THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about this circular or as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **FIT Hon Teng Limited**, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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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)

CONTINUING CONNECTED TRANSACTIONS
(I) FRAMEWORK SALES AGREEMENT
(II) FRAMEWORK PURCHASE AGREEMENT
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING

Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders

Alliance Capital Partners Limited
同人融資有限公司

A letter from the board of directors of FIT Hon Teng Limited is set out on pages 5 to 20 of this circular. A letter from the Independent Board Committee (as defined herein) containing its advice to the Independent Shareholders (as defined herein) is set out on pages 21 to 22 of this circular. A letter from Alliance Capital Partners Limited containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 23 to 42 of this circular.

A notice convening the extraordinary general meeting of the Company to be held at 66-1, Chungshan Road, Tucheng District, New Taipei City 23680, Taiwan on December 30, 2025 at 9:00 a.m., is set out on pages 48 to 50 of this circular. Whether or not you are able to attend the extraordinary general meeting, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time of the extraordinary general meeting (i.e. not later than 9:00 a.m., December 28, 2025) or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the extraordinary general meeting in person should you so wish.

December 15, 2025

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In this circular, the following terms shall have the meanings set out below unless the context requires otherwise:

"2022 Announcement"	the Announcement of the Company dated November 18, 2022 regarding, among others, the Existing Framework Sales Agreement, the Existing Framework Purchase Agreement and the setting of the annual caps for the Existing Product Sales Transaction, the Existing Product Purchase Transaction for the years ending December 31, 2023, 2024 and 2025;
"2022 Circular"	the Circular of the Company dated December 19, 2022 regarding, among others, the Existing Framework Sales Agreement and the Existing Framework Purchase Agreement and the setting of the annual caps for the Existing Product Sales Transaction and the Existing Product Purchase Transaction for the years ending December 31, 2023, 2024 and 2025;
"affiliated company(ies)"	having the meaning as defined in the Listing Rules;
"Announcement"	the announcement of the Company dated November 14, 2025 regarding, among others, the proposed renewal of the Framework Sales Agreement and the Framework Purchase Agreement and the proposed setting of the annual caps for the Product Sales Transaction and Product Purchase Transaction for the year ending December 31, 2026;
"associate(s)"	having the meaning as defined in the Listing Rules;
"Board"	the board of Directors;
"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;
"Comparable Profit Interval"	the interval between the 25th percentile and the 75th percentile of the profit level indicators of comparable companies;

"(continuing) connected transaction(s)"	having the meaning as defined in the Listing Rules;
"connected person(s)"	having the meaning as defined in the Listing Rules;
"Database"	Orbis database, a well-known database maintained by Moody's Analytics group, which has information on more than 600 million companies across the globe and detailed financials for over 190 million companies worldwide;
"Director(s)"	the director(s) of the Company;
"EGM"	the extraordinary general meeting of the Company to be held at 66-1, Chungshan Road, Tucheng District, New Taipei City 23680, Taiwan on Tuesday, December 30, 2025 at 9:00 a.m. to approve the Framework Sales Agreement, the Framework Purchase Agreement, the Product Sales Transaction, the Product Purchase Transaction, the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap, or where the context so admits, any adjournment thereof;
"Existing Framework Purchase Agreement"	the framework purchase agreement entered into between the Company and Hon Hai on November 18, 2022 (including any amendment thereto from time to time);
"Existing Framework Sales Agreement"	the framework sales agreement entered into between the Company and Hon Hai on November 18, 2022 (including any amendment thereto from time to time);
"Existing Product Purchase Transaction"	purchase of various raw materials, ancillary materials and semi-finished components and assembled products by the Group from Hon Hai Group as contemplated under the Existing Framework Purchase Agreement;
"Existing Product Sales Transaction"	sale of various interconnect solutions and other related products manufactured or owned by the Group to Hon Hai Group as contemplated under the Existing Framework Sales Agreement;
"Foxconn Far East Cayman"	Foxconn (Far East) Limited, an exempted company incorporated in the Cayman Islands with limited liability which owns 100% issued shares of Foxconn Far East Hong Kong;

"Foxconn Far East Hong Kong"	Foxconn (Far East) Limited, a limited liability company incorporated in Hong Kong;
"Framework Purchase Agreement"	the framework purchase agreement entered into between the Company and Hon Hai on November 14, 2025 in relation to the Product Purchase Transaction;
"Framework Sales Agreement"	the framework sales agreement entered into between the Company and Hon Hai on November 14, 2025 in relation to the Product Sales Transaction;
"Group", "we" or "us"	the Company and its subsidiaries;
"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 circular, excluding the Group;
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"Independent Board Committee"	the independent board committee established by the Board to consider the Framework Sales Agreement, the Framework Purchase Agreement, the Product Sales Transaction, the Product Purchase Transaction, the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap and to advise the Independent Shareholders in respect thereof;
"Independent Shareholders"	Shareholders other than Hon Hai and its associates;
"Latest Practicable Date"	December 10, 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular;
"Listing"	the listing of the Company on the Stock Exchange on July 13, 2017;
"Listing Date"	July 13, 2017;

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended and/or supplemented from time to time;
"percentage ratios"	the percentage ratios calculated based on the requirements under Rule 14.07 of the Listing Rules;
"Product Purchase Transaction"	purchase of various raw materials, ancillary materials and semi-finished components and assembled products by the Group from Hon Hai Group as contemplated under the Framework Purchase Agreement;
"Product Sales Transaction"	sale of various interconnect solutions and other related products manufactured or owned by the Group to Hon Hai Group as contemplated under the Framework Sales Agreement;
"Proposed Product Purchase Annual Cap"	the proposed annual cap for the Product Purchase Transaction for the years ending December 31, 2026;
"Proposed Product Sales Annual Cap"	the proposed annual cap for the Product Sales Transaction for the years ending December 31, 2026;
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended and/or supplemented from time to time;
"Share(s)"	the ordinary share(s) with nominal value of US$0.01953125 each of the Company;
"Shareholders"	the holders of the Shares;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"subsidiary(ies)"	having the meaning ascribed to it Listing Rules;
"US$"	United States dollars, the lawful currency of the United States of America;
"Vietnam"	the Socialist Republic of Vietnam; and
"%"	percent.

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)

Executive Directors:
LU Sung-Ching *(Chairman)*
LU Pochin Christopher
PIPKIN Chester John

Non-executive Directors:
CHANG Chuan-Wang
HUANG Pi-Chun

Independent Non-executive Directors:
CURWEN Peter D
TANG Kwai Chang
CHAN Wing Yuen Hubert

Registered office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Headquarters in Taiwan:
66-1, Chungshan Road
Tucheng District
New Taipei City 23680
Taiwan

Principal place of business in Hong Kong:
31/F, Tower Two
Times Square
1 Matheson Street
Causeway Bay
Hong Kong

December 15, 2025

Dear Shareholders,

CONTINUING CONNECTED TRANSACTIONS
(I) FRAMEWORK SALES AGREEMENT
(II) FRAMEWORK PURCHASE AGREEMENT
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTIONS

The purpose of this circular is to provide the Shareholders with information regarding the Framework Sales Agreement, the Framework Purchase Agreement, the Product Sales Transaction, the Product Purchase Transaction, the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap, and to seek approval of the Independent Shareholders in respect of the ordinary resolutions set out in the notice of the EGM on pages 48 to 50 of this circular.

In respect of the Framework Sales Agreement, the Framework Purchase Agreement, the Product Sales Transaction, the Product Purchase Transaction, the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap, the recommendation of the Independent Board Committee to the Independent Shareholders is set out on pages 21 to 22 of this circular and the letter from Alliance Capital Partners Limited to the Independent Board Committee and the Independent Shareholders containing its advice is set out on pages 23 to 42 of this circular.

(I) Framework Sales Agreement

References are made to the 2022 Announcement and the 2022 Circular.

The Company's products are sold to, among others, contract manufacturers and brand company customers. Contract manufacturers incorporate the Company's interconnect solutions with a vast number of other components and modules and assemble them into finished products at the specification of their customers, generally brand companies. Brand companies generally market and sell their finished products to end users. Hon Hai Group is a leading contract manufacturer which is involved in, among others, assembling the finished products for brand companies and many brand companies often require Hon Hai Group to purchase the relevant parts and components, including the Company's interconnect solutions, from specific approved suppliers like the Company, as part of the assembly process for better quality control and overall supply chain management.

As disclosed in the 2022 Announcement and the 2022 Circular, the Existing Framework Sales Agreement will expire on December 31, 2025.

On November 14, 2025, the Company and Hon Hai agreed upon the terms of the Framework Sales Agreement, pursuant to which the Group has agreed to sell various interconnect solutions and other related products to Hon Hai Group from time to time during the year of 2026 and subject to the terms and conditions thereof which are substantially the same as the Existing Framework Sales Agreement.

The principal terms of the Framework Sales Agreement are set out as follows:

Parties

(i) The Company

(ii) Hon Hai

Term

The Framework Sales Agreement is effective during the period of January 1, 2026 to December 31, 2026. The parties may renew the Framework Sales Agreement through friendly negotiations, subject to compliance with the relevant requirements of the Listing Rules and all other applicable laws and regulations.

Subject matter

The Group has agreed to sell various interconnect solutions and other related products to Hon Hai Group from time to time. Please also refer to the section headed "Reasons for and Benefits in relation to the Transactions" of this circular for more details.

The parties and/or their respective subsidiaries may enter into an individual sales agreement and/or other transaction documents ("**Sales Documents**") in respect of each actual transaction based on the terms of the Framework Sales Agreement. The Sales Documents shall contain the specific details of the terms of the transaction and must comply with the agreed terms of the Framework Sales Agreement in all material respects. In case of any conflict between the Framework Sales Agreement and the Sales Documents, the Framework Sales Agreement shall prevail.

Condition

The Framework Sales Agreement is conditional upon the approval by the Independent Shareholders at the EGM.

Pricing policy

The selling price for the products under the Framework Sales Agreement shall be determined as follows:

- for the sales to Hon Hai Group that are designated by the Group's brand company customers, at the price negotiated and determined between the Group's brand company customers and the Group; or

- for other sales to Hon Hai Group where selling prices were not designated by the Group's customers ("**Connected Sales**"), at a price that is determined by referencing the blended profit margin, which is the difference between revenue generated from such sales and historical cost allocated thereto for the preceding month, divided by the corresponding revenue, to that of sales to independent third parties ("**Third Party Sales**"), on a rolling basis, such that the differences in the blended profit margins between Connected Sales and Third Party Sales in each fiscal year shall not be more than 6.5% having considered the long-term business relationship, large sales volume to Hon Hai Group, and the strategic partnership with Hon Hai Group.

In respect of the 6.5% capped difference in the blended profit margin which is not subject to change during the agreement period, the Company believes it is industry practice to (1) grant large customers volume discounts; (2) give long-term customers with repeated sales and sustainable businesses price discounts as this arrangement would incur lower negotiation, coordination and logistics costs and subject the Company to lower exposure to credit risks, as compared to dealing with new customers; and (3) offer better pricing terms to customers with long-term strategic value to the Company. Having considered that (a) Hon Hai accounted for approximately 10.9%, 9.8%, and 10.1% of the Group's revenue in 2022, 2023 and 2024 respectively, and that such contributions are significant relative to the revenue contribution of other customers, (b) the Company has maintained a long-term business cooperation with Hon Hai Group since the Company's inception which the Company believes subjects it to minimal credit risk as compared to other third party customers, and (c) being part of the supply chain of Hon Hai Group brings the Company significant strategic value, the Directors are of the view that the 6.5% capped difference in the blended profit margin is under normal commercial terms, fair and reasonable, and in the interests of the Shareholders as a whole.

The "blended profit margin" is calculated by dividing blended gross profit by revenue from customers during a specific period. Blended gross profit is calculated by aggregating the revenue generated from specific customers less the historical unit cost allocated to such sales for the preceding month multiplied by number of units sold. The Company will calculate the blended gross margin for Connected Sales and for Third Party Sales, respectively, and compare the two to determine whether the difference exceeds 6.5%.

As an internal control measure for compliance with the 6.5% threshold, the management of the Company reviews and monitors whether the difference exceeds the 6.5% threshold, at least on a quarterly basis, and takes appropriate measures to ensure compliance from time to time based on the review results. If the management of the Company determines that there is a risk for exceeding the 6.5% threshold on an annual basis, it will increase the frequency of review as appropriate and take further measures to ensure compliance.

Historical Transaction Amounts

The table below sets out the historical transaction amounts of the Existing Product Sales Transaction for the three years ended December 31, 2022, 2023 and 2024 and nine months ended September 30, 2025.

	Historical transaction amounts			
	Year ended December 31,			**Nine months ended September 30,**
(in US$ millions)	**2022**	**2023**	**2024**	**2025**
Existing Product Sales Transaction	493	413	451	373

The actual transaction amount of the Existing Product Sales Transaction for the nine months ended September 30, 2025 does not exceed the existing annual cap of the Existing Product Sales Transaction for the year ending December 31, 2025, being US$756.0 million. In view of the internal control measures set out under the section headed "Internal Control", the Company is of the view that such annual cap will not be exceeded.

Proposed Product Sales Annual Cap

The Proposed Product Sales Annual Cap for the year ending December 31, 2026 is US$636 million, which is determined primarily with reference to projections of the Company which in turn are prepared by the Company mainly with reference to the following major factors:

- the latest available actual amounts of the transactions under the Product Purchase Transaction and the Product Sales Transaction during the period from January 1, 2022 to September 30, 2025 (both dates inclusive);

- the expected annual growth of the Group's products in 2026 at approximately 16% compared to the annualized transaction amount for the year ending December 31, 2025 ("**Annualized FY2025**") after having considered the following:

  (i) the Group is pursuing the strategic expansion of its existing business, an effort anchored by key acquisitions completed in 2023 and 2024. These acquisitions have enhanced the Group's capabilities in global manufacturing, sales, and technological deployment within the auto mobility sector;

  (ii) the growth of the Group's audio products is mainly driven by the adjustment of customers' global supply chain planning, which has boosted the demand for the Group's products. The Group anticipates continued ramp-up of its audio manufacturing operations in 2026 under customers' supply chain allocation plans. Based on the Group's internal capacity planning and the increase in production orders received, the Group expects its installed production capacity for audio products to increase by approximately 11.1% in 2026 compared to 2025; and

  (iii) the significant growth in shipments of AI racks indicates a substantial increase in market demand for AI servers. We have conducted research from the public domain, and noted there is an expected growing market demand for the smartphones, cloud, consumer interconnectors, auto mobility and system product end markets. According to the independent market research institutions, the compound annual growth rates ("**CAGR**") for the next few years of the major end product markets relevant to the Group's business are estimated to be approximately 3.5% for smartphones, 16.0% for cloud, 15.8%

for tablets, 11.0% for auto mobility, and 24.4% for wireless chargers, which represent some of the major end product markets in the Group's cloud, consumer interconnectors, and system product segments, respectively;

- the Group's expected growth in 2026 will be propelled by the strategic expansion of its existing businesses, anchored by key acquisitions in recent years. This includes the acquisition of Prettl SWH GmbH, (renamed One Mobility Voltaira GmbH ("**Voltaira**") after acquisition), a German automotive component designer and manufacturer. Please refer to the Company's announcements dated January 2, 2023 and July 3, 2023 for further details. In addition, the Group acquired the Auto-Kabel Group, a pioneer in the field of automotive power transmission, on December 2, 2024. For further details, please refer to the announcement of the Company dated July 11, 2024. The acquisitions will further strengthen the Group's product portfolio in automotive power transmission systems, including advanced high and low voltage power transmission harnesses and busbars;

- the strategic acquisition of Voltaira is expected to continue contributing to the expansion of the Group's auto mobility business and to serve as a new growth engine by complementing the Group's global manufacturing, sales and technological deployment in terms of EV key components;

- the strategic acquisition of Auto-Kabel Group is expected to further expand the Group's automotive business and core capabilities in electrification in terms of product scope and customer base, and to create synergies by strengthening the Group's market presence and global outreach in the auto mobility segment by leveraging Auto-Kabel Group's global network of manufacturing, sales and research and development;

- the production strategy as a result of the Group's production costs control measures resulting in a closer collaboration between the Group and Hon Hai Group in order to benefit from Hon Hai Group's economies of scale in procurement and sales; and

- a buffer of 10% due to uncertainties in the external environment, such as any unexpected change in customer demand or cost of supply. In determining the 10% buffer, the Board took into account the inherent (i) unpredictability of macroeconomic conditions (including potential inflation in the next 3 years), (ii) commodity price fluctuations and (iii) exchange rate movements such as the approximately 9% appreciation of New Taiwan Dollars against US$ in May 2025. The Board considers that a 10% buffer is consistent with industry practice and reflects a prudent balance between risk control and operational efficiency.

(II) Framework Purchase Agreement

References are made to the 2022 Announcement and the 2022 Circular.

The Product Purchase Transactions can generally be classified into three models:

- *Model One*: Gold salts, one of the major raw materials, is a hazardous material allowed to be sold only by licensed suppliers in the PRC. Hon Hai Group is one of the licensed suppliers and has been a supplier of the Group. In addition, due to Hon Hai Group's economies of scale, the processing fees are generally competitive when compared with other suppliers.

- *Model Two*: The Group purchases certain ancillary materials from Hon Hai Group, either as an approved supplier designated by the Group's customers or due to its competitive prices compared to other suppliers.

- *Model Three*: In order to enhance the Group's production efficiency and manage its production cost, the Group from time to time engages Hon Hai Group, for certain labor-intensive production processing of its interconnect solutions and certain other products. Hon Hai Group has been a long-term supplier of manufacturing vendor services of the Group with the expertise to manage a large workforce.

As disclosed in the 2022 Announcement and the 2022 Circular, the Existing Framework Purchase Agreement will expire on December 31, 2025.

On November 14, 2025, the Company and Hon Hai agreed upon the terms of the Framework Purchase Agreement pursuant to which the Group has agreed to purchase from Hon Hai Group gold salts as raw materials, ancillary materials and semi-finished components and assembled products from time to time during the year of 2026 and subject to the terms and conditions thereof which are substantially the same as the Existing Framework Purchase Agreement.

The principal terms of the Framework Purchase Agreement are set out as follows:

Parties

(i) The Company

(ii) Hon Hai

Term

The Framework Purchase Agreement is effective during the period of January 1, 2026 to December 31, 2026. The parties may renew the Framework Purchase Agreement through friendly negotiations, subject to compliance with the relevant requirements of the Listing Rules and all other applicable laws and regulations.

Subject matter

The Group has agreed to purchase from Hon Hai Group gold salts as raw materials, ancillary materials and semi-finished components and assembled products from time to time. Please also refer to the section headed "Reasons for and Benefits in relation to the Transactions" of this circular for more details.

The parties and/or their respective subsidiaries may enter into an individual purchase agreement and/or other transaction documents ("**Procurement Documents**") in respect of each actual transaction based on the terms of the Framework Purchase Agreement. The Procurement Documents shall contain the specific details of the terms of the transaction and must comply with the agreed terms of the Framework Purchase Agreement in all material respects. In case of any conflict between the Framework Purchase Agreement and the Procurement Documents, the Framework Purchase Agreement shall prevail.

Condition

The Framework Purchase Agreement is conditional upon the approval by the Independent Shareholders at the EGM.

Pricing policy

The price of the products are determined as follows:

- *Model One*: for the procurement of gold salts, at the price determined with reference to comparable third-party prices. Where such third-party prices are not readily available, at the price equivalent to the sum of the purchase prices of the Group and the processing fees. As a risk control measure, the Group will procure gold salts from at least two suppliers, but will allocate at least 70% of the annual purchase from the supplier with the lowest fee quote; or

- *Model Two*: for the procurement of ancillary raw materials from Hon Hai Group that is designated by the Group's customers, at the price agreed between Hon Hai Group and the Group's customers, or determined with reference to comparable third-party prices to the extent independent third-party suppliers are available. Certain customers of the Group would designate Hon Hai Group as supplier for FIT's purchase of ancillary raw materials as a prerequisite for securing customer orders, as such materials are often proprietary, patent-protected or subject to specific

qualification and certification requirements. This arrangement enables close alignment with the Group's customers' global production schedules and ensures product quality and timely delivery, and is consistent with market norms; or

- *Model Three*: for the procurement of semi-finished components and assembled products, at the price determined with reference to comparable third-party prices to the extent independent third-party suppliers are available. Where such third-party prices are not readily available, at the price determined based on (a) Hon Hai Group's purchase prices of raw materials supplied by the Group, (b) their purchase prices of other raw materials, (c) their labor costs and overheads, (d) the relevant operating expenses estimated to be allocated to such transactions and (e) the Comparable Profit Interval provided by a professional independent third party and in accordance with reasonable business principles.

  In respect of the pricing policy of the above three models where comparable third-party prices are available, the pricing terms from Hon Hai Group are no less favourable to the Company than those available from independent third-party prices.

  The Comparable Profit Interval is established by using the Database and based on "return on cost and operating expenses" as the profit level indicator, and can be used to evaluate whether the pricing of the transaction is reasonable or not. In the Database, quantitative and qualitative conditions are used to identify comparable companies with similar financial data characteristics, principal business and functional risk characteristics. The Comparable Profit Interval is then established based on the financial information of comparable companies. During the period covered by the agreement, the financial information of comparable companies and the Comparable Profit Interval are updated annually based on the Database. The Company considers that the financial information provided by the Database is reliable and independent because the Database is maintained by a reputable service provider and contains detailed financials for over 190 million companies worldwide.

  Hon Hai Group uses the sum of the costs in (a) to (d) above multiplied by (1 + "return on cost and operating expenses") as the basis of pricing, and ensures that the "return on cost and operating expenses" used falls within the Comparable Profit Interval issued by the professional independent third party. The costs in (a) to (d) above are determined based on the accounting records of Hon Hai Group prepared in accordance with the International Financial Reporting Standards. The Group will verify whether the relevant cost and operating expenses are consistent with the accounting records of Hon Hai Group.

As to the 70% threshold set out in Model One above, the procurement department of the Company ensures the compliance of the 70% threshold by placing orders for the first three weeks of each month with its gold salts supplier with the lowest quote. It also prepares a monthly report of actual purchase amounts for management's review as to the compliance of the 70% threshold.

Historical Transaction Amounts

The table below sets out the historical transaction amounts of the Existing Product Purchase Transaction for the three years ended December 31, 2022, 2023 and 2024 and nine months ended September 30, 2025.

	Historical transaction amounts			
				Nine months ended
	Year ended December 31,			**September 30,**
(in US$ millions)	**2022**	**2023**	**2024**	**2025**
Existing Product Purchase Transaction	269	286	330	285

The actual transaction amount of the Existing Product Purchase Transaction for the nine months ended September 30, 2025 does not exceed the existing annual cap of the Existing Product Purchase Transaction for the year ending December 31, 2025, being US$429 million. In view of the internal control measures set out under the section "Internal Control", the Company is of the view that such annual cap will not be exceeded.

Proposed Product Purchase Annual Cap

The Proposed Product Purchase Annual Cap for the year ending December 31, 2026 is US$535 million, which was determined primarily with reference to projections of the Company which in turn are prepared by the Company mainly with reference to the following major factors:

- the latest available actual amounts of the transactions under the Product Purchase Transaction and the Product Sales Transaction during the period from January 1, 2022 to September 30, 2025 (both dates inclusive);

- the expected growth of the Group's products where it is estimated that the Product Purchase Transactions for 2026 will increase approximately 28% when compared to Annualized FY2025, taking the following into consideration:

  (i) the Group is pursuing the strategic expansion of its existing business, an effort anchored by key acquisitions completed in 2023 and 2024. These acquisitions have enhanced the Group's capabilities in global manufacturing, sales, and technological deployment within the auto mobility sector. As a direct result of the increased sales volume and manufacturing ramp-up, associated costs will rise accordingly;

(ii) the growth of the Group's audio products is mainly driven by the adjustment of customers' global supply chain planning, which has boosted the demand for the Group's products. The Group anticipates continued ramp-up of its audio manufacturing operations in 2026 under customers' supply chain allocation plans. Based on the Group's internal capacity planning and the increase in production orders received, the Group expects its installed production capacity for audio products to increase by approximately 11.1% in 2026 compared to 2025;

(iii) the significant growth in shipments of AI racks indicates a substantial increase in market demand for AI servers. We have conducted research from the public domain, and noted there is an expected growing market demand for the smartphones, cloud, consumer interconnectors, auto mobility and system product end markets. According to the independent market research institutions, the CAGR for the next few years of the major end product markets relevant to the Group's business are estimated to be approximately 3.5% for smartphones, 16.0% for cloud, 15.8% for tablets, 11.0% for auto mobility, and 24.4% for wireless chargers, which represent some of the major end product markets in the Group's cloud, consumer interconnectors, and system product segments, respectively;

(iv) the volatility of gold prices, which directly influences the cost of procuring gold salts. Gold prices experienced significant volatility from 2022 to 2025, with prices rising dramatically especially from mid-2024 into 2025 reaching record highs, representing a substantial increase of over 100% since 2024 leading up to October 2025; and

(v) the production strategy as a result of the Group's production costs control measures, under which the Group is able to procure raw materials at more favourable prices by leveraging Hon Hai Group's bargaining power with the suppliers; and

- a buffer of 10% due to uncertainties in the external environment, such as any unexpected change in customer demand or cost of supply. In determining the 10% buffer, the Board took into account the inherent (i) unpredictability of macroeconomic conditions (including potential inflation in the next 3 years), (ii) commodity price fluctuations (other than gold) and (iii) exchange rate movements such as the approximately 9% appreciation of New Taiwan Dollars against US$ in May 2025. The Board considers that a 10% buffer is consistent with industry practice and reflects a prudent balance between risk control and operational efficiency.

REASONS FOR AND BENEFITS IN RELATION TO THE TRANSACTIONS

In respect of the Product Sales Transaction and the Product Purchase Transaction, the Company strategically focuses on automotive and other emerging applications of the Group's interconnect solutions and related products, part of the sales and procurement of which are carried out with associates of Hon Hai and connected persons of the Company to reduce production costs and increase profits. The Company therefore considers it in the best interests to generate more income and save cost by carrying out the Product Sales Transaction and the Product Purchase Transaction in response to the latest development of the Company's business plans, provided that the Group purchases from and sells to Hon Hai Group at prices pursuant to the pricing policies set forth in the Framework Sales Agreement and the Framework Purchase Agreement.

In view of the above, the Directors (including the independent non-executive Directors whose views are set out in the Letter from the Independent Board Committee) consider that (i) the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap are fair and reasonable, and (ii) the Framework Sales Agreement, the Framework Purchase Agreement, and the terms of each of the Product Sales Transaction and the Product Purchase Transaction are fair and reasonable, on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

INTERNAL CONTROL

The Group has adopted the following internal control procedures over the continuing connected transactions of the Company including the Product Sales Transaction and the Product Purchase Transaction:

- Before entering into a transaction under the continuing connected transactions of the Company, the purchase, operation and/or other functional departments (as the case may be) of the Group will review and check whether the pricing is fair and reasonable adhering to the pricing terms and details and, in respect of the procurement of ancillary raw materials from Hon Hai Group that is designated by the Group's customers, the Group's purchase prices are the prices agreed between Hon Hai Group and the Group's customers. In addition to reviewing the pricing before entering into a transaction under the continuing connected transactions of the Company where the pricing terms under the relevant agreements are applied for the first time or the pricing terms are different from those used previously, the accounting department of the Group will review the aforesaid works carried out by the purchase, operation and/or other functional departments (as the case may be) on a quarterly basis. Where the price is to be determined with reference to the market price, the Group will obtain quotations from at least two independent third parties. The Group will then compare the quotations offered by such independent third parties and make sure that the price to be determined under the continuing connected transactions would be no less favorable to the Group.

- The accounting department of the Company is primarily responsible to review and monitor the continuing connected transactions ensuring that the annual caps of the relevant continuing connected transactions are not exceeded and the continuing connected transactions have been conducted in accordance with the pricing policies or mechanisms under the framework agreements relating to such continuing connected transactions. The continuing connected transaction management committee, members of which consist of the head of the accounting department, functional supervisor and officers, under the accounting department directly reports to the Board on continuing connected transaction-related matters. The accounting department has a budget management system which creates a rolling forecast on the monthly transaction amount of the continuing connected transactions. Based on the above, the continuing connected transaction management committee evaluates and reports to the executive Directors on actual monthly transaction amount and predicted future transaction amount of the continuing connected transactions. There is also an early warning mechanism in which executive Directors will be immediately informed and an agenda for revision of annual cap(s) will be proposed to the Board for the Directors' review and approval when the utilization rate (inclusive of both actual and predicted transaction amount) exceeds the threshold of 95%. The Company's internal audit function will also inspect the execution of the continuing connected transactions. Moreover, the accounting department will consult with the Group's internal audit function and external lawyers in respect of continuing connected transaction compliance issues and annually report to the head of the accounting department, who (in his or her own capacity and on behalf of the Group's management designated for the purposes of the Group's enterprise risk management and internal controls) will report to the audit committee of the Company and also provide a confirmation to the audit committee that the continuing connected transactions of the Company which are subject to the annual review and disclosure requirements under the Listing Rules have been entered into (a) in the ordinary and usual course of business of the Group; (b) on normal commercial terms or better; and (c) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole; and that the Group's internal control procedures applicable to continuing connected transactions are adequate and effective to ensure that such transactions were so conducted. The audit committee will consider this accordingly.

- The Company's external auditors will review the continuing connected transactions (which are subject to the annual review and disclosure requirements under the Listing Rules) annually to check and confirm (among others) whether the pricing terms have been adhered to and whether the relevant caps have been exceeded.

- The independent non-executive Directors will review the continuing connected transactions of the Company (which are subject to the annual review and disclosure requirements under the Listing Rules) annually to check and confirm whether such continuing connected transactions are conducted in the ordinary and usual course of business of the Group, on normal commercial terms or better, in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole, and whether the internal control procedures put in place by the Company are adequate and effective to ensure that such continuing connected transactions were conducted in accordance with the pricing policies set out in such relevant agreements.

GENERAL INFORMATION

The Group

The Group is a leading global interconnect solutions provider and one of the few global interconnect solutions providers whose offerings span wire-based, fiber-based and wireless interconnect solutions. It is also a global consumer electronics leader, connecting people with technologies at home, at work and on the go.

Hon Hai Group

Hon Hai Group is primarily engaged in the manufacture, sales and service of connectors, cases, thermal modules, wired/wireless communication products, optical products, power supply modules, and assemblies for use in the IT, communications, automotive equipment, precision molding, automobile, and consumer electronics industries.

LISTING RULES IMPLICATIONS

As of the Latest Practicable Date, the Company is indirectly owned as to 70.92% by Hon Hai, the controlling shareholder of the Company. Accordingly, Hon Hai is a connected person of the Company pursuant to Chapter 14A of the Listing Rules.

Based on the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap, one or more of the applicable percentage ratios are more than 5% and the Product Sales Transaction and the Product Purchase Transaction constitute non-exempt continuing connected transactions for the Company under the Listing Rules and therefore the Framework Sales Agreement, the Framework Purchase Agreement, the Product Sales Transaction, the Product Purchase Transaction, the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap are subject to the approval of the Independent Shareholders.

Hon Hai and its associates will abstain from voting on the resolutions to be proposed at the extraordinary general meeting for approving the above matters. The Product Sales Transaction and the Product Purchase Transaction are also subject to the annual review requirements under Rules 14A.55 to 14A.59 of the Listing Rules.

The Board has established the Independent Board Committee to review, consider and recommend the Framework Sales Agreement, the Framework Purchase Agreement, the Product Sales Transaction, the Product Purchase Transaction, the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap and to advise the Independent Shareholders in respect thereof, and has appointed Alliance Capital Partners Limited as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

None of the Directors has any material personal interest in the Product Sales Transaction and the Product Purchase Transaction and none of the Directors has abstained from voting on the board resolutions to approve the Framework Sales Agreement, the Framework Purchase Agreement, the Product Sales Transaction, the Product Purchase Transaction, the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap.

RECOMMENDATION

After taking into account the view of the Independent Board Committee as set out in this circular and the reasons for and benefits of the Product Sales Transaction, the Product Purchase Transaction, the Directors are of the view that the terms of the Framework Sales Agreement, the Framework Purchase Agreement, the Product Sales Transaction, the Product Purchase Transaction, the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap are fair and reasonable, on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Independent Shareholders to vote in favor of the ordinary resolutions to approve the Framework Sales Agreement, the Framework Purchase Agreement, the Product Sales Transaction, the Product Purchase Transaction, the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap at the EGM.

EGM

A notice convening the EGM to be held at 66-1, Chungshan Road, Tucheng District, New Taipei City 23680, Taiwan on December 30, 2025 at 9:00 a.m., is set out on pages 48 to 50 of this circular. At the EGM, ordinary resolutions will be proposed for the Independent Shareholders to consider and, if thought fit, to approve the Framework Sales Agreement, the Framework Purchase Agreement, the Product Sales Transaction, the Product Purchase Transaction, the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap.

The ordinary resolutions proposed at the EGM will be determined by way of poll by the Independent Shareholders relating to the Framework Sales Agreement, the Framework Purchase Agreement, the Product Sales Transaction, the Product Purchase Transaction, the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap.

Pursuant to Rule 14A.36 of the Listing Rules, any connected person and any Shareholder and their respective associates with a material interest (other than by virtue of being a Shareholder) in the transactions contemplated under the Framework Agreements are required to abstain from voting at the EGM. Hon Hai and its associates who in aggregate were interested in 5,179,557,888 Shares (representing approximately 70.92% the total number of Shares in issue) as of the Latest Practicable Date are required to and will abstain from voting at the EGM in respect of the ordinary resolution approving the Framework Sales Agreement, the Framework Purchase Agreement, the Product Sales Transaction, the Product Purchase Transaction, the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap.

A form of proxy for use in connection with the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the EGM (i.e. not later than 9:00 a.m., December 28, 2025) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM should you so wish.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining the Shareholders' entitlement to attend and vote at the EGM, the register of members of the Company will be closed from December 23, 2025 to December 30, 2025 both days inclusive, during which period no transfer of Shares will be registered. The record date for determining the Shareholders' eligibility to attend and vote at the EGM will be on Tuesday, December 30, 2025. In order to qualify for attending and voting at the EGM, all transfers accompanied by the relevant share certificates must be lodged with the branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, December 22, 2025.

GENERAL

Your attention is drawn to the letter from the Independent Board Committee, the letter from Alliance Capital Partners Limited, the additional information set out in the appendix to this circular and the notice of the EGM.

Yours faithfully,
For and on behalf of the Board
FIT Hon Teng Limited*
LU Sung-Ching
Chairman of the Board

* *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.*

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)

December 15, 2025

Dear Independent Shareholders,

CONTINUING CONNECTED TRANSACTIONS
(I) FRAMEWORK SALES AGREEMENT
(II) FRAMEWORK PURCHASE AGREEMENT

We refer to the circular dated December 15, 2025 of the Company (the "**Circular**") of which this letter forms part. Terms defined in the Circular bear the same meanings herein unless the context otherwise requires.

We have been appointed as members of the Independent Board Committee to advise you regarding the fairness and reasonableness of the Framework Sales Agreement, the Framework Purchase Agreement, the Product Sales Transaction, the Product Purchase Transaction, the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap. Alliance Capital Partners Limited has been appointed as the independent financial adviser to advise us and the Independent Shareholders in this regard.

Having considered the Framework Sales Agreement, the Framework Purchase Agreement, the Product Sales Transaction, the Product Purchase Transaction, the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap, and having taken into account the principal factors and reasons considered by, and the opinion of, Alliance Capital Partners Limited as stated in its letter dated December 15, 2025, we consider that the Framework Sales Agreement, the Framework Purchase Agreement, the Product Sales Transaction, the Product Purchase Transaction, the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap are fair and reasonable, on normal commercial terms, in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favor of the ordinary resolutions proposed at the EGM approving the Framework Sales Agreement, the Framework Purchase Agreement, the Product Sales Transaction, the Product Purchase Transaction, the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap.

We draw the attention of the Independent Shareholders to (i) the letter from the Board; (ii) the letter from Alliance Capital Partners Limited; and (iii) the appendix to the Circular.

Yours faithfully
Independent Board Committee

CURWEN Peter D **TANG Kwai Chang** **CHAN Wing Yuen Hubert**
Independent Non-executive Directors

The following is the text of a letter received from Alliance Capital Partners Limited setting out its advice to the Independent Board Committee and the Independent Shareholders in respect of the Framework Sales Agreement, the Framework Purchase Agreement, the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap for inclusion in this circular.

Alliance Capital Partners Limited
同人融資有限公司

Unit 03, 7/F, Worldwide House
19 Des Voeux Road Central
Hong Kong

December 15, 2025

To: The Independent Board Committee and
the Independent Shareholders of FIT Hon Teng Limited

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS
(I) FRAMEWORK SALES AGREEMENT
(II) FRAMEWORK PURCHASE AGREEMENT

INTRODUCTION

We refer to our appointment as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Framework Sales Agreement, and the Framework Purchase Agreement (collectively, the "**Framework Agreements**"), the Product Sales Transaction, the Product Purchase Transaction (collectively, the "**Transactions**"), the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap (collectively, the "**Proposed Annual Caps**"), details of which are set out in letter from the board (the "**Letter from the Board**") contained in the circular dated December 15, 2025 issued by the Company to the Shareholders (the "**Circular**"), of which this letter forms a part. Unless otherwise defined, capitalised terms used in this letter shall have the same meanings as those defined in the Circular.

Reference is made to the announcement of the Company dated November 14, 2025 (the "**Announcement**"), in respect of, amongst other things, the continuing connected transactions of the Company. As set out in the Announcement, in light of the coming expiry of the existing framework sales agreement, and the existing framework purchase agreement (collectively, the "**Existing Framework Agreements**") entered into between the Company and Hon Hai for a period of three years ending December 31 2025, the Company has entered into the Framework Agreements for a period of one year commencing on January 1, 2026 and ending on December 31, 2026.

As at the Latest Practicable Date, the Company is indirectly owned as to 70.92% by Hon Hai, the controlling shareholder of the Company. Accordingly, Hon Hai is a connected person of the Company pursuant to Chapter 14A of the Listing Rules.

Based on the Proposed Annual Caps, as one or more of the relevant percentage ratios are more than 5%, and the Transactions constitute non-exempt continuing connected transactions for the Company under the Listing Rules, the Transactions and the Proposed Annual Caps are subject to reporting, announcement, annual review and the approval of the Independent Shareholders.

The Company expects to convene an extraordinary general meeting ("**EGM**") to seek the Independent Shareholders' approval for the Framework Agreements, the Transactions and the Proposed Annual Caps. Hon Hai and its associates will abstain from voting on the resolution(s) to be proposed at the EGM for approving the above matters.

THE INDEPENDENT BOARD COMMITTEE

As at the Latest Practicable Date, the Independent Board Committee, comprising all of the independent non-executive Directors of the Company (namely Mr. CURWEN Peter D, Mr. TANG Kwai Chang and Mr. CHAN Wing Yuen Hubert) who have no direct or indirect interest in the Transactions, has been established to advise the Independent Shareholders as to whether the Framework Sales Agreement, the Framework Purchase Agreement, the Product Sales Transaction, the Product Purchase Transaction, the Proposed Product Sales Annual Cap and the Proposed Product Purchase Annual Cap, are fair and reasonable and in the interests of the Company and the Shareholders as a whole. In this regard, we, Alliance Capital Partners Limited, have been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on this matter.

Alliance Capital Partners Limited has not been engaged by the Company to act as independent financial adviser or provided other services to the Company in the last two years. Apart from the normal advisory fee payable to us in connection with our appointment as the independent financial adviser to the Independent Board Committee and the Independent Shareholders, there is no relationship or interests with the Company, the Group, the Hon Hai Group, or any of their respective associates, or any other parties that could reasonably be regarded as relevant to our independence, and we are not involved in any discussion pertaining to the Transactions. We consider that we are independent under Rule 13.84 of the Listing Rules.

BASIS OF OUR ADVICE

In formulating our recommendations, we have relied on the statements, information and representations contained in the Circular and the information and representations provided to us by the Directors and senior management (collectively, the "**Management**") of the Company. We have assumed that all information and representations contained or referred to in the Circular and all information and representations which have been provided by the Management of the Company are true and accurate at the time they were made and will continue to be true and accurate as at the date of the despatch of the Circular.

The Management collectively and individually accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement contained in the Circular misleading. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Management of the Company. We consider that we have been provided with sufficient information on which to form a reasonable basis for our opinion. We have no reason to suspect that any relevant information has been withheld, nor are we aware of any facts or circumstances which would render the information provided and representations made to us untrue, inaccurate or misleading. We consider that we have performed all the necessary steps to enable us to reach an informed view and to justify our reliance on the information provided to us so as to provide a reasonable basis for our opinion. We have not, however, carried out any independent verification of the information provided by the Management of the Company, nor have we conducted an independent investigation into the business and affairs or the prospects of the Company, the Group, the Hon Hai Group, or any of their respective associates. As set out in the Letter from the Board, we understand that the Management shall ensure the information referred to in the Circular continues to be true, accurate and complete as at the date of the EGM. The Company will notify the Shareholders of any material changes as soon as practicable, if any.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources which are the latest information publicly available to the best of our knowledge, the sole responsibility of Alliance Capital Partners Limited is to ensure that such information has been correctly extracted from the relevant sources.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion on the Framework Agreements, the Transactions, and the Proposed Annual Caps, we have taken into consideration the following principal factors and reasons:

1. Background of the Group

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

1.1 Financial information

Set out below are certain key consolidated financial information of the Group, as extracted from (i) the annual reports of the Group for the years ended December 31, 2023 and 2024 ("**2023 Annual Report**" and "**2024 Annual Report**" respectively) and the interim reports for the six months ended June 30, 2024 and 2025 ("**2024 Interim Report**" and "**2025 Interim Report**" respectively):

	Year ended December 31,		**Six months ended June 30,**	
	2023	**2024**	**2024**	**2025**
	US$'000	*US$'000*	*US$'000*	*US$'000*
Revenue	4,195,550	4,451,494	2,066,760	2,304,962
Gross profit	807,140	878,646	421,193	428,517
Gross profit margin	19.2%	19.7%	20.4%	18.6%
Operating profit	262,831	326,757	93,175	105,119
Operating profit margin	6.3%	7.3%	4.5%	4.6%
Profit for the year	129,574	154,345	32,672	30,213
Net profit margin	3.1%	3.5%	1.6%	1.3%

The table below sets forth the revenue by end markets in absolute amounts and as percentages of revenue for the years/periods indicated:

Revenue	**For the year ended December 31,**			
	2023		**2024**	
	US$'000	*%*	*US$'000*	*%*
Smartphones	1,044,335	24.9%	942,909	21.2%
Networking	424,793	10.1%	590,684	13.3%
Computing	773,285	18.4%	809,512	18.2%
Electric Vehicle ("EV") mobility	305,098	7.3%	480,716	10.8%
System products	1,415,280	33.7%	1,416,113	31.8%
Others	232,759	5.6%	211,560	4.7%
Total	**4,195,550**	**100%**	**4,451,494**	**100%**

Revenue	**For the six months ending June 30,**			
	2024		**2025**	
	US$'000	*%*	*US$'000*	*%*
Smartphones	415,228	20.1%	365,123	15.8%
Cloud (previously known as Networking)	260,729	12.6%	353,901	15.4%

Revenue	**For the six months ending June 30,**			
	2024		**2025**	
	US$'000	*%*	*US$'000*	*%*
Consumer interconnects (previously known as Computing)	378,226	18.3%	432,403	18.8%
Auto mobility (previously known as EV mobility)	227,270	11.0%	459,755	19.9%
System products	671,576	32.5%	588,516	25.5%
Others	113,731	5.50%	105,264	4.6%
Total	**2,066,760**	**100%**	**2,304,962**	**100%**

For the year ended December 31, 2023 and 2024

The Group achieved an increase in revenue of approximately US$256 million, or 6.1%, from approximately US$4,196 million for the year ended December 31, 2023 to approximately US$4,451 million for the year ended December 31, 2024. As disclosed in the 2024 Annual Report, the Group recorded a sales growth in the cloud end market by 39.1%, the computer end market by 4.7%, the auto mobility end market by 57.6% and the system products end market by 0.1% when compared to that of 2023. However, the revenue of the Group decreased in the smartphone component products end market by 9.7% when compared to the same period of 2023.

For the year ended December 31, 2024, the revenue of the Group was mainly generated from end markets of (i) smartphones, 21.2%, (ii) cloud, 13.3%, (iii) consumer interconnects, 18.2%, (iv) auto mobility, 10.8%, and (v) system products, 31.8%, with these contributing over 95% of the Group's revenue in total. Throughout the year, the revenue from the auto mobility end market increased by 57.6% which was primarily due to the completion of the acquisition of Prettl SWH GmbH (renamed One Mobility Voltaira GmbH ("**Voltaira**") after acquisition), a German automotive component designer and manufacturer.

Gross profit increased by 8.9% from US$807 million in 2023 to US$879 million in 2024. Operating profit increased by 24.3% from US$263 million in 2023 to US$327 million in 2024, primarily due to the diversified product portfolios. Profit for the year increased by 19.1% from US$130 million to US$154 million in 2024, which was primarily due to the increase in revenue and net profit margin. The increase in gross profit, operating profit and profit for the year was primarily due to the revenue increase and increase in gross profit margin, operating profit margin and net profit margin. The increases in these margins were primarily due to the change in product mix and decrease in delivery expenses.

For the six months ended June 30, 2024 and 2025

The Group recorded an increase in revenue of approximately US$238 million, or 11.5%, from approximately US$2,067 million for the six months ended June 30, 2024 to approximately US$2,305 million for the six months ended June 30, 2025. As disclosed in the 2025 Interim Report, such an increase was mainly attributable to a growth in revenue generated from (1) the cloud end market which increased by 35.7%, (2) the consumer interconnects end market which increased by 14.3% and (3) the auto mobility end market which increased by 102.3%. However, (1) the smartphone component product end market decreased by 12.1% as compared to the same period in 2024 primarily due to the change in the product structure of high-end smartphones of branded companies, (2) the system product end market decreased by 12.4% as compared to the same period in 2024 primarily due to an interruption in the upstream of the supply chain.

For the six months ended June 30, 2025, gross profit increased by 1.7% from US$421 million for the six months ended June 30, 2024 to US$429 million. The increase was primarily driven by increase in revenue after the acquisition of Auto-Kabel Group. The gross profit margin decreased from 20.4% for the six months ended June 30, 2024 to 18.6% for the same period in 2025, primarily due to the change of product mix and the impact of exchange rates. Operating profit increased by 12.8% from US$93 million for the six months ended June 30, 2024 to US$105 million for the same period in 2025 primarily due to the diversified product portfolios. Profit for the period decreased by 7.5% from US$33 million for the six months ended June 30, 2024 to US$30 million for the same period in 2025.

1.2 Industry outlook

The Group focuses on the development, manufacturing and marketing of electronic and optoelectronic connectors, antennas, acoustic components, cables and modules as mentioned above, which are principally applied to the following five sectors, namely (a) smartphones, (b) cloud, which mainly focuses on cloud servers, (c) consumer interconnects which mainly focuses on tablets and laptops, (d) auto mobility and (e) system products, which mainly focuses on earphones and wireless chargers.

The expected growth rates of the above end-product markets are as follows:

Market segment	Major application	CAGR	Forecast period	Source
Smartphones	Smart phones	3.5%	2025 to 2034	Claight Corporation
Cloud	Cloud server	16.0%	2025 to 2034	Precedence Research
Consumer interconnects	Tablets	15.8%	2025 to 2034	Claight Corporation
	Laptops	2.3%	2025 to 2032	Research and Markets
Auto mobility	Electronic vehicles	11.0%	2025 to 2034	Precedence Research
System products	Wireless charger product	24.4%	2025 to 2032	Fortune Business Insights

Claight Corporation conducted market research since 2009 and have more than 8,000 industry reports, covering over 15 industry domains. It has offices in Australia, India, Philippines, United Kingdom, United States, and Vietnam.

Precedence Research, established since 2019, is a market intelligence and consulting firm based in Canada and India, conducting industry research reports across more than 13 market segments.

Research and Markets was founded in 2002 with headquarter in Dublin Ireland. It has analysed more than 800 industries and conducted market research reports of more than 900,000.

Fortune Business Insights was founded in 2019 with headquarter in India. It publishes thousands of industry research reports across around 13 sectors.

Having considered the background of the independent research institutions mentioned above, we are of the view that the forecast growth rates conducted by the above research institutions are considered reliable.

2. Background of the Hon Hai Group

Hon Hai is a limited liability company established in Taiwan, the shares of which are listed on the Taiwan Stock Exchange (Stock code: 2317). Hon Hai is a controlling shareholder of the Company and is primarily engaged in the manufacture, sales and service of connectors, cases, thermal modules, wired/wireless communication products, optical products, power supply modules, and assemblies for use in the IT, communications, automotive equipment, precision moulding, automobile, and consumer electronics industries.

3. Principal terms of the Framework Agreements

(a) Framework Sales Agreement

Pursuant to the Framework Sales Agreement, the Group has agreed to sell to the Hon Hai Group various interconnect solutions and other related products during the period of January 1, 2026 to December 31, 2026, at a price to be determined as follows:

(1) for the sales to the Hon Hai Group that are designated by the Group's brand company customers (the "**Designated Product Sales**"), at the price negotiated and determined between the Group's brand company customers and the Group; or

(2) for other sales to the Hon Hai Group where selling prices were not designated by the Group's customers (the "**Connected Sales**"), at a price that is determined by referencing the blended profit margin, which is the difference between revenue generated from such sales and historical cost allocated thereto for the preceding month, divided by the corresponding revenue, to that of sales to independent third parties (the "**Third Party Sales**"), on a rolling basis, such that the differences in the blended profit margins between the Connected Sales and the Third Party Sales in each fiscal year shall not be more than 6.5%, having considered the long-term business relationship, large sales volume to the Hon Hai Group, and the strategic partnership with the Hon Hai Group.

In respect of the Designated Product Sales, we understand from Management that it is indeed an industry practice that the brand companies (i.e. the ultimate customers) often require contract manufacturers (i.e. the Group's direct customers) to purchase the relevant parts and components, including the Group's interconnect solutions, from specific approved suppliers like the Group, for purpose of better quality control and overall supply chain management. In this regard, we have obtained and reviewed one sample every month totaling 12 sales samples from the Company covering the period from July 2024 to June 2025. We consider the selected samples are sufficient for us to understand the pricing mechanism. Therefore, we consider that the selected samples are fair and representative for assessing the fairness and reasonableness of the pricing mechanism.

Based on the documents and information received, we noted that the brand companies did require the Hon Hai Group to source certain parts and components from the Group, and that the selling prices of the Designated Product Sales were negotiated and determined between the Group's brand company customers and the Group. Based on the information received, we are of the view that Group has complied with the pricing mechanism for the Designated Product Sales.

In respect of the Connected Sales where the prices are determined with reference to the blended profit margins, the Management of the Company advised that the Group would regularly calculate the gross margin for the Connected Sales and for the Third Party Sales, respectively, and monitor that the difference would not exceed 6.5%, which is because the Company believes it is an industry practice to (1) grant large customers volume discounts; (2) give long-term customers with repeated sales and sustainable businesses price discounts as this would incur lower negotiation, coordination and logistics costs and subject the Company to lower exposure to credit risks, as compared to dealing with new customers; and (3) offer better pricing terms to customers with long-term strategic value to the Company. The Management advised that (a) Hon Hai accounted for approximately 10.9%, 9.8%, and 10.1% of the Group's revenue in 2022, 2023 and 2024 respectively and that such contributions are significant relative to the revenue contribution of other customers, (b) the Company has maintained a long-term business cooperation with Hon Hai Group since the Company's inception which the Company believes subject it to minimal credit risk as compared to the other third party customers, and (c) being part of the ecosystem of Hon Hai group brings the Company significant strategic value. The Directors are of the view that the 6.5% capped difference in the blended profit margin is under normal commercial terms, fair and reasonable, and in the interests of the Shareholders as a whole. Furthermore, we have obtained and reviewed a transfer pricing report provided by the Company, which was prepared by a professional independent third party in September 2025. According to the said report, excluding the loss-making companies, the three-year weighted average profit margins of 18 independent comparable companies in the region of Far East and Central Asia (including 34 countries/regions, excluding Australia and New Zealand) range from approximately 0.31% to approximately 16.20%. The difference of the high and low end margin is 15.89%. Therefore, we are of the view that the 6.5% capped difference in the blended profit margin is fair and reasonable.

We have obtained and reviewed the gross profit margin analysis table of the Connected Sales and the Third Party Sales prepared by the Group, covering the period from July 2024 to June 2025, and noted that the differences did not exceed 6.5%, which were reviewed and endorsed by the Head of Accountant of the Group quarterly. Based on the information received, we are of the view that Group has complied with the pricing mechanism for the Connected Sales.

(b) Framework Purchase Agreement

Pursuant to the Framework Purchase Agreement, the Group has agreed to purchase various raw materials, ancillary materials and semi-finished components and assembled products from the Hon Hai Group during the period of January 1, 2026 to December 31, 2026 under three procurement models as follows:

Model	**Pricing Policy**
Model One Purchase of gold salts from the Hon Hai Group as the Group's raw materials	Purchase price is to be set at the price determined with reference to comparable third-party prices. Where such third-party prices are not readily available, purchase price is to be set at the price equivalent to the sum of the purchase prices of the Group and the processing fees. As a risk control measure, the Group will procure gold salts from more than two suppliers, but will allocate at least 70% of the annual purchase from the supplier with the lowest fee quote. As set out in the Letter from the Board, the Group procures gold salts from the Hon Hai Group in order to take advantage of the Hon Hai Group's economies of scale. In particular, gold salts, one of the major raw materials, is a hazardous material and generally allowed to be sold only by licensed suppliers. We have enquired with Management and noted that a subsidiary of the Hon Hai Group is a licensed supplier with the relevant business license and safety production permit issued by Shenzhen Administration of Work Safety in the PRC and Taiwan respectively.

Model	Pricing Policy
	To assess the implementation of the pricing mechanism of Model One, we have obtained and reviewed one sample every month totaling 12 samples of the fee quotations, provided by the Hon Hai Group and independent third-party suppliers respectively, covering the period from July 2024 to June 2025, which were determined by the sum of the commodity spot prices and the processing fees provided by the Hon Hai Group and independent third- party suppliers. We have also obtained and reviewed one sample every month totaling 12 samples of purchase orders, covering the period from July 2024 to June 2025 respectively. We consider the selected samples are sufficient for us to understand the pricing mechanism. Therefore, we consider that the selected samples are fair and representative for assessing the fairness and reasonableness of the pricing mechanism. We noted that the Group has selected gold salts suppliers on the lowest quote basis. Management also confirmed that they have complied with the 70% threshold in 2023 and 2024, and the nine months ended September 30, 2025. We have reviewed the amount of purchase from the suppliers with the lowest quotes for the year ended December 31, 2023, December 31, 2024 and the nine months ended September 30, 2025, and noted that the 70% threshold has been complied. Based on the information reviewed as described above, we are of the view that the Group has complied with the pricing mechanism of Model One.
Model Two Purchase of ancillary raw materials from the Hon Hai Group	Brand companies may require the Group to purchase certain ancillary materials from a designated supplier, for example, the Hon Hai Group (the "**Designated Supplier Transactions**"). In this case, purchase prices are the prices agreed between the Hon Hai Group and the Group's customers; in other cases where the Hon Hai Group is not designated as supplier (the "**Non-designated Supplier Transactions**"), purchase prices are determined with reference to comparable independent third party prices to the extent that independent third party suppliers are available.

Model	Pricing Policy
	Based on our discussion with Management and our review of the relevant correspondences between the Group and a brand company, we understand that the brand company requires the Group to purchase certain ancillary materials from their designated supplier, such as the Hon Hai Group, and it is likely for the Group to purchase ancillary raw materials from the Hon Hai Group as Non-designated Supplier Transactions, due to the competitive prices that the Hon Hai Group could offer resulting probably from economies of scale. To assess the implementation of the pricing mechanism of Model Two, we have obtained and reviewed one sample every month totaling 12 samples of Designated Supplier Transactions and Non-designated Supplier Transactions respectively, covering the period from July 2024 to June 2025. We consider the selected samples are sufficient for us to understand the pricing mechanism. Therefore, we consider that the selected samples are fair and representative for assessing the fairness and reasonableness of the pricing mechanism. For the Designated Supplier Transactions, we noted that the prices were negotiated between the Hon Hai Group and the Group's customers. For the Non-designated Supplier Transactions, we noted from the purchase order samples and other corresponding documents that the Group has compared the price quotations from the Hon Hai Group with those from independent third-party suppliers. Based on the information reviewed as described above, we are of the view that the Group has complied with the pricing mechanism of Model Two.
Model Three Purchase of semi-finished components and assembled products from the Hon Hai Group to whom the Group provides certain raw materials and components for their production of semi-finished components and assembled products	Purchase prices are determined with reference to comparable third-party prices to the extent independent-third-party suppliers are available. Where such third-party prices are not readily available, purchase prices are determined based on (a) the Hon Hai Group's purchase prices of raw materials supplied by the Group, (b) the Hon Hai Group's purchase prices of other raw materials, (c) the Hon Hai Group's labor costs and overheads, (d) the relevant operating expenses estimated to be allocated to such transactions, and (e) the Comparable Profit Interval provided by a professional independent third party and in accordance with reasonable business principles.

Model

Pricing Policy

As mentioned in the purchase agreement, the Comparable Profit Interval is established by using a well-known Database, which contains detailed financials for over 190 million companies worldwide, and is mainly used in transfer pricing, corporate finance and credit risk etc. and based on "return on cost and operating expenses" as the profit level indicator, and can be used to evaluate whether the pricing of the transaction i.e. the mark-up percentage on the cost and operating expenses ("**Mark-up Percentage**") is reasonable or not. In the Database, quantitative and qualitative conditions are used to identify comparable companies with similar financial data characteristics, principal business and functional risk characteristics. The Comparable Profit Interval is then established based on the financial information of comparable companies. During the period covered by the agreement, the financial information of comparable companies and the Comparable Profit Interval will be updated annually based on the Database.

In order to enhance the Group's production efficiency and manage its production cost, the Group from time to time engages the Hon Hai Group for certain labour-intensive production processing of its interconnect solutions and certain other products.

The Hon Hai Group has been a long-term supplier of manufacturing services of the Group with the expertise to manage a large workforce. Furthermore, as advised by Management, given the unique nature of the semi-finished goods and assembled products, there were no third party transactions for comparable products. As such, conducting the Product Purchase Transaction with the Hon Hai Group is essential and mutually complementary.

To assess the implementation of the pricing mechanism of Model Three, we have obtained and reviewed one sample every month totaling 12 purchase transaction samples and the underlying documents from the Group covering the period from July 2024 to June 2025, which sets out the breakdown of raw material costs, labor costs and overheads, the relevant operating expenses allocated, and the then Mark-up Percentage. We consider the selected samples are sufficient for us to understand the pricing mechanism. Therefore, we consider that the selected samples are fair and representative for assessing the fairness and reasonableness of the pricing mechanism.

Model

Pricing Policy

We noted that the relevant mark-up percentage on the relevant costs and operating expenses did not exceed the then Comparable Profit Interval. Based on the information reviewed as described above, we are of the view that the Group has complied with the pricing mechanism of Model Three.

We are also advised by Management that the professional independent third party that provides the Comparable Profit Interval is a group member of a reputable international accounting firm with expertise in international taxation and transfer pricing issues, which will analyse the fairness and reasonableness of the profit margin in the industry. We also noted that Management considers that the financial information provided by the Database is reliable and independent because the Database is maintained by a reputable service provider and contains detailed financials for over 190 million companies worldwide.

In addition, the Comparable Profit Interval is principally based on annual results. Based on our discussion with Management, we understand that the Group encounters a seasonality effect in its business operation. Sales amount is usually higher in the second half of the year. Therefore, we are of the view that using the profit margins based on full year results of the comparable companies can eliminate the issue of seasonality effect, hence the Comparable Profit Interval can provide the most accurate and comparable information for the Group to evaluate the reasonableness of the Mark-up Percentage, and such practice is in the interest of the Company.

Given the credential and qualifications of the reputable international accounting firm, the experience of such professional independent third party, the database that they adopt, and the Comparable Profit Interval which is principally based on annual results of the relevant comparable companies, we are of the view that it is fair and reasonable to determine the cost-plus mark-up percentage with reference to the Comparable Profit Interval provided by a professional independent third party on an annual basis.

4. Reasons for and benefits in relation to the continuing connected transactions

In respect of the Product Sales Transaction and the Product Purchase Transaction, the Group strategically focuses on automotive and other emerging applications of the Group's interconnect solutions and related products, and on parts of the procurement and sales which are carried out with associates of Hon Hai and connected persons of the Company, to reduce production costs and increase profits. The Group therefore considers it to be in its best interests to generate more income and save cost by carrying out the Product Purchase Transaction and the Product Sales Transaction in response to the latest development of the Group's business plans, provided that the Group purchases from and sells to the Hon Hai Group at prices pursuant to the pricing policies set forth in the Framework Sales Agreement and the Framework Purchase Agreement.

5. Basis for determining the Proposed Annual Caps

Set out below are the historical transaction amounts of the continuing connected transactions:

	Year ended December 31,			For the Nine months ended September 30,	Annualized transaction amount for the financial year ending December 31,
	2022	2023	2024	2025	2025 *(Note)*
	US$ million	*US$ million*	*US$ million*	*US$ million*	*US$ million*
Product Sales Transaction	493	413	451	373	497
Product Purchase Transaction	269	286	330	285	380

Note: The annualized transaction amount for the financial year ending December 31, 2025 ("**Annualized FY2025**") is calculated based on the actual transaction amount for the nine months ended September 30, 2025.

Set out below are the Proposed Annual Caps and the utilisation of historical annual caps:

	For the year ending December 31, 2026 ("FY2026")
	US$ million
Proposed Product Sales Annual Cap	636
Proposed Product Purchase Annual Cap	535

Set out below are the growth rate of Proposed Annual Caps:

	Annualized FY2025 VS FY2026
Proposed Product Sales Annual Cap	28%
Proposed Product Purchase Annual Cap	41%

	Approved annual caps			**Actual transaction amount**			**Utilisation rate**		
				For the year ended December 31,		**Annualized FY2025**	**For the year ended December 31,**		**Annualized FY2025**
	For the year ended December 31,								
	2023	**2024**	**2025**	**2023**	**2024**	**2025**	**2023**	**2024**	**2025**
	US$ Million			*US$ Million*			*US$ Million*		
Product Sales Transaction	660	706	756	413	451	497	63%	64%	66%
Product Purchase Transaction	375	401	429	286	330	380	76%	82%	89%

5.1 The Proposed Product Sales Annual Cap

We understand from Management that the Proposed Product Sales Annual Cap is determined based on the following:

- Historical transaction amount

  We noted that the average product sales transaction amount under the existing framework product sales agreement was approximately US$452 million for the three years ended December 31, 2024;

- The expected growth of the Group's product sales

  Based on our discussion with Management, we note that the Product sales are expected to grow at approximately 16% in 2026 when comparing to the transaction amount for Annualized FY2025 after having considered the following:

  (i) The Group is pursuing the strategic expansion of its existing business, an effort anchored by key acquisitions completed in 2023 and 2024. These acquisitions have enhanced the Group's capabilities in global manufacturing, sales, and technological deployment within the auto mobility sector;

  (ii) The growth of the Group's audio products is mainly driven by the adjustment of customers' global supply chain planning, which has boosted the demand for the Group's products. The Group anticipates continued ramp-up of its audio manufacturing operations in 2026 under customers' supply chain allocation plans. Based on the Group's internal capacity planning and the increase in production orders received, the Group expects its installed production capacity for audio products to increase by approximately 11.1% in 2026 compared to 2025; and

(iii) The significant growth in shipments of AI racks indicates a substantial increase in market demand for AI servers. We have conducted research in the public domain, and noted there is an expected growing market demand for smartphones, cloud, consumer interconnectors, auto mobility and system product end markets. According to the independent market research institutions mentioned above, the compound annual growth rates ("**CAGR**") for the next few years of smartphones, cloud (which is one of the major end product markets in the Group's cloud segment), tablets (which is one of the major end product markets of the Group's consumer interconnectors segment), auto mobility segment, wireless chargers (which are some of the major end product markets in the Group's system product segment) are 3.5%, 16.0%, 15.8%, 11.0%, and 24.4%, respectively;

- The Group's expected growth in 2026 will be propelled by the strategic expansion of its existing businesses, anchored by key acquisitions in recent years. This includes the acquisition of Voltaira which was announced on January 2, 2023 and closed on July 3, 2023. Voltaira is principally engaged in the business of the design and assembly of cable and wiring solutions for the automotive and broader mobility industry. In addition, the Group acquired Auto-Kabel group on December 2, 2024. Auto-Kabel is headquartered in Hausen im Wiesental, Baden-Wurttemberg, Germany. They are a pioneer in the field of automotive power transmission. For further details, please refer to the announcement of the Company dated July 11, 2024. The acquisition will strengthen the Group's product portfolio in automotive power transmission systems, including advanced high and low voltage power transmission harnesses and busbars;

- The strategic acquisition of Voltaira is expected to continue to contributing to the expansion of the Group's auto mobility business and serve as a new growth engine by complementing the Group's global manufacturing, sales and technological deployment in terms of EV key components;

- The strategic acquisition of Auto Kabel Group is expected to expand the Group's automotive business and core capabilities in electrification in terms of product scope and customer base, and creates synergies by strengthening the Group's market presence and global outreach in the auto mobility segment by leveraging Auto-Kabel group's global network of manufacturing, sales and research and development;

- The production strategy as a result of the Group's production costs control measures, resulting in a closer collaboration between the Group and Hon Hai Group in order to benefit from Hon Hai Group's economies of scale in procurement and sales; and

- A buffer of 10% due to uncertainties in the external environment such as any unexpected change in customer demand or cost of supply.

We also noted the utilisation of annual caps for 2023, 2024 and Annualized FY2025 were approximately 63%, 64% and 66% respectively during the period.

Having considered that the Proposed Product Sales Annual Cap is determined based on the expected transaction amount and budget of Product Sales Transaction for year ending December 31, 2026 and the historical transaction amounts, taking into account (a) an expected growing market demand for the smartphone, cloud, consumer interconnectors, auto mobility and system product markets based on independent market research institutions' forecast CAGRs ranging from 2.3% to 24.4% as mentioned above, with which Management believes that it is appropriate and prudent to estimate an annual growth rate of 16% in 2026 when compared to Annualized FY2025; and (b) the significant acquisitions completed in 2023 and 2024 have bolstered the Group's production capacity, strengthening its position in the competitive auto mobility sector; and (c) a general buffer of around 10% in case of any uncertainties in the external environment. According to our research conducted mentioned above, we are of the view that the Proposed Product Sales Annual Cap is reasonable.

5.2 Proposed Product Purchase Annual Caps

We understand from Management that the Proposed Product Purchase Annual Cap is determined based on the following:

- Historical transaction amount

  We noted that the average product purchase transaction amount under the existing framework product purchase agreement was approximately US$295.0 million for the three years ended December 31, 2024;

- The projected growth of the Group's products and growth in product purchase transaction:

  Based on our discussion with Management with reference to the existing production schedule based on current and future market demand, we noted there is an expected growing market demand for the smartphones, cloud, consumer Interconnectors, auto mobility and system product end market. Independent market research institutions generated forecast CAGRs ranging from 2.3% to 24.4% as mentioned above. In view of the expected increase in the Group's production and product sales as discussed above which will also affect the purchase of materials for production, it is estimated that the amount of product purchase transactions for 2026 will increase approximately 28% when compared to Annualized FY2025 taking the following into consideration:

  (i) The Group is pursuing the strategic expansion of its existing business, an effort anchored by key acquisitions completed in 2023 and 2024. These acquisitions have enhanced the Group's capabilities in global manufacturing, sales, and technological deployment within the auto mobility sector. As a direct result of the increased sales volume and manufacturing ramp-up, associated costs will rise accordingly;

(ii) The growth of the Group's audio product sales is mainly driven by the adjustment of customers' global supply chain planning, which has boosted the demand for the Group's products. The Group anticipates continued ramp-up of its audio manufacturing operations in 2026 under customers' supply chain allocation plans. Based on the Group's internal capacity planning and the increase in production orders received, the Group expects its installed production capacity for audio products to increase by approximately 11.1% in 2026 compared to 2025;

(iii) The significant growth in shipments of AI racks indicates a substantial increase in market demand for AI servers. We have conducted research from the public domain, and noted there is an expected growing market demand for the smartphones, cloud, consumer interconnectors, auto mobility and system product end markets. According to the independent market research institutions, the CAGR for the next few years of the major end product markets relevant to the Group's business are estimated to be approximately 3.5% for smartphones, 16.0% for cloud, 15.8% for tablets, 11.0% for auto mobility, and 24.4% for wireless chargers, which represent some of the major end product markets in the Group's cloud, consumer interconnectors, and system product segments, respectively;

(iv) Precious metal prices experienced significant volatility from 2022 to 2025 with gold prices rising dramatically especially from mid-2024 into 2025 reaching record highs. The prices of gold experienced a substantial increase of over 100% since 2024 leading up to October 2025; and

(v) The production strategy adopted as a result of the Group's production costs control measures, under which the Group is able to procure raw materials at more favourable prices by leveraging Hon Hai Group's bargaining power with suppliers;

- There is a buffer of 10% due to uncertainties in the external environment, such as any unexpected change in customer demand or cost of supply.

We also noted that the utilisation of the annualised annual cap for Annualized FY2025 at approximately 89% was in line with the previous two years.

We understand from the Management that the products of the Group will shift towards higher-end and more complex products. The introduction of new products with enhanced manufacturing processes (such as products with "additional flexible printed circuit processes" and "increased gold plating thickness") requires the Group to procure and reserve more raw materials and key components in advance. As the new processes are expected to complete validation in 2025, substantial procurement activities are anticipated to occur in 2026. Furthermore, certain raw materials purchased from Hon Hai Group, such as gold salts, are affected by the price of gold, which has shown significant price volatility in recent years (the

prices of gold experienced a substantial increase of over 100% since 2024 leading up to October 2025). Therefore, the estimated growth rate of product purchases in 2026 is higher than that of product sales, and the forecast CAGRs of the relevant end markets. Having considered the above, we are of the view that the growth rate of 28% of the estimated amount of product purchase transactions is fair and reasonable, and therefore, the Proposed Product Purchase Annual Cap is reasonable.

6. Internal control procedures and pricing policies

As disclosed in the Letter from the Board, the Group has adopted internal control procedures on the continuing connected transactions of the Company including the Product Sales Transaction and the Product Purchase Transaction, pursuant to which Management will monitor and review the continuing connected transactions on a monthly basis (including, among others, the transaction amounts of the continuing connected transactions during the month). We have obtained and reviewed the set of the internal control procedures on connected transactions and are of the view that the internal control procedures adopted by the Group are in place to ensure that the continuing connected transactions are conducted on normal commercial terms and not prejudicial to the interests of the Company and the minority Shareholders.

The Company has engaged the Company's auditor to review and report to the Board on the continuing connected transactions every year in accordance with Rule 14A.56 of the Listing Rules. The independent non-executive Directors will also review the Transactions under the Framework Agreements on an annual basis. Accordingly, the Directors determined that the internal control system of the Group is effective to ensure that the transactions contemplated under the Framework Agreements will be conducted on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

We have reviewed the 2023 Annual Report and 2024 Annual Report of the Company and noted that both the independent non-executive Directors and auditors of the Company have confirmed that the continuing connected transactions under the Existing Framework Agreements were conducted in accordance with the requirements and following the internal control procedures during the years ended December 31, 2023 and 2024.

Based on the above procedures, we are of the view that there are sufficient internal control procedures in place to ensure that the continuing connected transactions are conducted on normal commercial terms and not prejudicial to the interests of the Company and the minority Shareholders.

RECOMMENDATIONS

Having considered the principal factors and reasons above, we are of the view that (i) the Transactions will be conducted in the ordinary and usual course of business; (ii) the terms of the Framework Agreements are on normal commercial terms; (iii) the Proposed Annual Caps are fair and reasonable; and (iv) the Framework Agreements are in the interest of the Group and the Shareholders as a whole so far as the Independent Shareholders are concerned.

Accordingly, we recommend that the Independent Board Committee advise the Independent Shareholders to vote in favour of the ordinary resolutions to approve the Framework Agreements and the Proposed Annual Caps at the EGM.

Yours faithfully,
For and on behalf of
Alliance Capital Partners Limited
Alyssa Ng
Managing Director

Ms. Alyssa Ng is licensed person under the SFO to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities and has more than 20 years' experience in participation of and advising in various initial public offerings and transactions involving companies listed in Hong Kong, including but not limited to the provision of independent financial advisory services regarding connected transactions.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Interests of Directors and chief executive of the Company

As of the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have been taken under the provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which had otherwise been notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**"), were as follows:

(i) Long positions in the Shares of the Company as of the Latest Practicable Date

Name of Director	Capacity and nature of interest	Number of Shares held	Approximate percentage of shareholding
LU Sung-Ching (盧松青)	Beneficial owner	415,524,388	5.69%
LU Pochin Christopher (盧伯卿)	Beneficial owner	13,887,581	0.19%

(ii) Long position in the share capital or debentures of the associated corporations of the Company as of the Latest practicable Date

Name of Director	Name of associated corporation of the Company	Capacity and nature of interest	Number of Shares in the corporation	Approximate percentage of shareholding
LU Sung-Ching (盧松青)	Hon Hai	Beneficial owner	2,400	0.000017%
		Interests of spouse	3,523	0.000025%

Name of Director	Name of associated corporation of the Company	Capacity and nature of interest	Number of Shares in the corporation	Approximate percentage of shareholding
CHANG Chuan-Wang (張傳旺)	Hon Hai	Beneficial owner	17,000	0.000123%
HUANG Pi-Chun (黃碧君)	Hon Hai	Beneficial owner	2,000	0.000014%

Save as disclosed above, as of the Latest Practicable Date, none of the Directors or chief executives of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have been taken under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which had otherwise been notified to the Company and the Stock Exchange pursuant to the Model Code.

(b) Interests of substantial Shareholders

As of the Latest Practicable Date, according to the register kept by the Company pursuant to Section 336 of the SFO and, so far as was known to the Directors or chief executive of the Company, the persons or entities, other than a Director or chief executive of the Company, who had an interest or a short position in the shares or the underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other company which is a subsidiary of the Company, or in any options in respect of such share capital were as follows:

Long positions in the Shares as of the Latest Practicable Date

Name of Shareholders	Capacity and nature of interest	Number of ordinary shares held	Approximate percentage of shareholding
Hon Hai	Interest in controlled corporation[1]	5,179,557,888	70.92%
Foxconn Far East Cayman	Interest in controlled corporation[2]	5,179,557,888	70.92%
Foxconn Far East Hong Kong	Beneficial owner	5,179,557,888	70.92%

Notes:

1. Hon Hai holds the entire issued share capital of Foxconn Far East Cayman, which in turn holds the entire issued share capital of Foxconn Far East Hong Kong.

2. Foxconn Far East Cayman holds the entire issued share capital of Foxconn Far East Hong Kong, which in turn holds 5,179,557,888 Shares of the Company.

Save as disclosed above, as of the Latest Practicable Date, the Company had not been notified by any persons (other than the Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be and were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Save as disclosed above, as of the Latest Practicable Date, none of the director of the Company is a director or employee in Hon Hai, Foxconn Far East Cayman or Foxconn Far East Hong Kong which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

(c) Directors' or chief executive's rights to acquire interests or short positions in Shares and debentures

As of the Latest Practicable Date, none of the Directors or chief executive of the Company or their respective spouse or minor children were granted any rights to acquire benefits by means of acquisition of the Shares in or debentures of the Company or any other body corporate; nor was the Company, its subsidiaries or holding company or any of its subsidiaries a party to any arrangement to enable the Directors or chief executive of the Company to acquire such rights in the Company or any other body corporate.

3. DISCLOSURE OF OTHER INTERESTS

(a) Interests in contract or arrangement

As of the Latest Practicable Date, none of the Directors is materially interested in any contract or arrangement which is significant to the business of the Group.

(b) Interests in assets

As of the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been acquired or disposed of by, or leased to, or which were proposed to be acquired or disposed of by, or leased to, any member of the Group since December 31, 2024, being the date to which the latest published audited accounts of the Group were made up.

(c) Interests in competing business

As of the Latest Practicable Date, none of the Directors or their respective associates was interested in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group as required to be disclosed pursuant to the Listing Rules.

4. QUALIFICATION OF EXPERT

The following is the qualification of the expert who has given an opinion or advice on the information contained in this circular:

Name	Qualification
Alliance Capital Partners Limited	a licensed corporation under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities

5. CONSENT

Alliance Capital Partners Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which they respectively appear herein.

6. MATERIAL ADVERSE CHANGE

As of the Latest Practicable Date, save as disclosed in the interim results announcement of the Company for the six months ended June 30, 2025 published on August 12, 2025, there has not been any material adverse change in the financial or trading position of the Group since December 31, 2024, being the date to which the latest published audited financial statements of the Group were made up.

7. MISCELLANEOUS

(a) None of the Directors has entered into a service contract with the Company which does not expire or which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

(b) As of the Latest Practicable Date, Alliance Capital Partners Limited was not beneficially interested in the share capital of any member of the Group and did not have any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

(c) As of the Latest Practicable Date, none of the Directors or Alliance Capital Partners Limited had any interest, either directly or indirectly, in any assets which have been, since December 31, 2024 being the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group.

(d) The branch share registrar of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited.

(e) The principal share registrar of the Company is Conyers Trust Company (Cayman) Limited.

(f) The English text of this circular shall prevail over the Chinese text, in case of any inconsistency.

8. DOCUMENTS ON DISPLAY

Copies of the Framework Sales Agreement and the Framework Purchase Agreement will be published on the website of the Stock Exchange (http://www.hkexnews.hk) and the website of the Company (http://www.fit-foxconn.com/) for 14 days from the date of this circular.

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)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of the shareholders of FIT Hon Teng Limited (the "**Company**") will be held at 66-1, Chungshan Road, Tucheng District, New Taipei City 23680, Taiwan on Tuesday, December 30, 2025 at 9:00 a.m., for the following purposes:

To consider and, if thought fit, pass (with or without modifications) the following ordinary resolutions:

1. "THAT the terms of the framework sales agreement entered into between the Company and Hon Hai Precision Industry Co. Ltd. ("**Hon Hai**") on November 14, 2025 (the "**Framework Sales Agreement**"), the transactions contemplated under the Framework Sales Agreement (the "**Product Sales Transaction**") and the proposed annual cap for the Product Sales Transaction for the year ending December 31, 2026 (the "**Proposed Product Sales Annual Cap**") as described in the circular of the Company dated December 15, 2025 be and are hereby approved, confirmed and ratified in all respects; and

   any one director of the Company, or any two directors of the Company if affixation of the Company's common seal is necessary, be and is/are hereby authorized for and on behalf of the Company to execute and deliver (and affix the Company's common seal to, if necessary) all such documents, instruments or agreements and to do all such other acts or things which he/they may in his/their absolute discretion consider necessary or desirable in connection with or incidental to any of the matters contemplated under the Framework Sales Agreement, the Product Sales Transaction and/or the Proposed Product Sales Annual Cap."

2. "THAT the terms of the framework purchase agreement entered into between the Company and Hon Hai on November 14, 2025 (the "**Framework Purchase Agreement**"), the transactions contemplated under the Framework Purchase Agreement (the "**Product Purchase Transaction**") and the proposed annual cap for the Product Purchase Transaction for the year ending December 31, 2026 (the "**Proposed Product Purchase Annual Cap**") as described in the circular of the Company dated December 15, 2025 be and are hereby approved, confirmed and ratified in all respects; and

any one director of the Company, or any two directors of the Company if affixation of the Company's common seal is necessary, be and is/are hereby authorized for and on behalf of the Company to execute and deliver (and affix the Company's common seal to, if necessary) all such documents, instruments or agreements and to do all such other acts or things which he/they may in his/their absolute discretion consider necessary or desirable in connection with or incidental to any of the matters contemplated under the Framework Purchase Agreement, the Product Purchase Transaction and/or the Proposed Product Purchase Annual Cap and the Proposed Product Sale Annual Cap."

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

Hong Kong, December 15, 2025

Registered Office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Headquarters in Taiwan:
66-1, Chungshan Road
Tucheng District
New Taipei City 23680
Taiwan

Principal Place of Business in Hong Kong:
31/F, Tower Two
Times Square
1 Matheson Street
Causeway Bay
Hong Kong

Notes:

(a) As set out in the circular of the Company dated December 15, 2025, the register of members of the Company will be closed from Tuesday, December 23, 2025 to Tuesday, December 30, 2025, both dates inclusive, during which period no transfer of Shares will be registered. The record date for determining the Shareholders' eligibility to attend and vote at the EGM will be on Tuesday, December 30, 2025. In order to be entitled to attend and vote at the extraordinary general meeting, all transfers of Shares accompanied by the relevant share certificates and properly completed and signed transfer forms must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Monday, December 22, 2025.

(b) Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company. If more than one proxy is appointed, the appointment shall specify the number of shares in respect of which each such proxy is appointed.

(c) Form of proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not less than 48 hours before the time appointed for holding of the extraordinary general meeting (i.e. not later than 9:00 a.m., December 28, 2025) or any adjourned meeting.

(d) In accordance with Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), Hon Hai Precision Industry Co., Ltd., the controlling shareholder of the Company, and its associates (as defined in the Listing Rules) are required to abstain from voting on the ordinary resolutions.

(e) The ordinary resolutions set out above will be determined by way of poll.

* *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.*