

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): December 3, 2019

BEL FUSE INC.
(Exact Name of Registrant as Specified in its Charter)

<u>NEW JERSEY</u> (State of incorporation)	<u>0-11676</u> (Commission File Number)	<u>22-1463699</u> (I.R.S. Employer Identification No.)
<u>206 Van Vorst Street, Jersey City, New Jersey</u> (Address of principal executive offices)		<u>07302</u> (Zip Code)

Registrant's telephone number, including area code: (201) 432-0463

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Trading Symbol</u>	<u>Name of Exchange on Which Registered</u>
Class A Common Stock (\$0.10 par value)	BELFA	Nasdaq Global Select Market
Class B Common Stock (\$0.10 par value)	BELFB	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.01. Completion of Acquisition or Disposition of Assets.

On December 3, 2019, Bel Fuse Inc. (“Bel” or the “Company”) completed its previously-announced acquisition of the majority of the power supply products business of CUI Inc. (the “CUI Power Business”). The acquisition was effectuated pursuant to the Asset Purchase Agreement (the “Agreement”), dated as of November 11, 2019 (the “Agreement”), among Bel, CUI, Inc. and CUI Global Inc. (collectively, the “Seller”). Bel paid \$32 million in cash for the CUI Power Business (subject to adjustments for working capital and the amount of any cash at closing), plus the assumption of certain liabilities.

The CUI power business designs and markets a broad portfolio of AC/DC and DC/DC power supplies and board level components. The CUI power business is headquartered in Tualatin, Oregon and had trailing-twelve month sales through September 30, 2019 of approximately \$37.0 million.

On December 3, 2019, Bel issued a press release announcing the closing of the acquisition. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K.

The foregoing description of the Agreement does not purport to be complete and is qualified in its entirety by reference to the executed Agreement, which was filed as Exhibit 2.1 to the Company’s Current Report on Form 8-K filed with the Securities and Exchange Commission (the “SEC”) on November 14, 2019, and is incorporated into this report by reference.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The purchase price for the acquisition described in Item 2.01 above was funded by borrowing against the Company’s revolving credit facility pursuant to the Credit and Security Agreement (as amended, the “Credit Agreement”) among Bel, KeyBank National Association, as administrative agent, swing line lender and issuing lender, and the other lenders identified therein. The principal terms of the Credit Agreement were described in Bel’s Current Reports on Form 8-K filed with the SEC on June 24, 2014, July 7, 2014, March 22, 2016 and December 15, 2017.

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired.

The financial statements required by this Item, with respect to the acquisition described in Item 2.01 herein, will be filed by amendment to this Current Report on Form 8-K as soon as practicable and in any event not later than 71 days after the date on which this Current Report on Form 8-K is required to be filed pursuant to Item 2.01.

(b) Pro Forma Financial Information.

The unaudited pro forma financial information required by this Item, with respect to the acquisition described in Item 2.01 herein, will be filed by amendment to this Current Report on Form 8-K as soon as practicable and in any event not later than 71 days after the date on which this Current Report on Form 8-K is required to be filed pursuant to Item 2.01.

(d) Exhibits.

Exhibit 99.1 – Press Release of Bel Fuse Inc. dated December 3, 2019.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: December 9, 2019

BEL FUSE INC.
(Registrant)

By: /s/Daniel Bernstein
Daniel Bernstein
President and Chief Executive Officer



Investor Contact:
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Bel Closes on Acquisition of CUI Inc. Power Assets

JERSEY CITY, NJ, December 3, 2019 - Bel Fuse Inc. (“Bel,” or, “the Company”) (Nasdaq:BELFA and Nasdaq:BELFB), a leading supplier of products that power, protect and connect electronic circuits, today announced that the Company has closed on its previously-announced asset purchase agreement (the “Agreement”) with CUI Global Inc. (Nasdaq:CUI) related to the purchase of the majority of the power business of CUI Inc.

The acquired business had trailing twelve-month sales of approximately \$37 million and is expected to be accretive to Bel’s consolidated net earnings by the second quarter of 2020. Gross margins (unaudited) are higher than Bel’s historical range, and the combination is expected to yield annual cost synergies of approximately \$500,000. Bel will continue to operate the business from CUI Inc.’s leased ISO 9001:2015-certified facility in Tualatin, Oregon.

Transaction Benefits

The well-known CUI Inc. power brand will join Bel Power Solutions as leading power supply and conditioning brands in the Bel Power portfolio. We believe that the combination of Bel and the CUI Inc. power business will:

- Increase Bel’s presence in the distribution channel, making us the top supplier for power products at one of the major electronic catalog distributors
- Unite complementary capabilities, sales channels and customer relationships
- Broaden our Power Product Portfolio giving us a full range of products to support all our customer power needs
- Enhance our gross margin profile and make a positive contribution to our net earnings
- Provide alternative business models and strategies to analyze and potentially implement on a broader scale
- Produce cost synergies, \$500,000 of which have been identified to date

The Company paid \$32 million in cash for the CUI Inc. power business acquired under the terms of the Agreement.

About Bel

Bel (www.belfuse.com) designs, manufactures and markets a broad array of products that power, protect and connect electronic circuits. These products are primarily used in the networking, telecommunications, computing, military, aerospace, transportation and broadcasting industries. Bel’s product groups include Magnetic Solutions (integrated connector modules, power transformers, power inductors and discrete components), Power Solutions and Protection (front-end, board-mount and industrial power products, module products and circuit protection), and Connectivity Solutions (expanded beam fiber optic, copper-based, RF and RJ connectors and cable assemblies). The Company operates facilities around the world.

Forward-Looking Statements

Non-historical information contained in this press release (including the statements regarding the anticipated impact of the CUI Inc. power business acquisition on Bel’s growth and profitability and on Bel’s competitive position, the expected accretive nature of the acquisition, the expected effects of the acquisition on distribution channels, sales channels and customer relationships, the expected impact on Bel’s gross margin and consolidated net earnings from the CUI Inc. power business and anticipated synergies of the combined businesses) are forward-looking statements (as described under the Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Actual results could differ materially from Bel’s projections. Among the factors that could cause actual results to differ materially from such statements are: the market concerns facing our customers; the continuing viability of sectors that rely on our products; the effects of business and economic conditions; difficulties associated with integrating recently acquired companies and businesses, including the CUI Inc. power business; capacity and supply constraints or difficulties; product development, commercialization or technological difficulties; the regulatory and trade environment; risks associated with foreign currencies; uncertainties associated with legal proceedings; the market’s acceptance of the Company’s new products and competitive responses to those new products; our ongoing evaluation of the consequences of the U.S. Tax Cuts and Jobs Act; the impact of changes to U.S. trade and tariff policies; and the risk factors detailed from time to time in the Company’s SEC reports. In light of the risks and uncertainties impacting our business, there can be no assurance that any forward-looking statement will in fact prove to be correct. We undertake no obligation to update or revise any forward-looking statements.

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