internal system.

PLEDGE OF ASSETS

As of December 31, 2020, certain bank deposits totaling RMB4.65 million of Chongqing Hong Teng Technology Co., Ltd. (重慶市鴻騰科技有限公司) and Huaian Fu Li Tong Trading Co., Ltd. (淮安市富利通貿易有限公司) have been pledged as customs guarantee. Certain bank deposits totaling VND6,600 million of New Wing Interconnect Technology (Bac Giang) Co., Ltd have been pledged as power purchase performance guarantees.

HUMAN RESOURCES AND REMUNERATION OF EMPLOYEES

As of December 31, 2020, we had approximately 55,402 employees, as compared to 47,163 employees as of December 31, 2019. In 2020, total employee benefit expenses including Directors' remuneration were US$750 million, as compared to US$622 million in 2019. Remuneration is determined with reference to performance, skills, qualifications and experience of the staff concerned and in accordance with the prevailing industry practice.

In addition to salaries and wages, other employee benefit expenses include cash bonus, pension, housing fund, medical insurance and other social insurances, as well as share-based payment expenses and others. We made certain share grants under our Share Grant Scheme prior to our IPO. We also adopted the Share Option Scheme and the Restricted Share Award Schemes to offer valuable incentive to attract and retain quality personnel. We have been evaluating, and may adopt, new share incentive schemes that comply with the requirements of the Listing Rules. The remuneration of the Directors is reviewed by the Remuneration Committee and approved by the Board. The relevant Director's experience, duties and responsibilities, time commitment, the Company's performance and the prevailing market conditions are taken into consideration in determining the emolument of the Directors.

FOREIGN EXCHANGE RISK

We operate in various locations and most of our sales, purchases or other transactions are denominated in U.S. dollars, New Taiwan dollars and Renminbi. Foreign exchange fluctuations may have a significant positive or negative effect on our results of operations. The majority of our Group's entities are exposed to foreign currency risks related to purchasing, selling, financing and investing in currencies other than the functional currencies in which we operate. As we enter into transactions denominated in currencies other than the functional currencies in which we or our subsidiaries operate, we face foreign currency transaction risk to the extent that the amounts and relative proportions of various currencies in which our costs and liabilities are denominated deviate from the amounts and relative proportions of the various currencies in which our sales and assets are denominated.

Our consolidated financial information is reported in U.S. dollar. Our PRC and other non-U.S. subsidiaries prepare financial statements in Renminbi or their respective local currencies as their functional currencies, which are then translated into U.S. dollar prior to being consolidated in our financial information. As a result, changes in the value of the U.S. dollar relative to the functional currencies of these subsidiaries create translation gains and losses in other comprehensive income or loss upon consolidation. In addition, as our PRC and other non-U.S. subsidiaries generally have significant U.S. dollar-denominated sales and accounts receivables, depreciation of the U.S. dollar would result in foreign exchange losses while appreciation of the U.S. dollar would result in foreign exchange gains.

To further mitigate the foreign exchange risk, we have also adopted a prudent foreign exchange hedging policy. We have implemented internal procedures to monitor our hedging transactions which include limitations on transaction types and transaction value, formulation and review of hedging strategies in light of different market risks involved and other risk management measures. Under such policy, we enter into forward foreign exchange contracts for hedging purposes only but not for speculative purposes. As of December 31, 2020, the nominal principal amount of our forward foreign exchange contracts was US$440 million.

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive Directors, namely Messrs. TANG Kwai Chang, CURWEN Peter D and CHAN Wing Yuen Hubert. The audited consolidated annual financial information of the Group for the year ended December 31, 2020 has been reviewed by the Audit Committee.

This annual results announcement is based on the audited consolidated financial statements of the Group for the year ended December 31, 2020 which have been agreed with the external auditor of the Company.

SUBSEQUENT EVENTS

On March 11, 2021, Linksys Holdings, Inc. (a subsidiary of the Company) ("**Linksys Holdings**") entered into a sale and purchase agreement with Chester J. Pipkin and Janice A. Pipkin 2012 Children's Trust (a connected person of the Company) (the "**Trust**"), pursuant to which Linksys Holdings agreed to acquire and cancel, and the Trust agreed to sell, 463,436 shares of Linksys Holdings, representing 9.57% of its entire issued share capital, for a maximum consideration of US$12 million, which consists of (i) a base purchase price of US$6 million; and (ii) in the event that Linksys Holdings meets certain thresholds on the net sales and net income during the years ending December 31, 2021, 2022 and 2023, a contingent purchase price up to US$6 million as calculated based on the net income for each of such three years. For further details, please refer to the Company's announcement dated March 11, 2021.

On March 18, 2021, New Wing Interconnect Technology (Bac Giang) Co., Ltd (a wholly-owned subsidiary of the Company) ("**New Wing (Bac Giang)**") entered into Zone F and Zone G land lease agreements with Fugiang Co., Ltd (a non wholly-owned subsidiary of Hon Hai, the controlling Shareholder) ("**Fugiang**"), in relation to the acquisition of land use rights of a parcel of industrial land located at Van Trung Industrial Park, Viet Yen District, Bac Giang Province, Vietnam with a site area of approximately 16,236.9 square meters ("**Zones F and G**") at a consideration of approximately US$1,366,836.5 (excluding value-added tax). In addition, Fugiang will provide property management services to New Wing (Bac Giang) regarding Zones F and G and accordingly New Wing (Bac Giang) will pay to Fugiang an annual management fee of approximately US$8,728.7 (excluding value-added tax). For further details, please refer to the Company's announcement dated March 18, 2021.

On March 19, 2021, Linksys Holdings issued certain convertible preferred shares to a third party for a cash consideration of US$75 million. The convertible preferred shares held by the third party can be converted into common shares of Linksys Holdings which represent 32.6% of its equity interest on a fully converted basis.

CORPORATE GOVERNANCE PRACTICE

The Board is committed to maintaining high corporate governance standards.

During the year ended December 31, 2020, the Company has applied the principles as set out in the CG Code contained in Appendix 14 to the Listing Rules which are applicable to the Company, and has complied with all applicable code provisions as set out in the CG Code, except the code provision as mentioned below.

Code provision A.2.1 states that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. LU Sung-Ching is both the Company's chairman and chief executive officer, and is responsible for the overall management of our Group and directing the strategic development and business plans of our Group. Given the current stage of development of our Group, the Board believes that vesting the two roles in the same person provides our Company with strong and consistent leadership and facilitates the implementation and execution of our Group's business strategies. The Board also considers that this situation does not impair the balance of power and authority between the Board and the management of the Company because the balance of power and authority is governed by the operations of the Board which comprises experienced and high caliber individuals with demonstrated integrity. Furthermore, decisions of the Board are made by way of majority votes. Nevertheless, the Board will review the structure from time to time based on circumstances. The Board will continue to evaluate the situation and consider the separation of the roles of chairman and chief executive officer when appropriate, taking into account the general conditions of the Group then.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its code of conduct regarding securities transactions by the Directors. The Company has made specific inquiries to all Directors about their compliance with the Model Code, and they all confirmed that they complied with the standards specified in the Model Code during the year ended December 31, 2020.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Save for the Shares as may be purchased by the trustee from time to time pursuant to the Restricted Share Award Schemes, during the year ended December 31, 2020, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

ANNUAL GENERAL MEETING

It is proposed that the forthcoming annual general meeting of the Company (the "**AGM**") be held on June 25, 2021. The notice of the AGM will be published on the Company's website and sent to the Shareholders in due course.

In order to qualify to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30pm on June 21, 2021, for the purpose of effecting the share transfers. The register of members of the Company will be closed from June 22, 2021 to June 25, 2021 (both dates inclusive).

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement is published on the website of HKEx at www.hkexnews.hk and on the Company's website at http://www.fit-foxconn.com. The annual report of the Company for the year ended December 31, 2020 will be published on the aforesaid websites and dispatched to Shareholders in due course.

CHANGE OF COMPOSITION OF BOARD COMMITTEE

The Board is pleased to announce that, with effect from March 29, 2021, Mr. TRAINOR-DEGIROLAMO Sheldon has been appointed as a member of the Nomination Committee and Mr. CHAN Wing Yuen Hubert has ceased to be a member of the Nomination Committee.

Following the aforesaid change, the members of the Nomination Committee are Mr. LU Sung-Ching (Chairman), Mr. TRAINOR-DEGIROLAMO Sheldon and Mr. CURWEN Peter D.

DEFINITIONS

"Audit Committee"	the audit committee of the Board;
"Board"	the board of Directors of the Company;
"CG Code"	the Corporate Governance Code as set out in Appendix 14 to the Listing Rules;
"China" or "PRC"	The People's Republic of China; for the purpose of this announcement only, references to "China" or the "PRC" do not include Taiwan, the Macau Special Administrative Region and Hong Kong;
"Company"	FIT Hon Teng Limited (鴻騰六零八八精密科技股份有限公司), a company 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, the Shares of which are listed on the Main Board of the Stock Exchange;
"Director(s)"	director(s) of the Company;
"First Restricted Share Award Scheme"	the restricted share award scheme approved and adopted by the Company on January 31, 2018 and amended on May 15, 2018 (as restated, supplemented and amended from time to time);
"Group", "our Group", "we" or "us"	the Company and its subsidiaries;
"HKEx"	Hong Kong Exchanges and Clearing Limited;
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong;
"Hon Hai"	Hon Hai Precision Industry Co., Ltd. (鴻海精密工業股份有限公司), a limited liability company established in Taiwan and listed on the Taiwan Stock Exchange (Stock Code: 2317), the controlling Shareholder of the Company;
"Hon Hai Group"	Hon Hai and its subsidiaries and (where relevant) 30%-controlled entities and, for the purpose of this announcement, excluding the Group;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"IFRS"	International Financial Reporting Standards;
"IPO"	the initial public offering of Shares and listing of the Company on the Stock Exchange on July 13, 2017;

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended and supplemented from time to time;
"Mexico"	the United Mexican States;
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules;
"Nomination Committee"	the nomination committee of the Company;
"Prospectus"	the prospectus dated June 29, 2017 issued by the Company;
"Remuneration Committee"	the remuneration committee of the Board;
"Restricted Share Award Schemes"	the First Restricted Share Award Scheme and the Second Restricted Share Award Scheme;
"RMB"	Renminbi, the lawful currency of the PRC;
"Second Restricted Share Award Scheme"	the restricted share award scheme approved and adopted by the Company on February 11, 2019 (as restated, supplemented and amended from time to time);
"Shares(s)"	ordinary share(s) with nominal value of US$0.01953125 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;
"Shareholder(s)"	holder(s) of the Share(s);
"Share Grant Scheme"	the share grant scheme approved and adopted by the Company on January 5, 2015, and the rules and interpretations thereof further adopted by the Board on November 4, 2016;
"Share Option Scheme"	the share option scheme approved and adopted by our Shareholders on December 19, 2017 and expired on December 31, 2018;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"U.S." or "United States"	the United States of America;
"US$" or "U.S. dollar(s)"	United States dollars, the lawful currency of the United States;

"Vietnam"	the Socialist Republic of Vietnam;
"VND"	Vietnamese dong, the lawful currency of Vietnam;
"YoY"	year-on-year; and
"%"	percent.

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

Hong Kong, March 29, 2021

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, and Mr. CURWEN Peter D, Mr. TANG Kwai Chang, Mr. CHAN Wing Yuen Hubert and Mr. TRAINOR-DEGIROLAMO Sheldon as independent non-executive Directors.

* *Incorporated in Cayman Islands with limited liability under the name of Foxconn Interconnect Technology Limited and carrying on business in Hong Kong as FIT Hon Teng Limited*