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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)**

# **DISCLOSEABLE TRANSACTION IN RELATION TO THE ACQUISITION OF BELKIN INTERNATIONAL, INC. BY WAY OF MERGER**

## **THE MERGER AGREEMENT**

The Board is pleased to announce that on March 27, 2018, the Company, Belkin International, the Seller Stockholders, the Merger Subsidiary (a direct wholly-owned subsidiary of the Company) and Mr. Chester J. Pipkin (as the representative of certain of Belkin International's equityholders) entered into the Merger Agreement to effect the acquisition of Belkin International by the Company by way of the Merger.

Subject to the terms and conditions in the Merger Agreement and in accordance with the Delaware General Corporation Law, the Company will acquire Belkin International by way of merger whereby, at the Effective Time, the Merger Subsidiary will be merged with and into Belkin International. As a result of the Merger, the separate corporate existence of the Merger Subsidiary will cease, and Belkin International will be the Surviving Corporation in the Merger and become a direct wholly-owned subsidiary of the Company, and all of the property, rights, privileges, immunities, powers and franchises of Belkin International and the Merger Subsidiary will vest in the Surviving Corporation, and all debts, liabilities and duties of Belkin International and the Merger Subsidiary will become the debts, liabilities and duties of the Surviving Corporation.

The Merger Consideration is US\$866 million, which shall be subject to adjustment pursuant to the Merger Agreement for (i) the cash, cash equivalents and marketable securities of or held by the Belkin Group on the Closing Date, (ii) certain indebtedness of the Belkin Group as of the Closing Date, (iii) certain transaction expenses incurred by Belkin International in connection with the Merger and (iv) the net working capital of the Belkin Group as of the Closing Date as compared to an agreed-upon target amount of the net working capital of the Belkin Group.

The Merger Consideration (as adjusted) will be payable by the Company in cash at the Closing Date. 15% of the Merger Consideration (being US\$129.9 million) will be paid into an escrow account, which, subject to the adjustment of the Merger Consideration and the effect of any indemnity claims made by the Company against the funds held in such account, may be refunded in whole or in part to the Company. The Company intends to satisfy the Merger Consideration through its internal resources, equity/debt financing through capital markets or bank financing, or a combination of any of them.

Based on the Company's current estimates of the net effect of the movements in items (i) through (iv) above between the date of this announcement and the anticipated Closing Date, the Company estimates the final Merger Consideration is unlikely to be more than US\$866 million after the above-mentioned adjustments, and, in any event, any adjustment to the Merger Consideration is not expected to result in any of the applicable percentage ratios calculated in accordance with the Listing Rules in relation to the Merger exceeding 25%.

Closing of the Merger is conditional upon the Conditions described in the section of the Merger Agreement headed "Conditions to the Merger" being satisfied or (as the case may be) waived in accordance with the Merger Agreement.

Closing shall take place (a) at a time and date to be specified by the Company and Belkin International, which is to be no later than the second Business Day after the satisfaction or waiver of all of the Conditions (other than those Conditions that by their nature are to be satisfied at Closing), or (b) at such other time as the Company and Belkin International agree.

At the Effective Time, Belkin International will become a direct wholly-owned subsidiary of the Company and Belkin International and its subsidiaries will be accounted for as subsidiaries in the Company's financial statements.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios calculated in accordance with the Listing Rules in relation to the Merger exceeds 5%, but all of which are less than 25%, the Merger constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

## **INTRODUCTION**

The Board is pleased to announce that on March 27, 2018, the Company, Belkin International, the Seller Stockholders, the Merger Subsidiary (a direct wholly-owned subsidiary of the Company) and Mr. Chester J. Pipkin (as the representative of certain of Belkin International's equityholders) entered into the Merger Agreement to effect the acquisition of Belkin International by the Company by way of the Merger.

# THE MERGER AGREEMENT

Date: March 27, 2018

Parties: (1) The Company;

(2) Belkin International;

(3) The Seller Stockholders;

(4) The Merger Subsidiary; and

(5) Mr. Chester J. Pipkin (as the representative of certain of Belkin International's equityholders).

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, each of Belkin International, the Seller Stockholders and Mr. Chester J. Pipkin and their ultimate beneficial owners (if applicable) is a third party independent of the Company and connected persons of the Company, and is not itself/himself/herself a connected person of the Company. The Merger Subsidiary is a direct wholly-owned subsidiary of the Company.

## **Merger**

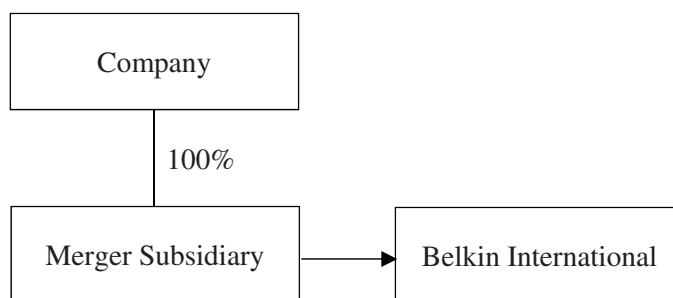
Subject to the terms and conditions in the Merger Agreement and in accordance with the Delaware General Corporation Law, the Company will acquire Belkin International by way of merger whereby, at the Effective Time, the Merger Subsidiary will be merged with and into Belkin International. As a result of the Merger, the separate corporate existence of the Merger Subsidiary will cease, and Belkin International will be the Surviving Corporation in the Merger and become a direct wholly-owned subsidiary of the Company, and all of the property, rights, privileges, immunities, powers and franchises of Belkin International and the Merger Subsidiary will vest in the Surviving Corporation, and all debts, liabilities and duties of Belkin International and the Merger Subsidiary will become the debts, liabilities and duties of the Surviving Corporation.

Upon completion of the Merger, all of the issued Belkin Shares shall be cancelled and the options of Belkin International (whether vested or unvested) that are outstanding immediately prior to the Effective Time will be accelerated, cancelled and terminated.

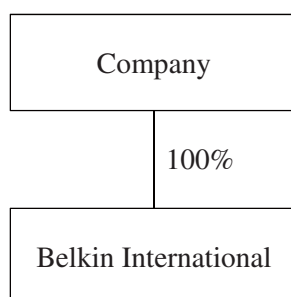
As of the date of this announcement, neither the Company nor the Merger Subsidiary holds any Belkin Shares. Upon completion of the transactions contemplated under the Merger Agreement, the Company will become the sole beneficial owner of Belkin International.

The following structure charts illustrate the effect of the Merger:

*Immediately before completion of the Merger*



*Immediately after completion of the Merger*



## **Consideration**

The Merger Consideration is US\$866 million, which shall be subject to adjustment pursuant to the Merger Agreement for (i) the cash, cash equivalents and marketable securities of or held by the Belkin Group on the Closing Date, (ii) certain indebtedness of the Belkin Group as of the Closing Date, (iii) certain transaction expenses incurred by Belkin International in connection with the Merger and (iv) the net working capital of the Belkin Group as of the Closing Date as compared to an agreed-upon target amount of the net working capital of the Belkin Group.

The Merger Consideration (as adjusted) will be payable by the Company in cash at the Closing Date. 15% of the Merger Consideration (being US\$129.9 million) will be paid into an escrow account, which, subject to the adjustment of the Merger Consideration and the effect of any indemnity claims made by the Company against the funds held in such account, may be refunded in whole or in part to the Company. The Company intends to satisfy the Merger Consideration through its internal resources, equity/debt financing through capital markets or bank financing, or a combination of any of them. Given the Company's strong cashflow generated from its operating activities, existing bank facilities and the Company's sound financial performance which can support an equity/debt financing, the Company is confident that it will have the necessary funding to settle the Merger Consideration.

Based on the Company's current estimates of the net effect of the movements in items (i) through (iv) above between the date of this announcement and the anticipated Closing Date, the Company estimates the final Merger Consideration is unlikely to be more than US\$866 million after the above-mentioned adjustments, and, in any event, any adjustment to the Merger Consideration is not expected to result in any of the applicable percentage ratios calculated in accordance with the Listing Rules in relation to the Merger exceeding 25%.

The Merger Consideration has been determined after arm's length negotiations among the parties to the Merger Agreement taking into account the following factors:

- (a) ***Belkin International's strong sales channels presence and world-recognized brand*** — Belkin International is a world-recognized brand, with a wide range of offerings of consumer electronics products, services and solutions addressing mobile device and desktop connectivity, protection, mobility, Internet access, power, and networking for the consumer, small and medium business (SMB), education and government marketplaces. With its strong sales channels, Belkin International's products are sold to retailers, distributors, dealers and resellers throughout the USA, Canada, South America, Asia Pacific and Europe, who then resell to end users, as well as directly to end users through Belkin International's on-line sales. Belkin International's products are sold in the top global consumer electronics retailers. With its strong sales channels, extensive products offerings and world-recognized brand, Belkin International recorded strong sales of approximately US\$789.16 million and US\$754.39 million for the fiscal years ended September 30, 2017 and October 1, 2016, respectively;
- (b) ***the growth potential of the business of Belkin International*** — the steady need for various connectors, wireless charging products, mesh WiFi, routers, and other products in the computer and consumer electronics end market has laid a solid foundation for demand for a wide range of Belkin International product offerings, contributing to the steady growth in the past and also underlying potential for future growth; additionally, the rapid rise of "smart home" products, and the near-term projections for the market, provide significant additional tailwinds to future growth;
- (c) ***the expected synergies that can be achieved from the Merger*** — apart from its extensive sales channels, Belkin International also has in-house design, research and development ("R&D"), and consumer insights operations. With its strong R&D capabilities, Belkin International has over 700 patents. This, coupled with Belkin International's partnership with global technology leaders, industry award winning products and R&D in smart water, smart gas and smart energy, has laid a strong foundation for Belkin International's future growth. The Company expects synergies to be achieved from the Merger through mutual leverage of customer channels and sales networks as well as technological and production capabilities. The product offering manufacturing cost may be cut down through the Company's manufacturing expertise and the sales channels of the Group may be further expanded. The Company also expects that the establishment of a new "smart home" business by combining the existing Linksys and Wemo businesses and related assets of Belkin International and similar "smart home" assets of the Company and its affiliates after the Merger will also achieve synergies in the Group's businesses; and

- (d) *the value to the Company of the restrictive covenant agreement with Mr. Chester J. Pipkin* — at Closing, Mr. Chester J. Pipkin will enter into a restrictive covenant agreement with the Company pursuant to which he will agree not to engage in certain activities that are competitive with the business of the Belkin Group for a period of three years following the Closing Date. It is also intended that Mr. Chester J. Pipkin will enter into an employment agreement whereby he will agree to serve as the chief executive officer of a new subsidiary of the Company. Mr. Chester J. Pipkin is the founder, chairman and chief executive officer of Belkin International and has extensive experience in the consumer electronics industry. The Company expects that the Group will be benefited from the restrictive covenant agreement and the leadership of Mr. Chester J. Pipkin in the new “smart home” business of the Group.

### **Conditions to the Merger**

Each party’s obligation to consummate the Merger is subject to the satisfaction of the following conditions precedent:

- (a) no temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other legal or regulatory restraint or prohibition preventing the consummation of the Merger being in effect, nor any pending action having been taken by any governmental entity seeking any of the foregoing, and no statute, rule, regulation or order having been enacted, entered, enforced or deemed applicable to the Merger, which makes the consummation of the Merger illegal and continues to be in effect;
- (b) the Company and Belkin International having timely made the filings with the governmental entities, and obtained the approvals, waivers and consents, necessary for the consummation of, or in connection with, the Merger and the other transactions contemplated by the Merger Agreement (including the expiration or termination of applicable waiting periods under the U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended); and
- (c) approval by CFIUS having been obtained (if applicable).

The obligations of Belkin International and the Seller Stockholders to consummate the Merger are subject to the satisfaction (or waiver by Belkin International and Mr. Chester J. Pipkin (on behalf of the Seller Stockholders) in writing in their sole discretion) of the following conditions precedent:

- (d) each of the representations and warranties of the Company in the Merger Agreement being true and correct on and as of the date of the Merger Agreement and on and as of the Closing Date as though such representations and warranties were made on and as of such date (except for representations and warranties which address matters only as to a specified date, which representations and warranties being true and correct with respect to such specified date), except to the extent that the failure of any such representations and warranties to be so true and correct does not and will not materially impede or delay the Company’s or Merger Subsidiary’s ability to consummate the transactions contemplated by the Merger Agreement in accordance with its terms and applicable law;
- (e) the Company and the Merger Subsidiary having performed and complied in all material respects with all covenants, obligations and conditions of the Merger Agreement required to be performed and complied with by them at or prior to the Closing; and

- (f) each of the payments required to be paid by the Company upon Closing, and each of the items, agreements, certificates and documents required to be delivered by the Company upon Closing, in each case in accordance with the terms of the Merger Agreement, having been received by the designated recipient(s) thereof.

The obligations of the Company and the Merger Subsidiary to consummate the Merger are subject to the satisfaction (or waiver by the Company in writing in its sole discretion) of the following conditions precedent:

- (g) (i) each of the representations and warranties of the Seller Stockholders relating to organisation, standing and power of Belkin International, capital structure of Belkin International, authority of the Seller Stockholders and Belkin International and finders and brokers being true and correct in all respects as of the Closing Date as though made on the Closing Date (except for representations and warranties which address matters only as to a specified date, which representations and warranties shall be true and correct with respect to such specified date) and (ii) each of the other representations and warranties of the Seller Stockholders in the Merger Agreement being true and correct (without giving effect to any (except as otherwise expressly set forth in the Merger Agreement) qualifications or limitations as to materiality set forth therein) on and as of the date of the Merger Agreement and on and as of the Closing Date as though such representations and warranties were made on and as of such date (except for representations and warranties which address matters only as to a specified date, which representations and warranties being true and correct with respect to such specified date), except, in the case of (ii), to the extent that the failure of such representations and warranties to be so true and correct, taken together, does not constitute a material adverse effect with respect to the Belkin Group;
- (h) Belkin International and the Seller Stockholders having performed and complied in all material respects with all covenants, obligations and conditions of the Merger Agreement required to be performed and complied with by Belkin International and the Seller Stockholders at or prior to the Closing;
- (i) since the date of the Merger Agreement, there not having occurred a material adverse effect with respect to the Belkin Group that is continuing;
- (j) each of the items, agreements, certificates and documents required to be delivered by Belkin International and the Seller Stockholders upon Closing in accordance with the terms of the Merger Agreement having been received by the designated recipient(s) thereof; and
- (k) holders of no more than 4.5% of the Belkin Shares having exercised or having the right to exercise appraisal rights under Section 262 of the Delaware General Corporation Law with respect to the Merger.

## **Closing**

Closing shall take place (a) at a time and date to be specified by the Company and Belkin International, which is to be no later than the second Business Day after the satisfaction or waiver of all of the Conditions (other than those Conditions that by their nature are to be satisfied at Closing), or (b) at such other time as the Company and Belkin International agree.

Upon Closing, Belkin International will become a direct wholly-owned subsidiary of the Company and Belkin International and its subsidiaries will be accounted for as subsidiaries in the Company's financial statements.

## **Termination**

At any time prior to the Closing, the Merger Agreement may be terminated in the following events:

- (a) by mutual written consent of the Company, Belkin International and Mr. Chester J. Pipkin (as the representative of certain of Belkin International's equityholders);
- (b) by any of the Company, Belkin International or Mr. Chester J. Pipkin (as the representative of certain of Belkin International's equityholders), if the Closing shall not have occurred on or before June 25, 2018 or such other date that the Company, Belkin International and Mr. Chester J. Pipkin (as the representative of certain of Belkin International's equityholders) may agree upon in writing (the "**Termination Date**"); provided, however, that if the Closing has not occurred by the Termination Date, but on such date, all of the Conditions, other than (i) the Conditions that by their nature are only to be satisfied as of the Closing, and (ii) the Conditions relating to approval by CFIUS (if applicable) or antitrust laws, have been satisfied or waived in writing, then, at the election of the Company, Belkin International or Mr. Chester J. Pipkin (as the representative of certain of Belkin International's equityholders), the Termination Date shall be extended for up to an additional 90 days; and provided, further, that the right to terminate the Merger Agreement shall not be available to any party whose breach of the Merger Agreement has resulted in the failure of the Closing to occur on or before the Termination Date;
- (c) by the Company, Belkin International or Mr. Chester J. Pipkin (as the representative of certain of Belkin International's equityholders), at any time if any permanent injunction or other order of a governmental entity of competent authority preventing the consummation of the Merger shall have become final and non-appealable or any law shall have been enacted, issued, entered, promulgated, enforced or deemed applicable to the Merger by any governmental entity that would prohibit or make illegal the consummation of the Merger;
- (d) by the Company, if the Seller Stockholders or Belkin International shall have breached any representation, warranty, covenant or agreement contained in the Merger Agreement and such breach shall not have been cured within ten (10) Business Days after receipt by Mr. Chester J. Pipkin (as the representative of certain of Belkin International's equityholders) and Belkin International of written notice of such breach (provided, however, that no such cure period shall be available or applicable (i) to any such breach which by its nature cannot be cured or (ii) if any of the Conditions for the benefit of the Company are incapable of being satisfied on or before the Termination Date), and such breach, if not so cured, would result in the failure of a Condition; or
- (e) by Mr. Chester J. Pipkin (as the representative of certain of Belkin International's equityholders) or Belkin International, if the Company shall have breached any representation, warranty, covenant or agreement contained in the Merger Agreement and such breach shall not have been cured within ten (10) Business Days after receipt by the Company of written notice of such breach (provided, however, that no such cure period shall be available or applicable (i) to any such breach which by its nature cannot be cured or (ii) if any of the Conditions for the



benefit of Belkin International and the Seller Stockholders are incapable of being satisfied on or before the Termination Date), and such breach, if not so cured, would result in the failure of a Condition.

In the event of termination of the Merger Agreement, the Merger Agreement shall forthwith become void and there shall be no liability or obligation on the part of the Company, the Merger Subsidiary, the Seller Stockholders, Belkin International and the other members of the Belkin Group or their respective officers, directors, shareholders, members, partners or affiliates (other than for willful breach or fraud occurring prior to such termination).

## **INFORMATION ON BELKIN INTERNATIONAL**

Belkin International is a company incorporated under the laws of the State of Delaware, the USA. Belkin International, together with its subsidiaries, is principally engaged as a supplier of services and solutions addressing mobile device and desktop connectivity, protection, mobility, Internet access, power, and networking for the consumer, small and medium business (SMB), education and government marketplaces. The products of Belkin International and its subsidiaries include WiFi routers and range extenders, home automation solutions, mobile device charging, cases, overlays and docking solutions, tablet keyboards, power and data cables and KVM switches.

Sales of Belkin International and its subsidiaries are made primarily to retailers, distributors, dealers and resellers throughout the USA, Canada, South America, Asia Pacific and Europe, who then resell to end users. Products can also be purchased directly from the online e-commerce stores of Belkin International and its subsidiaries. Products are designed, assembled, manufactured in-house, contract-manufactured or imported. Belkin International's headquarters is located in California, USA, and it has 22 subsidiaries in 14 countries.

Based on the audited consolidated financial statements of Belkin International for each of the fiscal years ended September 30, 2017 and October 1, 2016 prepared in accordance with U.S. GAAP, the audited consolidated income (loss) before income taxes and net income (loss) of Belkin International are as follows:

	<b>For the fiscal year ended September 30, 2017 US\$'000</b>	For the fiscal year ended October 1, 2016 US\$'000
<b>Income (loss) before income taxes</b>	<b>4,377</b>	(10,744)
<b>Net income (loss)</b>	<b>4,663</b>	(1,725)

Based on the audited consolidated financial statements of Belkin International as at September 30, 2017 prepared in accordance with U.S. GAAP, the audited net assets of Belkin International as at September 30, 2017 is US\$57,422,000.

## **INFORMATION ON THE SELLER STOCKHOLDERS**

The Seller Stockholders include (i) Mr. Chester J. Pipkin, who is the founder, chairman and chief executive officer of Belkin International, and certain of his family trusts, investment vehicles and charitable trusts and The Pipkin Charitable Foundation, which collectively own or control more than 95% of the issued and outstanding shares of Belkin International, and (ii) certain current and former employees of Belkin International, who collectively own less than 5% of the issued and outstanding shares of Belkin International.

## **INFORMATION ON MR. CHESTER J. PIPKIN**

Mr. Chester J. Pipkin is the founder, chairman and chief executive officer of Belkin International. Mr. Chester J. Pipkin entered into the Merger Agreement as a Seller Stockholder and as the representative of certain of Belkin International's equityholders.

## **INFORMATION ON THE MERGER SUBSIDIARY**

The Merger Subsidiary is a Delaware corporation and a direct wholly-owned subsidiary of the Company. It was formed by the Company solely for the purpose of merging with and into Belkin International pursuant to the Merger Agreement in order to effect the Merger.

## **INFORMATION ON THE COMPANY**

The Company is a company incorporated under the laws of the Cayman Islands. 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.

## **REASONS FOR AND BENEFITS OF THE MERGER**

The Group is a leading global interconnect solutions provider and one of the few global interconnect solutions providers and has been implementing its business strategy to solidify its position as a global leader in the development and production of interconnect solutions and related products.

The global connector industry is undergoing rapid technical development with better product functionality and higher compatibility, which enables connector products to be applied in more situations and scenarios. The steady need for various connectors in the computer and consumer electronics end market has laid a solid foundation for demand for connectors, contributing to the steady growth of the connector market in the past and also underlying potential for future growth.

Belkin International is a world-recognized brand of consumer electronics products, with a wide range of offerings of services and solutions addressing mobile device and desktop connectivity, and sales channels to retailers, distributors, dealers and resellers throughout the USA, Canada, South America, Asia Pacific and Europe as well as on-line sales channels to end users. Belkin International also has in-house design, R&D, and consumer insights capabilities that complement the manufacturing and R&D resources of the Group. The Merger is expected to bring transformative

change to the Company by broadening the Company’s consumer-facing operations through a world-class consumer electronics brand. The Merger will afford the Company channel relationships, retail presence, and direct-to-consumer opportunities that had been previously underdeveloped within the Company’s manufacturing organization. The Company also expects synergies to be achieved from the Merger through mutual leverage of customer channels and sales networks as well as technological and production capabilities. The Company also expects that the establishment of a new “smart home” business by combining the existing Linksys and Wemo businesses and related assets of Belkin International and similar “smart home” assets of the Company and its affiliates after the Merger will further strengthen the Group’s market leading position in the global interconnect solutions industry.

The Directors (including the independent non-executive Directors) believe that the terms of the Merger and the Merger Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **INTENTION OF THE COMPANY**

In connection with the consummation of the Merger, the Company intends to form a new direct or indirect subsidiary (“**Newco**”) to hold the existing Linksys and Wemo businesses and related assets of Belkin International and similar “smart home” assets of the Company and its affiliates. These assets will be transferred to Newco promptly following the Closing. At Closing, the Company intends to cause Newco to grant a share award representing 10% of the outstanding shares of Newco to Mr. Chester J. Pipkin, and restricted share awards representing an additional 5% of the outstanding shares of Newco to other senior executives of Newco (including certain continuing executives of Belkin International) pursuant to an equity incentive plan to be adopted by Newco on or about the Closing Date, which restricted share awards will be subject to annual vesting on a pro rata basis over the four-year period following the Closing. In connection with the Closing, the Company also intends to grant to Mr. Chester J. Pipkin and certain other continuing executives of Belkin International options to purchase ordinary shares of the Company pursuant to the Company’s share option scheme.

At Closing, it is intended that the Company and/or Newco will enter into an employment agreement with Mr. Chester J. Pipkin, pursuant to which he will serve as the chief executive officer of Newco, and employment agreements with certain other senior continuing executives of Belkin International. Mr. Chester J. Pipkin will also enter into a restrictive covenant agreement with the Company pursuant to which he will agree not to engage in certain activities that are competitive with the business of the Belkin Group for a period of three years following the Closing Date.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios calculated in accordance with the Listing Rules in relation to the Merger exceeds 5%, but all of which are less than 25%, the Merger constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

## DEFINITIONS

In this announcement, the following expressions shall have the following meanings, unless the context requires otherwise:

<b>“Belkin Group”</b>	Belkin International and its subsidiaries
<b>“Belkin International”</b>	Belkin International, Inc., a company formed and incorporated under the laws of the State of Delaware, the USA
<b>“Belkin Share(s)”</b>	share(s) of common stock of Belkin International
<b>“Board”</b>	the board of Directors of the Company
<b>“Business Day”</b>	a day (a) other than Saturday or Sunday and (b) on which commercial banks are open for business in Los Angeles, California and New Taipei City, Taiwan
<b>“CFIUS”</b>	the Committee on Foreign Investment in the United States of America, or any member agency thereof acting in its capacity as a CFIUS member agency
<b>“Closing”</b>	the consummation of the Merger in accordance with the Merger Agreement
<b>“Closing Date”</b>	the date on which the Closing occurs
<b>“Company”</b>	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 Hong Kong Stock Exchange (Stock code: 6088)
<b>“Conditions”</b>	the conditions precedent to Closing set out in the Merger Agreement
<b>“connected person”</b>	has the meaning ascribed to it in the Listing Rules
<b>“Director(s)”</b>	the director(s) of the Company
<b>“Effective Time”</b>	the effective time of the Merger, which shall be the date and time at which the certificate of merger relating thereto has been duly executed and filed with the Secretary of State of the State of Delaware or at such later date and time as the Company, Belkin International and the Merger Subsidiary may agree upon and as is set forth in such certificate of merger
<b>“Group”</b>	the Company and its subsidiaries

<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People’s Republic of China
<b>“Hong Kong Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
<b>“Merger”</b>	the merger of the Merger Subsidiary with and into Belkin International, with Belkin International surviving the merger as a direct wholly-owned subsidiary of the Company, pursuant to the Merger Agreement
<b>“Merger Agreement”</b>	the agreement and plan of merger dated March 27, 2018 and entered into among the Company, Belkin International, the Seller Stockholders, the Merger Subsidiary and Mr. Chester J. Pipkin (as the representative of certain of Belkin International’s equityholders)
<b>“Merger Consideration”</b>	the consideration payable by the Company for the Merger under the Merger Agreement, being US\$866 million, which is subject to adjustments in accordance with the terms of the Merger Agreement
<b>“Merger Subsidiary”</b>	Beluga Merger Sub, Inc., a company formed and incorporated under the laws of the State of Delaware, the USA, and a direct wholly-owned subsidiary of the Company
<b>“Seller Stockholder(s)”</b>	(i) Mr. Chester J. Pipkin, who is the founder, chairman and chief executive officer of Belkin International, and certain of his family trusts, investment vehicles and charitable trusts and The Pipkin Charitable Foundation, which collectively own or control more than 95% of the issued and outstanding shares of Belkin International, and (ii) certain current and former employees of Belkin International, who collectively own less than 5% of the issued and outstanding shares of Belkin International
<b>“Surviving Corporation”</b>	Belkin International, from and after the Effective Time
<b>“US\$”</b>	United States dollar(s), the lawful currency of the USA
<b>“USA”</b>	the United States of America
<b>“U.S. GAAP”</b>	generally accepted accounting principles in the United States

“%”

per cent

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

Hong Kong, March 27, 2018

*As at the date of this announcement, the Board comprises Mr. LU Sung-Ching, Mr. LU Pochin Christopher and Mr. GILLESPIE William Ralph as executive Directors, Dr. CHEN Ga-Lane as non-executive Director, and Mr. CURWEN Peter D, Mr. TANG Kwai Chang and Mr. CHAN Wing Yuen Hubert as independent non-executive Directors.*

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