

BIZLINK HOLDING INC.

Annual Report 2023



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<http://mops.twse.com.tw/>

Company website:
<http://www.bizlinktech.com>

DATE:
Printed on April 29, 2024

I. Spokesperson and Deputy Spokesperson Names, Job Titles, Contact Numbers, and E-mails

Spokesperson Name	Deputy Spokesperson Name	Agent for Litigious and Non-litigious Matters in the R.O.C.
Chien-Hua Teng	Tse-Shen Tsai	Yin-Shu Kuo
Chief Executive Officer	Chief Financial Officer	Executive Assistant to the Chairperson
(886)2-8226-1000	(886)2-8226-1000	(886)2-8226-1000
felix@bizlinktech.com	charles_tsai@bizlinktech.com	elaine_kuo@bizlinktech.com

II. Parent Company, Subsidiary, and Manufacturing Plant Addresses and Contact Numbers



- (I) Parent company
- Title: BIZLINK HOLDING INC.

Address: P.O. Box 61,3rd Floor, Harbour Centre, North Church Street Grand Cayman, KY1-1102

Cayman Islands, British West Indies

(II) Subsidiaries and manufacturing plants

- Company name: OPTIWORKS, INC.
Address: 47211 Bayside Parkway,
Fremont, CA 94538, USA
Tel: (1) 510-252-0786
- Company name: BIZLINK TECHNOLOGY INC.
Address: 47211 Bayside Parkway,
Fremont, CA 94538, USA
Tel: (1) 510-252-0786
- Company name: BIZLINK ROBOTIC SOLUTION USA INC.
Address: 100 Kay Industrial Drive, Lake Orion, MI 48359, USA
Tel: (1) 248 484 5500
- Company name: BIZLINK TECH, INC.
Address: 8001 Artcraft Rd., El Paso, TX 79932, USA
Tel: (1) 915-877-4888
- Company name: ACCCELL CORP.
Address: 47211 Bayside Parkway,
Fremont, CA 94538, USA
Tel: (1) 510-252-0786
- Company name: BIZCONN TECHNOLOGY INC.
Address: 47211 Bayside Parkway,
Fremont, CA 94538, USA
Tel: (1) 510-252-0786
- Company name: BOBI, LLC
Address: 47211 Bayside Parkway,
Fremont, CA 94538, USA
Tel: (1) 510-252-0786
- Company name: BIZLINK (BVI) CORP.
Address: OMC Chambers, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands
Tel: (886) 2-8226-1000
- Company name: ZELLWOOD INTERNATIONAL CORP.
Address: OMC Chambers, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands
Tel: (886) 2-8226-1000
- Company name: BIZLINK ELOCAB LTD.
Address: 258 McBrine Dr, Kitchener, ON, CA N2R 1H8
Tel: (1) 519 893 1155
- Company name: ADEL ENTERPRISES CORP.
Address: OMC Chambers, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands
Tel: (886) 2-8226-1000
- Company name: BIZLINK TAILOR-MADE CABLE UK LTD.
Address: Units 12-14, Boythorpe Business Units, Dock Walk, Boythorpe, S40 2QR Chesterfield, UK

- Company name: BIZLINK SYSTEMS SPAIN, S.L.U.
Address: Pol. Ind. San Cristóbal C/Hidrógeno Nº29 47012-VALLADOLID SPAIN
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- Company name: BIZLINK INDUSTRY SLOVAKIA SPOL. S.R.O.
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- Company name: BIZLINK INDUSTRY SLOVAKIA SPOL. S.R.O.
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Tel: (421) 90 370 9961
- Company name: BIZLINK INDUSTRY SLOVAKIA SPOL. S.R.O.
Address: Nám. Dr. Alberta Schweitzera 194, 916 01 Stará Turá, Slovakia
Tel: (421) 32 321 3188
- Company name: BIZLINK TECHNOLOGY SRB D.O.O.
Address: Vasilija Đurovića Žarkog 56, 18400 Prokuplje, Serbia
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- Company name: BIZLINK INDUSTRY GERMANY GMBH
Address: Gildestraße 17, 91154 Roth, Germany
- Company name: BIZLINK SPECIAL CABLES GERMANY GMBH
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Tel: (49) 4491 2910
- Company name: EA CABLE ASSEMBLIES GMBH
Address: Längenmühlweg 24, D-86633 Neuburg an der Donau, Germany
Tel: (49) 8431 538 4025
- Company name: BIZLINK ELOCAB GMBH
Address: Obere Lerch 34, 91166 Georgensgmünd, Germany
Tel: (49) 9172 69800
- Company name: BIZLINK ELOCAB GMBH
Address: Breitenloher Weg 10, 91166 Georgensgmünd, Germany
Tel: (49) 9172 69800
- Company name: BIZLINK INTERCONNECT TECHNOLOGY (INDIA) PRIVATE LIMITED

- Company name: BIZLINK ROBOTIC SOLUTION GERMANY GMBH
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Tel: (49) 511 12357630
- Company name: BIZLINK ROBOTIC SOLUTION GERMANY GMBH
Address: An der Auehütte 10, 98574 Schmalkalden, Germany
Tel: (49) 3683 65050
- Company name: BIZLINK TECHNOLOGY (IRELAND) LTD.
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Tel: (353) 1-9089510
- Company name: BIZLINK TECHNOLOGY (BELGIUM) NV
Address: Kempische Steenweg 293/10, B-3500 Hasselt, Belgium
Tel: (32) 11 260 260
- Company name: BIZLINK ROBOTIC SOLUTION FRANCE S.A.S.
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Tel: (33) 237337500
- Company name: BIZLINK ROBOTIC SOLUTION FRANCE S.A.S.
Address: 5, avenue Victor Hugo – ZAC du Jardin d' Entreprises, 28000 Chartres, France
Tel: (33) 237337500
- Company name: BIZLINK ROBOTIC SOLUTION FRANCE S.A.S.
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Tel: (33) 237337500
- Company name: BIZLINK INDUSTRY CZECH S.R.O.
Address: Ostrov u Stříbra 20, CZ-349 01 Kostelec, Czech Republic
Tel: (420) 778 001 111
- Company name: BIZLINK SILITHERM S.R.L.
Address: S.S. 10, Via Breda, 134, 29010 Monticelli d' Ongina PC, Italy
Tel: (39) 052 381 5711
- Company name: BizLink (BVI) Corp. Limited
Address: Rm. 504, 5F., Premier Centre, No. 20, Cheung Shun St., Cheung Sha Wan, Kowloon, Hong Kong
Tel: (886) 2-8226-1000
- Company name: Asia Wick Ltd.
Address: Rm. 504, 5F., Premier Centre, No. 20, Cheung Shun St., Cheung Sha Wan, Kowloon, Hong Kong
Tel: (886) 2-8226-1000
- Company name: Optiworks (Kunshan) Co., Ltd.
Address: No.168, Nanhe Rd., Kunshan Economic & Technology Development Zone, Kunshan City, Jiangsu Province, China
Tel: (86) 512-57630880

Tel: (44) 124 655 8618		
■ Company name: OW HOLDING INC. Address: P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands Tel: (886) 2-8226-1000 ■ Company name: SILITHERM IMMOBILIARE S.r.l. Address: S.S. 10, Via Breda, 134, 29010 Monticelli d' Ongina PC, Italy Tel: (39) 052 381 5711	Address: # 1, # Mi office, Navarathna Gardens, Kanakapur Main Road, Narayan Nagar1st Block Doddakallasandra, Bangalore, Bengaluru, Karnataka, India, 560062 Tel: (91)40-6717-2406 ■ Company name: PT BIZLINK TECHNOLOGY INDONESIA Address: 29422 Latrade Industrial Park Block K10-K12, Jl. Sei Binti, Tanjung Uncang , Kota Batam, Provinsi Kepulauan Riau,Indonesia Tel: (62) 778 396 888 / 393 899	■ Company name: BizLink (Kunshan) Co., Ltd. Address: No.168, Nanhe Rd., Kunshan Economic &Technology Development Zone, Kunshan City, Jiangsu Province, China Tel: (86) 512-57630855 ■ Company name: BizLink Electronics (Xiamen) Co., Ltd. Address: No.7, Zhongwan Rd., Xingbei Industrial Zone, Jimei Dist., Xiamen City, Fujian Province, China Tel: (86) 592-6218051 ext 605
■ Company name: PRODUCTOS EXCEL DE MEXICO, S. DE R.L. DE C.V. Address: Blvd. Independencia #2550-1, Parque Industrial Independencia 1, Zip Code 32575, Ciudad Juarez Chihuahua, Mexico Tel: +52 656 257 0010	■ Company name:JO YEH COMPANY LIMITED Address : FLAT/RM 1004 10/F AXA CENTRE 151 GLOUCESTER ROAD WANCHAI HK Tel : (852)2687-2002 ■ Company name:EA CABLE ASSEMBLIES (HONG KONG) CO., LIMITED Address : 1501 Capital Centre, 151 GLOUCESTER ROAD, WAN CHAI, Hong Kong Tel : (886) 2-8226-1000	■ Company name:BizLink Technology (Changzhou) Co., Ltd. Address: No. 65, Lushu W. Rd., Xinbei Dist., Changzhou City, Jiangsu Province, China Tel: (86) 519 8988 7476 ■ Company name: BizLink Technology (Xiamen) Ltd. Address: No. 28, Pingcheng Central Rd., Haicang Dist., Xiamen City, Fujian Province, China Tel: (86) 592 770 1801
■ Company name: BIZLINK TECHNOLOGY (S.E.A.) SDN. BHD. Address: No.2722, Lorong Jelawat 2, Kawasan Perusahaan Seberang Jaya, 13700 Penang, Malaysia. Tel: (60)4-399-4428	■ Company name: ビズリンク株式会社 Address: TTD Building 3F Room No.312, 1-2-18 Mita Minato, Tokyo, Japan 108-0073 Tel: (81) 3-6435-2918	■ Company name: BizLink Special Cables (Changzhou) Co., Ltd. Address: No. 21, Taihu W. Rd., Xinbei Dist., Changzhou City, Jiangsu Province, China Tel: (86) 519 8988 7129
■ Company name: BIZLINK TECHNOLOGY (S.E.A.) SDN. BHD. Address: No. 5097, Tingkat Mak Mandin 4, Kawasan Perindustrian Mak Mandin, 13400 Butterworth, Penang, Malaysia. Tel: (60)4-314 9722	■ Company name: BizLink International Corp. Address: No. 160, Sec. 1, Guiren 13th Rd., Guiren Dist., Tainan City 711, Taiwan Tel: 06-303-2666	■ Company name: BizLink Special Cables (Changzhou) Co., Ltd. Shanghai Branch Address: Rm. 605, No. 107, Zunyi Rd., Changning Dist., Shanghai City, China Tel: (86) 21 6237 5569
■ Company name: BIZLINK SPEEDY PTE. LTD. Address: 3 Kallang Sector #07-06 Singapore 349278 Tel: (65) 6743-4116	■ Company name: BizLink International Corp. Address: 3F., No. 186, Jian 1st Rd., Zhonghe Dist., New Taipei City 235603, Taiwan Tel: (02) 8226-1000	■ Company name: BizLink Special Cables (Changzhou) Co., Ltd. Shenzhen Branch Address: Rm. 22B, Microsoft Ketong Building, No.55, Gaoxinnan 9th Rd., High Tech Community, Yuehai Street, Nanshan Dist., Shenzhen City, China
■ Company name: BIZCONN INTERNATIONAL CORPORATION Address: Offshore Chambers, P.O. Box 217, Apia, Samoa Tel: (886) 2-8226-1000	■ Company name: BizLink International Corp. Address: Rm. 406, Bldg. 2, No. 321, Sec. 2, Guangfu Rd., East Dist., Hsinchu City 300044, Taiwan Tel: (02) 8226-1000	■ Company name: BizLink Special Cables (Changzhou) Co., Ltd. Shenzhen Branch Address: Rm. 22B, Microsoft Ketong Building, No.55, Gaoxinnan 9th Rd., High Tech Community, Yuehai Street, Nanshan Dist., Shenzhen City, China
■ Company name: SIS SPEEDY INDUSTRIAL SUPPLIES SDN. BHD. Address: PTD 8738 & 8739, Jalan Perindustrian 3, Kawasan Perindustrian Pontian, 82000 Pontian, Johor, Malaysia Tel: (60) 7687-0158	■ Company name:Nanhai Jo Yeh Electronic Co., Ltd. Address: Dungenduan Industrial Park, Dungan Sec., Longgao Rd., Jiujiang Township, Nanhai Dist., Foshan City, Guangdong Province, China Tel : (86)0757-86503111	■ Company name: Tong Ying Electronics (Shenzhen) Co., Ltd. Address: No. 18, Jiejiabao Rd., Shutian Community, Shiyuan Township, Baoan Dist., Shenzhen City, China Tel: (86) 0755-33860988
■ Company name: BIZLINK SYSTEMS SPAIN, S.L.U. Address:Pol. Ind. Armenteres Carrer Riera Pahissa nº 14-16, 08980 Sant Feliu de Llobregat, Barcelona, Spain Tel: (34) 936 35 44 00	■ Company name: Hua Zhan Electronics (Shenzhen) Co., Ltd. Address: Plant 6-201, No. 290, Lingxia Rd., Fenghuang Community, Fuyong Township, Baoan Dist., Shenzhen City, China Tel: (86) 755-33889898 ■ Company name: Optiworks	■ Company name: Xiang Yao Electronics (Shenzhen) Co., Ltd. Address : Plant 6-101, 301, 302, Plant 4-201, 301, Plant 2, Plant 5, No. 290, Lingxia Rd., Fenghuang Community, Fuyong Township, Baoan Dist., Shenzhen City, China Tel: (86) 755-33889898 ■ Company name: BizConn International Corp. Address : 1F., Plant 3 and 4, Plant 5 , No. 86, Lingxia Rd., Fenghuang Community, Fuyong Township, Baoan Dist., Shenzhen

(Shanghai) Co., Ltd.
Address: Rm. 202-D30, 2F., No.
1602, Zhongshan W. Rd., Xuhui
Dist., Shanghai, China
Tel: (86) 21-64858787

City, China
Tel: (86) 755-3384588

III. Common Share Transfer
Agent and Registrar Name,
Address, Website, and Contact
Number

IV. Names of the Auditors for the
Most Recent Annual Financial
Report, their Affiliated Firm and
the Address, Website, and
Contact Number

- Title: The Transfer Agency Department of CTBC Bank
- Address: 5F., No. 83, Sec. 1, Chongqing S. Rd.,
Zhongzheng Dist., Taipei City 100, Taiwan
- Website: <https://www.ctbcbank.com>
- Tel: (886) 2-6636-5566

- Auditor name: Hua-Ling Liang, Zi-Yu Lin
- Firm name: PwC Taiwan
- Address: 27F., No. 333, Sec. 1, Keelung Rd., Xinyi
Dist., Taipei City 110, Taiwan
- Website: <https://www.pwc.tw/>
- Tel: (886) 2-2729-6666

V. The Name of any Exchanges Where the Company's Securities
are Traded Offshore, and the Method by Which to Access
Information on Said Offshore Securities

(I) Offshore trading venue for convertible bonds
The Singapore Exchange <http://www.sgx.com>
Overseas Convertible Bond Index Code ISIN
XS2427038711
XS2559003822

(II) Offshore trading venue for depositary receipts
The Luxembourg Stock Exchange <http://www.bourse.lu>

VI. Company website: <http://www.bizlinktech.com>



VII. Board of Directors

Position	Name	Experience
Chairman	Hwa-Tse Liang (Nationality: US)	See pages 10 to 11 of this report
Director	Inru Kuo (Nationality: US)	
Director	Chien-Hua Teng (Nationality: US)	
Director	Yann-Chiu Wang (Nationality: US)	
Independent Director	Jr-Wen Huang (Nationality: R.O.C)	
Independent Director	Chia-Jiun Cherng (Nationality: R.O.C)	
Independent Director	Chien-Cheng Lin (Nationality: R.O.C)	

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A.

Annual Report to Shareholders

BIZLINK HOLDING INC.

2023 Business Report

Dear Shareholders,

This report summarizes the operational performance of BIZLINK HOLDING INC. for the fiscal year 2023 and provides an overview of the business plan for the fiscal year 2024:

I. Overview of Operations for Fiscal Year 2023

1. Implementation Results of Business Plan

Revenue and profit declined this year, with a revenue of NT\$51,051,791 thousands, which is a decrease of 5.03% from 2022, and an after-tax net income of NT\$2,317,355 thousands, or earnings per share of NT\$14.37.

2. Financial Performance and Profitability Analysis:

Item	2022	2023
Net cash generated by operating activities (thousands)	2,779,406	7,446,277
Net cash used in investing activities (thousands)	(11,615,189)	(4,575,103)
Net cash generated by/used in financing activities (thousands)	13,860,938	(942,142)
Return on assets (%)	10.94	6.42
Return on shareholder equity (%)	20.35	9.81
Ratio of income before tax to paid-in capital (%)	338.31	210.79
Net profit margin (%)	7.13	4.53
Earnings per share (NTD)	24.77	14.37

Net cash flow from operating activities in 2023 increased by 168% compared to 2022, primarily due to factors such as decreases in accounts receivable and inventory in 2023. Net cash outflow from investing activities in 2023 decreased compared to 2022, primarily due to the absence of cash outflow from merger and acquisitions in 2023.

Net cash outflow from financing activities in 2023 increased compared to 2022, primarily due to debt repayment. All other profitability indicators had a poor performance when compared to 2022.

3. Status of Research and Development:

Research and development (R&D) expenditures for 2023 were NT\$1,534,477 thousands, which is an increase of 10.85% from NT\$1,384,227 thousands in the prior year, representing 3.0% (2023) and 2.6% (2022) of revenue for the respective years. It is projected that R&D expenses will continue to account for approximately 2.5% to 3.5% of revenue annually in the future.

BizLink's R&D activities are focused on high value-added products and long-term growth areas in which BizLink can participate, known as our "Mega Trends." These areas include many of our strategic customers' core projects, such as high-performance computing (HPC), electric vehicles, capital equipment, industry 4.0, and healthcare, all of which are becoming increasingly essential in today's more interconnected world. The advancement of these industries depends on our ability to provide higher power and higher speed cable assemblies, harnesses, connectors, and more complex modular and full-system assemblies. In addition, BizLink's products are expanding into new applications, including heat pumps/HVAC and ventilation systems, as well as storage and utilization of sustainable energy. The businesses of industrial products at BizLink have demonstrated strong net cash flow capabilities and long-term stability, which are also an area of which we will be actively expanded in the coming years.

II. Overview of 2024 Business Plan

1. Business Strategy for Fiscal Year 2024

(1) Lean and Thriving, Embracing the Future:

BizLink completed the acquisition of INBG in early 2022 and has been working closely in collaboration with our new partners in an open-minded and inclusive manner. We have made some good preliminary progress in the integration of our global businesses, enabling us to move together towards the same strategic direction. This is our latest landmark acquisition, bringing major changes to our portfolio with a huge advance in our business strategies. We continuously turn the innovative ideas of our customers into reality and provide non-stop support in their business growth. We aspire to be our customers' first choice when they are looking for a design and manufacturing partner in the regions where we provide our services. This business model has gradually shown its effectiveness, and as our various businesses recover and rebound in the coming quarters, we should be able to slowly reap the rewards of our efforts. We are optimistic about the outlook for the next few years and expect to return on the path to our business growth in 2024.

(2) Organizational optimization is yielding results:

After the acquisition, we have had a good start. It is expected that the cooperation between the two businesses and the following integration will bring more results. The consensus of working together kept the Group's business moving forward. For information on the performance of the business integration between the two businesses, please refer to our quarterly investor relations materials for year 2023. This will help you understand our investment and efforts to strengthen BizLink in the future. We will continue to strive for excellence. Our customers are moving towards localizing global supply to reduce their risks and costs. Developing "local production" can significantly reduce the number of suppliers that require their management. Even for suppliers that operate on a significant scale and are financially sound, they must also establish a more complete capacity for self-production in each region they operate to be able to benefit from this long-term trend and avoid being eliminated.

(3) Below are the directions we continue to strive for:

- Digital transformation: AI training to establish an AI-based operational environment.
- Intellectual property rights: Enhancing the development and management processes of assets.
- Automation: Further adoption of automated processes, and integration with digital transformation.
- Talent development: Actively selecting and nurturing future talents and leaders.

2. Major Policies in Production and Sales

(1) Production:

We integrate a unified operational management system within the Group, employing meticulous global deployment to continuously optimize the layout of our production and supply chains. This helps improve our resource allocation and control among our production sites, allowing us to have more flexibility in responding to changes in the business operations. In addition, much of our production capacity can now meet the diverse demands of our customers from different end markets, thereby reducing product time-to-market for customers and fostering closer relationships with them.

(2) Sales:

We are committed to improving sales efficiency to use our significantly expanded business scope effectively. In addition to cross-selling between our businesses, we continuously enhance the value of our products we bring to customers. Some of our businesses have clearly demonstrated the benefits of value expansion and are striving to take it to the next level.

III. Strategies in Future Development

1. Pursuing sustainable growth on a solid foundation:

Our commitment to enhancing operational efficiency has effectively improved our cash flow, allowing us to reduce leverage through the cash flow generated from our operating activities. We believe that this cash flow capability is sustainable and will provide us with more options in capital allocation over the long term. We will also continue to seek suitable opportunities for external growth to accelerate market and product development with our four core businesses and localization strategies as the center. We are committed to laying a solid foundation and ensuring that our pursuit of the Company's vision remains on the path towards stable growth and profitability. We also maintain our Silicon Valley mindset, continuously monitoring end markets, seeking promising emerging opportunities, and identifying potential customers. These have been the critical factors in our success over the past two decades.

2. Significant progress in production capacity and products:

- Production capacity: Leveraging the expertise and experience of our research and development team to enhance internal production capabilities and achieve higher-speed and higher-power applications
- Products: We have successfully delivered a variety of new products to numerous end markets, including high-performance computing, capital equipment, factory automation, healthcare, electric vehicles, and smart homes.

3. Contribution to the future:

We are committed to reducing our greenhouse gas emissions and aim to reduce emissions by 50% by 2030 compared to 2022 levels and achieve net-zero emissions by 2050. Every BizLink employee is committed to implementing these important core values. In any community we are in, we strive to create and maintain an optimal working environment, pursue a minimum carbon footprint, and are committed to providing suitable products to our end markets. Together, we are creating a green future. We are also gradually increasing the proportion of solar energy use. Meeting industry, customer, and regulatory requirements is just the beginning. We are now committed to all the well-known global ESG initiatives and working together on the shoulders of giants to provide our contribution. Our years of efforts have been continuously recognized, including in Newsweek and internationally renowned financial media AsiaMoney. BizLink people continues to uphold these core values. Although we have been actively engaged in mergers and acquisitions and have made significant progress in the past few years, much work still remains.

4. Shaping the Enterprise through Talents:

Talents are crucial to us. This is why we aim to attract and cultivate talents, provide them with opportunities to excel and be rewarded and elevate them to management and leadership positions to grow and evolve alongside our company. We are shaping BizLink's corporate culture of "One Team, One Goal".

IV. Conclusion

2022 was a solid year for BizLink, exceeding expectations. While we cannot expect to replicate the growth momentum of 2022 in the early stages of 2023, we remain cautiously optimistic about our outlook for the entire year. However, the impact of various macroeconomic factors in 2023 has also been unexpectedly strong. The Federal Reserve System maintained its stance on interest rate hikes rather than initiating the anticipated rate cuts. Nevertheless, we remain committed to organizational optimization and our works in product and market development.

Looking ahead to 2024, we are cautiously optimistic about the overall economy. We are already seeing a glimmer of hope. While we do not anticipate significant business rebounds in all regions, we believe that several areas will be the main drivers of our growth in the coming years that will help us enter the next phase of our growth. We believe that we shall reap the rewards of our efforts.

Finally, we sincerely thank all shareholders for their support, which has enabled BizLink to evolve into a more robust and diversified company despite various challenges over the past few years. Let us work together to continue to achieve new heights.

BIZLINK HOLDING INC.

Chairman Hwa-Tse Liang



General Manager Chien-Hua Teng



Accounting Supervisor Tse-Shen Tsai





B. Company Profile

I. Establishment Date and Group Overview

BizLink Holding Inc. (BizLink) was established on June 1, 2000, in the Cayman Islands and is headquartered in Silicon Valley, California. It is a leading global provider of connectivity solutions for cable harnesses. BizLink has a global presence with 34 production sites across 14 countries. All its major subsidiaries are 100% owned by BizLink. Its footprint expands across the world's major production chain regions, including North America, Europe, China, and Southeast Asia.

BizLink plays an important role in the global interconnect harness industry. Its main businesses cover the design, development (NPI), system integration, and manufacture of interconnect products for industrial automation, semiconductor equipment, data center servers, automotives, healthcare, new energy, and special application cables.

II. Group History

Year	Significant Events
1996	BizLink was established in Taiwan and registered as “貿聯國際有限公司” in Chinese.
1997	BizLink USA was established as the global headquarters, serving customers including Dell, Intel, and Gateway.
1998	The Xiamen plant was established and received ISO9002 quality system certification. The Ireland office was established at Dublin to serve European customers including Siemens. The Mexican plant was acquired, gaining customers such as Compaq and Philips to take advantage of the NAFTA.
1999	The Shenzhen plant received QS9000 quality assurance system certification and entered the automotive harness market. The Malaysia office was established to serve Southeast Asian customers such as Flextronics.
2000	BizLink Holding Inc. (hereinafter referred to as the “Company” and together with its subsidiaries as the “Group”) was established and registered in the Cayman Islands. The Kanglian plant was established, mainly producing computer connectors, marking the first step in the Group's vertical integration. OptiWorks commenced operation in the US, followed by OptiWorks Shanghai, and the first optical isolator was produced in the same month.
2001	Products manufactured by the Kanglian plant obtained UL and CSA certifications in the United States. The Jinglian plant built a new plant in Shenzhen to produce industrial plastics as part of the Group's vertical integration. Opening a new plant in Malaysia to expand the range of services offered locally.
2002	Tong Ying Electronics was acquired, gaining cable manufacturing technology and completing vertical integration. Hwachang Electronics (Shenzhen) Co., Ltd. was established and entered the Chinese medical device market.
2003	The Shenzhen plant passed SONY GP certification. The Xiamen plant was relocated to the Xingbei Dazhong Asia Park. BizLink (Kunshan) Co., Ltd. was established to serve customers in East China. Shanghai OptiWorks received TL9000 international certification and is officially recognized as a high-tech enterprise by the Science and Technology Commission of Shanghai

Year	Significant Events
	Municipality.
2004	The lead and cadmium testing capabilities of the chemical laboratory at Shenzhen plant received Microsoft certification. The Shanghai plant was certified to ISO 45001, an occupational health and safety management system standard. The Kanglian plant began supplying connectors for the Microsoft Xbox. A patent was granted to the Shanghai OptiWorks's adjustable optical attenuator product in China (Patent No. 651375).
2005	The Shenzhen plant received ISO/IEC 17025, a national accreditation laboratory management system certification. Patents were granted to the Shanghai OptiWorks's optical switch products in China (Patent No. 719673 and 719836). BizLink Japan office was established to serve Japanese customers including Sony and NEC. BizLink Group introduced the Tiptop ERP system.
2006	The Tongying plant was certified to ISO14001:2004 Environmental Management System Certification. The Kanglian plant successfully obtained patent certificates for elastic card pieces used for wire end connectors (both in China and USA).
2007	The Automotive Wiring Business Department was established at the Shenzhen plant. The Tongying plant was certified to QC080000 Hazardous Substance Process Management System. Xiang Yao Electronics (Shenzhen) Co., Ltd. was established. BizLink Group's eLearning system received the Subsidies and Incentives for Industry Learning Networks from the Digital Learning Industry Promotion and Development Plan by the Industrial Development Bureau of the Ministry of Economic Affairs. It was certified with an A-grade for unit service quality.
2008	The Shenzhen plant received ISO 13485 system certification, further expanding into the international medical device market. The Xiamen plant successfully developed BFR/PVC-free products, marking a leading position in environmentally friendly products. The Kanglian plant successfully obtained eight patents for its solar products (both in China and USA). The Kanglian plant successfully developed solar connector devices and entered the solar equipment market. BizLink India office was established to seize opportunities in the Indian solar and healthcare markets.
2009	The Jinglian plant successfully developed halogen-free materials. Shanghai OptiWorks's optical component products received seven patents in China. The Kanglian plant was recognized as a national-level high-tech enterprise. BizLink acquired a new group headquarters in the United States. Some of Shanghai OptiWorks's production lines were transferred to the dust-free workshops at the Kunshan plant. The election of three independent directors took place at the special shareholders' meeting on November 12.

Year	Significant Events
2010	The Audit Committee was established. Shanghai OptiWorks developed cutting-edge integrated modules and subsystems, expanding its product line to cover midstream and downstream optical communications. The development of fluoroplastic wires at the Tongying plant was completed, with the development of ultra-fine, high-temperature, high-pressure, and high-performance fire-resistant wires were underway. The cable and connector production lines were established at the Kunshan plant, and the All-In-One project was progressing smoothly. BizLink India relocated to Hyderabad, India. The Green House Gas (GHG) system was introduced at the J-Link plant. The plant also passed the temperature and humidity testing standards.
2011	The Financial Supervisory Commission of the Executive Yuan of the Republic of China approved the public issuance of stocks on January 17 in the Republic of China. The Company was listed and began trading on the Taiwan Stock Exchange on April 21. The Remuneration Committee was established. Switched to SAP ERP system to reinforce the integration of the Company's global systems.
2012	The Malaysia plant obtained AS9100 certification and entered the aircraft wire and cable market. Introduced defibrillator cables and anesthesia monitoring cables. Developed high-frequency audio and video signal adapters, and slim mobile device adapters. Developed server cables. In September, the United States plant completed the land acquisition contract for the new plant development project in New Mexico. The Sunbolts connectors, BizLink's solar brand, received the best rating for the second consecutive year from the global authoritative magazine, PHOTON (September issue).
2013	BizLink-KY (3665-TW) was listed as a constituent stock of the MSCI World Small Cap Index. Completed US electric vehicle charging gun certification. Completed the development of a solar smart junction box with the National Taiwan University of Science and Technology. Certified for 1500V solar connectors. Supplied wire harnesses for oil and gas development equipment. Supplied wire harnesses for sport boat engines. Completed the installation of electromagnetic interference (EMI) simulation equipment in Fremont. Opened the Kunshan electromagnetic wave laboratory. Completed the establishment of the high-frequency team at the Taipei R&D Center.
2014	Completed the mass production development of the 4K2K docking station. The mini-DP 1 to 2 HUB won the 2015 CES Computer Peripherals Innovation Award. Established a new wire drawing plant in El Paso, USA. Introduced a car wire tracking system. Expanded the production capacity of the Kunshan, Malaysia, and Mexico plants.

Year	Significant Events
2015	The Shenzhen plants obtained AS 9100 Aerospace Quality Management System Certification. The first in the world to supply a full range of USB Type-C products.
2016	Acquired Hong Kong Jo Yeh Co., Ltd. to expand into the automotive market. Listed as a constituent stock of the TWSE Corporate Governance 100 Index. Expanded the production capacity of the Kunshan plant in China, the Malaysia plant, the Texas plant in the United States, and the Mexico plant, and added a production line in Fremont, California, in the United States.
2017	Completed the acquisition of the LEONI Group's wiring harness business unit, gaining European production bases and customers. The new product design (NPI) team ventured into the new areas of the wire and cables for semiconductor equipment. Completed the development of electric vehicle charging equipment (EVSE).
2018	Recognized by Deloitte as one of the Technology Fast 500™ Asia Pacific. Issued the Company's first sustainability report. Acquired Kunshan Hezhen Huguang Optoelectronics Co., Ltd. to expand the product line of high-speed transmission cables for data centers. Mass production of docking stations equipped with Thunderbolt 3 technology.
2019	Awarded the America's Most Responsible Companies 2020 by Newsweek. Awarded the Taiwan's Most Outstanding Company by Asiamoney Recognized by Deloitte as one of the Technology Fast 500™ Asia Pacific for two consecutive years. Won the two awards of the Best Investor Relations Company in Technology Industry in Greater China and the Best Investor Relations Company in Taiwan by IR Magazine in 2019.
2020	Completed the acquisition of Speedy Industrial Supplies Pte Ltd. in Singapore to gain production bases and customers. Ranked in the top 5% of the Sixth Corporate Governance Evaluation by the Taiwan Stock Exchange. Named one of America's Most Responsible Companies 2021 by Newsweek for the second consecutive year. Named Taiwan's Most Outstanding Company - Automotive and Components Industry by Asiamoney for the second consecutive year. Recognized by Deloitte as one of the Technology Fast 500™ Asia Pacific for three consecutive years. Expanded the Changzhou plant in China to increase production capacity. Completed USB-IF Developer Forum certification for USB4 Gen 3 Type-C cables.
2021	Announced the acquisition of LEONI's Industrial Solutions Business Group in Germany. Joined hands with Ventec and Footprintku for supply chain integration in the electronics industry. Named one of America's Most Responsible Companies 2022 by Newsweek for the third consecutive year. Named Taiwan's Most Outstanding Company - Automotive and Components Industry by Asiamoney for the third consecutive year. Named the Best Investor Relations Company in the Technology Industry in Greater China

Year	Significant Events
	by IR Magazine in 2021. Awarded the Solidarity Award by PowerLeader Computer Systems Co., Ltd. in 2021. Awarded the Healthy Management Award by Shin Tech in 2021. Awarded the honor of Excellent Partner & Reducing Risk for Customers by GE. Awarded the honor of Three-Star Star Enterprise by the Changzhou Municipal Government in China. Awarded the honor of Supplier Commitment and Promise Award by HiKOKI.
2022	BizLink worked in collaboration with the Industrial Technology Research Institute (ITRI) for the mass production of the iPMx COVID-19 Molecular Detection Kit and its product launch in international markets. BizLink Holding again ranked highest in the top 5% of the Eighth Corporate Governance Evaluation. It was also listed in the highest ranking in the “Electronic Businesses with a Market Value of Over NT\$10 billion”. BizLink was awarded the 2022 All-Asia Executive Team by Institutional Investor and also won five category awards. Named one of America’s Most Responsible Companies 2023 by Newsweek for the fourth consecutive year. BizLink Holding once again named as the Most Outstanding Company in the Automotive and Components Industry in Taiwan in 2022 by Asiamoney for the fourth consecutive year.
2023	BizLink Holding once again received the highest ranking in the top 5% of the Ninth Corporate Governance Evaluation. Developed a series of high-performance computing, electric vehicle, robot, and endoscope products. BizLink Holding received the awards for America’s Most Responsible Companies by Newsweek for the fifth consecutive year and Asia’s Outstanding Companies Award by Asiamoney. Awarded the Best Investor Relations Company in Technology Industry in Greater China by IR Magazine for the third time. Awarded the Best Supplier honor by Lam Research. Introduced the ESG management summary to help people quickly understand the results of BizLink’s sustainability management. BizLink Technology Inc., the US headquarters, joined the United Nations Global Compact (UNGC) on behalf of the Group.

III. Group structure:

For details, refer to page 144 of the Company’s annual report.

IV. Risk factors:

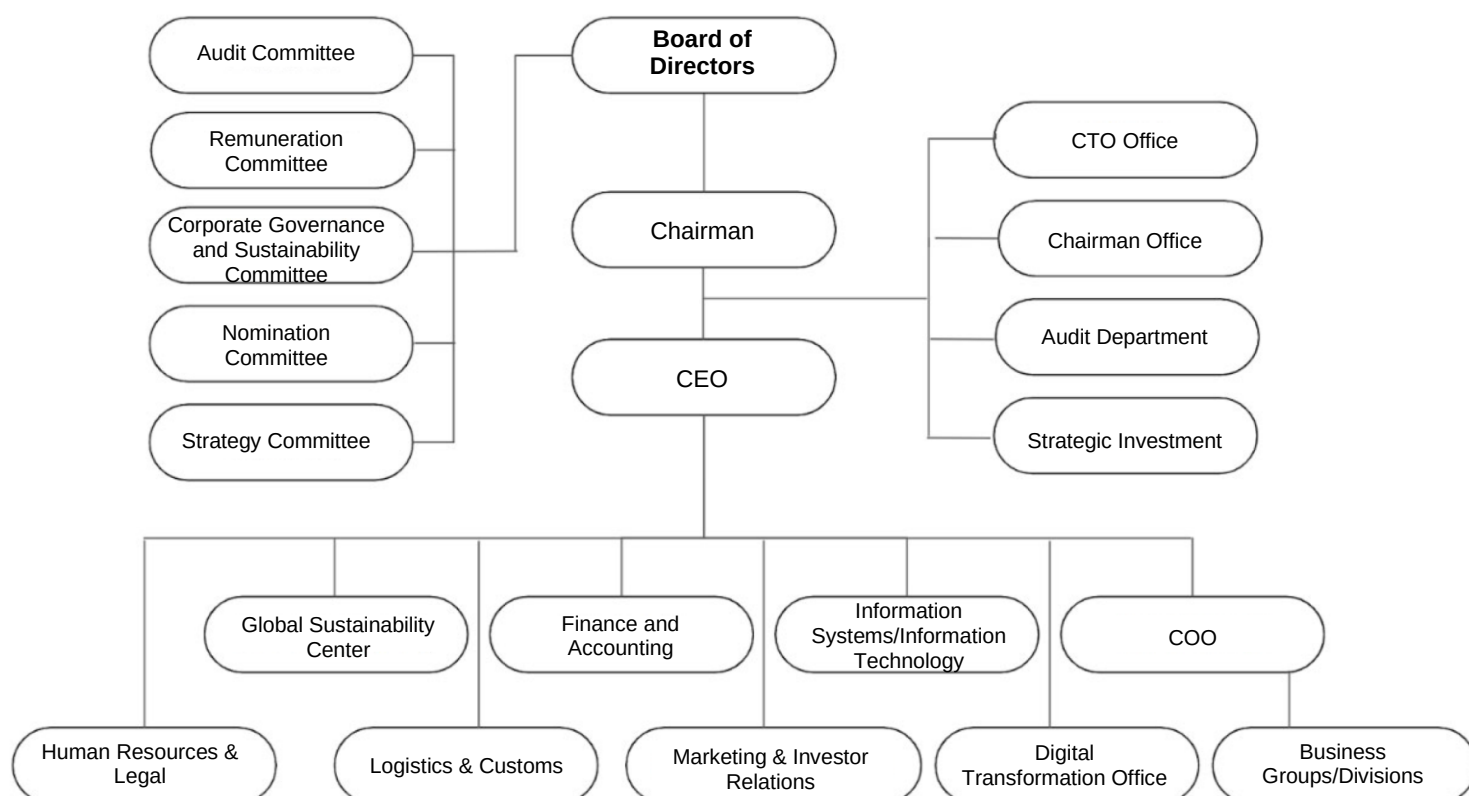
For details, refer to page 137 to page 142 of the Company’s annual report.



C. Corporate Governance Report

I. Organizational System

(1) Organizational Structure



(2) Business Responsibilities for Major Departments

Department name	Roles and responsibilities
Chairman	Formulates policy directives, set goals and objectives for the Company's business operations, and appoints key managers to oversee and promote the execution of business operations.
CEO	Implements the resolutions made by the Board of Directors at board meetings and manages all affairs of the Company.
Audit Department	Based on the Company's policies and procedures and under the authorization of the Board of Directors, the Audit Committee is responsible for supervising the Audit Department, carrying out audit activities, and providing independent audit services in an objective, fair, and impartial manner as a professional.
COO	Leads the development of group businesses and manages daily operational affairs.
Information Systems Technology	Connects and ensures that global data flows securely, reliably, and smoothly from point to point.
Finance and Accounting	Based on the Company's strategic plans, formulates and implements the Company's financial accounting and management systems. Ensures accurate accounting and promptly provides business and financial conditions to internal and external departments as required. Also, provides a reliable basis for business decision-making and financial management, ensuring the security of funds, control of operational costs, increased efficiency of fund utilization, thereby promoting the achievement of business goals.
Global Sustainability Center	Establishes a sound governance system and strengthens management functions to protect stakeholders' occupational safety and health, protect the living environment,

	control greenhouse gas emissions, and achieve the vision of sustainable business development.
Digital Transformation Office	Collects user needs for digital transformation and prioritizes these needs based on their importance and consensus on benefits. Utilizes emerging technologies to enhance the Group's long-term competitiveness.
Marketing & Investor Relations	Manages the release and response of information from the Company to the public. Develops relationships with domestic and foreign investors and establishes a communication network. Summarizes market changes and industry dynamics to assist the management team in formulating strategies and making decisions.
Logistics & Customs	The functions of logistics management include: Managing the transportation, storage, packaging, loading and unloading, and logistics information of imported and exported materials and products. The functions of customs management include: Preparing and submitting documents to notify government agencies or obtain applicable approvals, and arranging transfer of goods in collaboration with freight vendors.
Human Resources & Legal	The main functions of human resource management (HRM) include: Personnel recruitment, training and development, compensation and benefits management, performance evaluation, employee relations, and corporate culture. The main functions of the legal department include: Collecting, organizing legal data, and managing lawsuits and litigation cases. The main functions of the legal department include: Verifying legal records, reviewing contracts and related documents, and providing consultation or representation for legal matters.
Business Groups/Divisions	Based on the company's development goals and strategies, collecting market information, serving as a communication bridge with customers, and providing adequate support for business operations to maximize economic benefits.

II. Information about the Chairman, General Manager, and Vice General Manager

(1) Information about the Directors (The Company does not appoint any company supervisor)

March 29, 2024

Position	Nationality	Name	Gender	Age (Note 2)	Date elected	Term of Office	Date First Elected	Shareholding (shares) on the Date of Election		Number of Shares Currently Held		Current Shareholding by Spouse and Minors		Shareholding in the Name of Others		Major Professional/Educational Background	Current Positions at the Company and Other Companies	Other Heads, Directors or Supervisors as Spouse or Relatives Within Second Degree in Kinship			Remarks
								Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio			Position	Name	Relationship	
Chairman	US	Hwa-Tse Liang	Male	63	2021/7/5	3 years	2000/6/1	7,728,485	5.78%	8,056,128 (Note1)	4.93%	9,621,152	5.89%	168,261	0.10%	MSEE, Pennsylvania State University Department of Electronics and Electrical Engineering, National Chiao Tung University (NCTU) CEO, Greatlink USA	Director, BIZLINK TECHNOLOGY INC. Director, OPTIWORKS, INC. Director, BizLink (Japan) Co., Ltd. Director, BIZLINK TECHNOLOGY(IRELAND) LTD. Director, BIZLINK TECHNOLOGY (S.E.A.) SDN. BHD. Director, BIZLINK TECH, INC. Director, ACCELL CORPORATION Director, BIZCONN TECHNOLOGY INC. Director, BizLink (BVI) Corp. Limited Legal Representative/Executive Director, OptiWorks (Shanghai) Co., Ltd. Legal Representative/Executive Director, OptiWorks (Kunshan) Co., Ltd. Director, BizLink (Kunshan) Co., Ltd. Director, Asia Wick Ltd.	Director	Inru Kuo	Spouse	
Director	US	Inru Kuo	Female	62	2021/7/5	3 years	2000/6/1	9,285,465	6.95%	9,621,152 (Note1)	5.89%	8,056,128	4.93%	0	0.00%	MS Actuarial Georgia State University Department of Physics, National Kaohsiung Normal University VP, Greatlink USA	Director, BIZLINK TECHNOLOGY INC. Director, OPTIWORKS, INC. Chairman, BizLink (Japan) Co., Ltd. Director, BIZLINK (BVI) CORP. Chairman, BizLink International Corp. Director, ZELLWOOD INTERNATIONAL CORPORATION Director, BIZLINK TECHNOLOGY(IRELAND) LTD. Director, BIZLINK TECH, INC. Director, ADEL ENTERPRISES CORPORATION Director, ACCELL CORPORATION Director, BIZCONN TECHNOLOGY INC. Supervisor, Optiworks (Shanghai) Co., Ltd. Supervisor, Optiworks (Kunshan) Co., Ltd. Executive Director, Hwachang Electronics (Shenzhen) Co., Ltd. Director, BIZCONN INTERNATIONAL CORPORATION Legal Representative/Executive Director, J-Link Electronics (Shenzhen) Co., Ltd. Legal Representative/Executive Director, BizLink (Kunshan) Co., Ltd. Legal Representative/Executive Director, BizLink Electronics (Xiamen) Co., Ltd. Legal Representative/General Manager/Executive Director, Xiang Yao Electronics (Shenzhen) Co., Ltd. Legal Representative/Executive Director, BizConn International Corp. Executive Director, Tong Ying Electronics (Shenzhen) Co., Ltd.	Director	Hwa-Tse Liang	Spouse	
Director	US	Chien-Hua Teng	Male	57	2021/7/5	3 years	2000/6/1	1,367,654	1.02%	1,496,235	0.92%	0	0.00%	0	0.00%	MBA, San Francisco State University Department of Electrical and Control Engineering, National Chiao Tung University (NCTU) Engineering Manager, Greatlink USA	Director, BizLink (Japan) Co., Ltd. Director, BIZCONN TECHNOLOGY INC. General Manager, BizLink (Kunshan) Co., Ltd. Legal Representative/General Manager, Hwachang Electronics (Shenzhen) Co., Ltd. BizLink Electronics (Xiamen) Co., Ltd. Director, Asia Wick Ltd. Supervisor, BizConn International Corp. Director, JO YEH COMPANY LIMITED Director, Nanhai Jo Yeh Electronic Co., Ltd.	None	None	None	
Director	US	Yann-Chiu Wang	Male	57	2021/7/5	3 years	2021/7/5	132,331	0.10%	173,709	0.11%	12,153	0.01%	0	0.00%	MS California State University, Sacramento, Mechanical Engineering Director, Oriental Giant Dyes & Chemical IND. CORP.	Senior Executive Vice President, BizLink Technology Inc.	None	None	None	

Independent Director	R.O.C	Jr-Wen Huang	Male	54	2021/7/5	3 years	2012/6/12	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Saint Louis University (USA) MS-Finance Head of Investment Department, IBF Venture Capital Co., Ltd. Investment Department and Credit Analysis and Research Department, China Development Industrial Bank Sparkle Power Inc. San Jose/Los Angeles, USA	Director, FSP Technology Inc. Supervisor, GenePharm Biotech Corp. Supervisor, TTBIO Corp. Head of Investment Department, IBF Venture Capital Co., Ltd.	None	None	None	
Independent Director	R.O.C	Chia-Jiun Cherng	Male	70	2021/7/5	3 years	2021/7/5	0	0.00%	0	0.00%	0	0.00%	0	0.00%	Graduate Institute of Business Administration, National Chengchi University General manager, Shihlien Fine Chemicals Co., Ltd. General Manager, Digital United Senior Executive, Institute for Information Industry	Independent Director, FSP Technology Inc. Independent Director, Azion Corporation	None	None	None	
Independent Director	R.O.C	Chien-Cheng Lin	Male	67	2022/6/23	3 years	2022/6/23 (Note 2)	0	0.00%	0	0	0	0.00%	0	0.00%	Doctor of Philosophy in Materials Science and Engineering from the University of Illinois at Urbana-Champaign Professor, Department of Materials Science and Engineering at National Chiao Tung University Professor of Materials Science and Engineering at National Yang Ming Chiao Tung University Independent Director, Zero One Technology Co., Ltd.	Affairs Advisor, National Taipei University of Technology	None	None	None	

Note 1: In addition to the 931,175 shares held by Hwa-Tse Liang and the 2,496,199 shares held by Inru Kuo, the total number of shares held also includes shares held in joint trusts, including Hwa Tse Liang and InRu Kuo Family Trust, created April 15, 1999 (8,930,403 shares) and Liang Family Irrevocable Trust (5,319,503shares).

Note 2: The age of directors is calculated based on the year this annual report is published (2023).

(2) Information disclosure on professional qualifications of directors and the independence of independent directors:

Criteria Name	Professional Qualifications and Experience	Independence Status	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Independent Director Jr-Wen Huang	-Education: Master's Program in Finance at the Graduate Institute of Financial Management, Saint Louis University (USA) -Expertise: Finance -Experience: - General Manager, IBF Venture Capital Co., Ltd. - Head of Investment Department, IBF Venture Capital Co., Ltd. - Investment Department, China Development Industrial Bank - Credit Analysis and Research Department: Sparkle Power Inc. San Jose/Los Angeles, USA	Meeting the independence requirements specified in the Securities and Exchange Act (Note 1)	1
Independent Director Chia-Jiun Cherng	-Education: Graduate Institute of Business Administration, National Chengchi University; General Manager, Shihlien Fine Chemicals -Expertise: Information technology (IT) and telecommunications services -Experience: - General Manager, Digital United - Senior Executive, Institute for Information Industry		3
Independent Director Chien-Cheng Lin	-Education: Doctor of Philosophy (PhD) from the University of Illinois -Expertise: Related to the Fundamentals of Materials Science and Engineering -Experience: - Professor, Department of Materials Science and Engineering at National Chiao Tung University - Professor of Materials Science and Engineering at National Yang Ming Chiao Tung University		1
Chairman Hwa-Tse Liang	-Education: Department of Electronics and Electrical Engineering, National Chiao Tung University (NCTU) -Expertise: Information technology (IT) -Experience: CEO, Greatlink USA	Meeting the independence requirements specified in Note 1 (5) to (7), (9), (11), and (12)	0
Director Inru Kuo	-Education: Department of Physics, National Taiwan Normal University -Expertise: Finance -Experience: VP, Greatlink USA	Meeting the independence requirements specified in Note 1 (5) to (7), (9), (11), and (12)	0
Director Chien-Hua Teng	-Education: Department of Electrical and Control Engineering, National Chiao Tung University (NCTU) -Expertise: Information technology, consumer discretionary, consumer staples, finance -Experience: Engineering Manager, Greatlink USA	Meeting the independence requirements specified in Note 1 (5) to (12)	0
Director Yann-Chiu Wang	-Education: Master's and Bachelor's degrees in Mechanical Engineering from California State University, Sacramento (USA) -Expertise: Healthcare, industrial -Experience: Manager, Engineering Department, BizLink North America	Meeting the independence requirements specified in Note 1 (5) to (12)	0

	- Deputy Manager, Operations Department, BizLink Shenzhen plant - Vice President, Procurement Department, BizLink Group		
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Note 1: Our company's independent directors meet the following independence requirements specified in the Securities and Exchange Act:

- (1) Not an employee of the Company or any of its affiliates.
- (2) Not a director or supervisor of any affiliate of the Company (except for an independent director of the Company's parent company or a subsidiary company directly or indirectly held by the company with more than 50% voting shares)
- (3) Not a natural person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate of 1% or more of the total number of issued shares of the Company or ranking in the top ten in shareholdings.
- (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship of the manager mentioned in (1) or the personnel mentioned in (2) or (3).
- (5) Not a director, supervisor, or employee of a corporate shareholder that directly holds 5% or more of the total number of issued shares of the Company, or that ranks among the top five in shareholdings, or that designates a representative as a director or supervisor of the Company under Article 27, Paragraph 1 or 2 of the Company Act (unless the independent director is appointed in accordance with the same Act or local laws and regulations by, and concurrently serving as such at, the Company and its parent or subsidiary or a subsidiary of the same parent).
- (6) Not a director, supervisor, or employee of any other company where a majority of the Company's director seats or voting rights and those of that other company are controlled by the same person (unless the independent director is appointed in accordance with the same Act or local laws and regulations by, and concurrently serving as such at, the Company and its parent or subsidiary or a subsidiary of the same parent).
- (7) Not a director, supervisor, or employee of another company or institution where the chairman, general manager or person holding an equivalent position of the Company and a person in any of those positions at that other company or institution are the same person or are spouses (unless the independent director is appointed in accordance with the same Act or local laws and regulations by, and concurrently serving as such at, the Company and its parent or subsidiary or a subsidiary of the same parent).
- (8) Not a director, supervisor, managerial officer, or shareholder holding 5% or more of the shares, of a specific company or institution that has a financial or business relationship with the Company (unless such specific company or institution holds more than 20% but not more than 50% of the total issued shares of the Company, and the independent director is appointed in accordance with the same Act or local laws and regulations by, and concurrently serving as such at, the Company and its parent or subsidiary or a subsidiary of the same parent).
- (9) Not a professional who, or an owner, partner, director, supervisor, or managerial officer of a sole proprietorship, partnership, company, or institution that, provides auditing services for the Company or any of its affiliates, or provides commercial, legal, financial, accounting or related services for the Company or any of its affiliates for which cumulative compensation of over NT\$ 500,000 has been received in the past 2 years, or a spouse thereof. However, this restriction does not apply to a member of the Remuneration Committee, Public Takeover Review Committee, or M&A Committee, who performs his or her authority pursuant to the Securities and Exchange Act or to the Business Mergers and Acquisitions Act or related laws or regulations.
- (10) Not having a spousal relationship, or a relative within the second degree of kinship to any other director.
- (11) Not involved in any circumstances stated in Article 30 of the Company Act.
- (12) Not being elected as the government agency, juristic person, or a representative thereof, as stated in Article 27 of the Company Act.

(3) Diversity and Independence of the Board of Directors:

Following Article 19, Section 3 of the Company Corporate Governance Best-Practice Principles, the board members shall generally have the necessary knowledge, skills, qualifications, and the core competencies required as a board member to perform their duties. The Board of Directors shall consist of seven (7) members, including four (4) natural person directors and three (3) independent directors. The board is diverse in its composition, possessing varied core competencies. Supported by independent directors with different professional backgrounds, the board shall effectively fulfill its duties and responsibilities, which include establishing sound corporate governance practices, supervising, appointing, and directing the Company's management team, strengthening management functions, and managing the overall operations of the Company in terms of economic, social, and environmental aspects. The board is dedicated to maximizing the interests of the Company's stakeholders.

1. The board members have a diverse range of educational backgrounds, professional expertise, and relevant experience:

Implementation status for the diversity of the Board of Directors

Name of Director	Position	Gender	Age (Note 1)	Length of Appointment as an Independent Director	Diversified Core Competencies								
					Operational Judgment	Accounting and Financial Analysis	Legal Expertise	Management Administration	Crisis Management	Industry Knowledge	International Market Perspective	Leadership	Decision-making
Hwa-Tse Liang	Chairman	Male	63	NA	V			V	V	V	V	V	V
Inru Kuo	Director	Female	62	NA	V	V		V	V	V	V	V	V
Chien-Hua Teng	Director	Male	57	NA	V			V	V	V	V	V	V
Yann-Chiu Wang	Director	Male	57	NA	V			V	V	V	V	V	V

Jr-Wen Huang	Independent Director	Male	55	11 years	V	V	V	V	V	V	V	V	V
Chia-Jiun Cherng	Independent Director	Male	70	3 years	V			V	V	V	V	V	V
Chien-Cheng Lin	Independent Director	Male	67	3 years	V			V	V	V	V	V	V

Note 1: The age of the Board members is calculated based on the year this annual report is published (2023).

2. Policy for the density of the Board of Directors, and its specific management goals and implementation status:

The Company has established in the Company Corporate Governance Best-Practice Principles to stipulate that the composition of the Board of Directors should consider diversity without discrimination on any grounds such as gender, race, or nationality. In addition to possessing the knowledge, skills, and qualifications necessary to perform their duties, the collective competencies that the Board of Directors shall have to achieve the ideal goal of corporate governance include: (1) Operational Judgment. (2) Accounting and Financial Analysis. (3) Management Administration. (4) Crisis Management. (5) Industrial knowledge. (6) International market views. (7) Leadership. (8) Diverse professional backgrounds, including decision-making ability.

In actual practice, among the current seven (7) members of the Board of Directors, there is one (1) director who is an employee of the Company, accounting for 14%; one (1) director who is an employee of a subsidiary, accounting for 14%; one (1) female director, accounting for 14%; three (3) independent directors, accounting for 43%; one (1) independent director serving for less than three years; one (1) independent director serving for more than nine years; three (3) directors aged between 50 and 60 years old, and four (4) directors aged between 61 and 70 years old. All independent directors have met the requirements of the Securities and Futures Bureau of the Financial Supervisory Commission relating to independent directors. For relevant information regarding the directors' educational background, gender, professional qualifications, and work experience, as well as their diversity, please refer to the Subsection (1) Information about the Directors under Section 3 Company Governance Report.

3. The Company's independent directors possess expertise in finance, information technology, and telecommunications services:

A.Jr-Wen Huang, an independent director, serves as the convener of the Audit Committee and is specialized in finance. Mr. Huang graduated from the Institute of Financial Management and has over 20 years of service at China Development Industrial Bank and IBF Venture Capital. Mr. Huang possesses extensive practical experience in industry research, bank credit investigation and evaluation, investment assessment, post-investment management, and strategic merger and acquisition evaluation within corporate organizations.

B.Chia-Jiun Cherng, an independent director, specializes in information technology and telecommunications services. She brings extensive experience and strategic planning expertise to the Company's related industries. She offers insightful analysis and forward-thinking perspectives on industry developments and provides strategic guidance on new product development and market expansion initiatives.

C.Chien-Cheng Lin, an independent director, specializes in the affairs related to the fundamentals of materials science and engineering. Mr. Lin brings extensive experience and strategic planning capabilities for the basic materials of the Company's related products. Mr. Lin offers insightful analysis and forward-thinking perspectives on the development of product materials and provides strategic guidance for the Company's new product development.

4. BizLink emphasizes gender equality and supervisory independence in the composition of the Board of Directors, and has set two diversity management goals for the Board:

A. At least one female director seat; B. The number of directors concurrently serving as employees of the company, parent company, subsidiaries or affiliated companies is less than one-third of the total director seats, i.e. less than 2 people. In 2023, both goals were achieved. In the future, the company will continue to implement the diversity policy for Board members.

5. Independence of the Board of Directors:

The Company's Board of Directors comprises seven (7) members, including three (3) independent directors, representing 42.86% of the total board membership. All independent directors maintain independence in carrying out their duties without direct or indirect conflicts of interest with the Company. The directors also serve on the Audit Committee, overseeing matters including the fair representation of the Company's financial statements, the selection (dismissal) of auditors and their independence and performance, the effective implementation of internal controls, the Company's compliance with relevant laws and regulations, and the management of existing or potential risks.

Apart from the spousal relationship between Chairman Hwa-Tse Liang and Director Inru Kuo, none of the directors (including independent directors) are spouses or relatives within the second degree of kinship. Additionally, the Chairman and the General Manager are held by different individuals. Also, Paragraph 1, Article 16 of the Company's Rules and Procedures of Board of Directors Meetings clearly stipulates that, "If a director or the legal entity he/she represents has an interest in a matter discussed at the board meeting, such director shall state the material content of the interest at that board meeting. If there is a risk of harming the interests of the Company, the said director shall not participate in discussion and voting, and shall recuse him/herself from discussions and voting. Such director shall also not act as a proxy for other directors to exercise their voting rights."

All Company directors adhere to the requirements above to ensure the independence of the board's operations.

(2) Information about the General Manager and Vice General Manager

Position	Nationality	Name	Gender	Date onboarded	Term of Office	Shareholding		Shareholding by Spouse and Minors		Shareholding in the Name of Others		Major Professional/Educational Background	Current Positions at Other Companies	Managerial Officer as Spouse or a Relative within Second Degree of Kinship		
						Shares	Shareholding Ratio	Shares	Shareholding Ratio	Shares	Shareholding Ratio			Position	Name	Relationship
Chief Executive Officer	US	Chien-Hua Teng	Male	2000/06/01	24 years	1,367,654	1.02%	0	0.00%	0	0.00%	MBA, San Francisco State University Department of Electrical and Control Engineering, National Chiao Tung University (NCTU) Engineering Manager, Greatlink USA	Director, BizLink (Japan) Co., Ltd. Director, BIZCONN TECHNOLOGY INC. General Manager, BizLink (Kunshan) Co., Ltd. Legal Representative/General Manager, Hwachang Electronics (Shenzhen) Co., Ltd. Supervisor, BizLink Electronics (Xiamen) Co., Ltd. Director, Asia Wick Ltd. Supervisor, BizConn International Corp. Director, JO YEH COMPANY LIMITED Director, Nanhai Jo Yeh Electronic Co., Ltd.	None	None	None
Chief Financial Officer	R. O. C	Tse-Shen Tsai	Male	2022/06/23	1 year	20,198	0.01%	0	0.00%	0	0.00%	Bachelor's and Master's degrees in Finance, National Taiwan University Manager, Department of Financial Planning, TSMC Vice General Manager of Accounting, Chunghwa Telecom Director of Management and Administration, LITEON Technology Corporation Chief Financial Officer of Greater China Region, Taiwan Cement Corporation	None	None	None	None
Chief Financial Officer	US	Yu-Fang Wang (Note 1)	Female	2020/01/10	3 years	749,416	0.46%	1,178	0.00%	0	0.00%	Master of Science Degree in Accountancy, California State University, Sacramento Department of Public Finance and Taxation, National Chung Hsing University	Director, BIZLINK TECHNOLOGY INC. Director, OPTIWORKS, INC. Director, ACCELL CORPORATION Director, BIZLINK TECH, INC.	None	None	None
Vice General Manager	R. O. C	Jia-Zheng Lin	Male	2010/08/01	1 years	0	0%	0	0.00%	0	0.00%	Department of Business Administration, National Chung Hsing University Financial Manager, Punch Video INC.	None	None	None	None
Vice General Manager	R. O. C	Zheng-Sheng Zhou (Note 2)	Male	2016/06/30	7 years	62,817	0.04%	0	0.00%	0	0.00%	MBA, University of Missouri-Columbia Department of Transportation Engineering and Management, National Chiao Tung University China Development Industrial Bank Capital Securities Corporation	None	None	None	None
Vice General Manager	R. O. C	Yong-Chang Hu	Male	2023/04/01	1 year	40,242	0.02%	0	0.00%	0	0.00%	Master's Program in Materials Science and Engineering, National Taiwan University	None	None	None	None

Note 1: The Group's original CFO Yu-Fang Wang was shifted to a non-managerial position on April 1, 2023. The number of shares contained in the table above is the number of shares reported .

Note 2: The original Vice General Manager Zheng-Sheng Zhou was shifted to a non-managerial position on November 10, 2023. The number of shares in the table above is the number of shares reported internally while she held such position.

(3) Remuneration to Directors (Including Independent Directors), General Manager, and Vice General Managers in the Most Recent Fiscal Year

1. Remuneration to General Directors and Independent Directors (disclosed and summarized with the names and breakdown of remuneration in bands)

Unit: In Thousands of New Taiwan Dollars

Position	Name	Director remuneration								Sum of A, B, C and D and ratio to net income after tax (Note 2)		Remuneration as an employee								Sum of A, B, C, D, E, F and G and ratio to net income after tax		Remuneration from a reinvested company other than a subsidiary, or from the parent company
		Compensation (A)		Severance pay/retirement benefits (B)		Director remuneration (C)		Expenses incurred in performing duties (D)				Salary, bonuses, and special allowances (E)		Severance pay/retirement benefits (F)	Employee profit-sharing compensation (G)							
		Parent company	All companies included in the financial reports	Parent company	All companies included in the financial reports	Parent company	All companies included in the financial reports	Parent company	All companies included in the financial reports	Parent company	All companies included in the financial reports	Parent company	All companies included in the financial reports	All companies included in the financial reports	Parent company		All companies included in the financial reports		Parent company	All companies included in the financial reports		
Cash	Stock														Cash	Stock						
Chairman	Hwa-Tse Liang	0	0	0	0	0	9,600	0	0	0	9,600 0.40%	0	74,937	0	0	0	0	0	84,537 3.52%	0		
Chairman	Hwa-Tse Liang																					
Director	Inru Kuo																					
Director	Yann-Chiu Wang																					
Independent Director	Jr-Wen Huang	0	0	0	0	0	4,320	0	0	0	4,320 0.18%	0	0	0	0	0	0	0	0	4,320 0.18%		
Independent Director	Chia-Jiun Cherng																					
Independent Director	Chien-Cheng Lin																					

1. Please describe the policies, systems, criteria and structure for the payment of remuneration to independent directors, and the connection between the amount of remuneration paid and the borne responsibilities, risks, time invested, and other factors: According to Article 34.1 of the Company's Articles of Association, directors' remuneration may be calculated as a percentage of the Company's annual profit within a limit of 3%, after taking into account the Company's operating results, the level of involvement of each director in the Company's operations, and their incidence of moral hazard events or other risk events that caused adverse effects to the Company's image and reputation, internal management failures, and personnel corruption. Additionally, consideration will be given to each director's achievement in the established objectives, profitability, operational efficiency, and value of their contributions. The percentage of profit to be paid as remuneration for each director will be reasonably determined upon an overall consideration of the factors above.

2. In addition to those disclosed in the table above, the remuneration received by the Company's directors in the most recent year for providing services to any companies included in the financial statements (such as a non-employee consultant): 0

Note 1: The remuneration for the fiscal year 2023 has not yet been approved by a shareholders' meeting.

Note 2: Net income after tax refers to the net income after tax in the consolidated financial statements for the most recent year.

Remuneration Bands

Remuneration paid to the Company's directors in bands	Name of Director			
	Sum of the first four remuneration items (A + B + C + D)		Sum of the first seven remuneration items (A + B + C + D + E + F + G)	
	Parent company	All companies included in the financial reports	Parent company	All companies included in the financial reports
Less than NT\$ 1,000,000	-	-	-	-
NTD 1,000,000 (incl.) ~ NTD 2,000,000 (excl.)	-	Jr-Wen Huang Chia-Jiun Cherng Chien-Cheng Lin	-	Jr-Wen Huang Chia-Jiun Cherng Chien-Cheng Lin
NTD 2,000,000 (incl.) ~ NTD 3,500,000 (excl.)	-	Hwa-Tse Liang Chien-Hua Teng Inru Kuo Yann-Chiu Wang	-	-
NTD 3,500,000 (incl.) ~ NTD 5,000,000 (excl.)	-	-	-	-
NTD 5,000,000 (incl.) ~ NTD 10,000,000 (excl.)	-	-	-	-
NTD 10,000,000 (incl.) ~ NTD 15,000,000 (excl.)	-	-	-	-
NTD 15,000,000 (incl.) ~ NTD 30,000,000 (excl.)	-	-	-	Hwa-Tse Liang Chien-Hua Teng Inru Kuo Yann-Chiu Wang
NTD 30,000,000 (incl.) ~ NTD 50,000,000 (excl.)	-	-	-	-
NTD 50,000,000 (incl.) ~ NTD 100,000,000 (excl.)	-	-	-	-
NT\$ 100,000,000 or above	-	-	-	-
Total	-	7	-	7

2. Remuneration to Supervisors: Not applicable

3. Remuneration to General Manager and Vice General Managers

Remuneration to General Manager and Vice General Managers (disclosed and summarized with the names and breakdown of remuneration in bands)

Unit: In Thousands of New Taiwan Dollars; Share

Unit: in thousands of New Taiwan

Position	Name	Salary (A)		Severance pay/retirement benefits (B)		Bonuses and special allowances (C)		Employee profit-sharing compensation (D)				Sum of A, B, C and D and ratio to net income after tax (%)		Remuneration from a reinvested company other than a subsidiary
		Parent company	All companies included in the financial reports	Parent company	All companies included in the financial reports	Parent company	All companies included in the financial reports	Parent company		All companies included in the financial reports		Parent company	All companies included in the financial reports	
								Cash	Stock	Cash	Stock			
Chairman	Hwa-Tse Liang	0	48,028	0	0	0	29,825	0	0	0	0	0.00%	77,853 2.03%	None
Chief Executive Officer	Chien-Hua Teng													
General Manager (for a subsidiary company)	Inru Kuo													
Chief Financial Officer	Tse-Shen Tsai													
Chief Financial Officer	Yu-Fang Wang (Note 1)													
Vice General Manager	Zheng-Sheng Zhou (Note 2)													
Vice General Manager	Jia-Zheng Lin (Note 3)													
Vice General Manager	Yong-Chang Hu													

Note 1: Reassigned to a non-managerial position on April 1, 2023; Note 2: Reassigned to a non-managerial position on November 10, 2023; Note 3: Reassigned to a managerial position on November 10, 2023

Remuneration Bands

Remuneration to the Company's General Manager and Vice General Managers in Bands	Names of General Manager and Vice General Managers	
	Parent company	All companies included in the financial reports
Less than NT\$ 1,000,000	-	Jia-Zheng Lin (Note 1)
NTD 1,000,000 (incl.) ~ NTD 2,000,000 (excl.)	-	-
NTD 2,000,000 (incl.) ~ NTD 3,500,000 (excl.)	-	Yu-Fang Wang (Note 2)
NTD 3,500,000 (incl.) ~ NTD 5,000,000 (excl.)	-	Yong-Chang Hu, Zheng-Sheng Zhou (Note 3)
NTD 5,000,000 (incl.) ~ NTD 10,000,000 (excl.)	-	Tse-Shen Tsai
NTD 10,000,000 (incl.) ~ NTD 15,000,000 (excl.)	-	-
NTD 15,000,000 (incl.) ~ NTD 30,000,000 (excl.)	-	Hwa-Tse Liang, Chien-Hua Teng, Inru Kuo
NTD 30,000,000 (incl.) ~ NTD 50,000,000 (excl.)	-	-
NTD 50,000,000 (incl.) ~ NTD 100,000,000 (excl.)	-	-
NT\$ 100,000,000 or above	-	-
Total	0	8

Note 1: Reassigned to a managerial position on November 10, 2023.

Note 2: Reassigned to a non-managerial position on April 1, 2023.

Note 3: Reassigned to a non-managerial position on November 10, 2023.

4. Names of managerial officers who received employee bonuses and details of distribution: The Company did not distribute any employee bonuses.

(4) An analysis on the ratios of the remuneration paid by the company and all companies included in the consolidated financial statement to the company's directors, independent directors, general manager, and vice general managers to the net income after tax in the parent company only or individual financial statements for the most recent two fiscal years, and a description of remuneration policies, standards and packages, processes of determining remuneration, and the relationship between remuneration and operational performance and future risks

1. The analysis of the ratios of the remuneration paid by the Company and all companies included in the consolidated financial statement to the Company's directors, independent directors, General Manager, and Vice General Managers to the net income after tax in the parent company only or individual financial statements

Unit: In Thousands of New Taiwan Dollars; %

Item	2022		2023	
	Amount	%	Amount	%
Director	9,268	0.24	15,609	0.67
General Manager and Deputy General Manager	67,722	1.77	77,853	3.37
Consolidated Net Income	3,830,982	100.00	2,310,777	100.00

In 2023, the remuneration of the Company's directors, General Manager, and Vice General Managers accounted for 4.04% of net income after tax, and 2.01% in 2022. The Company's independent directors only receive fixed remuneration and do not participate in the distribution of directors' profit-sharing compensation. The policies and standards for the remuneration of other directors, the General Manager, and Vice General Managers are stated in Paragraph 1, Article 34.1 of the Company's Articles of Association, "If the Company makes a profit in a year, 1% to 5% of the annual profit shall be

distributed to employees as profit sharing, and no more than 3% of the profit shall be distributed as directors' compensation... (omitted).".

The increase in the distribution ratio in 2023 was due to multiple factors, including personnel changes leading to a rise in the number of employees and adjustments to employee benefits and travel expenses in response to the rising commodity price. However, the distribution ratio was still reasonable.

2. Remuneration Policies, Standards and Packages, Processes of Determining Remuneration, and the Relationship between Remuneration and Operational Performance and Future Risks

(1) According to Article 34.1 of the Company's Articles of Association, directors' remuneration may be calculated as a percentage of the Company's annual profit within a limit of 3%, after taking into account the Company's operating results, the level of involvement of each director in the Company's operations, and their incidence of moral hazard events or other risk events that caused adverse effects to the Company's image and reputation, internal management failures, and personnel corruption. Additionally, consideration will be given to each director's achievement in the established objectives, profitability, operational efficiency, and value of their contributions. The percentage of profit to be paid as remuneration for each director will be reasonably determined upon an overall consideration of the factors above.

(2) In accordance with Article 34.1 of the Articles of Association, the Company may distribute to employees of no less than 1% to 5% of the annual profit as profit sharing. Compensation for managerial officers is executed in accordance with the Company's Payroll Management Policy, taking into reference the usual pay grade for the equivalent position in the industry, the scope of authority and responsibilities of the position within the Company, and the level of contribution to the Company's operational goals. The processes for performance evaluation and remuneration determination are conducted in accordance with the Company's Policy for Performance Evaluation of Directors and Managerial Officers. In addition to considering the Company's overall operational performance and future operational risks and development in the industry, an overall consideration will be given to the level of involvement for each of the directors and managerial officers in the Company's operations, and their incidence of moral hazard events or other risk events that caused adverse effects to the Company's image and reputation, internal management failures, and personnel corruption, as well as their achievement rate in the established objectives, profitability, operational efficiency, and value of their contributions, in order to reasonably determine the percentage of profit to be paid as remuneration for each of the directors and managerial officers. The Remuneration Committee and the Board of Directors will review the relevant performance evaluation and the reasonableness of the proposed remuneration. The Company's remuneration system will also be reviewed and adjusted according to business operations and applicable laws and regulations as appropriate to seek a balance between the Company's sustainable operations and risk management.

3. Linkage Between Our Incentive Schemes and Sustainable Performance:

To incentivize senior executives, outstanding key professionals, and all employees to enhance their work performance, we have combined our goals for sustainable development and our business objectives to achieve a win-win situation. After discussions by the Strategy Committee and the Remuneration Committee, our plan for linking rewards to sustainable performance is described as follows:

(1) Group General Manager (including certain members of the Board of Directors): 20% of the rewards and remuneration in total are linked to sustainable performance indicators

- (A) 2% for industry-academia collaboration to provide leading technology (C3) - Establish at least one advanced industry-academia collaboration.
- (B) 3% for high-performance work teams and talent bandwidth (E1) - Cultivate successors for more than 17 key positions through programs.
- (C) 5% for becoming a leading ESG sustainable company (I4) - Achieve five specific goals under the three aspects of ESG.

(D) 10% for implementing digital transformation (E3) - Implement five key indicators to improve resource input efficiency and quality in business operations.

(2) Senior executives: 13% of the rewards and remuneration in total are linked to sustainable performance indicators

(A) 3% for high-performance work teams and talent bandwidth (E1) - Cultivate successors for key positions through programs.

(B) 10% for implementing digital transformation (E3) - Implement digital transformation plans for the Company's business to improve resource input efficiency and quality in business operations.

(3) All employees: 6% of the rewards and remuneration in total are linked to sustainable performance indicators

(A) 3% for sustainability as one of the five core values for all Group employees.

(B) 3% for integrity and honesty as one of the five core values for all Group employees.

III. Corporate Governance Status

(1) Operations of the Board of Directors

1. The Board of Directors convened 6 times in the most recent year. The attendance/ of directors in the meetings were as follows:

Position	Name (or name of representative)	Name of the legal entity represented	Actual Attendance (B)	Attendance by Proxy	Required Attendances (A)	Actual Attendance Rate (%) (B/A)	Remarks
Chairman	Hwa-Tse Liang	Not applicable	6	0	6	100%	
Director	Inru Kuo	Not applicable	6	0	6	100%	
Director	Chien-Hua Teng	Not applicable	6	0	6	100%	
Director	Yann-Chiu Wang	Not applicable	6	0	6	100%	
Independent Director	Jr-Wen Huang	Not applicable	6	0	6	100%	
Independent Director	Chia-Jiun Cherng	Not applicable	6	0	6	100%	
Independent Director	Chien-Cheng Lin	Not applicable	6	0	6	100%	

2. Other matters to be noted

(1) For matters listed in Article 14-3 of the Securities and Exchange Act, as well as any agendas presented at board meetings that were voted against or abstained from the vote by independent directors which were recorded or stated in writing, please provide the date and session of the board meeting, the details of the agenda, the opinions of all independent directors, and describe how the Company managed the independent directors' opinions: Since the Company has already established an Audit Committee, this does not apply.

(2) Recusal by any director from an agenda due to conflict of interests; please describe the name of the director involved, details of the agenda, reason for recusal, and participation in voting procedures: None.

(3) Information on the evaluation cycle and duration, scope, method and content of the Board's self-(or peer) evaluation.

Evaluation Cycle	Evaluation Duration	Evaluation Scope	Evaluation Method
Once a year	January 01, 2023 to December 31, 2023	Board of Directors, individual directors, and functional committees	Board self-evaluation and individual director self-evaluation
Evaluation Content (A) Board of Directors Performance Evaluation: Including the level of involvement in corporate operations, decision-making quality of the Board of Directors, board composition and structure, election and continuing education of directors, internal control. (B) Individual Director Performance Evaluation: Including at least the realization of the Company's goals and missions, awareness of the duties of directors, level of involvement in the Company's operations, internal relations management and communication, professional expertise and continuing education for directors, internal control. (C) Performance Evaluation of Functional Committees: The level of involvement in Company operations, understanding of functional committee responsibilities, quality of functional committee decisions, composition and selection of functional committee members, internal control, and others.			
Evaluation Results The 2023 Board of Directors performance evaluation scored 4.91; the average score for individual director performance evaluation was 4.96. The results of the evaluation were all "excellent." The average score for the			

performance evaluation of the functional committees including Audit Committee, Remuneration Committee, Corporate Governance and Sustainable Development Committee, Nomination Committee, and Strategy Committee was 5. The results of the evaluation were all “excellent.” An analysis of the evaluation results indicated that the overall Board of Directors and the functional committees effectively supervised the performance and operations of the Company’s management team as required by law. The functions of the Board of Directors and the functional committees met our expectations. Additionally, feedbacks on the performance evaluation of the overall Board of Directors, individual director performance evaluations, and the performance evaluations of functional committees including Audit Committee, Remuneration Committee, Corporate Governance and Sustainable Development Committee, Nomination Committee, and Strategy Committee can be found in the Board and Functional Committee Performance Evaluation document in the ESG section under Corporate Governance on the Company’s website (<https://www.bizlinktech.com/zh-tw/esg/detail/25>).

(4) Training and Continuing Education of Directors and Independent Directors

Position	Name	Date onboarded	Date of first appointment	Date of training		Organized by	Course title	Course hours	Did the training meet the requirements? (Note 1)
				From	To				
Director	Hwa-Tse Liang	2021/07/05	2000/06/01	2023/01/12	2023/01/12	Taiwan Institute of Directors	Focus on Core Diversification	3	Yes
				2023/03/30	2023/03/30	Taiwan Corporate Governance Association	2023 How Should a Board of Directors Establish its ESG and Sustainability Governance Strategies?	3	
Director	Chien-Hua Teng	2021/07/05	2000/06/01	2023/02/22	2023/02/22	Taiwan Institute of Directors	3M: A Century of Innovation Driven by Technology	3	Yes
				2023/03/30	2023/03/30	Taiwan Corporate Governance Association	2023 How Should a Board of Directors Establish its ESG and Sustainability Governance Strategies?	3	
Director	Inru Kuo	2021/07/05	2000/06/01	2023/03/30	2023/03/30	Taiwan Corporate Governance Association	2023 How Should a Board of Directors Establish its ESG and Sustainability Governance Strategies?	3	Yes
				2023/09/13	2023/09/13	Greater China Financial and Economic Development Association	Domestic and International Economic and Industrial Trends and Corporate Response Strategies	3	
Director	Yann-Chiu Wang	2021/07/05	2021/07/05	2023/06/09	2023/06/09	Securities & Futures Institute	2023 Promotional Seminar for Prevention of Insider Trading	3	Yes
				2023/03/30	2023/03/30	Taiwan Corporate Governance Association	2023 How Should a Board of Directors Establish its ESG and Sustainability Governance Strategies?	3	
				2024/03/13	2024/03/13	Co-organized by the Greater China Financial and Economic Development Association and the Taiwan Listed Companies Association	New Thinking for Digital Transformation	3	
Independent Director	Jr-Wen Huang	2021/07/05	2010/06/17	2023/03/30	2023/03/30	Taiwan Corporate Governance Association	2023 How Should a Board of Directors Establish its ESG and Sustainability Governance Strategies?	3	Yes
				2023/07/04	2023/07/04	Global Views Monthly	2023 Cathay Sustainable Finance and Climate Change Summit	6	

				2023/08/03	2023/08/03	Securities & Futures Institute	Advanced Seminar for Directors, Supervisors (Including Independent Directors), and Corporate Governance Officer [Doing Good Business Through Kindness, Authenticity, Beauty, Social Welfare, Doing the Right Thing, and Doing It Well (ESG/SROI)]	3	
				2023/10/13	2023/10/13	Securities & Futures Institute	2023 Promotional Seminar for Prevention of Insider Trading	3	
				2024/01/25	2024/01/25	Securities & Futures Institute	Development Trends and Risk Management of Digital Technology and Artificial Intelligence	3	
Independent Director	Chia-Jiun Cherng	2021/07/05	2021/07/05	2023/03/30	2023/03/30	Taiwan Corporate Governance Association	2023 How Should a Board of Directors Establish its ESG and Sustainability Governance Strategies?	3	Yes
				2023/08/03	2023/08/03	Securities & Futures Institute	Advanced Seminar for Directors, Supervisors (Including Independent Directors), and Corporate Governance Officer [Doing Good Business Through Kindness, Authenticity, Beauty, Social Welfare, Doing the Right Thing, and Doing It Well (ESG/SROI)]	3	
				2023/09/07	2023/09/07	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulations	3	
				2023/09/22	2023/09/22	Taiwan Corporate Governance Association	Worldwide Key Trends in ESG for Winning The Future and Related Practical Cases	3	
				2023/09/22	2023/09/22	Taiwan Corporate Governance Association	Key to Enhancing Board Effectiveness	3	
				2023/11/06	2023/11/06	Deloitte Touche Tohmatsu Limited	Strategies For Individuals and Businesses to Weather The CFC Storm	3	
				2024/01/25	2024/01/25	Securities & Futures Institute	Development Trends and Risk Management of Digital Technology and Artificial Intelligence	3	
Independent Director	Chien-Cheng Lin	2022/06/23	2022/06/23	2023/03/30	2023/03/30	Taiwan Corporate Governance Association	2023 How Should a Board of Directors Establish its ESG and Sustainability Governance Strategies?	3	Yes
				2023/07/04	2023/07/04	Global Views Monthly	2023 Cathay Sustainable Finance and Climate Change Summit	6	

Note 1: This refers to the compliance of a director or supervisor with the requirements of the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies in terms of hours, scope, system, arrangement, and information disclosure of the continuing education received.

(5) Goals and performance of strengthening board functions in the current year and the most recent year

On August 10, 2018, the Company's Board of Directors resolved to establish the "Corporate Governance and Sustainable Development Committee" to assist the Board of Directors in its continuous efforts to promote corporate social responsibility and sustainable management practices.

(2) Operations of the Audit Committee

A total of 4 meetings of the Audit Committee were held in 2023. All audit committee members are independent directors. Their attendance was as follows:

Position	Name	Actual Attendance	Attendance by Proxy	Actual Attendance Rate	Remarks
Independent Director	Jr-Wen Huang	5	0	100%	
Independent Director	Chia-Jiun Cherng	5	0	100%	
Independent Director	Chien-Cheng Lin	5	0	100%	

Other matters to be noted:

1.If any of the following circumstances occur in the course of the operations of the Audit Committee, the date and session of the Audit Committee meeting, the details of the agenda involved, dissenting opinion or abstention or major suggestions made by any independent director, meeting resolutions of the Audit Committee, and how the Company managed the opinions of the Audit Committee shall be stated.

(1)Any matter described under Article 14-5 of the Securities and Exchange Act: None

(2)All agendas must be approved by at least half of the audit committee members before being submitted to the Board of Directors for resolution. There were no cases where the Audit Committee has not approved an agenda but has been approved by more than two-thirds of the Board of Directors. (The resolutions made by the Audit Committee on matters listed in Article 14-5 of the Securities Exchange Act are as follows)

Audit Committee Date, Session	Agenda Details	Opinion or Major Suggestion by Independent Director	Decision made by the Audit Committee
2023/3/30 5th Term at the 12th Meeting	Proposal for the distribution of profit for the fiscal year 2022, for discussion.	None	Approved by all committee members in attendance
	Assessment of the effectiveness of the internal control system for the fiscal year 2022 and issuance of the Internal Control System Statement, for discussion.	None	Approved by all committee members in attendance
	Proposal to add a new policy, the Group's Internal Audit Implementation Rules, for discussion.	None	Approved by all committee members in attendance
	Assessment of the auditors' competency and independence and their appointment, for discussion.	None	Approved by all committee members in attendance
	Proposal to establish a nomination committee for the company, for discussion.	None	Approved by all committee members in attendance
	Proposal to establish a strategy committee for the company, for discussion.	None	Approved by all committee members in attendance
	Proposal to revise the outlines and certain articles of the Company's Articles of Association, for discussion.	None	Approved by all committee members in attendance
	Proposal for the change in the position of the Company's head of the Finance Department, for discussion.	None	Approved by all committee members in attendance
	Proposal for the addition and change in the lending by the Company to its 100% directly and indirectly held subsidiaries, as well as between subsidiaries, for discussion.	None	Approved by all committee members in attendance
	Proposal for the renewal and increase of bank credit lines for the Company and its subsidiaries, and the authorization for the Company to provide guarantee for the credit lines of its subsidiaries, for discussion.	None	Approved by all committee members in attendance

2023/5/11 5th Term at the 13th Meeting	Proposal for the 2023 Q1 Consolidated Financial Statements, for discussion.	None	Approved by all committee members in attendance
	Proposal for issuing new shares through a capital increase by retained earnings for the year 2023, for discussion.	None	Approved by all committee members in attendance
	Proposal to revise the Corporate Governance Best Practice Principles, for discussion.	None	Approved by all committee members in attendance
	Proposal for capital expenditures for constructing a plant on self-owned land by BizLink International Corp., for discussion.	None	Approved by all committee members in attendance
	Proposal for the capital increase of a certain subsidiary, for discussion.	None	Approved by all committee members in attendance
	Proposal for the renewal and increase of bank credit lines for the Company and its subsidiaries, and the authorization for the Company to provide guarantee for the credit lines of its subsidiaries, for discussion.	None	Approved by all committee members in attendance
	Proposal for the addition of endorsements and guarantees by the Company to 100% directly held subsidiaries, for discussion.	None	Approved by all committee members in attendance
	Proposal to apply for account opening with correspondent banks, for discussion.	None	Approved by all committee members in attendance
	Proposal to amend the financing agreement for the syndicated loan, for discussion.	None	Approved by all committee members in attendance
2023/8/25 5th Term at the 14th Meeting	Proposal for the 2023 Q2 Consolidated Financial Statements, for discussion.	None	Approved by all committee members in attendance
	Proposal to revise the Procedures for Ethical Management and Code of Conduct, for discussion.	None	Approved by all committee members in attendance
	Proposal for the capital increase of a certain subsidiary, for discussion.	None	Approved by all committee members in attendance
	Proposal for the renewal and increase of bank credit lines for the Company and its subsidiaries, and the authorization for the Company to provide guarantee for the credit lines of its subsidiaries, for discussion.	None	Approved by all committee members in attendance
	Proposal for the addition in the lending by the Company to its 100% directly and indirectly held subsidiaries, as well as between subsidiaries, for discussion.	None	Approved by all committee members in attendance
	Proposal to apply for a syndicated loan, for discussion.	None	Approved by all committee members in attendance
	Proposal for the addition of endorsements and guarantees by 100% directly held subsidiaries to the Company, for discussion.	None	Approved by all committee members in attendance
2023/11/10 5th Term at the 15h Meeting	Proposal for the 2023 Q3 Consolidated Financial Statements, for discussion.	None	Approved by all committee members in attendance
	Proposal to revise the “Policy on Supervisory of Subsidiaries”, for discussion.	None	Approved by all committee members in attendance
	Proposal to amend the “Procedures for Handling Material Inside Information and Prevention of Insider Trading”, for discussion.	None	Approved by all committee members in attendance
	Proposal for restructuring the investment structure of the subsidiary EA Cable Assemblies (Hong Kong) Co., Ltd., for discussion.	None	Approved by all committee members in attendance
	Proposal to add a new policy, the “Communication Management Measures between the Audit Committee and the Internal Auditing Department”, for discussion.	None	Approved by all committee members in attendance
	Proposal to add a new policy, the “Implementation Details of Internal Control System and Internal Audit”, for discussion.	None	Approved by all committee members in attendance

2024/3/8 5th Term at the 16h Meeting	Proposal to formulate the 2024 annual audit plan, for discussion.	None	Approved by all committee members in attendance
	Proposal for renewing and authorizing increased credit lines from banks for the Company and its subsidiaries, for discussion.	None	Approved by all committee members in attendance
	Proposal for the lending by the Company to its 100% directly and indirectly held subsidiaries, as well as between subsidiaries, for discussion.	None	Approved by all committee members in attendance
	The Company's 2023 Annual Financial Statements and Business Report.	None	Approved by all committee members in attendance
	Proposal for the distribution of profit for the fiscal year 2023.	None	Approved by all committee members in attendance
	Assessment of the effectiveness of the internal control system in 2023 and issuance of the Internal Control System Statement.	None	Approved by all committee members in attendance
	Assessment of the auditors' competency and independence and their appointment.	None	Approved by all committee members in attendance
	Proposal to add a new policy, the "Strategy Committee Management Measures".	None	Approved by all committee members in attendance
	Proposal for the revision of the "Company's Procedures for Acquisition or Disposal of Assets".	None	Approved by all committee members in attendance

(2)In addition to those mentioned in the foregoing, other resolutions not approved by the Audit Committee but approved by more than two-thirds of all directors: None

2.Recusal of independent directors from conflict of interests: None.

3.Summary of previous communications between independent directors and the Chief Auditor Executive (CAE):

(1)The Company's Audit Committee consists of members of all the Company's independent directors. The reporting and communication to independent directors of the audits performed on important audit matters and audit outcomes of the Company and its local and foreign subsidiaries, will be made by the following two methods:

A.The CAE must communicate with the Audit Committee at least every quarter.

B.The CAE must regularly submit audit and follow-up reports to the Audit Committee for review.

(2)Effective communication was maintained between independent directors and the CAE. There were no special circumstances for internal audits in 2023. The main communication events for the most recent year (2023 to March 29, 2024) are summarized in the table below:

Date	Communication Method	Communication Recipients	Communication Items	Communication Outcome
2023/03/30	Audit Committee	Chief Audit Executive	2022 Q4 Internal Audit Report for the Company.	Acknowledged
	Audit Committee	Chief Audit Executive	Assessment of the effectiveness of internal control system for the year 2022 and the "Internal Control System Statement".	Acknowledged
2023/05/11	Audit Committee	Chief Audit Executive	2023 Q1 Internal Audit Report for the Company.	Acknowledged
2023/08/25	Audit Committee	Chief Audit Executive	2023 Q2 Internal Audit Report for the Company.	Acknowledged
2023/11/10	Audit Committee	Chief Audit Executive	2023 Q3 Internal Audit Report for the Company.	Acknowledged
2024/03/08	Audit Committee	Chief Audit Executive	2023 Q4 Internal Audit Report for the Company.	Acknowledged
	Audit Committee	Chief Audit Executive	Assessment of the effectiveness of internal control system for the year 2023 and the "Internal Control System Statement".	Acknowledged

4. Summary of previous communications between independent directors and the auditors:

The Company's Audit Committee consists of members of all the Company's independent directors. Auditors periodically present quarterly audit/review of important matters and the audit/review outcome of the Company and its local and foreign subsidiaries to the independent directors. Effective communication was maintained between the Company's Audit Committee and the auditors. The auditors attend the audit committee meetings at least once a quarter to report on the audit or review results of the financial statements for that quarter and other relevant statutory communication matters. In the event that any special condition arises, the auditors will also report to the audit committee members promptly. There were no special circumstances in 2023. The main communication matters for the most recent year (2023 to March 29, 2024) are summarized in the following table:

Date	Communication Method	Communication Recipients	Communication Items	Communication Outcome
2023/03/30	Audit Committee	CPAs	Communication of 2022 audit results to the governing body	Acknowledged
2023/05/11	Audit Committee	CPAs	Communication of 2023 Q1 review results to the governing body	Acknowledged
2023/08/25	Audit Committee	CPAs	Communication of 2023 Q2 audit results to the governing body	Acknowledged
2023/11/10	Audit Committee	CPAs	Communication of 2023 Q3 review results to the governing body	Acknowledged
2024/03/08	Audit Committee	CPAs	Communication of 2023 audit results to the governing body	Acknowledged

(3) Corporate Governance - Implementation Status and Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Evaluation Item	Implementation Status			Deviations from the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies", and the Reasons
	Y e s	N o	Description	
1. Does the company follow the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies to develop and disclose its corporate governance best practice principles?	✓		1. The Company has developed and disclosed its corporate governance best practice principles in compliance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies".	None
2. The Company's shareholding structure and shareholders' equity (1) Does the company have internal operating procedures to deal with shareholders' suggestions, doubts, disputes and litigation? If yes, have these procedures been implemented accordingly? (2) Does the company possess a list of major shareholders who actually control the company and the persons who have ultimate control over major shareholders? (3) Has the company built and implemented a risk management system and firewall mechanism between the	✓		2. (1) Following the Corporate Governance Best Practice Principles, the Company has established an internal spokesperson, acting spokesperson, and dedicated personnel, as well as provided investor hotline and email to handle shareholder suggestions, disputes, and other issues in accordance with the established procedures. (2) The Company has identified its major shareholders and their ultimate controlling parties, which are disclosed regularly as required by law. For a list of the relevant major shareholders, please refer to in this annual report Section IV Funding, Subsection 1 Capital and Shares, Subsection (4) List of Major Shareholders. (3) The Company has established appropriate risk control mechanisms and firewalls based on	None

company and its affiliates?		its internal policies including the Policy on Supervisory of Subsidiaries, the Regulations for Endorsement and Guarantee, the Regulations for Lending Funds to Others, and the Procedures for Acquisition or Disposal of Assets. Transactions with related parties are all conducted as if with independent third parties, and irregular transactions are prohibited. (4)The Company has established Procedures for “Handling Material Inside Information and Prevention of Insider Trading” to prohibit company insiders from buying and selling securities using non-public information in the market. The Procedures include a prohibition on directors from trading their shares during the closed period of thirty days before the announcement of the annual financial report and fifteen days before the announcement of a quarterly financial report. These requirements will be placed as an important reminder in the meeting notice to prevent insiders from violating the relevant restrictions. The Company provides training and education on the Management of the Prevention of Insider Trading and related laws and regulations for incumbent directors, supervisors, managerial officers, and employees at least once a year to disseminate promotional information on the prevention of insider trading given by the competent authorities (in written documents or emails). Relevant training and education are also arranged for any newly appointed directors, supervisors, and managerial officers within three months after they take office, as well as for any new employees during their orientation training. The Company promotes the prevention of insider trading to new employees at the start of their employment. The details include the provisions of the Procedures for Handling Material Inside Information and the Prevention of Insider Trading, the restrictions on insider trading, the individuals to which the Procedures above are applicable, and the liability for damages in case of violations. As annual promotional activities, the Company also produced e-learning courses and employees are required take such courses for the improvement of their compliance awareness. In 2023, a total of 820 hours of the courses were completed online, with a total of 1,092 people passed the qualification test. New training and education for all employees (including insiders) will be conducted annually to address any new or change in the regulatory requirements.	
3.Composition and duties of the Board of Directors (1)Has the Board of Directors established and implemented a diversity policy and specific management objectives?	✓	3.(1)In accordance with the Company's Corporate Governance Best Practice Principles, the composition of the Board of Directors should consider diversity, regardless of gender, race, and nationality. In addition to the knowledge, skills, and qualification necessary to perform	None

		their duties, the overall competencies of the Board of Directors should include: A. Operational Judgment. B. Accounting and Financial Analysis. C. Management Administration. D. Crisis Management. E. Industry Knowledge. F. International Market Perspective. G. Leadership. H. Diverse professional backgrounds, including decision-making ability. In actual practice, the current Board of Directors consists of 7 members, of which directors who are also an employee account for 28.6%; 1 female director, accounting for 14%; 3 are independent directors, accounting for 43%. 2 independent directors have a term of less than 3 years; 1 independent director has a term of more than 9 years. 3 directors are between 50 and 60 years old, and 4 directors are between 61 and 70 years old. All independent directors have met the requirements of the Securities and Futures Bureau of the Financial Supervisory Commission relating to independent directors. For relevant information regarding the directors' educational background, gender, professional qualifications, and work experience, as well as their diversity, please refer to the Subsection 4 Information about the Directors and Independent Directors and Subsection 5 Implementation Status of the Diversity in the Board of Directors. The Company emphasizes gender equality and supervisory independence in the composition of the Board of Directors. Two board diversity management goals are set: A. Having at least one female director seat; B. The number of directors who also hold positions at the Company or its parent, any of its subsidiaries or affiliates must be less than one-third of the board seats (i.e., under two people). Both goals were achieved for the year 2023, and the Company will continue implementing the board member diversity policy.	
(2) Besides the Remuneration Committee and the Audit Committee which are established as required by law, does the company voluntarily establish any other types of functional committees?		(2) On August 10, 2018, the Company's Board of Directors resolved to establish the Corporate Governance and Sustainable Development Committee to assist the Board of Directors in its continuous efforts to promote corporate social responsibility and implement sustainable management practices. This committee aims to strengthen the Company's corporate governance structure and its efforts in environmental protection and social responsibility. On March 30, 2023, the Company's Board of Directors resolved to establish the Strategy Committee to improve the Board's functions and decision-making efficiency. In addition, to further strengthen the Board's functions and management mechanisms, the Company established the Nomination Committee on March 30, 2023	
(3) Has the company established rules and methodology for evaluating the performance		(3) The Company has established the Rules and	

of its Board of Directors, implemented the performance evaluation on an annual basis, and submitted the results of performance evaluations to the Board of Directors and used them as reference in determining salary/ compensation for individual directors and their nomination and additional office terms? (4)Does the company regularly evaluate the independence of its auditors?		Evaluation for Performance Evaluation of the Board of Directors. The Board of Directors' performance is evaluated regularly at the end of each year, and the evaluation results are disclosed on the Company's website. The Company conducted the performance evaluation of the Board of Directors and functional committees for the fiscal year 2023 in early 2024 and reported the results to the Board of Directors on March 8, 2024. The results will be used as a reference for individual directors' compensation and nomination for re-election. (4) Following the Corporate Governance Best Practice Principles, the Company regularly evaluates the independence of its appointed auditors. Once a year, the Company refers to the Bulletin of Norm of Professional Ethics for Certified Public Accountants of the Republic of China No.10, Integrity, Objectivity and Independence to determine evaluation items and review the independence of the appointed auditors. At the same time, the Company also refers to the Audit Quality Indicators (AQIs) to evaluate the independence and suitability of the auditors at least once a year and discloses its evaluation procedures. On March 6, 2024, the auditors reported to the Audit Committee independently with the following content: A. Professionalism: (A) Audit experience; (B) Training hours; (C) Turnover rate; (D) Professional support. B. Quality Control: (A) Workload of accountants; (B) Audit input; (C) EQCR (Engagement Quality Control Review) review status; (D) Quality control support capabilities. C. Independence: (A) Non-audit service fees; (B) Client familiarity. D. Supervision: (A) External audit deficiencies and penalties; (B) Regulatory agency inspections and improvement recommendations. E. Innovation: Innovative planning and advocacy The Audit Committee uses the content of the above report to understand the professionalism and independence of the auditors and objectively evaluates them using various data compared with other auditors in the industry. By strengthening communication and discussions between the Audit Committee, auditors, and accounting firms, the Audit Committee can gain a deeper understanding of the audit quality of the auditors, thereby enhancing the transparency and credibility of financial information. Please visit our website for more information on the communication between the Audit Committee and the auditors.	
4.Does the TWSE/TPEX listed company have the adequate number of qualified corporate governance personnel and appoint the corporate governance officer to be in charge of corporate governance	✓	4.The BizLink Board of Directors resolved on November 10, 2023, to appoint Jia-Zheng Lin the Vice General Manager as the Company's Corporate Governance Officer, who has served as the head of corporate governance	None

affairs (including but not limited to providing information necessary for directors to perform their duties, assisting directors in complying with laws and regulations, handling matters related to board meetings and shareholders' meetings in accordance with the law, preparing minutes of board meetings and shareholders' meetings)?			departments in publicly traded companies for over ten years. Main responsibilities: (1)To handle all matters related to the Board of Directors meetings and shareholders meetings in accordance with the law. (2)To prepare the minutes of the Board of Directors meetings and the shareholders meetings. (3)To assist directors in taking office and receiving continuing education. (4)To provide directors with the information they need to perform their duties. (5)To assist directors in complying with laws and regulations. (6)To report to the Board of Directors the review results of the qualifications of independent directors at the time of nomination, election, and during their term of office as required by applicable laws and regulations. (7)To handle all matters related to changes in directors. (8)And other matters specified in the Company's Articles of Association or contracts. For details on the execution of these duties, please refer to the Company's website > Investor Relations > Corporate Governance. In 2023, the Corporate Governance Officer received 3 hours of training on corporate governance-related topics. For details on the training, please refer to the Company's website.	
5.Has the company established communication channels with stakeholders (including but not limited to shareholders, employees, customers, and suppliers) and set up a stakeholder section on the company's website to properly respond to important CSR issues of concern to stakeholders?	✓		5.The Company has set up the Stakeholder Engagement section on its website, as well as a spokesperson, a vice spokesperson, and an investor relations department. Contact information is also provided on the Market Observation Post System and the Company's website to respond to stakeholders' concerns about important corporate social responsibility issues.	None
6.Does the company appoint a professional shareholder services agent to handle the affairs of shareholders' meetings?	✓		6.The stock transfer agency at CTBC Bank is engaged by the Company for handling such affairs.	None
7.Information Disclosure (1)Does the company have a website to disclose financial and corporate governance information?	✓		7.(1)The Company has a dedicated website (http://www.bizlinktech.com) to disclose financial and corporate governance information. The Company also assigns individuals to be responsible for the disclosure of information on the Stock Exchange's Market Observation Post System and the Company's website.	None
(2)Does the company employ other means of information disclosure (e.g., establishing an English website, appointing a person to collect and disclose company information, implementing a spokesperson system, placing the investor conferences on the company's website)?	✓	✓	(2)The Company has dedicated personnel responsible for collecting and disclosing company information. Per regulations, a spokesperson and vice spokespersons are appointed to hold regular and irregular investor conferences. The Company regularly publishes operating and financial information in Chinese and English to enhance information transparency of the Company.	
(3)Does the company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its			(3)The Company's annual financial report, first, second, and third quarter financial reports, and monthly operating status are all published and filed within the statutory deadline.	

operating statements for each month before the specified deadlines?				
8.Does the company have any other important information that would be helpful in understanding its corporate governance operations (including but not limited to employee rights and interests, employee care, investor relations, supplier relations, stakeholder rights, continuing education for directors, implementation of risk management policies and risk measurement standards, implementation of customer policies, and the company's purchase of liability insurance for directors)?	✓		8.Employee rights and employee care: Please refer to Subsection 5 Labor Relations under Section V Operating Overview of this annual report. Investor relations, supplier relations, and stakeholder rights: The Company discloses information through the Market Observation Post System and the Company's website to provide investors with a complete understanding of the Company's business operations. It has established an Investor Relations Office to handle investor suggestions. It has set up the Stakeholder Engagement section on the Company's website to respond to important issues of concern to stakeholders. Training and Continuing Education of directors: Directors of the Company participate in professional training courses on finance, business, and other relevant knowledge as needed. For details on training, please refer to Subsection (4) Continuing Education of Directors and Independent Directors. Implementation of Risk Management Policies and Risk Measurement Standards: Internal policies were established as required by law to conduct risk management and assessments. Implementation of Customer Policies: The Company has established a Quality Assurance Department and a Customer Support Department to provide transparent and effective after-sales service and customer complaint handling for products and services. Liability Insurance for the Company's Directors: The Company has purchased liability insurance for all directors (Policy Number: JCS0504122/2023-120) with a coverage amount of USD 10 million and a policy period from April 20, 2023 to April 20, 2024. The liability insurance details, including the coverage amount, scope of coverage, and premium rates, were submitted to and approved by the Board of Directors on April 26, 2023.	None

9.Please describe the improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify any matters still awaiting improvement.

(1)The Company was ranked top 5% in the 9th Corporate Governance Evaluation in 2022. The results of the 10th Corporate Governance Evaluation for 2023 have not yet been released.

Items in the 9th Corporate Governance Evaluation Indicators that have been improved		
No.	Indicator Item	Improvement Method
2.27	Obtain certification of the Taiwan Intellectual Property Management System (TIPS) or a similar intellectual property management system	A professional consultant was commissioned to assist in the introduction of the TIPS system on January 3, 2022. The project was initiated on January 13, and the certification has been received. Certificate validity period: December 31, 2023.
Bonus	The company voluntarily	The Company passed the review of the Taiwan Corporate Governance

Question	participates in the evaluation and certification of other evaluation systems related to corporate governance.	Association on December 29, 2022, and obtained the CG6013 (2021) Standard Certification for Corporate Governance System. The certification validity period is from December 29, 2022 to December 28, 2024.
Planned improvement items for the 10th Corporate Governance Evaluation Indicators (results not yet released)		
No.	Indicator Item	Improvement Method
1.6	A shareholders meeting is held by the company before the end of May every year	The 2024 Shareholders Meeting is scheduled to be held on May 30, 2024
3.1	Has the company complied with the relevant regulations, such as the Procedures for Verification and Disclosure of Material Information for TWSE/TPEX Listed Companies and the Information Reporting Procedures, and not been fined for violation?	All departments should strictly follow the Procedures for Verification and Disclosure of Material Information for TWSE/TPEX Listed Companies and the Information Reporting Procedures and perform their duties as soon as reasonably possible. In the event of a change in the relevant responsible personnel, the supervisor of the personnel involved should take control of the situation and make arrangements or initiate a handover process for the relevant works to avoid neglecting any important tasks

(2) Items that have not yet been improved

Items that have not yet been improved in the 10th Corporate Governance Evaluation Indicators (results to be released)		
No.	Indicator Item	Statement
1.1	The company reports to the shareholders' meeting on the remuneration received by the directors, including the remuneration policy and the details and amount of individual remuneration.	The responsible department will evaluate the operating procedure and the timing of its execution
3.4	The company publishes its audited annual financial report within two months after the end of the fiscal year.	The responsible department will evaluate the operating procedure and the timing of its execution
3.13	The company voluntarily discloses the individual remuneration of directors and supervisors in its annual report.	The responsible department will evaluate the operating procedure and the timing of its execution
3.21	The company voluntarily discloses the individual remuneration of the General Manager and Vice General Managers in its annual report.	The responsible department will evaluate the operating procedure and the timing of its execution
4.22	Does the company invest resources to support domestic cultural development and disclose the methods and results of its support on its website, annual reports, or sustainability reports?	The responsible department will evaluate the operating procedure and the timing of its execution

(4) Composition, duties and operations of the Remuneration Committee

1. Information on Members of the Remuneration Committee

Criteria Title (Note 1) Name		Length of Service	Professional Qualifications and Experience	Independence Status (Note 1)	Number of Other Public Companies in Which the Individual is Concurrently Serving as a Member of the Remuneration Committee
Independent Director Convener	Jr-Wen Huang	21	Please refer to the content related to the directors' information on pages 15 to 20.	No instances as described in Note 1	2
Independent Director	Chia-Jiun Cherng	31	Please refer to the content related to the directors' information on pages 15 to 20.	No instances as described in Note 1	3
Independent Director	Chien-Cheng Lin	32	Please refer to the content related to the directors' information on pages 15 to 20.	No instances as described in Note 1	1

Note 1: Conformity with Independence

- (1) if the individual or his/her spouse or a relative within the second degree of kinship serve as a director, supervisor, or employee of the company or any of its affiliates;
- (2) the number and percentage of the company's shares held by the individual or his/her spouse or a relative within the second degree of kinship (or under the name of a third party);
- (3) if the individual holds any positions as a director, supervisor, or employee of any company that has a specific relationship to this company (refer to Subparagraphs 5 to 8, Paragraph 1, Article 6 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange);
- (4) the amount of compensation received for commercial, legal, financial, or accounting services provided to the company or its affiliates in the most recent 2 years.

2. Duties of the Remuneration Committee: The Company passed the establishment of the Remuneration Committee and promulgated the Remuneration Committee Charter at the Board meeting on December 15, 2011. The Remuneration Committee's responsibilities are to formulate and regularly review the policies, systems, standards, and structures for performance evaluation and remuneration of directors and managerial officers and to regularly evaluate and determine their remuneration.

3. Information on the Operations of the Remuneration Committee

- (1) The Company's Remuneration Committee comprises 3 members.
- (2) Term of office of current members: August 31, 2021 to July 4, 2024; the term of office of Member Chien-Cheng Lin is from June 23, 2022 to July 4, 2024.
- (3) In the most recent year, the Remuneration Committee convened on March 30, April 26, and November 10, 2023. The qualifications and attendance of the members are as follows:

Position	Name	Actual Attendance	Attendance by Proxy	Actual Attendance Rate (%)	Remarks
Convener	Jr-Wen Huang	3	0	100%	
Member	Chia-Jiun Cherng	3	0	100%	
Member	Chien-Cheng Lin	3	0	100%	

Other matters to be noted:

1. Remuneration Committee's recommendations that the Board of Directors did not adopt or otherwise made amendments: None
2. Remuneration Committee meeting agendas that had dissenting opinion or abstention by any of its members, which were recorded or stated in writing: None

(4) Agenda items and the results of decision by the Remuneration Committee for the most recent year and the Company's handling of member opinions:

Time	Agenda Details	Resolution	The Company's Responses to Remuneration Committee Opinions
March 30, 2023 2023 1st Remuneration Committee meeting	(A) Proposal for the profit-sharing compensation of directors for 2022. (B) Proposal for the distribution of profit-sharing compensation to employees for 2022. (C) Proposal for the change in the position of the Company's head of the Finance Department, for discussion. (D) Proposal for the change in managerial officers to meet the needs of the Group's business management and operations as well as to comply with Articles 22-2 and 25 of the Securities and Exchange Act.	Approved as proposed by all members in attendance	Brought forth to the Board of Directors meeting for discussion and was approved by all attending directors
April 26, 2023 2023 2nd Remuneration	(A) Proposal for the list of managerial officers for the cash capital increase by employee stock purchase for the year 2022.	Approved as proposed by all members in	Brought forth to the Board of Directors meeting for discussion and was

Committee meeting 薪酬委員會		attendance	approved by all attending directors
November 10, 2023 2023 3rd Remuneration Committee meeting	(A) Proposal to add a new policy, the Policy on the Board Member Succession Planning and Senior Executive Selection and Succession Planning.	Approved as proposed by all members in attendance	Brought forth to the Board of Directors meeting for discussion and was approved by all attending directors

(5) Information on the Members of the Nomination Committee and its Operations

1. Qualification Requirements and Responsibilities of the Nomination Committee:

(1) Qualification Requirements: The Committee comprises at least three directors recommended by the Board of Directors, with at least a majority of independent directors participating.

(2) Responsibilities:

- i. To establish standards for the diversity of background and independence required for board members and senior executives, including professional knowledge, skills, experience, and gender; and to use these standards to seek, evaluate, and nominate candidates for these positions. Senior executives are defined as group executives or above.
- ii. To construct and develop the organizational structure of the Board of Directors and functional committees, conduct performance evaluations of the Board of Directors, functional committees, individual directors, and senior executives, and evaluate the independence of independent directors.
- iii. To formulate and regularly review the continuing education of directors and succession plans for directors and senior executives.
- iv. To formulate the Company's Corporate Governance Best Practice Principles.

2. Professional Qualifications and Experience for the Members of the Nomination Committee, and its Operations:

(1) The Company's Nomination Committee consists of 5 members.

(2) Term of office of current members: May 11, 2023, to July 4, 2024. The Nomination Committee convened 2 times in the most recent year (from 2023 to March 29, 2024). The professional qualifications, experience, and attendance of the members, as well as the topics discussed, are as follows:

Title Name \ Criteria		Professional Qualifications and Experience	Actual Attendance	Attendance by Proxy	Actual Attendance Rate (%)	Remarks
Convener	Jr-Wen Huang	Please refer to the content related to the directors' information on pages 15 to 20.	2	0	100%	
Member	Hwa-Tse Liang	Please refer to the content related to the directors' information on pages 15 to 20.	2	0	100%	
Member	Chien-Hua Teng	Please refer to the content related to the directors' information on pages 15 to 20.	2	0	100%	
Member	Chia-Jiun Cherng	Please refer to the content related to the directors' information on	2	0	100%	

		pages 15 to 20.				
Member	Chien-Cheng Lin	Please refer to the content related to the directors' information on pages 15 to 20.	2	0	100%	

Other matters to be noted:

Time	Agenda Details	Matters recommended or had dissenting opinion by any Nomination Committee member	Resolution Results	The Company's Responses to Remuneration Committee Opinions
November 10, 2023 2023 1st Nomination Committee meeting	(A) Proposal to add a new policy, the "Procedures for Election of Directors", for discussion. (B) Proposal to add a new policy, the "Policy on the Board Member Succession Planning and Senior Executive Selection and Succession Planning", for discussion.	None	Approved as proposed by all members in attendance	Brought forth to the Board of Directors meeting for discussion and was approved by all attending directors
March 08, 2024 2024 1st Nomination Committee meeting	(A) Proposal for the list of candidates for directors (including independent directors) of the Company, for discussion.	None	Approved as proposed by all members in attendance	Brought forth to the Board of Directors meeting for discussion and was approved by all attending directors

(6) Promotion of sustainable development, deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons

Evaluation Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Y e s	N o	Description	
1. Does the company have a governance framework in place and a responsible unit working on a part-time or full-time basis to promote sustainable development, which are managed by top management authorized by the Board of Directors and supervised by	✓		1. On August 10, 2018, the Board of Directors resolved to establish the Corporate Governance and Sustainable Development Committee to strengthen the Company's governance structure for sustainable development. The Committee is convened by the General Manager Chien-Hua Teng and has two independent directors acting as members. It reviews the Company's core operational capabilities and formulates medium- and long-term sustainable development plans for the Company. (1) The Committee has an executive secretary who assists the Committee in promoting its works at the Global Sustainability Center (GSC). The Committee has established four functional groups in relation to sustainable development: Corporate Governance, Economy, Society, and Environment. The groups consist of members from the level 1 executives of the company departments, who perform risk assessments of the sustainability issues in accordance with materiality principle. The functional groups in relation to sustainable development meet quarterly and submit annual implementation plans and results to the Committee each year. (2) The Corporate Governance and Sustainable Development Committee regularly reports to the Board of Directors on the implementation results and future work plans. The Committee convened 3 times in 2023, on March 30, May 11, and November 10. The reports or proposals included:	No deviation existed

the Board of Directors?		A. The progress report on the implementation of the schedule planning for the first phase of greenhouse gas inventory and verification in the year. B. The outcome report on the implementation results of the annual internal performance evaluation for the Board of directors and functional committees. C. The recommendation report on the implementation results of the performance evaluation of the Board of Directors and functional committees by independent professional institutions. D. The outcome report on the evaluation results of the CG6013 (2021) Corporate Governance System Evaluation. E. The progress report on the implementation of the schedule planning for the second phase of greenhouse gas inventory and verification in the year. F. Proposal for the report on the implementation of sustainable development in 2022. G. The progress report on the implementation of the schedule planning for the fourth phase of greenhouse gas inventory and verification in the year. H. Annual report on the execution of risk management. I. Annual report on the implementation of the prevention of insider trading. J. Annual report on the implementation of ethical management. K. Annual report on the execution of the intellectual property management plan. L. To implement the sustainable development strategy, the Group has joined the United Nations Global Compact (UNGC) through its US headquarters, BizLink Technology Inc. Additional Explanation: For the progress report on the implementation of the schedule planning for the year's third phase of greenhouse gas inventory and verification, due to the Committee's consideration for meeting agenda and time factors, it will be submitted by the Sustainable Development Functional Group directly to the Board of Directors. (3)The Board of Directors supervision of sustainable development: All the above proposals were agreed upon by the Committee's attending members and submitted to the Board of Directors for report or review as planned. The Company's Board of directors regularly listens to the management team's reports (including ESG reports). The management team proposes company strategies to the Board, and the Board must judge the possibility of success of these strategies and review the principles for making adjustments or arrangements for the strategic direction as soon as possible based on the actual situation or the Company's future development plan.	
2.Does the company perform risk assessments on environmental, social and corporate governance issues related to the company's operation based on the materiality principle and develop relevant risk management policies or strategies?	✓	2.(1)This disclosure covers the Company's sustainability performance at its main locations from January to December 2023. The scope of risk assessment is based on the Company, including existing locations in Taiwan, mainland China, other parts of Asia, the Americas, and Europe based on their relevance to the core businesses and the extent of its impact on major topics. (2)The Sustainable Development Committee performs analyses according to the materiality principle stated in the Sustainability Report, communicates with internal and external stakeholders, and evaluates material ESG issues by reviewing domestic and foreign research reports and literature and integrating evaluation data from various departments and subsidiaries. It formulates effective risk management policies and specific action plans for identification, measurement, assessment, supervision, and control to reduce the impact of relevant risks. The risk management policies or strategies formulated based on the evaluation are detailed in Appendix 1 below.	No deviation existed
3.Environmental Issues	✓	3.All of the Company's plants and subsidiaries have established environmental management systems in accordance with ISO 14001 and have continuously passed third-party verification. The plants and subsidiaries also conduct greenhouse gas inventories annually in accordance with the ISO 14064-1	No deviation existed

(1) Does the company have an appropriate environmental management system developed based on its industry characteristics? (2) Is the company committed to improving energy efficiency and using renewable materials that have a low impact on the environment?		standards, track their emission reduction performance, and publicly disclose their results in the Sustainability Report and on the Company's website. (https://www.bizlinktech.com/zh-tw/esg/detail/11) (1) The Company mainly produces cables, connectors, solar connector devices, wires, and optical components. While implementing a high-quality management system and cultivating high-quality talents to promote the development of its plants as well as the society, the Company adheres to the principles of pollution prevention and continuous improvement to produce "green products" in order to fulfill its responsibility to the environment and improve its operational efficiency as well as to establish an appropriate environmental management system to implement its environmental responsibility. Relevant certifications include: A. ISO 14001 Environmental Management System: Information on certified plants is available on the official website at https://www.bizlinktech.com/zh-tw/about/manufacturing. Laying the foundation for continuous process improvement, reducing environmental hazards from energy conservation to climate protection and waste disposal, and moving towards long-term ecological balance. B. Microsoft-certified laboratories: OEM (ISO/IEC 17025) Laboratory and Lead and Hazardous Substances Detection Laboratory Certification. C. Environmental friendly plants: RoHS EU Restriction of Hazardous Substances Directive Certification and ISO45001 Occupational Health and Safety Environmental Friendly Factory Certification. Information on certified plants is available on the official website at https://www.bizlinktech.com/zh-tw/about/manufacturing. (2) The Company is committed to improving its energy efficiency. It implements energy-saving measures including regularly taking an inventory of and replacing LED lighting equipment, prioritizing the use of variable-frequency equipment, and turning off unused power. The total greenhouse gas emissions in 2023 reached 39,998 metric tons of CO₂e, a 18.6% decrease (9,133 metric tons of CO₂e) from the 49,131 metric tons of CO₂e emitted in 2022. The emission intensity is 0.80 metric tons of CO₂e/million NTD, an 12.8% decrease from 2022. The energy consumption intensity in 2023 increased by 17.09% from 2022, reaching 1.3 metric tons of CO₂e/million NTD. The total water consumption in 2023 was 508,116 cubic meters, and the water consumption intensity was 10.19 cubic meters per million New Taiwan dollars, both decreasing compared to 2022. In terms of green manufacturing, the Company reduces unnecessary resource waste, seeks to develop waste reduction and reuse technologies, work together to recycle and share packaging materials in the upstream and downstream activities of the value chain, and strive to test the use of recycled materials with low environmental impact on products to maximize the benefits of the circular economy. Circular value can be created through the recycling of process materials, development of waste reduction technologies, and design and sales of circular products. In addition, a waste management procedure was put in place, which classifies waste into three levels for treatment according to standard procedures. Local certified waste treatment facilities are engaged for waste removal or recycling. The impact of harmful substances in products on the environment is reduced. Environmentally friendly materials are also selected during product development to ensure that products meet 100% environmental requirements before being used (EPS (polystyrene) has been banned since 2015). Production plants comply with local laws and regulations to acquire environmental impact assessment reports and wastewater discharge permits when established. The plants develop halogen-free materials and produce products and processes that meet EU RoHS environmental protection requirements. The level of industrial pollution that may be caused during the production process is very low. For instance, the residual waste of ink solvents in cable printing and processing and the residual waste of chemicals used in stamping, molds, and injection molding machine maintenance all passed the QC080000 Hazardous Substance Process	
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(3)Does the company evaluate the potential risks and opportunities in climate change with regard to the business now and in the future, and take appropriate action to address them?	Management System certification, which is in line with the global trend of carbon reduction and environmental protection. (3)BizLink uses the Corporate Governance and Sustainable Development Committee as its governing body for climate change management. The Group's General Manager serves as the convener of the Committee, which reviews the Company's climate change strategies and goals, manages climate change risks and opportunities, reviews the implementation status, discusses future plans, and reports to the Board of directors. The Company evaluates the risks and opportunities of climate change to the Company following the TCFD recommendations issued by the Financial Stability Board. A complete evaluation is initiated every three years with annual review and updates. The Company has completed a climate risk assessment and identified the following risks from 22 climate risk items: Increased greenhouse gas emissions, rising average temperatures, increasingly stringent environmental regulations, and rising raw material costs. For information on the governance, strategies, risk management, indicators, and targets for climate-related risks and opportunities, please refer to the official website at https://www.bizlinktech.com/ under Corporate Governance => 2023 TCFD Framework 11 Disclosure Indicators. The Company has also identified feasible opportunities and developed countermeasures to reduce the risk of the above factors. Regarding the mitigation of climate change, the Company has developed projects in the aspects of the inventory of energy and resource use and source management, carbon information disclosure, and emission reduction measures. Regarding the adaptation of climate change, the Company has implemented measures such as strengthening infrastructure, building sustainable operations capabilities, and actively implementing energy conservation and emission reduction projects. The Company's sustainability report provides a detailed explanation of its risk and opportunity analysis in relation to climate change. Please visit the official website at https://www.bizlinktech.com/zh-tw/esg/detail/11 under the Message from the Management in the Corporate Sustainability Development section and download the report for further reference.																																			
	(4)Does the company take an inventory of its greenhouse gas emissions, water consumption, and total weight of waste in the last two years, and formulate policies on energy efficiency and carbon reduction, greenhouse gas reduction, water use reduction, or waste management? (4)According to the ISO 14064-1:2018 standard, the results of the inventory of greenhouse gas emissions in the past two years are as follows: <table><tr><th>Year</th><th colspan="2">2023</th><th colspan="2">2022</th></tr><tr><td rowspan="3">Total greenhouse gas emissions (metric tons)</td><td colspan="2">39,998</td><td colspan="2">49,131</td></tr><tr><td>Direct</td><td>Indirect</td><td>Direct</td><td>Indirect</td></tr><tr><td>2,400</td><td>37,598</td><td>2,808</td><td>46,323</td></tr><tr><td>Water consumption (cubic meters)</td><td colspan="2">508,116</td><td colspan="2"></td></tr><tr><td rowspan="3">Total waste weight (metric tons)</td><td colspan="2">7,291</td><td colspan="2">7,273</td></tr><tr><td>Hazardous</td><td>General</td><td>Hazardous</td><td>General</td></tr><tr><td>113</td><td>7,178</td><td>803</td><td>5,884</td></tr></table> * Emission data is disclosed in the Company's Sustainability Report. TÜV NORD Taiwan Co., Ltd., an independent third party, has assured the report following the AA1000 ASv3 Type 1 Moderate Assurance Level and GRI Standards. The independent assurance statement is attached to the report as an appendix. A.The Company reduces energy consumption and greenhouse gas emissions through operational management and development of process technology. Targets for greenhouse gas reduction: The target is to reduce the Group's total greenhouse gas emissions by 50% by 2030 compared to 2022. For climate-related information, please refer to Appendix 2 below.	Year	2023		2022		Total greenhouse gas emissions (metric tons)	39,998		49,131		Direct	Indirect	Direct	Indirect	2,400	37,598	2,808	46,323	Water consumption (cubic meters)	508,116				Total waste weight (metric tons)	7,291		7,273		Hazardous	General	Hazardous	General	113	7,178	803
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	Hazardous	General	Hazardous	General																																
	113	7,178	803	5,884																																

		B.The implementation plan is as follows: (A)Increase the use of clean energy, continue to expand solar power generation, implement energy-saving measures, and obtain carbon credits to offset carbon emissions. (B)Strengthen the recycling and treatment of hazardous waste: Recycle and treat recoverable hazardous waste (such as waste circuit boards and waste activated carbon) to reduce the consumption of virgin resources; prevent the leakage and discharge of hazardous waste into the environment, causing secondary pollution; and engage qualified facilities to handle and dispose of all hazardous waste according to its hazardous characteristics. Implement the Hazardous Waste Transfer Manifest System to ensure that the transfer process of hazardous waste is open and transparent, effectively supervised, and to improve the efficiency and safety of waste transfer. Reasonably plan the production process, strictly implement standardized production management, and formulate KPIs for control to reduce the use of energy and raw materials as well as the generation of waste from the source. (C)Improvement to production equipment: Effectively supervise production operations and manage material use by departments, eliminate material losses caused by unreasonable and erroneous operations, analyze the factors that may cause material waste and make improvements, and formulate defect rate indicators for each production department.	
4.Social Issues (1)Does the company establish its management policies and procedures in accordance with relevant regulations and the International Bill of Human Rights? (2)Has the company established and implemented reasonable employee welfare measures (include salary/ compensation, leaves, and other benefits), and are business	✓	4.(1)The Company complies with the laws and regulations of the countries and regions where it operates. It supports and respects relevant international standards, including the Tripartite Declaration of Principles of the International Labour Organization, the OECD Guidelines for Multinational Enterprises, the United Nations Global Compact, the United Nations Universal Declaration of Human Rights, and the Responsible Business Alliance (RBA) Code of Conduct. The Company has formulated an Employee Code of Conduct as its management policy and procedures. The Company has also formulated the Employee Complaint Management Measures which are published in the employee handbook to handle employee complaint incidents in accordance with the specified provisions. In principle, the complainant should make a complaint first to the immediate supervisor [of his/her section, department], which may be escalated level by level. However, in the event of any special circumstance, employees may also take the appropriate channels to file complaints. In addition, for the European locations, to comply with the local whistleblower system, the GAN integrity Inc. Whistleblower System (EU) is used to communicate with interested parties to ensure that all messages have a record of system login time, unmissed by their recipients and can be tracked, and are sent by the system to the appropriate department. The receiving department will respond within the specified time. On December 12, 2023, the BizLink Group joined the UN Global Compact with its US headquarters. Through the UNGC, an international organization, it will gain the latest trends and phased implementation results of the ten principles to continuously improve its actions in relation to sustainable development on human rights, labor, environment, anti-corruption, and more. It will let our stakeholders have more trust in our brand as well as support for the BizLink Group. (2)Formulate and implement reasonable employee welfare measures and appropriately reflect operating performance or results in employee salary/compensation. A. Employee compensation: In accordance with Article 34.1 of the Articles of Association, the Company may distribute to employees of no less than 1% to 5% of the annual profit as profit sharing. Compensation for managerial officers is executed in accordance with the Company's Payroll Management Policy, taking into reference the usual pay grade for the equivalent position in the industry, the scope of authority and responsibilities of the position within the Company, and the level of contribution to the Company's operational goals. B. Employee welfare measures: The Company provides cash gifts for birthday, holidays, and weddings, as well	No deviation existed

performance or results appropriately reflected in employee salary/compensation? (3)Does the company provide a safe and healthy work environment for its employees and conduct regular safety and health training for its employees?		as cash allowances for childbirth, funerals, and medical events including hospitalization. In addition, the Company offers health checks more frequently and with more test items than those as required by the basic requirements in order to take care of employees' health. The Company promotes diversified activities, regularly organizes various team-building activities and employee trips, and irregularly organizes club activities and knowledge seminars. The Company has launched an Employee Stock Ownership Trust Plan for employees who are eligible in accordance with the requirements stated in the Employee Stock Ownership Committee Charter. The Company and employees jointly set aside funds monthly and deposit them into a special trust account. This not only achieves the goal of retaining talents but also helps employees accumulate wealth and plan for their future retirement. C. Workplace diversity and equality: The Company attaches great importance to the implementation of gender equality. The Human Resource Management Policy will treat all employees equally. There will be no discrimination against any employee in recruitment, job promotion, salary or employment termination due to his/her gender. The Company also cares for disadvantaged groups, ensures equal opportunities in promotions, provides a reasonable salary/compensation and bonus system, realizes the same pay for equal work between men and women and equal opportunities in promotions, and maintains more than 30% of female management positions. With these measures, the Company aims to promote an economic growth that is sustainable and inclusive. The percentage of female employees in 2023 was about 52%, similar to the 51% in 2022; the percentage of female managers in 2023 was about 36%, which was higher than the 35% in 2022, maintaining a stable proportion. The Company is committed to taking care of the work rights of its female employees. Female employees are entitled to menstrual leaves and enjoy a comfortable breastfeeding room environment at the Company. Indirect employees who need childcare may also be applicable for the system of flexible working hours. In addition, to comply with new laws and regulations, the Company provides seven days of prenatal and paternity leaves. Also, it has a smooth and open application channel for unpaid parental leave. Employees can apply according to their circumstances and be successfully reinstated after leave. D. Operating performance reflected in employee compensation: Employee compensation is determined mainly based on the market remuneration standards, business performance, and overall economic conditions, with the consideration of the Company's competitiveness and appropriate reflection of the Company's operating performance or results. In addition to the factors above, the Company also takes into account of internal fairness and legality to establish a competitive salary system. Performance bonuses are awarded based on the Company's operating performance and the evaluation of individual employee performance to reward their contribution and encourage employees to continue with their efforts. (3)The Company aims to provide a safe, healthy, and comfortable working environment for its employees. It promotes health and safety management, enabling employees to develop correct awareness in maintaining a healthy body and mind. Taking disaster prevention as its core concept, it integrates occupational safety and health issues within the plants with the use of appropriate management tools, mature technologies, and usable resources, propose effective countermeasures, continuously improve the promotion of occupational safety culture, strengthen the protection management of operators, and invest resources to improve the prevention of occupational diseases. All these are to create a zero-disaster environment. A.Measures for employees' safe and healthy working environment, employee education policies, and their implementation. (A) The disabling injury frequency rate in 2023 was 0.23, a decrease of 28% from 0.32 in 2022, surpassing the goal for a 10% reduction in the annual incident rate reduction target to 0.29. In the future, the Company will continue to strive for zero	
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occupational accidents by implementing self-inspection and multi-level supervisor inspection systems, safety interlock components and protective cover inspection, and initiating supervisors to conduct on-site operation observation and guidance with care and constant attention to the physical and mental state of employees, thereby ensuring the safety of employees at work.

Year	2023	2022
Working hour loss (hours)	12,097	18,319
Labor hour loss (USD)	US\$76,568	US\$222,211
Percentage change from the previous year	-66%	-

(B)The Company has established a group audit procedure which is strictly implemented according to the established annual audit plan. The audit results are reported by the highest-ranking executive of the Global Sustainability Center at the CEO Meeting on the audit recommendations for improvement and the specific improvement measures which are made available for the follow-up and improvement by the relevant departments of plant supervisors until the case is closed.

(C)Labor work environment monitoring: To protect workers from the hazards of harmful substances in the workplace and provide workers with a healthy and comfortable working environment, the Company's Taiwan office performs occupational environment monitoring twice a year in order to understand the actual exposure of employees. The current test values all met national regulatory requirements. In the future, the Company will continue to monitor and perform follow-up.

(D)Occupational safety and health inspection: The Company's Global Sustainability Center conducts two on-site or video audits each year for existing locations in Taiwan, mainland China, other parts of Asia, the Americas, and Europe and tracks them until they are closed.

(E)Implementation of employee safety and health education in Taiwan

Year	2023	2022	2021
Number of people	76	39	249
Man-hour	228	117	747

B. The status of relevant certifications obtained by the Company (valid as of the date of publication of the annual report) and their scope.

The Company's plants have obtained ISO 45001 certification. For the latest information, please visit the official website: <https://www.bizlinktech.com/zh-tw/about/manufacturing>.

(A)The validity period of ISO 45001:2018 certificate for BizConn International Corp. at Guangdong, China: December 08, 2023 to November 6, 2026.

(B)The validity period of ISO 45001:2018 certificate for BizLink (Kunshan) at Jiangsu, China: November 29, 2022 to December 22, 2025.

(4) Does the company have an effective professional competency development training program for employees?		(C) The validity period of ISO 45001:2018 certificate for Optiworks at Jiangsu, China: February 06, 2023 to January 05, 2026. (D) The validity period of ISO 45001:2018 certificate for BizLink Electronics at Xiamen, China: May 17, 2022 to June 29, 2025. (E) The validity period of ISO 45001:2018 certificate for BizLink at Penang, Malaysia: December 28, 2022 to December 27, 2025. (F) The validity period of ISO 45001:2018 certificate for BizLink at Prokuplje, Serbia: October 15, 2021 to October 14, 2024. C. Number of occupational accidents, number of people involved and its percentage to the total number of employees, and relevant improvement measures for occupational accidents of employees in the current year. (A) Number of occupational accidents of employees in the current year: 41 cases of minor injuries. (B) Number of employees involved with occupational accidents in the current year: 41 people. (C) The number of employees involved with occupational accidents in the current year / total number of employees * 100% = 0.28%. (D) Improvement measures: The analysis found that hand injuries were many common, mostly caused by machine operations such as winding and unwinding. In response, the Company actively modified the machines and installed fool-proof mechanisms. The accident rate was reduced effectively as a result. In addition, considering that long-term noise exposure may cause irreversible hearing damage, the Company has promoted the measure of wearing earplugs when working in a 75-decibel environment, which offers a more favorable condition than the current regulations. D. Number of fires, casualties, and their percentages to the total number of employees in the current year, and improvement measures for fire accidents. (A) Number of fires in the current year: Zero. (B) Number of casualties from fires in the current year: Zero. (C) The number of casualties from fires in the current year as a percentage of total number of employees: 0%. (D) Related improvement measures for fires: a. Regularly conduct fire evacuation drills. For example, details on the fire evacuation drills in Taiwan: (a) The Taipei office conducted on-site drills for escape routes and fire extinguisher use on May 5 and December 8, 2023. (b) The Tainan Sampo plant conducted on-site drills for escape routes and fire extinguisher use on May 18 and December 20, 2023. b. If there is any renovation or reconstruction of office buildings or plants: It is mandatory to use fireproof materials for decoration and construction as required by law and pass the fire safety inspection requirements. c. Regularly inspect firefighting equipment and escape routes to facilitate evacuation and escape in the event of any emergency. (4) The Company is committed to its employees' career development. The Company cooperate with internationally renowned consulting companies such as DDI, FranklinCovey, and Error Free to provide a variety of training programs. These programs cover a range of functional and general management trainings, including DDI management competency assessment, senior talent pool development plan, mid-level supervisor leadership enhancement, junior supervisor management knowledge training, OKR introduction, error-free concept, coaching skills, project management, quality management, research and development/engineering, manufacturing management, human resources management, regulatory compliance, ESG overview, insurance coverage, business marketing, financial management, and supply chain management. For the training of new employees, the Company offers an orientation program led by HR specialists, aimed at helping newcomers quickly adapt to the company environment and understand the corporate culture. At the same time, each department will also plan basic training courses for its new employees to help them learn the relevant job knowledge.	
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(5)Do the company's products and services comply with relevant laws and international standards in relation to customer health and safety, customer privacy, marketing, and labeling, and are relevant policies on consumer protection or customer rights protection and complaint procedure implemented? (6)Does the company have a supplier management policy that requires suppliers to follow relevant requirements on issues related to environmental		Moreover, the Company continues to conduct on-the-job training, including internal training courses planned by the Company and departments and external training courses organized by external management consulting firms or training institutions. Regarding management training, the Company cooperates with DDI, an American consulting firm, to conduct leadership assessment and development programs, aiming to cultivate leadership skills. The Company provides a wealth of learning resources through the online learning (e-learning) platform, allowing our colleagues to learn anytime, anywhere. The content includes functional courses, English proficiency enhancement, legal compliance online learning (e-Compliance) platform to ensure that our colleagues can continue learning and to provide opportunities for their growth and development. The Company also integrates these learning opportunities into our ESG report, demonstrating the Company's effective support for employees' career competency development. Overall, the Company's training programs cover every aspect and function, aiming to enhance employees' professional skills, leadership, and overall career development. In 2023, the total training hours for the Group's employees reached 181,648 hours, averaging 11.3 hours per person, compared to 177,017 hours in 2022, with an average of 11.1 hours per person. (5)The Company regards customers as our business partners. Creating for a win-win situation is our mission and goal. So, honesty, integrity, and customer orientation are the core values of the Company. For the marketing and labeling of our products and services, the Company has established the Sustainable Development Best Practice Principles and follows relevant regulations and international standards. The Company has established a Customer Service Department responsible for handling customer complaints and conducting annual customer satisfaction surveys. The 2023 customer satisfaction survey results showed an overall customer satisfaction average score of 93% (with a total score of 100%), compared to an overall customer satisfaction average score of 97% in 2022. All suggestions and feedback will serve as a basis for our continuous improvement. (6)Establishing supplier management policies A.Standards for supplier evaluation and investigation To jointly enhance social responsibility performance with our suppliers, a supplier must submit relevant environmental documents and proof of its compliance with RoHS as specified in the Vendor Commitment Letter on Corporate Social Responsibility before the collaboration with the supplier can be initiated. Additionally, the audit tools published by the Responsible Business Alliance (RBA) will be used to review and evaluate sustainable suppliers. In all the Company's suppliers who have been audited, there was no supplier that presented significant actual or potential negative impacts on the environment, human rights, and labor practices. An investigation on the supplier's past performance in relation to environment and social impact will also be conducted according to the following evaluation criteria: (A)Whether the supplier has established criteria for its techniques and quality in relation to its raw materials, as well as the acceptance methods. (B)Whether the supplier perform audits on the quality system of its raw material suppliers. (C)Whether the supplier has records of placing orders with qualified suppliers for each batch of purchases. (D)Whether the supplier tracks its purchasing process. (E)Whether the supplier's material packaging bears environmental protection markings. (F)Whether the supplier signs an environmental protection agreement with its raw material suppliers.	
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protection, occupational safety and health, or labor human rights? If so, describe its implementation status.		(G)Whether the supplier has records of violating environmental protection and social responsibilities. (H)Where the supplier is found to be in violation of any of the following policies and has a significant impact on the environment and society, the Company may terminate or cancel its contract with such supplier at any time. The specific terms are as follows: a. According to the Raw Material Procurement Contract, it is agreed with the supplier on environmental protection standards, termination conditions, and accompanying provisions for compensation in the event of a breach of contract. These include that the supplier's business practices should consider labor health and safety, environmental friendliness, lawful operation, ethical standards, compliance with RBA standards, and prohibition of using conflict minerals. b. According to the Vendor Commitment Letter on Corporate Social Responsibility, it is specifically agreed that that the supplier must adhere to regulatory requirements, labor standards, health and safety standards, environmental standards, and ethical standards and not use conflict minerals. It also clearly defines the liabilities of the supplier in the event of its violation, including the Company's right to refuse transactions or terminate collaboration. B.The Company requires contractors to establish a comprehensive occupational safety and health management system, for example, in the Taipei office and the Tainan Sampo plant in Taiwan. This system includes the provision of occupational safety professionals and regular meetings. Our colleagues from the Global Sustainability Center regularly participate in contractor coordination organization meetings (weekly /monthly), where any necessary coordination and safety and health works can be discussed, and consensus reached during the meetings. The BizLink Group also imposes strict requirements on its suppliers, demanding the signing of sustainable supplier terms. The Quality Assurance Department performs audits on suppliers and promptly reports any significant incidents to the Global Sustainability Center. Moreover, the BizLink Group holds a supplier conference every year, for example: On December 28, 2023, in Shenzhen, China, BizLink Group announced its new expectations for supplier management and commended suppliers who have performed excellently and met the regulatory requirements.	
5.Does the Company refer to the international standards or guidelines for the preparation of sustainability reports and other reports that disclose non-financial information? Does the company obtain third party assurance or certification for the reports above?	✓	5.In 2017, the Company began to prepare its Corporate Sustainability Report according to the GRI Standards. All the reports prepared since 2018 have obtained third party assurance and certification, presenting the Company's performance in sustainable development to the public and stakeholders. To download the annual reports and browse related information, please visit at https://www.bizlinktech.com/zh-tw/esg/detail/11.	No deviation existed

6. Describe the differences between actual practice and its established sustainable development principles, if the company has formulated such principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies:

The Company insists on integrity as the foundation, and sustainable development has already been integrated into the operational strategy and the daily operational activities of our management systems and departments. In February 2014, the Board of Directors passed the Corporate Social Responsibility Code of Conduct, which was renamed in March 2022 as the Sustainable Development Best Practice Principles (SDBPP). This serves as the guiding principle for the Company's long-term promotion of corporate social responsibility and is a concrete practice of its commitments to society. The Company regularly reviews and improves its implementation according to the SDBPP. There was no deviation from the SDBPP since its implementation.

7. Other important information that would help facilitate a better understanding of the Company's implementation of sustainable development:

A. Employee rights and employee care: Please refer to the Labor Relations subsection under the Operating Overview section of this annual report.

B. Rights of stakeholders: The Company maintains open communication channels with its banks, employees, consumers, and suppliers, respecting and upholding their legitimate rights and interests. Additionally, the Company has established a spokesman and acting spokesman system, as well as agents for litigious and non-litigious matters, to truthfully disclose the Company's information as required by law and provide our stakeholders with more financial transparency. Also, the Company has established the Stakeholders Transaction Management Measures and the Supervision and Management Procedures for Subsidiaries, with transactions between related enterprises being conducted in accordance with these guidelines.

C. Environmental protection: In addition to aligning with global design and manufacturing trends, responding to RoHS, customer HSF, and the Company's HSF requirements to ensure our products meet international regulations and customer demands, the Company also adheres to the Waste Disposal Act, Water Pollution Control Act, Air Pollution Control Act, and other rules to execute pollution control and maintain environmental quality.

D. Community engagement, social contribution, social service, and social welfare: In 2023, BizLink's global charitable donations totaled NT\$19,176,088. In the future, the Company will continue to adopt a positive attitude and actively participate in social care activities, spreading our love to every corner of the world and thus fulfilling our mission as corporate citizens.

(A) National Yang Ming Chiao Tung University Advanced Rocket Research Center (ARRC) Rocket Development Project Plan

Supporting aerospace technology research and development and talent cultivation, BizLink has sponsored the Advanced Rocket Research Center (ARRC) since 2016, which is led by Professor Jong-Shinn Wu from National Yang Ming Chiao Tung University. The ARRC comprises students from the Department of Mechanical Engineering at National Yang Ming Chiao Tung University, the Department of Electrical Engineering at Taipei University of Technology, and the Department of Engineering Science at National Cheng Kung University. On July 10, 2022, ARRC successfully launched the world's first hybrid rocket capable of active guidance, navigation, and control (GNC), marking a historic milestone in Taiwan's rockets development! In 2023, BizLink continued to sponsor the R&D project with a budget of NT\$3,000,000, deepening the collaboration between the two parties and providing technical and R&D support to assist in rocket harness development and expand our technology into rocket manufacturing. The samples also passed the initial tensile tests and other reliability tests. Now we are actively discussing subsequent collaboration models and exchangeable technologies to support Taiwan's self-made small satellite carriers. In the future, we will continue to focus on the development of aerospace technology in Taiwan, providing professional assistance such as signal transmission.

(B) Bridging the gap in educational resources between urban and rural areas, in collaboration with the Lovely Taiwan Foundation, to promote the Blue-Sky Classroom program.

BizLink Group collaborates with the Lovely Taiwan Foundation, with a three-year term, donating NT\$2,000,000 each year to jointly promote the "Blue-Sky Classroom" program. This program currently sponsors a total of 11 "non-rural and non-urban" elementary schools located in the areas of Miaoli, Nantou, New Taipei City, and Tainan. The so-called "non-rural and non-urban" schools refers to schools that are not located in mountainous areas but also not within the metropolitan regions. Because these schools are not located in areas that fall under the government's definition of rural areas, it can be quite challenging for these schools to receive relevant subsidies despite the lack of resources. The outside world has overlooked these schools for a long time, and they are relatively disadvantaged schools. Funded by BizLink, instructors from the Cloud Gate Dance Theatre were arranged by the Lovely Taiwan Foundation to bring their performance courses to the adopted schools under the Blue-Sky Classroom program. Through martial arts and music rhythm, it allows children to understand their bodies. Through physical learning, it further cultivates children's creativity and communication skills. These kinds of rhythm classes, if inviting famous dance studio teachers to teach, usually cost a fortune. For schools and parents with scarce resources, it might be difficult to afford. BizLink hopes that with the Blue-Sky Classroom program, it can balance the educational resource gap between urban and rural areas.

(C) Rehabilitating Taiwan's forests

Since 1990, Taiwan has wholly banned logging its natural forests for more than 30 years. The forest coverage rate exceeds 60%, but Taiwan faces the dilemma of having a timber self-sufficiency rate of less than 1%. BizLink and the

National Taiwan University (NTU) Experimental Forest have partnered on a forest restoration project in the Shuili area of Nantou County, Taiwan. The project involves planting 3,000 saplings on 2 hectares of land with a planting density that is suitable for tree growth of 1,500 trees per hectare. It is estimated that the trees will absorb approximately 500 tons of carbon dioxide over the next 20 years, equivalent to the total carbon emissions of BizLink's Taipei branch office in 40 years. The first priority of this afforestation project is to maintain the local ecosystem. It will first plant large tree species with strong carbon absorption capabilities, such as Taiwan cypress, acacia, and Taiwan camphorwood. With BizLink providing funding for the afforestation, the NTU Experimental Forest will contribute its professional technical support in seedling cultivation, afforestation, and forest management. In addition to maximizing the effect of forest restoration, the planted camphorwood trees will also be an excellent building material once the afforestation is complete. They are suitable for uses in furniture and decoration, and have huge economic benefits with their hardness, durability, and high resistance to termites. This will help promote the use of domestically produced timber in Taiwan.

(D)Fostering arts and culture

The Contemporary Legend Theatre was established in 1986 by Hsing-Kuo Wu, a national treasure performer of Peking opera. It is the only artistic group from Taiwan that has participated in the world's three major arts festivals. In 2023, the Company sponsored NT\$1 million to the Contemporary Legend Cultural and Arts Foundation, a corporate entity in New Taipei City, for the renovation of the Banqiao Broadcasting Station which is a designated historic site in New Taipei City, to be used as the theater house of the Contemporary Legend Theatre. Banqiao Broadcasting Station is the first historic site in New Taipei City to participate in an Operate-Transfer (OT) project. In the future, it will integrate technology with performing arts across disciplines, becoming a broadcasting base for digital technology and performing arts. It aims to create the country's first theater that combines technology, digital interaction, and artistic performance. Beyond its theatrical functions, it also incorporates literature, aesthetics, family activities, all-age wellness, and dining services, hoping to create a new highlight for revitalizing and reusing historic sites. Not only does it bring theater arts into the lives of the public, but it also provides a diverse range of functions, such as talent cultivation for children and teenagers and recreational experiences for visitors and residents. Since its trial operation in April 2023 and its official opening in August, the Banqiao Broadcasting Station has hosted 69 performances and other art-related events, and received nearly 8,000 visitors in total.

(E)Support for sports activities

BizLink's philanthropic efforts span various fields. It sponsored the 14th National Games, which were held by the Tainan City Government from October 21 to October 26, 2023. Held every two years, the National Games is the largest and most prestigious comprehensive sports event in Taiwan, featuring competitions in the same categories as the Asian Games and the Olympic Games. This year's National Games brought together tens of thousands of athletes from all counties and cities. The 35 sports competitions awarded 399 gold medals, 397 silver medals, and 485 bronze medals. Among them, 28 athletes in 10 competitions broke the national records, and 83 athletes in 32 competitions broke the game's records.

(F)Continuously focusing on child welfare, engaging in community service, and supporting charitable organizations Love knows no borders. With a focus on child welfare and medical care as its primary concern, the Company continuously provides support to nonprofit organizations such as UNICEF, World Vision, Doctors Without Borders, S.G. Komen Breast Cancer Foundation, UCSF Children's Hospital, Smile Train (a charity providing support for children with cleft lips and palates), Children's Hospital Oakland, Tzu Chi Foundation, Alameda County Community Food Bank in California, USA, and African American Community Service Agency. The total donation amount in 2023 was USD 50,000.

(G)Aiding Turkey and Syria

On February 6, 2023, an earthquake of magnitude 7.8 struck the border region between Turkey and Syria, causing severe casualties and damage locally. BizLink donated 200,000 euros for disaster relief efforts from Industrial Solutions Business Group (INBG) based in Europe.

E.Consumer rights: Understanding customer satisfaction while ensuring the favor of existing and potential customers enhances the Company's competitiveness with proactive, rapid, and effective service quality.

F.Human rights: The Company's employees, regardless of gender, religion, or political affiliation, are equal in employment opportunities and are provided with a good working environment to ensure they are free from discrimination and harassment.

G.Safety and health: The Company performs safety and health activities as required by the government's labor safety and health regulations. The details are described in our Occupational Safety and Health Work Guidelines.

H.Associations and organizations: The Company actively participates in any relevant associations, organizations, and symposiums, sharing the Company's experiences and exchanging ideas with excellent peers in the industry. The

Company aims to enhance the industry's competitiveness jointly and contribute to society.

Appendix 1 Identified Risks and Risk Management Policies or Strategies Related to Significant Environmental, Social, and Governance (ESG) Issues

Identified Risks and Risk Management Policies or Strategies Related to Significant Environmental, Social, and Governance (ESG) Issues		
Significant Issues	Risk Assessment Item	Statement
Environment	Environmental impact and management	1. The Company effectively reduces its pollution emissions and impacts on the environment by implementing process safety management and a systematic management cycle. 2. The Company primarily targets the European and American markets, which require products to comply with environmental regulations, including: (1) ISO 14001 Environmental Management System: Certified sites include Xiang Yao Electronics /Kanglian/Tong Ying in Shenzhen, BizLink (Kunshan), Optiworks, BizLink Electronics, and Malaysia plants, from energy-saving measures to climate protection and waste removal. Laying the foundation for continuous process improvement, reducing environmental hazards, and moving toward long-term ecological balance. (2)Microsoft-certified laboratories: OEM (ISO/IEC 17025) Laboratory and Lead and Hazardous Substances Detection Laboratory Certification. (3)Environmentally friendly plants: We have obtained the RoHS EU Restriction of Hazardous Substances Directive certification and ISO 45001 Occupational Health and Safety Environmental Friendly Factory certification. We carry out energy and resource conservation, green processes, pollution generation, treatment and disposal in our plant operations. We also use environmentally-friendly design for our new plants, and share and promote green experience and practices with the industry, as well as exchange other environmental protection and sustainable innovation concepts. 3. In response to the increasingly severe impacts of global climate change, the Company adopted the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and gradually integrated them into the corporate decision-making processes, identifying climate change-related risks and opportunities, implementing adaptation and mitigation of greenhouse gases, and disclosing to internal and external stakeholders the risks and opportunities climate change poses to the Group's operations. 4. Based on ISO 14064-1:2018, the Company regularly reviews its greenhouse gas emissions to assess their impact on the Company's operations. According to the carbon audit results, the Company continues to implement carbon reduction measures, effectively reducing the risk of direct emissions from the combustion of natural gas and fuels (Scope 1) and the indirect emissions of greenhouse gases from using electricity (Scope 2).
	Occupational safety	1. In 2023, the Company's plants obtained the ISO 45001 Occupational Health and Safety Management System certification from an external third-party certification body. To obtain relevant information, visit the official website at https://www.bizlinktech.com/zh-tw/about/manufacturing. 2. Annual fire evacuation drills, CPR, AED training, and occupational safety and health educational training are regularly held to cultivate employees' emergency response and personal safety management capabilities.
Society	Product safety	1. All products of the Company comply with government laws and regulations, meet the EU RoHS standards, and contain no hazardous substances. At the same time, a customer service hotline and a communication website have been established to ensure the quality of customer service. Annual proactive customer service satisfaction surveys are conducted to strengthen the customer cooperative relationship. 2. To transfer product liability risk, reduce property damage, and enhance product safety, the Company has insured product liability insurance with a liability coverage of USD 10 million. (Per occurrence combined single limit/annual total, policy number: 70-112-08661540-00009-CGL)

Corporate governance	Compliance with laws and regulations	1. By establishing a governance organization and implementing internal control mechanisms, the Company ensures that all personnel and operations strictly comply with relevant legal regulations. 2. Patents are applied for all products developed by the Company to protect the Company's rights.
	Strengthening the function of directors	1. Planning continuing education in relevant fields for directors, providing directors with the latest regulations, system developments, and policies annually. 2. Insuring directors and officers liability insurance for directors to protect them in case of lawsuits or claims.
	Stakeholder communications	1. To avoid misunderstandings and potential operational or litigation risks due to differing positions between stakeholders and the Company, annual analyses are performed by the Company on major stakeholders and their significant issues of concern. 2. Establishing various communication channels to communicate and actively reduce opposition and misunderstandings. Setting up an investor mailbox to be handled and responded by the spokesperson.

Appendix 2 Corporate Climate-Related Information - Execution of Climate-Related Information

Item	Implementation Status
1. Describe the supervision and governance of climate-related risks and opportunities by the Board of Directors and management.	1. Board of Directors and Management's Oversight and Governance on Climate-Related Risks and Opportunities (1) Relevant policy approved by the Board. A. The policy below was approved by the Board on November 10, 2022: Greenhouse Gas Inventory Policy. B. Corporate Governance and Sustainability Committee: It is the highest level of governance body responsible for promoting ESG within the Group and serves as the main platform for climate change issues. Convened by the Group's General Manager, the committee is organized into four functional groups: Corporate Governance, Economic, Social, and Environmental. Members include the top executives from relevant functional departments. The committee is responsible for formulating company policies and strategies related to climate and ensuring the promotion of risk (and opportunity) plans through the committee and annual management review meetings. (2) Supervision and governance of climate-related risks and opportunities A. See our website at https://www.bizlinktech.com/zh-tw/investors/index/4 for the operations of the Corporate Governance and Sustainability Committee. B. The Corporate Governance and Sustainability Committee convened 3 times in 2023, on March 30, May 11, and November 10. The reports or proposals on climate-related risks and opportunities included: (A) The progress report on the implementation of the schedule planning for the first phase of greenhouse gas inventory and verification in the year. (B) The progress report on the implementation of the schedule planning for the second phase of greenhouse gas inventory and verification in the year. (C) Proposal for the report on the implementation of sustainable development in 2022. (D) The progress report on the implementation of the schedule planning for the fourth phase of greenhouse gas inventory and verification in the year. (E) Annual report on the execution of risk management. C. The following meeting agendas of the board meetings were related to reports or proposals on climate-related risks and opportunities. (A) Report on the Company's annual first-phase greenhouse gas inventory implementation progress and verification schedule planning. (B) Proposal for approval of the report on implementation status of sustainability development in 2022. (C) Report to the Financial Supervisory Commission on the Company's plans and progress in response to the Sustainability Development Roadmap for Listed Companies released in March 2022. (D) Report on the Company's annual second-phase greenhouse gas inventory implementation progress and verification schedule planning. (E) Report on the Company's annual third-phase greenhouse gas inventory

	implementation progress and verification schedule planning. (F)Report on the Company's annual fourth-phase greenhouse gas inventory implementation progress and verification schedule planning. (H)Annual report on the execution of risk management. Additional Explanation: For the progress report on the implementation of the schedule planning for the year's third phase of greenhouse gas inventory and verification, due to the Committee's consideration for meeting agenda and time factors, it will be submitted by the Sustainable Development Functional Group directly to the Board of Directors.									
2. Describe how the identified climate risks and opportunities affect the businesses, strategies, and finance of the Company (in short-term, medium-term, and long-term).	2.How the identified climate risks and opportunities affect the businesses, strategies, and finance of the Company (in short-term, medium-term, and long-term) (1)Long-term reduction targets The greenhouse gas reduction targets of the BizLink Group are: By 2030, the total greenhouse gas emissions will be reduced by 50% compared to the base year of 2022; and a net-zero emission target is set for 2050. (2)Short- and medium-term reduction targets To achieve the above targets, short- and medium-term reduction targets were set in 2022 (base year) after the resolution of the Group's Sustainable Development Committee. https://www.bizlinktech.com/zh-tw/esg/detail/12									
3. Describe the financial impact of extreme climate events and transition actions.	3.The impact of extreme climate events and transition actions on finance Company operations may be affected by climate-related risks, such as natural disasters including high temperatures, droughts, floods, typhoons, or compound environmental disasters which can directly or indirectly cause machinery and equipment failures, damage or abnormalities, delayed delivery of equipment, restriction of production capacity, and workers being unable to work at plants. These situations could have a significant adverse effect on the operations of the Group. Although the Company has insured its fixed assets and inventories according to the customary practices of the countries where it operates (details of insurance coverage for certain areas are shown in the table below), such insurance may still not provide sufficient protection under certain circumstances. If the Group suffers losses as a result, this may adversely affect the Company's operations. <table><tr><th>Region (Insurance Type and Period)</th><th>Currency</th><th>Insured Amount (thousands)</th></tr><tr><td>China BizLink 13 companies including subsidiaries and affiliated companies (All Risks Property Insurance with Business Interruption Add-on 2023.07.03-2024.07.02) Policy Number: PQYC202331000000000669, PQAO2023310000000000229</td><td>CNY</td><td>3,194,729</td></tr><tr><td>Taiwan Taipei (Fire Insurance and Additional Clauses) 2023.07.05-2024.07.05) Policy Number: 1000 No. 12S0002866</td><td>NTD</td><td>478,836</td></tr></table>	Region (Insurance Type and Period)	Currency	Insured Amount (thousands)	China BizLink 13 companies including subsidiaries and affiliated companies (All Risks Property Insurance with Business Interruption Add-on 2023.07.03-2024.07.02) Policy Number: PQYC202331000000000669, PQAO2023310000000000229	CNY	3,194,729	Taiwan Taipei (Fire Insurance and Additional Clauses) 2023.07.05-2024.07.05) Policy Number: 1000 No. 12S0002866	NTD	478,836
Region (Insurance Type and Period)	Currency	Insured Amount (thousands)								
China BizLink 13 companies including subsidiaries and affiliated companies (All Risks Property Insurance with Business Interruption Add-on 2023.07.03-2024.07.02) Policy Number: PQYC202331000000000669, PQAO2023310000000000229	CNY	3,194,729								
Taiwan Taipei (Fire Insurance and Additional Clauses) 2023.07.05-2024.07.05) Policy Number: 1000 No. 12S0002866	NTD	478,836								
4. Explain how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	4.Climate risk identification, assessment, and management processes under the overall risk management system (1)Formulating the Risk Management Policy and Procedure. This policy was last revised and approved by the Board of Directors on March 24, 2021. (2)The Company's risk management falls under the Corporate Governance and Sustainability Committee, which has set up four major functional groups to be responsible in four major aspects of governance, economic, social, and environmental (including but not limited to climate risk). A.Each aspect is based on risk management practices and materiality principle to identify the types of risks the Company is exposed to and summarize the risk factors for each type. B.The functional groups manage the risk factors as appropriate through monitoring, reporting, management, and disclosure procedures. C.The functional groups control the business risks of their respective departments, proposes countermeasures, and regularly reports to the Corporate Governance and Sustainable Development Committee.									

D. The functional groups should regularly review the Policy described above and refer to domestic and foreign risk management systems for timely revisions to enhance the effectiveness of risk management.

(3) Operational sites running the ISO 14001 management system must conduct risk identification, assessment, and management processes under the management system every year, including the site's climate risks (or opportunities).

A. Risk management scope:

(A) Within the scope of product manufacturing life cycle, including the acquisition of raw materials, design, manufacturing, transportation/delivery, use, disposal, and final disposition, optimizing design and processes.

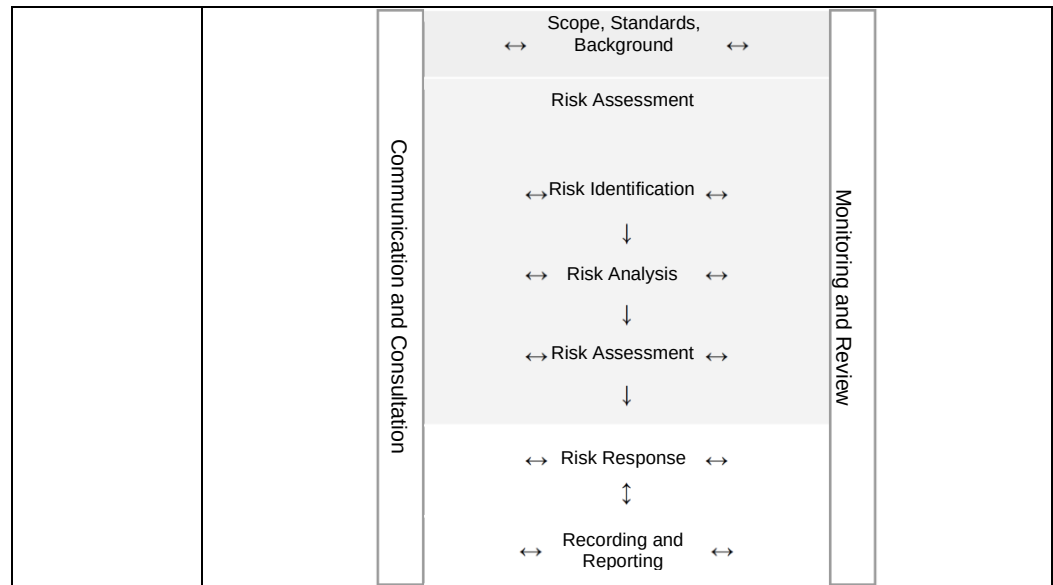
(B) For products and services that have control or influence to the organization, using a life cycle perspective to view design, manufacturing, distribution, consumption, and waste, and plan and prevent these products and services to have negative impacts on the environment or accidents (risks).

(C) Implementing alternatives that are harmless to the environment while realizing financial and operational gains, to avoid the loss of unexplored business opportunities (risks), or enhancing the organization's market position (opportunities).

(D) Paying particular attention to information security can prevent malicious theft of secrets which might result in losses, or can promote related product sales (opportunities) through remote backup.

B. Overall risk management system

Management Scope	Organizational Level Division of Labor Scope of Risk (Opportunity) Management Process
Entire Group	Organizational Level: The Board of Directors' Governance and Sustainable Development Committee (Functional Committee). Division of Labor: Corporate governance, economy, society, environment (including but not limited to climate). Scope of Risk (Opportunity): Risks specified in the Risk Management Policy and Procedure. Management Process: Monitoring (i.e., risk assessment in the process below for operational sites: risk identification-> risk analysis-> risk evaluation), reporting, management, disclosure.
Operational Sites	Organizational Level: General Manager's Office at each site (or ISO 14001 Risk Management Team). Division of Labor: Manage risks in manufacturing, sales, finance, HR, IT, R&D, sales, and procurement according to the division of labor at each site (including local climate risks), which will be compiled and reported to the Board of Directors by the auditing department at least once a year. Scope of Risk (Opportunity): The scope as specified in the Policy with which the General Manager's Office at each site (or ISO 14001 Risk Management Team) conducts risk management. Management Process:



5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and primary financial impacts should be described.

6. If there is a transformation plan in response to managing climate-related risks, describe the plan's content and the indicators and objectives used to identify and manage physical risks and transition risks.

7. The basis for price setting should be explained if internal carbon pricing is used as a planning tool.

8. If climate-related goals are set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the progress achieved each

5. Resilience assessment of climate change risks

Pay attention to climate change trends, collect external market, regulations, and technology, consider the degree of impact and the possibility of occurrence, and simulate significant climate risks and opportunities that may affect operations in each plant site according to the local climate conditions, under SBTi 1.5°C, IEA 2°C, IEA below 2°C scenarios, and plan mitigation or adaptation schemes.

6. Transformation plan for managing climate-related risks

(1) Transformation plan details

A. Product Development Plan for the Solar Energy Industry's Renewable Energy Business Customer Group, with details explained in internal operational documents.

B. Product Development Plan for the Electric Vehicle Industry's Renewable Energy Business Customer Group, with details explained in internal operational documents.

(2) Key indicators and objectives

A. Adhering to ISO 14064-1 for ongoing greenhouse gas inventories, the scope of the inventory includes all global production sites.

B. For opportunities, the Company uses the financial gains or tax data from the customer groups of renewable energy businesses in solar energy and electric vehicle industries, as indicators and goals.

C. Disclosure of Scope 1, Scope 2 greenhouse gas emissions

D. In Scope 3, for greenhouse gas emissions generated by employee commuting and business trips, the following methods will be planned:

Conduct a survey for all employees at global production sites to investigate the daily commuting distance and the proportion of transportation used by employees, and multiply by the emission factor of the transportation and the number of working days per year to calculate the commuting carbon emissions of employees at each production site, and then sum up to get the total commuting carbon emissions of the entire Group.

7. Internal carbon pricing as a planning tool: The Company is currently not using this tool.

8. Setting climate-related goals

(1) Activities covered

Including all relevant internal and external activities involved in the Company operations.

(2) Scope of greenhouse gas emissions

Including Scope 1 and Scope 2 organizational greenhouse gas emissions from all of the Company's global production sites.

year should be explained; if using carbon offsets or Renewable Energy Certificates (RECs) to achieve related goals, the source and quantity of the carbon reduction amount or the number of Renewable Energy Certificates (RECs) should be explained. 9. Greenhouse gas inventory and verification status, reduction targets, strategies, and specific action plans (to be filled in sections 1-1 and 1-2).	(3)Schedule planning: Aims to achieve a 50% reduction in greenhouse gas emissions by 2030. (4)Goals for annual progress A. 6% reduction in emissions every year from 2023 to 2028. B. 7% reduction in emissions every year from 2029 to 2030. (5)Using carbon offsets or Renewable Energy Certificates (RECs) to achieve related goals A. Forest carbon sinks. B. Purchasing Renewable Energy Certificates (RECs). C. Purchasing renewable energy. D. Building solar power generation. 9.Greenhouse gas inventory and verification status: Although the Company is not yet included in the scope of industries required for mandatory disclosure, it has followed the ISO 14064-1:2018 standard to initiate an independent greenhouse gas inventory at all global production sites and disclose the inventory results in the Sustainable Development Report (SDR). The sections “1-1 Recent Two-Year Corporate Greenhouse Gas Inventory and Verification Status” and “1-2 Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans” are a voluntary disclosure of the Company’s preliminary data for 2023.
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1-1 Recent Two-Year Corporate Greenhouse Gas Inventory and Verification Status

1-1-1 Greenhouse Gas Inventory Information

Describe the emissions (tons CO₂e), intensity (tons CO₂e/million), and the scope of data covering the recent two years of greenhouse gas emissions.

“Complete information on GHG verification will be disclosed in the SDR”

According to the ISO 14064-1:2018 standard, the results of the inventory of greenhouse gas emissions in the past two years are as follows:

Year	2023		2022	
Total greenhouse gas emissions (metric tons)	39,998		49,131	
	Direct	Indirect	Direct	Indirect
	2,400	37,598	2,808	46,323

Statement:

1.Data coverage for 2023:

Covering 34 production sites of the Group: BizLink (Kunshan), Optiworks (Kunshan), Changzhou, Changzhou BCNC, Tong Ying (Shenzhen), Xiang Yao, Kanglian, BizLink Electronics (Xiamen), BizLink Technology (Xiamen), Nanhai Jo Yeh Electronic, and other plants in Singapore Kallang, Malaysia Johor, Malaysia Penang, California, Michigan, Texas, Mexico, Canada, Serbia, Slovakia, Germany, France, Czech, Italy, and Taiwan Tainan Sampo plant.

2.Data coverage for 2022:

Covering 33 production sites of the Group: BizLink (Kunshan), Optiworks (Kunshan), Changzhou, Changzhou BCNC, Tong Ying (Shenzhen), Xiang Yao, Kanglian, BizLink Electronics (Xiamen), BizLink Technology (Xiamen), Nanhai Jo Yeh Electronic, and other plants in Singapore Kallang, Malaysia Johor, Malaysia Penang, California, Michigan, Texas, Mexico, Canada, Serbia, Slovakia, Germany, France, Czech, and Italy plant.

3.Emission data is disclosed in the Company’s Sustainability Report. TÜV NORD Taiwan Co., Ltd., an independent third party, has assured the report following the AA1000 ASv3 Type 1 Moderate Assurance Level and GRI Standards. The independent assurance statement is attached to the report as an appendix.

4.Due to limitations on data collection in different regions before the deadline of this table (different calculation periods or different coefficients within the period), the data in the table above will be recalculated based on different document deadlines.

5.A plan has been made to procure a global integration system to properly address the issues arising from the data collection limitations.

Note 1: Direct emissions (Scope 1, i.e., emissions directly from sources owned or controlled by the Company), indirect emissions from energy (Scope 2, i.e., emissions from imported electricity, heat, or steam causing indirect greenhouse gas emissions), and other indirect emissions (Scope 3, i.e., emissions from company activities that are not indirect emissions from energy but from sources owned or controlled by other companies).

Note 2: The scope of direct emissions and indirect emissions from energy data should be handled according to the schedule set by the provisions of Paragraph 2, Article 10 of the Regulations Governing Information to be Published in Annual Reports of Public Companies. Other indirect emissions information may be voluntarily disclosed.

Note 3: Greenhouse gas inventory standards: The Greenhouse Gas Protocol (GHG Protocol) or the ISO 14064-1 published

by the International Organization for Standardization (ISO).

Note 4: The intensity of greenhouse gas emissions can be calculated per unit of product/service or revenue. However, the data calculated based on revenue (in millions NTD) should be clearly stated.

1-1-2 Greenhouse gas verification information

Describe the verification status for the two most recent years up to the publication date of the annual report, including the scope of verification, the verification body, the verification standards, and the verification opinions.

* Emission data is disclosed in the Company's Sustainability Report. TÜV NORD Taiwan Co., Ltd., an independent third party, has assured the report following the AA1000 ASv3 Type 1 Moderate Assurance Level and GRI Standards. The independent assurance statement is attached to the report as an appendix.

Note 1: It should be processed according to the schedule stipulated in Paragraph 2, Article 10 of the Regulations Governing Information to be Published in Annual Reports of Public Companies. If the Company fails to obtain a complete greenhouse gas verification opinion by the publication date of the annual report, it should be noted that, "Complete information on GHG verification will be disclosed in the SDR". If a SDR is not prepared by the Company, it should be noted that "Complete information on GHG verification will be disclosed on the Market Observation Post System", and the complete information should be disclosed in the following year's annual report.

Note 2: The verification body must meet the relevant requirements for verification bodies of the sustainable development report set by the Taiwan Stock Exchange Corporation and the Taipei Exchange.

Note 3: Information to be included in the disclosure can refer to the best practice examples on the Corporate Governance Center of the Taiwan Stock Exchange website.

1-2 Greenhouse gas reduction targets, strategies, and specific action plans

Describe the base year and data for greenhouse gas reduction, reduction targets, strategies, specific action plans, and the status of achieving reduction targets. (Complete information will be disclosed in the SDR)

(1) Long-term reduction targets

The greenhouse gas reduction targets of the BizLink Group are: By 2030, the total greenhouse gas emissions will be reduced by 50% compared to the base year of 2022; and a net-zero emission target is set for 2050.

(2) Short- and medium-term reduction targets

To achieve the above targets, short- and medium-term reduction targets were set in 2022 (base year) after the resolution of the Group's Sustainable Development Committee.

<https://www.bizlinktech.com/zh-tw/esg/detail/12>

Note 1: It should be handled according to the schedule prescribed by the provisions of Paragraph 2, Article 10 of the Regulations Governing Information to be Published in Annual Reports of Public Companies.

Note 2: The base year should be the year in which the inventory is completed within the boundaries of the consolidated financial statements; for example, according to the provisions stipulated in Paragraph 2, Article 10 of the Regulations Governing Information to be Published in Annual Reports of Public Companies, companies with a capital amount of more than 10 billion should complete the inventory of the consolidated financial statements for the year 2024 by 2025. In this case, the base year is 2024. If the company has completed the inventory of the consolidated financial statements ahead of schedule, it may take that earlier year as the base year. Additionally, the data for the base year can be calculated as the average of a single year or multiple years.

Note 3: Information to be included in the disclosure can refer to the best practice examples on the Corporate Governance Center of the Taiwan Stock Exchange website.

(7)Implementation of Ethical Corporate Management, Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the Reasons

Evaluation Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons
	Y e s	N o	Description	
1.Establishment of ethical corporate management policies and approaches (1)Does the company have an ethical corporate management policy approved by the Board of Directors, and state in its rules and publicly available documents to address its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team? (2)Does the company have a mechanism to assess the risk of unethical conduct, and perform regular analysis and assessment of business activities with higher risk of unethical conduct within the scope of business? Does the Company formulate the programs to prevent unethical conduct with a scope no less than the activities described in Paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies? (3)Does the company clearly define the operating procedures, code of conduct, disciplinary action and complaint system for violation in its programs against unethical conduct? Does the Company enforce the plans above and perform regular reviews and amendments?	✓		1.(1)The Company's Ethical Corporate Management Best Practice Principles disclose our business integrity policies and practices and the commitment of the Board of Directors and management to implement business policies actively. The Company's Ethical Corporate Management Best Practice Principles and the Procedures for Ethical Management and Code of Conduct have been disclosed on the employees' internal website, the Company website, and the Market Observation Post System. (2)The Company has established the Procedures for Handling Material Inside Information and the Employee Code of Conduct, which stipulate that directors, managerial officers, and employees who are aware of any of the Company's material insider information shall not disclose such information to others, nor shall they inquire or collect the Company's undisclosed material insider information that is not related to their duties from those who are aware of such information. No disclosure shall also be made to others of any of the Company's undisclosed material insider information that they have learned under circumstances other than when performing their duties. Bribery and corruption are strictly prohibited when engaging in business activities, as well as providing illegal political donations, improper charitable donations or sponsorships, unreasonable gifts, hospitality, or other improper benefits. To prevent unethical behavior, the Company also properly informs all employees, managerial officers, and directors of the Procedures for Handling Material Inside Information and the Employee Code of Conduct. (3)The Company has established the Procedures for Ethical Management and Code of Conduct, which specifically regulate the matters that company personnel should pay attention to when conducting business, including the system for internal and external personnel to report dishonest or improper behavior. It also promises to protect the whistleblower from improper treatment due to the report.	No deviation existed
2.Implementation of ethical corporate management (1)Does the company evaluate the integrity record of all counterparties it has	✓		2.(1)When signing contracts with others, the content should include terms in relation to compliance with the Company's ethical corporate management policies, and that if the counterparty is involved in	No deviation existed

business relationships with and specify any integrity terms in the agreements entered into with such counterparties? (2) Does the company have a dedicated unit directly under the Board of Directors to promote corporate integrity, which will report regularly (at least once a year) to the Board of Directors on the ethical management policies and programs against unethical conduct and oversee their implementation? (3) Does the company have policies to prevent conflicts of interest, provide proper appeal channel, and implement them? (4) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the programs to prevent unethical conduct or hire independent auditors to perform the audits? (5) Does the company hold regularly internal and external education and training on ethical corporate management?		dishonest behavior, the Company has the right to terminate or cancel the contract at any time. (2) To ensure the integrity of corporate management, the Company has established the Integrity Management Development Unit, CEO Office, following the Ethical Corporate Management Best Practice Principles. This unit is responsible for formulating and supervising the implementation of ethical corporate management policies and prevention plans. Chien-Hua Teng, the General Manager, serves as the convener. Based on the duties and scope of the company departments, it ensures the implementation of the Ethical Corporate Management Best Practice Principles and reports its execution to the Board of Directors annually. The results and promotion of ethical corporate management for 2023 were submitted to the Company's Board of Directors on November 10, 2023, for review and record. (3) The Company has established and implemented the Procedures for Ethical Management and Code of Conduct to prevent conflicts of interest and provide appropriate reporting channels. (4) In addition to establishing Ethical Corporate Management Best Practice Principles to regulate the behavior of management and employees, the Company also implements them in practice. Furthermore, it has developed internal control systems for transactions involving related parties and insider trading and requires vendors to sign an integrity commitment. It prohibits accepting kickbacks or commissions and strictly forbids dealings with customers who do not operate with integrity. In addition to routine audits and checks, if a report is received and verified to be accurate, it is immediately reported to the Audit Committee and the Board of Directors. The system's design and implementation are reviewed regularly to ensure their continued effectiveness. (5) In 2023, the Company organized internal and external training courses on integrity management, covering topics such as employee handbook and code of conduct, legal education, information security, and intellectual property rights, with a total of 1,279 course hours and 1,898 participants. The Company will continue to conduct integrity management training to enhance employees' awareness of integrity management.	No deviation existed
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3. Operations of the Company's Whistleblowing System (1) Does the company have a specific whistleblowing and reward system, and established conveniently accessible whistleblowing channels and appointed appropriate personnel specifically responsible for handling complaints received from whistle-blowers? (2) Has the company established standard operating procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner? (3) Does the company take measures to protect whistleblowers from being subjected to improper treatment as a result of reporting?	✓	3.(1) The Company's whistleblowing channels include employee complaints and vendor grievance mailboxes. The reporting methods are published in the employee handbook and the supplier integrity contract, respectively. In the event of a complaint, the Company follows the Procedures for Ethical Management and Code of Conduct. If any company personnel involved in unethical behavior, the audit department will verify and understand the situation, and the results will be reported for the Company for disciplinary actions according to the severity of the case. The ethical corporate management policies have been integrated with employee performance assessments and human resources policies, establishing a clear and compelling reward and punishment system. (2) Reporting channels include employee complaints and supplier grievance mailboxes, with the reporting methods separately published in the employee handbook and the supplier integrity contract. In addition, for the European locations, to comply with the local whistleblower system, the GAN integrity Inc. Whistleblower System (EU) is used to communicate with interested parties to ensure that all messages have a record of system login time, unmissed by their recipients and can be tracked, and are sent by the system to the appropriate department. The receiving department will respond within the specified time. (3) The Company has established a procedure for handling incidents of integrity violation. Personnel who discover employees violating ethical and integrity standards or who report such cases will be secretly investigated by personnel designated by the Company or Group. If necessary, a whistleblowing review committee will be established. The receiving personnel must protect the whistleblower's safety by not disclosing their identity. If there is a leak, the receiving personnel will be dealt with according to the regulations regarding leakage of major company secrets. The Company's responsibility for reporting and handling reports: A. The whistleblower must take full responsibility for the truthfulness of the report content. Any fabrication or maliciously exaggeration of the facts is strictly prohibited. If it is verified that the report is inconsistent with the facts, the Company may impose severe penalties on the whistleblower and, in serious cases, refer the matter to the judicial authorities for legal responsibility according to the law. B. The person receiving the whistleblower's report must be fully responsible for the entire process and outcome with respect to the handling of the report. If any unfairness or unauthorized disclosure is found upon investigation, the Company may impose severe penalties on the person receiving the report as well as the head of the receiving department. In severe cases, legal responsibilities may be pursued through judicial authorities according to the law.	No deviation existed
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4.Strengthening Information Disclosure Has the company disclosed the contents of its ethical corporate management principles as well as relevant implementation results on its website and on the Market Observation Post System?	✓	C.If the investigated personnel is found to have provided false evidence or engaged in concealment or unauthorized disclosure, the Company will impose severe penalties. In serious cases, legal responsibilities may be pursued through judicial authorities according to the law. D.No retaliation may be made against bona fide reporters. Once discovered, the Company will severely punish those involved and, in serious cases, may refer them to judicial authorities for legal responsibility. E.If the party has no objections to the judgment or mediation results but refuses to comply, the Company may enforce such action and, if necessary, penalties. 4.The Company has a dedicated corporate governance webpage (https://www.bizlinktech.com/zh-tw/esg/detail/25), disclosing the Ethical Corporate Management Best Practice Principles and continuously updating relevant financial business and corporate governance information.	No deviation existed
5.The Company has established an Ethical Corporate Management Best Practice Principles following the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies. The differences between its implementation in 2023 and the established principles were as follows: No deviation existed.			
6.Other important information to facilitate a better understanding of the status of operations of the Company's ethical corporate management policies: The Company regularly conducts education and training programs, and invites those who engage in business with the Company to participate, ensuring that they fully understand the Company's unwavering commitment to ethical business practices, the established policies, preventive measures in place, and the potential consequences of violating ethical conduct.			

(8)Inquiry method for corporate governance guidelines and related regulations

The Company's Board of Directors resolved to amend the Corporate Governance Best Practice Principles on March 13, 2014. Related codes and regulations have been disclosed on the Company's website after the resolution of the shareholders' meeting on June 11, 2014, at <http://www.bizlinktech.com> for inquiry and download with respect to corporate governance policies, board resolutions on important matters, significant information, and others.

(9)Other important information for further understanding implementation status of corporate governance.

1.The Company discloses significant information to the public promptly and holds investor conferences to maintain transparency of company information. Additionally, an audit committee consisting of three independent directors has been established to continuously invest resources in strengthening corporate governance operations. A page on the Company website was also set up to disclose the implementation of corporate governance. The Company's corporate governance policies are also updated on the website after being approved by resolution at the shareholder meetings to make available to internal and external parties for download and reference.

2.The establishment, responsibilities, expertise of members, operational status, and development strategies of the “Corporate Governance and Sustainable Development Committee”, and its long-term development strategies concerning corporate sustainability/ ESG and corporate governance:

(1)The establishment and responsibilities of the “Corporate Governance and Sustainable Development Committee”

On August 10, 2018, the Company’s Board of Directors resolved to establish the “Corporate Governance and Sustainable Development Committee” to assist the Board of Directors in its continuous efforts to promote corporate social responsibility and sustainable management practices.

(2)Expertise of members, operational status, and development strategies of the “Corporate Governance and Sustainable Development Committee”

A.Expertise of members, operational status of the “Corporate Governance and Sustainable Development Committee”

The Committee convened 3 times in 2023, on March 30, May 11, and November 10. The reports or proposals included:

(1)The progress report on the implementation of the schedule planning for the first phase of greenhouse gas inventory and verification in the year.

(2)The outcome report on the implementation results of the annual internal performance evaluation for the Board of directors and functional committees.

(3)The recommendation report on the implementation results of the performance evaluation of the Board of Directors and functional committees by independent professional institutions.

(4)The outcome report on the evaluation results of the CG6013 (2021) Corporate Governance System Evaluation.

(5)The progress report on the implementation of the schedule planning for the second phase of greenhouse gas inventory and verification in the year.

(6)Proposal for the report on the implementation of sustainable development in 2022.

(7)The progress report on the implementation of the schedule planning for the fourth phase of greenhouse gas inventory and verification in the year.

(8)Annual report on the execution of risk management.

(9)Annual report on the implementation of the prevention of insider trading.

(10)Annual report on the implementation of ethical management.

(11)Annual report on the execution of the intellectual property management plan.

(12)To implement the sustainable development strategy, the Group has joined the United Nations Global Compact (UNGC) through its US headquarters, BizLink Technology Inc. All reports or proposals must also regularly review the progress of strategies and urge the management team to make adjustments when necessary. All members unanimously agree that they will regularly review the progress of strategies and urge the management team to make adjustments when necessary. It was submitted as proposed to the Board of Directors for report or discussion.

Position	Name	Main Expertise	Actual Attendance	Attendance by Proxy	Actual Attendance Rate	Remarks
Chairman / Convener Director	Chien-Hua Teng	Business judgment, business management, crisis handling, leadership and decision making	3	0	100%	-
Member Independent Director	Jr-Wen Huang	Accounting and Financial Analysis	3	0	100%	-
Member	Chia-Jiun	Prospective analysis of	3	0	100%	-

Independent Director	Cherng	industry development, strategic development of new products, strategic planning for new market layout				
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B. Development Strategies

In response to the identification results of major sustainability issues of stakeholders, as well as facing the two major grey rhinos in the future - geopolitical risks and the pressure of inflation and interest rate hikes, plans were made based on the four regions (North America, Europe, East Asia, Southeast Asia), four types of momentum - industrial use (including capital equipment, factory automation, medical instruments), and four major categories of products that have competitive advantage including data centers, new energy transportation, and high-value electrical appliances, combined with multiple production bases, to increase the flexibility and elasticity of production and shipment. Therefore, the strategies for planning and execution include:

- (A) Digital transformation: AI training to establish an AI-based operational environment.
- (B) Intellectual property rights: Enhancing the development and management processes of assets.
- (C) Automation: Further adoption of automated processes, and integration with digital transformation.
- (D) Talent development: Actively selecting and nurturing future talents and leaders.

C. Corporate sustainability/ESG and long-term development strategy for corporate governance

(A) Pursuing sustainable growth on a solid foundation:

The Company has made concrete efforts to improve operational efficiency, which effectively improved our cash flow. Continue to seek suitable opportunities for external growth to accelerate market and product development with our four core businesses and localization strategies as the center. We are committed to laying a solid foundation and ensuring that our pursuit of the Company's vision remains on the path towards stable growth and profitability.

(B) Significant progress in production capacity and products:

a. Production capacity: Leveraging the expertise and experience of our research and development team to enhance internal production capabilities and achieve higher-speed and higher-power applications.

b. Products: We have successfully delivered a variety of new products to numerous end markets, including high-performance computing, capital equipment, factory automation, healthcare, electric vehicles, and smart homes.

(C) Contribution to the future:

We are committed to reducing our greenhouse gas emissions and aim to reduce emissions by 50% by 2030 compared to 2022 levels and achieve net-zero emissions by 2050. Committed to well-known global ESG initiatives, the Company will provide its contribution together on the shoulders of giants.

(D)Shaping the Enterprise through Talents:

Talents are crucial to us. This is why we aim to attract and cultivate talents, provide them with opportunities to excel and be rewarded and elevate them to management and leadership positions to grow and evolve alongside our company. We are shaping BizLink's corporate culture of "One Team, One Goal".

(10)The following matters on the implementation status of the internal control system should be disclosed:

1.Statement of Internal Control

Bizlink Holding Inc.

Statement of Internal Control System

Date: March 08, 2024

We hereby make the following statement about our internal control system for the year 2023 based on the assessments we've performed:

1. We acknowledge that it is the responsibility of our Board of Directors and managerial officers to establish, implement and maintain an internal control system, and we have established such a system. The purpose is to provide reasonable assurance regarding the achievement of objectives in the following categories: effectiveness and efficiency of operations (including profitability, performance, and security of assets), reliability, timeliness, and transparency of reports, and compliance with applicable laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can only provide reasonable assurance of accomplishing the three objectives as mentioned above. Furthermore, its effectiveness may change due to changes in the environment and circumstances. Nevertheless, our internal control system contains self-monitoring mechanisms, and upon identification of the defects, we will take immediate corrective action.
3. We determine whether the design and implementation of our internal control system is effective in accordance with the criteria for judging the effectiveness of the internal control system as stipulated in the Regulations Governing Establishment of Internal Control Systems by Public Companies (hereinafter referred to as "Regulations"). The criteria adopted by the Regulations identify five components of an internal control system based on the process of management control:
 1. Control environment, 2. Risk assessment, 3. Control activities, 4. Information and communication, and 5. Monitoring activities. Each component further contains several items. Please refer to the Regulations for details.
4. We have adopted the aforementioned criteria for evaluating the effectiveness of the design and implementation of the internal control system.
5. Based on the results of the aforementioned evaluation, we believe that the design and implementation of our internal control system as of December 31, 2023 (including supervision and management of subsidiaries), including the effectiveness and efficiency in operation, reliability, timeliness, and transparency of reports, and compliance with applicable laws and regulations, were effective, and that it can reasonably assure the achievement of the aforementioned objectives.
6. This statement will constitute an integral part of our annual report and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public above will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
7. This Statement has been passed by the Board of Directors in their meeting held on March 8, 2024, with zero of the seven attending directors expressing dissenting opinions, and the remainder all affirming the content of this Declaration.

BizLink Holding Inc.



Chairman: Hwa-Tse Liang Signature/seal



General Manager: Chien-Hua Teng Signature/seal



(11)The listing of penalties, major deficits, and state of any efforts to make improvements, arising from any legal penalties imposed by regulatory authorities on the Company or its employees, or any company punishment toward employees for violating internal control rules, in the most recent year and as of the date of this annual report: None.

(12)Major resolutions approved at shareholders' meetings and board meetings in the most recent year and up to the publication date of this annual report.

1. The Company's 2023 annual shareholders' meeting was convened on June 27, 2023, in the B2 conference room at the place located at Building A, No. 726, Zhongzheng Road, Zhonghe District, New Taipei City, Taiwan. The resolutions approved by attending shareholders and their implementation are described below:

Major resolution approved at shareholders' meetings	Implementation Status
(1)Recognition for the Company's 2022 Financial Statements	In 2022, the Company's operating revenue was NT\$53,757,171 thousands, with a net profit of NT\$3,838,380 thousands and earnings per ordinary share of NT\$25.02.
(2)Recognition for the Company's 2022 profit distribution proposal	For the 2022 fiscal year, profit was distributed to shareholders in the amount of US\$51,513,421 thousands in cash dividends (US\$0.32927231 per share). It was established for July 30, 2023 to be the record date. All dividends were distributed on August 18, 2023.
(3)Approval for revision to the Company's Articles of Association and certain provisions of the Articles of Association	Implemented as approved by resolution.
(4)Approval for issuing new shares through a capital increase by retained earnings for the year 2023	The capital increased by retained earnings in the amount of NT\$15,644,620, with 1,564,462 new shares issued at a par value of NT\$10. It was established for July 30, 2023 to be the record date. All shares were distributed on August 18, 2023.

2. Major resolution approved at Board of Directors meetings

Time	Agenda Details	Resolution
March 30, 2023 2023 1st board meeting	(1) The Company's 2022 Annual Financial Statements and Business Report. (2) Proposal for the profit-sharing compensation of directors for 2022. (3) Proposal for the distribution of profit-sharing compensation to employees for 2022. (4) Proposal for the distribution of profit for the fiscal year 2022. (5) Assessment of the effectiveness of the internal control system for the fiscal year 2022 and issuance of the Internal Control System Statement. (6) Proposal to add a new policy, the Group's "Internal Audit Implementation Rules". (7) Assessment of the auditors' competency and independence and their appointment. (8) Proposal for the establishment of the Nomination Committee. (9) Proposal for the establishment of the Strategy Committee. (10) Proposal to revise the Company's Articles of Association and certain provisions of the Articles of Association. (11) Notice of the 2023 Annual General Meeting of	After the Chair consulted with all the attending directors, no dissenting opinion was expressed; the reports and proposals were approved as proposed.

	Shareholders. (12) Proposal for the change in the position of the Company's head of the Finance Department. (13) Change in managerial officers to meet the needs of the Group's business management and operations as well as to comply with Articles 22-2 and 25 of the Securities and Exchange Act. (14) Proposal for the capital increase of a certain subsidiary. (15) Establishment of the Regulations for Lending Funds to Others of a certain subsidiary. (16) Proposal for the addition and change in the lending by the Company to its 100% directly and indirectly held subsidiaries, as well as between subsidiaries. (17) Proposal for the renewal and increase of bank credit lines for the Company and its subsidiaries the authorization for the Company to provide guarantee for the credit lines of its subsidiaries. (18) Proposal to apply for account opening with correspondent banks.	
April 26, 2023 2023 2nd board meeting	(1) The list of managerial officers for the cash capital increase by employee stock purchase for the year 2022.	After the Chair consulted with all the attending directors, no dissenting opinion was expressed; the reports and proposals were approved as proposed.
May 11, 2023 2023 3rd board meeting	(1) Report on the Company's consolidated financial statements for the 1st quarter of 2023. (2) Proposal for issuing new shares through a capital increase by retained earnings for the year 2023. (3) Proposal for the members for the Company's Nomination Committee. (4) Proposal for the members for the Company's Strategy Committee. (5) Proposal to revise the "Corporate Governance Best Practice Principles". (6) Proposal to add items to the agenda of the 2023 Annual General Meeting of Shareholders. (7) Proposal for capital expenditures for constructing a plant on self-owned land by BizLink International Corp. (8) Proposal for the capital increase of a certain subsidiary. (9) Proposal for the renewal and increase of bank credit lines for the Company and its subsidiaries the authorization for the Company to provide guarantee for the credit lines of its subsidiaries. (10) Proposal for the addition of endorsements and guarantees by the Company to 100% directly held subsidiaries. (11) Proposal to apply for account opening with correspondent banks. (12) Proposal to amend the financing agreement for the syndicated loan.	After the Chair consulted with all the attending directors, no dissenting opinion was expressed; the reports and proposals were approved as proposed.
June 27, 2023 2023 4th board meeting	(1) Proposal to establish matters related to the ex-dividend date for this year.	After the Chair consulted with all the attending directors, no dissenting opinion was expressed;

		the reports and proposals were approved as proposed.
August 25, 2023 2023 5th board meeting	(1) Report on the Company's consolidated financial statements for the 2nd quarter of 2023. (2) Proposal to revise the Procedures for Ethical Management and Code of Conduct. (3) Proposal for a capital increase by a certain subsidiary. (4) Proposal for the renewal and increase of bank credit lines for the Company and its subsidiaries the authorization for the Company to provide guarantee for the credit lines of its subsidiaries. (5) Proposal for the addition in the lending by the Company to its 100% directly and indirectly held subsidiaries, as well as between subsidiaries. (6) Proposal for the Company to apply for syndicated loans. (7) Proposal for the addition of endorsements and guarantees by 100% directly held subsidiaries to the Company.	After the Chair consulted with all the attending directors, no dissenting opinion was expressed; the reports and proposals were approved as proposed.
November 10, 2023 2023 6th board meeting	(1) Report on the Company's consolidated financial statements for the 3rd quarter of 2023. (2) Proposal for 2024 Business Plan and Financial Budget. (3) Proposal to change the Company's Corporate Governance Officer. (4) Proposal to establish the Company's Information Security Officer. (5) Proposal to revise the "Policy on Supervisory of Subsidiaries". (6) Proposal to revise the "Procedures for Handling Material Inside Information and Prevention of Insider Trading". (7) Proposal for restructuring the investment structure of subsidiary EA Cable Assemblies (Hong Kong) Co., Ltd. (8) Proposal to add a new policy, the "Procedures for Election of Directors". (9) Proposal to add a new policy, the "Policy on the Board Member Succession Planning and Senior Executive Selection and Succession Planning". (10) Proposal to add a new policy, the "Implementation Details of Internal Control System and Internal Audit". (11) Proposal to formulate the 2024 annual audit plan. (12) Proposal to join the "United Nations Global Compact (UNGC)", with the US headquarters BizLink Technology Inc. representing the Group, in order to Implement corporate sustainability strategies. (13) Proposal for the renewal and increase of bank credit lines for the Company and its subsidiaries. (14) Proposal for the lending by the Company to its 100% directly and indirectly held subsidiaries, as well as between subsidiaries.	After the Chair consulted with all the attending directors, no dissenting opinion was expressed; the reports and proposals were approved as proposed.
March 08, 2024 2024 1st board meeting	(1) Proposal for the distribution of profit for the fiscal year 2023. (2) Proposal for the profit-sharing compensation of directors for 2023. (3) Proposal for the distribution of profit-sharing compensation to employees for 2023. (4) Proposal for the distribution of profit for the fiscal year	After the Chair consulted with all the attending directors, no dissenting opinion was expressed; the reports and proposals were approved as proposed.

	2023. (5) Assessment of the effectiveness of the internal control system for the fiscal year 2023 and issuance of the Internal Control System Statement. (6) Assessment of the auditors' competency and independence and their appointment. (7) Proposal to add a new policy, the "Strategy Committee Management Measures". (8) Proposal for the revision of the "Company's Procedures for Acquisition or Disposal of Assets". (9) Proposal for the complete re-election of the Company's Board of Directors. (10) Proposal for the list of nominated candidates for the Company's directors (including independent directors). (11) Proposal to lift the non-compete restriction on new directors and their representatives. (12) Proposal to amend the Company's Articles of Association. (13) Proposal for the Company to issue employee stock options below fair market value. (14) Notice of the 2024 Annual General Meeting of Shareholders. (15) Proposal for the renewal and increase of bank credit lines for the Company. (16) Proposal for the lending by the Company to its 100% directly and indirectly held subsidiaries, as well as between subsidiaries.	
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(13)Major issues of record or written statements made by any director or supervisor dissenting to important resolutions passed by the Board of Directors in the most recent year and as of the date of this annual report: None.

(14)Summary of resignation or dismissal for the Company's chairman, General Manager, heads of accounting, finance, internal audit, and R&D in the most recent year and as of the date of this annual report: None.

IV. Information on Auditor Fee

Currency: Thousands NTD

Accounting Firm Name	Auditor Name	Audit Period Covered by Auditors	Audit Fee	Non-Audit Fee	Total	Remarks
PwC Taiwan	Hua-ling Liang	2023.01.01 ~	14,722	3,730	18,452	Consultation on frontend data preparation process for issuing ECB and using the system
	zu-yu Lin	2023 .12.31				

(1) If there is a replacement of the accounting firm and the audit fees for the year in which the replacement occurred are less than those for the prior year: None

(2) If there is a 15% or more reduction in the audit fees compared to those for the prior year: None

V. Information on Change of Auditors: None.

VI. If the Company's Chairman, General Manager, or managerial officers in charge of financial or accounting affairs have served in the accounting firm of the auditors or any of its affiliates in the most recent year: None.

VII. Share transfer or change in share pledge by directors (including independent directors), supervisors, managerial officers, and shareholders with 10% shareholdings or more in the most recent year and as of the date of this annual report:

(1) Changes in shareholding of directors (including independent directors), managerial officers, and major shareholders

Unit: Shares

Position	Name	2023		As of March 29 of the current fiscal year	
		Increase (Decrease) in Shares Held	Increase (Decrease) in Shares Pledged	Increase (Decrease) in Shares Held	Increase (Decrease) in Shares Pledged
Chairman and Major Shareholder	Hwa-Tse Liang (Note 1)	48,526	0	0	0
Director	Inru Kuo (Note 1)	85,570	0	0	0
Director and General Manager	Chien-Hua Teng	81,581	0	32,500	0
Director	Yann-Chiu Wang	0	0	0	0
Independent Director	Jr-Wen Huang	0	0	0	0
Independent Director	Chia-Jiun Cherng	0	0	0	0

Independent Director	Chien-Cheng Lin	0	0	0	0
Vice General Manager	Yong-Chang Hu (Note 3)	20,242	0	15,000	0
Chief Financial Officer	Tse-Shen Tsai (Note 4)	20,000	0	NA	NA
Chief Financial Officer	Yu-Fang Wang (Note 4)	0	0	0	0
Vice General Manager	Jia-Zheng Lin (Note 5)	0	0	0	0
Vice General Manager	Zheng-Sheng Zhou (Note 6)	17,196	0	NA	NA
Deputy Manager	Pei-Chi Zhuo	5,048	0	0	0

Note 1: Includes shares from the Hwa Tse Liang and InRu Kuo Family Trust, Liang Family Irrevocable Trust.

Note 2: Yong-Chang Hu, the Vice General Manager, was reassigned on April 1, 2023, to a new position.

Note 3: Yu-Fang Wang, the Chief Financial Officer, was reassigned on April 1, 2023, no longer holds the position of CFO.

Note 4: Tse-Shen Tsai, the Vice General Manager, took on the role of CFO starting April 1, 2023.

Note 5: Jia-Zheng Lin, the Vice General Manager, was reassigned on November 10, 2023, to serve as the Company's Corporate Governance Officer.

Note 6: Zheng-Sheng Zhou, the Vice General Manager, was reassigned on November 10, 2023, and no longer holds a managerial position.

(2) Information on any counterparty of a share transfer who is a related party: None

(3) Information on any counterparty of a share pledge who is a related party: None

VIII. Information of relationship among Top 10 shareholders:

March 29, 2024

Name	Principal Shareholding		Shareholding by Spouse and Underage Children		Aggregate Shareholding in the Name of Others		Title/Name of the Ten Largest Shareholders, Who May Be Related Parties to Each Other or Be Spouses or Relatives within the Second Degree of Kinship, and the Relationships		Remarks
	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Number of Shares	Shareholding Ratio	Title (or Name)	Relationship	
HWA TSE LIANG AND INRU KUO FAMILY TRUST	8,930,403	5.46%	0	0.00%	0	0.00%	Hwa-Tse Liang Inru Kuo	Trustee	Note
Cathay Life Insurance	8,607,755	5.27%	0	0.00%	0	0.00%	Not applicable	Not applicable	-
Chairman : Ming-Ho Hsiung	data not given								
Yuanta Taiwan Dividend Plus ETF Fund Account	7,626,535	4.67%	0	0.00%	0	0.00%	Not applicable	Not applicable	-
Chase Bank Trustee T. Rowe Price Emerging Markets Investment Account	6,664,335	4.08%	0	0.00%	0	0.00%	Not applicable	Not applicable	-
LIANG FAMILY IRREVOCABLE TRUST	5,319,503	3.25%	0	0.00%	0	0.00%	Hwa-Tse Liang Inru Kuo	Trustee	Note
Chase Bank Trustee T. Rowe Price Emerging Markets Investment Account	5,317,414	3.25%	0	0.00%	0	0.00%	Not applicable	Not applicable	-
HSBC Trustee Fidelity Investment Trust Emerging Market Opportunities Fund Investment Account	4,996,327	3.06%	0	0.00%	0	0.00%	Not applicable	Not applicable	-
Fubon Life	4,587,000	2.81%	847,649	0.63%	0	0.00%	Not applicable	Not applicable	-
Chairman: Howard Lin	data not given								
China Life Insurance	3,190,875	1.95%	0	0.00%	0	0.00%	Not applicable	Not applicable	-
Chairman: NA	NA								
Inru Kuo	2,496,199	1.53%	0	0.00%	0	0.00%	HWA TSE LIANG AND INRU KUO FAMILY TRUST & LIANG FAMILY IRREVOCABLE TRUST	Trustee	Note

Note: The joint trust holdings of Hwa-Tse Liang and InRu Kuo included the Hwa Tse Liang and InRu Kuo Family Trust, created on April 15, 1999, and the Liang Family Irrevocable Trust.

IX. The total number of shares and the consolidated equity stake percentage held in any single reinvested enterprise by the Company, its directors (including independent directors), managers, and any companies controlled either directly or indirectly by the Company

December 31, 2023; Unit: Shares

Reinvestment Business	Investments of the Company		Investments of Directors, Supervisors, Managers, and Enterprises Controlled Directly or Indirectly by the Company		Comprehensive Investment	
	Number of Shares	Shareholding	Number of Shares	Shareholding	Number of Shares	Shareholding
BIZLINK TECHNOLOGY INC.	10,000	100%	0	0%	10,000	100%
OPTIWORKS, INC.	2,250	100%	0	0%	2,250	100%
BIZLINK (BVI) CORP.	50,000	100%	0	0%	50,000	100%
BizLink International Corp.	785,375	100%	0	0%	785,375	100%
ZELLWOOD INTERNATIONAL CORP.	2,500,000	100%	0	0%	2,500,000	100%
BIZLINK TECHNOLOGY (S.E.A.) SDN. BHD.	57,121,000	100%	0	0%	57,121,000	100%
ADEL ENTERPRISES CORP.	1,650,000	100%	0	0%	1,650,000	100%
BIZLINK TECH, INC.	2,316,532	100%	0	0%	2,316,532	100%
ACCELL CORP.	10,600	100%	0	0%	10,600	100%
BIZLINK TECHNOLOGY(IRELAND) LTD.	300,000	100%	0	0%	300,000	100%
BizLink Co., Ltd. (Japan)	200	100%	0	0%	200	100%
BizLink (BVI) Corp. Limited	93,082,000	100%	0	0%	93,082,000	100%
BIZCONN TECHNOLOGY INC.	-	100%	0	0%	-	100%
EA CABLE ASSEMBLIES (HONG KONG) CO., LIMITED	170,322,000	100%	0	0%	170,322,000	100%
BIZLINK TECHNOLOGY (BELGIUM) NV	915	100%	0	0%	915	100%
BIZLINK TECHNOLOGY (SLOVAKIA) S.R.O.	Note	100%	0	0%	Note	100%
OW HOLDING INC.	2,811,614	94.72%	0	0%	2,811,614	94.72%
BOBI, LLC	Note	100%	0	0%	Note	100%
JO YEH COMPANY LIMITED	10,000	100%	0	0%	10,000	100%
BIZCONN INTERNATIONAL CORPORATION	1,666,667	100%	0	0%	1,666,667	100%
Asia Wick Ltd.	1,000	100%	0	0%	1,000	100%
BIZLINK INTERCONNECT TECHNOLOGY(INDIA) PRIVATE LIMITED	100,000	100%	0	0%	100,000	100%
BIZLINK TECHNOLOGY SRB D.O.O.	Note	100%	0	0%	Note	100%
BizLink Speedy Pte.Ltd.	379,500,000	100%	0	0%	379,500,000	100%
SIS SPEEDY INDUSTRIAL SUPPLIES SDN. BHD.	100,000	100%	0	0%	100,000	100%
BizLink elocab GmbH	Note	100%	0	0%	Note	100%
BizLink elocab Ltd.	Note	100%	0	0%	Note	100%

BizLink Industry Czech s.r.o.	Note	100%	0	0%	Note	100%
BizLink Industry Germany GmbH	Note	100%	0	0%	Note	100%
BizLink Industry Slovakia Spol.s.r.o.	Note	100%	0	0%	Note	100%
BizLink Robotic Solutions France S.A.S.	33,167	100%	0	0%	33,167	100%
BizLink Robotic Solutions Germany GmbH	Note	100%	0	0%	Note	100%
BizLink Robotic Solutions USA Inc.	60,000	100%	0	0%	60,000	100%
BizLink Silitherm S.r.l.	Note	100%	0	0%	Note	100%
BizLink Special Cables Germany GmbH	Note	100%	0	0%	Note	100%
BizLink Systems Spain,S.L.U.	Note	100%	0	0%	Note	100%
BizLink Tailor-Made Cable UK Ltd.	Note	100%	0	0%	Note	100%
EA Cable Assemblies GmbH	1	100%	0	0%	1	100%
Productos Excel de México, S. de R.L. DE C.V.	Note	99%	0	0%	Note	100%
Silitherm Immobiliare S.r.l.	Note	100%	0	0%	Note	100%
PT BIZLINK TECHNOLOGY INDONESIA	9,000,000	100%	0	0%	9,000,000	100%
BizConn International Corp.	Note	100%	0	0%	Note	100%
Tong Ying Electronics (Shenzhen) Co., Ltd.	Note	100%	0	0%	Note	100%
Optiworks (Shanghai) Co., Ltd.	Note	94.72%	0	0%	Note	94.72%
Optiworks (Kunshan) Co., Ltd.	Note	94.72%	0	0%	Note	94.72%
Xiang Yao Electronics (Shenzhen) Co., Ltd.	Note	100%	0	0%	Note	100%
Hua Zhan Electronics (Shenzhen) Co., Ltd.	Note	100%	0	0%	Note	100%
BizLink (Kunshan) Co., Ltd.	Note	100%	0	0%	Note	100%
BizLink Electronics (Xiamen) Co., Ltd.	Note	100%	0	0%	Note	100%
Nanhai Jo Yeh Electronic Co., Ltd.	Note	100%	0	0%	Note	100%
BizLink Technology (Changzhou) Co., Ltd.	Note	100%	0	0%	Note	100%
BizLink Technology (Xiamen) Ltd.	Note	100%	0	0%	Note	100%
BizLink Special Cables (Changzhou) Co., Ltd.	Note	100%	0	0%	Note	100%

Note: As a limited Company, it has no shares or par value.

D. Capital Raising Overview

I. Capital and Shares

(1) Share capital

1. Capitalization

Unit: thousand shares/NT\$1,000

Year and Month	Issue Price	Authorized Capital		Paid-in Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Source of share capital	Share payment offset by property other than cash	Others
June 2000	0.85	20,000	117,000	15,000	12,750	Establish share capital of 15,000,000 shares	None	-
May 2002	0.2833	60,000	117,000	45,000	12,750	Divide share capital in a ratio of 1:3	None	-
July 2002	0.2833	60,000	117,000	45,882	13,000	Issue 881,614 shares in exchange for a capital increase	None	-
October 2003	0.2833	60,000	117,000	51,556	14,608	Issue 5,674,797 shares in exchange for a capital increase	None	-
December 2006	0.2833	60,000	117,000	51,028	14,458	Repurchase 528,149 shares	None	-
December 2007	0.2833	60,000	117,000	49,468	14,016	Repurchase 1,560,625 shares	None	-
June 2009	0.2833	60,000	117,000	49,668	14,072	Cash capital increase of 200,000 shares	None	-
November 2009	10	500,000	5,000,000	49,668	496,676	Conversion of capital surplus to capital increase of NT\$41,853 thousands	None	Note 1
August 2010	10	500,000	5,000,000	55,628	556,278	Conversion of earnings to capital increase of NT\$59,601 thousands	None	Note 1
September 2010	60	500,000	5,000,000	57,628	576,278	Cash capital increase of 2,000,000 shares	None	Note 2
April 2011	56	500,000	5,000,000	65,312	653,118	Cash capital increase of 7,684,000 shares	None	Note 3

August 2012	10	500,000	5,000,000	66,618	666,180	Conversion of capital surplus to capital increase of NT\$13,062 thousands	None	Taiwan-Securities-Listing II No. 1010068541 dated 2012.7.24
September 2012	26	500,000	5,000,000	73,037	730,371	Conversion of unsecured convertible corporate bonds into 6,419,118 shares	None	Taiwan-Securities-Listing II No. 1010023062 dated 2012.10.11
December 2012	26	500,000	5,000,000	73,391	733,909	Conversion of unsecured convertible corporate bonds into 353,840 shares	None	Taiwan-Securities-Listing II No. 1020000761 dated 2013.1.11
March 2013	26	500,000	5,000,000	75,845	758,448	Conversion of unsecured convertible corporate bonds into 2,453,829 shares	None	Taiwan-Securities-Listing II No. 1020006791 dated 2013.4.15
June 2013	26	500,000	5,000,000	77,387	773,871	Conversion of unsecured convertible corporate bonds into 1,542,301 shares	None	Taiwan-Securities-Listing II No. 1020013539 dated 2013.7.9
September 2013	24.4	500,000	5,000,000	79,320	793,202	Conversion of unsecured convertible corporate bonds into 819,663 shares	None	Taiwan-Securities-Listing II No. 1020021067 dated 2013.10.11
	47.6					Employees exercise stock options for 1,113,500 shares		
December 2013	47.60	500,000	5,000,000	79,797	797,967	Employees exercise stock options for 476,500 shares	None	Taiwan-Securities-Listing II No. 1030000630 dated 2014.1.9
March 2014	47.6	500,000	5,000,000	79,835	798,347	Employees exercise stock options for 38,000 shares	None	Taiwan-Securities-Listing II No. 1030006544 dated 2014.4.9
June 2014	47.6	500,000	5,000,000	79,915	799,147	Employees exercise stock options for 80,000 shares	None	Taiwan-Securities-Listing II No. 1030013505 dated 2014.7.8

August 2014	10	500,000	5,000,000	83,905	839,046	Conversion of earnings to capital increase of NT\$39,898 thousands	None	Taiwan-Securities-Listing II No. 10300161361 dated 2014.8.8
September 2014	112.2	500,000	5,000,000	86,420	864,201	Cash capital increase of 2,500,000 shares	None	Taiwan-Securities-Listing II No. 1030018927 dated 2014.9.12
	43.7					Employees exercise stock options for 15,500 shares		Taiwan-Securities-Listing II No. 1030020552 dated 2014.10.3
December 2014	43.7	500,000	5,000,000	86,869	868,691	Employees exercise stock options for 449,000 shares	None	Taiwan-Securities-Listing II No. 1040000181 dated 2015.1.6
March 2015	43.7	500,000	5,000,000	87,010	870,101	Employees exercise stock options for 141,000 shares	None	Taiwan-Securities-Listing II No. 1040061791 dated 2015.4.8
June 2015	43.7	500,000	5,000,000	87,086	870,860	Employees exercise stock options for 61,000 shares Conversion of unsecured convertible corporate bonds into 14,914 shares	None	Taiwan-Securities-Listing II No. 1040013298 dated 2015.7.7
	134.1							
August 2015	10	500,000	5,000,000	91,429	914,294	Conversion of earnings to capital increase of NT\$43,435 thousands	None	Taiwan-Securities-Listing II No. 1040016536 dated 2015.8.13
September 2015	43.7 40.5	500,000	5,000,000	91,783	917,826	Employees exercise stock options for 75,000 shares	None	Taiwan-Securities-Listing II No. 1040020354 dated 2015.10.5
	134.1					Conversion of unsecured convertible corporate bonds into 278,121 shares		
December 2015	124.1	500,000	5,000,000	91,819	918,192	Conversion of unsecured convertible corporate bonds into 1,611 shares	None	Exchange approved on 2016.1.6
	40.5					Employees exercise stock options for 35,000 shares		

March 2016	124.1	500,000	5,000,000	92,190	921,896	Conversion of unsecured convertible corporate bonds into 327,951 shares	None	Exchange approved on 2016.4.6
	40.5					Employees exercise stock options for 42,500 shares		
June 2016	124.1 179.4	500,000	5,000,000	93,341	933,409	Conversion of unsecured convertible corporate bonds into 1,151,241 shares	None	Exchange approved on 2016.7.5
August 2016	10	500,000	5,000,000	97,932	979,318	Conversion of earnings to capital increase of NT\$45,910 thousands	None	Exchange approved on 2016.8.25
September 2016	124.1 179.4/166.1	500,000	5,000,000	101,449	1,014,493	Conversion of unsecured convertible corporate bonds into 3,383,521 shares	None	Exchange approved on 2016.10.5
	37.5					Employees exercise stock options for 134,000 shares		

Year and Month	Issue Price	Authorized Capital		Paid-in Capital		Remarks		
		Number of Shares	Amount	Number of Shares	Amount	Source of share capital	Share payment offset by property other than cash	Others
December 2016	37.5	500,000	5,000,000	101,459	1,014,593	Employees exercise stock options for 10,000 shares	None	Exchange approved on 2017.1.4
February 2017	10	500,000	5,000,000	102,959	1,029,593	New restricted stock award shares issued to employees of 1,500,000 shares	None	Exchange approved on 2017.2.8
March 2017	166.1	500,000	5,000,000	106,299	1,062,991	Conversion of unsecured convertible corporate bonds into 3,339,732 shares	None	Exchange approved on 2017.4.10
June 2017	166.1	500,000	5,000,000	113,788	1,137,882	Conversion of unsecured convertible corporate bonds into 7,489,099 shares	None	Exchange approved on 2017.7.5
September 2017	166.1/161.3	500,000	5,000,000	115,601	1,156,014	Conversion of unsecured convertible corporate bonds into 1,813,231 shares	None	Exchange approved on 2017.10.6
January 2018	210	500,000	5,000,000	118,601	1,186,014	Cash capital increase of 3,000,000 shares	None	Exchange approved on 2018.1.10
March 2018	10	500,000	5,000,000	118,566	1,185,664	Cancellation of new restricted stock award shares issued to employees of 35,000 shares	None	Exchange approved on 2018.4.9
August 2018	10	500,000	5,000,000	118,517	1,185,174	Cancellation of new restricted stock award shares issued to employees of 49,000 shares	None	Exchange approved on 2018.8.7
December 2019	204.23	500,000	5,000,000	130,517	1,305,174	Global depository receipts of 12,000,000 shares	None	Exchange approved on 2019.12.18
September 2020	234.56	500,000	5,000,000	130,569	1,305,694	Conversion of unsecured convertible corporate bonds into 51,981 shares	None	Exchange approved on 2020.10.12
March 2021	234.56	500,000	5,000,000	133,636	1,336,363	Conversion of unsecured convertible corporate bonds	None	Exchange approved on 2021.04.14

						into 3,066,907 shares		
September 2021	226.56	500,000	5,000,000	133,690	1,336,901	Conversion of unsecured convertible corporate bonds into 53,817 shares	None	Exchange approved on 2021.10.14
January 2022	240.00	500,000	5,000,000	145,690	1,456,901	Global depository receipts of 12,000,000 shares	None	Exchange approved on 2022.1.17
January 2022	226.56	500,000	5,000,000	150,561	1,505,605	Conversion of unsecured convertible corporate bonds into 4,870,437 shares	None	Exchange approved on 2022.1.17
March 2022	151.39	500,000	5,000,000	150,620	1,506,195	Employees exercised stock options for 59,000 shares (first tranche)	None	Exchange approved on 2022.3.15
March 2022	226.56	500,000	5,000,000	152,618	1,526,184	Conversion of unsecured convertible corporate bonds into 1,998,826 shares	None	Exchange approved on 2022.4.15
	151.39	500,000	5,000,000	152,627	1,526,273	Employees exercise stock options for 9,000 shares	None	Exchange approved on 2022.4.20
April 2022	226.56	500,000	5,000,000	152,681	1,526,814	Conversion of unsecured convertible corporate bonds into 54,034 shares	None	Exchange approved on 2022.7.6
	151.39	500,000	5,000,000	152,751	1,527,509	Employees exercise stock options for 69,500 shares	None	Exchange approved on 2022.7.6
July 2022	218.70	500,000	5,000,000	152,778	1,527,787	Conversion of unsecured convertible corporate bonds into 27,875 shares	None	Exchange approved on 2022.10.25
August 2022	218.70	500,000	5,000,000	156,040	1,560,402	Conversion of unsecured convertible corporate bonds into 3,527,469 shares	None	Exchange approved on 2022.10.25
	290.76	500,000	5,000,000	156,306	1,563,062	Conversion of unsecured convertible corporate bonds into 3,527,469 shares	None	Exchange approved on 2022.10.25
	146.72	500,000	5,000,000	156,331	1,563,313	Employees exercise stock options for 25,000 shares	None	Exchange approved on 2022.10.25
September 2022	218.70	500,000	5,000,000	156,427	1,564,273	Conversion of unsecured convertible corporate bonds into 96,006 shares	None	Exchange approved on 2022.10.25
November 2022	218.70	500,000	5,000,000	156,446	1,564,463	Conversion of unsecured	None	Exchange approved on 2023.1.19

						convertible corporate bonds into 19,001 shares		
March 2023	146.72	500,000	5,000,000	156,562	1,565,623	Employees exercise stock options for 116,000 shares	None	Exchange approved on 2023.4.28
April 2023	146.72	500,000	5,000,000	156,577	1,565,773	Employees exercise stock options for 15,000 shares	None	Exchange approved on 2023.5.16
May 2023	230.0	500,000	5,000,000	161,577	1,615,773	Cash capital increase of 5,000,000 shares	None	Exchange approved on 2023.5.16
July 2023	145.93	500,000	5,000,000	161,590	1,615,900	Employees exercise stock options for 12,500 shares	None	Exchange approved on 2023.7.7
	10	500,000	5,000,000	163,227	1,632,266	Conversion of earnings to capital increase of 1,564,462 shares	None	Exchange approved on 2023.8.17
August 2023	276.85	500,000	5,000,000	161,650	1,616,496	Conversion of unsecured convertible corporate bonds into 59,869 shares	None	Exchange approved on 2023.8.8
	139.9	500,000	5,000,000	161,662	1,616,621	Employees exercise stock options for 42,500 shares	None	Exchange approved on 2023.8.8
September 2023	139.9	500,000	5,000,000	163,309	1,633,091	Employees exercise stock options for 52,500 shares	None	Exchange approved on 2023.10.4

Note 1: On November 12, 2009, the Company changed the par value of its 49,667,637 ordinary shares to NT\$10 per share.

Note 2: The par value of each share is NT\$10, and the subscription price for each share is NT\$60.

Note 3: The par value of each share is NT\$10, and the subscription price for each share is NT\$56.

2. Type of Shares

March 29, 2024

Type of Shares	Authorized Capital			Remarks
	Shares outstanding (Note)	Unissued shares	Total	
Registered common stock	163,309,091	336,690,909	500,000,000	On November 12, 2009, the extraordinary general meeting of shareholders approved the conversion at an exchange rate of NT\$32.32 to US\$1.

Note: It is a listed stock.

3. Information about the shelf registration system: None.

(2) Shareholder Structure

April 1, 2024; Unit: Shares

Shareholder Structure	Government Agencies	Financial Institutions	Mainland China capital investment Note 1	Other Legal Entities	Individuals	Foreign Institutions and Foreigners	Total
Quantity	0	25	0	120	18,329	285	18,759
Number of Shares Held	0	22,047,987	0	15,292,872	50,077,317	76,011,415	163,429,591
Shareholding (%)	0.00%	13.49%	0.00%	9.36%	30.64%	46.51%	100.00%

Note 1: Mainland China capital investment refers to mainland Chinese people, legal persons, groups, other organizations, or companies investing in third region as defined in Article 3 of the Measures Governing Investment Permits to the People of the Mainland Area.

(1) Share distribution

1. Common stock:

April 1, 2024; Unit: Shares

Shareholding Range	Number of Shareholders	Number of Shares Held	Shareholding
1 to 999	7,742	1,109,622	0.68%
1,000 to 5,000	9,223	15,806,878	9.67%
5,001 to 10,000	905	6,347,813	3.88%
10,001 to 15,000	304	3,596,916	2.20%
15,001 to 20,000	137	2,428,138	1.49%
20,001 to 30,000	125	3,002,255	1.84%
30,001 to 40,000	59	2,079,405	1.27%
40,001 to 50,000	40	1,750,684	1.07%
50,001 to 100,000	80	5,609,665	3.43%

100,001 to 200,000	47	6,411,864	3.92%
200,001 to 400,000	36	10,757,442	6.58%
400,001 to 600,000	21	10,028,282	6.14%
600,001 to 800,000	5	3,703,133	2.27%
800,001 to 1,000,000	6	5,393,863	3.30%
Over 1,000,001	29	85,403,631	52.26%
Total	18,759	163,429,591	100.00%

2. Preferred stock: The Company does not issue preferred stock.

3. List of Major Shareholders: Shareholders holding more than five percent of the shareholding ratio or ranking among the top ten shareholders, including their names, number of shares and shareholding ratio

April 1, 2024; Unit: Shares

Name of Major Shareholder	Shares	Number of Shares Held	Shareholding %
Hwa Tse Liang and In		8,930,403	5.46%
Cathay Life Insurance		8,607,755	5.27%
Yuanta Taiwan Dividend Plus ETF Fund Account		7,626,535	4.67%
Chase Bank Trustee T. Rowe Price Emerging Markets Investment Account		6,664,335	4.08%
Liang Family Irrevoc		5,319,503	3.25%
Chase Bank Trustee T. Rowe Price Emerging Markets Investment Account		5,317,414	3.25%
HSBC Trustee Fidelity Investment Trust Emerging Market Opportunities Fund Investment Account		4,996,327	3.06%
Fubon Life		4,587,000	2.81%
China Life Insurance		3,190,875	1.95%
Inru Kuo		2,496,199	1.53%

(1) Market price, net worth, earnings, dividends per share, and related information for the last two years

Unit: In New Taiwan Dollars: thousand shares

Item	Year	2022	2023	As of March 29, 2024 of the current year
Market price per share (Note 1)	Highest	345.00	340.00	268.0
	Lowest	231.50	234.00	222.5

	Average	290.98	271.80	245.0
Net worth per share	Before distribution	143.72	150.54	-
	After distribution	133.72	141.54	-
Earnings per share	Weighted average shares	154,969	161,312	-
	Earnings per share - before retroactive adjustment	25.02	14.37	-
	Earnings per share - after retroactive adjustment	24.77	NA	-
Dividends per share	Cash dividends	US\$ 0.32	US\$ 0.285(Note 5)	-
	Stock grants	Stock dividends appropriated from retained earnings	0.0968	-
		Stock dividends appropriated from capital surplus	-	-
	Accumulated unappropriated dividends		-	-
Return on investment analysis	Price-earnings (P/E) ratio (Note 2)	11.63	18.91	-
	Price-dividend (P/D) ratio (Note 3)	29.09	30.2	-
	Cash dividend yield rate (Note 4)	3.43	3.31	-

Note 1: Data source is from Stock Exchange website.

Note 2: P/E ratio = average closing price per share for the year / earnings per share.

Note 3: Price/dividend ratio = average closing price for the year/cash dividends per share.

Note 4: Cash dividend yield rate = cash dividends per share/average closing price per share for the year.

Note 5: The Board of Directors resolved the per-share dividend for 2023 on March 8, 2024, at US\$0.28512593 per share. The exchange rate is temporarily estimated at NT\$9 per US Dollar based on the average buying and selling spot rates of the Bank of Taiwan on March 5, 2024. The amount distributed will be based on the New Taiwan Dollar cash dividend received by the stock affairs agency after the exchange.

(6) Company dividend policy and implementation

1. Dividend Policy specified in Articles of Incorporation

The Company amended its Articles of Incorporation on June 19, 2020, as approved by the shareholders' meeting, stipulating that without violating laws, the Board of Directors may, with the attendance of at least two-thirds of the directors and the resolution of more than half of the attending directors, distribute dividends and bonuses, statutory surplus reserves, and/or all or part of the capital surplus obtained from the issuance of shares at a premium or gifts received, in the form of cash to the original shareholders, and report to the shareholders' meeting. The Board of Directors should formulate the profit distribution plan in the following manner: The Company should offset the accumulated losses from the annual net profit and then allocate 10% of the remaining profits as a statutory surplus reserve until the accumulated statutory surplus reserve is equivalent to the Company's total capital. Second, the special surplus reserve should be allocated or reversed according to the publicized regulations of the Company Act or as required by the competent authority. Any remaining profits may be distributed as dividends (including cash or stock), following laws and public Company regulations, after considering financial, business, and operational factors, at no less than 10% of the net income after tax for the year, with the cash dividend amount not being less than 10% of the proposed profit distribution for that year.

According to the Articles of Incorporation, the pre-tax profit for the current year, before deducting distributions for employee and director remuneration, is allocated at no less than 1% ~ 5% for employee

remuneration and no more than 3% for director remuneration.

Suppose the Board of Directors decides to make significant changes to the dividend amount before the publication date of the annual consolidated financial statements. In that case, these changes adjust the accrued initial expenses for the year. Suppose there are still changes after the publication date of the annual consolidated financial statements. In that case, these will be treated according to accounting estimates and adjusted in the accounts in the following year.

2. Proposed Dividend Distribution for the Current Year

(1) The Company's Board of Directors resolved on March 8, 2024, to pass the dividend distribution for 2023, deciding to allocate US\$46,563,656 in cash dividends for common stock. Based on the number of shares outstanding as of March 6, 2024, the cash dividend per share is approximately US\$0.28512593 (about NT\$9). The exchange rate from USD to NTD is calculated based on the average of the spot buying and selling rates of the Bank of Taiwan on March 5, 2024. After receiving the cash dividends, the stock agency will determine the actual amount, convert it into NTD at the prevailing exchange rate, and calculate it to the nearest dollar, discarding amounts less than one dollar. The total fractions of a dollar not amounting to one dollar will be transferred to the Company's other income. The Company is scheduled to hold its annual general meeting on May 30, 2024.

(2) If, before the dividend distribution record date, the number of shares outstanding is altered due to the exercise of employee stock option warrants, restricted stock units, and the conversion of convertible corporate bonds into common stock, the shareholders' meeting will be asked to authorize the Board of Directors to adjust the dividend payout ratio for shareholders according to the actual number of shares outstanding on the dividend distribution record date, based on the cash dividend amount resolved in this profit distribution proposal.

BIZLINK HOLDING INC.

2023 Profit Distribution Table

Item	Amount	
	(USD/Unit)	
Beginning unappropriated earnings		148,880,810.25
Net income after tax for the current year	74,381,979	
Remeasurements of defined benefit plans are recognized under retained earnings	2,259,951	
The amount of net income after tax for the current period plus items other than the net income after tax for the current period included in the undistributed earnings of the current year		72,122,028
Less: Statutory surplus reserve appropriated (10%)		7,212,203
Add: The special surplus reserve is allocated by law		5,281,906
Distributable earnings for the current year		219,072,542
Distributable Items		
Cash Dividend - \$0.28512593 per share in USD		46,563,656
Unappropriated retained earnings at the end of the period		172,508,885

Note 1. This profit distribution plan is calculated based on the number of shares outstanding as of March 6, 2024, which is 163,309,091 shares, with a cash dividend of US\$0.28512593 per share (approximately NT\$9). The Board authorizes the Chairman to set additional dates related to the ex-dividend date and the payment date for the cash dividend. Before the dividend distribution record date, if the number of shares outstanding changes due to the exercise of employee stock option warrants, restricted stock units for employees, and the conversion of convertible corporate bonds into common stock, the Chairman is authorized to adjust the dividend payout rate for shareholders according to the actual number of shares outstanding on the dividend distribution record date, based on the cash dividend amount resolved.

Note 2. The exchange rate from USD to NTD is calculated based on the average of the spot buying and selling rates of the Bank of Taiwan on March 5, 2024. After receiving the cash dividends, the stock agency will determine the actual amount, convert it into NTD at the prevailing exchange rate, and calculate it to the nearest dollar, discarding amounts less than one dollar. The total fractions of a dollar not amounting to one dollar will be transferred to the Company's other income.

Note 3. The amount set aside for the statutory surplus reserve is calculated based on the Bank of Taiwan's spot buying and selling rates as of March 5, 2024. The actual amount should be calculated based on the Bank of Taiwan's spot buying and selling rates, which were approved by the shareholders' meeting for the profit distribution proposal.

(7) The effects of the stock dividends proposed at the current shareholder meeting on the Company's business performance and earnings per share: Not applicable.

(8) Employee bonuses and remuneration for directors and supervisors (as the Company does not have supervisors, only directors are disclosed)

1. The proportion or ranges with respect to employee bonuses and director remuneration as set forth in the Company's Articles of Incorporation:

Article 34.2 of the Company's Articles of Incorporation stipulates that the Company may distribute profits according to a profit distribution plan formulated by the Board of Directors and approved by the

shareholders through an ordinary resolution. The Board of Directors should formulate the profit distribution plan in the following manner: The Company should offset the accumulated losses from the annual net profit and then allocate 10% of the remaining profits as a statutory surplus reserve until the accumulated statutory surplus reserve is equivalent to the Company's total capital. Second, the special surplus reserve should be allocated according to the publicized regulations of the Company Act or as required by the competent authority. Any remaining profits may be distributed as dividends (including cash or stock), following laws and public Company regulations, after considering financial, business, and operational factors, at no less than 10% of the net income after tax for the year, with the cash dividend amount not being less than 10% of the proposed profit distribution for that year. The pre-tax profit for the current period, before deducting distributions for employee and director remuneration, is allocated at no less than 1% ~ 5% for employee remuneration and no more than 3% for director remuneration.

2. The basis for estimating employee bonuses and director remuneration for the current period, the basis for calculating the number of shares for stock dividends, and accounting treatment when the actual distribution amount differs from the estimated amount:

The Company's employee bonuses and director remuneration are determined according to the Company's Articles of Incorporation and are estimated annually based on this principle. When the actual distribution decided by the shareholders' meeting differs from the estimated amount, it is treated as a change in accounting estimates and adjusted in the year of the shareholders' meeting resolution, recognized as profit or loss for the year of the shareholders' meeting resolution. Additionally, the Company does not have a supervisor.

3. The approval from the Board of Directors on the sharing of profit:

The Board has approved the proposal for the distribution of profits for 2023. The details of the proposed profit distribution approved by the Board are as follows:

(1) Distribution of employee remuneration of USD 1,499,000

(2) Distribution of director remuneration of USD 395,445.

(3) The proposed amounts for employee and director compensation differ from the estimated amounts recognized in the year's financial statements, primarily due to differences in accounting estimates. Compared to the amounts recognized in the consolidated financial statements for the current year, these differences will be treated as changes in accounting estimates and adjusted in the profit and loss for 2024.

4. Profit distribution proposals that the shareholders' meeting has resolved: The shareholders' meeting for 2024 is scheduled to be held on May 30, 2024.

5. Actual distribution of employee bonuses and director remuneration for the previous year:

The actual distribution of employee bonuses and director and supervisor remuneration for the last year (2022) is as follows:

Unit: In New Taiwan Dollars

Item	Actual distribution amount resolved by the shareholders' meeting	Proposed distribution amount approved by the Board of Directors	Difference amount	Reason for the difference
Distribution situation	0	0	0	None
Employee cash bonus	137,610,000	137,610,000	0	None
Employee stock bonus	0	0	0	None
Director remuneration	13,920,000	13,920,000	0	None

(9) Buyback of the Company's shares by the Company: None.

II. Processing status of corporate bonds (including overseas corporate bonds):

(1) Outstanding and Processing Corporate Bonds

Types of Corporate Bonds	Fourth Overseas Unsecured Foreign Convertible Corporate Bonds
Issue (Processing) Date	January 12, 2022
Par value	Two hundred thousand US Dollars
Issuance and Trading Location	The Singapore Exchange
Issue Price	Fully issued at par value
Total amount	1.25 Million US Dollars
Interest rate	0.00%
Period	Issuance period of five years, until January 12, 2027.
Guarantee Institution	Not applicable
Trustee	The Bank of New York Mellon, London Branch
Underwriting Institution	Domestic Lead Underwriter: Yuanta Securities Overseas Lead Underwriter: UBS AG Hong Kong Branch
Certified Lawyer	Domestic Delivery Lawyer: Dentons Taiwan International Delivery Lawyer: Linklaters, Mayer Brown, Maples and Calder (Hong Kong) LLP, Dentons Shanghai LLP
CPAs	Deloitte Touche Tohmatsu Limited
Repayment Method	Apart from conversion, repurchase, or redemption, the principal is repaid in cash at maturity according to the bond's par value.
Unrepaid Principal	US\$120,600 thousand (as of March 29, 2024)
Terms of Redemption or Early Repayment	The issuing Company may redeem the corporate bonds early under the following circumstances: 1. From the day following the third year of the issuance of these bonds until the maturity date, if the closing price of the issuing Company's common stock on the Taiwan Stock Exchange (converted into USD at the current exchange rate) reaches 130% of the early redemption amount divided by the bond conversion ratio (as defined below) on 20 out of 30 consecutive business days, the issuing Company may redeem all or part of these bonds at the early redemption amount. 2. When more than 90% of these bonds have been redeemed, converted by the bondholders, or repurchased and canceled, the issuing Company may redeem all the outstanding bonds at the early redemption amount. 3. Should changes in the Republic of China or the Cayman Islands tax laws result in increased tax burdens, necessitate additional interest expenses, or increase costs for the issuing Company after the issuance date, the issuing Company may redeem all the bonds early at the early redemption amount. If the bondholder does not participate in the redemption, the bondholder may not request the issuing Company to bear any additional taxes or expenses.
Restriction	None
Credit rating agency name, rating date, corporate bond rating results	Not applicable

Types of Corporate Bonds		Fourth Overseas Unsecured Foreign Convertible Corporate Bonds
Including other rights	As of the date of the annual report printing, the amount of ordinary shares, overseas depositary receipts, or other securities that have been converted (exchanged or subscribed)	Amount of ordinary shares as of March 29, 2024: US\$ 4,400 thousand.
	Issuance and Conversion (Exchange or Subscription) Procedures	Please refer to pages 109 to 130 of the Company's Corporate Bond Prospectus, "Issuance and Conversion Procedure".
Issuance and conversion, exchange or subscription procedures, issuance conditions and their potential dilution effects on equity and impact on existing shareholders' rights		If all the overseas unsecured convertible corporate bonds issued this time are converted into common stock at the post-issuance conversion price, and if fully converted, the dilution ratio of the original shareholders' equity would be approximately 6.87%, which still has a limited effect on the dilution proportion of the original shareholders' equity.
Institution Name of Custody of Exchange Subject		None

Types of Corporate Bonds	Fifth Overseas Unsecured Foreign Convertible Corporate Bonds
Issue (Processing) Date	January 30, 2023
Par value	Two hundred thousand US Dollars
Issuance and Trading Location	The Singapore Exchange
Issue Price	Fully issued at par value
Total amount	One hundred and fifty million US Dollars
Interest rate	0.00%
Period	Issuance period of five years, until January 30, 2028.
Guarantee Institution	Not applicable
Trustee	The Bank of New York Mellon, London Branch
Underwriting Institution	Domestic Lead Underwriter: Yuanta Securities Overseas Lead Underwriter: UBS AG Hong Kong Branch
Certified Lawyer	Domestic Delivery Lawyer: Dentons Taiwan International Delivery Lawyer: Sullivan and Cromwell (Hong Kong) LLP, Mayer Brown, Maples and Calder (Hong Kong) LLP, Dentons Shanghai LLP, Dentons Rodyk & Davidson LLP
CPAs	PwC Taiwan
Repayment Method	Apart from conversion, repurchase, or redemption, the principal is repaid in cash at maturity according to the bond's par value.
Unrepaid Principal	US\$ 150,000 thousand
Terms of Redemption or Early Repayment	The issuing Company may redeem the corporate bonds early under the following circumstances: 1. From the day following the third year of the issuance of these bonds until the maturity date, if the closing price of the issuing Company's common stock on the Taiwan Stock Exchange (converted into USD at the current exchange rate) reaches 130% of the early redemption amount divided by the bond conversion ratio (as defined below) on 20 out of 30 consecutive business days, the issuing Company may redeem all or part of these bonds at the early redemption amount. 2. When more than 90% of these bonds have been redeemed, converted by the bondholders, or repurchased and canceled, the issuing Company may redeem all the outstanding bonds at the early redemption amount. 3. Should changes in the Republic of China, the Cayman Islands or Singapore tax laws result in increased tax burdens, necessitate additional interest expenses, or increase costs for the issuing Company after the issuance date, the issuing Company may redeem all the bonds early at the early redemption amount. If the bondholder does not participate in the redemption, the bondholder may not request the issuing Company to bear any additional taxes or expenses.
Restriction	None
Credit rating agency name, rating date, corporate bond rating results	Not applicable

Types of Corporate Bonds		Fifth Overseas Unsecured Foreign Convertible Corporate Bonds
Including other rights	As of the date of the annual report printing, the amount of ordinary shares, overseas depositary receipts, or other securities that have been converted (exchanged or subscribed)	Amount of ordinary shares converted as of March 29, 2024: US\$ 0 thousand.
	Issuance and Conversion (Exchange or Subscription) Procedures	Please refer to pages 82 to 118 of the Company's Corporate Bond Prospectus, "Issuance and Conversion Procedure".
Issuance and conversion, exchange or subscription procedures, issuance conditions and their potential dilution effects on equity and impact on existing shareholders' rights		If all the overseas unsecured convertible corporate bonds issued this time are converted into common stock at the post-issuance conversion price, and if fully converted, the dilution ratio of the original shareholders' equity would be approximately 11.65%, which still has a limited effect on the dilution proportion of the original shareholders' equity.
Institution Name of Custody of Exchange Subject		None

(2) Convertible Corporate Bond Information

Overseas Unsecured Foreign Convertible Corporate Bonds

Unit: In New Taiwan Dollars

Types of Corporate Bonds		Fourth Overseas Unsecured Foreign Convertible Corporate Bonds	
Item	Year	2023	As of March 29, 2024
Market price of convertible corporate bonds (USD)	Highest	104.383	99.930
	Lowest	91.723	97.116
	Average	97.480	98.336
Conversion price		276.85	276.85
Issue (handling) date and issue conversion price		January 12, 2022; 300.00	
Method of fulfilling conversion obligations		Issuance of new shares	

Types of Corporate Bonds		Fifth Overseas Unsecured Foreign Convertible Corporate Bonds	
Item	Year	2023	As of March 29, 2024
Market price of convertible corporate bonds (USD)	Highest	112.56	107.426
	Lowest	98.458	102.083
	Average	104.680	104.380
Conversion price		274.83	274.83
Issue (handling) date and issue conversion price		January 30, 2023; 288.65	
Method of fulfilling conversion obligations		Issuance of new shares	

III. Preferred Stock Processing Status: None.

IV. Global Depositary Receipts (GDRs) Processing Status:

Issue (Processing) Date		January 10, 2022	
Item			
Issue (Processing) Date		January 10, 2022	
Issuance and Trading Location		The Luxembourg Stock Exchange	
Total issuance amount		US\$104,280,000	
Unit issue price		US\$8.69 per unit	
Total number of issued units		12,000,000 units of overseas depositary receipts representing 12,000,000 ordinary shares	
Recognition of the source of marketable securities		The marketable securities represented by this depositary receipt are issued by the Company through a cash capital increase of 12,000,000 shares.	
Amount of Marketable Securities Recognized		Each depositary receipt represents one ordinary share of the Company	
Rights and obligations of depositary receipt holders		1.Voting rights: Unless otherwise provided by law, depositary receipt holders may exercise the voting rights of the ordinary shares of the Company represented by their depositary receipts following the relevant rules of the Republic of China and the Cayman Islands and the applicable provisions of the depositary agreement. 2.Dividend distribution, preemptive rights to new shares, and other rights: Unless otherwise specified in the depositary agreement, depositary receipt holders generally have the same rights to dividend distributions and other rights to the allotment as the shareholders of the Company's ordinary shares. If the Company decides to distribute stock dividends or handle other stock allocation matters in the future, the depositary institution may, according to the deposit agreement and relevant legal provisions, issue depositary receipts in proportion to the original unit holdings to the original holders or within limits permitted by law, increase the number of common shares represented per depositary receipt unit, or represent the depositary receipt holders in selling such stock dividends and distribute the proceeds (after deducting taxes and related expenses) proportionally to the depositary receipt holders. When the Company handles cash capital increases or other subscription rights, holders of depositary receipts should, in principle, have the same preemptive rights to subscribe to new shares as ordinary shareholders. The depositary institution should, within the scope permitted by the laws of the Republic of China and the Cayman Islands, provide related rights to holders of depositary receipts following the provisions of the depositary agreement or represent the holders of depositary receipts to sell such rights and distribute the proceeds (after deducting taxes and related expenses) to the holders of depositary receipts in proportion to their original holdings.	
Trustee		None	
Depositary institution		Citibank, N.A.	
Custodial Institution		Citibank Taiwan Limited	
Unredeemed balance		0	
Method of apportioning costs related to issuance and duration		1. Costs related to the issuance of overseas depositary receipts: Regarding the issuance costs incurred in participating in the issuance of overseas depositary receipts, including legal fees, listing fees, financial advisory fees, and other related expenses, unless otherwise stipulated by law or agreed upon by the issuing Company with the lead underwriter and custodian institution, these costs shall be borne by the issuing Company and the selling shareholders. 2. Costs related to the duration: Unless otherwise specified by the division order or agreed upon separately by the issuing Company, the lead underwriter, and the depositary institution, the costs related to the duration include information disclosure and other expenditures to be borne by the issuing Company.	
Key Provisions of the Deposit and Custody Agreements		As detailed in the Deposit and Custody Agreements	
Market price per unit	2023	Highest	Note
		Lowest	
		Average	

Note: The unredeemed balance for 2023 is 0, hence not listed.

V. Employee Stock Option Warrants Processing Status:

To attract and retain the talent needed by the Company, motivate employees, and enhance their loyalty to the Company, thereby jointly creating benefits for the Company and its shareholders, the Company has established the 2018 Employee Stock Option Warrants Issuance and Subscription Procedure according to the Company's Articles of Incorporation. It aims to utilize performance assessments and motivate employees.

(1) Employee Stock Option Warrants Processing Status

March 29, 2024

Type of Employee Stock Option Warrants	2018 1st (period) Employee Stock Option Warrants
Effective Date of Filing and Total Units	May 2, 2019/10,000,000
Issue (Processing) Date	March 13, 2020
Number of issued units	1,170,000 shares
Number of units for issuing	0 share
Ratio of Shares Eligible for Subscription to Total Issued Shares (Note 1)	0.72%
Duration of stock subscription	The duration of the employee stock option warrant is six years. Upon expiration of the duration (or a shorter period specified in the stock subscription agreement signed with the employee), those who have not exercised their subscription rights will automatically lose their validity, and the holder of the stock option certificate shall not claim any remedy or compensation.
Performance method	The Company shall deliver ordinary shares issued through a capital increase.
Restricted subscription period and ratio (%)	Upon expiration of 2 years: 25%
	Upon expiration of 3 years: 50%
	Upon expiration of 4 years: 75%
	Upon expiration of 5 years: 100%
Executed number of shares acquired	541,500
Executed subscription amount	78,611,420
Unexecuted subscription quantity	628,500 shares
Subscription price per share for unexecuted subscribers	139.9
Percentage of unexecuted subscription quantity to total issued shares (%)	0.38%
Impact on shareholders' equity	The potential dilution ratio for existing ordinary shareholders is approximately 0.71%, and the dilution effect is still limited.

Note 1: Calculated based on the number of shares issued as of March 29, 2024, totaling 163,429,591 shares.

(2) Accumulated until the date of the annual report publication, the names of manager who have acquired employee stock option warrants and the top ten employees who have acquired the number of shares for stock option warrants, and the details of their acquisition and subscription:

	Position	Name	Subscription quantity acquired	Ratio of subscription quantity acquired to total issued shares	Executed				Unexecuted			
					Subscription quantity	Subscription price	Subscription amount	Ratio of subscription quantity to total issued shares	Subscription quantity	Subscription price	Subscription amount	Ratio of subscription quantity to total issued shares
Manager	General Manager	Chien-Hua Teng	250,000	0.15%	179,500	146.72~139.90	26,034,775	0.11%	70,500	139.90	9,862,950	0.04%
	Vice General Manager	Yong-Chang Hu (Note 1)										
	Vice General Manager	Jia-Zheng Lin										
Employee	Employee	Jian-Ren Chen	920,000	0.56%	362,000	146.72~139.90	52,576,645	0.22%	558,000	139.90	78,064,200	0.34%
	Employee	Guo-Yang Tsai										
	Employee	Kun-Shan Dong										
	Employee	Christoph Wolf										
	Employee	Yvonne Wang (Note 2)										
	Employee	Yann-Chiu Wang										
	Employee	Zong-Hsien Lai										
	Employee	Peili Wu										
	Employee	Zheng-Sheng Zhou (Note 3)										
	Employee	Mike Lin										

Note 1: Vice General Manager Yong-Chang Hu was promoted on April 1, 2023

Note 2: Yvonne Wang position was adjusted to a non-managerial role on April 1, 2023

Note 3: Zheng-Sheng Zhou position was adjusted to a non-managerial role on November 10, 2023

- VI. Restricted stock award processing status as of the printing date of the annual report: None.**
- VII. Issuance of New Shares in Connection with Mergers and Acquisitions or with Acquisitions of Shares of Other Companies: None.**
- VIII. Implementation of Fund Utilization Plans:**

Details and implementation status of plans for marketable securities issued in previous batches or private placements that have not been completed or were completed within the last three years and have not yet realized the estimated return as of the end of the quarter, preceding the printing date of the annual report:

Plan item	Fund raising	Fund utilization plan	Implementation Status
Fifth Overseas Unsecured Foreign Convertible Corporate Bonds	US\$ 150,000,000	Overseas procurement	As of the fourth quarter of 2023, the cumulative scheduled execution progress is 100%, and the cumulative actual execution progress is 57.98%. The progress of fund utilization is below expectations, primarily due to the fund-raising completion being later than the planned schedule, coupled with reduced procurement amounts in response to the economic downturn.

E. Operation Overview

I. Business

(1) Business Scope

1. Main business operation

The Company primarily engages in the business of providing solutions for the design and application of cable wiring harnesses, covering: Industrial automation, information data, commercial computer peripherals, automotive, healthcare, new energy, semiconductor equipment, special application wires, optical communication equipment, solar connection devices, etc., involving design and development of connectivity products (NPI), system integration, and machine assembly manufacturing.

2. Proportion of revenue from main products

Unit: %

Product name \ Year	2022	2023
	Proportion	Proportion
Industrial	36.7%	38.9%
For electrical appliances	13.9%	14.6%
For vehicles	22.2%	25.4%
Information Technology and Data Communication	26.0%	20.2%
Others	1.2%	0.9%
Total	100.00%	100.00%

3. Current product (service) the Company offers

Cable assemblies	– Data center: Compliant with ORV3 three-phase/single-phase rack large current power cables; active/passive high-speed lines (copper cables and connectors) with speeds up to 1.6T; 64G (PCIe 6.0), including GenZ, MCIO, NearStack, Multi-trak, DA CEM high-speed specification cable assemblies, Loopback data center loop testing modules, in-machine high-speed transmission lines, and connectors. – Data center interconnect solutions: Direct cable connections, active optical cables, active electrical cables, data center loopback testing modules, optical transceivers, internal high-speed lines in servers, data center three-phase/single-phase rack large current power cables, data center high current connectors. – Consumer electronics and peripherals: Docking stations, extension devices, collaborative peripheral equipment, power cords and data connection wire sets, and video conferencing systems. – Electric vehicles: Battery management system wiring harnesses, battery pack wire sets, multi-standard electric vehicle charging equipment, high-voltage wiring harnesses for electric vehicles, high-speed wiring harnesses for electric vehicles, onboard chargers for electric vehicles, DC charging guns, temperature voltage sensing TVSH wiring harnesses, high-power connectors and wire sets for electric vehicles, automotive Ethernet high-speed connectors and wire sets, electric vehicle charging equipment. – Energy storage devices: Internal wiring harnesses for energy storage devices, converter wiring harnesses, water pump wiring harnesses, and industrial-grade power supply equipment with high current wiring harnesses.
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	– For vehicles: Main automotive wiring harnesses, 12V wiring harnesses, rear light system assemblies, automotive 12V power accessories, ABS brake sensor wiring harnesses, Advanced Driver Assistance Systems (ADAS) wiring harnesses. – Factory automation and robotic solutions: Integrated one-stop service for robots (Integration - Ready - Robots), automation and drive cable assemblies, special robotic cable components, sensor system solutions, PLC and offline programming. – Medical equipment: Sensor wires, medical high-resolution imaging equipment long-distance wires, balun signal wires, filters. Cable wiring harnesses and cable systems, pre-assembled cables, cable laying systems, injection-molded plugs, protective sleeves and splitters, endoscopic cables, hybrid cables, fiber optic/copper cables, miniature cables, ECG/EEG/MEG cables, ultrasound cables, patient monitoring cables, antibacterial cables, cleanroom cables, high-speed data cable assemblies, laser medical products, patient positioning systems, portable medical modules. – Electrical interconnection solutions: Home appliance power cords, internal wiring harnesses and system modules, smart home appliance signal modules, and plugs compliant with international standards. – Industrial wiring harnesses: Semiconductor equipment signal and power wiring harnesses, automation equipment signal and power wiring harnesses. – Solar energy: Solar connectors, solar inline fuse solutions, solar wiring harnesses.
Connectors	Connectors for high-speed transmission in computers and data centers, and high-power transmission connectors: – High speed: PCIe Gen5/6 series connectors, Nearstack, MCIO, Multitrak, DACEM, etc., supporting the latest artificial intelligence servers. – High power: OCP ORV3 AC and DC power cables and connectors, and 600A to 1200A cabinet bus bars and servers, supporting AI-related cabinets.
Wires	– 3C high-frequency wires, automotive wires, and high-speed transmission wires for vehicles and servers.
Optical Active/Passive Component Modules	Active optical jumpers, relay cables, fiber optic transceivers, external cable fasteners, fiber optic connection equipment for medical devices, active optical components. From 40G to 400G optical transceivers, used for high-speed data transmission within data centers.

4. Planned development of new products (services)

Future planned product developments focusing on data center applications wiring harnesses, multi-screen applications for computers, electric vehicle connectivity applications, advanced medical healthcare cable development, semiconductor equipment and system integration, smart home applications, industrial special applications, and space rocket applications.

(2) Industry Overview

1. Current situation and development of the industry

(1) Data center equipment

Due to AI and machine learning applications, the demand for ultra-high data transmission rates is rapidly increasing in the equipment and wiring harnesses of next-generation data centers.

(2) Video conferencing systems

After the pandemic, hybrid working has become the norm for most companies, with global businesses experiencing increased demand for remote and hybrid work. The video conferencing equipment market has rapidly developed, and video conferencing has become the preferred meeting mode for most companies. In response to the new trend of hybrid working, companies are actively seeking more flexible and agile solutions to meet the diverse needs of work scenarios.

(3) Assembly of wires, power system wiring harnesses, and signal connection cables (Cable Assembly & Passive Cable)

With the development of 5G technology, the quality and stability of signal transmission have become even more crucial. High-frequency cables often use higher quality, more efficient materials and structures to ensure the quality and stability of signal transmission. In the scenario of the Internet of Things, it will play a more important role.

(4) Automotive wiring harness

Electric vehicles combine advancements in automotive infotainment, autonomous driving applications, internet of vehicle, and battery pack technology, and develop high-voltage, high-current, high-speed connectors and wiring harnesses to bring more opportunities to the industry.

(5) Connector

PCIe Gen5 and GenZ connectors are currently mainstream in the high-speed transmission market and are about to be upgraded to PCIe Gen6 level. Future market trends include high-speed transmission applications, such as AI, data centers, and 5G.

(6) Energy storage systems

With energy storage devices, intermittent green energy can be transformed into a constant power source, thereby balancing the stock of green energy and alleviating the intermittency issues of renewable energy.

(7) Semiconductor equipment

Due to the chip demands from cloud computing, industrial intelligence, IoT, 5G communications, smart vehicles, and electric vehicles, the semiconductor equipment industry has flourished, further driving wafer fabs and memory manufacturers to expand long-term capital expenditures.

(8) Factory automation

After the pandemic, the global supply chain has become increasingly regionalized, coupled with the aging population trend in developed countries, the demand for factory automation and related robotic solutions will continue to rise; moreover, the rapid development of artificial intelligence will also accelerate the process of factory automation in the coming years.

2. The relationship between upstream, midstream, and downstream industries

(1) The Company belongs to the wiring harness and connector product industry, vertically integrating design and manufacturing for one-stop service.

Regarding information-related products, the Company vertically integrates wire and connector design, manufacturing, and assembly with the Company's product design capabilities, providing finished products to downstream end customers.

(2) To address the characteristics of industries such as automotive, medical, and industrial applications requiring small quantities but diverse products, the Company co-develops and designs with customers. Some components will be procured from upstream suppliers, and the factory will complete either modularization or the final product, which is then delivered directly to the customer or sent to downstream system manufacturers for assembly.

3. Various trends in product development

The following are the recently developed interface standards:

(1) For energy-efficient and high-density applications such as cloud computing, artificial intelligence, and machine learning, the Company provides the OCP ORV3 power connection solution, including a 60A AC input connector, 600A DC power connector, 60A power cable, 42-48OU Busbar, and wiring harnesses and connectors for immersive cooling applications.

(2) Long-distance fiber optic transmission: Aiming for long-distance anti-interference development, applied in data centers, communications, medical equipment, industrial and other fields. Developing 400G to 800G fiber optic transceiver blocks.

(3) High-speed data center transmission: Higher-speed transmission wiring harnesses and customized power supply equipment wiring harnesses are constantly being launched in response to the continuously increasing demands for data transmission speed and bandwidth.

(4) Solar energy: High-voltage, high-current connection module components.

4.Competitive situation

Formulating long-term strategies to create competitive advantages through differentiation from competitors, for example: Introducing partial automation processes to enhance production efficiency. In terms of global site layout, achieving the goal of being close to target markets and major customers. Adopting multiple flexible strategies to acquire complementary technological capabilities through cooperation and strategic investments, aiming for sustainable operations and stable profit growth.

(3)Technical and R&D Overview

1.Technical level and research and development overview of the business operations

BizLink Technology R&D team is dedicated to developing high-quality, high-speed data center power supply and transmission lines. These lines provide a superior large current supply and high-speed transmission of photoelectric signals, achieving high reliability, high interference resistance, and stable heat dissipation to ensure the efficient operation of data centers.

Applications of new transmission standards include multifunctional expansion docks, wireless expansion docks with remote conferencing capabilities, new standard video adapters, long-distance high-frequency, high-speed audio-video transmission wires and connectors, integrating end products of IC component system design, technically extending to image signal conversion, wireless connection modules, active signal output, etc.

In the automotive field, high-voltage and high-speed connectors for electric vehicles, high-voltage and high-current wires, charging equipment, and commercial electric vehicle wiring harnesses are developed. In industrial equipment, system integration of semiconductor equipment machines, next-generation energy storage device wiring harnesses; in medical equipment, continuous development of optical transmission medical imaging wiring harnesses, compact portable medical products, providing a one-stop service from design to mass production.

2.Research and development expenses incurred in the past five years

Unit: In Thousands of New Taiwan Dollars; %

Item	2019	2020	2021	2022	2023
Research and development expenses	576,147	651,167	862,521	1,384,227	1,534,477
Operating net revenue	23,092,145	22,537,767	28,564,375	53,757,171	51,051,791
Ratio of operating net revenue	2.49%	2.89%	3.02%	2.57%	3.00%

3.Technologies or products successfully developed in 2023

Year	Result of R&D	Functional purpose
112	Liquid-cooled charging gun	Used for rapid charging of electric vehicles.
	Vehicle high-speed transmission lines and connectors	Electric vehicles and autonomous systems.

	Data center high-speed 800G transmission line	Used for AI computing and high-speed data transmission in data centers.
	1.6T OSFP DAC and 1.6T OSFP-XD connector/cage	Used for AI computing and high-speed data transmission in data centers.
	PCIe Gen 5/6 ready assemblies	Used in AI servers.
	Industrial system cabinet construction	Various industrial infrastructures.
	LSH Delta Dresspack robotic dresspack system	Robotic Pipeline Bag System, suitable for robotic operations in various industries.
	BizLink PULSAR	Medical robotic platform, which can be customized according to specific requirements of medical clinical applications.

(4) Long and short-term development strategies and plans

1. Short-term development strategies and plans

(1) Information products: Development of advanced applications

- Video conferencing systems for remote work and hybrid work trends.
- Data center applications: Cable components (passive and active), loop test modules, high-speed/high-power connectors, and power solutions for racks and servers.

(2) Automotive products: High voltage, high current, high transmission speed, and automotive electronics

- Expand electric vehicle wiring harnesses, Electric Vehicle Supply Equipment (EVSE), and Direct Current charging connectors (CCS2 & NACS).
- Jointly develop ADAS and autonomous driving system wiring harnesses.
- Automotive electronics applications include wireless chargers for vehicles, Type-C chargers for vehicles, and automotive fuse boxes.

(3) Moving towards smart appliances

- New business models: Cross-sectoral development of new products.
- Appliances combined with IoT: Realize smart home appliances.
- IoT facilitates the implementation of a sharing economy, time-sharing leasing, and resource-sharing vision.

(4) Enhance productivity, upgrade automation

- Production line expansion: Expand production bases in Asia, North America, and Europe.
- Production management system: Establish a real-time production line management system.

(5) Industrial and medical: Diverse growth

- Develop the semiconductor equipment market, providing one-stop services from wiring harnesses to machine assembly.
- Strengthen industrial automation products and expand the product line.

2. Long-term development strategies and plans

(1) Integrate resources to drive growth:

In terms of external integration, through strategic alliances, achieve resource complementarity to respond to industry changes. At the same time, use strategic investments to gain venues, enhance technological capabilities, acquire target customers, and expand business coverage geographically. In terms of internal integration, by integrating the unique advantages of each business group, cross-industry development of new products and new customers is pursued to maximize value and synergy, achieving one-stop service.

(2) Perfecting regional layout:

In response to future customer growth, continue to deploy plans to expand production capacity,

including perfecting the four major production regions of Greater China, Southeast Asia, North America, and Eastern Europe, as well as enhancing the diversity of factory products and one-stop manufacturing capabilities.

(3)Focusing on corporate sustainability ESG and governance:

- Committed to becoming a leading low-risk Company under the sustainability indicators of major global ESG rating agencies.
- Comply with environmental protection laws in various countries, monitor financial risks caused by climate change, and fulfill each factory's Environmental, Safety, and Health (ESH) requirements.
- Assess the performance of the Board of Directors and its operating committees regularly, focus on corporate governance issues, and maintain information transparency.

(4)Cultivating a global team:

Expand the team's talent pool through training and strategic recruitment, grow and evolve with the Company, and build a global corporation.

II. Market and Production and Sales Overview

(1)Market Analysis

1.Main regions of sales (provision) for primary products (services)

Unit: In Thousands of New Taiwan Dollars

By region	2022		2023	
Asia	21,135,090	39.32%	18,136,085	35.52%
Americas	12,141,392	22.59%	10,780,593	21.12%
Europe	20,376,209	37.90%	21,794,205	42.69%
Other regions	104,480	0.19%	340,908	0.67%
Total	53,757,171	100.00%	51,051,791	100.00%

2.Market share

The Company primarily provides connectivity products for leading brands. The products are customized for different models and applications launched by diversified industry customers, making estimating market share in individual markets challenging. The Company continues to expand into more application areas, enhance technology, and increase its global presence, contributing to a sustained increase in market share across various markets.

3.Market future supply and demand situation and growth prospects

BizLink Technology's products span across industrial, data information, electrical, automotive, industrial automation, healthcare, aerospace, new energy, semiconductor equipment, optical communications, and other fields. The Company focuses on commercial, automotive, and industrial application markets, specializing in designing and developing connection modules and wiring harnesses, supplying to top global brand customers.

Regarding the external competitive environment, BizLink Technology's strategy is to expand investments in major global customer clusters, serving as the best partner for long-term customer development. To this end, BizLink Technology has laid out developments in four major global regions to specialize in cross-industry product manufacturing capabilities while continuously pursuing new product development and capacity expansion plans following the customer's development blueprint. BizLink Technology continues to focus on future forward-looking applications, maintaining vigilance and agility to adjust product strategies.

4.Competitive niche

- (1)Vertical integration: Co-developing with customers, integrating upstream and downstream process technologies, and providing a full range of products and connectivity solutions.

- (2)Flexible production: Flexibly allocating production capacity according to customer needs and delivery schedules, meeting the demands for rapid and diverse small-scale or large-scale orders.
- (3)International certification: Each factory has passed international certifications such as ISO 9000, ISO 14001, AS9100, TS16949, and ISO 45001; solar products have obtained dual certifications from UL and TUV.
- (4)Professional team: Working closely with customers to continuously develop new products, establishing long-term stable cooperative relationships.
- (5)Global layout: Establishing bases close to the market and near customers is a strategy.

5.Favorable and unfavorable factors and coping strategies for future development

(1)Favorable factors

A.The scope of connectivity applications continues to expand

The scope of connectivity applications covers computers and their peripherals, data center cloud computing equipment, automobiles, communication data, medical, industrial, semiconductor equipment, and solar energy, among many other fields. There is a vast market for these applications.

B.Close cooperation with major international manufacturers

With rich R&D experience, the Company develops new products with customers and top international manufacturers highly trust the Company's product quality and technology.

(2)Unfavorable factors and coping strategies

A.Information industry growth slows down: Overall growth in information end products is slowing, and competitiveness can only be maintained through continuous product development.

-Coping strategies

Actively expand the application areas of products, such as data centers, automotive electronics, medical equipment, industrial automation, semiconductor equipment, aerospace, and energy.

B.Intense industry competition: Due to fierce competition in the electronics and information industry, there is significant price pressure on products.

-Coping strategies

(A)Raise the technological threshold. Continuously invest in R&D technology, product design, and production automation equipment, improve production processes and flexibility, enhance quality, and avoid price competition.

(B)Expand into European and American markets, enhance marketing capabilities, and develop differentiated, high-value-added product applications.

C.Fluctuations in upstream raw material prices: Prices of copper materials, plastics, and key components, as well as the exchange rate differences between manufacturing and transaction currencies, make costs susceptible to international market price changes and difficult to control. The cost structure will be temporarily affected when prices fluctuate dramatically in the short term.

-Coping strategies

(A)Signing long-term supply contracts with upstream suppliers to stabilize the source and purchase price of materials, thereby minimizing the impact of raw material price fluctuations within a controllable range.

(B)Collecting market supply information, group purchasing to reduce costs, and maintaining product profit margins.

(C)Assessing the exposure of the main currencies used (and materials), implementing appropriate hedging tools, and formulating hedging strategies.

(2)The important usage and production processes of the main products

1.Important uses of main products

The Group primarily produces and sells cable assembly products. The main products are

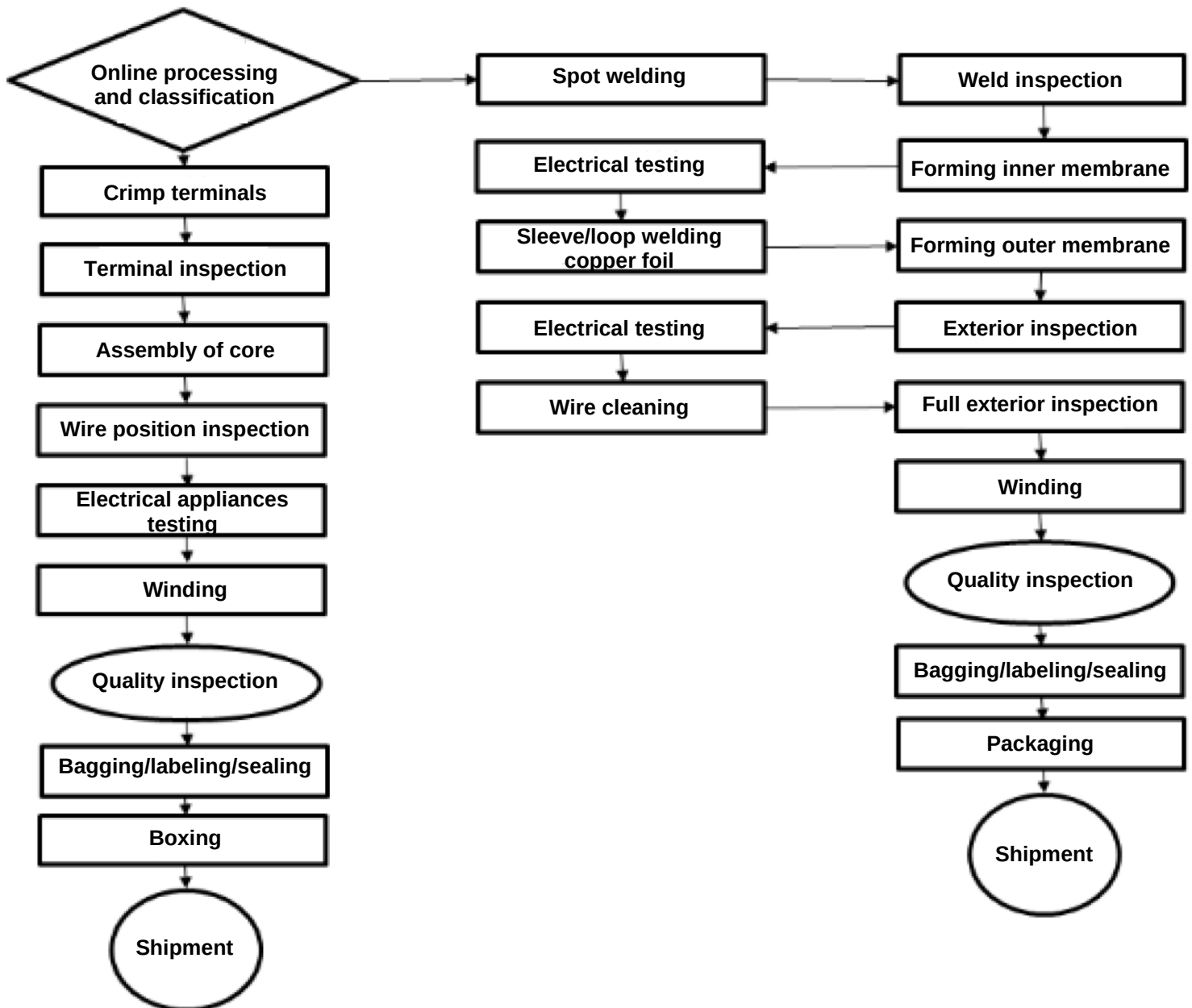
categorized into data transmission lines, power cables, automotive cables, and medical cables. It also produces connectors, wires, and fiber optic components and provides system integration and machine assembly services. Main products are primarily used in computer peripherals, data centers, household appliances, medical, electric vehicles, automotive, communications, solar energy, industrial equipment, semiconductor equipment, and other connectivity products.

Main product categories	Important usage
Connectors, wires, cables, solar connector devices	Signal transmission: High-frequency wiring harnesses for information products, high-speed transmission lines for data centers, automotive wiring harnesses, electric vehicle battery pack connection wiring harnesses, main wiring harnesses for sports vehicles, medical equipment and sensor connection wiring harnesses, and long-distance signal monitoring devices for medical use. Power transmission: Electrical appliances, electric hand tools, solar power high-voltage wiring harnesses, electric vehicle charging high-voltage lines, commercial expansion docking rapid charging interfaces.
Optical Active/Passive Component Modules	Optical active/passive component modules are the fundamental devices of optical transmission equipment, the core of optical communication systems and optical communication networks, and the means of transmitting signals with high efficiency through optical transmission technology. Applications: Data centers, telephone and telecommunications, television broadcasting media.

2. Manufacturing process of main products

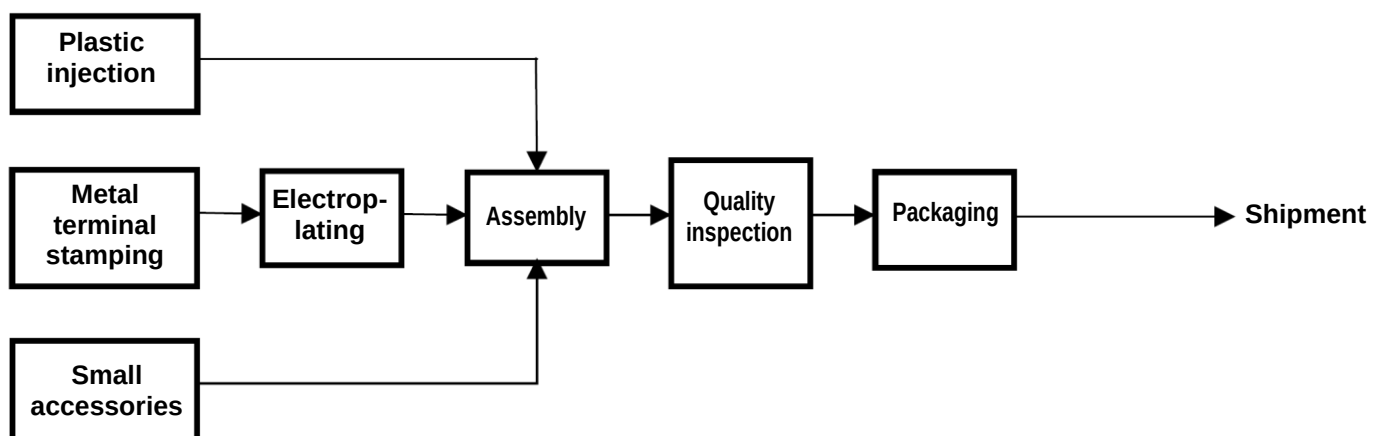
The Company's wire assembly main process, from development and design through material assembly to final product shipment, is as follows:

(1) Wire assembly process



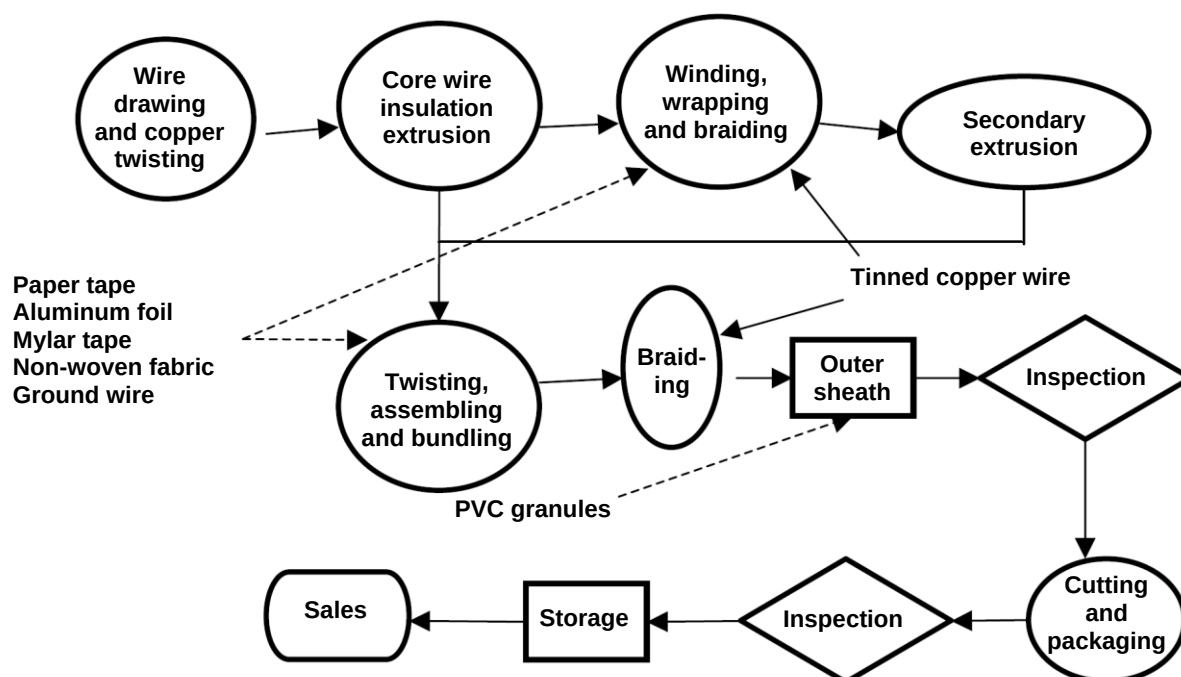
(2) Connector manufacturing process:

Upstream suppliers include copper strip, plastic, and electroplating businesses. Downstream customers primarily consist of system manufacturers and assembly line factories.



(3) For bare wires, the manufacturing process is as follows:

Upstream suppliers are coarse copper and industrial plastics. Downstream customers primarily include brand manufacturers, solar module factories, and assembly factories.



(3) Supply status of main raw materials

The Company's main products are wire assemblies made of primary materials, including wires, connectors, terminals, and others. Considering the quality, yield, delivery stability, and cost control, the Company maintains long-term cooperative relationships with excellent suppliers. And strictly controls inventory safety stock, preparing materials accurately based on order forecast quantities and MRP calculations. Due to supply and demand imbalances, individual electronic materials will also undergo long-term planning strategies for material preparation to cope with the supply situation of some electronic components. Overall, the supply situation is good.

(4) Explanation of significant changes in gross margin by main product or department in the last two years:

2022		2023	
Gross profit ratio	Gross profit ratio change rate	Gross profit ratio	Gross profit ratio change rate
25.65%	10.51%	24.65%	-3.90%

The gross profit ratio change rate in the last two years did not reach 20%, therefore no analysis is provided.

(5) List of major sales and purchase customers:

1. Information on the major suppliers in the past two years

The Company's raw material procurement is primarily conducted through overseas holding companies on our behalf, with non-group-related suppliers not exceeding 10% of the annual purchase amount. Over the past three years, the top ten suppliers accounted for only 24.98%, 18.08%, and 15.12% of the annual purchase amount, respectively. Therefore, in the past two years, there has been no situation where a specific supplier dominated the procurement proportion excessively. Moreover, the Company's purchasing policy mandates having at least two suppliers for the same raw material,

aside from customer-specified sources. This facilitates price comparison and enhances sourcing flexibility, thus avoiding the risk of overly concentrated procurement.

2. Main sales customers data in the past two years

The Company's main products are cable assembly products. The main products are categorized into industrial, electrical, automotive, information technology, and data communication. There are numerous products, and the sales targets are diversified. In 2022 and 2023, no single customer accounted for more than 10% of sales.

(6) Table of production volume and value for the last two years

Unit: pcs / In Thousands of New Taiwan Dollars

Main products (or by department)	2022			2023		
	Production capacity	Production Volume	Production Value	Production capacity	Production Volume	Production Value
Industrial	111,634,509	147,017,894	10,393,197	91,260,158	116,589,675	10,581,397
For electrical appliances	323,907,858	242,689,843	6,081,520	325,610,821	239,996,312	5,858,680
For vehicles	265,383,724	352,913,769	12,631,347	216,467,024	291,521,046	8,206,532
Information Technology and Data Communication	79,032,576	94,688,418	12,635,801	55,571,158	71,623,377	7,934,457
Others	1,458,243,478	1,965,996,985	9,381,691	972,851,109	1,377,146,256	5,009,743
Total	2,238,202,145	2,803,306,909	51,123,556	1,661,760,270	2,096,876,666	37,590,809

Note 1: Production capacity refers to the quantity produced by the Company's existing production equipment under regular operation after accounting for necessary downtime, holidays, and other factors.

Note 2: For products that are substitutable in production, their capacities can be combined and noted accordingly.

Note 3: Different products may vary greatly in price.

Note 4: Product classification readjustment.

(7) Table of sales volume and value for the last two years

Unit: pcs / In Thousands of New Taiwan Dollars

Sales Volume and Value	Year	2022				2023			
		Domestic sales		Export sales		Domestic sales		Export sales	
		Volume	Value	Volume	Value	Volume	Value	Volume	Value
Main products									
Industrial		0	0	33,849,779	19,652,145	0	0	20,368,101	19,849,778
For electrical appliances		0	0	176,967,862	7,794,695	0	0	154,140,369	7,450,500
For vehicles		0	0	196,823,071	12,185,876	0	0	175,217,269	12,974,468
Information Technology and Data Communication				37,370,088	13,598,542			26,613,752	10,322,688
Others		0	0	88,298,966	525,913	0	0	25,014,419	454,357
Total		0	0	533,309,766	53,757,171	0	0	401,353,910	51,051,791

Note: All our products are for export sales.

III. Number of employees in the most recent two years and up to the date the Annual Report was printed

Year		End of 2022		End of 2023		March 29, 2024	
Number of employees	Manager	625		652		640	
	General employees	4,019		4,104		4,039	
	Production line staff	11,215		9,874		9,841	
	Total	15,859		14,630		14,520	
Average age		38.67		39.95		40.24	
Average years of service		6.66		7.63		7.7	
Educational background distribution ratio	Doctoral degree	17	0.11%	20	0.14%	20	0.14%
	Master degree	317	2.00%	392	2.68%	388	2.67%
	College/ University	3,997	25.20%	3883	26.54%	3,961	17.28%
	High school degree	4,197	26.46%	4909	33.55%	4,963	34.18%
	Less than high school degree	7,331	46.23%	5426	37.09%	5,188	35.73%

IV. Information on Environmental Protection Expenditures

(1) Regarding the application for pollution control facility permits, discharge permits, payment of pollution control fees, and the application, payment or establishment of dedicated environmental protection units, the situation is as follows:

The Company's production factories are mainly located in China, and they primarily produce cables, connectors, solar connector devices, wires, and optical components. Adhering to the principles of pollution prevention and continuous improvement, we produce 'green products' through 'green processes' that are environmentally friendly and sustainably managed.

The Company obtained an environmental impact assessment report and wastewater discharge permit at the time of factory establishment. Additionally, contracts have been signed with qualified waste disposal companies for regularly processing resource-based and general industrial waste.

1. BizLink (Kunshan) Co., Ltd.

(1) Information on Environmental Protection Investment

In May 2020, the Company obtained EIA approval [2020] 40220 from the Suzhou Environmental Protection Bureau for the Electronic Connection Cable, High-Speed Cable Production Process Quality Inspection Technical Improvement Project. The Company renewed its discharge permit with the

certificate number: 9132058374483744837903C001Q. The permit is valid from December 9, 2022, to December 8, 2027. The Company's QC080000 Hazardous Substance Management System certification is valid until December 7, 2025. The Company's ISO14001 Environmental Management System certification is valid until September 2024. The Company obtained a "City Drainage Permit" from the local Water Authority to discharge domestic wastewater. The permit is valid from September 23, 2021 to September 23, 2026. In 2021, a comprehensive maintenance project for rain and sewage pipelines was carried out, improving the discharge of domestic wastewater. The project cost approximately NT\$1.5 million. In October 2022, the park's rainwater pipeline was rectified, costing CNY 475,000.

(2)Environmental protection expenditure

- A. Waste transportation and disposal (cost CNY 42,314);
- B. Replacement of activated carbon (cost CNY 266,506);
- C. Maintenance of environmental protection facilities (cost CNY 85,685 per year);
- D. Detection of the three types of wastes (wastewater, waste gas, factory boundary noise) in the factory area (cost CNY 24,640);
- E. Emergency Environmental Response Plan Preparation and ISO14000 System Audit (cost CNY 29,500).

(3)Environmental protection related certificates

- A. QC080000 Hazardous Substance Management System Certificate Validity: December 7, 2025;
- B. ISO14001 Environmental Management System Certificate Validity: September 2024.

2.Xiang Yao Electronics (Shenzhen) Co., Ltd.

(1)Information on Environmental Protection Investment

Obtained the Environmental Protection Compliance Certificate from Shenzhen City Bao'an District Environmental Protection Bureau in March 2010 (Shen Bao Environmental Compliance [2010] No. 021). April 10, 2013, Shenzhen City Human Settlements and Environment Committee published the Environmental Impact Report for Construction Projects; Shenzhen Environmental Water Approval (2013) No. 601055, Shenzhen City Bao'an District Environmental Protection and Taxation Bureau approved the environmental impact review of construction projects. Shenzhen City Bureau of Ecology and Environment published the Environmental Impact Report Form for Construction Projects in May 2019. Bao'an Management Bureau of Shenzhen City Bureau of Ecology and Environment published the Environmental Protection Acceptance Monitoring Report Form for Construction Project Completion in January 2021 (BA20191113001).

(2)Environmental protection expenditure

In 2023, Xiang Yao re-commissioned a third party to conduct the environmental impact assessment for the renovation and expansion project, obtaining the EIA report (cost CNY 15,000), with the validity period for the fixed pollution source discharge registration form: May 27, 2020 to May 26, 2025.

Xiang Yao entrusts a qualified third party every year:

- A. To handle hazardous waste (cost CNY 15,000 per year);
- B. Replacement of activated carbon (cost CNY 7,000 per year);
- C. Maintenance and renovation costs for environmental protection facilities (cost CNY 5,000 per year);
- D. Inspection on the three types of wastes (domestic sewage, waste gas, factory boundary noise) in the factory area (cost CNY 14,000 per year).

(3)Environmental protection related certificates

Xiang Yao has obtained the following environmental protection related certificates:

- A. ISO14001 Environmental Management System Certificate Validity: March 4, 2025;

B. QC080000 Hazardous Substance Management System Certificate Validity: September 12, 2026.

3. BizConn International Corp.

(1) Information on Environmental Protection Investment

Environmental Protection Agency of Bao'an District, Shenzhen City, approved an environmental impact assessment report in October 2006. In November 2023, Xiang Yao re-commissioned a third party to conduct the environmental impact assessment for the renovation and expansion project, and an EIA report (cost CNY 14,000) was obtained. The validity period for the registration of fixed pollution source discharge: July 30, 2021 to July 29, 2026.

(2) Environmental protection expenditure

BizConn International commissions a qualified third party to handle annually:

- A. Hazardous waste (cost CNY 10,000 per year);
- B. Replace activated carbon twice a year (cost CNY 5,100 per year);
- C. Inspection on the three types of wastes (domestic sewage, waste gas, factory boundary noise) in the factory area (cost CNY 6,050 per year).

(3) Environmental protection related certificates

BizConn International has obtained the following environmental protection-related certificates:

- A. QC080000 Hazardous Substance Management System Certificate Validity: January 9, 2026;
- B. ISO 14001 Environmental Management System Certificate Validity: September 14, 2024.

4. BizLink Electronics (Xiamen) Co., Ltd.

(1) Information on Environmental Protection Investment

BizLink Electronics obtained EIA approval in April 2003 and received environmental protection acceptance opinions in June 2006. The validity period for the registration of fixed pollution source discharge is from May 14, 2020, to May 13, 2025.

(2) Environmental protection expenditure

BizLink Electronics annually employs a qualified third party for processing:

- A. Hazardous waste (cost CNY 4,500 per year);
- B. In 2023, replace 180 pieces of filter cotton (cost 4,500 CNY per year);
- C. Inspection on the three types of wastes (domestic sewage, waste gas, factory boundary noise) in the factory area (cost CNY 8,000 per year).

(3) Environmental protection related certificates

BizLink Electronics obtained the ISO14001 Environmental Management System Certification: Valid until June 29, 2025.

5. Tong Ying Electronics (Shenzhen) Co., Ltd.

(1) Information on Environmental Protection Investment

The 'three types of wastes' emissions comply with the Shenzhen emission standards, including wastewater, exhaust gas, and waste. On November 25, 2011, the Shenzhen Bao'an District environmental approval document was obtained, document number (Shenzhen Bao'an Environmental Water Approval [2011] 604827). Monitoring is conducted annually through independent purchases by cooperative manufacturers in compliance with relevant legal requirements. The validity period for the registration of national pollution source discharge: July 6, 2025.

(2) Environmental protection expenditure

- A. Approximately 4.4 tons of hazardous waste annually, costing about CNY 18,000;
- B. Replacement of activated carbon for VOC emissions, approximately 0.2 tons annually, costing about CNY 3,560;

C. Inspection on the three types of wastes (domestic sewage, waste gas, factory boundary noise) in the factory area (cost around CNY 6,000 per year).

(3)Environmental protection related certificates

A. The validity period for the registration of national pollution source discharge: July 6, 2025

B. Achieved ISO14001, issued on December 25, 2020, valid until December 24, 2023

6.Optiworks (Kunshan) Co., Ltd.

(1)Information on Environmental Protection Investment

Optiworks (Kunshan) Co., Ltd. obtained approval from the Kunshan Environmental Protection Agency in January 2017, with the approval number Kunshan Environmental Construction [2017] No. 0044, and was accepted in 2018.

(2)Environmental protection expenditure

A. Annual 'three types of wastes' inspections all meet relevant standards (cost CNY 4,000 per year);

B. Hire qualified third parties annually to handle hazardous waste (cost CNY 10,000 annually).

(3)Environmental protection related certificates

Obtained ISO14001 2015 and ISO45001 2018 certifications (cost CNY 15,000 per year).

7.Jo Yeh Electronic Co., Ltd.

(1)Information on Environmental Protection Investment

Obtained the fixed pollution source discharge registration on March 2, 2020.

(2)Environmental protection expenditure

A. Hire qualified third parties annually to handle hazardous waste (cost around CNY 3,000 per year);

B. Inspection on the three types of wastes in the factory area (cost around CNY 6,000 per year).

(3)Environmental protection related certificates

ISO 14001 Environmental Management System Certificate Validity: September 6, 2024.

8.BizLink Technology (Changzhou) Co., Ltd.

(1)Environmental protection expenditure details

A. Hazardous waste disposal costs: CNY 14,270;

B. Emergency environmental response plan costs: CNY 50,000;

C. Environmental testing costs: CNY 8,900;

D. Waste transportation costs: CNY 10,000;

E. Environmental protection acceptance fees at three simultaneous stages: CNY 29,000.

(2)Environmental protection related certificate ISO 14001 Environmental Management System Certificate: November 30, 2025.

9.BizLink Special Cables (Changzhou) Co., Ltd.

(1)Information on Environmental Protection Investment

The project of producing 200,000 sets of medical and communication wiring harnesses was approved in 2007; the project of producing 25,000 kilometers of special cables was approved in 2013; the project of producing 300,000 kilometers of fiber optic casings and 6 million sets of metal & diode welding components was approved in 2018; the capacity expansion project for cables and wiring harnesses was approved in 2019; the laboratory renovation project was approved in 2020.

(2)Environmental protection expenditure details

A. Dangerous waste third-party compliant disposal CNY 160,000;

B. Household waste disposal CNY 50,000;

- C. Emergency environmental incident response plan update CNY 17,000;
- D. VOCs treatment facility upgrade and retrofit CNY 100,000;
- E. Factory exhaust air duct configuration CNY 10,000;
- F. VOCs treatment facility activated carbon replacement CNY 50,000;
- G. Wastewater and factory boundary noise quarterly monitoring CNY 10,000;
- H. Exhaust gas semi-annual monitoring CNY 6,000;
- I. Annual review of the system certification costs CNY 20,000.

(3)Environmental protection related certificates

- A. The validity period for the registration of fixed pollution source discharge: October 21, 2020 to October 20, 2025;
- B. The validity period for the urban sewage discharge permit into the drainage network: February 16, 2023 to February 15, 2028;
- C. The validity period for the ISO14001 certificate is until April 7, 2025;
- D. The validity period for the ISO 14001 Environmental Management System Certificate: April 7, 2025 (Taihu); The validity period for the ISO 14001 Environmental Management System Certificate: June 29, 2025 (Qinling).

10.BizLink Technology (Xiamen) Ltd.

(1)Information on Environmental Protection Investment

In September 2011, BizLink Technology (Xiamen) Ltd. obtained the EIA approval, and in September 2012, received the environmental protection acceptance opinion. The validity period for the registration of fixed pollution source discharge is from May 19, 2020 to May 18, 2025.

(2)Environmental protection expenditure

BizLink Technology (Xiamen) Ltd. commissions a qualified third party to handle annually:

- A. Hazardous waste (cost CNY 6,300 per year);
- B. Inspection on the three types of wastes (domestic sewage, waste gas, factory boundary noise) in the factory area (cost CNY 7,200 per year).

(3)Environmental protection related certificates

BizLink Technology (Xiamen) Ltd. obtained the ISO14001 Environmental Management System Certification: Valid until April 16, 2026.

11.Sampo Factory in Tainan, Taiwan

The total cost for transporting and processing waste in 2023 is NT\$174,960; the recycling reward is NT\$10,810.

12.Other factories within the Bizlink Group, such as: Malaysia Penang (ISO 14001 Environmental Management System Certificate valid until October 4, 2025), Germany Friesoythe (ISO 50001 Energy Management System Certificate valid until December 2, 2025, ISO 14001 Environmental Management System Certificate valid until April 7, 2025) are managing energy reduction, applying for establishment of pollution control facilities, obtaining discharge permits, paying pollution prevention fees, establishing dedicated environmental protection units, and dealing with both resource-based and general industrial waste. Contracts have been signed with qualified waste treatment companies for regular processing to achieve environmentally friendly and sustainable management goals.

(2)List the investments in major equipment for environmental pollution control related to the Company, their uses, and the potential benefits generated:

Since the factory production process does not cause significant environmental pollution, the current focus on pollution prevention is primarily on waste disposal, mainly handled by qualified waste disposal contractors, without setting up large-scale pollution prevention equipment for the processes.

Industrial solid waste generated during production is classified, stored, and collected uniformly by qualified contractors. Industrial waste is also centrally processed at industrial waste treatment stations approved by environmental protection departments, with no significant environmental pollution occurring during the production process: The discharge of domestic wastewater complies with the secondary standard of DB4426-2001, and has also been tested by cooperative units to meet the standard; the emission of waste gases complies with the secondary standard of DB4427-2001, the emitted gases are treated and discharged high into the air through pipelines, and have also been tested and qualified by cooperative units; noise control complies with the Class 3 area standard of GB12348-2008, with daytime noise levels ≤ 65 decibels, and nighttime noise levels ≤ 55 decibels; there are no radiation sources or radioactive materials, no industrial wastewater, and clean production practices have been implemented.

The Company's main environmental protection equipment is the soldering pipeline, which concentrates and extracts lead-free exhaust gases generated by soldering into the pipeline and discharges them to the rooftop, preventing harm to human bodies and the surrounding environment.

(3) Describe the improvements made in environmental pollution over the past two years and up to the date of the annual report publication, including any pollution disputes and their resolution: No pollution disputes.

(4) Describe the losses incurred due to environmental pollution over the past two years and up to the date of the annual report publication (including compensation), the total amount of disposals, and disclose future response strategies (including improvement measures) and potential expenditures (including estimated amounts of losses, disposals, and compensation that might occur if no response measures are taken; if it is not reasonably estimable, explain the facts that it cannot be reasonably estimated): None.

(5) Explain the current pollution situation and its improvement on the Company's earnings, competitive position, and capital expenditures, as well as the significant environmental protection capital expenditures projected for the next two years:

The Company's products are made using environmentally friendly materials that comply with national and international EU environmental protection regulations; there is no industrial wastewater discharge during production, resulting in low potential industrial pollution. The only aspects potentially involving public safety and employee health are the residues of ink solvents in the wire printing process, the stamping process, and the residues of chemicals used to maintain molds and injection molding machines. All waste pollution control treatments are 100% entrusted to qualified professional waste treatment companies, and chemicals are used, stored, and handled according to the regulations of the country where they are located. When handling transfers, issue a hazardous waste transfer manifest to the local environmental protection bureau for filing. Therefore, it is anticipated that there will be no significant capital expenditures related to environmental protection in the future, the Company's earnings and competitive position will not be affected by environmental protection related issues, and other environmental protection expenditure information (including the amounts mentioned above) can be referred to the table below.

Environmental protection expenditures

Currency: US Dollar

Item	Asia	Americas	Europe	Generate benefits
Waste gas treatment, air quality optimization	71,433	-	27,000	Reduce harmful components in waste gas, optimize air quality equipment
Collection of domestic water usage	119,902	20,000	-	Collection of (rain) water, groundwater equipment
Waste disposal and transportation	53,682	-	-	Industrial waste transportation and processing
Other environmental protection expenditures	218,905	24,928	597,035	Equipment, activities, environmental certification costs, and environmental testing fees related to energy conservation, carbon reduction, and improvement or enhancement of environmental quality
Subtotal	463,922	44,928	624,035	-
Total	1,132,885			-

Description: Most of the figures in the table represent the planned amounts for environmental protection expenditures, and further confirmation of exchange rates, payment terms, whether the plan spans multiple years is required and other actual factors when referencing.

V. Labor-Management Relations

(1)Welfare measures, continuing education, training, retirement system, and implementation status, as well as labor-management agreements and employee rights protection measures:

1.Employee welfare measures and implementation status

Talent is the Company's most cherished asset. The Company carefully nurtures, cherishes, and cares for each employee, allowing them to achieve balanced development in work, life, and leisure. The Company also adheres to a profit-sharing and robust performance evaluation system to formulate compensation policies, providing a comprehensive welfare system with the following principles and examples: (Note: Adapted to the needs of employees in different regions).

(1)Complies with local government social insurance.

(2)Provides employees with group insurance, marriage gifts (subsidies), childbirth subsidies, funeral condolences (subsidies), hospitalization subsidies, and departmental dining subsidies among other benefits.

(3)Regularly organizes birthday parties, distributes birthday vouchers/gifts, and awards festival bonuses during national traditional festivals.

(4)Provide paid annual leave to employees following relevant laws.

(5)Organize various cultural and recreational activities annually, with irregular company trips.

(6)Provide free health checks to employee, exceeding legal requirements.

(7)Follow the ISO 45001 Occupational Health and Safety Management System to establish a robust health and safety management system.

(8)Annually assess the adjustment of salary rates and the distribution of year-end bonuses based on the Company's operational status and employee performance.

2.Employee training and development:

Bizlink Group is committed to talent development. It continuously introduces internal and external resources and collaborates with internationally renowned consulting firms such as DDI, FranklinCovey, and Error Free to drive training plans for nurturing future leadership talent. By designing various courses that meet internal operational development needs, we aim to stimulate employees' personal potential and help them learn relevant knowledge for work development. This effectively enhances cohesion and professionalism, thereby improving overall business performance and achieving the Company's operational goals. The measures for implementing the employee education and training policy are as follows:

(1)Employee cultivation and development: In 2023, the Bizlink Group's education and training will continue to be diverse. The training topics include but are not limited to, DDI management talent assessment, senior talent development programs, mid-level management leadership enhancement, basic management knowledge training, OKR introduction, Error Free zero error concept, coaching skills, project management, quality management, R&D/engineering, manufacturing management, human resources management (including mental health and emotional management, etc.), legal compliance, ESG introduction, insurance scope, business marketing, financial management, supply chain management, and other functional professional and general management training content.

(2)New employee training: On the first day when new employees onboarding, HR leads them to familiarize with the work environment, meet colleagues, and arrange a series of educational training courses for new employees. These are designed to help new employees adapt to the environment and integrate into the Company culture. The course content includes but is not limited to the employee handbook and Company regulations, compensation and performance evaluation, group

introduction and corporate culture, product layout and organizational operations, internal network and e-Learning platforms, commonly used systems and tools, information security, and labor safety advocacy. Each department also plans introductory training courses for new employees, assisting them in learning job-related knowledge.

(3)On-the-Job Training (OJT): The Human Resources department formulates a plan for public courses for the next year at the end of each year, which includes internal training courses planned by the Company and various departments, as well as external training courses; internal training courses may be conducted by internal instructors or external experts hired to teach professional skills, techniques, and machine operation, among others. For external training, it is handled by external management consulting firms or training institutions.

(4)Management training: The Company arranges various management skills training for Supervisors at all levels, aiming to establish a shared vision and consensus on management. Since 2020, the Company has collaborated with DDI, an American consulting firm, to conduct leadership assessment and development programs, focusing on talent inventory, strategic talent cultivation, building a talent pool, and cultivating leadership skills.

(5)Online Learning (e-Learning) Platform: Introducing aEnrich Technology e-Learning platform, upon registration, colleagues can access the platform to start learning online. Colleagues can choose courses on the platform related to the skills they wish to train in (strategic ability, team-building, execution, etc.). Furthermore, the group periodically updates new courses or videos to ensure colleagues develop a habit of continuous learning, and provide opportunities for growth and development. The Group has also introduced an online English learning classroom on the e-Learning platform to enhance colleagues' English proficiency and foster a habit of learning English. This website offers English courses at various levels (Let's Talk in English, Studio Classroom, Doris Marie Brougham, etc.) and resources for business English and English proficiency tests, providing colleagues with multifaceted learning opportunities!

(6)e-Compliance Online Learning Platform: Introducing the Skillsoft online learning platform, focusing on key compliance issues and guidelines, and regularly pushing new courses and topics for colleagues to understand, recognize, and complete training, thereby enhancing colleagues' sensitivity to compliance. Compliance courses include, but are not limited to: Preventing workplace bullying, code of conduct, integrity, preventing workplace discrimination, encouraging diversity, workplace safety, anti-bribery, antitrust laws (anti-monopoly), insider trading, etc.

(7)Internal instructor team: The Company focuses on building a dedicated instructor team to perpetuate and expand the transmission of organizational knowledge and expertise. This team is developed and certified around course development, continuously enhancing the internal instructors' ability to research and internalize courses.

(8)Young key talent cultivation: Since 2020, the Company has initiated the Young Star Talent Development Program, selecting young talents with high potential from various units. The program assists in career development and establishing the right attitude through the assignment of mentors and coaches. Training and learning aspects are organized into a one-year learning journey, teaching time management, presentation skills, and other personal effectiveness enhancement courses, project management skills, Company-specific professional knowledge, and basic

management concepts. At the same time, book clubs in unlimited formats allow participating members to discuss and appreciate job-related resources, enhancing overall capabilities.

3. Retirement system and implementation status

(1) After the announcement of the Labor Pension Act on July 4, 2007, the Company offered the employees, who were already subject to the Labor Standards Act, the choice to continue with the retirement pension under the Labor Standards Act or to opt for the Labor Pension Act. Eight employees chose the retirement pension provisions of the Labor Standards Act for their tenure before 2005 and the Labor Pension Act provisions after that.

(2) For colleagues applicable under the Labor Standards Act's pension provisions, those who voluntarily retire following Article 53 of the Labor Standards Act, which states:

"1. Where the worker attains the age of fifty-five and has worked for fifteen years. 2. Where the worker has worked for more than twenty-five years. 3. Where the worker attains the age of sixty and has worked for ten years.", or those who are forced to retire under the conditions of Article 54 of the Labor Standards Act, which states: "1. Where the worker attains the age of sixty-five. 2. Where the worker is unable to perform his/ her duties due to disability.", will receive a pension according to the standards of Article 55 of the Labor Standards Act: "1. Two bases are given for each full year of service rendered. But for the rest of the years over 15 years, one base is given for each full year of service rendered. The total number of bases shall be no more than 45. The length of service is calculated as half year when it is less than six months and as one year when it is more than six months; 2. As set forth in Subparagraph 2 of Paragraph 1 of Article 54, an additional 20% on top of the amount calculated according to the preceding subparagraph shall be given to workers forced to retire due to disability incurred from the execution of their duties." for pension payments. After 2005, per Article 14 of the Labor Pension Act, 6% of each employee's salary is deposited monthly into each employee's pension account.

(3) To comply with the Labor Standards Act's retirement pension requirements, the Company has allocated funds to the labor retirement reserve account designated by the Ministry of Labor specifically for this purpose, as stipulated by Article 56 of the Labor Standards Act.

(4) For colleagues who joined the Company after July 1, 2005, the Company strictly follows the provisions of Article 14 of the Labor Pension Act, depositing 6% of each employee's monthly salary into each employee's pension account. Upon meeting the voluntary or mandatory retirement conditions set by the Labor Standards Act, employees may withdraw the deposited pension funds in a lump sum or monthly installments from that account.

4. Agreements between labor and management and measures to protect employee rights

(1) Establishment of unions or other channels: The Company complies with the regulations of the country where it operates regarding unions or labor-management meetings. Once a union or labor-management meeting is established, it is legally convened regularly and invites management to participate to promote labor-management communication. Management representatives listen to and respond to employees' opinions and demands, care about employees' lives, help solve their difficulties, and allow employees to participate in formulating welfare policies and regulations. Until now, union personnel or labor representatives are willing to commit wholeheartedly, fully utilize their functions, and create a win-win situation for employees and the Company.

(2)Establishment of a suggestion box: A channel for employee complaints and grievances managed by a dedicated person. Encourages employees to provide suggestions, serving as a reference for continuous improvement of Company policies. In addition, for the European locations, to comply with the local whistleblower system, the GAN integrity Inc. Whistleblower System (EU) is used to communicate with interested parties to ensure that all messages have a record of system login time, unmissed by their recipients and can be tracked, and are sent by the system to the appropriate department. The receiving department will respond within the specified time.

5.Employee behavior and code of ethics

The Company has compiled an employee handbook, which serves as a basis for employees' regular work and professional ethical behavior. Employees of the Company shall adhere to the following code of conduct:

(1)Integrity and honesty

The Company has established regulations related to integrity and honesty. Employees must strictly comply and not arrange or request any improper benefits from the Company's business counterparts (including partners, customers, suppliers, or service providers, regardless of whether the transaction is completed), including kickbacks, commissions, improper gifts, or entertainment.

(2)Prohibition of any form of harassment

All Company employees have the right to work in a harassment-free environment. Any harassment arising from the diverse characteristics or cultural backgrounds of the Company's employees is prohibited.

(3)Commitment and implementation

The Company explicitly states a policy of integrity in business operations. The Board of Directors and management should commit to actively implementing this policy and ensure its execution in internal management and external business activities.

(4)Integrity in business activities

The Company should conduct business activities fairly and transparently. Before engaging in business transactions, the Company should consider its agents, suppliers, customers, or other business partners in contracts signed with the Company and others. The content should include adherence to the integrity management policy and provisions for terminating or dissolving the contract if the counterparties engage in dishonest behavior.

(5)Prohibition of bribery and acceptance of bribes

Employees of the Company must not directly or indirectly offer, promise, request, or accept any form of improper benefits, including kickbacks, commissions, facilitation payments, or through other means provide or receive improper benefits to or from customers, agents, contractors, suppliers, public officials, or other stakeholders.

(6)Prohibition of illegal political contributions

Employees of the Company shall not provide illegal political contributions to political parties or organizations involved in political activities to seek business benefits or trading advantages.

(7)Prohibition of improper charitable donations or sponsorships

When it comes to charitable donations or sponsorships, employees of the Company must comply with relevant laws and internal operating procedures and must not engage in bribery in any form.

(8) Prohibition of unreasonable gifts, hospitality, or other improper benefits

Employees of the Company must not directly or indirectly offer or accept any unreasonable gifts, hospitality, or other improper benefits to establish business relationships or influence the legality of business transactions and to understand whether there is any record of unethical conduct in business activities. It is necessary to avoid transactions with individuals who have a record of unethical conduct. Any direct or indirect donations must comply with the Political Donations Act and the Company's internal procedures.

(2) The Company shall specify the losses incurred due to labor disputes in the past two years and up to the date of printing of the prospectus, and disclose the estimated amounts and measures to be taken for current and future possible losses:

In the most recent year and as of the publication date of the annual report, the Company has not experienced significant labor controversies. With the ongoing and proactive promotion and improvement of various employee welfare measures, it is anticipated that there will be no potential risk of significant losses due to labor disputes in the future.

VI. Information Security Management

(1)The Company has fully implemented an information security system. In addition to introducing the Security Operation Center (SOC) mechanism by the end of 2023, a Chief Information Security Officer position has been established, held concurrently by the General Manager, who is responsible for leading the security risk management team and ensuring the operation of the information security management system, identifying internal and external issues and stakeholder demands and expectations regarding the Company's information security. In 2024, we will continue to execute information security protection tasks, information security incident response handling, and post-incident recovery capabilities to prevent the occurrence of information security incidents and reduce the losses from such incidents.

1.Information security objectives and scope

(1)Objectives: Including employees, customers, suppliers, shareholders, and operational related information technology and hardware equipment.

(2)Scope: To ensure the Company's information security, relevant regulations and systems are established, technical and data security standards are applied, and they are integrated into the management operations system to protect the privacy and information security of employees, suppliers, and customers during business interactions.

2.Information security risk framework

The Company's General Manager convenes an inter-departmental information security management team, with the IT and administrative management departments responsible for leading and planning and various business-related units cooperating in the execution to ensure the effectiveness of the Company's information security management operations.

(1)The team is responsible for formulating information security management policies and regularly reviewing and revising them.

(2)The team regularly convenes meetings to review the implementation status and annually reports to the Board of Directors on the execution and review.

3.Information security policy objectives

(1)Ensure the continuous operation of the Company's business and the stable availability of the information services provided by the Company.

(2)Ensure the confidentiality, integrity, and availability of the company's information assets and protect the privacy of personnel data.

(3)Establish a sustainable operation plan for information business and execute information business activities in compliance with relevant laws or regulations.

4.Information security control measures

(1)Establish a periodic inventory of information assets, manage risks based on cybersecurity risk assessments, and implement various control measures.

(2)The Company regularly conducts information and communication security awareness operations, holds information and communication security education and training annually, and all new employees must sign a confidentiality agreement and undergo information and communication security training.

(3)All Company employees, outsourced vendors, and their partners must sign a confidentiality statement to ensure that those who use the Company's information to provide information services or conduct related information business have the responsibility and obligation to protect the information assets they obtain or use from the Company to prevent unauthorized access, modification, destruction, or improper disclosure.

- (4) Important information systems or equipment should be equipped with appropriate backup or monitoring mechanisms and regularly drilled to maintain availability.
- (5) Personal computers should have antivirus software installed and regularly verify the updates of virus definitions, and the use of unauthorized software should be prohibited.
- (6) With regular replacements, colleagues' accounts, passwords, and permissions should be properly safeguarded and used responsibly.
- (7) Establish standard procedures for responding to and reporting information security incidents to appropriately handle such incidents in real time and prevent the expansion of damage.
- (8) All personnel must comply with legal norms and information security policy requirements. Supervisory personnel should oversee the implementation of information security compliance systems to enhance colleagues' awareness and understanding of information security and legal concepts.
- (9) Considering the uncertainty of information security risks, an information security insurance policy with a coverage of two million has been purchased, covering the period from May 5, 2023, to May 5, 2024.

5. Implementation of Information Security Awareness in 2023

This year, 82 information security education and training sessions and five social engineering drills were conducted across the group. All Company colleagues participated, aiming to instill the concept of information security into every department and all colleagues, effectively implement it in daily work, and establish systems. A total of 4,542 participations by Managers and employees were recorded.

(2) Specify the losses suffered due to major information security incidents in the most recent year and as of the publication date of the annual report, their possible impact, and response measures: The Company has not suffered losses due to major information security incidents in the most recent year and as of the publication date of the annual report. In the context of continuously and actively promoting the implementation of information security compliance systems and enhancing colleagues' awareness of information security and legal concepts, it is anticipated that there should be no potential risk of losses suffered due to major information security incidents in the future.

VII. Important Contracts

Contract Nature	Party	Contract start and end dates	Main Content	Restriction
Engineering contract	Feng Yu Construction Co., Ltd.	2022/09/29 ~ 2024/04/30	Tainan new factory office Civil Engineering Contract	None
Engineering contract	Nextek Engineering Co., LTD	2023/02/03 ~ 2024/04/30	Tainan new factory office Electromechanical Engineering Contract	None
Long-term borrowings contract	Syndicated loans from five banks, including Taishin International Bank	2023/09 ~ 2026/09	Syndicated loan contract	Partial revolving usage, maintaining certain financial ratios
Long-term borrowings contract	HSBC (Taiwan) Commercial Bank	2021/11 ~ 2025/01	Long-term borrowings	Non-revolving usage, maintaining certain financial ratios
Long-term borrowings contract	HSBC Bank (Singapore) Limited	2021/11 ~ 2025/01	Long-term borrowings	Non-revolving usage, maintaining certain financial ratios
Long-term borrowings contract	First Commercial Bank	2023/03/14 ~ 2043/04/12	Long-term borrowings	Non-revolving usage
Engineering contract	PT LATRADE BATAM INDONESIA	2023/10/23 ~ 2025/08/21	Construction contract for new factory in Batam, Indonesia	None

F. Financial Overview

I. Condensed Financial Information for Most Recent 5 Years

(1) Condensed Balance Sheet and Statement of Comprehensive Income - IFRS

1. Condensed Balance Sheet

Unit: In Thousands of New Taiwan Dollars

Year Item		Financial data for the most recent year (Note 1)				
		2019	2020	2021	2022	2023
Current assets		18,401,797	15,867,104	17,839,041	32,594,378	31,890,833
Property, plant and equipment		2,505,708	3,224,081	3,864,308	10,300,936	12,142,679
Intangible assets		711,243	1,746,963	1,519,211	6,801,888	6,702,576
Other assets		424,866	239,710	246,199	420,795	447,081
Total assets		24,013,108	22,717,189	25,712,416	53,705,845	54,682,928
Current liabilities	Before distribution	7,735,306	5,875,662	9,159,185	13,772,471	13,717,433
	After distribution	8,909,963	6,973,940	10,544,834	15,336,934	15,187,215 (Note 2)
Non-current liabilities		4,021,376	3,564,002	1,403,089	17,429,350	16,368,128
Total liabilities	Before distribution	11,756,682	9,439,664	10,562,274	31,201,821	30,085,561
	After distribution	12,931,339	10,537,942	11,947,923	32,766,284	31,555,343 (Note 2)
Equity attributable to owners of the parent		12,207,530	13,237,341	15,124,585	22,485,042	24,585,036
Share capital		1,305,174	1,305,694	1,374,573	1,564,463	1,633,091
Capital surplus		7,320,086	7,342,311	8,847,327	13,111,468	14,309,271
Retained earnings	Before distribution	4,550,195	5,420,603	6,373,885	9,097,632	9,764,471
	After distribution	3,375,538	4,322,325	4,988,236	7,517,524	8,294,689 (Note 2)
Other equity		(967,925)	(831,267)	(1,471,200)	(1,288,521)	(1,121,797)
Treasury stock		-	-	-	-	-
Non-controlling interests		48,896	40,184	25,557	18,982	12,331
Total equity	Before distribution	12,256,426	13,277,525	15,150,142	22,504,024	24,597,367
	After distribution	11,081,769	12,179,247	13,764,493	20,939,561	Not yet distributed

Note 1. The consolidated financial data for the most recent year has been audited and certified by the accountant.

Note 2. The Board of Directors resolved the cash dividends per share for 2023 on March 8, 2024, at US\$0.2851 per share. The exchange rate is temporarily estimated at NT\$9.0 per US Dollar based on the average buying and selling spot rates of the Bank of Taiwan on March 5, 2024. The amount distributed will be based on the New Taiwan Dollar cash dividend received by the stock affairs agency after the exchange.

2. Condensed Statement of Comprehensive Income

Unit: In Thousands of New Taiwan Dollars

Item \ Year	Financial data for the most recent year (Note 1)				
	2019	2020	2021	2022	2023
Operating revenue	23,092,145	22,537,767	28,564,375	53,757,171	51,051,791
Gross profit	5,625,587	5,710,324	6,629,472	13,787,483	12,586,812
Operating income	2,410,025	2,445,028	2,658,401	5,546,475	4,237,179
Non-operating revenue and expenses	(74,997)	(189,786)	(17,006)	(253,812)	(794,759)
Net income before tax	2,335,028	2,255,242	2,641,395	5,292,663	3,442,420
Net income in current period from continuing operations	1,837,640	1,820,296	2,021,972	3,830,982	2,310,777
Loss from discontinued operations	-	-	-	-	-
Net profit (loss) in current period	1,837,640	1,820,296	2,021,972	3,830,982	2,310,777
Other comprehensive income (loss) for the period (net of tax)	(325,622)	392,089	(594,114)	361,443	109,612
Total comprehensive income (loss) for the period	1,512,018	2,212,385	1,427,858	4,192,425	2,420,389
Net income attributable to owners of the parent	1,843,989	1,828,336	2,036,138	3,838,380	2,317,355
Net income attributable to non-controlling interests	(6,349)	(8,040)	(14,166)	(7,398)	(6,578)
Total comprehensive income attributable to	1,519,997	2,221,097	1,442,485	4,199,000	2,427,077

owners of the parent					
Total comprehensive income attributable to non-controlling interests	(7,979)	(8,712)	(14,627)	(6,575)	(6,688)
Earnings per share (NTD) (Note 2)	15.54	14.01	15.22	24.77	14.37

Note 1. The consolidated financial data for the most recent year has been audited and certified by the accountant.

Note 2. Earnings per share are calculated based on the weighted average number of issued common shares, and for shares issued for capital gains, the calculation is retrospectively adjusted.

(2)CPAs' names and audit opinions for the last five years

1.CPAs' names and audit opinions for the last five years

Year	CPAs	Unit name	Opinion
2019	Jackie Chen, Chiang-Shiun Chen	Deloitte Touche Tohmatsu Limited	Unqualified opinion
2020	Jackie Chen, Chiang-Shiun Chen	Deloitte Touche Tohmatsu Limited	Unqualified opinion
2021	Jackie Chen, Chiang-Shiun Chen	Deloitte Touche Tohmatsu Limited	Unqualified opinion
2022	Hua-Ling Liang, Zi-Yu Lin	PwC Taiwan	Unqualified opinion
2023	Hua-Ling Liang, Zi-Yu Lin	PwC Taiwan	Unqualified opinion

2.For cases where the accountant has been changed in the last five years, the Company, the former, and the successor accountants must explain the reasons for the change: The accountant was changed to meet the future operational development needs of the Company.

II. Financial Ratio Analysis for the Most Recent Five Years

Financial Ratio Analysis - IFRS

Analysis Item (Note 3) \ Year (Note 1)		Financial Analysis for the Most Recent Year				
		2019	2020	2021	2022	2023
Financial structure (%)	Debt to assets ratio	48.96	41.55	41.08	58.10	55.02
	Ratio of long-term funds to property, plant and equipment	649.63	522.37	428.36	387.67	337.37
Solvency %	Current ratio (%)	237.89	270.05	193.72	236.66	232.48
	Quick ratio (%)	182.34	185.85	120.07	142.87	155.44
	Interest coverage ratio (times)	23.66	18.98	28.11	11.34	3.94
Operating capability	Receivables turnover (times)	4.57	4.43	4.68	6.23	5.45
	Average collection days	79.86	82.39	77.99	58.59	66.97
	Inventory turnover (times)	3.83	3.56	3.66	3.91	2.99
	Payables turnover (times)	4.57	4.52	5.08	7.44	7.24
	Average days in sales	95.26	102.49	99.46	93.46	122.04
	Turnover of Property, plant and equipment (times)	9.77	7.87	8.06	7.59	4.55
	Total assets turnover (times)	1.11	0.96	1.19	1.35	0.94
Profitability	Return on assets (%)	9.30	8.33	8.75	10.94	6.42
	Return on equity (%)	17.24	14.26	14.23	20.35	9.81
	Ratio of income before tax to paid-in capital (%)	178.91	172.72	192.16	338.31	210.79
	Net profit margin (%)	7.96	8.08	7.08	7.13	4.53
	Earnings per share (NTD)	15.54	14.01	15.22	24.77	14.37
Cash Flows	Cash flow ratio (%)	39.57	31.85	3.98	20.18	54.28
	Cash flow adequacy ratio (%)	73.83	68.15	46.24	54.00	84.52
	Cash reinvestment ratio (%)	13.31	4.22	(4.43)	3.74	14.98
Leverage	Operating leverage	3.12	3.19	3.51	3.35	4.31
	Financial leverage	1.04	1.05	1.04	1.10	1.38

Description: The causes of changes in the financial ratios in the most recent 2 years (2023 and 2022): (Deviation over 20%)

1. The interest coverage ratio (times) decreases as financial leverage increases due to an increase in bank loans and corporate bonds payable and the associated increase in interest and discount amortization expenses.
2. The decrease in inventory turnover rate (times) and the increase in average days of sales outstanding are due to the decline in net sales for the year.
3. The decrease in the turnover rate of real estate, factories, and equipment (times) is mainly due to the decline in net sales for the year.
4. The decrease in the total asset turnover rate (times) and return on assets (%) is mainly due to the decline in net sales for the year.
5. The decrease in return on equity (%) is mainly due to the decline in net sales for the year.
6. The decrease in the ratio of pre-tax net profit to paid-in capital (%), net profit margin (%), and earnings per share (NTD) is mainly due to a significant reduction in pre-tax net profit this year due to poor market conditions and adjustments in customer inventories.
7. Increases in cash flow ratio (%), cash flow adequacy ratio (%), and cash reinvestment ratio (%) are primarily due to a significant improvement in operating activities and a continuous reduction in working capital bringing in cash, resulting in a substantial increase in net cash inflow from operating activities.
8. An increase in operating leverage is mainly due to the rise in operating expenses this year, resulting in a decrease in operating income compared to last year.

Note 1 The accountant audited and certified the consolidated financial data for the recent two years.

Note 2 The calculation formula is as below:

1. Financial structure

- (1) Debt to assets ratio = total liabilities / total assets.
- (2) Ratio of long-term funds to property, plant and equipment = (Total equity + Non-current liabilities) / Net property, plant and equipment.

2. Solvency

- (1) Current ratio = current assets / current liabilities.
- (2) Quick ratio = (Current assets - Inventories - Prepaid expenses) / Current liabilities.
- (3) Interest coverage ratio = Earnings before interest and taxes / Interest expense for the period.

3. Operating capability

- (1) Accounts receivable (including accounts receivable and notes receivable arising from business activities) turnover = net sales / average accounts receivable balance (including accounts receivable and notes receivable arising from business activities).
- (2) Average collection days = 365 / accounts receivable turnover.
- (3) Inventory turnover = cost of goods sold / average inventory.
- (4) Turnover of payables (including accounts payable and notes payable arising from operations) = Cost of goods sold / Average balance of payables (including accounts payable and notes payable arising from operations) for each period.
- (5) Average days in sales = 365 / inventory turnover.
- (6) Turnover of Property, plant and equipment = Net sales / Average net property, plant and equipment.
- (7) Total assets turnover = Net sales / Average total assets.

4. Profitability

- (1) Return on total assets = (net income + interest expenses * (1 - effective tax rate)) / average

total assets.

(2) Return on equity = Profit or loss after tax / Average total equity.

(3) Net profit margin = Profit or loss after tax / Net sales.

(4) Earnings per share = (income attributable to owners of parent - preferred stock dividends) / weighted average number of shares outstanding.

5. Cash Flows

(1) Cash flow ratio = net cash flows from operating activities / current liabilities.

(2) Net cash flow adequacy ratio = 5-year sum of net cash flow from operating activities / 5-year sum of (capital expenditures + Increase in inventories + Cash dividends).

(3) Cash reinvestment ratio = (Net cash flow from operating activities - Cash dividends) / (Gross property, plant and equipment + Long-term investments + Other non-current assets + Working capital).

6. Leverage:

(1) Operating leverage = (Net operating revenue - Variable operating costs and expenses) / Operating income.

(2) Financial leverage = Operating income / (Operating income - Interest expense).

III. Audit Committee's Review Report on the Most Recent Annual Financial Statements

Audit Committee's Review Report

Among the 2023 Business Report, Financial Statements, and Earnings Distribution Proposal, etc. prepared by the Board of Directors, the Financial Statements have been completely audited by PwC Taiwan and the Audit Report was issued. The above-mentioned Business Report, Financial Statements, and Earnings Distribution Proposal have been reviewed by the Audit Committee and no discrepancies have been found. Therefore, according to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, the report is prepared as above for your review and approval.

BizLink Holding Inc.



Convener of the Audit Committee: Jr-Wen Huang ***Jr-Wen Huang***

March 8, 2024

- IV. Financial statements for the most recent year, including the auditor's report, comparative balance sheets for two years, income statements, statements of changes in shareholders' equity, and cash flow statements: Please refer to pages 152 to 259.**
- V. Standalone Financial Report of the Company Having Been Audited and Certified by CPAs in the Most Recent Year: None.**
- VI. If Financial Difficulties Encountered by the Company and its Affiliates in the Most Recent Year and up to the Date the Annual Report was Printed, the Financial Impact to the Company shall be Disclosed: None.**

G. Review and Analysis of Financial Position and Financial Performance, and Risk Matters

I. Financial condition analysis

Item \ Year	2022	2023	Deviation	
			Amount	Change ratio %
Current assets	32,594,378	31,890,833	(703,545)	(2.16)
Property, plant and equipment	10,300,936	12,142,679	1,841,743	17.88
Intangible assets	6,801,888	6,702,576	(99,312)	(1.46)
Other assets	420,795	447,081	26,286	6.25
Total assets	53,705,845	54,682,928	977,083	1.82
Current liabilities	13,772,471	13,717,433	(55,038)	(0.40)
Non-current liabilities	17,429,350	16,368,128	(1,061,222)	(6.09)
Total liabilities	31,201,821	30,085,561	(1,116,260)	(3.58)
Share capital	1,564,463	1,633,091	68,628	4.39
Capital surplus	13,111,468	14,309,271	1,197,803	9.14
Retained earnings	9,097,632	9,764,471	666,839	7.33
Other equity	(1,288,521)	(1,121,797)	(166,724)	(12.94)
Non-controlling interests	18,982	12,331	(6,651)	(35.04)
Total shareholders' equity	22,504,024	24,597,367	2,093,343	9.30
Description of significant changes: (Changes amounting to more than 10%, and the amount reaches 1% of the year's total assets).				
1. Property, plant and equipment: This period significantly increased primarily due to subsidiaries purchasing factories and expanding machinery and equipment to meet production line demands.				

II. Financial Performance

(1) Operating results analysis table

Unit: In Thousands of New Taiwan Dollars; %

Item \ Year	2022	2023	Deviation	
			Amount	Change ratio %
Operating revenue	53,757,171	51,051,791	(2,705,380)	(5.03)
Operating costs	39,969,688	38,464,979	(1,504,709)	(3.76)
Gross profit	13,787,483	12,586,812	(1,200,671)	(8.71)
Operating expenses	8,241,008	8,349,633	108,625	1.32
Net operating income	5,546,475	4,237,179	(1,309,296)	(23.61)
Non-operating revenue and expenses	(253,812)	(794,759)	(540,947)	213.13
Net income before tax	5,292,663	3,442,420	(1,850,243)	(34.96)
Less: Income tax expense	1,461,681	1,131,643	(330,038)	(22.58)
Net income for the period	3,830,982	2,310,777	(1,520,205)	(39.68)
Other comprehensive income (loss) for the period	361,443	109,612	(251,831)	(69.67)
(Net income after tax)				
Total comprehensive income (loss) for the period	4,192,425	2,420,389	(1,772,036)	(42.27)
Description of significant changes: (Changes amounting to more than 10%, and the amount reaches 1% of the year's total assets).				
1. Operating net profit, pre-tax net profit, net profit for the period, and total comprehensive income for the period: The decrease of this period is mainly due to poor market conditions for the year, inventory adjustments in line with customers, and a decline in net sales.				

(1) Sales volume forecast and the basis for the forecast

As the demand in our industry sector recovers, the Company anticipates that the overall sales and operating profits in 2024 will improve compared to 2023. The primary growth drivers will come from strong demand for high-performance computing and capital equipment. However, the decline in peripherals and electric vehicles will offset some growth. Please refer to our operational overview for more detailed information.

(2) Possible impacts on the Company's future financial performance and responsive actions to such impacts

The free cash flow generated from our operations is used to deleverage, grow the business, and reward shareholders. The Company provides design and production solutions for our customers to achieve growth. If there is an opportunity, the Company does not exclude achieving strategic growth plans through equity or financing, but we have become more flexible in capital allocation and will prioritize the use of our own

III. Cash Flows

(1) Analysis of cash flows for the last two years

Analysis unit: In Thousands of New Taiwan Dollars; %

Item \ Year	2022	2023	Increase (decrease) amount	Increase (decrease) percentage%
Operating activities	2,779,406	7,446,277	4,666,871	167.91
Investing activities	(11,615,189)	(4,575,103)	7,040,086	60.61
Financing activities	13,860,938	(942,142)	(14,803,080)	(106.80)
Analysis of changes in the percentage of increase or decrease: 1. Operating activities: The increase in this period's inflow is mainly due to the continuous reduction of operating capital, which also brings cash. 2. Investing activities: The significant decrease in this period's outflow is mainly due to the completion of the payment for acquiring the Industrial Applications business group under the German LEONI Group last year. 3. Financing activities: This period's outflow is mainly due to the continuous improvement in operating cash flow this year, which led to the early repayment of debts.				

(2) Improvement plan for insufficient liquidity: The Company is in a growth stage, and the capital requirements will be met through own funds and bank loans. As of the date of this annual report, there is no liquidity shortage.

(3) Projected cash liquidity analysis for 2024

Cash balance for beginning of year	Expected net cash inflow (outflow) from operating activities for the entire year	Expected net cash inflow (outflow) from other activities for the entire year	Expected cash balance remained	Remedy for expected cash shortfall	
				Investment plan	Fundraising plan
10,627,389	4,759,655	(6,963,608)	8,423,436	-	-
Cash flow analysis for the coming year: (1) Operating activities: The net cash inflow was NT\$ 4,759,655 thousands, mainly due to operating profits. (2) Investing activities: Cash outflow of NT\$3,503,281 thousands, mainly for land acquisition, factory construction, equipment purchase, and investments. (3) Financing activities: Cash outflows of NT\$3,460,327 thousands, mainly due to anticipated dividend distributions, repayment of long and short-term loans.					

IV. Impact of Major Capital Expenditures in the Most Recent Year on Finance

Unit: In Thousands of New Taiwan Dollars

Item	Actual or anticipated sources of funds	Total funds required (2022 and 2023)	Implementation Status of Actual Fund Utilization	
			2022	2023
Acquisition of real estate, plant and equipment, intangible assets, and goodwill	Own funds	9,205,680	5,969,966	3,253,714

V. Policies on investment in other companies, main reasons for their profit or loss and improvement plans in the most recent year, and investment plans for the coming year

(1)The Company's reinvestment policy

The current reinvestment strategy and policy of the Company focus on expanding the business related to connectivity products and the overall operations of the group. Investment plans are analyzed from various aspects and measured for their overall benefit to the group, followed by execution by relevant departments in accordance with internal control systems. The Company's internal control system covers Investment Cycle, and includes procedures such as Subsidiary Supervision Procedures, Related Party Transaction Management Procedures, and Procedures for Acquisition or Disposal of Assets. These procedures or policies require discussion and approval by the Board of Directors or the Shareholders' Meeting.

(2)Main reasons for profit or loss from reinvestments in the most recent year

The Company's reinvestment strategy is based on the professional specialization and global layout of the whole group, with production bases in China, Malaysia, Singapore, the USA, Canada, Mexico, Slovakia, Serbia, Germany, France, Spain, Italy, and the Czech Republic; and operational bases established in Taiwan, Japan, India, the USA, Ireland, Germany, Belgium, and the UK, developing potential customers in various regions under a global supply chain management model. As of now, the overall reinvestment businesses are in a profitable state.

(3)Investment plan for the coming year

The management team will carefully evaluate the Company's investment plan for 2024 based on operational needs and process it after relevant approval procedures to enhance long-term competitiveness.

VI. The risk factors below should be analyzed and assessed for the most recent year and up to the date of the annual report printing

(1)The impact of changes in interest rates, exchange rates and inflation on the Company's profit and loss and future response measures:

1. The impact of interest rate changes on the Company's profit and loss in the most recent year, and future response measures

Item/Year	2022	2023
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Net amount of interest received (paid)	(449,569)	(816,708)
Net interest income to operating revenue ratio	(0.84%)	(1.60%)
Net interest income to operating costs and expenses ratio	0.93%	1.74%

The Company's net interest expense for 2023 was NT\$(816,708) thousands, accounting for 1.60% of the net operating revenue and 1.74% of the operating costs and expenses for the year. The Company's interest expense is a very small proportion of operating income and operating costs and expenses; thus, changes in interest rates have little impact on the Company.

2.Foreign exchange volatility

Item/Year	2023
Gains (losses) on foreign exchange, net	(33,445)
Net exchange gains and losses to operating revenue ratio	(0.07%)
Net exchange gains and losses to operating costs and expenses ratio	0.07%

The main sales regions of the Company are Europe and America, with transactions generally priced in US dollars, a smaller portion in euros, and domestic sales in China primarily in Chinese yuan. When there are no significant fluctuations in exchange rates, most currency hedging is done naturally, with department heads constantly monitoring market trends and timely consulting professional opinions from banks. If there is a need due to severe fluctuations in exchange rates, risk-free hedging tools will be evaluated for straightforward hedging operations, and risks associated with foreign currency positions and exchange rates are tracked at any time to mitigate the impact of exchange rate changes. The financial hedging strategy avoids most of fair value fluctuations or cash flow risks. In practice, the Company's exchange gains (losses) for the past two years were NT\$210,664 and (33,445) thousands, accounting for 0.39% and (0.07%) of revenue, respectively, with a limited impact on financial proportions. To effectively reduce the impact of exchange rate fluctuations on the Company's overall profitability, specific measures are as follows:

- (1) Through natural hedging of assets and liabilities positions, coupled with forward foreign exchange transactions for substantial hedging;
- (2) The finance unit maintains close contact with the foreign exchange department of each financial institution to collect information related to changes in exchange rates at any time and to fully grasp information on international exchange rate trends and changes, in order to actively reduce the negative impact arising from exchange rates fluctuations. To grasp the trends of exchange rate fluctuations as a reference for forward exchange transactions and settlements;
- (3) The finance department regularly conducts internal assessments on the hedging positions of net foreign currency assets (liabilities) and determines the hedging measures to be adopted.

3.Currency Inflation

The International Monetary Fund (IMF) released the World Economic Outlook in January 2024, forecasting a global economic growth of 3.1% and an average global inflation rate of 5.8% for 2024.

One of the Company's primary raw materials is copper, so price fluctuations of copper mainly affect its price. Although the cost of raw materials should, in principle, be reflected in the customer's purchase price, future significant fluctuations in copper prices will affect the cost of raw materials. In response to changes in copper prices, the Company will preemptively purchase copper raw materials when prices surge, adjusting procurement strategies and transaction conditions to minimize the impact of copper price fluctuations. In summary, amidst rapid changes in the overall economic environment, the Company has not yet experienced any immediate significant impact due to the aforementioned inflation or deflation crises.

- (2) The policy of engaging in high-risk, highly leveraged investments, lending of funds to others, endorsements, guarantees and derivative transactions, the main reasons for profit or loss, and future response measures:

Based on the principles of prudence and practical management philosophy, as of the date of the annual report printing, the Company, besides focusing on its business areas, has not engaged in high-risk, high-leverage investments or transactions. Additionally, the Company has established Operational Procedures for Loaning Funds to Others and Operational Procedures for Endorsements/Guarantees for compliance, and to address the risks associated with currency fluctuations, we also have Procedures for Acquisition or Disposal of Assets (including Procedures for Derivative Transactions) in place for hedging purposes. As of the date of the annual report publication, there are no endorsements and financial loans to others outside the Group, hence the related risks remain limited.

- (3) Future R&D plans and expected R&D expenses:

The Company focuses on high-tech threshold connectivity products, with the main R&D plans projected until the end of 2024 as follows:

Item name	Amount (In thousands of NTD)	Usage
Development of video conferencing and audiovisual products	4,000	Development of consumables and testing equipment
Development of IOT expansion docks	1,000	Development of consumables and testing equipment
AI software development	500	Development consumables

- (4) The impact of important domestic and foreign policies and legal changes on the Company's financial business and response measures: None.

- (5) The impact of technological changes (including information security risks) and industry changes on the Company's financial business and response measures:

The Company's products are diverse in application, and the manufacturing bases are spread across three continents. Thus, the Company's finances are not likely to be significantly and immediately impacted by rapid changes in any single technology or industry. The Company constantly monitors changes in relevant technologies, invests in research and development, grasps market trends, expands industrial cooperation and alliances, and maintains a leading technological position.

- (6)The impact of corporate image change on corporate crisis management and response measures:

The Company operates diligently based on the principles of “integrity, customer orientation, teamwork, environmental protection, and innovation”, and has a positive reputation and image. The Company has been placed at the high ranking in the Taiwan Stock Exchange corporate governance evaluation for several consecutive years, focusing on our business, financial stability, transparency in corporate information, and integrity.

(7)Expected benefits, possible risks and response measures for conducting M&A:

In January 2022, the Company completed the acquisition of the Industrial Applications business unit from German Company LEONI, acquiring 100% of the equity and incorporating it into the revenue for that month.

1.Expected Benefits:

- (1)Acquisition of production bases and customers.
- (2)Expand cross-business group sales opportunities: Increase market share and strengthen long-term growth momentum.
- (3)Enhance purchasing cost advantage: The optimal scale of regional procurement is achieved through resource integration and the introduction of successful cases.
- (4)Short-chain advantage: One-stop design and manufacturing, cross-application technology, leveraging short-chain advantages to respond to customer need rapidly.

2.Potential risks: Reinvestment businesses are affected by the overall economic environment, leading to performance not meeting expectations.

3.Countermeasures: Regularly review the operational status of reinvestment businesses and conduct timely reviews.

(8)Expected benefits, possible risks and response measures for the expansion of the plant:

Expected Benefits	1.Expand the scale of existing production capacity. 2.Based on the growth in order volume and customer demand, consider production cost advantages and disadvantages and expand production bases.
Potential risks	1.Excessive investment amounts, affecting capital utilization. 2.Production capacity utilization did not meet expectations.
Countermeasures	The phasing out of old capacities involves a gradual transition, where production equipment that still performs well can be relocated, minimizing overall investment risk.
	The Company focuses on establishing competitive overseas production bases, prioritizing order deployment that satisfies the Company’s capacity utilization and controls production costs.

(9)Risks on vendor and customer concentration and response measures:

1. Risk of concentrated procurement

The changes in procurement over the past two years for the Company primarily fluctuate with the structure of product composition, purchase prices, and delivery times. Additionally, due to the ample number of raw material suppliers required for our production in the market, our suppliers are relatively dispersed. During the most recent year, the Company did not have any major raw materials or principal goods that accounted for more than 30% of the total purchase amount. Consequently, there were no instances where major raw materials or principal goods were sourced from specific companies or affiliated companies exceeding 30%. Furthermore, during 2022 to 2023, the purchase amounts from each supplier did not exceed 10% of the total purchase amount, indicating that the Company does not face a risk of excessive supplier concentration.

2. Risk of sales concentration

In 2022 to 2023, none of our sales customers accounted for more than 10% of sales, and the combined sales to our top ten customers over the last two years accounted for 37.76% and 36.74% of

net sales revenue, respectively, showing no excessive concentration on a few customers. The Company will continue to develop new products, including automotive wires, medical equipment wires, data center wires, and high-speed cables, to expand our new customer base. At the same time, the Company will ensure the collection of receivables and the diversification of product sales across customer groups and geographical regions to mitigate the risk of sales concentration.

(10)The impact of substantial transfer or replacement of shareholdings of directors, supervisors or major shareholders holding more than 10% of shares on the Company, its risks and response measures: None

(11)The impact of the change of management rights on the Company, its risks and response measures:

No changes in the company's ownership rights have occurred in the most recent year and as of the printing date of the prospectus. Additionally, the Company has strengthened various corporate governance measures, including introducing independent Directors and establishing an audit committee, to enhance the protection of overall shareholder rights. Moreover, the Company's current management team has received considerable support from shareholders for its operational performance. Therefore, should there be a change in management rights, the company's various management and operational advantages should continue to be inherited without adverse effects.

(12)Litigious or non-litigious disputes: Significant litigation, non-litigious proceeding, or administrative dispute involving any of the Company's directors, supervisors, general manager, de facto responsible person, major shareholders with a stake of more than 10 percent, and affiliates that has a confirmed ruling or remained pending and whose outcome may have a material impact on shareholders' equity or prices for the Company's securities.

1.Litigation or non-litigation events of the Company and its subsidiaries: None

2.Significant litigation, non-litigious proceeding, or administrative dispute involving any of the Company's directors, supervisors, general manager, de facto responsible person, major shareholders with a stake of more than 10 percent, and affiliates that has a confirmed ruling or remained pending: None

(13)Geopolitical risks and response measures:

Since the US-China trade war and the Russia-Ukraine conflict, multinational corporations have deeply realized the risks brought by geopolitical factors. Production bases and supply chains should not be overly concentrated in a single region, which has become a basic understanding for international enterprises. Bizlink has up to 34 production bases globally, spread across continents such as North America, Europe, and Southeast Asia, not concentrated in a few regions/countries, to achieve the effect of risk diversification.

(14)Risks of global climate change and response measures:

The greenhouse effect and global warming are becoming increasingly severe, and effectively responding to climate change has become an important issue for the international community and major corporations. Sustainable development is an important chapter in Bizlink's management; please see our upcoming Corporate Social Responsibility report for more details.

(15)Other significant risks and corresponding measures in the most recent year and up to the printing date of the annual report:

1.For other significant operational risks and corresponding measures of the Company, please refer to page 131 of this annual report for factors favorable and unfavorable to the Company's future development and other related measures

2.Risk of patent infringement: Patents have the legal status of intangible assets and can disrupt competitors' business development strategies. Internationally, there is no shortage of patent holders attempting to extract benefits from physical operators by various means. As the Company's operational scale continues to grow, facing competition in the industry and the possibility of patent infringement litigation by patent holders also increases. Although the Company has a dedicated unit

responsible for applying and managing patents and trademarks to ensure intellectual property rights, it is still possible that the Company cannot be completely exempt from being claimed or protecting the results of designs from infringement by competitors or other manufacturers. To protect the Company's interests, the Company will continue to focus on this issue and control risks

3.Information security risk assessment analysis: Since its establishment, Bizlink has adhered to and faithfully implemented the internationally recognized ISO 27001 standard for information security strategy. Daily procedures and documents are carried out according to its guidelines, and it is expected to obtain the certification by the end of 2024 officially.

In addition, following Taiwanese regulations, by the end of 2023, the establishment of the headquarters SOC (Security Operation Center) mechanism has been completed, incorporating all important equipment and mainframes of the group into 24*7 management. Any potential cybersecurity risks can be reported immediately to the relevant personnel for handling, thus preventing problems before they arise.

Furthermore, the group's BCP (Business Continuity Plan) has also been established, clearly defining critical systems and disaster drill methods, and detailing important corporate metrics such as RTO (Recovery Time Objective) and RPO (Recovery Point Objective).

4.Maintaining the Company's intellectual property rights while avoiding the risk of fines due to infringing on others' intellectual property:

Driven by the legal department, the processes include patent searches, patent applications, patent rights maintenance, infringement analysis, dispute resolution, etc. Establishing trade secret management methods, constructing related process standards for trade secret management, and setting up a Confidential Information Management Committee to handle confidential management affairs, and formulating an intellectual property management plan linked to operational goals: Increase intellectual property (IP) investment, construct IP layouts, manage IP contracts, and strengthen IP rights concept. Additionally, using Bizlink International Co., Ltd. as a demonstration pilot, the Company has adopted relevant management standards according to the Taiwan Intellectual Property Management Standard (TIPS), compiled the Intellectual Property Management Handbook as a common framework for intellectual rights management, and applied to the Institute for Information Industry (III) for TIPS certification, which was approved (certificate number: TIPS-2022-cert.-064), with the certificate valid from December 31, 2022, to December 31, 2023. Additionally, the application for verification for the next period was submitted in August 2023 and has been approved, as notified by the letter from the III. The verification validity extends until December 31, 2025.

5.Specific situations may still not provide sufficient protection: Company operations are always accompanied by many risks and dangers, including malfunction, damage, or anomalies of machinery and equipment, delayed delivery of equipment, production capacity limitations, labor strikes, fires, natural disasters such as earthquakes or typhoons, environmental disasters, or occupational hazards. These situations could have a significant adverse effect on the operations of the Group. Although the Company has insured its fixed assets and inventory according to the practices of the country of operation, such insurance may still not provide sufficient protection under certain circumstances. If the Group suffers losses as a result, this may adversely affect the Company's operations.

VII. Other Important Matters

(1) The evaluation basis and criteria for the provision method of valuation items on the balance sheet

Item	Balance sheet valuation items	Basis of assessment	Assessment basis
1	Allowance for loss	Impairment loss assessment	Recognition of allowance for doubtful accounts based on expected credit losses over the contractual period. Expected credit losses over the contractual period are calculated using a provision matrix, taking into account the customer's past default history and current financial condition, the industry's economic situation, and GDP forecasts and industry outlooks.
2	Allowance for inventory valuation losses and obsolescence losses	Lower of cost and net realizable value	Measured at the lower of cost and net realizable value, the comparison between cost and net realizable value is based on individual items except for inventories of the same category. Net realizable value refers to balance of the estimated selling price in the ordinary course, less the estimated costs to completion and the estimated costs necessary to make the sale. The cost of inventories is calculated based on weighted-average method.
3	Financial assets and liabilities	Fair Value	Financial assets measured at fair value through profit or loss 1. Derivatives held for trading: The asset's fair value is derived from observable inputs, either directly (i.e., prices) or indirectly (i.e., derived from prices). 2. Non-derivatives held for trading: Quoted prices (unadjusted) in active markets for identical assets. Financial liabilities at fair value through profit or loss 1. Derivatives held for trading: The liabilities' fair value is derived from observable inputs, either directly (i.e., prices) or indirectly (i.e., derived from prices). 2. Convertible bond option: The liabilities' fair value is derived from observable inputs, either directly (i.e., prices) or indirectly (i.e., derived from prices).

(2) Company personnel acquiring licenses specified by regulatory authorities

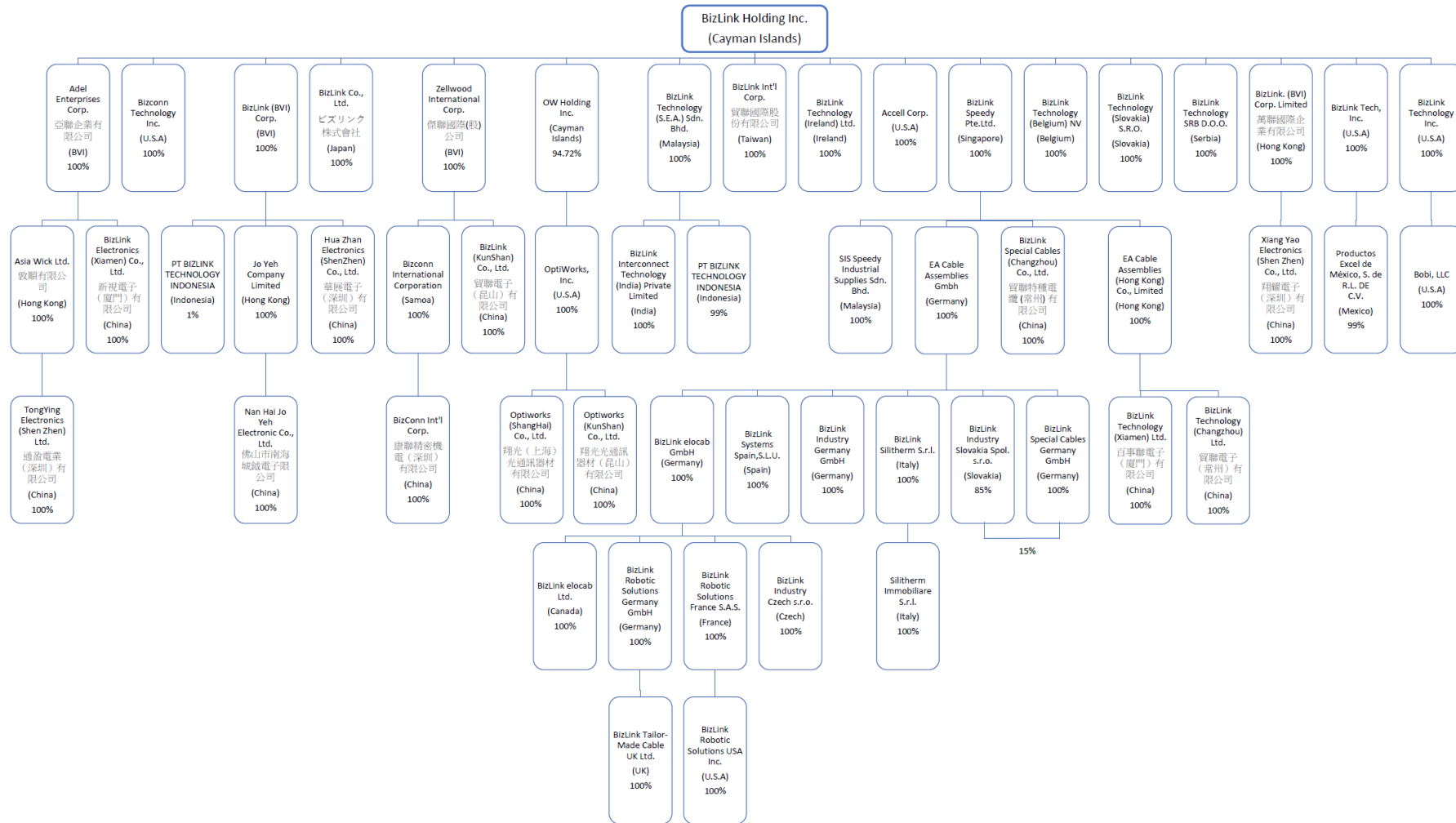
The situation of the Company's finance-related personnel obtaining licenses designated by regulatory authorities is as follows:

1. International internal auditor: Audit Department 2 persons, Accounting Department 1 person, Chairman's office 1 person.
2. Certified Public Accountant of the Republic of China: Audit Department 1 person, Accounting Department 1 person.
3. Certified Public Accountant of the United States: Strategic Investment Department 1 person.
4. Chartered Certified Accountant of the United Kingdom: Management Department 2 persons.
5. Chartered Financial Analyst: Accounting Department 1 person

H. Special notes and others

I. Information on Affiliates

(1)Affiliate Structure



(2)Relationship with the Company

December 31, 2023

Title	Investment ratio	Shareholding (shares)	Investment amount (original currency/ thousand)	Relationship with the Company	Shareholding status in the Company
BIZLINK TECHNOLOGY INC.	100%	10,000	USD3,920	Subsidiary	None
OPTIWORKS, INC.	100%	2,000	USD20,200	Sub-subsidiary	None
BIZLINK (BVI) CORP.	100%	50,000	USD50	Subsidiary	None
BizLink International Corp.	100%	365,000	NTD365,000	Subsidiary	None
ZELLWOOD INTERNATIONAL CORPORATION	100%	2,500,000	USD2,500	Subsidiary	None
BIZLINK TECHNOLOGY (S.E.A.) SDN. BHD.	100%	1,200,000	MYR1,200	Subsidiary	None
ADEL ENTERPRISES CORPORATION	100%	1,650,000	USD1,650	Subsidiary	None
BIZLINK TECH, INC.	100%	546,532	USD21,550	Subsidiary	None
ACCELL CORPORATION	100%	10,000	-	Subsidiary	None
BIZLINK TECHNOLOGY(IRELAND) LTD.	100%	300,000	USD300	Subsidiary	None
BizLink Co., Ltd. (Japan)	100%	200	JPY10,000	Subsidiary	None
BizLink (BVI) Corp. Limited	100%	10,000	HKD10	Subsidiary	None
BIZCONN TECHNOLOGY INC.	100%	-	-	Subsidiary	None
EA CABLE ASSEMBLIES (HONG KONG) CO., LIMITED	100%	174,332,000	USD8,000&EUR24,676	Subsidiary	None

BIZLINK TECHNOLOGY (BELGIUM) N.V.	100%	915	EUR12,326	Subsidiary	None
BIZLINK TECHNOLOGY (SLOVAKIA) S.R.O.	100%	Note 1	EUR29,891	Subsidiary	None
OW HOLDING INC.	94.72%	2,105,120	USD22,251	Subsidiary	None
Grand INFINITE ENTERPRISES LIMITED(BVI)	100%	-	-	Subsidiary	None
BOBI, LLC	100%	Note 1	USD2,000	Sub-subsidiary	None
JO YEY COMPANY LIMITED	100%	10,000	USD3,915	Sub-subsidiary	None
BIZCONN INTERNATIONAL CORPORATION	100%	1,666,667	USD1,667	Sub-subsidiary	None
Asia Wick Ltd.	100%	1,000	-	Sub-subsidiary	None
BIZLINK INTERCONNECT TECHNOLOGY(INDIA) PRIVATE LIMITED	100%	100,000	INR1,000	Sub-subsidiary	None
BIZLINK TECHNOLOGY SRB D.O.O.	100%	Note 1	EUR7,126	Subsidiary	None
BIZLINK SPEEDY PTE. LTD.	100%	2,000,000	SGD72,610	Subsidiary	None
SIS SPEEDY INDUSTRIAL SUPPLIES SDN. BHD.	100%	100,000	MYR100	Sub-subsidiary	None
BIZLINK ELOCAB GMBH	100%	Note 1	EUR152,347	Sub-subsidiary	None
BIZLINK ELOCAB LTD.	100%	Note 1	Note 2	Third-tier subsidiary	None
BIZLINK INDUSTRY CZECH S.R.O.	100%	Note 1	Note 2	Third-tier subsidiary	None

BIZLINK INDUSTRY GERMANY GMBH	100%	Note 1	EUR17,458	Sub-subsidiary	None
BIZLINK INDUSTRY SLOVAKIA SPOL. S.R.O.	100%	Note 1	EUR907	Sub-subsidiary	None
BIZLINK ROBOTIC SOLUTIONS FRANCE S.A.S.	100%	33,167	EUR1,500	Third-tier subsidiary	None
BIZLINK ROBOTIC SOLUTIONS GERMANY GMBH	100%	Note 1	Note 2	Third-tier subsidiary	None
BIZLINK ROBOTIC SOLUTIONS USA INC.	100%	60,000	Note 2	Sub-subsidiary	None
BIZLINK SILITHERM S.R.L.	100%	Note 1	EUR87,466	Sub-subsidiary	None
BIZLINK SPECIAL CABLES GERMANY GMBH	100%	Note 1	EUR19,951	Sub-subsidiary	None
BIZLINK SYSTEMS SPAIN S.L.U.	100%	Note 1	EUR2,889	Sub-subsidiary	None
BIZLINK TAILOR-MADE CABLE UK LTD.	100%	Note 1	Note 2	Sub-subsidiary	None
EA CABLE ASSEMBLIES GMBH	100%	1	SGD363,089	Sub-subsidiary	None
PRODUCTOS EXCEL DE MÉXICO, S. DE R.L. DE C.V.	99%	Note 1	USD266	Sub-subsidiary	None
SILITHERM IMMOBILIARE S.R.L.	100%	Note 1	EUR16,684	Third-tier subsidiary	None
PT BIZLINK TECHNOLOGY INDONESIA	100%	90,000	MYR41,033	Sub-subsidiary	None
BizConn International Corp.	100%	Note 1	CNY17,600	Third-tier subsidiary	None
Tong Ying Electronics (Shenzhen) Co., Ltd.	100%	Note 1	HKD26,936	Third-tier subsidiary	None

Optiworks (Shanghai) Co., Ltd.	94.72%	Note 1	USD6,000	Third-tier subsidiary	None
Optiworks (Kunshan) Co., Ltd.	94.72%	Note 1	USD3,000	Third-tier subsidiary	None
Xiang Yao Electronics (Shenzhen) Co., Ltd.	100%	Note 1	USD1,000	Sub-subsidiary	None
Hua Zhan Electronics (Shenzhen) Co., Ltd.	100%	Note 1	HKD2,500	Sub-subsidiary	None
BizLink (Kunshan) Co., Ltd.	100%	Note 1	USD10,000	Sub-subsidiary	None
BizLink Electronics (Xiamen) Co., Ltd.	100%	Note 1	USD560	Sub-subsidiary	None
Nanhai Jo Yeh Electronic Co., Ltd.	100%	Note 1	USD2,000	Third-tier subsidiary	None
BizLink Technology (Changzhou) Co., Ltd.	100%	Note 1	USD8,950 & RMB171,263	Sub-subsidiary	None
BizLink Technology (Xiamen) Ltd.	100%	Note 1	USD16,917	Sub-subsidiary	None
BizLink Special Cables (Changzhou) Co., Ltd.	100%	Note 1	USD38,800	Sub-subsidiary	None

Note 1: As a limited Company, it has no shares or par value.

Note 2: The investment was made by acquiring BizLink elocab GmbH and holding the stocks of such companies; hence, the original investment amount is the additional investment after the merger.

(3) Overview of reinvestment enterprises

Please refer to pages 250 to 259 (recent annual financial statements, Appendix IX and X).

- II. Private Placement of Securities in the Most Recent Year and up to the Publication of the Annual Report: None.**
- III. Holding or Disposal of the Company's Shares by Subsidiaries in the Most Recent Year and up to the Publication of the Annual Report: None.**
- IV. Other Matters Requiring Supplementary Information: None.**
- V. Any Matters Which Have Had a Significant Impact on Shareholders' Equity or the Price of Securities as Stated in Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act in the Most Recent Year and up to the Publication of the Annual Report: None.**

VI. Methods for shareholders to exercise their rights

The main content of the Company's listed Company Articles of Incorporation regarding the methods for shareholders to exercise their rights and the significant differences from our country's shareholder rights protection regulations are explained as follows:

Important amendments regarding shareholder rights protection	Relevant laws under the Company Law or Securities Exchange Act	Whether the proposed amendments to the Company Articles of Incorporation are consistent with the left column	Article number of the Articles of Incorporation	Lawyer's assessment opinion
1. When the shareholders' meeting resolves one of the following issues, dissenting shareholders shall have the right to request the Company to buy back shares: (1) Company splits, mergers, acquisitions, or share conversions; (2) The Company concludes, modifies, or terminates contracts related to leasing out all business operations, entrusted management, or regularly co-managing with others, transferring all or a major part of the business or assets, or acquiring all business or assets from others, significantly affecting the Company's operations. 2. Shareholders must submit a written request within twenty days from the date of the shareholders' meeting resolution, specifying the requested purchase price. For shareholders who have agreed with the Company on the buyback price, the Company shall pay the price within ninety days from the date of the shareholders' meeting resolution. For those who have not reached an agreement, the Company shall pay the price deemed fair to the non-agreeing shareholders within ninety days from the resolution date; if the Company does not pay, it is	1. Company Law Article 317, Article 186 2. Corporate Mergers and Acquisitions Law Article 12	☒ Yes ☐ No	Article 22.1 and Article 22.3	The Company plans to amend Articles 22.1 and 22.3 of the Company's Articles of Incorporation at the 2023 annual general meeting of shareholders, after which the revised Articles of Incorporation will correspond to the content in the left column.

considered as agreeing to the buyback price requested by the shareholders. 3. Shareholders who vote against or waive their voting rights at the shareholders' meeting may request the Company to buy back all their shares if there is no agreement on the buyback price within sixty days of the resolution date according to the causes specified in Paragraph 1, Subparagraph 1. Suppose no agreement is reached during this period. In that case, the Company must, within thirty days after this period, apply to the court to set the price, taking all non-agreeing shareholders as the counterparties, and may designate the Taipei District Court in Taiwan as the court of first instance. 4. The number of shares for which voting rights may be waived under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.				
1. When Directors have a personal interest in matters discussed at board meetings, they must disclose the significant content of their interests at that board meeting; during mergers and acquisitions, Directors should explain to the board and shareholders the significant content of their personal interests related to the M&A transaction and their reasons for supporting or opposing the M&A resolution. The Company must also include these disclosures and reasons in the notice of the shareholders' meeting, and the information can be posted on the website designated by the Taiwan Securities Regulatory Authority or the Company, with the URL included in the notification. 2. Directors' spouses, blood relatives within the second degree, or companies that have a controlling subsidiary relationship with the Director, who have an interest in the matters discussed at the meeting, are	Article 206, paragraphs 2, 3, and 4 of the Company Law, and Article 5, paragraphs 3 and 4 of the Business Mergers and Acquisitions Law	☒ Yes ☐ No	Article 30.5	The Company plans to amend Article 30.5 of the Company's Articles of Incorporation at the 2023 annual general meeting of shareholders, after which the revised Articles of Incorporation will correspond to the content in the left column

considered to have a personal interest in the matter.				
3. When a director is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of this Corporation, that director may not vote on that item, and may not exercise voting rights as proxy for any other shareholder. The resolution of the Board of Directors stipulates that director who are not allowed to exercise voting rights according to the aforementioned provisions shall not be counted in the number of voting rights of the directors present.				

Annex 1 Financial Statements of the Most Recent Year

**BIZLINK HOLDING INC. AND
SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2023 AND 2022**

For the convenience of readers and for information purpose only, the auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. In the event of any discrepancy between the English version and the original Chinese version or any differences in the interpretation of the two versions, the Chinese-language auditors' report and financial statements shall prevail.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of BizLink Holding Inc.

Opinion

We have audited the accompanying consolidated balance sheet of BizLink Holding Inc. and its subsidiaries (the “Group”) as at December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these

requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

As described in Note 3(1), the Group adjusted the affected items in the financial statements of prior periods retrospectively as the amendments to IAS 12, “Deferred tax related to assets and liabilities arising from a single transaction” has become effective starting from January 1, 2023. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group’s 2023 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group’s 2023 consolidated financial statements are stated as follows:

Recognition of sales revenue

Description

Please refer to Note 4(34) for the accounting policies on the recognition of sales revenue and Note 6(27) for details of operating revenue.

For the year ended December 31, 2023, the Group’s operating revenue from the computing and transportation segment and industrial application segment accounted for more than 80% of the consolidated operating revenues, and the recognition of operating revenues has a significant impact to the financial statements. Thus, we considered the recognition of revenues from computing and transportation segment and industrial application segment as one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures for the above key audit matter:

- A. Obtained an understanding of and assessed the internal controls in relation to sales revenue and validated the operating effectiveness.
- B. Sampled and tested sales revenue transactions and verified supporting documents to ensure the appropriateness of revenue recognition.
- C. Inspected significant sales returns and discounts occurring subsequent to the reporting period.
- D. Performed accounts receivable confirmation procedures on significant customers.

Valuation of inventoriesDescription

Please refer to Note 4(14) for the accounting policies of inventories, Note 5 for the uncertainty of accounting estimations and assumptions for the valuation of inventories, and Note 6(8) for the details of inventories.

The Group is mainly engaged in providing solutions for the design and application of connecting wiring harness, and the products were applied to various electronic technology areas. Related productions and sales are affected by the environment and industrial characteristics and have significant fluctuation. As the Group's inventory balance is significant, the inventory items are numerous, and accounting estimates are subject to management's judgement, we considered the valuation of inventories as one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures for the above key audit matter:

- A. Understood the policy on allowance for inventory valuation loss to assess the reasonableness of application.
- B. Obtained the net realizable value report of various inventories to verify whether the calculation logic was used consistently and tested the reference data of the estimated net realizable value of the inventory, including checking the supporting documents such as sales prices and purchase prices, and recalculated and evaluated the rationality of the allowance for inventory valuation losses.
- C. Obtained the inventory aging report and understood the system logic in calculating the ageing of inventories, sampled and verified the relevant supporting documents of the inventory change date and verified whether the aging range of the inventory was correctly classified.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless

management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards of Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit

- procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Liang, Hua-Ling

Lin, Tzu-Shu

For and on behalf of PricewaterhouseCoopers, Taiwan

March 12, 2024

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

BIZLINK HOLDING INC. AND SUBSIDIARIES
CONSOLIDATED FINANCE SHEETS
DECEMBER 31, 2023 AND 2022
 (Expressed in thousands of New Taiwan dollars)

(Expressed in thousands of New Taiwan dollars)						
Assets		Notes	December 31, 2023		(Adjusted) December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 10,627,389	19	\$ 8,497,568	16
1110	Financial assets at fair value through profit or loss - current	6(2)	40,348	-	23,593	-
1136	Financial assets at amortized cost - current	6(4) and 8	1,758,561	3	393,357	1
1139	Financial assets for hedging - current	6(5)	3,837	-	6,186	-
1150	Notes receivable, net	6(6)	183,067	-	10,854	-
1170	Accounts receivable, net	6(6)	8,187,814	15	10,060,143	19
1180	Accounts receivable, net - related parties	7	12,604	-	-	-
1200	Other receivables	6(7)	439,523	1	573,146	1
1220	Current tax assets		62,803	-	98,216	-
130X	Inventories	6(8)	10,102,719	19	12,323,217	23
1410	Prepayments		465,397	1	594,559	1
1470	Other current assets		6,771	-	13,539	-
11XX	Total current assets		31,890,833	58	32,594,378	61
Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current	6(2)	162,191	-	147,295	-
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	414,041	1	345,671	-
1535	Financial assets at amortized cost - non-current	6(4) and 8	10,377	-	10,198	-
1550	Investments accounted for under equity method	6(9)	26,008	-	29,499	-
1600	Property, plant and equipment	6(10) and 8	12,142,679	22	10,300,936	19
1755	Right-of-use assets	6(11)	1,725,620	3	1,737,014	3
1760	Investment property, net	6(12) and 8	272,243	1	421,380	1
1780	Intangible assets	6(13)	6,702,576	12	6,801,888	13
1840	Deferred tax assets	6(33)	889,279	2	896,791	2
1900	Other non-current assets	6(14)	447,081	1	420,795	1
15XX	Total non-current assets		22,792,095	42	21,111,467	39
1XXX	Total assets		\$ 54,682,928	100	\$ 53,705,845	100

(Continued)

BIZLINK HOLDING INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023 AND 2022
 (Expressed in thousands of New Taiwan dollars)

(Expressed in thousands of New Taiwan dollars)						
Liabilities and Equity		Notes	December 31, 2023		(Adjusted) December 31, 2022	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(15)	\$ 2,658,746	5	\$ 748,542	1
2120	Financial liabilities at fair value	6(2)				
	through profit or loss - current		53,762	-	66,989	-
2130	Contract liabilities - current	6(27)	184,510	-	156,324	-
2150	Notes payable		255,311	1	327,930	1
2170	Accounts payable		4,488,677	8	5,547,952	10
2200	Other payables	6(16)	2,945,595	5	3,004,797	6
2220	Other payables - related parties	7	185	-	181	-
2230	Current tax liabilities		476,550	1	840,548	2
2250	Provisions for liabilities - current	6(19)	158,232	-	185,659	-
2280	Lease liabilities - current	7	478,498	1	385,379	1
2320	Long-term liabilities, current portion	6(18)	1,873,578	4	2,477,952	5
2399	Other current liabilities, others		143,789	-	30,218	-
21XX	Total current liabilities		<u>13,717,433</u>	<u>25</u>	<u>13,772,471</u>	<u>26</u>
Non-current liabilities						
2530	Bonds payable	6(17)	8,538,297	16	3,728,371	7
2540	Long-term borrowings	6(18)	4,784,190	9	10,283,057	19
2550	Provisions for liabilities - non-current	6(19)	80,011	-	69,469	-
2570	Deferred tax liabilities	6(33)	1,161,380	2	1,371,822	3
2580	Lease liabilities - non-current		895,741	2	1,085,809	2
2640	Net defined benefit liability - non-current	6(20)	786,720	1	657,916	1
2670	Other non-current liabilities, others		121,789	-	232,906	-
25XX	Total non-current liabilities		<u>16,368,128</u>	<u>30</u>	<u>17,429,350</u>	<u>32</u>
2XXX	Total liabilities		<u>30,085,561</u>	<u>55</u>	<u>31,201,821</u>	<u>58</u>
	Share capital	6(22)				
3110	Common stock		1,633,091	3	1,564,463	3
	Capital surplus	6(23)				
3200	Capital surplus		14,309,271	26	13,111,468	24
	Retained earnings	6(24)				
3310	Legal reserve		1,634,340	3	1,223,401	2
3320	Special reserve		1,288,521	2	1,471,201	3
3350	Unappropriated earnings		6,841,610	13	6,403,030	12
	Other equity interest	6(25)				
3400	Other equity interest		(1,121,797)	(2)	(1,288,521)	(2)
31XX	Total equity attributable to owners of parent		<u>24,585,036</u>	<u>45</u>	<u>22,485,042</u>	<u>42</u>
36XX	Non-controlling interests	6(26)	<u>12,331</u>	<u>-</u>	<u>18,982</u>	<u>-</u>
3XXX	Total equity		<u>24,597,367</u>	<u>45</u>	<u>22,504,024</u>	<u>42</u>
	Significant contingent liabilities and unrecognized contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	Total liabilities and equity		\$ 54,682,928	100	\$ 53,705,845	100

BIZLINK HOLDING INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
 (Expressed in thousands of New Taiwan dollars, except earnings per share amount)

		Notes	Year ended December 31			
			2023		2022	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(27) and 7	\$ 51,051,791	100	\$ 53,757,171	100
5000	Operating costs	6(8)(32)	(38,464,979)	(75)	(39,969,688)	(75)
5900	Gross profit		12,586,812	25	13,787,483	25
	Operating expenses	6(32)				
6100	Selling expenses		(2,547,383)	(5)	(2,837,189)	(5)
6200	General and administrative expenses		(4,221,052)	(9)	(3,945,515)	(7)
6300	Research and development expenses		(1,534,477)	(3)	(1,384,227)	(3)
6450	Expected credit impairment loss	12(2)	(46,721)	-	(74,077)	-
6000	Total operating expenses		(8,349,633)	(17)	(8,241,008)	(15)
6900	Operating profit		4,237,179	8	5,546,475	10
	Non-operating income and expenses					
7100	Interest income	6(28)	348,879	1	62,266	-
7010	Other income	6(29)	213,643	-	175,906	1
7020	Other gains and losses	6(30)	(185,330)	-	33,038	-
7050	Finance costs	6(31)	(1,165,587)	(2)	(511,835)	(1)
7060	Share of profit/(loss) of associates and joint ventures accounted for under equity method		(6,364)	-	(13,187)	-
7000	Total non-operating income and expenses		(794,759)	(1)	(253,812)	-
7900	Profit before income tax		3,442,420	7	5,292,663	10
7950	Income tax expense	6(33)	(1,131,643)	(2)	(1,461,681)	(3)
8200	Profit for the year		\$ 2,310,777	5	\$ 3,830,982	7

(Continued)

BIZLINK HOLDING INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2023 AND 2022
 (Expressed in thousands of New Taiwan dollars, except earnings per share amount)

				Year ended December 31			
				2023		2022	
Items		Notes		AMOUNT	%	AMOUNT	%
Other comprehensive income (loss)							
Components of other comprehensive income (loss) that will not be reclassified to profit or loss							
8311	Gains (losses) on remeasurements of defined benefit plans	6(20)	(\$	98,360)	-	\$	379,440
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(3)(25)		68,957	-	(	47,233)
8317	Gains (losses) on hedging instrument that will not be reclassified to profit or loss	6(25)		11,140	-	(	90,350)
8341	Exchange differences on translation to presentation currency		(	56,423)	-		1,953,873
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(33)		28,294	-	(	109,463)
8310	Components of other comprehensive (loss) income that will not be reclassified to profit or loss		(	46,392)	-		2,086,267
Components of other comprehensive income (loss) that will be reclassified to profit or loss							
8361	Exchange differences on translation			156,004	-	(	1,724,824)
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss			156,004	-	(	1,724,824)
8300	Other comprehensive income		\$	109,612	-	\$	361,443
8500	Total comprehensive income for the year		\$	2,420,389	5	\$	4,192,425
Profit (loss) , attributable to:							
8610	Owners of parent		\$	2,317,355	5	\$	3,838,380
8620	Non-controlling interests		(	6,578)	-	(	7,398)
<u>\$ 2,310,777</u> <u>5</u> <u>\$ 3,830,982</u> <u>7</u>							
Comprehensive income (loss) attributable to:							
8710	Owners of parent		\$	2,427,077	5	\$	4,199,000
8720	Non-controlling interests		(	6,688)	-	(	6,575)
<u>\$ 2,420,389</u> <u>5</u> <u>\$ 4,192,425</u> <u>8</u>							
Basic earnings per share							
9750	Basic earnings per share	6(34)	\$	14.37		\$	24.77
Diluted earnings per share							
9850	Diluted earnings per share	6(34)	\$	13.78		\$	23.07

BIZLINK HOLDING (INC.) AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

Equity attributable to owners of the parent												
	Notes	Retained earnings					Other equity interest			Total	Non-controlling interests	Total equity
		Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Gains (losses) on hedging instruments			
2022												
Balance at January 1, 2022		\$ 1,374,573	\$ 8,847,327	\$ 1,015,975	\$ 831,267	\$ 4,526,643	(\$ 1,460,288)	(\$ 14,413)	\$ 3,501	\$ 15,124,585	\$ 25,557	\$ 15,150,142
Profit (loss) for the year		-	-	-	-	3,838,380	-	-	-	3,838,380	(7,398)	3,830,982
Other comprehensive income (loss) for the year		-	-	-	-	271,016	228,226	(47,233)	(91,389)	360,620	823	361,443
Total comprehensive income (loss) for the year		-	-	-	-	4,109,396	228,226	(47,233)	(91,389)	4,199,000	(6,575)	4,192,425
Appropriation and distribution of retained earnings for the year ended December 31, 2021:	6(24)											
Legal reserve appropriated		-	-	207,426	-	(207,426)	-	-	-	-	-	-
Special reserve appropriated		-	-	-	639,934	(639,934)	-	-	-	-	-	-
Cash dividends		-	-	-	-	(1,385,649)	-	-	-	(1,385,649)	-	(1,385,649)
Capital increase in cash	6(22)	120,000	2,760,000	-	-	-	-	-	-	2,880,000	-	2,880,000
Issuance of convertible bonds	6(23)	-	29,944	-	-	-	-	-	-	29,944	-	29,944
Conversion of convertible bonds	6(17)(23)	68,065	1,439,763	-	-	-	-	-	-	1,507,828	-	1,507,828
Redemption of convertible bonds	6(23)	-	(543)	-	-	-	-	-	-	(543)	-	(543)
Recognition of employee share options	6(22)(23)	1,825	25,804	-	-	-	-	-	-	27,629	-	27,629
Compensation costs recognized for employee share options	6(21)(23)	-	9,173	-	-	-	-	-	-	9,173	-	9,173
Basis adjustment of gains (losses) on hedging instrument	6(25)	-	-	-	-	-	-	-	93,075	93,075	-	93,075
Balance at December 31, 2022		\$ 1,564,463	\$ 13,111,468	\$ 1,223,401	\$ 1,471,201	\$ 6,403,030	(\$ 1,232,062)	(\$ 61,646)	\$ 5,187	\$ 22,485,042	\$ 18,982	\$ 22,504,024
2023												
Balance at January 1, 2023		\$ 1,564,463	\$ 13,111,468	\$ 1,223,401	\$ 1,471,201	\$ 6,403,030	(\$ 1,232,062)	(\$ 61,646)	\$ 5,187	\$ 22,485,042	\$ 18,982	\$ 22,504,024
Profit (loss) for the year		-	-	-	-	2,317,355	-	-	-	2,317,355	(6,578)	2,310,777
Other comprehensive income (loss) for the year		-	-	-	-	(70,408)	99,691	68,957	11,482	109,722	(110)	109,612
Total comprehensive income (loss) for the year		-	-	-	-	2,246,947	99,691	68,957	11,482	2,427,077	(6,688)	2,420,389
Appropriation and distribution of retained earnings for the year ended December 31, 2022:	6(24)											
Legal reserve appropriated		-	-	410,939	-	(410,939)	-	-	-	-	-	-
Special reserve reversed		-	-	-	(182,680)	182,680	-	-	-	-	-	-
Cash dividends		-	-	-	-	(1,564,463)	-	-	-	(1,564,463)	-	(1,564,463)
Stock dividends		15,645	-	-	-	(15,645)	-	-	-	-	-	-
Capital increase in cash	6(22)	50,000	1,100,000	-	-	-	-	-	-	1,150,000	-	1,150,000
Issuance of convertible bonds	6(23)	-	29,201	-	-	-	-	-	-	29,201	-	29,201
Conversion of convertible bonds	6(17)(23)	598	18,561	-	-	-	-	-	-	19,159	-	19,159
Recognition of employee share options	6(22)(23)	2,385	31,950	-	-	-	-	-	-	34,335	-	34,335
Compensation costs recognized for employee share options	6(21)(23)	-	18,091	-	-	-	-	-	-	18,091	-	18,091
Basis adjustment of gains (losses) on hedging instruments	6(25)	-	-	-	-	-	-	-	(13,406)	(13,406)	-	(13,406)
Changes in ownership interests in subsidiaries	6(26)(35)	-	-	-	-	-	-	-	-	-	37	37
Balance at December 31, 2023		\$ 1,633,091	\$ 14,309,271	\$ 1,634,340	\$ 1,288,521	\$ 6,841,610	(\$ 1,132,371)	\$ 7,311	\$ 3,263	\$ 24,585,036	\$ 12,331	\$ 24,597,367

BIZLINK HOLDING INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
 (Expressed in thousands of New Taiwan dollars)

		Years ended December 31	
	Notes	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 3,442,420	\$ 5,292,663
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(32)	1,642,981	1,481,164
Amortization expense	6(32)	411,048	406,909
Expected credit impairment loss	12(2)	46,721	74,078
Net loss on financial assets/liabilities at fair value through profit or loss	6(2)(30)	206,539	194,707
Interest expense	6(31)	1,092,898	481,144
Interest income	6(28)	(348,879)	(62,266)
Dividend income	6(29)	(6,729)	-
Share of loss of associates and joint ventures accounted for under equity method		6,364	13,187
Impairment of investments accounted for under equity method	6(9)(30)	1,617	11,767
Losses on disposals of property, plant and equipment	6(30)	11,167	(42,045)
Impairment loss on property, plant and equipment	6(10)(30)	2,275	72,239
Gains on disposals of investment property	6(30)	-	(27,857)
Losses on disposals of intangible assets	6(30)	142	418
Impairment loss of intangible assets	6(13)(30)	22,647	-
Gains on lease modification	6(30)	(7,671)	(5,577)
Share-based payments	6(21)	18,091	9,173
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets mandatorily measured at fair value through profit or loss		141,312	99,074
Notes receivable	(	174,737)	137
Accounts receivable	(	2,048,770	(1,249,787)
Accounts receivable from related parties	(	12,788)	-
Other receivables	(	31,098)	1,126,040
Inventories		2,250,991	(2,155,363)
Prepayments		130,956	109,429
Other current assets		6,865	(12,334)
Changes in operating liabilities			
Financial liabilities held for trading	(	391,159)	(256,283)
Contract liabilities		28,624	8,746
Notes payable	(	73,628)	(49,014)
Accounts payable	(	1,161,376)	(802,438)
Other payables		154,843	(471,333)
Other payables to related parties		-	(80)
Provisions	(	32,737)	9,522
Other current liabilities		8,097	80,943
Net defined benefit liability		4,147	(19,910)
Other non-current liabilities	(	2,115)	(84,700)
Cash inflow generated from operations		9,436,598	4,232,353
Interest received		348,879	62,266
Interest paid	(	696,750)	(415,934)
Income taxes paid	(	1,642,450)	(1,099,279)
Net cash flows from operating activities		7,446,277	2,779,406

(Continued)

BIZLINK HOLDING INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022
(Expressed in thousands of New Taiwan dollars)

		Years ended December 31	
	Notes	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through other comprehensive income		\$ -	(\$ 51,237)
Acquisition of financial assets at amortized cost		(1,454,456)	(211,950)
Proceeds from disposal of financial assets at amortized cost		72,714	29,445
Acquisition of property, plant and equipment	6(37)	(2,558,729)	(1,877,242)
Proceeds from disposal of property, plant and equipment		45,000	114,787
Acquisition of right-of-use assets		(120,009)	(158,490)
Acquisition of investment property	6(12)	(22,090)	(275,959)
Proceeds from disposal of investment properties		-	69,927
Acquisition of intangible assets	6(13)	(173,340)	(43,701)
Proceeds from disposal of intangible assets		-	1,504
Increase in refundable deposits		(18,077)	(34,223)
Decrease in refundable deposits		24,180	10,916
Increase in prepayments for business facilities		(383,636)	(169,165)
Decrease in other non-current assets		6,611	18,560
Dividends received		6,729	-
Net cash flow from acquisition of subsidiaries	6(36)	-	(9,038,361)
Net cash flows used in investing activities		(4,575,103)	(11,615,189)
CASH FLOWS FROM FINANCING ACTIVITIES			
Decrease in other payables		-	(2,412,356)
Increase in short-term loans	6(38)	11,109,309	6,332,989
Decrease in short-term loans	6(38)	(9,216,031)	(6,431,131)
Proceeds from long-term debt	6(38)	8,340,599	12,078,209
Repayments of long-term debt	6(38)	(14,756,951)	(58,848)
Increase (decrease) in guarantee deposits received		3,897	(4,513)
Repayments of principal of lease liabilities	6(38)	(524,332)	(572,741)
Capital increase in cash	6(22)	1,150,000	2,880,000
Proceeds from issuance of convertible bonds	6(38)	4,481,495	3,426,445
Redemption of convertible bonds	6(38)	-	(19,096)
Employee stock options exercised		34,335	27,629
Cash dividends paid	6(24)	(1,564,463)	(1,385,649)
Net cash flows (used in) from financing activities		(942,142)	13,860,938
Effects due to changes in exchange rate		200,789	262,821
Net increase in cash and cash equivalents		2,129,821	5,287,976
Cash and cash equivalents at beginning of year		8,497,568	3,209,592
Cash and cash equivalents at end of year		\$ 10,627,389	\$ 8,497,568

BIZLINK HOLDING INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2023 AND 2022

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

1. HISTORY AND ORGANISATION

- (1) BizLink Holding Inc. (the “Company”) was incorporated in the Cayman Islands in June 2000. The Company and its subsidiaries (collectively referred herein as the “Group”) are primarily engaged in providing solutions for connecting harness applications. The scope covers research and development of high-tech connection products such as IT infrastructure wires, computer peripheral equipment, data center wires, consumer electronic wires, electrical appliance wires, automotive wires, medical equipment wires, optical fiber communication equipment, solar connectors, industrial equipment wires, semiconductor equipment, new product introduction (NPI), and assembly and production of system machines.
- (2) The Company’s stocks have been listed on the Taiwan Stock Exchange since April 2011.
- (3) The functional currency of the Company is U.S. dollars. For comparability and consistency of financial reporting, the consolidated financial statements are presented in New Taiwan dollar since the Company’s stocks are listed on the Taiwan Stock Exchange.

2. THE DATE OF AUTHORISATION FOR ISSUANCE OF THE FINANCIAL STATEMENTS AND PROCEDURES FOR AUTHORISATION

These consolidated financial statements were authorised for issuance by the Board of Directors on March 8, 2024.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

- (1) Effect of the adoption of new issuances of or amendments to International Financial Reporting Standards (“IFRS[®]”) Accounting Standards that came into effect as endorsed by the Financial Supervisory Commission (“FSC”)

New standards, interpretations and amendments endorsed by the FSC and became effective from 2023 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 1, ‘Disclosure of accounting policies’	January 1, 2023
Amendments to IAS 8, ‘Definition of accounting estimates’	January 1, 2023
Amendments to IAS 12, ‘Deferred tax related to assets and liabilities arising from a single transaction’	January 1, 2023
Amendments to IAS 12, ‘International tax reform - pillar two model rules’	May 23, 2023

Except for the following, the above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

A. Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'

- (a) The amendments require an entity to recognise deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences.
- (b) Upon adoption, the Group expects to recognise a deferred tax asset and liability for all deductible and taxable temporary differences associated with right-of-use assets and lease liabilities retrospectively. These amendments resulted to an increase in deferred tax assets, deferred tax liabilities by \$225,585 and \$214,140, respectively, a decreased in other equity by \$172 as at December 31, 2023 and a decrease in income tax expense by \$6,980 and an increase in earnings per share by NT\$0.04 (in dollars) for the year ended December 31, 2023, as well as an increase in deferred tax assets and deferred tax liabilities each by \$139,935 and \$259,603 as at January 1, 2022 and December 31 2022, respectively.

B. Amendments to IAS 12, 'International tax reform - pillar two model rules'

The amendments give companies temporary relief from accounting for deferred income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). An entity shall neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

(2) Effect of new issuances of or amendments to IFRS Accounting Standards as endorsed by the FSC but not yet adopted by the Group

New standards, interpretations and amendments endorsed by the FSC and will become effective from 2024 are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
Amendments to IAS 1, 'Classification of liabilities as current or non-current'	January 1, 2024
Amendments to IAS 1, 'Non-current liabilities with covenants'	January 1, 2024
Amendments to IAS 7 and IFRS 7, 'Supplier finance arrangements'	January 1, 2024

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

(3) IFRS Accounting Standards issued by IASB but not yet endorsed by the FSC

New standards, interpretations and amendments issued by IASB but not yet included in the IFRS Accounting Standards as endorsed by the FSC are as follows:

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 - comparative information'	January 1, 2023
Amendments to IAS 21, 'Lack of exchangeability'	January 1, 2025

The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", International Financial Reporting Standards, International Accounting Standards, IFRIC[®] Interpretations, and SIC[®] Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the "IFRSs").

(2) Basis of preparation

A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:

- (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
- (b) Financial assets at fair value through other comprehensive income.
- (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.

- B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

A. Basis for preparation of consolidated financial statements:

- (a) All subsidiaries are included in the Group's consolidated financial statements. Subsidiaries are all entities controlled by the Group. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.
- (b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
- (d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.
- (e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2023	December 31, 2022	
BizLink Holding Inc. (the Company)	BizLink Technology Inc.	(1) Wholesale and retail of cable assemblies, connectors, and power cords, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) international trade.	100	100	
	OW Holding Inc.	Various investment activities.	94.72	93.08	Note 3
	BizLink (BVI) Corp.	(1) Wholesale and retail of cable assemblies, connectors, power cords, (2) wholesale and retail of computer peripheral products and electronic materials, (3) international trade, and (4) various investment activities.	100	100	
	BizLink International Corp.	(1) Wholesale of cable assemblies, connectors and power cords, and (2) international trade.	100	100	
	Zellwood International Corp.	Various investment activities.	100	100	
	BizLink Technology (S.E.A.) Sdn. Bhd.	(1) Design, manufacture and sale of cable assemblies, power cords, and telecommunications equipment, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) international trade.	100	100	
	Adel Enterprises Corp.	(1) Wholesale and retail of cable assemblies, connectors, and power cords, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) international trade.	100	100	

Investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2023	December 31, 2022	
BizLink Holding Inc. (the Company)	BizLink Tech, Inc.	(1) Design, manufacture, and sale of cable assemblies, (2) wholesale and retail of computer peripheral products and electronic materials, (3) production of fiberfill moldings, and (4) international trade.	100	100	
	Accell Corp.	(1) Wholesale and retail of own brand connectors, cables and telecommunication equipment, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) marketing under own brands.	100	100	
	BizLink Technology (Ireland) Ltd.	(1) Wholesale and retail of cable assemblies, power cords and connectors, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) international trade.	100	100	
	BizLink (Japan) Co., Ltd.	(1) Wholesale and retail of cable assemblies, power cords and connectors, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) international trade.	100	100	
	BizLink (BVI) Corp. Limited	(1) Wholesale and retail of cable assemblies, connectors, power cords, (2) wholesale and retail of computer peripheral products and electronic materials, (3) international trade, and (4) various investment activities.	100	100	

Investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2023	December 31, 2022	
BizLink Holding Inc. (the Company)	Bizconn Technology Inc.	(1) Wholesale and retail of cable assemblies, connectors, and power cords, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) international trade.	100	100	Note 1
	EA Cable Assemblies (Hong Kong) Co., Limited	Various investment activities.	-	100	Note 4
	BizLink Technology (Belgium) NV	(1) Wholesale and retail of cable assemblies, power cords and connectors, and (2) international trade.	100	100	
	BizLink Technology (Slovakia) S.R.O.	(1) Manufacture and assembly of cable harnesses for electrical appliance, and (2) wholesale and retail of cable assemblies and power cords.	100	100	
	BizLink Technology SRB D.O.O.	(1) Manufacture and assembly of connectors and cable assemblies, and (2) wholesale and retail of cable assemblies, connectors and power cords.	100	100	
	BizLink Speedy Pte.Ltd.	Manufacture and sale of cable assemblies, power cords, PCBA assemblies, sheet metal fabrication and box build assemblies.	100	100	Note 2
	Grand Infinite Enterprises Limited	Various investment activities.	100	100	
BizLink Technology Inc.	Bobl, LLC	Various leasing activities.	100	100	

Investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2023	December 31, 2022	
OW Holding Inc.	OptiWork, Inc.	(1) Wholesale and retail of fiber optical passive components and fiber optical cables, (2) international trade, and (3) various investment activities.	100	100	
OptiWork, Inc.	OptiWorks (Shanghai) Limited	(1) Manufacture, wholesale and retail of fiber optical passive components and fiber optical cables, and (2) international trade.	100	100	
	OptiWorks (Kunshan) Limited	(1) Production and development of optical communications optoelectronic devices, components and modules, and (2) sale of own products.	100	100	
BizLink (BVI) Corp.	Hwa Zhen Electronics (Shen Zhen) Co., Ltd.	Production and operations of computers and communications cables, connectors and fiber jumpers.	100	100	
	Jo Yeh Company Limited	(1) Wholesale and retail of connectors, and (2) international trade.	100	100	
	PT BIZLINK TECHNOLOGY INDONESIA	(1) Design, manufacture and sale of cable assemblies, power cords, and telecommunications equipment, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) international trade.	1	-	Note 5
Jo Yeh Company Limited	Foshan Nanhai Jo Yeh Electronic Co., Ltd.	Production of electrical appliances, electronic equipment, and plug-in connectors.	100	100	
Zellwood International Corp.	Bizconn International Corporation.	Various investment activities.	100	100	
	BizLink (Kunshan) Co., Ltd.	Design, manufacture and sale of cable assemblies, power cables and connectors.	100	100	

Investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2023	December 31, 2022	
Bizconn International Corporation.	Bizconn International Corp. (China)	Manufacture and sell connectors and their components, communication cables, plastic and metal precision molds, metal stamping parts and precision plastic products.	100	100	
Adel Enterprises Corp.	BizLink Electronics (Xiamen) Co., Ltd.	Manufacture of computer cable connections, connectors and computer power supplies and other components and modules.	100	100	
	Asia Wick Ltd.	Various investment activities.	100	100	
Asia Wick Ltd.	Tong Ying Electronics (Shen Zhen) Ltd.	Manufacture of wire extrusions and cable assemblies.	100	100	
BizLink Tech, Inc.	Productos Excel de Mexico, S. de R.L. DE C.V.	(1) Design, manufacture, and sale of cable assemblies, (2) wholesale and retail of computer peripheral products and electronic materials, (3) production of fiberfill molding, and (4) international trade.	99	99	
BizLink (BVI) Corp. Limited	Xiang Yao Electronics (Shen Zhen) Co., Ltd.	Manufacture and operate in communication and computer cable connections, industrial and medical equipment connect lines, mobile electric equipment connect lines, audio and video connect lines, transfers and switch, cords and optical fiber patch cord.	100	100	
BizLink Technology (S.E.A.) Sdn. Bhd.	BizLink Interconnect Technology (India) Private Limited	(1) Design and sale of cable assemblies, power cords, and telecommunications equipment, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) international trade.	100	100	

Investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2023	December 31, 2022	
BizLink Technology (S.E.A.) Sdn. Bhd.	PT BIZLINK TECHNOLOGY INDONESIA	(1) Design and sale of cable assemblies, power cords, and telecommunications equipment, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) international trade.	99	-	Note 5
BizLink Speedy Pte.Ltd.	EA Cable Assemblies GmbH	(1) Wholesale and retail of cable assemblies, power cords and connectors, and (2) international trade.	100	100	
	SIS Speedy Industrial Supplies Sdn. Bhd.	Manufacture and wholesale of cable assemblies, power cords, PCBA assemblies, sheet metal fabrication and box build assemblies.	100	100	
	BizLink Special Cables (Changzhou) Co., Ltd.	Manufacture and sales of power cords and cable assemblies used in the robot system, medical, automation, customized products and communication system.	100	100	
	EA Cable Assemblies (Hong Kong) Co., Limited	Various investment activities.	100	-	Note 4
EA Cable Assemblies (Hong Kong) Co., Limited	BizLink Technology (Changzhou) Limited	(1) Manufacture of smart instrumentational sensors, instrumentational connectors and instrumentational functional materials, and (2) sale of aforementioned products, import and export business.	100	100	
	BizLink Technology (Xiamen) Limited	(1) Manufacture of smart instrumentational sensors, instrumentational connectors and instrumentational functional materials, and (2) sale of aforementioned products, import and export business.	100	100	

Investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2023	December 31, 2022	
EA Cable Assemblies GmbH	BizLink elocab GmbH	Manufacture of cable assemblies used in the application of customized products.	100	100	
	BizLink Industry Germany GmbH	Central management segment of industry solution program business.	100	100	
	BizLink Systems Spain, S.L.U.	Manufacture and sales of power cords and cable assemblies used in the robot system and customized products.	100	100	
	BizLink Silitherm S.r.l.	Manufacture and sales of silicone wire.	100	100	
	BizLink Industry Slovakia Spol. s.r.o.	Manufacture of cable assemblies and power cords used in the medical, automation and customized products.	85	85	
	BizLink Special Cables Germany GmbH	Manufacture of cable assemblies and power cords used in the medical, automation and communication system.	100	100	
BizLink Special Cables Germany GmbH	BizLink Industry Slovakia Spol.s.r.o.	Manufacture of cable assemblies and power cords used in the medical, automation and customized products.	15	15	
BizLink elocab GmbH	BizLink elocab Ltd.	Manufacture of power cords and cable assemblies used in the customized products.	100	100	
	BizLink Robotic Solutions Germany GmbH	Manufacture of power cords and cable assemblies used in the robot system.	100	100	
	BizLink Robotic Solutions France S.A.S.	Manufacture and sales of power cords and cable assemblies used in the robot system.	100	100	

Investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2023	December 31, 2022	
BizLink elocab GmbH	BizLink Industry Czech s.r.o.	Manufacture and sales of cable assemblies and power cords used in the robot system, automation and customized products.	100	100	
BizLink Robotic Solutions Germany GmbH	BizLink Tailor-Made Cable UK Ltd.	Sales of power cords and cable assemblies used in the robot system and customized products.	100	100	
BizLink Robotic Solutions France S.A.S.	BizLink Robotic Solutions USA Inc.	Manufacture and sales of cords and cable assemblies used in the robot system, automation, customized products and communication system.	100	100	
BizLink Silitherm S.r.l.	Silitherm Immobiliare S.r.l.	Asest management	100	51	Note 6

Note 1: Bizconn Technology Inc. is not yet in operation.

Note 2: Speedy Industrial Supplies Pte Ltd was renamed as BizLink Speedy Pte. Ltd. in May 2023.

Note 3: OW Holding Inc. increased its capital by issuing new shares in the second quarter of 2023, which were fully subscribed by the Group. As a result, the Group increased its share interest from 93.08% to 94.72%.

Note 4: In December 2023, BizLink Speedy Pte. Ltd. issued new shares to the Company to acquire its 100% equity interest in EA Cable Assemblies (Hong Kong) Co., Limited.

Note 5: The company was newly established in the third quarter of 2023.

Note 6: In the third quarter of 2022, the Board of Directors of the Company approved that BizLink Silitherm S.r.l. acquire 100% equity of Silitherm Immobiliare S.r.l. from a related party, and the Group would pay the purchase price in stages and obtain the relative rights according to the contract. The Group acquired a 51% equity interest on December 7, 2022, and the remaining 49% equity interest in the fourth quarter of 2023. This transaction does not meet the definition of a business under IFRS 3, so the accounting treatment for acquisition of assets is adopted.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currency of the Company is U.S. dollars. For comparability and consistency of financial reporting, the consolidated financial statements are presented in New Taiwan dollar since the Company's stocks are listed on the Taiwan Stock Exchange.

A. Foreign currency transactions and balances

- (a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.
- (b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.
- (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
- (d) All foreign exchange gains and losses are presented in the statement of comprehensive income within other gains and losses.

B. Translation of foreign operations

- (a) The operating results and financial position of all the group entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
 - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
 - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
 - iii. All resulting exchange differences are recognised in other comprehensive income.

- (b) When the foreign operation partially disposed of or sold is an associate or joint arrangement, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Group retains partial interest in the former foreign associate or joint arrangement after losing significant influence over the former foreign associate, or losing joint control of the former joint arrangement, such transactions should be accounted for as disposal of all interest in these foreign operations.
- (c) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rate at the date of that balance sheet.

(5) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
 - (a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;
 - (b) Assets held mainly for trading purposes;
 - (c) Assets that are expected to be realised within twelve months from the balance sheet date;
 - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
 - (a) Liabilities that are expected to be settled within the normal operating cycle;
 - (b) Liabilities arising mainly from trading activities;
 - (c) Liabilities that are to be settled within twelve months from the balance sheet date;
 - (d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(7) Financial assets at fair value through profit or loss

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.
- D. The Group recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(8) Financial assets at fair value through other comprehensive income

- A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income and debt instruments which meet all of the following criteria:
 - (a) The objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets; and
 - (b) The assets' contractual cash flows represent solely payments of principal and interest.
- B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value. The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(9) Financial assets at amortised cost

- A. Financial assets at amortised cost are those that meet all of the following criteria:
 - (a) The objective of the Group's business model is achieved by collecting contractual cash flows.
 - (b) The assets' contractual cash flows represent solely payments of principal and interest.
- B. On a regular way purchase or sale basis, financial assets at amortised cost are recognised and derecognised using trade date accounting.

- C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognised in profit or loss when the asset is derecognised or impaired.
- D. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(10) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.
- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.
- C. The Group's operating pattern of accounts receivable that are expected to be factored is for the purpose of selling, and the accounts receivable are subsequently measured at fair value, with any changes in fair value recognised in profit or loss.

(11) Impairment of financial assets

For financial assets at amortised cost including accounts receivable that have a significant financing component, at each reporting date, the Group recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable that do not contain a significant financing component, the Group recognises the impairment provision for lifetime ECLs.

(12) Derecognition of financial assets

The Group derecognises a financial asset when one of the following conditions is met:

- A. The contractual rights to receive the cash flows from the financial asset expire.
- B. The contractual rights to receive cash flows of the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.
- C. The contractual rights to receive cash flows of the financial asset have been transferred; however, the Group has not retained control of the financial asset.

(13) Leasing arrangements (lessor) — operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(14) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(15) Investments accounted for under equity method - associates

- A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.
- B. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
- C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.
- D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.

- F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss.
- G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.
- H. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.

(16) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.
- B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of the assets are as follows:

Buildings

Main buildings	20-55 years
Construction appurtenance	2-33 years
Machinery and equipment	2-21 years

Transportation equipment	2-10 years
Other equipment	1.5-22 years

(17) Leasing arrangements (lessee) — right-of-use assets/ lease liabilities

- A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable. The Group subsequently measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.
- C. At the commencement date, the right-of-use asset is stated at cost comprising the following:
 - (a) The amount of the initial measurement of lease liability; and
 - (b) Any lease payments made at or before the commencement date.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

- D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset and remeasure the lease liability to reflect the partial or full termination of the lease, and recognise the difference in profit or loss.

(18) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 5 ~ 55 years.

(19) Intangible assets

A. Goodwill

Goodwill arises in a business combination accounted for by applying the acquisition method.

B. Core technology and customer relationship

Core technology and customer relationship acquired in a business combination are recognized at fair value at the acquisition date. Core technology and customer relationship have a finite useful life and are amortised on a straight-line basis over their estimated useful lives of 5.5 to 13 years

and 6.5 to 13 years, respectively.

- C. Intangible assets, except for goodwill, core technology and customer relationship are mainly computer software and patents and are amortised on a straight-line basis over their estimated useful lives of 1 to 15 years and 3 to 5 years, respectively.

(20) Impairment of non-financial assets

- A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognising impairment loss for an asset in prior years no longer exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.
- B. The recoverable amounts of goodwill are evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.
- C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(21) Borrowings

- A. Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.
- B. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs.

(22) Notes and accounts payable

- A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.

- B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(23) Financial liabilities at fair value through profit or loss

- A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges.
- B. At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognised in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognised in profit or loss.

(24) Convertible bonds payable

Convertible bonds issued by the Group contain conversion options (that is, the bondholders have the right to convert the bonds into the Group's common shares by exchanging a fixed amount of cash for a fixed number of common shares), call options and put options. The Group classifies the bonds payable upon issuance as a financial asset, a financial liability or an equity instrument in accordance with the contract terms. They are accounted for as follows:

- A. The embedded call options and put options are recognised initially at net fair value as 'financial assets or financial liabilities at fair value through profit or loss'. They are subsequently remeasured and stated at fair value on each balance sheet date; the gain or loss is recognized as 'gain or loss on valuation of financial assets or financial liabilities at fair value through profit or loss'.
- B. The host contracts of bonds are initially recognised at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortised in profit or loss as an adjustment to 'finance costs' over the period of circulation using the effective interest method.
- C. The embedded conversion options which meet the definition of an equity instrument are initially recognised in 'capital surplus—share options' at the residual amount of total issue price less the amount of financial assets or financial liabilities at fair value through profit or loss and bonds payable as stated above. Conversion options are not subsequently remeasured.
- D. Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.
- E. When bondholders exercise conversion options, the liability component of the bonds (including bonds payable and 'financial assets or financial liabilities at fair value through profit or loss') shall be remeasured on the conversion date. The issuance cost of converted common shares is the total book value of the abovementioned liability component and 'capital surplus - share options'.

(25) Derecognition of financial liabilities

A financial liability is derecognized when the obligation specified in the contract is either discharged or cancelled or expires.

(26) Non-hedging derivatives

Non-hedging derivatives are initially recognized at fair value on the date a derivative contract is entered into and recorded as financial assets or financial liabilities at fair value through profit or loss. They are subsequently remeasured at fair value and the gains or losses are recognized in profit or loss.

(27) Hedge accounting

A. At the inception of the hedging relationship, there is formal designation and documentation of the hedging relationship and the Group's risk management objective and strategy for undertaking the hedge. That documentation shall include identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements.

B. The Group designates the hedging relationship is cash flow hedge, a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

C. Cash flow hedges

(a) The cash flow hedge reserve associated with the hedged item is adjusted to the lower of the following (in absolute amounts):

- i. the cumulative gain or loss on the hedging instrument from inception of the hedge; and
- ii. the cumulative change in fair value of the hedged item from inception of the hedge.

(b) The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income. The gain or loss on the hedging instrument relating to the ineffective portion is recognised in profit or loss.

(c) The amount that has been accumulated in the cash flow hedge reserve in accordance with (a) is accounted for as follows:

- i. If a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, or a hedged forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, the Group shall remove that amount from the cash flow hedge reserve and include it directly in the initial cost or other carrying amount of the asset or liability.
- ii. For cash flow hedges other than those covered by i. above, that amount shall be reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment in the same period or periods during which the hedged expected future cash flows affect profit or

loss.

- iii. If that amount is a loss and the Group expects that all or a portion of that loss will not be recovered in one or more future periods, it shall immediately reclassify the amount that is not expected to be recovered into profit or loss as a reclassification adjustment.
- (d) When the hedging instrument expires, or is sold, terminated, exercised or when the hedging relationship ceases to meet the qualifying criteria, if the forecast transaction is still expected to occur, the amount that has been accumulated in the cash flow hedge reserve shall remain in the cash flow hedge reserve until the forecast transaction occurs; if the forecast transaction is no longer expected to occur, the amount shall be immediately reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment.

(28) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date.

(29) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

- i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds at the balance sheet date of a currency and term consistent with the currency and term of the employment benefit obligations.

- ii. Remeasurements arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

C. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognised as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

(30) Employee share-based payment

For the equity-settled share-based payment arrangements, the employee services received are measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognised is based on the number of equity instruments that eventually vest.

(31) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.
- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is

probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

- D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.
- F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from research and development expenditures to the extent and the taxable loss that it is possible that future taxable profit will be available against which the unused tax credits can be utilised.

(32) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(33) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities.

(34) Revenue recognition

- A. The Group provided the solution for the design and application of connecting wiring harness, and the products were applied to various electronic technology area. Sales are recognised when control of the products has transferred, being when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.
- B. Contract agreement with the customer is used to estimate and provide for the price break, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each

reporting date and recognised as refund liabilities. The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

- C. The Group's obligation to provide a repair for faulty products under the standard warranty terms is recognised as a provision.
- D. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(35) Government grants

Government grants are recognised at their fair value only when there is reasonable assurance that the Group will comply with any conditions attached to the grants and the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises expenses for the related costs for which the grants are intended to compensate. Government grants related to property, plant and equipment are recognised as non-current liabilities and are amortized to profit or loss over the estimated useful lives of the related assets using the straight-line method.

(36) Business combinations

- A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.
- B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total of consideration transferred, non-controlling interest in the acquiree recognised and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognised directly in profit or loss on the acquisition date.

(37) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group's chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

Critical accounting estimates and assumptions

(a) Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Group must determine the net realisable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation. As at December 31, 2023, the carrying amount of inventories was \$10,102,719.

(b) Impairment assessment of intangible assets (customer relationship, core technology and goodwill)

The Group assesses impairment based on its subjective judgement and determines the separate cash flows of a specific group of assets arising from the assets depending on how assets are utilised and industry characteristics. In addition, the Group identifies cash-generating units, allocates assets and liabilities as well as goodwill to related cash-generating units, and determines the recoverable amounts of related cash-generating units.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Cash on hand and revolving funds	\$ 968	\$ 1,724
Checking accounts and demand deposits	6,305,646	5,934,964
Cash equivalents (investments with original maturities of 3 months or less)		
Time deposits	4,278,806	2,560,403
Bank acceptances	41,969	477
	<u>\$ 10,627,389</u>	<u>\$ 8,497,568</u>

A. The Group transacts with a variety of financial institutions all with high credit quality to diversify credit risks, so it expects that the probability of counterparty defaults is remote.

B. The Group has reclassified the restricted portion of cash and cash equivalents as financial assets at amortized cost. Please refer to Notes 6(4) and 8.

(2) Financial assets and liabilities at fair value through profit or loss

<u>Items</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current financial assets:		
Derivative instruments mandatorily measured at fair value through profit or loss (not designated as hedges)		
Forward foreign exchange contracts	\$ 39,310	\$ 22,707
Non-derivative financial assets		
Listed stocks	1,038	886
	<u>\$ 40,348</u>	<u>\$ 23,593</u>
Non-current financial assets:		
Non-derivative financial assets mandatorily measured at fair value through profit or loss		
Beneficiary certificates	\$ 162,191	\$ 147,295
Current financial liabilities:		
Derivative instruments mandatorily measured at fair value through profit or loss (not designated as hedges)		
Forward foreign exchange contracts	\$ 999	\$ 15,253
Convertible bond options	52,763	51,736
	<u>\$ 53,762</u>	<u>\$ 66,989</u>

A. Amounts recognised in loss in relation to financial assets at fair value through profit or loss for the years ended December 31, 2023 and 2022 amounted to \$206,539 and \$194,707, respectively.

B. The preferred stocks of Centera Photonics Inc. owned by the group have been converted to

common stocks during the third quarter of 2022. On the date of conversion, the Group recognised a remeasurement loss of \$13,692 based on fair value of preferred stocks, which was recognized in 'other gains and losses'.

- C. At the end of the reporting period, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	Currency	Contract period	Contract amount (in thousands)		
<u>December 31, 2023</u>					
Sell	USD to RMB	2024.01~2024.02	USD	152,560 / RMB	1,086,120
Sell	EUR to RMB	2024.01	EUR	1,750 / RMB	13,685
Sell	USD to SGD	2024.01~2024.02	USD	8,500 / SGD	11,295
Sell	EUR to USD	2024.01	EUR	3,700 / USD	4,051
Sell	EUR to CAD	2024.01	EUR	3,600 / CAD	5,262
Sell	USD to CAD	2024.01~2024.02	USD	3,600 / CAD	4,829
Sell	USD to MYR	2024.01~2024.02	USD	19,350 / MYR	89,786
Buy	EUR to USD	2024.01	EUR	1,600 / USD	1,759
<u>December 31, 2022</u>					
Sell	USD to RMB	2023.01~2023.02	USD	78,800 / RMB	550,478
Sell	EUR to RMB	2023.01~2023.12	EUR	7,392 / RMB	52,200
Sell	USD to SGD	2023.01~2023.03	USD	11,300 / SGD	15,487
Sell	EUR to USD	2023.01~2023.02	EUR	8,600 / USD	8,372
Sell	EUR to CAD	2023.01~2023.02	EUR	1,900 / CAD	2,676
Sell	USD to CAD	2023.01~2023.02	USD	5,200 / CAD	7,002
Sell	USD to MYR	2023.01~2023.03	USD	6,960 / MYR	31,911

- D. The Group entered into the aforementioned forward foreign exchange contracts to hedge exchange rate risk of assets and liabilities denominated in foreign currencies whose values would be affected by the exchange rate fluctuations. However, these forward foreign exchange contracts did not meet the criteria for effective hedging. Therefore, the contracts are not accounted for under hedge accounting.
- E. The Group has no financial assets at fair value through profit or loss pledged to others.
- F. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(2).

(3) Financial assets at fair value through other comprehensive income

Items	December 31, 2023	December 31, 2022
Non-current items:		
Unlisted stocks	\$ <u>414,041</u>	\$ <u>345,671</u>

- A. The Group invested in the abovementioned equity instruments for medium- to long-term strategic purposes and expected to generate profit through the medium- to long-term investments. The Group's management elected to designate these investments in equity instruments as at fair value

through other comprehensive income as it believes that recognising short-term fluctuations in these investments' fair values in profit or loss would not be consistent with the aforementioned medium-to long-term investment plan.

- B. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Years ended December 31,	
	2023	2022
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	\$ 68,957	(\$ 47,233)
Dividend income recognised in profit or loss	\$ 6,729	\$ -

- C. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Group were \$414,041 and \$345,671, respectively.

- D. The Group has no financial assets at fair value through other comprehensive income pledged to others.

(4) Financial assets at amortized cost

Items	December 31, 2023	December 31, 2022
Current items:		
Time deposits with original maturities of more than 3 months	\$ 1,443,135	\$ 67,961
Pledged demand and time deposits	315,426	325,396
	<u>\$ 1,758,561</u>	<u>\$ 393,357</u>
Non-current items:		
Pledged demand and time deposits	<u>\$ 10,377</u>	<u>\$ 10,198</u>

- A. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortized cost held by the Group were \$1,768,938 and \$403,555, respectively.

- B. Details of the Group's financial assets at amortized cost pledged to others as collateral are provided in Note 8.

(5) Hedging financial assets and liabilities

A. Transaction information associated with the Group adopting hedge accounting is as follows:

December 31, 2023				
Hedging instruments	<u>Contract weight</u>	<u>Maturity</u>	<u>Line item in balance sheet</u>	<u>Carrying amount</u>
Cash flow hedges				
Expected purchases - copper futures contract	640 tons	2024.01~2024.04	Financial assets for hedging	\$ 3,837
			Carrying amount of other equity which is continuously applicable to hedge accounting	
Hedged items				
Cash flow hedges				
Expected purchases			\$	3,263
December 31, 2022				
Hedging instruments	<u>Contract weight</u>	<u>Maturity</u>	<u>Line item in balance sheet</u>	<u>Carrying amount</u>
Cash flow hedges				
Expected purchases - copper futures contract	475 tons	2023.01~2023.04	Financial assets for hedging	\$ 6,186
			Carrying amount of other equity which is continuously applicable to hedge accounting	
Hedged items				
Cash flow hedges				
Expected purchases			\$	5,187

B. The Group uses copper as a raw material in the process and highly expects to sign copper purchase contracts with suppliers in the future according to its order demands. The contract price is based on the copper market price with a certain markup. In order to manage the copper price risk of the contracts, the Group utilizes copper futures contracts by the same notional amount and at the same maturity date as the cash flow risk hedging tool against the copper price risk contained in the contracts. Based on historical experience, changes in the cash flow component of the specified copper price risk are highly effective in covering the entire contractual cash flow changes.

For the anticipation of the highly probable expected purchase transactions, the main conditions (e.g., quantity and period) of the copper futures contract matched the hedged items. The Group periodically compares the number of open positions of copper and the expected purchase quantity change in order to assess the effectiveness of the hedge.

C. Gains (losses) on hedge effectiveness-amount that the Group recognised in other comprehensive income for the years ended December 31, 2023 and 2022 amounted to \$11,140 and (\$90,350),

respectively.

(6) Notes and accounts receivable

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Notes receivable	\$ <u>183,067</u>	\$ <u>10,854</u>
Accounts receivable	\$ 8,358,973	\$ 10,185,802
Less: Allowance for uncollectible accounts	(<u>171,159</u>)	(<u>125,659</u>)
	<u>\$ 8,187,814</u>	<u>\$ 10,060,143</u>

A. The ageing analysis of notes receivable is as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Up to 60 days	\$ 183,067	\$ 10,536
91 to 120 days	-	186
Over 121 days	-	132
	<u>\$ 183,067</u>	<u>\$ 10,854</u>

The above ageing analysis was based on invoice date.

B. The ageing analysis of accounts receivable is as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Not past due	\$ 7,118,796	\$ 8,109,497
Past due		
Up to 60 days	983,231	1,785,377
61 to 90 days	52,323	115,142
91 to 120 days	69,925	68,465
121 to 365 days	101,787	84,237
Over 366 days	32,911	23,084
	<u>\$ 8,358,973</u>	<u>\$ 10,185,802</u>

The above ageing analysis was based on past due date.

- C. As at December 31, 2023 and 2022, accounts receivable and notes receivable were all from contracts with customers. And as at January 1, 2022, the balance of receivables from contracts with customers amounted to \$7,051,868.
- D. For details of accounts receivable pledged to banks as collaterals as at December 31, 2022, please refer to Note 8. There was no transactions as at December 31, 2023.
- E. As at December 31, 2023 and 2022, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes receivable were \$183,067 and \$10,854, respectively, and accounts receivable were \$8,187,814 and \$10,060,143, respectively.
- F. As at December 31 2023 and 2022, the Group had outstanding discounted notes receivable to banks amounting to \$0 and \$169,140, respectively. The Group has no payment obligation when

the issuers of the notes refuse to pay for the notes at maturity. Those discounted notes receivable were deducted directly from notes receivable.

- G. The Group has endorsed and transferred some bank acceptances receivable to other parties. Based on the assessment, the credit rating of the bank issuing such acceptances is relatively high and almost all of the risks and returns arising from the ownership of the bank acceptances have been transferred. Therefore, the bank acceptances were derecognised. As at December 31, 2023 and 2022, the outstanding derecognised bank acceptances receivable that the Group has endorsed and transferred amounted to \$9,622 and \$24,047, respectively.
- H. The Group entered into factoring agreements with financial institutions to sell its accounts receivable. The Group accounted for the accounts receivable as financial assets at fair value through profit or loss before the derecognition and derecognised it after it is sold. The Group has \$19,062 and \$9,663 of accounts receivable that are expected to be factored to the financial institutions as at December 31, 2023 and 2022. Amount recognised in profit or loss because factoring accounts receivable for the years ended December 31, 2023 and 2022 were \$2,478 and \$2,839 (shown as finance costs).
- I. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(2).

(7) Transfer of financial assets

Transferred financial assets that are derecognised in their entirety

The Group entered into factoring agreements with banks to sell its accounts receivable. Under the agreement, the Group is not obligated to bear the default risk of the transferred accounts receivable, but is liable for the losses incurred on any business dispute. The Group does not have any continuing involvement in the transferred accounts receivable. Thus, the Group derecognised the transferred accounts receivable, and the related information is as follows:

December 31, 2023						
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognised	Facilities (in thousands)	Amount advanced	Amount available for advance (Note)	Interest rate of amount advanced
Eurofactor	\$ 174,940	\$ 174,940	USD 13,320	\$ 67,058	\$ 107,882	5.06%
December 31, 2022						
Purchaser of accounts receivable	Accounts receivable transferred	Amount derecognised	Facilities (in thousands)	Amount advanced	Amount available for advance (Note)	Interest rate of amount advanced
Coface	\$ 224	\$ 224	USD 24,145	\$ 224	\$ -	4.48%
Eurofactor	248,373	248,373	USD 13,320	137,530	110,843	3.28%

Note: Shown as other receivables.

(8) Inventories

	December 31, 2023	December 31, 2022
Raw materials	\$ 5,334,723	\$ 6,948,342
Work in progress	877,878	1,007,735
Finished goods and merchandises	3,890,118	4,367,140
	<u>\$ 10,102,719</u>	<u>\$ 12,323,217</u>

The cost of inventories recognised as expense for the period:

	Years ended December 31,	
	2023	2022
Cost of goods sold	\$ 37,619,133	\$ 39,684,496
Loss on decline in market value	708,065	115,067
Unamortized manufacturing overhead (Note)	137,781	170,125
	<u>\$ 38,464,979</u>	<u>\$ 39,969,688</u>

Note: The unamortized manufacturing overhead for the year ended December 31, 2022 includes the \$71,756 related expenditures incurred during the Covid-19 lockdown period in the second quarter of 2022.

(9) Investments accounted for under equity method

A. Investments in associates are listed below:

	December 31, 2023	December 31, 2022
<u>Individually immaterial associates</u>		
Siriustek Inc.	\$ 5,758	\$ 5,588
AquaOptics Corp.	-	2,491
ProOptics International Corp.	16,862	21,420
Cableon S.A.S.	3,388	-
	<u>\$ 26,008</u>	<u>\$ 29,499</u>

B. The share of the operating results of the Group's individually immaterial associates are summarised below:

	Years ended December 31,	
	2023	2022
Loss for the period from continuing operations (that is, total comprehensive loss)	(\$ 18,981)	(\$ 52,114)

C. In April 2022, ProOptics International Corp. increased its capital. The Group did not participate in cash capital increase according to shareholding ratio, thus, decreasing the Group's percentage of ownership from 27.00% to 23.14%.

D. In December 2022, Siriustek Inc. increased its capital. The Group did not participate in cash capital increase according to shareholding ratio, thus, decreasing the Group's percentage of

ownership from 40.00% to 36.70%.

- E. In August 2023, shareholders of AquaOptics Corp. at their special meeting resolved to sell assets and dissolve the company. Based on the assessment of the estimated recoverable amount, the Group accrued an impairment loss amounting to \$1,617 for the year ended December 31, 2023. In addition, in the third quarter of 2022, the Group assessed the impairment based on the estimated recoverable amount, and accrued an impairment loss amounting to \$11,767. The abovementioned impairment loss was recognised in other gains and losses.
- F. For the years ended December 31, 2023 and 2022, shares of profit (loss) and other comprehensive income of associates accounted for under equity method were calculated based on the financial statements which were not audited by the independent auditors. However, the Group's management considered that there was no significant impact on the financial statements.
- G. The Group is the single largest shareholder of Siriustek Inc. and AquaOptics Corp., but the Group has no control over them because the Group does not have the ability to direct the relevant finance, operational and human resources decisions of these companies.

(10) Property, plant and equipment

	Freehold land	Buildings	Machinery and equipment	Transportation equipment	Other equipment	Unfinished construction and equipment pending acceptance	Total
January 1, 2023							
Cost	\$ 1,154,720	\$ 3,587,925	\$ 8,357,726	\$ 51,017	\$ 2,970,741	\$ 1,406,883	\$ 17,529,012
Accumulated depreciation and impairment	-	(765,797)	(4,719,041)	(36,771)	(1,700,399)	(6,068)	(7,228,076)
	<u>\$ 1,154,720</u>	<u>\$ 2,822,128</u>	<u>\$ 3,638,685</u>	<u>\$ 14,246</u>	<u>\$ 1,270,342</u>	<u>\$ 1,400,815</u>	<u>\$ 10,300,936</u>
January 1, 2023	\$ 1,154,720	\$ 2,822,128	\$ 3,638,685	\$ 14,246	\$ 1,270,342	\$ 1,400,815	\$ 10,300,936
Additions	41,841	135,681	414,970	4,148	319,965	1,462,273	2,378,878
Disposals	-	(12,827)	(28,989)	(4)	(8,821)	(5,526)	(56,167)
Reclassifications	249,770	1,130,115	521,244	(2,605)	234,384	(1,617,513)	515,395
Depreciation expense	-	(146,873)	(619,280)	(3,372)	(309,546)	-	(1,079,071)
Impairment loss	-	-	(2,227)	-	(48)	-	(2,275)
Net exchange differences	6,613	25,718	29,142	12	20,719	2,779	84,983
December 31, 2023	<u>\$ 1,452,944</u>	<u>\$ 3,953,942</u>	<u>\$ 3,953,545</u>	<u>\$ 12,425</u>	<u>\$ 1,526,995</u>	<u>\$ 1,242,828</u>	<u>\$ 12,142,679</u>
December 31, 2023							
Cost	\$ 1,452,944	\$ 4,849,064	\$ 9,096,882	\$ 41,452	\$ 3,346,839	\$ 1,242,828	\$ 20,030,009
Accumulated depreciation and impairment	-	(895,122)	(5,143,337)	(29,027)	(1,819,844)	-	(7,887,330)
	<u>\$ 1,452,944</u>	<u>\$ 3,953,942</u>	<u>\$ 3,953,545</u>	<u>\$ 12,425</u>	<u>\$ 1,526,995</u>	<u>\$ 1,242,828</u>	<u>\$ 12,142,679</u>

	Freehold land	Buildings	Machinery and equipment	Transportation equipment	Other equipment	Unfinished construction and equipment pending acceptance	Total
January 1, 2022							
Cost	\$ 720,276	\$ 1,161,381	\$ 3,160,851	\$ 25,191	\$ 1,161,597	\$ 622,832	\$ 6,852,128
Accumulated depreciation and impairment	- (367,013)	(1,917,056)	(18,318)	(685,433)	- (2,987,820)		
	<u>\$ 720,276</u>	<u>\$ 794,368</u>	<u>\$ 1,243,795</u>	<u>\$ 6,873</u>	<u>\$ 476,164</u>	<u>\$ 622,832</u>	<u>\$ 3,864,308</u>
January 1, 2022	\$ 720,276	\$ 794,368	\$ 1,243,795	\$ 6,873	\$ 476,164	\$ 622,832	\$ 3,864,308
Additions	51,633	739,226	544,607	4,970	375,021	567,899	2,283,356
Acquired from business combinations	359,032	1,089,864	2,017,458	5,530	548,269	174,578	4,194,731
Disposals	(6,855)	(23,847)	(33,756)	- (8,284)	- (72,742)		
Reclassifications	-	224,396	344,949	920	119,399	(7,331)	682,333
Depreciation expense	- (114,907)	(556,918)	(4,415)	(257,148)	- (933,388)		
Impairment loss	-	- (37,337)	- (28,834)	(6,068)	(72,239)		
Net exchange differences	30,634	113,028	115,887	368	45,755	48,905	354,577
December 31, 2022	<u>\$ 1,154,720</u>	<u>\$ 2,822,128</u>	<u>\$ 3,638,685</u>	<u>\$ 14,246</u>	<u>\$ 1,270,342</u>	<u>\$ 1,400,815</u>	<u>\$ 10,300,936</u>
December 31, 2022							
Cost	\$ 1,154,720	\$ 3,587,925	\$ 8,357,726	\$ 51,017	\$ 2,970,741	\$ 1,406,883	\$ 17,529,012
Accumulated depreciation and impairment	- (765,797)	(4,719,041)	(36,771)	(1,700,399)	(6,068)	(7,228,076)	
	<u>\$ 1,154,720</u>	<u>\$ 2,822,128</u>	<u>\$ 3,638,685</u>	<u>\$ 14,246</u>	<u>\$ 1,270,342</u>	<u>\$ 1,400,815</u>	<u>\$ 10,300,936</u>

- A. Information about the property, plant and equipment that were pledged to others as collaterals is provided in Note 8.
- B. The borrowing costs capitalised as part of property, plant and equipment for the year ended December 31, 2023 amounted to \$5,393, and the range of the interest rates for such capitalisation was 1.30%~1.99%. There was no capitalisation of interest in 2022.
- C. For the years ended December 31, 2023 and 2022, the Slovakia subsidiary recognised impairment loss amounting to \$2,275 and \$72,239, respectively.

(11) Lease arrangements

- A. The Group leases various assets including land use right, buildings and structures and transportation equipment. Rental contracts of land use right are made for periods of 35 to 62 years while the rental contracts of others are made for periods of 1 to 15 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes. The Group does not have bargain purchase options to acquire the land use right and buildings and structures at the end of the lease terms.

B. Right-of-use assets

	December 31, 2023	December 31, 2022
Carrying amount		
Land	\$ 461,942	\$ 381,787
Buildings	1,163,121	1,291,959
Transportation equipment	76,311	46,474
Other equipment	24,246	16,794
	<u>\$ 1,725,620</u>	<u>\$ 1,737,014</u>
	Years ended December 31,	
	2023	2022
Depreciation expense		
Land	\$ 9,082	\$ 34,938
Buildings	499,511	462,670
Transportation equipment	38,395	34,398
Other equipment	10,843	9,568
	<u>\$ 557,831</u>	<u>\$ 541,574</u>

C. For the years ended December 31, 2023 and 2022, the additions to right-of-use assets were \$555,090 and \$397,044 (not including \$759,145 acquired from business combinations), respectively.

D. Sublease of right-of-use assets

The Group subleases its right-of-use assets for buildings under operating leases with lease terms between 1 to 5 years and with options to extend. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The maturity analysis of lease payments receivable under operating subleases is as follows:

	December 31, 2023	December 31, 2022
Year 1	\$ 4,595	\$ 5,351
Year 2	3,999	4,313
After Year 3	8,150	12,266
	<u>\$ 16,744</u>	<u>\$ 21,930</u>

E. Other lease information

	Years ended December 31,	
	2023	2022
Expense on short-term lease contracts	\$ 100,632	\$ 79,179
Expense on leases of low-value assets	\$ 8,080	\$ 4,905
Total cash outflow for leases	<u>\$ 687,159</u>	<u>\$ 709,465</u>
Gain on sublease of right-of-use assets	<u>\$ 4,910</u>	<u>\$ 6,685</u>
Gain on lease modification	<u>\$ 7,671</u>	<u>\$ 5,577</u>

(12) Investment property

	Land	Buildings and structures	Total
January 1, 2023			
Cost	\$ 207,621	\$ 268,573	\$ 476,194
Accumulated depreciation and impairment	-	(54,814)	(54,814)
	<u>\$ 207,621</u>	<u>\$ 213,759</u>	<u>\$ 421,380</u>
January 1, 2023	\$ 207,621	\$ 213,759	\$ 421,380
Additions	-	22,090	22,090
Reclassifications	(116,083)	(47,634)	(163,717)
Depreciation expense	-	(6,079)	(6,079)
Net exchange differences	(6)	(1,425)	(1,431)
December 31, 2023	<u>\$ 91,532</u>	<u>\$ 180,711</u>	<u>\$ 272,243</u>
December 31, 2023			
Cost	\$ 91,532	\$ 240,316	\$ 331,848
Accumulated depreciation and impairment	-	(59,605)	(59,605)
	<u>\$ 91,532</u>	<u>\$ 180,711</u>	<u>\$ 272,243</u>
	Land	Buildings and structures	Total
January 1, 2022			
Cost	\$ 88,640	\$ 143,670	\$ 232,310
Accumulated depreciation and impairment	-	(49,099)	(49,099)
	<u>\$ 88,640</u>	<u>\$ 94,571</u>	<u>\$ 183,211</u>
January 1, 2022	\$ 88,640	\$ 94,571	\$ 183,211
Additions	140,813	135,146	275,959
Disposals	(25,939)	(16,131)	(42,070)
Depreciation expense	-	(6,202)	(6,202)
Net exchange differences	4,107	6,375	10,482
December 31, 2022	<u>\$ 207,621</u>	<u>\$ 213,759</u>	<u>\$ 421,380</u>
December 31, 2022			
Cost	\$ 207,621	\$ 268,573	\$ 476,194
Accumulated depreciation and impairment	-	(54,814)	(54,814)
	<u>\$ 207,621</u>	<u>\$ 213,759</u>	<u>\$ 421,380</u>

The investment properties were leased out for 2 to 5 years, with options to extend for an additional 3 years. All operating lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the

investment properties at the end of the lease periods.

- A. Rental income from investment property and direct operating expenses arising from investment property are shown below:

	Years ended December 31,	
	2023	2022
Rental income from investment property	\$ 38,133	\$ 36,814
Direct operating expenses arising from the investment property that generated rental income during the year	\$ 6,079	\$ 6,202

- B. The maturity analysis of lease payments receivable under operating leases of investment properties is as follows:

	December 31, 2023	December 31, 2022
Year 1	\$ 28,878	\$ 35,517
Year 2	8,017	28,991
Year 3	8,418	8,174
Year 4	8,839	8,583
After Year 5	740	9,766
	<u>\$ 54,892</u>	<u>\$ 91,031</u>

- C. The fair value of the investment property held by the Group as at December 31, 2023 and 2022 were \$371,252 and \$438,317, respectively, which was valued by the management of the Group based on most recent transaction prices of similar and comparable properties in the market which is categorized within Level 2 in the fair value hierarchy.
- D. Refer to Note 8 for further information on investment property pledged to others as collateral.

(13) Intangible assets

	<u>Patents</u>	<u>Computer software</u>	<u>Customer relationship</u>	<u>Core technology</u>	<u>Goodwill</u>	<u>Total</u>
January 1, 2023						
Cost	\$ 66,245	\$ 576,429	\$ 1,766,607	\$ 1,636,113	\$ 4,312,003	\$ 8,357,397
Accumulated amortization and impairment	(53,665)	(454,844)	(482,866)	(564,134)	-	(1,555,509)
	<u>\$ 12,580</u>	<u>\$ 121,585</u>	<u>\$ 1,283,741</u>	<u>\$ 1,071,979</u>	<u>\$ 4,312,003</u>	<u>\$ 6,801,888</u>
January 1, 2023	\$ 12,580	\$ 121,585	\$ 1,283,741	\$ 1,071,979	\$ 4,312,003	\$ 6,801,888
Additions-acquired separately	21,433	103,995	26,297	21,615	-	173,340
Disposals	- (142)		-	-	-	(142)
Reclassifications	16,571	8,114	29,362	(19,996)	-	34,051
Amortization expense	(19,697)	(43,721)	(176,347)	(171,283)	-	(411,048)
Impairment loss	(14,364)	-	(8,283)	-	-	(22,647)
Net exchange differences	668	1,779	25,902	24,969	73,816	127,134
December 31, 2023	<u>\$ 17,191</u>	<u>\$ 191,610</u>	<u>\$ 1,180,672</u>	<u>\$ 927,284</u>	<u>\$ 4,385,819</u>	<u>\$ 6,702,576</u>
December 31, 2023						
Cost	\$ 99,524	\$ 674,418	\$ 1,724,711	\$ 1,529,368	\$ 4,385,819	\$ 8,413,840
Accumulated amortization and impairment	(82,333)	(482,808)	(544,039)	(602,084)	-	(1,711,264)
	<u>\$ 17,191</u>	<u>\$ 191,610</u>	<u>\$ 1,180,672</u>	<u>\$ 927,284</u>	<u>\$ 4,385,819</u>	<u>\$ 6,702,576</u>
	<u>Patents</u>	<u>Computer software</u>	<u>Customer relationship</u>	<u>Core technology</u>	<u>Goodwill</u>	<u>Total</u>
January 1, 2022						
Cost	\$ 66,345	\$ 387,109	\$ 631,800	\$ 527,645	\$ 671,751	\$ 2,284,650
Accumulated amortization and impairment	(60,740)	(262,951)	(213,330)	(228,418)	-	(765,439)
	<u>\$ 5,605</u>	<u>\$ 124,158</u>	<u>\$ 418,470</u>	<u>\$ 299,227</u>	<u>\$ 671,751</u>	<u>\$ 1,519,211</u>
January 1, 2022	\$ 5,605	\$ 124,158	\$ 418,470	\$ 299,227	\$ 671,751	\$ 1,519,211
Additions-acquired separately	16,049	27,652	-	-	-	43,701
Acquired from business combinations	10,473	21,709	964,763	857,917	3,445,409	5,300,271
Disposals	- (1,922)		-	-	-	(1,922)
Reclassifications	-	1,392	-	-	-	1,392
Amortization expense	(10,503)	(77,680)	(159,431)	(159,295)	-	(406,909)
Net exchange differences	(9,044)	26,276	59,939	74,130	194,843	346,144
December 31, 2022	<u>\$ 12,580</u>	<u>\$ 121,585</u>	<u>\$ 1,283,741</u>	<u>\$ 1,071,979</u>	<u>\$ 4,312,003</u>	<u>\$ 6,801,888</u>
December 31, 2022						
Cost	\$ 66,245	\$ 576,429	\$ 1,766,607	\$ 1,636,113	\$ 4,312,003	\$ 8,357,397
Accumulated amortization and impairment	(53,665)	(454,844)	(482,866)	(564,134)	-	(1,555,509)
	<u>\$ 12,580</u>	<u>\$ 121,585</u>	<u>\$ 1,283,741</u>	<u>\$ 1,071,979</u>	<u>\$ 4,312,003</u>	<u>\$ 6,801,888</u>

A. Details of amortization on intangible assets are as follows:

	Years ended December 31,	
	2023	2022
Operating costs	\$ 133,885	\$ 165,822
Selling expenses	170,045	171,332
General and administrative expenses	61,117	54,013
Research and development expenses	46,001	15,742
	<u>\$ 411,048</u>	<u>\$ 406,909</u>

B. Details of goodwill are as follows:

	December 31, 2023	December 31, 2022
Home appliances segment	\$ 378,163	\$ 364,141
Other segment	367,842	361,367
Industrial applications segment	3,639,814	3,586,495
	<u>\$ 4,385,819</u>	<u>\$ 4,312,003</u>

C. The impairment assessment of goodwill

- (a) The impairment assessment of goodwill relies on the subjective judgement of the management, including identifying cash-generating units and determining its recoverable amounts. The Group assesses the recoverable amounts of goodwill for impairment at the end of the financial reporting period, and the recoverable amount is assessed based on the value-in-use.
- (b) The value-in-use calculations use cash flow projections based on financial budgets approved by the management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rate of 1%. The discount rates used reflected specific risks relating to the relevant operating segments and the current market assessments of the time value of money.
- (c) The recoverable amount of all cash-generating units calculated using the value-in-use exceeded their carrying amount, so goodwill was not impaired. The key assumptions used for value-in-use calculations for the years ended December 31, 2023 and 2022 were the growth rate which was 1.58%~5.16% and 1.6%~5.2%, respectively and the discount rate which was 6.77% and 5.85%~9.30%, respectively. If the key assumptions used for the recoverable amount of all cash-generating units reasonably possible change will not affect the impairment of goodwill.

D. For the year ended December 31, 2023, the industrial application segment of the German subsidiary assessed and recognised impairment loss from patents and customer relationship amounting to \$14,364 and \$8,283, respectively.

(14) Other non-current assets

	December 31, 2023	December 31, 2022
Prepayments for equipment	\$ 300,677	\$ 260,266
Guarantee deposits paid	142,130	151,694
Others	4,274	8,835
	<u>\$ 447,081</u>	<u>\$ 420,795</u>

(15) Short-term borrowings

	December 31, 2023	December 31, 2022
<u>Secured borrowings</u>		
Syndicated borrowings (Note)	\$ 1,074,674	\$ -
<u>Unsecured borrowings</u>		
Line of credit borrowings	1,584,072	748,542
	<u>\$ 2,658,746</u>	<u>\$ 748,542</u>

Note: Please refer to Note 6(18) Note 2 for details of syndicated borrowing contract signed by the Group on September 8, 2023. The revolving loan limit can be transferred on a recurring basis within the contract period, and the transfer period is 12 months. It must be paid off in cash before being lent.

The bank borrowing interest rate on December 31, 2023 and 2022 was 1.62%~6.11% and 1.10%~3.33%, respectively.

(16) Other payables

	December 31, 2023	December 31, 2022
Wages, salaries and bonuses payable	\$ 1,523,167	\$ 1,544,776
Payable on machinery and equipment	322,917	235,945
Employee benefits payable	112,399	42,329
Professional service expense payable	86,678	41,926
Freight payable	69,076	70,474
Tax payable	243,933	161,086
Interest payable	34,760	65,453
Payables for investment (Note)	-	266,823
Marketing expense payable	93,652	71,172
Others	459,013	504,813
	<u>\$ 2,945,595</u>	<u>\$ 3,004,797</u>

Note: Please refer to Note 4(3)2. Note 6 for the related information on the remaining consideration paid in stages to acquire the equity interest in Silitherm Immobiliare S.r.l.

(17) Bonds payable

	December 31, 2023	December 31, 2022
Bonds payable	\$ 9,850,269	\$ 4,010,882
Less: Discount on bonds payable	(1,311,972)	(282,511)
	<u>\$ 8,538,297</u>	<u>\$ 3,728,371</u>

A. Details of the convertible bonds issued by the Company are as follows:

- (a) The terms of the 3rd overseas unsecured convertible bonds issued by the Company on December 13, 2019 are as follows:
- i. The total principal amount was US\$100,000 thousand and the coupon rate was 0%. The bonds mature 5 years from the issue date (December 13, 2019 ~ December 13, 2024) and will be redeemed in USD at 106.43% of face value at the maturity date.
 - ii. The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three months of the bonds issue (excluding issue date) to 10 days before the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.
 - iii. The conversion price of the bonds is determined based on the pricing formula as set forth in the terms of the bonds (the conversion price as of the issue date was the US Dollar equivalent of NT\$245.77 per share/ USD:NTD=1:30.482), and is adjusted according to the pricing formula if the condition of the anti-dilution provisions occur subsequently.
 - iv. Unless previously redeemed or repurchased and converted or retired, in 3 years after the issue date or in the event that the stocks cease to be listed on the Taiwan Stock Exchange, the bondholders have the right to require the Company to redeem the bonds, in whole or in part, at the price of the bonds' face value plus 1.25% of the face value as interests which is calculated on a semi-annual basis (that is, 103.81% of face value).
 - v. When more than 90% of the principal amount of the bonds has already been converted or redeemed or repurchased and retired or from three years to the day after the issue date to the maturity date, if the closing price for 20 transaction days of 30 consecutive business days of the Company's common stock on the Taiwan Stock Exchange (converted into U.S. dollars at the spot exchange rate) is greater than the early redemption price applicable on the day decided by the convertible ratio exceeds 130%, then the Company may redeem the bonds in whole or part at the early redemption amount.
 - vi. Under the terms of the bonds, all bonds matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.
 - vii. For the year ended December 31, 2022, the face value of the corporate bonds whose conversion right has been exercised by the bondholders amounted to \$1,375,890

(US\$47,000 thousand), of which \$64,454 was transferred to ordinary share and \$1,334,492 was transferred to capital surplus, additional paid-in capital arising from bond conversion as the net amount of conversion exceeds the par value of the ordinary shares converted. In addition, the discount on bonds payable, current financial assets at fair value through profit or loss and capital surplus - share options of the corporate bonds whose conversion right has been exercised on the conversion date amounting to (\$2,139), (\$2,227) and \$57,040, respectively, were also transferred to capital surplus, additional paid-in capital arising from bond conversion.

- viii. As the convertible bonds have satisfied the conditions mentioned in item v. above that when more than 90% of the principal amount of the bonds has already been converted or redeemed or repurchased and retired, then the Company can redeem the bonds outstanding in whole at the early redemption amount. Therefore, the Company has redeemed the 3rd overseas unsecured convertible bonds in whole on September 12, 2022.
- (b) The terms of the 4th overseas unsecured convertible bonds issued by the Company on January 12, 2022 are as follows:
 - i. The total issuance amount was US\$125,000 thousand and the coupon rate was 0%. The bonds mature 5 years from the issue date (January 12, 2022 ~ January 12, 2027) and will be redeemed in USD at 107.76% of face value at the maturity date.
 - ii. The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three months of the bonds issue (excluding issue date) to 10 days before the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.
 - iii. The conversion price of the bonds is determined based on the pricing formula as set forth in the terms of the bonds (the conversion price as of the issue date was the US Dollar equivalent of NT\$300 per share/ USD:NTD=1:27.625), and is adjusted according to the pricing formula if the condition of the anti-dilution provisions occur subsequently. The conversion price on December 31, 2023 was NT\$276.85 (in dollars) per share.
 - iv. Unless previously, redeemed or repurchased and converted or retired in 3 years after the issue date or in the event that the stocks cease to be listed on the Taiwan Stock Exchange, the bondholders have the right to require the Company to redeem the bonds, in whole or in part, at the price of the bonds' face value plus 1.50% of the face value as interests which is calculated on a semi-annual basis (that is, 104.59% of face value).
 - v. When more than 90% of the principal amount of the bonds has already been converted or redeemed or repurchased and retired or from three years to the day after the issue date to the maturity date, if the closing price for 20 transaction days of 30 consecutive

business days of the Company's common stock on the Taiwan Stock Exchange (converted into U.S. dollars at the spot exchange rate) is greater than the early redemption price applicable on the day decided by the convertible ratio exceeds 130%, then the Company may redeem the bonds in whole or part at the early redemption amount.

- vi. Under the terms of the bonds, all bonds matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.
 - vii. For the year ended December 31, 2023, the face value of the corporate bonds whose conversion right has been exercised by the bondholders amounted to \$16,575 (US\$600 thousand), of which \$598 was transferred to ordinary share and \$18,104 was transferred to capital surplus, additional paid-in capital arising from bond conversion as the net amount of conversion exceeds the par value of the ordinary shares converted. In addition, the discount on bonds payable, current financial liabilities at fair value through profit or loss and capital surplus - share options of the corporate bonds whose conversion right has been exercised on the conversion date amounting to \$233, \$224, and \$151, respectively, were also transferred to capital surplus, additional paid-in capital arising from bond conversion.
 - viii. For the year ended December 31, 2022, the face value of the corporate bonds whose conversion right has been exercised by the bondholders amounted to \$113,317 (US\$3,800 thousand), of which \$3,611 was transferred to ordinary share and \$109,707 was transferred to capital surplus, additional paid-in capital arising from bond conversion as the net amount of conversion exceeds the par value of the ordinary shares converted. In addition, the discount on bonds payable, current financial liabilities at fair value through profit or loss and capital surplus - share options of the corporate bonds whose conversion right has been exercised on the conversion date amounting to (\$555), \$485, and \$918, respectively, were also transferred to capital surplus, additional paid-in capital arising from bond conversion.
- (c) The terms of the 5th overseas unsecured convertible bonds issued by the Company on January 30, 2023 are as follows:
- i. The total issuance amount was US\$150,000 thousand and the coupon rate was 0%. The bonds mature 5 years from the issue date (January 30, 2023 ~ January 30, 2028) and will be redeemed in USD at 127.23% of face value at the maturity date.
 - ii. The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three months of the bonds issue (excluding issue date) to 10 days before the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.

- iii. The conversion price of the bonds is determined based on the pricing formula as set forth in the terms of the bonds (the conversion price as of the issue date was the US Dollar equivalent of NT\$288.65 per share/ USD:NTD=1:30.341), and is adjusted according to the pricing formula if the condition of the anti-dilution provisions occur subsequently. The conversion price on December 31, 2023 was NT\$ 274.83 (in dollars) per share.
 - iv. Unless previously, redeemed or repurchased and converted or retired in 3 years after the issue date or in the event that the stocks cease to be listed on the Taiwan Stock Exchange, the bondholders have the right to require the Company to redeem the bonds, in whole or in part, at the price of the bonds' face value plus 4.875% of the face value as interests which is calculated on a semi-annual basis (that is, 115.55% of face value).
 - v. When more than 90% of the principal amount of the bonds has already been converted or redeemed or repurchased and retired or from three years to the day after the issue date to the maturity date, if the closing price for 20 transaction days of 30 consecutive business days of the Company's common stock on the Taiwan Stock Exchange (converted into U.S. dollars at the spot exchange rate) is greater than the early redemption price applicable on the day decided by the convertible ratio exceeds 130%, then the Company may redeem the bonds in whole or part at the early redemption amount.
 - vi. Under the terms of the bonds, all bonds matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.
 - vii. There was no exercise of conversion rights applicable as the bonds have not been issued over three months as at December 31, 2023.
- B. Regarding the issuance of convertible bonds, the equity conversion options were separated from the liability component and were recognised in 'capital surplus - share options' in accordance with IAS 32. The call options and put options embedded in bonds payable were separated from their host contracts and were recognised in 'financial assets at fair value through profit or loss' in net amount in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rates of the bonds payable after such separation ranged between 1.8118% and 5.1072%. As at December 31, 2023, the balance of capital surplus - share options was \$62,863.
- C. For the years ended December 31, 2023 and 2022, amortization of discount on bonds payable were \$291,640 and \$76,362, respectively.

(18) Long-term borrowings

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Secured borrowings</u>		
Syndicated borrowings	\$ 3,684,598	\$ 7,059,586
Syndicated borrowings - Foreign currency (Note 1)	-	327,200
Bank borrowings	710,262	771,997
Government subsidized bank borrowings	287,952	-
Less: Unamortized interest on government subsidized bank borrowings	(17,550)	-
<u>Unsecured borrowings</u>		
Line of credit borrowings	422,630	2,082,787
Line of credit borrowings - Foreign currency (Note 2)	1,569,876	2,519,439
Less: Current portion	(1,873,578)	(2,477,952)
	<u>\$ 4,784,190</u>	<u>\$ 10,283,057</u>
Interest rate range	<u>0.45%~6.56%</u>	<u>0.60%~5.74%</u>

Note 1: Borrowings EUR 0 and EUR 10,000 (in thousands), respectively.

Note 2: Borrowings EUR 46,200 and EUR 77,000 (in thousands), respectively.

A. Details of the collateral pledged for borrowings are provided in Note 8.

B. The Group entered into a three-year long-term borrowing and revolving syndicated borrowing contract with Taishin International Bank and other banks on September 8, 2023. The Group shall maintain a leverage ratio (as defined in the contract) of not higher than 2.5~3.5 (as the schedule defined in the contract) and repay coverage ratio (as defined in the contract) of not lower than 1.1 times based on the contract. The aforementioned financial ratios are reviewed semiannually based on the audited annual consolidated financial statements and the unaudited semiannual consolidated financial statements provided by the Group. As at December 31, 2023, the aforementioned financial ratios were calculated from the audited consolidated financial statements of the Group and did not violate the requirements set in the syndicated borrowing agreement.

C. In accordance with the syndicated borrowing contract entered into with the bank on December 30, 2021, the Group shall maintain a leverage ratio (as defined in the contract) of not higher than 2.5~4.25 (as the schedule defined in the contract) and repay coverage ratio (as defined in the contract) of not lower than 1.1 times based on the contract. After the actual drawdown, the aforementioned financial ratios are reviewed semiannually based on the audited annual consolidated financial statements and the semiannual consolidated financial statements provided by the Group. If the Group obtains special approval from the banks participating in the syndicated borrowing, the failure to meet the financial ratios will not be regarded as an event of default. The

syndicated loan was fully repaid in advance in September 2023.

D. The subsidiary, BizLink International Corp., qualified for acquiring the subsidy loan project from the “Action Plan for Welcoming Overseas Taiwanese Businesses to Return to Invest in Taiwan” from the Ministry of Economic Affairs and entered into loan contracts with financial institutions in April 2023 with a line of credit amounting to NT\$2.414 billion and terms from five to ten years. Funding from these loans was used to invest in machineries, equipment and plant expansions and broaden the Company’s sources of working capital.

(19) Provisions

	<u>Warranty</u>	<u>Employee benefits</u>	<u>Other</u>	<u>Total</u>
<u>2023</u>				
At January 1	\$ 107,997	\$ 69,469	\$ 77,662	\$ 255,128
Additional provisions	32,583	50,192	46,670	129,445
Used during the year	(22,745)	(48,226)	(43,906)	(114,877)
Reversal of unused amounts	(16,065)	(273)	(24,690)	(41,028)
Exchange differences	3,396	2,690	3,489	9,575
At December 31	<u>\$ 105,166</u>	<u>\$ 73,852</u>	<u>\$ 59,225</u>	<u>\$ 238,243</u>
	<u>Warranty</u>	<u>Employee benefits</u>	<u>Other</u>	<u>Total</u>
<u>2022</u>				
At January 1	\$ -	\$ -	\$ -	\$ -
Acquired from business combinations	97,800	161,281	13,995	273,076
Additional provisions	59,046	2,065	66,662	127,773
Used during the year	(32,701)	(70,972)	(667)	(104,340)
Reversal of unused amounts	(20,806)	(15,510)	(3,077)	(39,393)
Exchange differences	4,658	(7,395)	749	(1,988)
At December 31	<u>\$ 107,997</u>	<u>\$ 69,469</u>	<u>\$ 77,662</u>	<u>\$ 255,128</u>

Analysis of total provisions:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Current	<u>\$ 158,232</u>	<u>\$ 185,659</u>
Non-current	<u>\$ 80,011</u>	<u>\$ 69,469</u>

The Group’s liability provisions are related to the provision for warranty of products sold, which is estimated based on past experience of the use of warranties on the product. It is expected that the provision will be used within one year.

(20) Post-employment benefit plans

A. Defined benefit plans

(a) The subsidiary-BizLink International Corp. has a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees’ service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor

Standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to 2% of the employees' monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contributions to cover the deficit by next March.

Some European subsidiaries of the Group, in accordance with the relevant local retirement pension regulations, calculate the retirement benefits that should be paid to employees participating in the retirement plan based on the statutory payment method in each territory when they meet the conditions.

(b) The amounts recognised in the balance sheet are as follows:

	December 31, 2023	December 31, 2022
Present value of defined benefit obligations	\$ 1,067,922	\$ 919,924
Fair value of plan assets	(281,202)	(261,784)
Net defined benefit liability	<u>\$ 786,720</u>	<u>\$ 658,140</u>

(c) Movements in net defined benefit liabilities are as follows:

	2023		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	\$ 919,924	(\$ 261,784)	\$ 658,140
Current service cost	7,487	-	7,487
Interest expense (income)	37,859	(10,212)	27,647
	<u>965,270</u>	<u>(271,996)</u>	<u>693,274</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	5,698	5,698
Change in demographic assumptions	98	-	98
Change in financial assumptions	66,950	-	66,950
Experience adjustments	25,614	-	25,614
	<u>92,662</u>	<u>5,698</u>	<u>98,360</u>

	2023		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
Pension fund contribution	\$ 13,347	(\$ 15,406)	(\$ 2,059)
Paid pension	(39,571)	10,419	(29,152)
Exchange difference	36,214	(9,917)	26,297
At December 31	<u>\$ 1,067,922</u>	<u>(\$ 281,202)</u>	<u>\$ 786,720</u>

	2022		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	\$ 20,016	(\$ 9,164)	\$ 10,852
Current service cost	20,373	-	20,373
Interest expense (income)	14,246	(2,704)	11,542
	<u>54,635</u>	<u>(11,868)</u>	<u>42,767</u>

Remeasurements:

Return on plan assets (excluding
amounts included in interest income
or expense)

	-	4	4
Change in demographic assumptions	(8,416)	-	(8,416)
Change in financial assumptions	(371,602)	-	(371,602)
Experience adjustments	574	-	574
	<u>(379,444)</u>	<u>4</u>	<u>(379,440)</u>
Pension fund contribution	13,830	(15,603)	(1,773)
Paid pension	(50,378)	515	(49,863)
Settlement	(189)	-	(189)
Exchange difference	35,297	(10,737)	24,560
Effect of business combination	1,246,173	(224,095)	1,022,078
At December 31	<u>\$ 919,924</u>	<u>(\$ 261,784)</u>	<u>\$ 658,140</u>

- (d) The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitisation products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time

deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorised by the Regulator. The Company and domestic subsidiaries have no right to participate in managing and operating that fund and hence the Company and domestic subsidiaries are unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as at December 31, 2023 and 2022 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

	Years ended December 31,	
	2023	2022
Discount rate	1.375%~3.53%	1.125%~4.07%
Future salary increases	0%~3.00%	0%~2.75%

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
<u>December 31, 2023</u>				
Effect on present value of defined benefit obligation	(\$ 104,957)	\$ 127,253	\$ 1,183	(\$ 1,131)
<u>December 31, 2022</u>				
Effect on present value of defined benefit obligation	(\$ 86,240)	\$ 104,401	\$ 318	(\$ 313)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

- (f) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2024 amount to \$17,191.
- (g) As at December 31, 2023, the weighted average duration of the retirement plan is 7.8~16.2 years.

B. Defined contribution plans

- (a) The subsidiaries- BizLink International Corp. and BizLink (BVI) Corp. Limited Taiwan

Branch have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the domestic subsidiaries contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

- (b) Overseas subsidiaries contribute pension in accordance with local government regulations, and recognise pension expenses at the time of contribution.
- (c) The pension costs under defined contribution pension plans of the Group for the years ended December 31, 2023 and 2022, were \$324,167 and \$281,739, respectively.

(21) Share-based payment

A. The Group’s share-based payment arrangements were as follows:

Type of arrangement	Grant date	Quantity granted	Contract period	Vesting conditions
Employee stock options	2020.03.13	1,170,000	6 year	Note
Cash capital increase reserved for employee preemption	2023.04.26	500,000	NA	Vested immediately

Note: Each option is eligible to subscribe for one ordinary share when exercised. The eligibility is limited to the full-time employees who work for either the Company or the subsidiaries that are directly or indirectly held by the Company with 100% equity interest. The options granted are valid for six years and exercisable at certain percentages from the date after two years of the issuance. According to the terms, the exercise price should not be lower than the closing price of the Company’s ordinary shares on the grant date. The exercise price will be adjusted according to the pricing formula upon the changes in shares of the ordinary stocks.

B. Details of the share-based payment arrangements are as follows:

	Years ended December 31,			
	2023		2022	
	Unit (in thousands)	Weighted-average exercise price (in NT dollars per share)	Unit (in thousands)	Weighted-average exercise price (in NT dollars per share)
Options outstanding at January 1	987	\$ 146.72	1,170	\$ 151.39
Options exercised	(238)	143.96	(183)	150.24
Options outstanding at December 31	<u>749</u>	139.90	<u>987</u>	146.72
Options exercisable at December 31	<u>164</u>	139.90	<u>110</u>	146.72

C. The average stock price of stock options at exercise dates for the years ended December 31, 2023 and 2022 were NT\$260.95 (in dollars) to NT\$290.82 (in dollars) and NT\$262.83 (in dollars) to NT\$313.74 (in dollars), respectively.

D. Related information of stock options outstanding at balance sheet date is as follows:

	December 31, 2023		December 31, 2022	
	Range of exercise price (NT dollars)	Weighted average remaining contractual life (in years)	Range of exercise price (NT dollars)	Weighted average remaining contractual life (in years)
Issuance for the year ended December 31, 2020	\$ 139.90	2.19	\$ 146.72	3.19

E. The fair value of stock options granted is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

Type of arrangement	Grant date	Stock price (in dollars)	Exercise price (in dollars)	Expected price volatility	Expected option life	Expected dividends	Risk-free interest rate	Fair value per unit (in dollars)
Employee stock options	2020.03.13	163.5	163.5	40% (Note 1)	6 year	-	0.4234%~ 0.4721%	51.78~ 60.38
Cash capital increase reserved for employee preemption	2023.04.26	255.5	230	30.01% (Note 2)	0.036 year	-	0.9273%	26.2

Note 1: The expected price volatility is a forecast of future stock price volatility based on the historical stock price of the Company and the historical volatilities used as reference for this valuation of volatility are those traced back from March 13, 2020.

Note 2: Expected price volatility rate is calculated based on the daily natural logarithmic rates of return of the stock price on April 26, 2023 as well as the stock price in the previous year, and then annualized by the standard deviation of the daily rates of return.

F. Compensation cost recognised by the Company for the years ended December 31, 2023 and 2022 were \$18,091 and \$9,173, respectively.

(22) Share capital

A. As at December 31, 2023, the Company's authorised capital was \$5,000,000, consisting of 500,000 thousand shares of ordinary stock, and the paid-in capital was \$1,633,090 with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares outstanding are as follows (unit: in thousands):

	2023	2022
At January 1	156,446	137,457
Cash capital increase	5,000	12,000
Surplus transferred to capital increase	1,565	-
Bonds payable converted	60	6,806
Employee share options exercised	238	183
At December 31	163,309	156,446

- B. On November 15, 2021, the Board of Directors of the Company adopted a resolution that allowed the Company to issue 12,000 units of global depository receipts (GDRs), represented by 12 million shares of common stock (Deposited Shares), with one unit of GDR representing a share of common stock. After obtaining approval from the Securities and Futures Bureau of the Financial Supervisory Commission, these GDRs were listed on the Securities Exchange of Luxembourg on January 10, 2022, with total proceeds of US\$104,280 thousand. The issuance of GDRs was represented by outstanding shares, therefore, there is no dilutive effect on the common shares' equity. The main terms and conditions of the GDRs are as follows:

(a) Voting rights

GDR holders may, pursuant to the Depositary Agreement and the relevant laws and regulations of the R.O.C., exercise the voting rights pertaining to the underlying common shares represented by the GDRs.

(b) Redemption of GDRs

For sales and redemption of the underlying common shares represented by the GDRs when the holders of the GDRs request the Depositary to redeem the GDRs in accordance with the relevant R.O.C. and Cayman regulations and the provisions in the Depositary Agreement, the Depositary may (i) deliver the underlying common shares represented by the GDRs to the GDR holders, or (ii) sell the underlying common shares represented by the GDRs in the R.O.C. stock market on behalf of the GDR holder. The payment of proceeds from such sale shall be made subject to the relevant R.O.C. laws and regulations and the provisions in the Depositary Agreement.

(c) Distribution of dividends, preemptive rights and other rights:

Distribution of dividends, preemptive rights and other rights and interests of GDR units bear the same rights as common shares.

(d) As at March 31, 2022, all GDR units have been converted into common share of the Company's common stock.

- C. On December 27, 2022, the Company was approved by the Financial Supervision Commission (FSC) to issue 5,000 thousand common shares with cash capital increase, with a par value of NT\$10 (in dollars) per share. The Company completed the pricing subsequently on April 13, 2023, the issuance price was NT\$230 (in dollars) per share, and the effective date of the capital

increase was set on May 12, 2023.

(23) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. However, capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	Share premium	Treasury shares	Conversion of bonds premium	Corporate bond options	Employee stock options	Expired stock options	Net change in equity of associates	Total
Balance at January 1, 2023	\$ 6,802,188	\$ 17,132	\$ 6,076,288	\$ 33,813	\$ 29,536	\$ 144,624	\$ 7,887	\$ 13,111,468
Capital increase in cash	1,112,969	-	-	-	(12,969)	-	-	1,100,000
Issuance of convertible bonds	-	-	-	29,201	-	-	-	29,201
Conversion of convertible bonds	-	-	18,712	(151)	-	-	-	18,561
Employee stock options exercised	39,630	-	-	-	(7,680)	-	-	31,950
Share-based payments	-	-	-	-	18,091	-	-	18,091
Employee stock options expired	-	-	-	-	(131)	131	-	-
Balance at December 31, 2023	<u>\$ 7,954,787</u>	<u>\$ 17,132</u>	<u>\$ 6,095,000</u>	<u>\$ 62,863</u>	<u>\$ 26,847</u>	<u>\$ 144,755</u>	<u>\$ 7,887</u>	<u>\$ 14,309,271</u>

	Share premium	Treasury shares	Conversion of bonds premium	Corporate bond options	Employee stock options	Expired stock options	Net change in equity of associates	Total
Balance at January 1, 2022	\$ 4,011,930	\$ 12,716	\$ 4,578,567	\$ 66,786	\$ 24,817	\$ 144,624	\$ 7,887	\$ 8,847,327
Capital increase in cash	2,760,000	-	-	-	-	-	-	2,760,000
Issuance of convertible bonds	-	-	-	29,944	-	-	-	29,944
Conversion of convertible bonds	-	-	1,497,721	(57,958)	-	-	-	1,439,763
Redemption of convertible bonds	-	4,416	-	(4,959)	-	-	-	(543)
Employee stock options exercised	30,258	-	-	-	(4,454)	-	-	25,804
Share-based payments	-	-	-	-	9,173	-	-	9,173
Balance at December 31, 2022	<u>\$ 6,802,188</u>	<u>\$ 17,132</u>	<u>\$ 6,076,288</u>	<u>\$ 33,813</u>	<u>\$ 29,536</u>	<u>\$ 144,624</u>	<u>\$ 7,887</u>	<u>\$ 13,111,468</u>

(24) Retained earnings

- A. The Company's Articles of Incorporation prescribed that, without violating laws and regulations, the Board of Directors may, upon resolution adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, distribute dividends and bonus, legal reserve and/or capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations, in whole or in part, in the form of cash, to its original shareholders. The distribution shall also be reported at the shareholders' meeting.
- B. The current year's earnings, if any, shall first be used to offset prior years' operating losses and

then 10% of the remaining amount shall be set aside as legal reserve until the accumulated legal reserve equals the Company's total capital. The remaining shall be set aside or reversed as special reserve in accordance with the applicable public company rules or as requested by the regulatory authority. Any balance remaining may be distributed as dividends (including cash dividends or stock dividends) in accordance with the regulations and the applicable public company rules and after taking into consideration of finance, business and operational factors with the amount of profits distributed at not lower than 10% of profit after tax of current year and the amount of cash dividends distributed thereupon shall not be less than 10% of the profit proposed to be distributed of current year.

- C. Legal reserve may be used to offset any deficit. If the Company has no deficit and the legal reserve has exceeded 25% of its paid-in capital, the excess may be transferred to capital or distributed in cash.
- D. The Company appropriates or reverses a special reserve in accordance with Order No. Financial-Supervisory-Securities-Corporate-1010012865 and the directive titled "Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs". Distribution can be made out of any subsequent reversal of debits to other equity items.
- E. The appropriations of 2023 and 2022 earnings as resolved by the shareholders' meeting on June 27, 2023 and June 23, 2022 are as follows:

	Year ended December 31	
	2022	2021
Legal reserve appropriated	\$ 410,939	\$ 207,426
Special reserve (reversed) appropriated	(\$ 182,680)	\$ 639,934
Cash dividends	\$ 1,564,463	\$ 1,385,649
Stock dividends	\$ 15,645	\$ -
Cash dividend per share (in dollars)	\$ 10.00	\$ 9.54
Stock dividend per share (in dollars)	\$ 0.10	\$ -

- F. The appropriations of 2023 earnings as proposed by the Board of Directors meeting on March 8, 2024, respectively, are as follows:

	Year ended December 31, 2023	
	Amount	Dividends per share (in dollars)
Legal reserve appropriated	\$ 224,695	
Special reserve reversed	(\$ 166,723)	
Cash dividends	\$ 1,469,782	\$ 9.00

The above appropriation of cash dividends has been resolved by the Board of Directors. The remaining proposed appropriations of earnings are to be resolved by the shareholders at their annual general meeting. The total amount of cash dividend as resolved by the Board of Directors

was US\$46,564 thousand/US\$0.28512593 per share (the exchange rate is tentatively set at USD:NTD = 1:31.565).

(25) Other equity items

A. Exchange differences on translation of foreign financial statements:

	Years ended December 31,	
	2023	2022
Beginning balance	(\$ 1,232,062)	(\$ 1,460,288)
Recognised for the period		
Currency translation differences	156,209	(1,723,123)
Exchange differences on translation to presentation currency	(56,518)	1,951,349
Ending balance	(\$ 1,132,371)	(\$ 1,232,062)

B. Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income:

	Years ended December 31,	
	2023	2022
Beginning balance	(\$ 61,646)	(\$ 14,413)
Recognised for the period		
Unrealised gains (losses) on equity instruments	68,957	(47,233)
Ending balance	\$ 7,311	(\$ 61,646)

C. Gains (losses) on hedging instruments:

Cash flow hedges

	Years ended December 31,	
	2023	2022
Beginning balance	\$ 5,187	\$ 3,501
Recognised for the period		
Gains (losses) on fair value change of hedging instruments		
Raw material price risk - copper futures contract	11,140	(20,304)
Foreign exchange risk - forward exchange contracts	-	(70,046)
Transferred to initial carrying amount of hedged items		
Raw material price risk - copper futures contract	(13,406)	26,547
Foreign exchange risk - forward exchange contracts	-	66,528
Related income taxes	342	(1,039)
Ending balance	\$ 3,263	\$ 5,187

(26) Non-controlling interest

	Years ended December 31,	
	2023	2022
Beginning balance	\$ 18,982	\$ 25,557
Loss for the period	(6,578)	(7,398)
Other comprehensive income (loss) for the period		
Currency translation differences	(205)	(1,701)
Exchange differences on translation to presentation currency	95	2,524
Changes in ownership interests in subsidiaries	37	-
Ending balance	<u>\$ 12,331</u>	<u>\$ 18,982</u>

(27) Operating revenue

	Years ended December 31,	
	2023	2022
Revenue from contracts with customers	<u>\$ 51,051,791</u>	<u>\$ 53,757,171</u>

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods at a point in time in the following major product lines:

	Computing and transportation	Industrial applications	Home appliances	Others	Total
Years ended December 31, 2023					
Segment revenue	\$ 45,225,915	\$ 28,226,331	\$ 8,090,823	\$ 1,825,304	\$ 83,368,373
Inter-segment	(25,498,268)	(5,764,298)	(708,926)	(345,090)	(32,316,582)
External customers	<u>\$ 19,727,647</u>	<u>\$ 22,462,033</u>	<u>\$ 7,381,897</u>	<u>\$ 1,480,214</u>	<u>\$ 51,051,791</u>
Timing of revenue recognition					
At a point in time	<u>\$ 19,727,647</u>	<u>\$ 22,462,033</u>	<u>\$ 7,381,897</u>	<u>\$ 1,480,214</u>	<u>\$ 51,051,791</u>
Years ended December 31, 2022					
Segment revenue	\$ 56,743,267	\$ 24,991,510	\$ 8,723,079	\$ 2,182,741	\$ 92,640,597
Inter-segment	(32,198,059)	(5,150,591)	(928,363)	(606,413)	(38,883,426)
External customers	<u>\$ 24,545,208</u>	<u>\$ 19,840,919</u>	<u>\$ 7,794,716</u>	<u>\$ 1,576,328</u>	<u>\$ 53,757,171</u>
Timing of revenue recognition					
At a point in time	<u>\$ 24,545,208</u>	<u>\$ 19,840,919</u>	<u>\$ 7,794,716</u>	<u>\$ 1,576,328</u>	<u>\$ 53,757,171</u>

B. Contract liabilities

(a) As at December 31, 2023, December 31, 2022, and January 1, 2022, the Group has recognised the revenue-related contract liabilities from sales contracts with customers of \$184,510,

\$156,324, and \$29,494, respectively.

- (b) For the years ended December 31, 2023 and 2022, the Group recognised revenue arising from contract liabilities as at December 31, 2022 and 2021, amounting to \$153,850 and \$15,908, respectively.

(28) Interest income

	Years ended December 31,	
	2023	2022
Interest income from bank deposits	\$ 348,732	\$ 60,736
Other interest income	147	1,530
	<u>\$ 348,879</u>	<u>\$ 62,266</u>

(29) Other income

	Years ended December 31,	
	2023	2022
Rental revenue	\$ 43,718	\$ 43,499
Government grant income	114,198	76,991
Dividends income	6,729	-
Others	48,998	55,416
	<u>\$ 213,643</u>	<u>\$ 175,906</u>

(30) Other gains and losses

	Years ended December 31,	
	2023	2022
(Losses) gains on disposals of property, plant and equipment	(\$ 11,167)	\$ 42,045
Gains on disposals of investment property	-	27,857
Losses on disposals of intangible assets	(142)	(418)
Gains on lease modification	7,671	5,577
Net foreign exchange (losses) gains	(33,445)	210,664
Gains on financial assets at fair value through profit or loss	183,742	128,277
Losses on financial liabilities at fair value through profit or loss	(390,281)	(322,984)
Impairment loss from investments accounted for under equity method	(1,617)	(11,767)
Impairment loss from property, plant and equipment	(2,275)	(72,239)
Impairment loss from intangible assets	(22,647)	-
Others	84,831	26,026
	<u>(\$ 185,330)</u>	<u>\$ 33,038</u>

(31) Finance costs

	Years ended December 31,	
	2023	2022
Interest expense on bank borrowings	\$ 616,897	\$ 352,142
Bank arrangement fees	135,639	30,691
Amortization of discounts on convertible bonds	291,640	76,362
Interest on lease liabilities	54,115	52,640
Other interest expense	72,689	-
Less: Capitalisation of qualifying assets	(5,393)	-
	<u>\$ 1,165,587</u>	<u>\$ 511,835</u>

(32) Employee benefit, depreciation and amortization expense

	Years ended December 31,	
	2023	2022
Short-term employee benefits	\$ 10,070,343	\$ 9,511,455
Post-employment benefits		
Defined contribution plan	324,167	281,739
Defined benefit plan	35,134	31,915
Share-based payment		
Equity-settled	18,091	9,173
Other employee benefits	1,505,531	1,322,691
Total employee benefit expenses	<u>\$ 11,953,266</u>	<u>\$ 11,156,973</u>
Summary by function		
Operating costs	\$ 7,050,162	\$ 6,727,468
Operating expenses	4,903,104	4,429,505
	<u>\$ 11,953,266</u>	<u>\$ 11,156,973</u>
Depreciation expense	<u>\$ 1,642,981</u>	<u>\$ 1,481,164</u>
Amortization expense	<u>\$ 411,048</u>	<u>\$ 406,909</u>

- A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 1% but no higher than 5% for employees' compensation and shall not be higher than 3% for directors' remuneration. However, if the Company has accumulated deficits, the earnings shall be retained to cover losses. The employees' compensation will be distributed in the form of shares or cash. Employees' compensation and directors' remuneration for the years ended December 31, 2023 and 2022 were accrued based on profit before tax using the past experience to estimate possible amounts and were recognised in wages and salaries.

	Years ended December 31,	
	2023	2022
Employees' compensation	\$ 71,791	\$ 98,486
Directors' remuneration	\$ 9,372	\$ 22,249

- B. The employees' compensation of \$46,703 and directors' remuneration of \$12,320 for 2023 were resolved by the Board of Directors on March 8, 2024. The difference between the amounts resolved at the meeting of Board of Directors and the amount recognized in the 2023 consolidated financial statements was accounted for as change in estimates and recognized in profit or loss for 2024.

The employees' compensation of \$137,610 and directors' remuneration of \$13,920 for 2022 were resolved by the Board of Directors on March 30, 2023. The difference between the amounts resolved at the meeting of Board of Directors and the amount recognized in the 2022 consolidated financial statements was accounted for as change in estimates and recognized in profit or loss for 2023.

- C. Information about employees' compensation and directors' remuneration of the Company as resolved at the meeting of Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(33) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Years ended December 31,	
	2023	2022
Current tax:		
Current tax on profits for the year	\$ 1,326,479	\$ 1,524,045
Tax on undistributed surplus earnings	2,027	-
Prior period income tax overestimation	(23,642)	(3,431)
Total current tax	<u>1,304,864</u>	<u>1,520,614</u>
Deferred tax:		
Origination and reversal of temporary differences	(173,835)	(58,933)
Impact of change in tax rate	614	-
Total deferred tax	<u>(173,221)</u>	<u>(58,933)</u>
Income tax expense	<u>\$ 1,131,643</u>	<u>\$ 1,461,681</u>

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	Years ended December 31,	
	2023	2022
Cash flow hedges	(\$ 342)	\$ 1,039
Remeasurements of defined benefit obligations	(\$ 27,952)	\$ 108,424

B. Reconciliation between income tax expense and accounting profit

	Years ended December 31,	
	2023	2022
Tax calculated based on profit before tax and statutory tax rate (note)	\$ 1,121,684	\$ 1,504,868
Expenses disallowed by tax regulation	7,189	(879)
Tax exempt income by tax regulation	(32,242)	(30,921)
Taxable loss/temporary differences not recognised	109,702	78,144
Effect from investment tax credits	(84,557)	(86,100)
Change in assessment of realisation of deferred tax assets	1,275	-
Prior year income tax overestimation	(23,642)	(3,431)
Tax on undistributed surplus earnings	2,027	-
Amount of withholding tax on overseas subsidiaries' repatriation of earnings	29,593	-
Impact of change in tax rate	614	-
Income tax expense	\$ 1,131,643	\$ 1,461,681

Note: The basis for computing the applicable tax rate are the rates applicable in the respective countries where the Group entities operate.

C. Amounts of deferred tax assets or liabilities as a result of temporary differences and tax losses and are as follows:

	2023					
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Exchange difference	Business combination	December 31
<u>Deferred tax assets</u>						
Temporary differences:						
Property, plant and equipment	\$ 15,960	(\$ 1,695)	\$ -	(\$ 19)	\$ -	\$ 14,246
Lease liabilities	266,707	(40,359)	-	(763)	-	225,585
Payable for annual leave	33,683	8,512	-	(49)	-	42,146
Loss on decline in market value	166,445	74,163	-	(3,578)	-	237,030
Defined benefit obligations	80,663	(5,773)	27,952	5,065	-	107,907
Unrealized profit	170,324	(79,860)	-	1,814	-	92,278
Allowance for losses on accounts receivable	22,875	5,324	-	(3,475)	-	24,724
Others	85,486	(4,070)	-	(2,537)	-	78,879
Tax losses	54,648	5,061	-	6,775	-	66,484
	<u>\$ 896,791</u>	<u>(\$ 38,697)</u>	<u>\$ 27,952</u>	<u>\$ 3,233</u>	<u>\$ -</u>	<u>\$ 889,279</u>
<u>Deferred tax liabilities</u>						
Temporary differences:						
Property, plant and equipment	\$ 121,018	(\$ 15,158)	\$ -	\$ 943	\$ -	\$ 106,803
Unappropriated earnings of subsidiaries	102,671	(85,797)	-	532	-	17,406
Cash flow hedge	1,027	-	(342)	(14)	-	671
Right-of-use assets	262,070	(47,339)	-	(591)	-	214,140
Others	885,036	(63,624)	-	948	-	822,360
	<u>\$1,371,822</u>	<u>(\$ 211,918)</u>	<u>(\$ 342)</u>	<u>\$ 1,818</u>	<u>\$ -</u>	<u>\$ 1,161,380</u>

	2022					
	Recognised in other					
	Recognised in	comprehensive	Exchange	Business		
	January 1	profit or loss	income	difference	combination	December 31
<u>Deferred tax assets</u>						
Temporary differences:						
Property, plant and equipment	\$ 7,845	\$ 49	\$ -	\$ 2,549	\$ 5,517	\$ 15,960
Lease liabilities	145,101	121,543	-	63	-	266,707
Payable for annual leave	33,922	(1,385)	-	1,146	-	33,683
Loss on decline in market value	89,857	17,986	-	4,457	54,145	166,445
Defined benefit obligations	1,215	6,510	(108,424)	4,447	176,915	80,663
Unrealized profit	87,332	59,105	-	3,983	19,904	170,324
Allowance for losses on accounts receivable	1,597	9,779	-	451	11,048	22,875
Cash flow hedge	5	-	(5)	-	-	-
Others	14,006	31,079	-	3,237	37,164	85,486
Tax losses	53,105	1,057	-	486	-	54,648
	<u>\$ 433,985</u>	<u>\$ 245,723</u>	<u>(\$ 108,429)</u>	<u>\$ 20,819</u>	<u>\$ 304,693</u>	<u>\$ 896,791</u>
<u>Deferred tax liabilities</u>						
Temporary differences:						
Property, plant and equipment	\$ 39,512	\$ 7,935	\$ -	\$ 6,151	\$ 67,420	\$ 121,018
Unappropriated earnings of subsidiaries	-	99,980	-	2,691	-	102,671
Cash flow hedge	-	-	1,034	(7)	-	1,027
Right-of-use assets	139,935	122,135	-	-	-	262,070
Others	2,952	(43,260)	-	26,659	898,685	885,036
	<u>\$ 182,399</u>	<u>\$ 186,790</u>	<u>\$ 1,034</u>	<u>\$ 35,494</u>	<u>\$ 966,105</u>	<u>\$ 1,371,822</u>

D. Details of the amount the Group is entitled as investment tax credit and unrecognized deferred tax assets are as follows:

December 31, 2023			
Qualifying items	Unused tax credits	Unrecognised deferred tax assets	Expiry year
Research and development	\$ 30,250	\$ 30,250	Note
December 31, 2022			
Qualifying items	Unused tax credits	Unrecognised deferred tax assets	Expiry year
Research and development	\$ 29,803	\$ 29,803	Note
Research and development	1,634	1,634	2023

Note: It can be credited within the next five years, and unused tax credits will be refunded to the Company.

- E. Expiration dates of unused tax losses and amounts of unrecognised deferred tax assets are as follows:

December 31, 2023			
Expiry year	Amount filed/ assessed	Unused amount	Unrecognised deferred tax assets
2025	\$ 21,767	\$ 21,767	\$ 21,767
2026	50,228	50,228	50,228
2027	34,868	34,868	34,868
2028	19,608	19,608	19,608
No expiry date	1,060,470	1,060,470	750,607
	<u>\$ 1,186,941</u>	<u>\$ 1,186,941</u>	<u>\$ 877,078</u>

December 31, 2022			
Expiry year	Amount filed/ assessed	Unused amount	Unrecognised deferred tax assets
2025	\$ 22,951	\$ 22,951	\$ 22,951
2026	52,958	52,958	52,958
2027	20,196	20,196	20,196
No expiry date	557,164	557,164	198,683
	<u>\$ 653,269</u>	<u>\$ 653,269</u>	<u>\$ 294,788</u>

- F. The Company has not recognised taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As at December 31, 2023 and 2022, the amounts of temporary difference unrecognised as deferred tax liabilities were \$8,062,210 and \$9,517,682, respectively.
- G. The income tax returns of the Company's subsidiaries, BizLink International Corp. and BizLink (BVI) Corp. Limited Taiwan Branch, through 2021, respectively, have been assessed and approved by the Tax Authority.
- H. The Group has applied the exception to the requirements to recognise and disclose information on deferred tax assets and liabilities related to Pillar Two income taxes. The Group is within the scope of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). Since Pillar Two legislation was enacted in Ireland, and will come into effect from January 1, 2024, the Group has no related current tax exposure as of December 31, 2023. The Group is in the process of assessing its exposure to the Pillar Two legislation for when it comes into effect.

(34) Earnings per share

<u>Unit:per share (in dollars)</u>	Years ended December 31,	
	2023	2022
Basic earnings per share	\$ 14.37	\$ 24.77
Diluted earnings per share	\$ 13.78	\$ 23.07

Earnings used in the computation of earnings per share and weighted average number of ordinary shares are as follows:

	Years ended December 31,	
	2023	2022
Earnings used in the computation of basic earnings per share	\$ 2,317,355	\$ 3,838,380
Convertible bonds interest	291,640	76,362
Earnings used in the computation of diluted earnings per share	\$ 2,608,995	\$ 3,914,742

	Years ended December 31,	
	2023	2022
Weighted average number of ordinary shares in the computation of basic earnings per share (Note)	161,312	154,969
Assumed conversion of all dilutive potential ordinary shares		
Convertible bonds	27,313	13,818
Employee stock options	366	450
Employees' compensation	390	478
Weighted average number of ordinary shares in the computation of diluted earnings per share	189,381	169,715

Note: On June 27, 2023, the shareholders of the Company resolved to distribute stock dividends of 2022. The abovementioned weighted average number of shares was retrospectively adjusted proportionately to the ratio of capital increase from distributing new shares without consideration.

When the Company offers compensation or bonus paid to employees may be settled in shares or cash at the Company's option, the Company shall presume that the employee compensation will be settled in shares, and the resulting potential shares shall be included in diluted earnings per share if the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

(35) Transactions with non-controlling interest

The subsidiary, OW Holding Inc., increased its capital by issuing new shares on May 25, 2023, which were fully subscribed by the Group. As a result, the Group increased its share interest by

1.64%. The transaction increased non-controlling interest by \$37.

(36) Business combinations

- A. On January 21, 2022, the Group acquired 100% of the share capital of the industrial application business of a German company, LEONI, totaling 13 subsidiaries (INBG) for EUR313,996 (equivalent to NT\$ 9,867,489) and obtained the control over INBG. As a result of the acquisition, the Group is expected to accelerate its long-term global planning strategy, increase the added value of products and enter into the high-end application market.
- B. The following table summarises the consideration paid for INBG and the fair values of the assets acquired and liabilities assumed at the acquisition date, as well as the fair value of the non-controlling interest at the acquisition date:

	<u>January 21, 2022</u>
Purchase consideration	
Cash	\$ 9,867,489
Others	65,820
	<u>\$ 9,933,309</u>
Fair value of the identifiable assets acquired and liabilities assumed	
Cash and bank deposits	\$ 829,128
Accounts receivable	1,883,298
Other receivables	1,140,414
Inventories	3,789,016
Prepayments	336,715
Current tax assets	12,292
Other current assets	489
Property, plant and equipment	4,194,731
Right-of-use assets	759,145
Intangible assets	1,854,862
Deferred tax assets	304,693
Other non-current assets	693,890
Contract liabilities	(118,084)
Accounts payable	(1,857,840)
Other payables	(1,510,042)
Current tax liabilities	(189,933)
Provisions for liabilities - current	(111,795)
Lease liabilities - current	(189,957)
Other current liabilities	(3,739)
Deferred tax liabilities	(966,105)
Lease liabilities - non-current	(689,461)
Long-term borrowings	(2,412,356)
Net defined benefit liability	(1,022,078)
Other non-current liabilities	(239,383)
Total identifiable net assets	<u>6,487,900</u>
Goodwill	<u>\$ 3,445,409</u>

The goodwill recognized in the aforementioned business continuation is mainly derived from the synergistic effect of the expected combined operation of the Group and the acquiree.

(37) Supplemental cash flow information

A. Investing activities with partial cash payments:

	Years ended December 31,	
	2023	2022
Purchase of property, plant and equipment	\$ 2,378,878	\$ 2,283,356
Add: Opening balance of payable on equipment	235,945	96,654
Opening balance of other payables	266,823	-
Less: Ending balance of payable on equipment	(322,917)	(235,945)
Ending balance of other payables	-	(266,823)
Cash paid during the year	<u>\$ 2,558,729</u>	<u>\$ 1,877,242</u>

B. Financing activities with no cash flow effects:

	Years ended December 31,	
	2023	2022
Convertible bonds converted to capital stocks	<u>\$ 19,159</u>	<u>\$ 1,507,828</u>

(38) Changes in liabilities from financing activities

	2023				
	Short-term borrowings	Long-term borrowings (including current portion)	Bonds payable (including current portion)	Lease liabilities	Total
At January 1	\$ 748,542	\$ 12,761,009	\$ 3,728,371	\$ 1,471,188	\$ 18,709,110
Changes in cash flow from financing activities	1,893,278	(6,416,352)	4,481,495	(578,447)	(620,026)
Changes in other non-cash items (Note)	-	-	(19,159)	422,108	402,949
Amortization of interest expense	-	135,639	291,640	54,115	481,394
Exchange difference	16,926	177,472	55,950	5,275	255,623
At December 31	<u>\$ 2,658,746</u>	<u>\$ 6,657,768</u>	<u>\$ 8,538,297</u>	<u>\$ 1,374,239</u>	<u>\$ 19,229,050</u>

	2022				
	Short-term borrowings	Long-term borrowings (including current portion)	Bonds payable (including current portion)	Lease liabilities	Total
At January 1	\$ 827,652	\$ 372,998	\$ 1,304,227	\$ 1,043,348	\$ 3,548,225
Changes in cash flow from financing activities	(98,142)	12,019,361	3,407,349	(572,741)	14,755,827
Changes in other non- cash items (Note)	-	-	(1,507,285)	41,487	(1,465,798)
Acquired from business combinations	-	-	-	879,418	879,418
Amortization of interest expense	-	-	76,362	52,640	129,002
Exchange difference	19,032	368,650	447,718	27,036	862,436
At December 31	<u>\$ 748,542</u>	<u>\$ 12,761,009</u>	<u>\$ 3,728,371</u>	<u>\$ 1,471,188</u>	<u>\$ 18,709,110</u>

Note: Including conversion/redemption of convertible bonds, additional lease and lease modification.

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The Company has no parent and ultimate controlling party.

(2) Names of related parties and relationship

Transactions, balances, income and expenses between the Company and its subsidiaries, which were related parties of the Company, were eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below:

Names of related parties	Relationship with the Group
Kunshan Xianglian Construction Development Limited	Other related party
Silitherm Immobiliare S.r.l. (Note 1)	Other related party
Cableon S.A.S. (Note 2)	Associates

Note 1: It became a related party following the acquisition of INBG on January 21, 2022. In addition, as stated in Note 4(3), it was included in the consolidated subsidiary after acquiring 51% equity interest in its company on November 14, 2022. The disclosure period of the relevant transactions was from January 21, 2022 to November 14, 2022.

Note 2: Cableon S.A.S. became an associate after the Group acquired 40% equity interest in the company on April 3, 2023. The disclosure period of the relevant transactions was from April 3, 2023 to December 31, 2023.

(3) Significant related party transactionsA. Operating revenue

	Years ended December 31,	
	2023	2022
Sales of goods - Associates	\$ 33,756	\$ -

Goods are sold based on the price lists in force and terms that would be available to third parties.

B. Receivables from related parties

Accounts	Type of related party	December 31, 2023	December 31, 2022
Accounts receivable	Associates	\$ 12,604	\$ -

The receivables from related parties arise mainly from sale transactions and are unsecured in nature and bear no interest. There are no allowances for uncollectible accounts held against receivables from related parties.

C. Payables to related parties

Accounts	Type of related party	December 31, 2023	December 31, 2022
Other payables	Other related party	\$ 185	\$ 181

The Company did not pledge any collateral for payables to related parties.

D. Lease transactions

(a) The Group leases plants from Kunshan Xianglian Construction Development Limited, rental contracts are made for the period from January 1, 2023 to December 31, 2025 and from January 1, 2022 to December 31, 2022, respectively. In addition, the Group leases plants from Silitherm Immobiliare, rental contracts are made for the period from April 1, 2020 to March 31, 2030. The aforementioned rents are paid on a quarterly basis.

(b) Lease liabilitiesi. Ending balance

Accounts	Type of related party	December 31, 2023	December 31, 2022
Lease liabilities	Other related party	\$ 267,543	\$ 146,444

ii. Interest expense

Accounts	Type of related party	Years ended December 31,	
		2023	2022
Interest expense	Other related party	\$ 13,854	\$ 9,389

(c) Guarantee deposits paid

	December 31, 2023	December 31, 2022
Other related parties	\$ 26,968	\$ 27,496

(4) Key management compensation

	Years ended December 31,	
	2023	2022
Short-term employee benefits	\$ 79,673	\$ 85,750
Share-based payment	4,593	3,058
	<u>\$ 84,266</u>	<u>\$ 88,808</u>

The remuneration of directors and key management was determined by the remuneration committee based on the performance of individuals and market trends.

8. PLEDGED ASSETS

The Group's assets pledged as collateral for loan financing, endorsements and guarantees and futures margins are as follows:

Pledged assets	Book value		Footnote
	December 31, 2023	December 31, 2022	
Pledged demand and time deposits (shown as financial assets at amortized cost - current)	\$ 315,426	\$ 325,396	
Pledged demand and time deposits (shown as financial assets at amortized cost - non-current)	10,377	10,198	
Land (shown as property, plant and equipment)	438,589	673,439	
Land (shown as property, plant and equipment)	375,650	-	Note 4
Buildings (shown as property, plant and equipment)	377,615	338,324	
Land (shown as investment property)	25,181	165,994	
Buildings (shown as investment property)	14,138	68,895	
Real estates (shown as property, plant and equipment)	-	587,951	Note 2
Machinery and equipment (shown as property, plant and equipment)	-	246,357	Note 2
Ownership interests in subsidiaries	-	12,440,292	Note 1
	<u>\$ 1,556,976</u>	<u>\$ 14,856,846</u>	

Note 1: On December 30, 2021, the Group entered into a syndicated loan with banks whereby the Group agreed to pledge ownership interests in its subsidiaries as collateral, and those subsidiaries include BizLink Speedy Pte. Ltd., EA Cable Assemblies GmbH, BizLink elocab GmbH, BizLink Industry Germany GmbH, BizLink Silitherm S.r.l., BizLink Industry Slovakia Spol. s.r.o., BizLink Special Cables Germany GmbH, BizLink elocab Ltd., BizLink Robotic Solutions France S.A.S., BizLink Systems Spain, S.L.U. and BizLink Special Cables (Changzhou) Co., Ltd. Among which, the registrations of the pledge of ownership interests in BizLink Speedy Pte.

Ltd. and EA Cable Assemblies GmbH have been completed in the first quarter of 2022, and the remaining registrations have been completed in July 2022. The syndicated loan was fully repaid in advance in September 2023 and the creation of pledge was cancelled.

Note 2: In July 2022, the Group also pledged the bank accounts and receivables of BizLink Speedy Pte. Ltd., EA Cable Assemblies GmbH, BizLink Industry Germany GmbH, BizLink Special Cables Germany GmbH, the bank accounts, receivables and real estates of BizLink elocab GmbH, BizLink Industry Slovakia Spol. s.r.o., BizLink elocab Ltd., and the bank accounts, receivables and machinery equipment of BizLink Special Cables (Changzhou) Co., Ltd. as collateral for syndicated loan with banks. The syndicated loan was fully repaid in advance in September 2023 and the creation of pledge was cancelled.

Note 3: As described in Note 2, certain demand deposits and trade receivables were provided as collateral for syndicated loans. The bank will have priority of indemnity right over the collaterals in the event of default. The book value of the demand deposits (shown as cash and cash equivalents) was \$1,766,766, trade receivables was \$1,719,972 and trade receivables - related parties (Note) was \$7,333,859 on December 31, 2022, respectively.

(Note) The amount was eliminated upon consolidation.

Note 4: In April 2023, the Group applied for Loans for Returning Overseas Taiwanese Businesses with the First Commercial Bank, and expected to pledge land, plants and machinery and equipment as collaterals. As at December 31, 2023, the land was first pledged as collateral for the drawdown loan. Once the construction of plants and the acceptance of machinery and equipment are completed, the land would then be pledged as collaterals.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

A. Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Property, plant and equipment	\$ <u>1,157,628</u>	\$ <u>1,086,349</u>

B. The subsidiaries, BizLink Technology (Changzhou) Limited and BizLink Special Cables (Changzhou) Co., Ltd. (hereinafter referred to as "BizLink Changzhou"), signed an investment agreement with the Changzhou National Hi-Tech Industry Development Zone Administration Committee (hereinafter referred to as the "Changzhou Development Zone Administration Committee") in October 2023, planning to acquire the land use rights in the Changzhou High-Tech Zone for RMB 4.8 million. According to the investment agreement, upon the receipt of the first installment of capital and obtaining the construction permit for the land use rights, BizLink Changzhou can apply to the Changzhou Development Zone Administration Committee for a

special support fund payment of RMB 4.8 million. Furthermore, upon the receipt of the second installment of capital by June 15, 2024, BizLink Changzhou can be exempted from the lease fees for existing factories from August 2024 to December 2026. However, if BizLink Changzhou fails to initiate project construction within six months after acquiring the asset rights as stipulated in the contract or fails to complete 70% of the construction works within twenty-four months after construction initiation, the Changzhou Development Zone Administration Committee reserves the right to reclaim the land use rights. As at December 31, 2023, BizLink Changzhou has completed the first installment of capital, but has yet to pay the aforementioned price for acquiring the land use rights.

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

- (1) Information about the appropriations of 2023 earnings of the Company is provided in Note 6(24)F.
- (2) The Board of Directors on March 8, 2024 resolved to issue employee stock options at a price below the market price. The number of shares to be issued is 1,500 thousand shares, with the issuance price set at 75% of the closing price of the common stock on the day of issuance.

12. OTHERS

(1) Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity attributable to owners of the Company (comprising share capital, capital surplus, retained earnings and other equity).

The Group is not subject to any externally imposed capital requirements.

Based on recommendations of the key management, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to stockholders, the number of new stocks issued or repurchased, or the amount of new debt issued or existing debt redeemed.

(2) Financial instruments

A. Financial instruments by category

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
<u>Financial assets</u>		
Financial assets at fair value through profit or loss		
Financial assets mandatorily measured at fair value through profit or loss	<u>\$ 202,539</u>	<u>\$ 170,888</u>
Financial assets at fair value through other comprehensive income		
Equity instruments	<u>\$ 414,041</u>	<u>\$ 345,671</u>
Financial assets at amortized cost (Note 1)	<u>\$ 21,361,465</u>	<u>\$ 19,696,960</u>
Financial assets for hedging	<u>\$ 3,837</u>	<u>\$ 6,186</u>
<u>Financial liabilities</u>		
Financial liabilities at fair value through profit or loss		
Financial liabilities held for trading	<u>\$ 53,762</u>	<u>\$ 66,989</u>
Financial liabilities at amortized cost (Note 2)	<u>\$ 25,564,706</u>	<u>\$ 26,141,657</u>
Lease liabilities	<u>\$ 1,374,239</u>	<u>\$ 1,471,188</u>

Note 1: Including cash and cash equivalents, financial assets at amortized cost, notes receivable, accounts receivable (including related parties), other receivables, guarantee deposits paid (shown as other non-current assets), etc.

Note 2: Including short-term borrowings, notes and accounts payable, other payables (including related parties), current portion of long-term liabilities, bonds payable, long-term borrowings, guarantee deposits received (shown as other non-current liabilities), etc.

B. Financial risk management policies

- (a) The Group's major financial instruments included equity and debt investments, accounts receivable, accounts payable, bonds payable, borrowings and lease liabilities. The Group's treasury provides services to each business unit, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.
- (b) The Group sought to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the Board of Directors, which provided written principles on

foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

- (c) The treasury reports quarterly to the Board of Directors, an independent body that monitors risks and policies implemented to mitigate risk exposures.

C. Significant financial risks and degrees of financial risks

(a) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group entered into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk, including foreign exchange forward contracts to hedge the exchange rate risk arising from exports.

There have been no changes to the Group's exposure to market risks or the manner in which these risks are managed and measured.

Exchange rate risk

- i. The Group operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currency. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury.
- ii. The Group has certain foreign currency receivables to be denominated in the same foreign currency with certain foreign currency payables, and therefore natural hedge is applied. In addition, the Group utilises forward foreign exchange contracts to protect against reductions in the value of foreign currency assets and against the volatility of future cash flows caused by changes in foreign exchange rates. Foreign currency risk could be reduced but might not be fully eliminated by the use of forward foreign exchange contracts.
- iii. The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related exchange rates between the foreign currencies and the functional currencies were as follows:

December 31, 2023				
(Foreign currency: Functional currency)	Foreign currency amount		Book value	
	(in thousands)	Exchange rate	(NTD)	
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:RMB	\$	202,317	7.0998	\$ 6,212,141
USD:HKD		4,243	7.8345	130,281
USD:EUR		55,101	0.9036	1,691,875
USD:MYR		54,007	4.5915	1,658,284
USD:SGD		18,843	1.3184	578,574
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:RMB	\$	34,091	7.0998	\$ 1,046,764
USD:EUR		27,769	0.9036	852,647
USD:MYR		34,258	4.5915	1,051,891
USD:SGD		10,270	1.3184	315,340
December 31, 2022				
(Foreign currency: Functional currency)	Foreign currency amount		Book value	
	(in thousands)	Exchange rate	(NTD)	
<u>Financial assets</u>				
<u>Monetary items</u>				
USD:RMB	\$	174,582	6.9646	\$ 5,361,410
USD:HKD		9,417	7.7967	289,196
USD:EUR		53,738	0.9387	1,650,293
USD:MYR		37,122	4.4130	1,140,016
USD:SGD		15,313	1.3442	470,262
<u>Financial liabilities</u>				
<u>Monetary items</u>				
USD:RMB	\$	77,712	6.9646	\$ 2,386,534
USD:EUR		41,331	0.9387	1,269,274
USD:MYR		27,073	4.4130	831,411

- iv. The Group's foreign exchange (loss) gain, including realised and unrealised, for the years ended December 31, 2023 and 2022 amounted to (\$33,445) and \$210,664, respectively.
- v. The Group was mainly exposed to the USD.
- vi. The following table details the Group's sensitivity to a 1% increase in the functional currency against the relevant foreign currencies. A sensitivity rate of 1% is used when reporting foreign currency risk internally to key management and represents

management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of the reporting period for a 1% change in foreign currency rates. The sensitivity analysis includes cash and cash equivalents, accounts receivable and accounts payable. The positive numbers in the following table indicate the amount of increase in net profit before tax when the United States dollar depreciates by 1% relative to the relevant currencies; when the United States dollar appreciates by 1% relative to the relevant currencies, its impact on the net profit before tax will be the negative number of the same amount.

	Impact of USD (Note)	
	Years ended December 31,	
	2023	2022
Profit or loss	\$ 13,038	\$ 11,429

Note: This was mainly attributable to the exposure on net receivables, net payables and bank borrowings denominated in USD, which were outstanding and not hedged against cash flows at the balance sheet date.

Price risk

- i. The Group was exposed to security price risk through its investments in marketable securities. The Group's management manages this exposure by maintaining a portfolio of investments with different risks.
- ii. The Group's investments comprise equity securities and beneficiary certificates. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2023 and 2022 would have increased/decreased by \$1,632 and \$1,482, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by \$4,140 and \$3,457, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.
- iii. The Group's sensitivity to the increase or decrease in price risks is due to volatility of stock price.

Interest rate risk

- i. The Group is exposed to interest rate risk because entities in the Group maintain both floating and fixed interest rates of bank deposits and borrowings.
- ii. The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Interest rate risk on fair value		
- Financial assets	\$ 7,644,136	\$ 3,302,502
- Financial liabilities	11,631,838	6,196,556
Interest rate risk on cash flow		
- Financial assets	3,764,579	4,717,877
- Financial liabilities	7,597,212	12,512,553

- iii. The sensitivity analysis below was determined based on the Group's exposure to interest rates of non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of the liabilities outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management and represents management's assessment of the reasonably possible change in interest rates.
- iv. If the interest rates had increased by 100 basis points with all other variables held constant, the Group's pre-tax profit for the years ended December 31, 2023 and 2022 would have decreased by \$38,326 and \$77,947, respectively. On the contrary, if the interest rates had decreased by 100 basis points, the amount of impact on pre-tax profit would be the negative number of the same amount. The main factor is the Group's exposure to floating-rate bank deposits and borrowings.

(b) Credit risk

- i. Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to failure of counterparties to discharge an obligation, would arise from the carrying amount of the respective recognised financial assets as stated in the consolidated balance sheets.
- ii. The Group adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.
- iii. The Group provides receipts in advance to 180 days after the end of the month credit policy to their customers on the sale of goods. In order to minimize credit risk, management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual accounts receivable at the end of the reporting period to ensure that adequate allowances are made for irrecoverable amounts.
- iv. The Group assumes that if the contract payments were past due over 90 days based on the

terms, there has been a significant increase in credit risk on that instrument since initial recognition; if past due over 365 days, a default has occurred.

- v. The Group measures the loss allowance for accounts receivable at an amount equal to lifetime ECLs. The expected credit losses on accounts receivable are estimated using a provision matrix approach considering the past default experience of the customer, the customer's current financial position, economic condition of the industry in which the customer operates, as well as the GDP forecasts and industry outlooks. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.
- vi. The Group writes off accounts receivable when there is information indicating that the debtor is experiencing severe financial difficulty and there is no realistic prospect of recovery of the receivable. For accounts receivable that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables which are due. Where recoveries are made, these are recognised in profit or loss.
- vii. The following table details the loss allowance of accounts receivable (including related parties) based on the Group's provision matrix and individual assessments.

	Not past due	1~60 days past due	61~90 days past due	91~120 days past due	121-365 days past due	Over 366 days past due	Total
<u>December 31, 2023</u>							
Expected credit loss rate	0%~1.07%	0%~20.98%	0%~69.16%	0%~91.63%	0%~100%	0%~100%	
Total book value	\$ 7,131,400	\$ 983,231	\$ 52,323	\$ 69,925	\$ 101,787	\$ 32,911	\$ 8,371,577
Loss allowance (Lifetime ECLs)	(17,242)	(38,667)	(28,836)	(19,748)	(34,693)	(31,973)	(171,159)
Cost after amortization	<u>\$ 7,114,158</u>	<u>\$ 944,564</u>	<u>\$ 23,487</u>	<u>\$ 50,177</u>	<u>\$ 67,094</u>	<u>\$ 938</u>	<u>\$ 8,200,418</u>
	Not past due	1~60 days past due	61~90 days past due	91~120 days past due	121-365 days past due	Over 366 days past due	Total
<u>December 31, 2022</u>							
Expected credit loss rate	0%~0.81%	0%~5.76%	0%~18.67%	0%~29.40%	0%~55.16%	82.45%~100%	
Total book value	\$ 8,109,497	\$ 1,785,377	\$ 115,142	\$ 68,465	\$ 84,237	\$ 23,084	\$ 10,185,802
Loss allowance (Lifetime ECLs)	(22,559)	(42,902)	(14,065)	(7,306)	(16,779)	(22,048)	(125,659)
Cost after amortization	<u>\$ 8,086,938</u>	<u>\$ 1,742,475</u>	<u>\$ 101,077</u>	<u>\$ 61,159</u>	<u>\$ 67,458</u>	<u>\$ 1,036</u>	<u>\$ 10,060,143</u>

viii. The movements of the loss allowance of accounts and notes receivable are as follows:

	Years ended December 31,	
	2023	2022
Beginning balance	\$ 125,659	\$ 35,298
Provision for impairment	46,721	74,078
Write-offs	(1,315)	(1,331)
Acquired from business combinations	-	11,840
Currency translation differences	94	5,774
Ending balance	<u>\$ 171,159</u>	<u>\$ 125,659</u>

ix. Except for accounts receivable, other financial assets at amortised cost has not been a significant increase in credit risk, and the impairment provision for 12 months expected credit losses was not significant.

(c) Liquidity risk

- i. The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.
- ii. The Group relies on bank borrowings as a significant source of liquidity. The Group has the following undrawn borrowing facilities:

	December 31, 2023	December 31, 2022
Bank borrowing facility		
- undrawn amount	<u>\$ 9,740,302</u>	<u>\$ 4,512,547</u>

iii. Liquidity and interest rate risk table for non-derivative financial liabilities

The following tables show details of the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed upon repayment periods. The tables were drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The tables included both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates of other non-derivative financial liabilities were based on the agreed upon repayment dates.

To the extent that interest cash flows are at a floating rate, the undiscounted amount was derived from the interest rate curve at the end of the reporting period.

December 31, 2023

	Less than 3 months	Between 3 months and 1 year	Between 1 and 5 years	Over 5 years
<u>Non-derivative financial liabilities:</u>				
Non-interest bearing liabilities	\$ 6,490,910	\$ 765,215	\$ 153,669	\$ 24,478
Lease liabilities	135,636	390,112	925,481	30,560
Floating interest rate	791,854	2,558,124	4,462,986	601,314
Fixed interest rate	1,448,212	136,373	171,400	-
	<u>\$ 8,866,612</u>	<u>\$ 3,849,824</u>	<u>\$ 5,713,536</u>	<u>\$ 656,352</u>

Additional information about the maturity analysis for lease liabilities:

	Within 1 year	1 ~ 5 years	5 ~ 10 years	10 ~ 15 years	15 ~ 20 years
Lease liabilities	<u>\$ 525,748</u>	<u>\$ 925,481</u>	<u>\$ 30,560</u>	<u>\$ -</u>	<u>\$ -</u>

December 31, 2022

	Less than 3 months	Between 3 months and 1 year	Between 1 and 5 years	Over 5 years
<u>Non-derivative financial liabilities:</u>				
Non-interest bearing liabilities	\$ 7,359,396	\$ 1,116,816	\$ 38,693	\$ 37,844
Lease liabilities	117,261	317,340	1,088,100	73,014
Floating interest rate	490,918	2,948,038	10,936,017	-
Fixed interest rate	17,669	572,981	296,073	153,423
	<u>\$ 7,985,244</u>	<u>\$ 4,955,175</u>	<u>\$ 12,358,883</u>	<u>\$ 264,281</u>

Additional information about the maturity analysis for lease liabilities:

	Within 1 year	1 ~ 5 years	5 ~ 10 years	10 ~ 15 years	15 ~ 20 years
Lease liabilities	<u>\$ 434,601</u>	<u>\$ 1,088,100</u>	<u>\$ 73,014</u>	<u>\$ -</u>	<u>\$ -</u>

iv. Liquidity for derivative financial liabilities

As at December 31, 2023 and 2022, the Group's derivative financial liabilities all expire within one year.

(3) Fair value information

- A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

B. Fair value information of investment property at cost is provided in Note 6(12).

C. Financial instruments not measured at fair value

(a) Except for those listed in the table below, the carrying amounts of cash and cash equivalents, notes receivable, accounts receivable, other receivables, short-term borrowings, notes payable, accounts payable, other payables and long-term borrowings are approximate to their fair values.

December 31, 2023				
	<u>Book value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial liabilities:				
Convertible bonds	<u>\$ 8,538,297</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,538,297</u>
December 31, 2022				
	<u>Book value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial liabilities:				
Convertible bonds	<u>\$ 3,728,371</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,728,371</u>

The aforementioned bonds payable liabilities are measured at present value, which is calculated based on the cash flow expected to be paid and discounted using a market rate prevailing at balance sheet date.

D. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2023 and 2022 are as follows:

(a) The related information of natures of the assets and liabilities is as follows:

<u>December 31, 2023</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Derivative instruments	\$ -	\$ 39,310	\$ -	\$ 39,310
Listed stocks	1,038	-	-	1,038
Fund beneficiary certificates	-	-	162,191	162,191
Derivative financial assets for hedging				
Derivative instruments	-	3,837	-	3,837
Financial assets at fair value through other comprehensive income				
Unlisted stocks	-	-	414,041	414,041
	<u>\$ 1,038</u>	<u>\$ 43,147</u>	<u>\$ 576,232</u>	<u>\$ 620,417</u>
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	\$ -	\$ 999	\$ 52,763	\$ 53,762
 <u>December 31, 2022</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Derivative instruments	\$ -	\$ 22,707	\$ -	\$ 22,707
Listed stocks	886	-	-	886
Fund beneficiary certificates	-	-	147,295	147,295
Derivative financial assets for hedging				
Derivative instruments	-	6,186	-	6,186
Financial assets at fair value through other comprehensive income				
Unlisted stocks	-	-	345,671	345,671
	<u>\$ 886</u>	<u>\$ 28,893</u>	<u>\$ 492,966</u>	<u>\$ 522,745</u>
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	\$ -	\$ 15,253	\$ 51,736	\$ 66,989

(b) The methods and assumptions the Group used to measure fair value are as follows:

- i. The Group used closing price as its fair value inputs (that is, Level 1) to measure the listed shares.
- ii. Except for financial instruments with active markets, the fair value of other financial

instruments is measured by using valuation techniques that are widely accepted in financial management.

- iii. When assessing non-standard and low-complexity financial instruments, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
 - iv. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.
 - v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.
- E. For the years ended December 31, 2023 and 2022, there was no transfer between Level 1 and Level 2.
- F. The following chart is the movement of Level 3 for the years ended December 31, 2023 and 2022:

Year ended December 31, 2023

	Financial assets (liabilities) at fair value through profit or loss		Financial assets at fair value through other comprehensive income	
	Fund beneficiary certificates	Derivative instruments	Equity instruments	Total
Beginning balance	\$ 147,295	(\$ 51,736)	\$ 345,671	\$ 441,230
Purchases	12,075	-	-	12,075
Gains and losses recognised in profit or loss	2,967	(3,611)	-	(644)
Gains and losses recognised in other comprehensive income	-	-	68,957	68,957
Other (Note)	-	224	-	224
Effect of exchange rate changes	(146)	2,360	(587)	1,627
Ending balance	<u>\$ 162,191</u>	<u>(\$ 52,763)</u>	<u>\$ 414,041</u>	<u>\$ 523,469</u>

Year ended December 31, 2022

	Financial assets (liabilities) at fair value through profit or loss			Financial assets at fair value through other comprehensive income	
	Equity instruments	Fund beneficiary certificates	Derivative instruments	Equity instruments	Total
Beginning balance	\$ 48,474	\$ 89,320	\$ 1,845	\$ 281,242	\$ 420,881
Purchases	-	39,083	-	86,215	125,298
Disposals	(34,978)	-	-	-	(34,978)
Gains and losses recognised in profit or loss	(13,496)	9,154	(51,054)	-	(55,396)
Gains and losses recognised in other comprehensive income	-	-	-	(47,233)	(47,233)
Others (Note)	-	-	(1,742)	-	(1,742)
Effect of exchange rate changes	-	9,738	(785)	25,447	34,400
Ending balance	<u>\$ -</u>	<u>\$ 147,295</u>	<u>(\$ 51,736)</u>	<u>\$ 345,671</u>	<u>\$ 441,230</u>

Note: It pertains to capital surplus - additional paid-in capital arising from bond conversion.

- G. For the years ended December 31, 2023 and 2022, there was no transfer into or out from Level 3.
- H. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

	Fair value at December 31, 2023	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 158,794	Market comparable companies	Price to book ratio multiple	0.915~2.36 (1.59)	The higher the multiple, the higher the fair value
			Enterprise value to operating revenue ratio multiple	0.568~1.210 (0.85)	
			Discount for lack of marketability	13.10%~30.00%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	12,677	Net asset value	Discount for lack of marketability	10%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	242,570	Net asset value	Not applicable	-	Not applicable
Fund beneficiary certificates	162,191	Net asset value	Not applicable	-	Not applicable
Derivative instruments:					
Redemption/put options of convertible bonds	(52,763)	Binomial tree valuation model	Stock price volatility	29.37%	The higher the stock price volatility, the higher the redemption value/the lower the put options value
			Risk discount rate	5.3069% ~5.4066%	The higher the risk discount rate, the higher the put options value

	Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair value
Non-derivative equity instrument:					
Unlisted shares	\$ 112,258	Market comparable companies	Price to book ratio multiple	0.874~3.89 (1.61)	The higher the multiple, the higher the fair value
			Enterprise value to operating revenue ratio multiple	0.376~1.17 (0.85)	
			Discount for lack of marketability	10%~30%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	12,640	Net asset value	Discount for lack of marketability	10%	The higher the discount for lack of marketability, the lower the fair value
Unlisted shares	220,773	Net asset value	Not applicable	-	Not applicable
Fund beneficiary certificates	147,295	Net asset value	Not applicable	-	Not applicable
Derivative instruments:					
Redemption/put options of convertible bonds	(51,736)	Binomial tree valuation model	Stock price volatility	44.09%	The higher the stock price volatility, the higher the redemption value/the lower the put options value
			Risk discount rate	4.2322%	The higher the risk discount rate, the higher the put options value

- I. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

			December 31, 2023			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Discount for lack of marketability	±1%	\$ -	\$ -	\$ 1,715	(\$ 1,715)

			December 31, 2022			
			Recognised in profit or loss		Recognised in other comprehensive income	
	Input	Change	Favourable change	Unfavourable change	Favourable change	Unfavourable change
Financial assets						
Equity instrument	Discount for lack of marketability	±1%	\$ -	\$ -	\$ 1,249	(\$ 1,249)

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

- A. Loans to others: Please refer to table 1.
- B. Provision of endorsements and guarantees to others: Please refer to table 2.
- C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.
- D. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: Please refer to table 4.
- E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: Please refer to table 5.
- F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 6.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 7.
- I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Notes 6(2), 6(5) and 12(2).
- J. Significant inter-company transactions during the reporting periods: Please refer to table 8.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China). Please refer to table 9.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 10.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to tables 6, 7 and 8.

(4) Major shareholders information

Major shareholders information: Please refer to table 11.

14. SEGMENT INFORMATION(1) General information

Information reported to the chief operating decision-maker for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The Group's reportable segments are computing and transportation segment, industrial application segment, home appliance segment, and others.

(2) Measurement of segment information

The Group's segment profit (loss) is measured with the operating revenue and operating profit (excluding total management cost), which is used as a basis for the Group in assessing the performance of the operating segments. The accounting policies of the operating segments are in agreement with the significant accounting policies summarized in Note 4.

(3) Segment information

The segment information provided to the Chief Operating Decision-Maker for the reportable segments is as follows:

Year ended December 31, 2023

	Computing and transportation segment	Industrial application segment	Home appliance segment	All other segments	Total
Revenue					
Revenue from external customers	\$ 19,727,647	\$ 22,462,033	\$ 7,381,897	\$ 1,480,214	\$ 51,051,791
Inter-segment revenue	<u>25,498,268</u>	<u>5,764,298</u>	<u>708,926</u>	<u>345,090</u>	<u>32,316,582</u>
Total segment revenue	<u>45,225,915</u>	<u>28,226,331</u>	<u>8,090,823</u>	<u>1,825,304</u>	<u>83,368,373</u>
Eliminations					(32,316,582)
Consolidated revenue					<u>51,051,791</u>
Segment income	<u>\$ 1,066,828</u>	<u>\$ 2,327,170</u>	<u>\$ 988,149</u>	<u>(\$ 65,916)</u>	<u>4,316,231</u>
Interest income					348,879
Other income					213,643
Other gains and losses					(185,330)
Total management costs					(79,052)
Finance costs					(1,165,587)
Share of loss of associates accounted for under equity method					(6,364)
Profit from continuing operations before tax					<u>\$ 3,442,420</u>

Year ended December 31, 2022

	Computing and transportation segment	Industrial application segment	Home appliance segment	All other segments	Total
Revenue					
Revenue from external customers	\$ 24,545,208	\$ 19,840,919	\$ 7,794,716	\$ 1,576,328	\$ 53,757,171
Inter-segment revenue	32,198,059	5,150,591	928,363	606,413	38,883,426
Total segment revenue	56,743,267	24,991,510	8,723,079	2,182,741	92,640,597
Eliminations					(38,883,426)
Consolidated revenue					53,757,171
Segment income	<u>\$ 2,896,134</u>	<u>\$ 1,857,515</u>	<u>\$ 1,014,776</u>	<u>\$ 188,259</u>	5,956,684
Interest income					62,266
Other income					175,906
Other gains and losses					33,038
Total management costs					(410,209)
Finance costs					(511,835)
Share of loss of associates accounted for under equity method					(13,187)
Profit from continuing operations before tax					<u>\$ 5,292,663</u>

Segment income represented the profit earned by each segment without allocation of central administration costs and directors' salaries, share of profit or loss of associates accounted for using the equity method, other income, other gain and loss, finance costs and income tax expense. This was the measure reported to the Chief Operating Decision-Maker for the purpose of resource allocation and assessment of segment performance.

(4) Segment total assets and liabilities

Segment total assets and liabilities were not disclosed because such information was not provided to the Chief Operating Decision-Maker.

(5) Information on products

As the Group considered the business from a product perspective, the reportable segments were based on different products and services. Revenues from external customers are the same as in Note 14(3).

(6) Geographical information

Geographical information for the years ended December 31, 2023 and 2022 is as follows:

	<u>Year ended December 31, 2023</u>		<u>Year ended December 31, 2022</u>	
	<u>Revenue</u>	<u>Non-current assets</u>	<u>Revenue</u>	<u>Non-current assets</u>
USA	\$ 10,059,084	\$ 1,070,450	\$ 11,281,460	\$ 1,078,570
China	11,476,121	4,869,897	11,249,193	4,641,116
Germany	10,239,712	5,064,264	9,175,193	4,692,540
Malaysia	2,171,530	376,068	3,960,476	355,393
Taiwan	898,127	1,717,592	534,436	1,249,492
Italy	411,997	2,407,391	378,014	2,030,929
Others	15,795,220	5,642,407	17,178,399	5,482,279
	<u>\$ 51,051,791</u>	<u>\$ 21,148,069</u>	<u>\$ 53,757,171</u>	<u>\$ 19,530,319</u>

(7) Major customer information

No single customer contributed 10% or more to the Group's revenue for the years ended December 31, 2023 and 2022.