

BizLink Holding Inc

3665.TT

Investor Presentation

1Q 2023 Version

May 2023



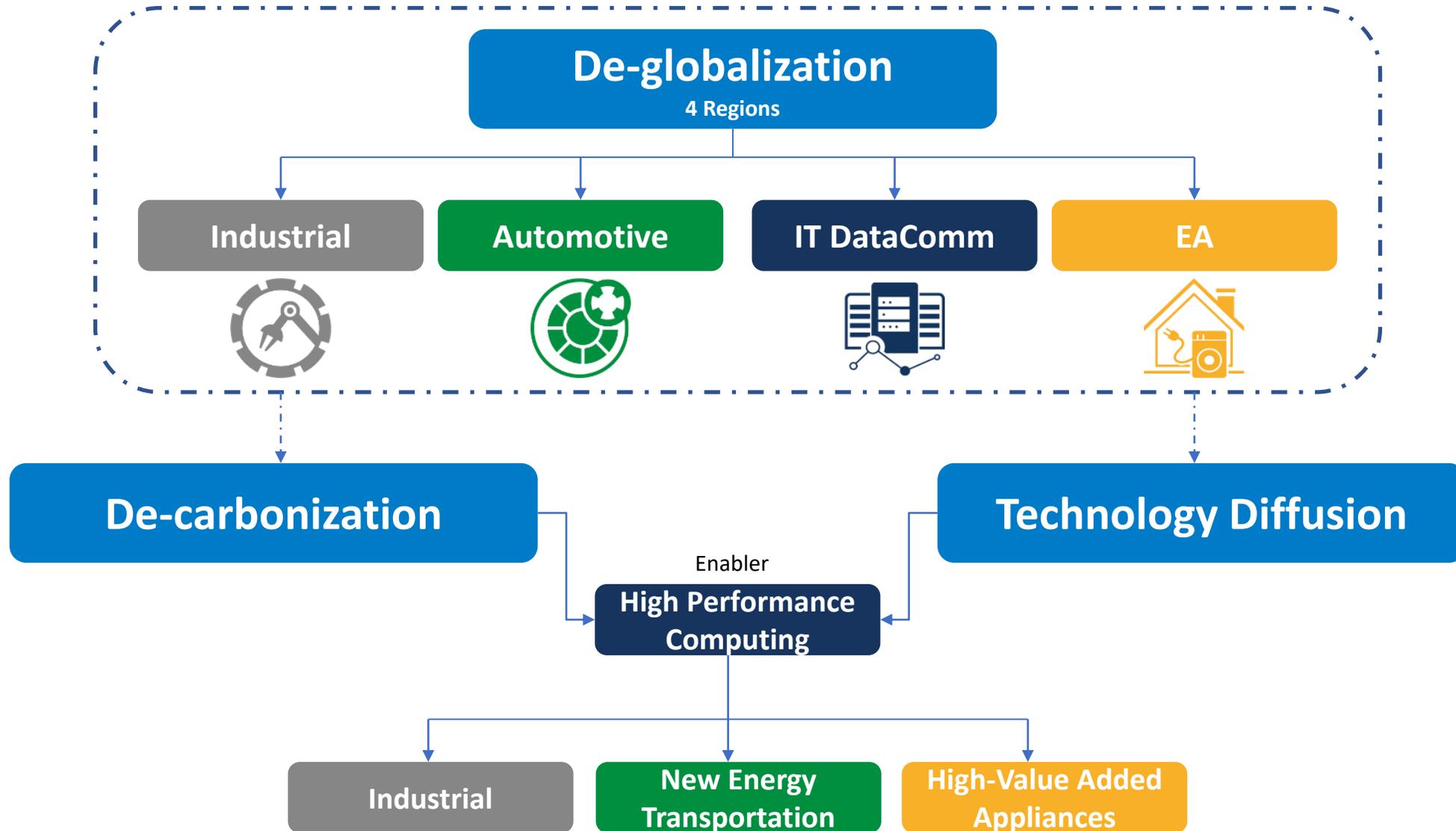
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I. Three Key Global Transitions: 4 x 4 Business Model



I. Long-term Strategy: Bigger Picture

Objective Building an enterprise with stable growth through all cycles



- ✓ **Segments:** Industrial, IT, DataComm, Automotive, EA
- ✓ **Regions:** North America, Europe, Southeast Asia, East Asia



- ✓ **Secular:** Factory Automation, Capital Eqpt, HPC, EV, TMP
- ✓ **Industrial:** Energy, Other Industrial, Healthcare, Silicone



- ✓ **ESG:** Environmental, Social, Corporate Governance
- ✓ **Integration:** Business and operational aspects



Result Strong free-cash-flow generation to add value to stakeholders

I. Long-term Strategy: Sustainability

Our commitment to sustainability creates long-term value for us and our stakeholders by helping us ride the green wave, mitigate climate risks, reduce costs, and build brand value.

E

Energy generation & conservation

S

Social empowerment & improvement

G

Governing for sustainable excellence

Our Actions

GHG Emission Reduction Target

Renewable Energy Generation

FTSE-Russell Green Revenues

Employee Engagement Activities

Zero Accidents Policy

Contributions to Society

TWSE Corporate Governance

Strong Internal Policies

Encourage Positive Behavior

Our Results

Consistent Improvement: Newsweek & CDP

Sustainalytics: Low-Risk Rating

Consistent Improvement: Newsweek

Optimal Working Environment: Retention & Hiring

BizLinker: One Team, One Target

Global Corporate Functions

II. Financial Highlights: First Quarter 2023

TOTAL SALES
Q1
NT\$12,701M

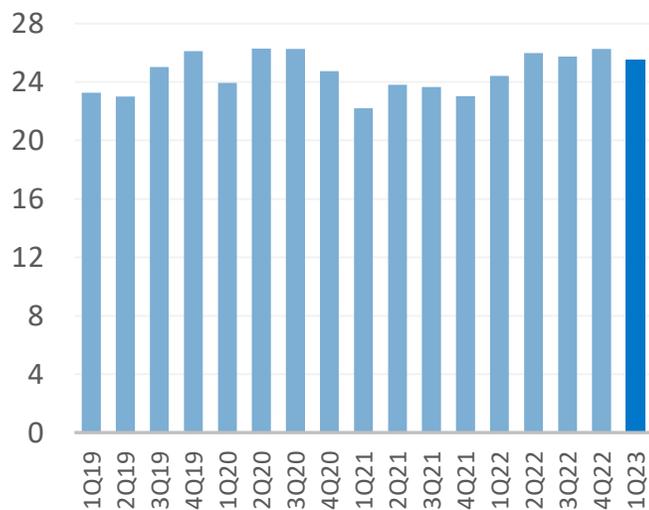
GROSS MARGIN
Q1
25.48%

OPERATING MARGIN
Q1
8.96%

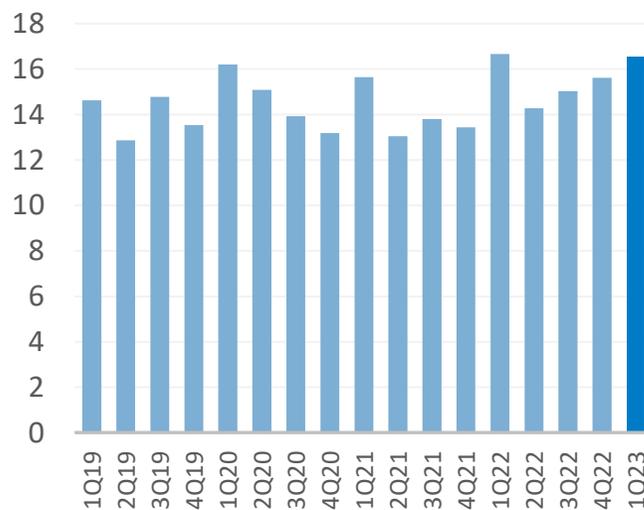
NET INCOME
Q1
NT\$628M

EARNINGS PER SHARE
Q1
NT\$4.01

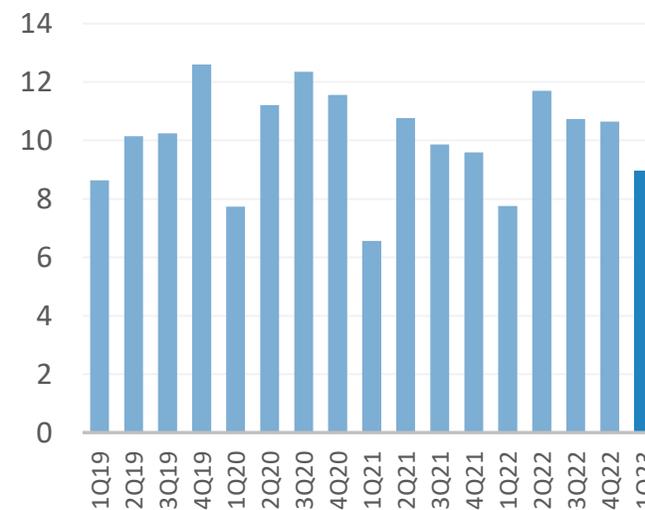
GROSS MARGIN



OPEX RATIO



OPERATING MARGIN

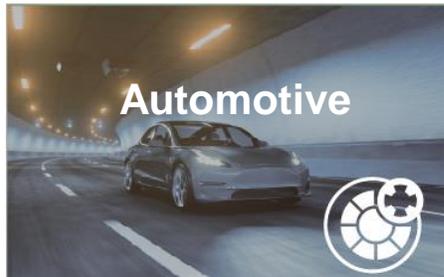


II. Financial Highlights: First Quarter 2023

- **Profitability:** Overall profitability levels are up YoY as BizLink continues to execute its long-term strategy
- **Headwinds:** Macro issues remain a global concern shared by all, and BizLink has weathered this well so far
- **Tailwinds:** Seeing some segments and categories beginning to show signs of bottoming out

NT\$	2019	2020	2021	2022	1Q23	QoQ	YoY
Gross Margin %	24.36	25.34	23.21	25.65	25.48	↘	↗
Opex/Sales %	13.92	14.49	13.90	15.33	16.52	↗	↘
Operating Margin %	10.44	10.85	9.31	10.32	8.96	↘	↗
Non-OP (M)	-74.99	-189.79	-17.01	-253.81	-267.01	↗	↗
Tax Rate %	21.30	19.29	23.45	27.62	28.12	↗	↘
Net Margin %	7.96	8.08	7.13	7.14	4.93	↘	↗
EPS	15.54	14.01	15.22	25.02	4.01	↘	↗

II. Financial Highlights: First Quarter 2023

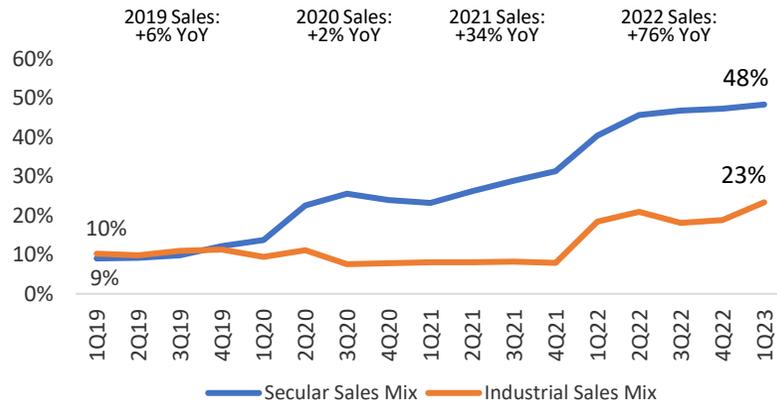
	 <p>Industrial</p>		 <p>Electrical Appliances</p>		 <p>Automotive</p>		 <p>IT DataComm</p>	
	<p>QoQ</p> <p>YoY</p>	<p>41%</p> <p>➔</p> <p>➔</p>	<p>13%</p> <p>➔</p> <p>➔</p>	<p>24%</p> <p>➔</p> <p>➔</p>	<p>21%</p> <p>➔</p> <p>➔</p>			
INBG	HC	RS	AD	TMP	SIL	TS		
<p>QoQ</p> <p>YoY</p>	<p>16%</p> <p>➔</p> <p>➔</p>	<p>13%</p> <p>➔</p> <p>➔</p>	<p>22%</p> <p>➔</p> <p>➔</p>	<p>16%</p> <p>➔</p> <p>➔</p>	<p>26%</p> <p>➔</p> <p>➔</p>	<p>7%</p> <p>➔</p> <p>➔</p>		

II. Long-term Strategy: Resiliency Drivers

Secular Long-term high growth but with up and down cycles

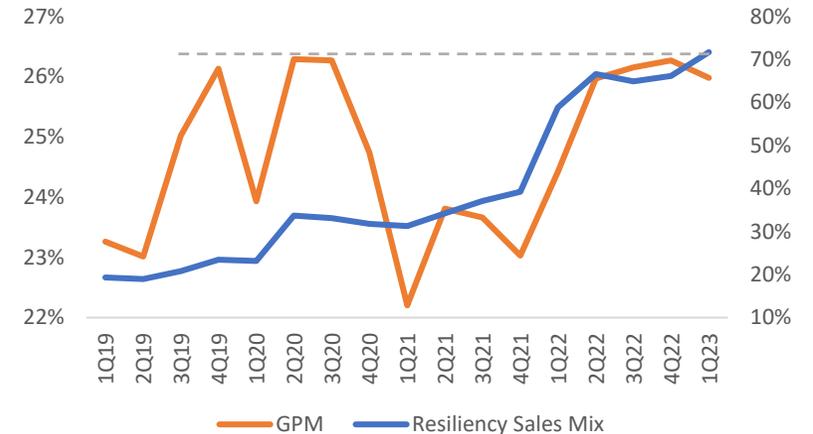
Industrial Long-term stable growth and stable gross margins

Resiliency Drivers



Leading to

Resiliency Sales Mix vs GPM



Resiliency Drivers = >70% of 1Q 2023 Sales

- ✓ Secular: Have grown from 9% of 1Q 2019 sales to 48% in 1Q 2023
- ✓ Industrial: Have grown from 10% of 1Q 2019 sales to 23% in 1Q 2023

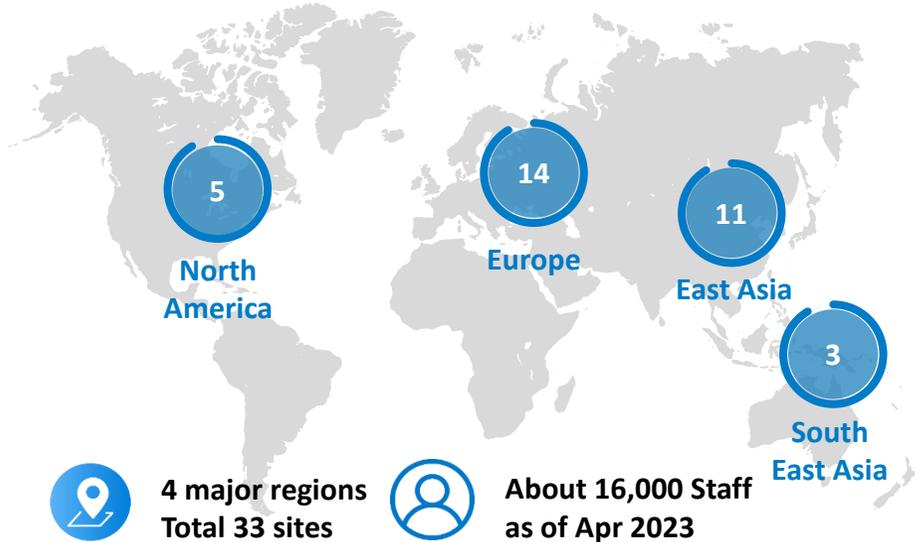
Reducing Business Volatility at Higher Margins Over Time

- ✓ Margin Recovery: Back to mid-2020 levels despite cost inflation
- ✓ Margin Stability: Stabilized at +/- 26% during 2Q 2022-1Q 2023

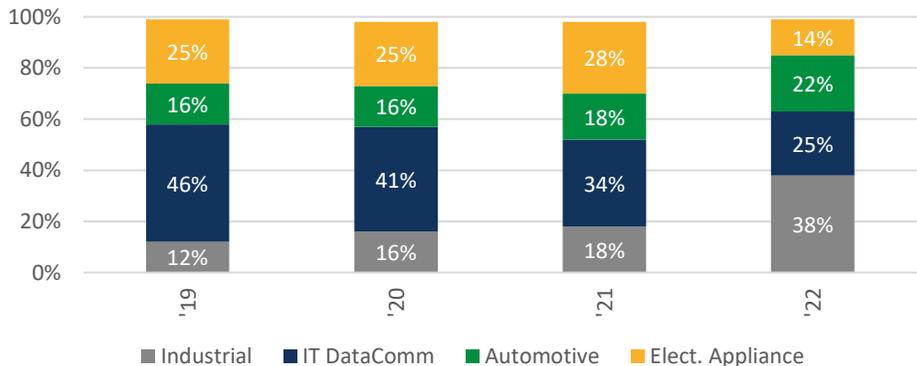
Note: gross margins are excluding inventory impacts

III. Long-term Strategy: Diversification

Lower dependence on East Asia



Sales mix is more diversified now



Note:
1. High mix low volume
2. High volume low mix



Industrial

- **Business nature: HMLV¹**
 - Factory Automation
 - Capital Equipment
 - Healthcare
 - Energy
- **Regions: all 4 regions**



Automotive

- **Business nature: HVLM²**
 - Electric Vehicle
 - Charging
 - Non-EV related
 - Silicone
- **Regions: all 4 regions**



IT & DataComm

- **Business nature: HVLM**
 - High Performance Computing
 - Peripherals
- **Regions: East & Southeast Asia**

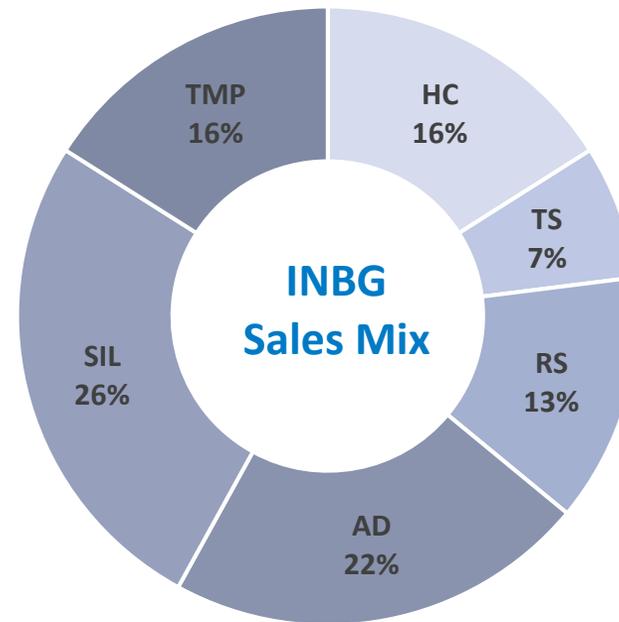
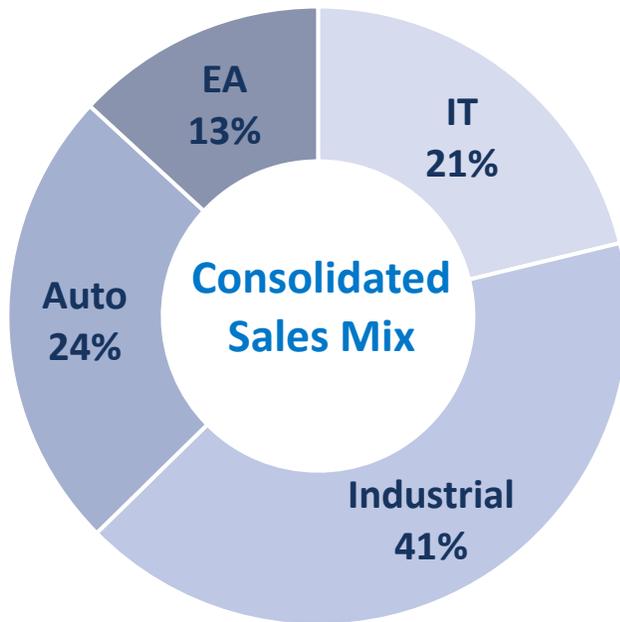


Electrical Appliance

- **Business nature: HVLM**
 - Major and Small Appliances
 - Traditional, Connected
 - Smart, Wireless, Motorized
- **Regions: East Asia, Europe**

III. Product Segment: Operational Highlights

- **Industrial** : Factory Automation remained strong while Capital Eqpt was still weak. Energy considerably grew QoQ. Medical was stable.
- **IT DataComm** : Peripherals and HPC continued to be weak, but signs point to a bottom possibly being nearby. AI to drive HPC recovery.
- **Automotive** : EV shipments fell mainly as some customers slowed down their production while others continued to considerably grow.
- **Electrical Appliance** : Customers continued to digest inventories given weaker macro, but signs also appearing that bottom may be near.



- Healthcare
- Telecomm Systems
- Robotic Solutions
- Automation & Drives
- Silicone
- Tailor-made Products

Q&A

APPENDIX: Capital Allocation

Fund-Raising History: Five Rounds

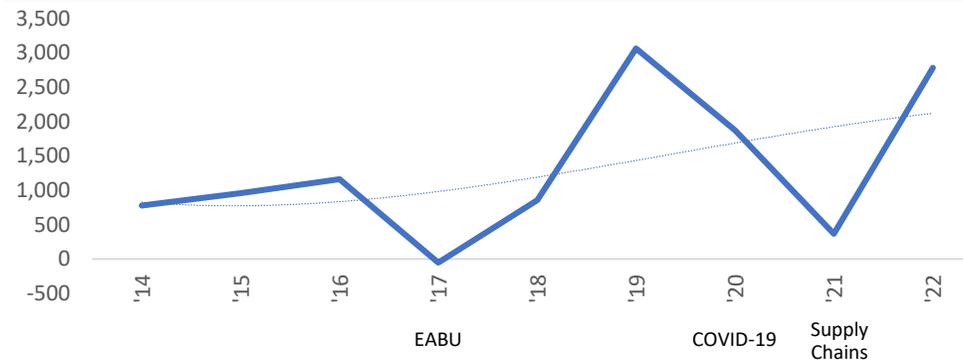
Tapping into Capital Markets to Boost Strategic Flexibility

2023 - ECB-5 (\$150m), Capital Increase (pending)	Status	No Conversion
2022 - ECB-4 (US\$125m) + GDR-2 (US\$104.2m)	Status	Partial Conversion
2019 - ECB-3 (US\$100m) + GDR-1 (US\$80.4m)	Status	Fully Converted
2018 - ECB-2 (US\$100m)	Status	Recalled, No Dilution
2016, 2018 - ECB-1 (US\$80m), CI (NT\$630m)	Status	Fully Converted

Complement

Operating Cash Flow (NTD, M)

Volatile Macro Operational Environment



Capital Intensity Ratio

Supporting Long-term Growth



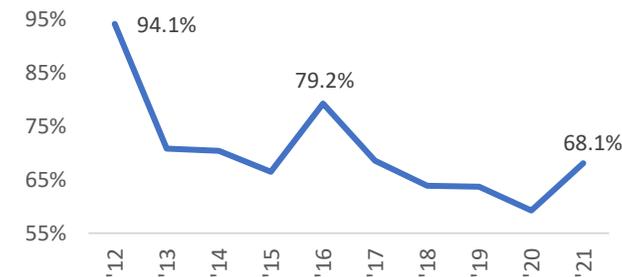
Unique Competitive Advantage: M&A

Strong Strategic Selection and Integration

2022 - INBG	Sales CAGR: +16.4%	Sales CAGR: +30.1%	Landmark
2020 - Speedy			Bolt-On Selective Diversification
2018 - Teralux			Bolt-On
2017 - EABU			Landmark
2016 - Jo Yeh, Spinneret	Organic	Consolidated	Bolt-On Gradual and Consistent Profitability

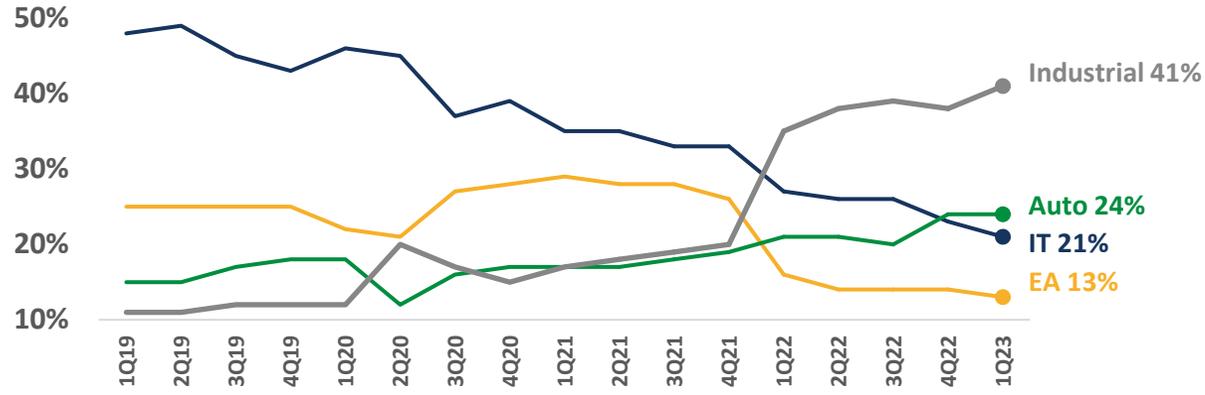
Dividend Payout Ratio

Appealing to Broader Investor Base



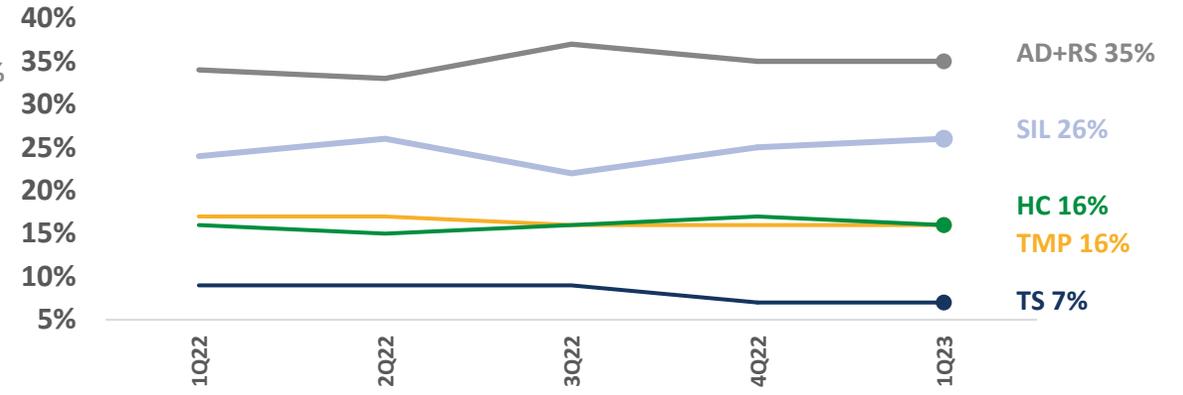
APPENDIX: Key Financials

Consolidated Sales Mix



Rounded to Nearest Whole Number

INBG Sales Mix



Rounded to Nearest Whole Number

Cash Conversion Cycle



134 Days

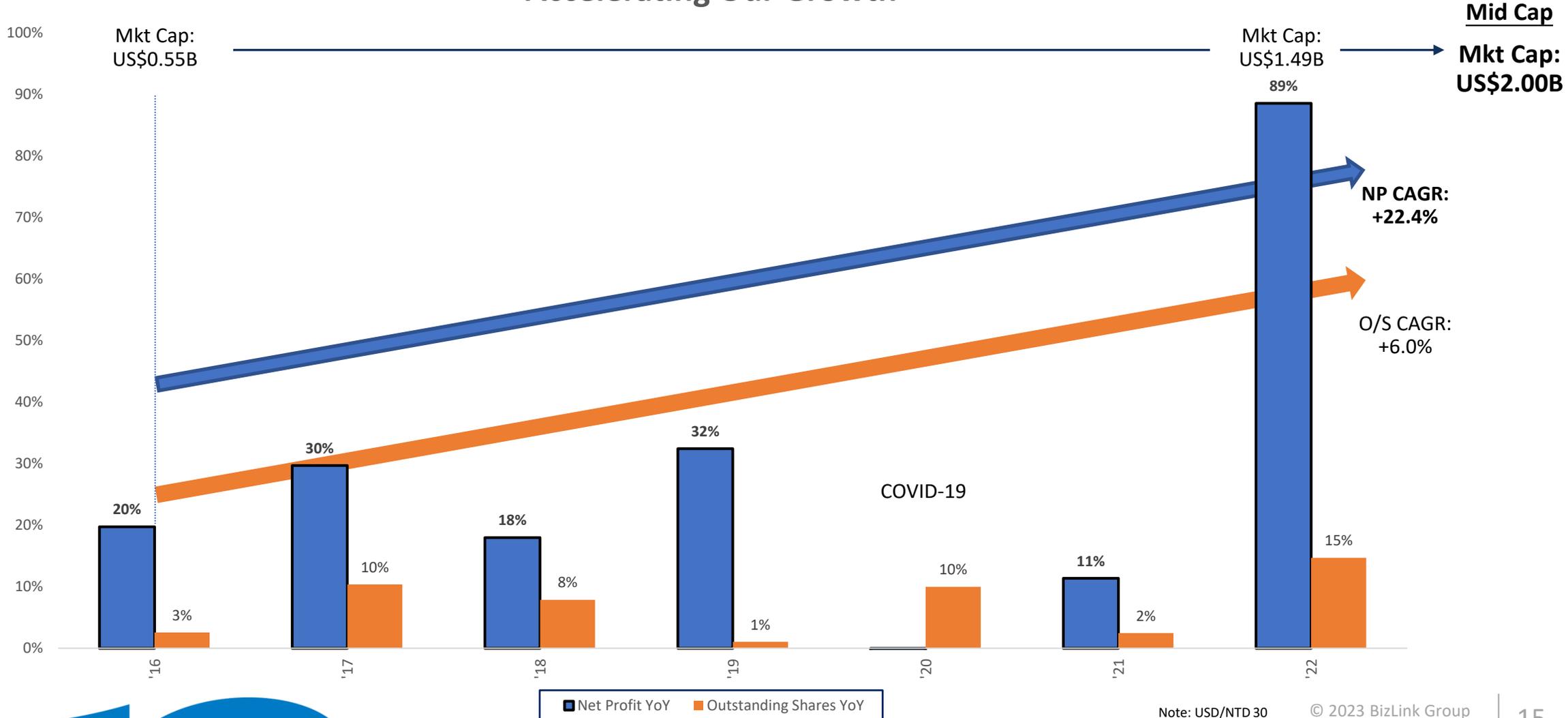
Return on Invested Capital



Rolling Avg LTM ROIC

APPENDIX: Solid Track Record

Accelerating Our Growth



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