

## **BizLink Holding Inc. and Subsidiaries**

**Consolidated Financial Statements for the  
Nine Months Ended September 30, 2021 and 2020 and  
Independent Auditors' Review Report**

### INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors and Stockholders  
BizLink Holding Inc.

#### Introduction

We have reviewed the accompanying consolidated balance sheets of BizLink Holding Inc. and its subsidiaries (the Group) as of September 30, 2021 and 2020, the related consolidated statements of comprehensive income for the three months ended September 30, 2021 and 2020, and for the nine months ended September 30, 2021 and 2020, the consolidated statements of changes in equity and cash flows for the nine months then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as 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 International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our reviews.

#### Scope of Review

We conducted our reviews in accordance with Statement of Auditing Standard No. 65 "Review of Financial Information Performed by the Independent Auditor of the Entity". A review of consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

Based on our reviews, nothing has come to our attention that caused us to believe that the accompanying consolidated financial statements do not give a true and fair view of the consolidated financial position of the Group as of September 30, 2021 and 2020, its consolidated financial performance for the three months ended September 30, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the nine months ended September 30, 2021 and 2020 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34 "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

The engagement partners on the reviews resulting in this independent auditors' review report are Chung Chen Chen and Chiang Hsun Chen.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

November 15, 2021

Notice to Readers

*The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally applied in the Republic of China.*

*For the convenience of readers, the independent auditors' review report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' review report and consolidated financial statements shall prevail.*

# BIZLINK HOLDING INC. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

	September 30, 2021 (Reviewed)		December 31, 2020 (Audited)		September 30, 2020 (Reviewed after Measurement Period Adjustment)	
ASSETS	Amount	%	Amount	%	Amount	%
<b>CURRENT ASSETS</b>						
Cash and cash equivalents (Note 6)	\$ 3,422,057	15	\$ 5,360,003	24	\$ 4,120,996	20
Financial assets at fair value through profit or loss (FVTPL) - current (Note 7)	65,171	-	43,277	-	130,418	1
Financial assets for hedging - current (Notes 24 and 33)	-	-	10,641	-	135	-
Notes receivable from unrelated parties (Notes 9 and 25)	21,102	-	6,968	-	10,435	-
Trade receivables from unrelated parties (Notes 9 and 25)	6,596,784	28	5,235,100	23	5,175,642	25
Other receivables (Note 9)	115,896	-	92,295	-	71,851	-
Current tax assets (Note 4)	32,853	-	40,762	-	22,059	-
Inventories (Note 10)	5,677,366	24	4,649,474	21	4,320,874	21
Prepayments (Note 18)	358,224	2	314,832	1	335,952	1
Other financial assets - current (Notes 18 and 35)	148,291	1	111,546	1	51,375	-
Other current assets (Note 18)	<u>2,343</u>	-	<u>2,206</u>	-	<u>2,301</u>	-
Total current assets	<u>16,440,087</u>	<u>70</u>	<u>15,867,104</u>	<u>70</u>	<u>14,242,038</u>	<u>68</u>
<b>NON-CURRENT ASSETS</b>						
Financial assets at fair value through profit or loss (FVTPL) - non-current (Note 7)	66,992	-	17,088	-	-	-
Financial assets at fair value through other comprehensive income (FVTOCI) - non-current (Note 8)	280,207	1	308,606	1	287,982	1
Investments accounted for using the equity method (Note 12)	56,068	-	90,527	1	97,363	1
Property, plant and equipment (Notes 13 and 35)	3,747,213	16	3,224,081	14	2,935,391	14
Right-of-use assets (Note 14)	607,972	3	763,231	3	887,527	4
Investment properties (Notes 15 and 35)	184,677	1	189,588	1	193,092	1
Goodwill (Notes 16 and 30)	683,039	3	730,307	3	712,600	3
Other intangible assets (Note 17)	882,786	4	1,016,656	5	1,037,662	5
Deferred tax assets (Note 4)	325,966	1	270,291	1	206,814	1
Other financial assets - non-current (Notes 18 and 35)	87,052	-	64,982	-	171,712	1
Other non-current assets (Notes 18 and 34)	<u>193,902</u>	<u>1</u>	<u>174,728</u>	<u>1</u>	<u>158,582</u>	<u>1</u>
Total non-current assets	<u>7,115,874</u>	<u>30</u>	<u>6,850,085</u>	<u>30</u>	<u>6,688,725</u>	<u>32</u>
<b>TOTAL</b>	<u>\$ 23,555,961</u>	<u>100</u>	<u>\$ 22,717,189</u>	<u>100</u>	<u>\$ 20,930,763</u>	<u>100</u>
<b>LIABILITIES AND EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Short-term borrowings (Notes 19 and 35)	\$ 726,875	3	\$ 259,833	1	\$ 106,241	1
Financial liabilities at fair value through profit or loss (FVTPL) - current (Note 7)	2,132	-	51	-	2,336	-
Financial liabilities for hedging - current (Notes 24 and 33)	6,655	-	-	-	255	-
Contract liabilities - current (Note 25)	27,879	-	15,586	-	21,374	-
Notes payable (Note 21)	355,540	2	269,354	1	224,752	1
Trade payables to unrelated parties (Note 21)	4,123,496	17	3,501,322	16	2,595,580	13
Trade payables to related parties (Note 34)	-	-	5	-	5	-
Other payables to unrelated parties (Note 22)	1,279,646	5	1,372,585	6	1,241,694	6
Other payables to related parties (Note 34)	222	-	220	-	1,021	-
Current tax liabilities (Note 4)	211,047	1	131,983	1	183,407	1
Lease liabilities - current (Notes 14 and 34)	197,404	1	265,656	1	291,834	1
Current portion of long-term borrowings (Notes 19 and 35)	58,244	-	55,719	-	44,222	-
Other current liabilities (Note 22)	<u>3,944</u>	-	<u>3,348</u>	-	<u>2,961</u>	-
Total current liabilities	<u>6,993,084</u>	<u>29</u>	<u>5,875,662</u>	<u>26</u>	<u>4,715,682</u>	<u>23</u>
<b>NON-CURRENT LIABILITIES</b>						
Bonds payable (Note 20)	2,071,217	9	2,739,430	12	2,789,547	13
Long-term borrowings (Notes 19 and 35)	330,149	2	385,162	2	402,045	2
Deferred tax liabilities (Note 4)	38,572	-	68,446	-	130,120	1
Lease liabilities - non-current (Notes 14 and 34)	258,669	1	343,868	2	445,977	2
Net defined benefit liabilities - non-current (Note 4)	10,685	-	10,718	-	10,823	-
Other non-current liabilities (Note 22)	<u>56,258</u>	-	<u>16,378</u>	-	<u>23,970</u>	-
Total non-current liabilities	<u>2,765,550</u>	<u>12</u>	<u>3,564,002</u>	<u>16</u>	<u>3,802,482</u>	<u>18</u>
Total liabilities	<u>9,758,634</u>	<u>41</u>	<u>9,439,664</u>	<u>42</u>	<u>8,518,164</u>	<u>41</u>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF BIZLINK (Note 24)</b>						
Capital stock						
Common stock	<u>1,336,901</u>	<u>6</u>	<u>1,305,694</u>	<u>6</u>	<u>1,305,694</u>	<u>6</u>
Capital surplus	<u>8,039,010</u>	<u>34</u>	<u>7,342,311</u>	<u>32</u>	<u>7,338,841</u>	<u>35</u>
Retained earnings						
Legal reserve	1,015,975	4	811,469	4	811,469	4
Special reserve	831,267	4	967,925	4	967,925	5
Unappropriated earnings	<u>3,957,979</u>	<u>17</u>	<u>3,641,209</u>	<u>16</u>	<u>3,054,059</u>	<u>14</u>
Total retained earnings	<u>5,805,221</u>	<u>25</u>	<u>5,420,603</u>	<u>24</u>	<u>4,833,453</u>	<u>23</u>
Other equity	<u>(1,413,069)</u>	<u>(6)</u>	<u>(831,267)</u>	<u>(4)</u>	<u>(1,107,142)</u>	<u>(5)</u>
Total equity attributable to owners of the BizLink	13,768,063	59	13,237,341	58	12,370,846	59
<b>NON-CONTROLLING INTERESTS (Note 24)</b>	<u>29,264</u>	-	<u>40,184</u>	-	<u>41,753</u>	-
Total equity	<u>13,797,327</u>	<u>59</u>	<u>13,277,525</u>	<u>58</u>	<u>12,412,599</u>	<u>59</u>
<b>TOTAL</b>	<u>\$ 23,555,961</u>	<u>100</u>	<u>\$ 22,717,189</u>	<u>100</u>	<u>\$ 20,930,763</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.

# BIZLINK HOLDING INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share) (Reviewed, Not Audited)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2021		2020 (Reviewed after Measurement Period Adjustment)		2021		2020 (Reviewed after Measurement Period Adjustment)	
	Amount	%	Amount	%	Amount	%	Amount	%
OPERATING REVENUE								
Sales (Notes 25 and 34)	\$ 7,415,446	100	\$ 6,049,454	100	\$ 20,565,652	100	\$ 16,271,115	100
OPERATING COSTS (Notes 10, 26 and 34)								
Cost of goods sold	<u>5,661,305</u>	<u>76</u>	<u>4,460,157</u>	<u>73</u>	<u>15,779,150</u>	<u>77</u>	<u>12,111,528</u>	<u>74</u>
GROSS PROFIT	<u>1,754,141</u>	<u>24</u>	<u>1,589,297</u>	<u>27</u>	<u>4,786,502</u>	<u>23</u>	<u>4,159,587</u>	<u>26</u>
OPERATING EXPENSES								
(Notes 26 and 34)								
Selling and marketing expenses	284,694	4	257,759	4	851,932	4	667,718	4
General and administrative expenses	508,798	7	408,658	7	1,425,001	7	1,270,945	8
Research and development expenses	228,860	3	173,668	3	620,884	3	483,835	3
Expected credit loss (gain) (Note 9)	<u>484</u>	<u>-</u>	<u>1,311</u>	<u>-</u>	<u>(251)</u>	<u>-</u>	<u>14,626</u>	<u>-</u>
Total operating expenses	<u>1,022,836</u>	<u>14</u>	<u>841,396</u>	<u>14</u>	<u>2,897,566</u>	<u>14</u>	<u>2,437,124</u>	<u>15</u>
PROFIT FROM OPERATIONS	<u>731,305</u>	<u>10</u>	<u>747,901</u>	<u>13</u>	<u>1,888,936</u>	<u>9</u>	<u>1,722,463</u>	<u>11</u>
NON-OPERATING INCOME AND EXPENSES								
Interest income (Note 26)	7,403	-	9,119	-	25,621	-	48,282	-
Other income (Notes 14 and 26)	41,592	-	58,730	1	102,289	-	186,177	1
Other gains and losses (Notes 12, 13 and 26)	7,225	-	(134,264)	(2)	(28,287)	-	(233,155)	(1)
Finance costs (Notes 20, 26 and 34)	(24,628)	-	(29,609)	(1)	(73,221)	-	(97,186)	(1)
Share of loss of associates	<u>(4,916)</u>	<u>-</u>	<u>(5,108)</u>	<u>-</u>	<u>(18,921)</u>	<u>-</u>	<u>(16,647)</u>	<u>-</u>
Total non-operating income and expenses	<u>26,676</u>	<u>-</u>	<u>(101,132)</u>	<u>(2)</u>	<u>7,481</u>	<u>-</u>	<u>(112,529)</u>	<u>(1)</u>
PROFIT BEFORE INCOME TAX FROM OPERATIONS	757,981	10	646,769	11	1,896,417	9	1,609,934	10
INCOME TAX EXPENSE (Notes 4 and 27)	<u>(154,541)</u>	<u>(2)</u>	<u>(149,544)</u>	<u>(3)</u>	<u>(439,312)</u>	<u>(2)</u>	<u>(375,204)</u>	<u>(2)</u>
NET PROFIT FOR THE PERIOD	<u>603,440</u>	<u>8</u>	<u>497,225</u>	<u>8</u>	<u>1,457,105</u>	<u>7</u>	<u>1,234,730</u>	<u>8</u>

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# BIZLINK HOLDING INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share) (Reviewed, Not Audited)

	For the Three Months Ended September 30				For the Nine Months Ended September 30			
	2021		2020 (Reviewed after Measurement Period Adjustment)		2021		2020 (Reviewed after Measurement Period Adjustment)	
	Amount	%	Amount	%	Amount	%	Amount	%
OTHER COMPREHENSIVE (LOSS) INCOME								
Items that will not be reclassified subsequently to profit or loss								
Unrealized (loss) gain on investments in equity instruments at FVTOCI (Note 24)	\$ (20,047)	-	\$ (5,719)	-	\$ (42,783)	-	\$ 116,751	-
(Loss) gain on hedging instruments subject to basis adjustments (Note 24)	(826)	-	(33,236)	(1)	27,738	-	1,328	-
Exchange differences on translation to presentation currency (Note 24)	(21,513)	(1)	(183,319)	(3)	(354,316)	(2)	(320,344)	(2)
Income tax relating to items that will not be reclassified subsequently to profit or loss (Notes 4, 24 and 27)	(7,179)	-	2,250	-	(3,664)	-	1,137	-
Items that may be reclassified subsequently to profit or loss:								
Exchange differences on translating foreign operations (Note 24)	(111,796)	(1)	391,292	7	(171,155)	(1)	293,031	2
Other comprehensive (loss) income for the period, net of income tax	(161,361)	(2)	171,268	3	(544,180)	(3)	91,903	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 442,079</u>	<u>6</u>	<u>\$ 668,493</u>	<u>11</u>	<u>\$ 912,925</u>	<u>4</u>	<u>\$ 1,326,633</u>	<u>8</u>
NET PROFIT ATTRIBUTABLE TO:								
Owners of BizLink	\$ 606,283	8	\$ 500,550	8	\$ 1,467,342	7	\$ 1,241,185	8
Non-controlling interests	(2,843)	-	(3,325)	-	(10,237)	-	(6,455)	-
	<u>\$ 603,440</u>	<u>8</u>	<u>\$ 497,225</u>	<u>8</u>	<u>\$ 1,457,105</u>	<u>7</u>	<u>\$ 1,234,730</u>	<u>8</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:								
Owners of BizLink	\$ 445,012	6	\$ 671,642	11	\$ 923,845	4	\$ 1,333,776	8
Non-controlling interests	(2,933)	-	(3,149)	-	(10,920)	-	(7,143)	-
	<u>\$ 442,079</u>	<u>6</u>	<u>\$ 668,493</u>	<u>11</u>	<u>\$ 912,925</u>	<u>4</u>	<u>\$ 1,326,633</u>	<u>8</u>
EARNINGS PER SHARE (Note 28)								
Basic	<u>\$ 4.54</u>		<u>\$ 3.83</u>		<u>\$ 11.02</u>		<u>\$ 9.51</u>	
Diluted	<u>\$ 4.30</u>		<u>\$ 3.59</u>		<u>\$ 10.45</u>		<u>\$ 9.06</u>	

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

**BIZLINK HOLDING INC. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**(In Thousands of New Taiwan Dollars)**  
**(Reviewed, Not Audited)**

	Equity Attributable to Owners of the BizLink						Other Equity				
	Capital Stock Ordinary Shares	Capital Surplus	Retained Earnings			Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at FVTOCI	Gain or Loss on the Hedging Instruments	Total	Non-controlling Interest	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings						
BALANCE AT JANUARY 1, 2020	\$ 1,305,174	\$ 7,320,086	\$ 627,070	\$ 646,210	\$ 3,276,915	\$ (1,088,878)	\$ 117,746	\$ 3,207	\$ 12,207,530	\$ 48,896	\$ 12,256,426
Appropriation of the 2019 earnings (Note 24)											
Legal reserve	-	-	184,399	-	(184,399)	-	-	-	-	-	-
Special reserve	-	-	-	321,715	(321,715)	-	-	-	-	-	-
Cash dividends distributed by BizLink	-	-	-	-	(1,174,657)	-	-	-	(1,174,657)	-	(1,174,657)
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method (Note 12)	-	-	-	-	(8,958)	-	-	-	(8,958)	-	(8,958)
Convertible bonds converted to ordinary shares (Notes 20 and 24)	520	11,174	-	-	-	-	-	-	11,694	-	11,694
Share-based payment arrangements (Notes 24, 26 and 29)	-	7,581	-	-	-	-	-	-	7,581	-	7,581
Disposal of investments in equity instruments at FVTOCI (Note 24)	-	-	-	-	225,688	-	(225,688)	-	-	-	-
Basis adjustment to gain (loss) on hedging instruments (Note 24)	-	-	-	-	-	-	-	(6,120)	(6,120)	-	(6,120)
Net profit (loss) for the nine months ended September 30, 2020 (measurement period adjustment)	-	-	-	-	1,241,185	-	-	-	1,241,185	(6,455)	1,234,730
Other comprehensive income (loss) for the nine months ended September 30, 2020 net of income tax (Note 24) (measurement period adjustment)	-	-	-	-	-	(26,625)	116,751	2,465	92,591	(688)	91,903
Total comprehensive income (loss) for the nine months ended September 30, 2020 (measurement period adjustment)	-	-	-	-	1,241,185	(26,625)	116,751	2,465	1,333,776	(7,143)	1,326,633
BALANCE AT SEPTEMBER 30, 2020 (MEASUREMENT PERIOD ADJUSTMENT)	<u>\$ 1,305,694</u>	<u>\$ 7,338,841</u>	<u>\$ 811,469</u>	<u>\$ 967,925</u>	<u>\$ 3,054,059</u>	<u>\$ (1,115,503)</u>	<u>\$ 8,809</u>	<u>\$ (448)</u>	<u>\$ 12,370,846</u>	<u>\$ 41,753</u>	<u>\$ 12,412,599</u>
BALANCE AT JANUARY 1, 2021	\$ 1,305,694	\$ 7,342,311	\$ 811,469	\$ 967,925	\$ 3,641,209	\$ (866,378)	\$ 26,194	\$ 8,917	\$ 13,237,341	\$ 40,184	\$ 13,277,525
Appropriation of the 2020 earnings (Note 24)											
Recognition of legal reserve	-	-	204,506	-	(204,506)	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(136,658)	136,658	-	-	-	-	-	-
Cash dividends distributed by BizLink	-	-	-	-	(1,082,724)	-	-	-	(1,082,724)	-	(1,082,724)
Convertible bonds converted to ordinary shares (Notes 20 and 24)	31,207	678,516	-	-	-	-	-	-	709,723	-	709,723
Changes in capital surplus from investments in associates and joint ventures accounted for using the equity method (Note 12)	-	7,887	-	-	-	-	-	-	7,887	-	7,887
Share-based payment arrangements (Notes 24, 26 and 29)	-	10,296	-	-	-	-	-	-	10,296	-	10,296
Basis adjustment to gain (loss) on hedging instruments (Note 24)	-	-	-	-	-	-	-	(38,305)	(38,305)	-	(38,305)
Net profit (loss) for the nine months ended September 30, 2021	-	-	-	-	1,467,342	-	-	-	1,467,342	(10,237)	1,457,105
Other comprehensive income (loss) for the nine months ended September 30, 2021 (Note 24)	-	-	-	-	-	(524,788)	(42,783)	24,074	(543,497)	(683)	(544,180)
Total comprehensive income (loss) for the nine months ended September 30, 2021	-	-	-	-	1,467,342	(524,788)	(42,783)	24,074	923,845	(10,920)	912,925
BALANCE AT SEPTEMBER 30, 2021	<u>\$ 1,336,901</u>	<u>\$ 8,039,010</u>	<u>\$ 1,015,975</u>	<u>\$ 831,267</u>	<u>\$ 3,957,979</u>	<u>\$ (1,391,166)</u>	<u>\$ (16,589)</u>	<u>\$ (5,314)</u>	<u>\$ 13,768,063</u>	<u>\$ 29,264</u>	<u>\$ 13,797,327</u>

The accompanying notes are an integral part of the consolidated financial statements.

# BIZLINK HOLDING INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
		2020 (Reviewed after Measurement Period Adjustment)
	2021	
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 1,896,417	\$ 1,609,934
Adjustments for:		
Depreciation expenses	565,409	509,830
Amortization expenses	124,428	106,713
Expected credit loss (reversed) recognized on trade receivables	(251)	14,626
Net gain on fair value change of financial assets and liabilities at FVTPL	(48,519)	(73,578)
Finance costs	73,221	97,186
Interest income	(25,621)	(48,282)
Dividend income	(10,968)	(12,648)
Compensation cost of employee share options	10,296	7,581
Share of loss of associates	18,921	16,647
Loss on disposal of property, plant and equipment	4,277	319
Loss on disposal of intangible assets	-	95
Impairment loss recognized on non-financial assets	232,026	99,683
Net (gain) loss on foreign currency exchange	(59,351)	62,031
Loss on redemption of convertible bond	-	167,869
Changes in operating assets and liabilities		
(Increase) in financial assets mandatorily classified as at FVTPL	(3,403)	(22,220)
(Increase) decrease in notes receivable	(14,372)	23,491
(Increase) in trade receivables	(1,426,955)	(281,365)
(Increase) decrease in other receivables	(25,692)	45,112
(Increase) in inventories	(1,283,978)	(304,450)
(Increase) in prepayment	(49,878)	(112,074)
(Increase) decrease in other current assets	(207)	310
(Decrease) in financial liabilities held for trading	(14,072)	(30,369)
Increase (decrease) in contract liabilities	13,027	(612)
Increase (decrease) in notes payable	93,376	(77,405)
Increase (decrease) in trade payables	696,022	(779,471)
(Decrease) increase in trade payables to related parties	(5)	5
(Decrease) in other payables	(3,761)	(21,751)
Increase in other payables to related parties	6	1,021
Increase in other current liabilities	680	394
(Decrease) increase in net defined benefit liabilities	(33)	775
Increase (decrease) in deferred revenue	32,527	(7,295)
(Decrease) in other operating liabilities	(1,134)	(1,487)
Cash generated from operations	792,433	990,615
Interest received	25,621	48,282

(Continued)



# BIZLINK HOLDING INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	For the Nine Months Ended September 30	
	2021	2020 (Reviewed after Measurement Period Adjustment)
Interest paid	\$ (32,820)	\$ (37,908)
Income tax paid	<u>(437,337)</u>	<u>(264,008)</u>
Net cash generated from operating activities	<u>347,897</u>	<u>736,981</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets at FVTOCI	(20,000)	(52,857)
Proceeds from sale of financial assets at FVTOCI	-	339,780
Acquisition of associates	-	(36,000)
Net cash outflow on acquisition of subsidiaries	-	(1,398,319)
Payments for property, plant and equipment	(999,560)	(486,986)
Proceeds from disposal of property, plant and equipment	4,656	13,275
Payments for intangible assets	(33,577)	(30,622)
Increase in refundable deposits	(55,264)	(5,370)
Decrease in refundable deposits	23,571	3,357
Increase in other financial assets	(72,477)	(73,664)
Decrease in other financial assets	9,026	41,557
Increase in prepayments for equipment	(94,393)	(88,470)
Dividends received	<u>10,968</u>	<u>12,648</u>
Net cash used in investing activities	<u>(1,227,050)</u>	<u>(1,761,671)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short-term borrowings	478,794	42,289
Redemption of convertible bonds	-	(2,574,057)
Proceeds from long-term borrowing	111,433	-
Repayments of long-term borrowings	(155,689)	(10,413)
Proceeds from guarantee deposits received	9,997	4,130
Refund of guarantee deposits received	(926)	-
Repayment of the principal portion of lease liabilities	(212,332)	(186,077)
Dividends paid to owners of Bizlink	<u>(1,082,724)</u>	<u>(1,174,657)</u>
Net cash used in financing activities	<u>(851,447)</u>	<u>(3,898,785)</u>
<b>EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES</b>	<u>(207,346)</u>	<u>24,339</u>

(Continued)

# BIZLINK HOLDING INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

(Reviewed, Not Audited)

	<b>For the Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020 (Reviewed after Measurement Period Adjustment)</b>
NET DECREASE IN CASH AND CASH EQUIVALENTS	\$ (1,937,946)	\$ (4,899,136)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>5,360,003</u>	<u>9,020,132</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 3,422,057</u>	<u>\$ 4,120,996</u>

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

# BIZLINK HOLDING INC. AND SUBSIDIARIES

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021 AND 2020 (In Thousands of New Taiwan Dollars, Unless Stated Otherwise) (Reviewed, Not Audited)

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### 1. GENERAL INFORMATION

BizLink Holding Inc. (“BizLink” or the “Company”) was incorporated in the Cayman Islands in June 2000. The major operating activities of BizLink include designing, manufacturing and selling cable assemblies, connectors, power cords, fiber optical passive components and computer peripheral products.

BizLink’s stocks have been listed on the Taiwan Stock Exchange since April 2011.

The functional currency of BizLink is U.S. dollars. For greater comparability and consistency of financial reporting, the consolidated financial statements are presented in New Taiwan dollars, since BizLink’s stocks are listed on the Taiwan Stock Exchange.

### 2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements of BizLink and its subsidiaries, collectively referred to as the “Group”, were approved by BizLink’s board of directors on November 15, 2021.

### 3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

- a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the “IFRSs”) endorsed and issued into effect by the Financial Supervisory Commission (FSC)

Assessed the application of the IFRSs endorsed and issued into effect by the FSC did not have material impact on the Group’s accounting policies.

- b. The IFRSs endorsed by the FSC for application starting from 2022

New IFRSs	Effective Date Announced by IASB
“Annual Improvements to IFRS Standards 2018-2020”	January 1, 2022 (Note 1)
Amendments to IFRS 3 “Reference to the Conceptual Framework”	January 1, 2022 (Note 2)
Amendments to IAS 16 “Property, Plant and Equipment - Proceeds before Intended Use”	January 1, 2022 (Note 3)
Amendments to IAS 37 “Onerous Contracts - Cost of Fulfilling a Contract”	January 1, 2022 (Note 4)

Note 1: The amendments to IFRS 9 are applied prospectively to modifications and exchanges of financial liabilities that occur on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IAS 41 “Agriculture” are applied prospectively to the fair value measurements on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IFRS 1 “First-time Adoptions of IFRSs” are applied retrospectively for annual reporting periods beginning on or after January 1, 2022.

Note 2: The amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the annual reporting period beginning on or after January 1, 2022.

Note 3: The amendments are applicable to property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after January 1, 2021.

Note 4: The amendments are applicable to contracts for which the entity has not yet fulfilled all its obligations on January 1, 2022.

As of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

c. New IFRSs in issue but not yet endorsed and issued into effect by the FSC

<b>New IFRSs</b>	<b>Effective Date Announced by IASB (Note 1)</b>
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 IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2023
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023 (Note 2)
Amendments to IAS 8 "Definition of Accounting Estimates"	January 1, 2023 (Note 3)
Amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"	January 1, 2023 (Note 4)

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: The amendments will be applied prospectively for annual reporting periods beginning on or after January 1, 2023.

Note 3: The amendments are applicable to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period beginning on or after January 1, 2023.

Note 4: Except for deferred taxes that will be recognized on January 1, 2022 for temporary differences associated with leases and decommissioning obligations, the amendments will be applied prospectively to transactions that occur on or after January 1, 2022.

1) Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"

The amendments clarify that for a liability to be classified as non-current, the Group shall assess whether it has the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period. If such rights are in existence at the end of the reporting period, the liability is classified as non-current regardless of whether the Group will exercise that right. The amendments also clarify that, if the right to defer settlement is subject to compliance with specified conditions, the Group must comply with those conditions at the end of the reporting period even if the lender does not test compliance until a later date.

The amendments stipulate that, for the purpose of liability classification, the aforementioned settlement refers to a transfer of cash, other economic resources or the Group's own equity instruments to the counterparty that results in the extinguishment of the liability. However, if the terms of a liability that could, at the option of the counterparty, result in its settlement by a transfer of the Group's own equity instruments, and if such option is recognized separately as equity in accordance with IAS 32 "Financial Instruments: Presentation", the aforementioned terms would not affect the classification of the liability.

## 2) Amendments to IAS 1 "Disclosure of Accounting Policies"

The amendments specify that the Group should refer to the definition of material to determine its material accounting policy information to be disclosed. Accounting policy information is material if it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments also clarify that:

- Accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed;
- The Group may consider the accounting policy information as material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial; and
- Not all accounting policy information relating to material transactions, other events or conditions is itself material.

The amendments also illustrate that accounting policy information is likely to be considered as material to the financial statements if that information relates to material transactions, other events or conditions and:

- a) The Group changed its accounting policy during the reporting period and this change resulted in a material change to the information in the financial statements;
- b) The Group chose the accounting policy from options permitted by the standards;
- c) The accounting policy was developed in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" in the absence of an IFRS that specifically applies;
- d) The accounting policy relates to an area for which the Group is required to make significant judgements or assumptions in applying an accounting policy, and the Group discloses those judgements or assumptions; or the accounting is complex and users of the financial statements would otherwise not understand those material transactions, other events or conditions.

## 3) Amendments to IAS 8 "Definition of Accounting Estimates"

The amendments define that accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainty. In applying accounting policies, the Group may be required to measure items at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, the Group uses measurement techniques and inputs to develop accounting estimates to achieve the objective. The effects on an accounting estimate of a change in a measurement technique or a change in an input are changes in accounting estimates unless they result from the correction of prior period errors.

4) Amendments to IAS 12 “Deferred Tax related to Assets and Liabilities arising from a Single Transaction”

The amendments clarify that the initial recognition exemption under IAS 12 does not apply to transactions in which equal taxable and deductible temporary differences arise on initial recognition. The Group will recognize a deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized) and a deferred tax liability for all deductible and taxable temporary differences associated with leases and decommissioning obligations on January 1, 2022, and recognize the cumulative effect of initial application in retained earnings at that date. The Group will apply the amendments prospectively to transactions other than leases and decommissioning obligations that occur on or after January 1, 2022.

Except for the above impact, as of the date the consolidated financial statements were authorized for issue, the Group is continuously assessing the possible impact that the application of other standards and interpretations will have on the Group’s financial position and financial performance and will disclose the relevant impact when the assessment is completed.

#### **4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

a. Statement of compliance

These interim consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IAS 34 “Interim Financial Reporting” as endorsed and issued into effect by the FSC. Disclosure information included in these interim consolidated financial statements is less than the disclosure information required in a complete set of annual consolidated financial statements.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

- 1) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- 3) Level 3 inputs are unobservable inputs for an asset or liability.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the BizLink and the entities controlled by BizLink (i.e. its subsidiaries, including structured entities).

Income and expenses of subsidiaries acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the effective dates of acquisitions up to the effective dates of disposals, as appropriate.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by BizLink.

All intra-group transactions, balances, income and expenses are eliminated in full upon consolidation. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Group and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of BizLink.

See Note 11, Table 8 and Table 9 for detailed information on subsidiaries (including percentages of ownership and main businesses).

d. Other significant accounting policy

Except for the following, refer to the Group's consolidated financial statements for the year ended December 31, 2020 for the summary of significant accounting policies which are followed in these consolidated financial statements.

1) Retirement benefits

Pension cost for an interim period is calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior financial year, adjusted for significant market fluctuations since that time and for significant plan amendments, settlements, or other significant one-off events.

2) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Interim period income taxes are assessed on an annual basis and calculated by applying to an interim period's pre-tax income the tax rate that would be applicable to expected total annual earnings.

## **5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The same critical accounting judgments and key sources of estimates and uncertainty have been followed in these consolidated financial statements as were applied in the preparation of the Group's consolidated financial statements for the year ended December 31, 2020.

The Group considers the economic implications of the COVID-19 when making its critical accounting estimates in cash flow projections, growth rate, discount rate, profitability, etc. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

## 6. CASH AND CASH EQUIVALENTS

	September 30, 2021	December 31, 2020	September 30, 2020
Cash on hand	\$ 1,058	\$ 1,058	\$ 1,142
Checking accounts and demand deposits	2,638,413	3,423,656	3,241,307
Cash equivalents (investments with original maturities of less than 3 months)			
Time deposits	779,595	1,928,411	872,646
Bank acceptances	<u>2,991</u>	<u>6,878</u>	<u>5,901</u>
	<u>\$ 3,422,057</u>	<u>\$ 5,360,003</u>	<u>\$ 4,120,996</u>

Interest rates for deposits in bank on the balance sheet date were as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Demand deposits	0%-2.03%	0%-2.03%	0%-2.03%

## 7. FINANCIAL INSTRUMENTS AT FVTPL

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Financial assets at FVTPL - current</u>			
Financial assets mandatorily at FVTPL			
Derivative financial assets (not under hedge accounting)			
Foreign exchange forward contracts	\$ 12,896	\$ 39,574	\$ 26,617
Convertible bond options (Note 20)	1,692	2,269	2,325
Non-derivative financial assets			
Foreign listed shares	1,751	1,434	1,216
Domestic unlisted preferred shares	48,832	-	-
Fund beneficiary certificates	<u>-</u>	<u>-</u>	<u>100,260</u>
	<u>\$ 65,171</u>	<u>\$ 43,277</u>	<u>\$ 130,418</u>

### Financial assets at FVTPL - non-current

Financial assets mandatorily at FVTPL			
Non-derivative financial assets			
Fund beneficiary certificates	<u>\$ 66,992</u>	<u>\$ 17,088</u>	<u>\$ -</u>

### Financial liabilities at FVTPL - current

Financial liabilities held for trading			
Derivative financial liabilities (not under hedge accounting)			
Foreign exchange forward contracts	<u>\$ 2,132</u>	<u>\$ 51</u>	<u>\$ 2,336</u>



At the end of the reporting period, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

	Currency	Maturity Date	Notional Amount (In Thousands)
<u>September 30, 2021</u>			
Sell	USD/RMB	2021.10-2022.03	USD72,525/RMB472,383
Sell	EUR/RMB	2021.10-2021.12	EUR1,864/RMB15,000
Sell	USD/SGD	2021.10-2021.11	USD5,850/SGD7,902
<u>December 31, 2020</u>			
Sell	USD/RMB	2021.01-2021.04	USD79,050/RMB525,204
Sell	EUR/RMB	2021.01-2021.12	EUR2,753/RMB22,400
<u>September 30, 2020</u>			
Sell	USD/RMB	2020.10-2020.12	USD54,100/RMB376,237
Sell	EUR/RMB	2020.10-2021.12	EUR3,949/RMB32,000

## 8. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVTOCI)

### Investment in Equity Instruments at FVTOCI

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Non-current</u>			
Domestic and foreign unlisted shares	<u>\$ 280,207</u>	<u>\$ 308,606</u>	<u>\$ 287,982</u>

These investments in equity instruments are held for medium- to long-term strategic purposes. Accordingly, the management elected to designate these investments in equity instruments as at FVTOCI as they believe that recognizing short-term fluctuations in these investments' fair values in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes.

In February and March 2020, the Group acquired domestic and foreign unlisted shares and domestic listed shares at US\$300 thousand and \$43,826 thousand, respectively for medium to long-term strategic purposes; the management designated these investments as at FVTOCI.

In February 2021, the Group acquired domestic unlisted shares at \$20,000 thousand for medium to long-term strategic purposes; the management designated these investments as at FVTOCI.

For the nine months ended September 30, 2020, the Group sold domestic listed shares in order to manage credit concentration risk. The stocks sold had a fair value of \$339,780 thousand and its related unrealized valuation gain of \$225,688 thousand was transferred from other equity to retained earnings.

## 9. NOTES RECEIVABLE, TRADE RECEIVABLES AND OTHER RECEIVABLES

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Notes receivable</u>			
At amortized cost			
Gross carrying amount	\$ 21,102	\$ 6,968	\$ 10,435
Less: Allowance for impairment loss	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 21,102</u>	<u>\$ 6,968</u>	<u>\$ 10,435</u>
Notes receivable - operating	<u>\$ 21,102</u>	<u>\$ 6,968</u>	<u>\$ 10,435</u>
<u>Trade receivables</u>			
At amortized cost			
Gross carrying amount	\$ 6,614,998	\$ 5,255,871	\$ 5,229,904
Less: Allowance for impairment loss	<u>(18,214)</u>	<u>(20,771)</u>	<u>(54,262)</u>
	<u>\$ 6,596,784</u>	<u>\$ 5,235,100</u>	<u>\$ 5,175,642</u>
<u>Other receivables</u>			
Tax refund receivables	\$ 87,383	\$ 67,363	\$ 49,063
Others	<u>28,513</u>	<u>24,932</u>	<u>22,788</u>
	<u>\$ 115,896</u>	<u>\$ 92,295</u>	<u>\$ 71,851</u>

### a. Notes receivable

The average paid of notes receivable was 161 to 182 days.

The Group measures the loss allowance for notes receivables at an amount equal to lifetime ECLs. The expected credit losses on notes receivable are estimated by reference to past default experience of the customer and economic condition of the industry in which the customer operate. As of September 30, 2021, December 31, 2020 and September 30, 2020, the Group evaluated no allowance for impairment loss was needed for notes receivable.

The aging of receivables was as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Up to 60 days	\$ 13,025	\$ 5,352	\$ 6,349
61 to 90 days	-	972	678
91 to 120 days	-	60	2,662
121 to 365 days	<u>8,077</u>	<u>584</u>	<u>746</u>
	<u>\$ 21,102</u>	<u>\$ 6,968</u>	<u>\$ 10,435</u>

The above aging schedule was based on the number of days from the invoice date.

b. Trade receivables

At amortized cost

The Group provides 0 to 120 days after the end of the month credit policy to their customers on the sale of goods.

In order to minimize credit risk, the 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 trade debt at the end of the reporting period to ensure that adequate allowance is made for possible irrecoverable amounts. In this regard, the management believes the Group's credit risk is significantly reduced.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The expected credit losses on trade receivables are estimated using a provision matrix prepared by reference to 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 outlook. 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.

The Group writes off a trade 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 trade receivables 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 recognized in profit or loss.

The following table details the loss allowance of trade receivables based on the Group's provision matrix.

September 30, 2021

	Not Past Due	Past Due				Total
		Less than and Including 60 Days	61 to 90 Days	91 to 120 Days	121 to 365 Days	
Expected credit loss rate	0.00%-0.02%	0.00%-0.72%	0.00%-1.34%	0.00%-6.66%	0.00%-46.80%	100%
Gross carrying amount	\$ 5,886,024	\$ 636,576	\$ 36,054	\$ 18,551	\$ 22,098	\$ 15,695
Loss allowance (lifetime ECLs)	(607)	(302)	-	-	(1,610)	(15,695)
Amortized cost	<u>\$ 5,885,417</u>	<u>\$ 636,274</u>	<u>\$ 36,054</u>	<u>\$ 18,551</u>	<u>\$ 20,488</u>	<u>\$ 6,596,784</u>

December 31, 2020

	Not Past Due	Past Due				Total
		Less than and Including 60 Days	61 to 90 Days	91 to 120 Days	121 to 365 Days	
Expected credit loss rate	0.00%-0.14%	0.00%-0.46%	0.00%-9.03%	0.00%-22.71%	0.00%-22.04%	100%
Gross carrying amount	\$ 4,600,819	\$ 576,566	\$ 34,069	\$ 8,607	\$ 19,418	\$ 16,392
Loss allowance (lifetime ECLs)	(918)	(345)	(638)	(202)	(2,276)	(16,392)
Amortized cost	<u>\$ 4,599,901</u>	<u>\$ 576,221</u>	<u>\$ 33,431</u>	<u>\$ 8,405</u>	<u>\$ 17,142</u>	<u>\$ 5,235,100</u>

## September 30, 2020

	Not Past Due	Past Due					Total
		Less than and Including 60 Days	61 to 90 Days	91 to 120 Days	121 to 365 Days	Over 365 Days	
Expected credit loss rate	0.00%-4.73%	0.00%-20.12%	0.00%-40.87%	0.00%-45.46%	0.00%-59.83%	100%	
Gross carrying amount	\$ 4,670,337	\$ 496,346	\$ 6,914	\$ 8,355	\$ 16,517	\$ 31,435	\$ 5,229,904
Loss allowance (lifetime ECLs)	<u>(5,672)</u>	<u>(7,292)</u>	<u>(288)</u>	<u>(1,483)</u>	<u>(8,092)</u>	<u>(31,435)</u>	<u>(54,262)</u>
Amortized cost	<u>\$ 4,664,665</u>	<u>\$ 489,054</u>	<u>\$ 6,626</u>	<u>\$ 6,872</u>	<u>\$ 8,425</u>	<u>\$ -</u>	<u>\$ 5,175,642</u>

The movements of the loss allowance of trade receivables were as follows:

	For the Nine Months Ended September 30	
	2021	2020
Balance at January 1	\$ 20,771	\$ 42,936
Add: Net remeasurement of loss allowance	-	14,626
Less: Amounts written off	(1,720)	(2,225)
Less: Net remeasurement of loss allowance	(251)	-
Acquisitions through business combinations	-	391
Foreign exchange translation gains and losses	<u>(586)</u>	<u>(1,466)</u>
Balance at September 30	<u>\$ 18,214</u>	<u>\$ 54,262</u>

### c. Other receivables

Other receivables consisted of tax refund receivable and others. The Group applied the policy only with good credit traders. The Group continued to trace and refer to past default experience of counterparties and analyzed their current financial position in order to evaluate whether there was a significant increase in credit risk or expected credit loss. As of September 30, 2021, December 31, 2020 and September 30, 2020, the Group did not need to recognize expected credit loss on other receivables.

## 10. INVENTORIES

	September 30, 2021	December 31, 2020	September 30, 2020
Raw materials	\$ 2,910,324	\$ 1,958,536	\$ 1,953,601
Work in progress	392,320	330,358	294,493
Finished goods and merchandise	<u>2,374,722</u>	<u>2,360,580</u>	<u>2,072,780</u>
	<u>\$ 5,677,366</u>	<u>\$ 4,649,474</u>	<u>\$ 4,320,874</u>

The nature of the cost of goods sold is as follows:

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Cost of inventories sold	\$ 5,603,107	\$ 4,424,276	\$ 15,607,524	\$ 11,971,970
Inventory write-downs	44,741	20,140	137,202	91,283
Unallocated production overhead (Note)	<u>13,457</u>	<u>15,741</u>	<u>34,424</u>	<u>48,275</u>
	<u>\$ 5,661,305</u>	<u>\$ 4,460,157</u>	<u>\$ 15,779,150</u>	<u>\$ 12,111,528</u>

Note: Unallocated production overhead included the related expenses incurred during the shutdown period due to the impact of COVID-19.

## 11. SUBSIDIARIES

Subsidiaries included in the consolidated financial statements:

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Note
			September 30, 2021	December 31, 2020	September 30, 2020	
BizLink Holding Inc.	BizLink Technology Inc.	(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.	100.00	100.00	100.00	
	OW Holding Inc.	Various investment activities.	93.08	93.08	93.08	
	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.	100.00	100.00	100.00	
	BizLink International Corp.	(1) Wholesale of cable assemblies, connectors and power cords and (2) international trade	100.00	100.00	100.00	
	Zellwood International Corp.	Various investment activities.	100.00	100.00	100.00	
	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.	100.00	100.00	100.00	
	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.	100.00	100.00	100.00	
	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 business trade.	100.00	100.00	100.00	
	Accell Corp.	(1) Wholesale and retail of brand name connectors, cables and telecommunications equipment, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) its own brand name.	100.00	100.00	100.00	
	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.	100.00	100.00	100.00	
	BizLink Japan	(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.	100.00	100.00	100.00	
	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.	100.00	100.00	100.00	

(Continued)

Investor	Investee	Nature of Activities	Proportion of Ownership (%)			Note
			September 30, 2021	December 31, 2020	September 30, 2020	
BizLink Technology Inc. OW Holding Inc.	Bizconn Technology Inc.	(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.	100.00	100.00	100.00	Bizconn Technology Inc. is not yet in operation
	EA Cable Assemblies (Hong Kong) Co., Limited	Various investment activities.	100.00	100.00	100.00	
	EA Cable Assemblies GmbH	(1) Wholesale and retail of cable assemblies, power cords and connectors, and (2) international trade.	100.00	100.00	100.00	
	BizLink Technology (Belgium) NV	(1) Wholesale and retail of cable assemblies, power cords and connectors, and (2) international trade.	100.00	100.00	100.00	b
	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.	100.00	100.00	100.00	
	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.	100.00	100.00	100.00	
	Speedy Industrial Supplies Pte Ltd	Manufacture and sale of cable assemblies, power cords, PCBA assemblies, sheet metal fabrication and box build assemblies.	100.00	100.00	100.00	a
	Grand Infinite Enterprises Limited	Various investment activities	100.00	-	-	d
	Bobt, LLC	Various leasing activities.	100.00	100.00	100.00	
	OptiWorks, Inc.	(1) Wholesale and retail of fiber optical passive components and fiber optical cables, (2) international trade, and (3) various investment activities.	100.00	100.00	100.00	
	OptiWorks (Shanghai) Limited	(1) Manufacture, wholesale and retail of fiber optical passive components and fiber optical cables, and (2) international trade.	100.00	100.00	100.00	c
	OptiWorks (Kunshan) Limited	(1) Production and development of optical communications optoelectronic devices, components and modules, and (2) sale of own products.	100.00	100.00	100.00	
	BizLink (BVI) Corp.	Production and operations of computers and communications cables, connectors and fiber jumpers.	100.00	100.00	100.00	
	Jo Yeh Company Limited	(1) Wholesale and retail of connectors, and (2) international trade.	100.00	100.00	100.00	b
	Foshan Nanhai Jo Yeh Electronic Co., Ltd.	Production and operations of electrical appliances, electronic equipment, and plug-in connectors.	100.00	100.00	100.00	
	Zellwood International Corp.	Various investment activities.	100.00	100.00	100.00	
Bizconn International Corporation Adel Enterprise Corp.	BizLink (Kun Shan) Co., Ltd.	Design, manufacture and sale of cable assemblies, connectors and power cords.	100.00	100.00	100.00	c
	Teralux Technology Co., Ltd.	Research, manufacture and retail of optical and optoelectronic device technology	-	-	100.00	
	Bizconn International Corp. (China)	Design, manufacture, sale and assembly of connectors, tooling and cable assemblies.	100.00	100.00	100.00	
	BizLink Electronics (Xiamen) Co., Ltd.	Manufacture and assembly of power cords and cables.	100.00	100.00	100.00	b
	Asia Wick Ltd.	Various investment activities.	100.00	100.00	100.00	
	Tong Ying Electronics (Shen Zhen) Ltd.	Manufacture of wire extrusions and cable assemblies.	100.00	100.00	100.00	
	Xiang Yao Electronics (Shen Zhen) Co., Ltd.	Design, manufacture and sale of cable assemblies, power cords, and connectors.	100.00	100.00	100.00	b
	BizLink Interconnect Technology (India) Private Limited	(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.	100.00	100.00	100.00	
	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.	-	-	-	
	BizLink Technology (Chang Zhou) Limited	(1) Manufacture of smart instrumentational sensors, instrumentational connectors and instrumentational functional materials, (2) sale of own products, and import and export business.	100.00	100.00	100.00	a
	BizLink Technology (Xiamen) Limited	(1) Manufacture of smart instrumentational sensors, instrumentational connectors, and instrumentational functional materials, (2) sale of own products, and import and export business.	100.00	100.00	100.00	
	SIS Speedy Industrial Supplies Sdn. Bhd.	Manufacture and sale of cable assemblies, power cords, PCBA assemblies, sheet metal fabrication and box build assemblies.	100.00	100.00	100.00	

(Concluded)

Note a: In February 2020, BizLink's board of directors resolved to acquire 100% interest in Speedy Industrial Supplies Pte Ltd and its subsidiary, SIS Speedy Industrial Supplies Sdn. Bhd. on April 7, 2020.

Note b: In July 2020, BizLink acquired 10% interest of BizLink Technology SRB D.O.O. Thus, the stockholding ratio of the Group increased from 90% to 100%, and the interest of BizLink Technology (Slovakia) S.R.O. in BizLink Technology SRB D.O.O. decreased to 0%.

Note c: Teralux Technology Co., Ltd. was liquidated in December 2020.

Note d: Grand Infinite Enterprises Limited is a subsidiary of the group established in the British Virgin Islands on May 26, 2021.

## 12. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

### Investments in Associates

	September 30, 2021	December 31, 2020	September 30, 2020
Associates that are not individually material	<u>\$ 56,068</u>	<u>\$ 90,527</u>	<u>\$ 97,363</u>

At the end of reporting period, the interest share and percentage of ownership held by the Group were as follows:

Name of Associates	September 30, 2021	December 31, 2020	September 30, 2020
Siriustek Inc.	40.00%	40.00%	40.00%
AquaOptics Corp.	44.00%	44.00%	44.00%
ProOptics International Corp.	27.00%	21.35%	21.35%

At the end of reporting period, the interest share and percentage of voting right held by the Group were as follows:

Name of Associates	September 30, 2021	December 31, 2020	September 30, 2020
Siriustek Inc.	40.00%	40.00%	40.00%
AquaOptics Corp.	44.00%	44.00%	44.00%
ProOptics International Corp.	27.00%	27.00%	27.00%

Refer to Table 8 for the nature of activities, principal places of business and countries of incorporation of the associates.

In February 2020, the Group participated in the cash capital increase and subscribed stocks of AquaOptics of \$36,000 thousand; increasing the Group's percentage of ownership from 22.78% to 44.00%. The changes from investments in associates and joint ventures accounted for using equity method decreased the retained earnings by \$8,958 thousand for insufficient capital surplus.

As of June 30, 2020, management of the Group carried out an impairment review on the basis of the discounted cash flow method on AquaOptics. In determining the recoverable amount of, the Group applied a discount rate of 7.6%. Based on the assessment, the recoverable amount of the Group's interest in AquaOptics which was \$37,253 thousand, was less than the carrying amount by \$8,400 thousand and recognized as impairment loss in other gains and losses.

In August 2021, the preferred shares of ProOptics was cancelled, increasing the Group's percentage of ownership from 21.35% to 27.00%. The changes from investments in associates and joint ventures accounted for using equity method increased capital surplus by \$7,887 thousand.

In September 2021, management of the Group carried out an impairment review and determining the recoverable amount base on the estimated cash flow from the disposal of ProOptics. Based on the assessment, the recoverable amount of the Group's interest in ProOptics which was \$28,547 thousand (classified as level 2 fair value measurement), was less than the carrying amount by \$25,096 thousand and recognized as impairment loss in other gains and losses.

Except for Siriustek Inc. and AquaOptics Corp, investments accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments were calculated based on financial statements which have not been reviewed for the nine months ended September 30, 2020. However, the Group's management believes there is no material impact on the equity method of accounting or the calculation of the share of profit or loss and other comprehensive income from the financial statements of Siriustek Inc. and AquaOptics Corp. that have not been reviewed.

Investments accounted for using the equity method and the share of profit or loss and other comprehensive income of those investments were calculated based on the financial statements which have not been reviewed for the nine months ended September 30, 2021. However, the Group's management believes that there is no material impact on the equity method of accounting or calculation of the share of profit or loss and other comprehensive income from the financial statements that have not been reviewed.

### 13. PROPERTY, PLANT AND EQUIPMENT

	September 30, 2021	December 31, 2020	September 30, 2020 (After Measurement Period Adjustment)
Assets used by the Group	<u>\$ 3,747,213</u>	<u>\$ 3,224,081</u>	<u>\$ 2,935,391</u>

#### Assets Used by the Group

	Freehold Land	Buildings	Machinery and Equipment	Transportation	Other Equipment	Property under Construction	Total
<u>Cost</u>							
Balance at January 1, 2021	\$ 348,673	\$ 1,117,548	\$ 2,992,119	\$ 26,282	\$ 1,092,463	\$ 307,766	\$ 5,884,851
Additions	375,650	43,721	188,011	-	95,360	231,119	933,861
Disposals	-	(681)	(96,653)	(836)	(12,093)	-	(110,263)
Reclassifications (a)	-	20,247	86,741	-	10,391	(2,527)	114,852
Effect of foreign currency exchange differences	(3,150)	(24,500)	(83,811)	(801)	(45,991)	(6,255)	(164,508)
Balance at September 30, 2021	<u>\$ 721,173</u>	<u>\$ 1,156,335</u>	<u>\$ 3,086,407</u>	<u>\$ 24,645</u>	<u>\$ 1,140,130</u>	<u>\$ 530,103</u>	<u>\$ 6,658,793</u>
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2021	\$ -	\$ 314,433	\$ 1,727,159	\$ 17,046	\$ 602,132	\$ -	\$ 2,660,770
Disposals	-	(672)	(89,280)	(774)	(10,604)	-	(101,330)
Impairment losses recognized	-	-	69,728	-	-	-	69,728
Depreciation expense	-	42,702	212,045	1,901	98,896	-	355,544
Effect of foreign currency exchange differences	-	(6,275)	(44,099)	(567)	(22,191)	-	(73,132)
Balance at September 30, 2021	<u>\$ -</u>	<u>\$ 350,188</u>	<u>\$ 1,875,553</u>	<u>\$ 17,606</u>	<u>\$ 668,233</u>	<u>\$ -</u>	<u>\$ 2,911,580</u>
Carrying amounts at December 31, 2020 and January 1, 2021	<u>\$ 348,673</u>	<u>\$ 803,115</u>	<u>\$ 1,264,960</u>	<u>\$ 9,236</u>	<u>\$ 490,331</u>	<u>\$ 307,766</u>	<u>\$ 3,224,081</u>
Carrying amounts at September 30, 2021	<u>\$ 721,173</u>	<u>\$ 806,147</u>	<u>\$ 1,210,854</u>	<u>\$ 7,039</u>	<u>\$ 471,897</u>	<u>\$ 530,103</u>	<u>\$ 3,747,213</u>
<u>Cost</u>							
Balance at January 1, 2020	\$ 348,715	\$ 900,452	\$ 2,590,726	\$ 21,221	\$ 760,076	\$ 32,170	\$ 4,653,360
Additions	-	43,946	186,395	933	97,483	191,939	520,696
Disposals	-	(13,341)	(62,833)	(516)	(9,969)	-	(86,659)
Reclassifications (b)	-	115,732	59,534	-	5,335	-	180,601
Acquisitions through business combinations (after measurement period adjustment)(Note 30)	-	47,137	97,844	4,356	80,532	-	229,869
Effect of foreign currency exchange differences (after measurement period adjustment)	(3,386)	(15,544)	(16,454)	(334)	(5,772)	793	(40,697)
Balance at September 30, 2020 (after measurement period adjustment)	<u>\$ 345,329</u>	<u>\$ 1,078,382</u>	<u>\$ 2,855,212</u>	<u>\$ 25,660</u>	<u>\$ 927,685</u>	<u>\$ 224,902</u>	<u>\$ 5,457,170</u>

(Continued)



	Freehold Land	Buildings	Machinery and Equipment	Transportation	Other Equipment	Property under Construction	Total
<u>Accumulated depreciation and impairment</u>							
Balance at January 1, 2020	\$ -	\$ 275,573	\$ 1,424,301	\$ 12,547	\$ 435,231	\$ -	\$ 2,147,652
Disposals	-	(12,839)	(51,152)	(464)	(8,610)	-	(73,065)
Reclassifications	-	-	491	-	(491)	-	-
Depreciation expense (after measurement period adjustment)	-	30,408	189,972	1,889	79,309	-	301,578
Acquisitions through business combinations (after measurement period adjustment)(Note 30)	-	10,563	82,818	2,371	64,157	-	159,909
Effect of foreign currency exchange differences (after measurement period adjustment)	-	(2,991)	(8,213)	(228)	(2,863)	-	(14,295)
Balance at September 30, 2020 (after measurement period adjustment)	<u>\$ -</u>	<u>\$ 300,714</u>	<u>\$ 1,638,217</u>	<u>\$ 16,115</u>	<u>\$ 566,733</u>	<u>\$ -</u>	<u>\$ 2,521,779</u>
Carrying amounts at September 30, 2020 (after measurement period adjustment)	<u>\$ 345,329</u>	<u>\$ 777,668</u>	<u>\$ 1,216,995</u>	<u>\$ 9,545</u>	<u>\$ 360,952</u>	<u>\$ 224,902</u>	<u>\$ 2,935,391</u>
							(Concluded)

- Reclassifications from inventory and other non-current assets - prepayments for equipment to property, plant and equipment amounted to \$12,163 thousand and \$102,689 thousand, respectively.
- Reclassifications from inventory and other non-current assets - prepayments for equipment to property, plant and equipment amounted to \$2,105 thousand and \$178,496 thousand, respectively.

The estimated future cash flows expected to arise from the fiber optics segment decreased. The Group carried out a review of the recoverable amount of the fiber optics segment was \$178,409 thousand and determined that the carrying amount exceeded the recoverable amount. The review led to the recognition of an impairment loss of \$69,728 thousand, which was recognized in other gains and losses for the six months ended June 30, 2021. The Group determined the recoverable amounts of the relevant assets on the basis of their value in use. The discount rates used in measuring the value in use were 9.50% per annum, respectively.

No impairment loss or reversal of impairment loss was recognized for the nine months ended September 30, 2020.

The above items of property, plant and equipment are depreciated on a straight-line basis over the estimated useful life of the asset as follows:

Buildings	
Main buildings	20-55 years
Construction appurtenance	2-20 years
Machinery and equipment	2-23 years
Transportation	2-10 years
Other equipment	2-10 years

Refer to Note 35 for the carrying amount of property, plant and equipment used by the and pledged by the Group to secure borrowings granted.

## 14. LEASE ARRANGEMENTS

### a. Right-of-use assets

	September 30, 2021		December 31, 2020	September 30, 2020				
<u>Carrying amounts</u>								
Land	\$	194,081	\$	202,810	\$	200,120		
Buildings		399,183		542,258		668,382		
Transportation equipment		11,939		13,282		13,441		
Other equipment		<u>2,769</u>		<u>4,881</u>		<u>5,584</u>		
		<u>\$ 607,972</u>		<u>\$ 763,231</u>		<u>\$ 887,527</u>		
	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>					
		<b>2021</b>	<b>2020</b>		<b>2021</b>	<b>2020</b>		
Additions to right-of-use assets				<u>\$ 69,797</u>		<u>\$ 12,154</u>		
Depreciation charge for right-of-use assets								
Land	\$	1,190	\$	1,193	\$	3,607	\$	3,560
Buildings		64,824		65,716		195,535		193,377
Transportation equipment		1,970		2,325		6,338		7,018
Other equipment		<u>588</u>		<u>344</u>		<u>1,801</u>		<u>1,546</u>
		<u>\$ 68,572</u>		<u>\$ 69,578</u>		<u>\$ 207,281</u>		<u>\$ 205,501</u>
Income from the subleasing of right-of-use assets (presented in other income)	\$	(2,277)	\$	(3,650)	\$	(9,279)	\$	(10,485)

Except for the aforementioned addition and recognized depreciation, the Group did not have significant sublease or impairment of right-of-use assets during the nine months ended September 30, 2021 and 2020.

### b. Lease liabilities

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Carrying amounts</u>			
Current	\$ 197,404	\$ 265,656	\$ 291,834
Non-current	\$ 258,669	\$ 343,868	\$ 445,977

Range of discount rate for lease liabilities was as follows:

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
Buildings	2.69%-9.88%	2.69%-9.88%	2.69%-9.88%
Transportation equipment	2.49%-4.59%	2.49%-4.59%	2.49%-4.59%
Other equipment	2.69%-4.25%	2.69%-4.25%	2.69%-4.25%

c. Material lease-in activities and terms

Because of the market conditions severely affected by COVID-19 in 2020, the Group negotiated with the lessor for rent concessions for building lease. The lessor agreed to provide unconditional 1 to 3 months rent reduction from January 1 to September 30, 2020. The Group recognized in profit or loss the impact of rent concessions of \$1,183 thousand and \$16,201 thousand for the three and nine months ended September 30, 2020 (recorded under other income).

d. Subleases

The sublease transactions are set out below.

Sublease of right-of-use assets

The Group subleases its right-of-use assets for building under operating leases with lease terms between 1 to 5 years and with an option to extend for an additional years. 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 was as follows:

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
Year 1	\$ 4,958	\$ 8,881	\$ 8,954
Year 2	699	3,484	5,459
Year 3	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 5,657</u>	<u>\$ 12,365</u>	<u>\$ 14,413</u>

e. Other lease information

Lease arrangements under operating leases for the leasing out of investment properties are set out in Note 15.

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Expenses relating to short-term leases	<u>\$ 5,691</u>	<u>\$ 2,620</u>	<u>\$ 13,227</u>	<u>\$ 9,889</u>
Expenses relating to low-value asset leases	<u>\$ 213</u>	<u>\$ 1,409</u>	<u>\$ 2,586</u>	<u>\$ 3,874</u>
Total cash outflow for leases			<u>\$ (246,392)</u>	<u>\$ (227,230)</u>

## 15. INVESTMENT PROPERTIES

	Freehold Land	Building	Total
<u>Cost</u>			
Balance at January 1, 2021	\$ 89,725	\$ 146,349	\$ 236,074
Effect of foreign currency exchange differences	<u>(854)</u>	<u>(2,109)</u>	<u>(2,963)</u>
Balance at September 30, 2021	<u>\$ 88,871</u>	<u>\$ 144,240</u>	<u>\$ 233,111</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2021	\$ -	\$ 46,486	\$ 46,486
Depreciation expense	-	2,584	2,584
Effect of foreign currency exchange differences	<u>-</u>	<u>(636)</u>	<u>(636)</u>
Balance at September 30, 2021	<u>\$ -</u>	<u>\$ 48,434</u>	<u>\$ 48,434</u>
Carrying amounts at December 31, 2020 and January 1, 2021	<u>\$ 89,725</u>	<u>\$ 99,863</u>	<u>\$ 189,588</u>
Carrying amounts at September 30, 2021	<u>\$ 88,871</u>	<u>\$ 95,806</u>	<u>\$ 184,677</u>

<u>Cost</u>			
Balance at January 1, 2020	\$ 91,758	\$ 151,373	\$ 243,131
Effect of foreign currency exchange differences	<u>(1,085)</u>	<u>(2,679)</u>	<u>(3,764)</u>
Balance at September 30, 2020	<u>\$ 90,673</u>	<u>\$ 148,694</u>	<u>\$ 239,367</u>
<u>Accumulated depreciation and impairment</u>			
Balance at January 1, 2020	\$ -	\$ 44,286	\$ 44,286
Depreciation expense	-	2,751	2,751
Effect of foreign currency exchange differences	<u>-</u>	<u>(762)</u>	<u>(762)</u>
Balance at September 30, 2020	<u>\$ -</u>	<u>\$ 46,275</u>	<u>\$ 46,275</u>
Carrying amounts at September 30, 2020	<u>\$ 90,673</u>	<u>\$ 102,419</u>	<u>\$ 193,092</u>

The investment properties were leased out for 2 to 5 years, with an option to extend for an additional 3 years. The 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 expiry of the lease periods.

The maturity analysis of lease payments receivable under operating leases of investment properties as of September 30, 2021, December 31, 2020 and September 30, 2020 was as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Year 1	\$ 4,707	\$ 16,554	\$ 19,996
Year 2	1,369	1,736	4,145
Year 3	<u>-</u>	<u>400</u>	<u>-</u>
	<u>\$ 6,076</u>	<u>\$ 18,690</u>	<u>\$ 24,141</u>

To reduce the residual asset risk related to subleased lands and buildings at the end of the relevant lease, the Group follows its general risk management strategy.

Investment properties were depreciated using the straight-line method over their estimated useful lives as follows:

<b>Building</b>	
Main buildings	39-55 years
Construction appurtenances	5-10 years

For investment properties not valued by any independent valuer, the management of the Group used the valuation model that market participants would use in determining the fair value. The valuation was arrived at by reference to market evidence of transaction prices for similar properties.

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
Fair value	<u>\$ 312,400</u>	<u>\$ 306,605</u>	<u>\$ 307,041</u>

Refer to Note 35 for the carrying amount of investment properties pledged by the Group to secure borrowings granted to the Group.

## 16. GOODWILL

	<b>For the Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020 (After Measurement Period Adjustment)</b>
<u>Cost</u>		
Balance at January 1	\$ 730,307	\$ 375,836
Acquisitions through business combinations (after measurement period adjustment) (Note 30)	-	337,295
Effects of foreign currency exchange differences	<u>(47,268)</u>	<u>1,407</u>
Balance at September 30	<u>\$ 683,039</u>	<u>\$ 714,538</u>
<u>Accumulated impairment losses</u>		
Balance at January 1	\$ -	\$ 1,969
Effects of foreign currency exchange differences	<u>-</u>	<u>(31)</u>
Balance at September 30	<u>\$ -</u>	<u>\$ 1,938</u>
Carrying amounts at January 1	<u>\$ 730,307</u>	<u>\$ 373,867</u>
Carrying amounts at September 30	<u>\$ 683,039</u>	<u>\$ 712,600</u>

In January 2017, the board of directors resolved to acquire Leoni AG's Electrical Appliance Assemblies business group on May 2, 2017 and recognized goodwill of EUR11,129 thousand (translated into \$359,689 thousand on September 30, 2021). Any excess of the cost of acquisition and the net fair value of the obtained identifiable assets and liabilities is recognized as goodwill on the acquisition date with provisional prices determined based on the purchase pricing allocation report. The Group will conduct impairment tests on goodwill related to the identified cash generating units regularly in accordance with the recoverable amount based on a discounted cash flow analysis.

In July 2018, the board of directors resolved to acquire Teralux Technology Co., Ltd. and recognized goodwill of RMB461 thousand. Any excess of the cost of acquisition and the net fair value of the obtained identifiable assets and liabilities is recognized as goodwill on the acquisition date with provisional prices determined based on the purchase pricing allocation report. The Group conducted impairment tests on goodwill in 2019 and recognized in full impairment loss. As the Group is expected to liquidate the identified cash generating unit, and the recoverable amount based of goodwill evaluated is zero. Since Teralux Technology Co. was liquidated in December 2020, the goodwill has been derecognized.

In February 2020, the board of directors resolved to acquire Speedy Industrial Supplies Pte Ltd and its subsidiary, SIS Speedy Industrial Supplies Sdn. Bhd. on April 7, 2020 and recognized goodwill of SGD15,794 thousand (translated into \$323,350 thousand on September 30, 2021). Any excess of the cost of acquisition and the net fair value of the obtained identifiable assets and liabilities is recognized as goodwill on the acquisition date with provisional prices determined based on the purchase pricing allocation report. The Group will conduct impairment tests on goodwill related to the identified cash generating units regularly in accordance with the recoverable amount based on a discounted cash flow analysis.

It was indicated in a valuation report received in February 2021 that the fair value of the property, plant and equipment, intangible assets and goodwill at the date of acquisition were \$69,960 thousand, \$784,330 thousand and \$337,295 thousand. The comparative figures have been restated as if the initial accounting was completed at the acquisition date.

Items on the consolidated balance sheets increased (decreased) by the following amounts:

	<b>September 30, 2020 (After Measurement Period Adjustment)</b>	<b>Acquisition Date (After Measurement Period Adjustment)</b>
<u>Assets</u>		
Non-current assets		
Property, plant and equipment	\$ 289	\$ 299
Intangible assets	36,878	35,266
Goodwill adjustments	(23,829)	(24,325)
<u>Liabilities</u>		
Current liabilities		
Other payables	10,858	-
<u>Equity</u>		
Retained earnings	1,928	-
Other equity	552	-

Items on the consolidated statements of comprehensive income increased (decreased) by the following amounts:

	For the Three Month Ended September 30, 2020	For the Nine Month Ended September 30, 2020
Depreciation expenses	\$ <u>12</u>	\$ <u>23</u>
Amortization expense	\$ <u>(982)</u>	\$ <u>(1,951)</u>

## 17. OTHER INTANGIBLE ASSETS

	Patents	Computer Software	Customer Relationships	Core Technology	Total
<u>Cost</u>					
Balance at January 1, 2021	\$ 60,552	\$ 376,658	\$ 663,700	\$ 551,289	\$ 1,652,199
Additions	6,268	27,309	-	-	33,577
Disposal	-	(15,195)	-	-	(15,195)
Reclassifications (a)	-	236	-	-	236
Effect of foreign currency exchange differences	<u>(889)</u>	<u>(8,905)</u>	<u>(30,738)</u>	<u>(23,137)</u>	<u>(63,669)</u>
Balance at September 30, 2021	<u>\$ 65,931</u>	<u>\$ 380,103</u>	<u>\$ 632,962</u>	<u>\$ 528,152</u>	<u>\$ 1,607,148</u>
<u>Accumulated amortization and impairment</u>					
Balance at January 1, 2021	\$ 59,733	\$ 235,357	\$ 162,133	\$ 178,320	\$ 635,543
Amortization expense	1,123	35,898	44,528	42,879	124,428
Disposal	-	(15,195)	-	-	(15,195)
Effect of foreign currency exchange differences	<u>(878)</u>	<u>(5,970)</u>	<u>(7,071)</u>	<u>(6,495)</u>	<u>(20,414)</u>
Balance at September 30, 2021	<u>\$ 59,978</u>	<u>\$ 250,090</u>	<u>\$ 199,590</u>	<u>\$ 214,704</u>	<u>\$ 724,362</u>
Carrying amounts at December 31, 2020 and January 1, 2021	<u>\$ 819</u>	<u>\$ 141,301</u>	<u>\$ 501,567</u>	<u>\$ 372,969</u>	<u>\$ 1,016,656</u>
Carrying amounts at September 30, 2021	<u>\$ 5,953</u>	<u>\$ 130,013</u>	<u>\$ 433,372</u>	<u>\$ 313,448</u>	<u>\$ 882,786</u>
<u>Cost</u>					
Balance at January 1, 2020	\$ 60,323	\$ 316,583	\$ 207,304	\$ 230,959	\$ 815,169
Additions	-	30,622	-	-	30,622
Acquisitions through business combinations (after measurement period adjustment)(Note 30)	-	22,906	450,304	317,844	791,054
Disposal	-	(114)	-	-	(114)
Reclassifications (b)	-	228	-	-	228
Effect of foreign currency exchange differences (after measurement period adjustment)	<u>(502)</u>	<u>(2,632)</u>	<u>(4,662)</u>	<u>(4,775)</u>	<u>(12,571)</u>
Balance at September 30, 2020 (after measurement period adjustment)	<u>\$ 59,821</u>	<u>\$ 367,593</u>	<u>\$ 652,946</u>	<u>\$ 544,028</u>	<u>\$ 1,624,388</u>

(Continued)

	Patents	Computer Software	Customer Relationships	Core Technology	Total
<u>Accumulated amortization and impairment</u>					
Balance at January 1, 2020	\$ 57,662	\$ 182,862	\$ 110,331	\$ 126,938	\$ 477,793
Amortization expense (after measurement period adjustment)	1,342	32,168	36,144	37,059	106,713
Acquisitions through business combinations (after measurement period adjustment)(Note 30)	-	6,724	-	-	6,724
Disposal	-	(19)	-	-	(19)
Effect of foreign currency exchange differences (after measurement period adjustment)	(460)	(1,498)	(1,050)	(1,477)	(4,485)
Balance at September 30, 2020 (after measurement period adjustment)	<u>\$ 58,544</u>	<u>\$ 220,237</u>	<u>\$ 145,425</u>	<u>\$ 162,520</u>	<u>\$ 586,726</u>
Carrying amounts at September 30, 2020	<u>\$ 1,277</u>	<u>\$ 147,356</u>	<u>\$ 507,521</u>	<u>\$ 381,508</u>	<u>\$ 1,037,662</u> (Concluded)

- Reclassifications from other non-current assets - prepayments for equipment to other intangible assets amounted to \$236 thousand.
- Reclassifications from other non-current assets - prepayments for equipment to other intangible assets amounted to \$228 thousand.

The above items of intangible assets are amortized on a straight-line basis over the estimated useful life of the asset as follows:

Patents	5 years
Computer software	2-10 years
Customer relationships	6.5-13 years
Core technology	5.5-13 years

	<u>For the Three Months Ended September 30</u>		<u>For the Nine Months Ended September 30</u>	
	2021	2020	2021	2020
An analysis of amortization by function				
Operating costs	\$ 14,493	\$ 8,712	\$ 44,207	\$ 27,820
Selling and marketing expenses	14,628	21,646	44,457	46,193
General and administrative expenses	10,155	10,593	30,085	29,115
Research and development expenses	<u>2,043</u>	<u>1,378</u>	<u>5,679</u>	<u>3,585</u>
	<u>\$ 41,319</u>	<u>\$ 42,329</u>	<u>\$ 124,428</u>	<u>\$ 106,713</u>



## 18. OTHER ASSETS

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Current</u>			
Prepayments	\$ 358,224	\$ 314,832	\$ 335,952
Others	<u>2,343</u>	<u>2,206</u>	<u>2,301</u>
	<u>\$ 360,567</u>	<u>\$ 317,038</u>	<u>\$ 338,253</u>
<u>Other financial assets - current</u>			
Time deposits with original maturities of more than 3 months	\$ 27,850	\$ 28,480	\$ 29,306
Pledged bank demand and time deposits (Note 35)	<u>120,441</u>	<u>83,066</u>	<u>22,069</u>
	<u>\$ 148,291</u>	<u>\$ 111,546</u>	<u>\$ 51,375</u>
<u>Non-current</u>			
Prepayments for equipment	\$ 84,537	\$ 95,346	\$ 81,329
Refundable deposits (Note 35)	<u>109,365</u>	<u>79,382</u>	<u>77,253</u>
	<u>\$ 193,902</u>	<u>\$ 174,728</u>	<u>\$ 158,582</u>
<u>Other financial assets - non-current</u>			
Pledged bank demand and time deposits (Note 35)	<u>\$ 87,052</u>	<u>\$ 64,982</u>	<u>\$ 171,712</u>

## 19. BORROWINGS

### a. Short-term borrowings

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Secured borrowings (Note 35)</u>			
Bank loans	\$ 297,000	\$ 14,240	\$ 79,090
<u>Unsecured borrowings</u>			
Line of credit borrowings	<u>429,875</u>	<u>245,593</u>	<u>27,151</u>
	<u>\$ 726,875</u>	<u>\$ 259,833</u>	<u>\$ 106,241</u>

The range of interest rate on bank loans was 0.66%-1.45%, 0.70%-2.96% and 0.19%-2.28% per annum as of September 30, 2021, December 31, 2020 and September 30, 2020, respectively.

b. Long-term borrowings and current portion of long-term borrowings

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Secured borrowings (Note 35)</u>			
Bank loans	\$ 388,393	\$ 440,881	\$ 446,267
Less: Current portion (due in one year)	<u>(58,244)</u>	<u>(55,719)</u>	<u>(44,222)</u>
Long-term Borrowings	<u>\$ 330,149</u>	<u>\$ 385,162</u>	<u>\$ 402,045</u>

In May 2014, BizLink Technology Inc. acquired long-term secured borrowings of US\$5,800 thousand. The loan was provided with freehold land and buildings as collateral and with the payment terms due in July 2024. The loan was settled in advance in July 2021.

In February 2016, BizLink International Corp. acquired long-term secured borrowings of \$237,980 thousand. The loan was provided with freehold land and buildings as collateral and with the payment terms due in January 2026.

As of March 7, 2019, the long-term borrowing of MYR14,000 thousand was provided by HSBC Bank with BizLink Technology (S.E.A.) Sdn. Bhd. in purchase of land and buildings. Land and buildings purchased are also used as the collateral for the borrowing with the payment terms due in October 2029.

In July 2021, BizLink Technology Inc. acquired long-term secured borrowings of US\$4,000 thousand. The loan was provided with freehold land and buildings as collateral and with the payment terms due in June 2028.

As of September 30, 2021, December 31, 2020 and September 30, 2020, the annual effective interest rate was 1.04%-3.38%, 1.04%-4.19% and 0.48%-4.19%, respectively, per annum.

## 20. BONDS PAYABLE

	September 30, 2021	December 31, 2020	September 30, 2020
Overseas unsecured bonds	\$ 2,105,460	\$ 2,836,608	\$ 2,906,328
Less: Unamortized bond discount	<u>(34,243)</u>	<u>(97,178)</u>	<u>(116,781)</u>
	<u>\$ 2,071,217</u>	<u>\$ 2,739,430</u>	<u>\$ 2,789,547</u>

- a. On February 1, 2018, BizLink issued the second five-year unsecured, zero-coupon overseas convertible bonds with US\$250 thousand par value, at an aggregate principal amount of US\$100,000 thousand.

The following items are the primary clauses in the prospectus:

1) Term

From February 1, 2018 to February 1, 2023.

2) Maturity repayment

Unless previously converted, redeemed or repurchased, cancelled or converted into fully paid common stock, the Group should redeem the convertible bonds at the maturity date with a 1.25% yield to maturity (calculated on a semi-annual basis), which is 106.43% of the principal amount.

### 3) Conversion

#### Conversion period

Unless previously converted, redeemed or repurchased and cancelled, the bonds may be converted into fully paid common stock at the option of the bondholders at any time, from three months after the issue date (excluding the issue date) until 10 days before the maturity date.

#### Conversion price and adjustments

The price used by BizLink in determining the number of common stock to be issued upon conversion is initially NT\$320 per share with a fixed exchange rate applicable on conversion of bonds of NT\$29.075=US\$1.00. The conversion price will be subject to adjustment, according to a formula stated in the prospectus, due to any change in issuance of common stock. The adjusted conversion price for the stock issuance for cash in participation of GDR and the third unsecured overseas convertible bonds as of December 13, 2019 was NT\$297.72 per share.

### 4) Bondholders' put right

- a) Unless previously converted, redeemed or repurchased and cancelled, at 2 years after the issue date, each bondholder will have the right, at such bondholder's option, to require BizLink to redeem the bonds, in whole or in part, at their early redemption amount. The early redemption amount of a bond is determined so that it represents for the bondholders of the bonds a gross yield of 1.25% per annum, calculated on a semi-annual basis (the principal amount of such bondholder's bonds at 102.52%).
- b) In the event that the stocks cease to be listed or admitted for trading or are suspended from trading on the TWSE, each bondholder shall have the right to require BizLink to redeem the bonds, in whole or in part, at their early redemption amount. The early redemption amount of a bond is determined so that it represents for the bondholders of the bonds a gross yield of 1.25% per annum, calculated on a semi-annual basis.
- c) If a change of control occurs, each bondholder shall have the right at such bondholder's option to require BizLink to redeem such bondholder's bonds in whole or in part.

### 5) Redemption

- a) BizLink may redeem the bonds in whole, but not in part, at their early redemption amount if more than 90% in principal amount of the bonds has already been converted or redeemed or repurchased and cancelled.
- b) BizLink may redeem the bonds in whole, but not in part, at their early redemption amount if the Group has become obliged to pay additional amounts as a result of any change in, or amendment to, the laws or regulations of the Cayman Islands or Republic of China (R.O.C.).
- c) From two 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 BizLink's common stock on the TWSE (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 BizLink may redeem the bonds in whole or part at the early redemption amount.
- 6) The option and liability portions are accounted for separately, which are respectively included in financial assets at FVTPL - current, financial liabilities at FVTPL - current, bonds payable and capital surplus - options.

- 7) For the three months ended September 30, 2020, for the nine months ended September 30, 2020, amortization of discounts on bonds payable included in financial costs were \$0 thousand and \$6,971 thousand, respectively.

The liability and equity components of convertible bonds were as follows:

Liability component as of January 1, 2020	\$ 2,377,478
Amortized interest	6,971
Redemption of convertible bonds	(2,406,690)
Effect of foreign exchange rate	<u>22,241</u>
Liability component as of September 30, 2020	<u>\$ -</u>

- 8) The bondholders exercised the put right and required BizLink to redeem 332 units of the second unsecured overseas convertible bonds at US\$83,000 thousand with an additional interest compensation of US\$2,095 thousand in February 2020. The redemption decreased bonds payable and financial assets at FVTPL by \$2,406,690 thousand and \$502 thousand, respectively. The difference between the redemption price and the book value of the liability component led to a redemption loss of \$167,869 thousand and was recorded under non-operating income or expense - other gains or losses and the equity component was transferred into capital surplus - expired share options of \$140,005 thousand. As of September 30, 2020, the second unsecured overseas convertible bonds were not converted but were all redeemed and repurchased.
- b. On December 13, 2019, BizLink issued the third five-year unsecured, zero-coupon overseas convertible bonds with a US\$200 thousand par value, at an aggregate principal amount of US\$100,000 thousand.

The following items are the primary clauses in the prospectus:

1) Term

From December 13, 2019 to December 13, 2024.

2) Maturity repayment

Unless previously converted, redeemed or repurchased, cancelled or converted into fully paid common stock, the Group should redeem the convertible bonds at the maturity date with a 1.25% yield to maturity (calculated on a semi-annual basis), which is 106.43% of the principal amount.

3) Conversion

Conversion period

Unless previously converted, redeemed or repurchased and cancelled, the bonds may be converted into fully paid common stock at the option of the bondholders at any time, from three months after the issue date (excluding the issue date) until 10 days before the maturity date.

Conversion price and adjustments

The price used by BizLink in determining the number of common stocks to be issued upon conversion is initially NT\$245.77 per share with a fixed exchange rate applicable on conversion of the bonds of NT\$30.482=US\$1.00. The conversion price will be subject to adjustment, according to a formula stated in the prospectus, due to any change in the issuance of common stocks. The conversion price as of September 30, 2021 was NT\$226.56 per share.

4) Bondholders' put rights

- a) Unless previously converted, redeemed or repurchased and cancelled, at 3 years after the issue date, each bondholder will have the right, at such bondholder's option, to require BizLink to redeem the bonds, in whole or in part, at their early redemption amount. The early redemption amount of a bond is determined so that it represents for the bondholders of the bonds a gross yield of 1.25% per annum, calculated on a semi-annual basis (the principal amount of such bondholder's bonds at 103.81%).
- b) In the event that the stocks cease to be listed or admitted for trading or are suspended from trading on the TWSE, each bondholder shall have the right to require BizLink to redeem the bonds, in whole or in part, at their early redemption amount. The early redemption amount of a bond is determined so that it represents for the bondholders of the bonds a gross yield of 1.25% per annum, calculated on a semi-annual basis.
- c) If a change of control occurs, each bondholder shall have the right at such bondholder's option to require BizLink to redeem such bondholder's bonds in whole or in part.

5) Redemption

- a) BizLink may redeem the bonds in whole, but not in part, at their early redemption amount if more than 90% of the principal amount of the bonds has already been converted or redeemed or repurchased and cancelled.
  - b) BizLink may redeem the bonds in whole, but not in part, at their early redemption amount if the Group has become obliged to pay additional amounts as a result of any change in, or amendment to, the laws or regulations of the Cayman Islands or the Republic of China (R.O.C.).
  - c) 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 BizLink's common stock on the TWSE (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 BizLink may redeem the bonds in whole or part at the early redemption amount.
- 6) The option and liability portions are accounted for separately, which are respectively included in financial assets/liabilities at FVTPL - current, bonds payable and capital surplus - options.
- 7) For the nine months ended September 30, 2020, the amount of converted convertible bonds of NT\$12,193 thousand (US\$400 thousand) was reclassified to common stock at NT\$520 thousand and capital surplus - options at NT\$11,673 thousand. Bonds payable discounts, financial assets at FVTPL - current and capital surplus - options on the conversion date in the amounts of NT\$(491) thousand, NT\$(8) thousand and NT\$561 thousand, respectively.
- 8) For the nine months ended September 30, 2021, the amount of converted convertible bonds of NT\$731,567 thousand (US\$24,000 thousand) was reclassified to common stock at NT\$31,207 thousand and capital surplus - options at NT\$700,360 thousand. Bonds payable discounts, financial assets at FVTPL - current and capital surplus - options on the conversion date in the amounts of NT\$(21,109) thousand, NT\$(735) thousand and NT\$33,674 thousand, respectively.

- 9) For the three and nine months ended September 30, 2021 and 2020, amortization of discounts on bonds payable included in finance costs were \$12,731 thousand, \$17,325 thousand, \$40,401 thousand and \$52,307 thousand, respectively.

The liability and equity components of convertible bonds were as follows:

Issued price (deducted transaction costs of \$26,558 thousand)	\$ 3,004,442
Equity component	(140,307)
Financial liabilities at FVTPL	<u>(11,717)</u>
Liability component at issue date	2,852,418
Amortized interest	3,660
Effect of foreign exchange rate	<u>(31,166)</u>
Liability component as of January 1, 2020	2,824,912
Amortized interest	52,307
Convertible bonds converted into ordinary shares	(11,702)
Effect of foreign exchange rate	<u>(75,970)</u>
Liability component as of September 30, 2020	<u>\$ 2,789,547</u>
Liability component as of January 1, 2021	\$ 2,739,430
Amortized interest	40,401
Convertible bonds converted into ordinary shares	(710,458)
Effect of foreign exchange rate	<u>1,844</u>
Liability component as of September 30, 2021	<u>\$ 2,071,217</u>

## 21. NOTES PAYABLE AND TRADE PAYABLES

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Notes payable</u>			
Operating	<u>\$ 355,540</u>	<u>\$ 269,354</u>	<u>\$ 224,752</u>
<u>Trade payables</u>			
Operating	<u>\$ 4,123,496</u>	<u>\$ 3,501,322</u>	<u>\$ 2,595,580</u>

The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

## 22. OTHER LIABILITIES

	September 30, 2021	December 31, 2020	September 30, 2020 (After Measurement Period Adjustment)
<u>Current</u>			
Other payables			
Salaries or bonuses (includes employee compensations and remuneration of directors)	\$ 721,157	\$ 831,558	\$ 768,453
Welfare funds	41,897	41,704	45,174
Payables for taxes	44,413	42,969	52,301
Payables for purchases of equipment (Note 31)	80,074	145,773	54,484
Payables for professional fees	26,042	17,690	16,362
Payables for shipping	78,054	65,072	67,341
Payables for investment (Note 31)	8,693	8,544	19,057
Others	<u>279,316</u>	<u>219,275</u>	<u>218,522</u>
	<u>\$ 1,279,646</u>	<u>\$ 1,372,585</u>	<u>\$ 1,241,694</u>
Other liabilities			
Receipts under custody	\$ 2,091	\$ 2,103	\$ 1,697
Others	<u>1,853</u>	<u>1,245</u>	<u>1,264</u>
	<u>\$ 3,944</u>	<u>\$ 3,348</u>	<u>\$ 2,961</u>
<u>Non-current</u>			
Other liabilities			
Guarantee deposits	\$ 19,203	\$ 10,420	\$ 11,202
Deferred revenue - government grants	35,127	2,841	8,467
Others	<u>1,928</u>	<u>3,117</u>	<u>4,301</u>
	<u>\$ 56,258</u>	<u>\$ 16,378</u>	<u>\$ 23,970</u>

## 23. RETIREMENT BENEFIT PLANS

Employee benefits expense in respect of the Group's defined benefit retirement plans were calculated using the respective prior year's actuarially determined pension cost discount rates as of December 31, 2020 and 2019, and the Group recognized \$49 thousand, \$49 thousand, \$147 thousand and \$129 thousand for the three months and nine months ended September 30, 2021 and 2020, respectively.

## 24. EQUITY

### a. Capital stock

#### 1) Common stocks

	September 30, 2021	December 31, 2020	September 30, 2020
Number of stocks authorized (in thousand of stocks)	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Stocks authorized	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>
Number of stocks issued and fully paid (in thousand of stocks)	<u>133,690</u>	<u>130,569</u>	<u>130,569</u>
Stocks issued	<u>\$ 1,336,901</u>	<u>\$ 1,305,694</u>	<u>\$ 1,305,694</u>

Fully paid common stocks, which have a par value of NT\$10, carry one vote per share and carry a right to dividends.

#### 2) Issuance of global depositary receipts

BizLink's board of directors approved a stock issuance on October 1, 2019, for cash in participation of the Global Depositary Receipts (refers to as the GDRs) for the financial needs of overseas procurement and the repayment of the principal and interest of the second issuance of unsecured overseas convertible bonds. The proposed stock issuance for cash is expected to be around 12,000 thousand to 15,000 thousand shares of common stocks. The proposal has been approved by the FSC on November 7, 2019 with the Rule No. 1080334677. On December 13, 2019, the Group issued 12,000 thousand shares of common stocks at US\$6.7 (NT\$204.23 on the issuance date) per share and per unit in the Luxembourg Stock Exchange for US\$79,512 thousand, net of transaction cost. Each unit of GDR represents one common stock of the Group. As of September 30, 2021, all the outstanding shares were converted to ordinary shares.

### b. Capital surplus

	September 30, 2021	December 31, 2020	September 30, 2020
May be used to offset a deficit, distributed as cash dividends, or transferred to capital stock (1)			
Stock premiums	\$ 3,943,843	\$ 3,943,843	\$ 3,943,843
Conversion of bonds	<u>3,734,434</u>	<u>3,022,244</u>	<u>3,022,244</u>
	<u>\$ 7,678,277</u>	<u>\$ 6,966,087</u>	<u>\$ 6,966,087</u>
<u>May be used to offset a deficit only</u>			
Conversion of employee share options (2)	\$ 68,087	\$ 68,087	\$ 68,087
Others - expired share options (2)	144,624	144,624	144,624
Treasury share transactions	12,716	12,716	12,716
Share of changes in capital surplus of associates or joint ventures	<u>7,887</u>	<u>-</u>	<u>-</u>
	<u>\$ 233,314</u>	<u>\$ 225,427</u>	<u>\$ 225,427</u>

(Continued)



	September 30, 2021	December 31, 2020	September 30, 2020
<u>May not be used for any purpose</u>			
Employee share options	\$ 21,347	\$ 11,051	\$ 7,581
Share warrants	<u>106,072</u>	<u>139,746</u>	<u>139,746</u>
	<u>\$ 127,419</u>	<u>\$ 150,797</u>	<u>\$ 147,327</u>
			(Concluded)

- 1) Such capital surplus may be used to offset a deficit; in addition, when the Group has no deficit, such capital surplus may be distributed as cash dividends or transferred to capital stock (limited to a certain percentage of the Group's capital surplus and once a year).
- 2) Such capital surplus arises from when employee share options are exercised or expired, capital surplus - options are transferred to capital surplus - stock premiums or capital surplus - others, respectively: And when the bondholder redeem the convertible bonds, capital surplus - stock warrants are transferred to capital surplus - others.

A reconciliation of the carrying amount for each class of capital surplus was as follows:

	Stock Premiums	Treasury Stocks	Conversion of Employee Share options	Conversion of Bonds	Share Warrants	Employee Share options	Others - Expired Share options	Share of Changes in Capital Surplus of Associates or Joint	Total
Balance at January 1, 2020	\$ 3,943,843	\$ 12,716	\$ 68,087	\$ 3,010,509	\$ 280,312	\$ -	\$ 4,619	\$ -	\$ 7,320,086
Employee share options	-	-	-	-	-	7,581	-	-	7,581
Redemption of convertible bonds	-	-	-	-	(140,005)	-	140,005	-	-
Convertible bonds converted to ordinary shares	-	-	-	11,735	(561)	-	-	-	11,174
Balance at September 30, 2020	<u>\$ 3,943,843</u>	<u>\$ 12,716</u>	<u>\$ 68,087</u>	<u>\$ 3,022,244</u>	<u>\$ 139,746</u>	<u>\$ 7,581</u>	<u>\$ 144,624</u>	<u>\$ -</u>	<u>\$ 7,338,841</u>
Balance at January 1, 2021	\$ 3,943,843	\$ 12,716	\$ 68,087	\$ 3,022,244	\$ 139,746	\$ 11,051	\$ 144,624	\$ -	\$ 7,342,311
Employee share options	-	-	-	-	-	10,296	-	-	10,296
Effect of changes in capital surplus of associates acquisition or disposal	-	-	-	-	-	-	-	7,887	7,887
Convertible bonds converted to ordinary shares	-	-	-	712,190	(33,674)	-	-	-	678,516
Balance at September 30, 2021	<u>\$ 3,943,843</u>	<u>\$ 12,716</u>	<u>\$ 68,087</u>	<u>\$ 3,734,434</u>	<u>\$ 106,072</u>	<u>\$ 21,347</u>	<u>\$ 144,624</u>	<u>\$ 7,887</u>	<u>\$ 8,039,010</u>

#### c. Retained earnings and dividend policy

Subject to the Statue amended by the stockholders' meeting on June 12, 2019, BizLink may distribute to the Members in the form of cash, all or a portion of its dividends and bonuses, legal reserve and/or capital reserve derived from issuance of new shares at a premium or from gifts received by the Company by a majority of the Directors at meeting attended by two-thirds or more of the total number of the Directors, and shall subsequently report such distribution to a shareholders' meeting. Under the dividend policy by the Articles, the Company may distribute profit in accordance with a proposal for distribution of profit prepared by the Directors and approved by the members by an ordinary resolution at any general meeting. The Directors shall prepare such proposal as follows: (1) The proposal shall begin with BizLink's annual net income and offset its losses in previous years that have not been previously offset, and then set aside a legal capital reserve at 10% of the profits left over, until the accumulated legal capital reserve equals the total capital of BizLink, (2) then BizLink shall set aside a special capital reserve, if one is required, in accordance with the applicable public company rules or as requested by the authorities in charge. Any balance left over may be distributed as dividends (including cash dividends or stock dividends) or bonuses in accordance with the statutes and the applicable public company rules and after taking into consideration financial, business and operational factors with the amount of profits distributed at not lower than 10% of profit after tax of the then current year and the amount of cash dividends distributed thereupon shall not be less than 10% of the profit proposed to be distributed of the then current year.

Refer to employee's compensation and remuneration of directors in Note 26 (h) for details.

Legal reserve may be used to offset any deficit. If the Group has no deficit and the legal reserve has exceeded 25% of BizLink's paid-in capital, the excess may be transferred to capital or distributed in cash.

BizLink appropriates or reverses a special reserve in accordance with Rule No. 1010012865 issued by the FSC 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.

The appropriations of earnings for 2020 and 2019, were as follows:

	<b>Appropriation of Earnings</b>	
	<b>2020</b>	<b>2019</b>
Recognition of legal reserve	\$ 204,506	\$ 184,399
(Reversal) Recognition of special reserve	\$ (136,658)	\$ 321,715
Cash dividends	\$ 1,082,724	\$ 1,174,657
Cash dividends per share (NT\$)	\$ 8.1	\$ 9.0

The above 2020 and 2019 appropriations for cash dividends had been resolved by the board of directors on March 24, 2021 and March 27, 2020, respectively. The total amount of the cash dividend for 2020 is US\$38,604 thousand (US\$0.29 per share). The actual amount of cash dividend in New Taiwan dollars is calculated based on the established exchange rate as of July 21, 2021. The cash dividends are equivalent to \$1,082,724 thousand (NT\$8.1 per share). The other proposed appropriations of earnings were resolved by the shareholders in their meeting held on July 5, 2021 and June 19, 2020.

d. Other equity items

1) Exchange differences on translating foreign operations

	<b>For the Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020 (After Measurement Period Adjustment)</b>
Balance at January 1	\$ (866,378)	\$ (1,088,878)
Exchange differences on translating foreign operations	(171,297)	292,523
Exchange differences on translation to presentation currency	<u>(353,491)</u>	<u>(319,148)</u>
Balance at September 30	<u>\$ (1,391,166)</u>	<u>\$ (1,115,503)</u>

2) Unrealized gain or loss of financial assets at FVTOCI

	<b>For the Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>
Balance at January 1	\$ 26,194	\$ 117,746
Recognized during the period		
Unrealized (loss) gain - equity instruments	(42,783)	116,751
Cumulative unrealized gain of equity instruments transferred to retained earnings due to disposal	<u>-</u>	<u>(225,688)</u>
Balance at September 30	<u>\$ (16,589)</u>	<u>\$ 8,809</u>

3) Gain (loss) on effective cash flow hedging instruments

	<b>For the Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>
Balance at January 1	\$ 8,917	\$ 3,207
Recognized during the period		
Gain (loss) on changes in fair value of hedging instruments		
Raw material price risk - copper futures contracts	27,738	(12,534)
Foreign currency risk - forecasted investment contract	-	13,862
Transferred to carrying amount of hedged items		
Raw material price risk - copper futures contracts	(45,015)	7,742
Foreign currency risk - forecasted investment contract	-	(13,862)
Related income tax	<u>3,046</u>	<u>1,137</u>
Balance at September 30	<u>\$ (5,314)</u>	<u>\$ (448)</u>

e. Non-controlling interests

	<b>For the Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>
Balance at January 1	\$ 40,184	\$ 48,896
Share in loss for the period	(10,237)	(6,455)
Other comprehensive (loss) profit in the period		
Exchange differences on translating foreign operations	142	508
Exchange differences on translation to presentation currency	<u>(825)</u>	<u>(1,196)</u>
Balance at September 30	<u>\$ 29,264</u>	<u>\$ 41,753</u>

## 25. REVENUE

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Revenue from contracts with customers				
Revenue from the sale of goods	<u>\$ 7,415,446</u>	<u>\$ 6,049,454</u>	<u>\$ 20,565,652</u>	<u>\$ 16,271,115</u>

a. Description of customer contracts

Revenue from sales of goods

The main operating revenue of the Group was from the wholesale and retail of cable assemblies, power cords and connectors at fixed contract prices.

b. Contract balance

	September 30, 2021	December 31, 2020	September 30, 2020	January 1, 2020
Notes receivable and trade receivables (Note 9)	<u>\$ 6,617,886</u>	<u>\$ 5,242,068</u>	<u>\$ 5,186,077</u>	<u>\$ 4,870,236</u>
Contract liabilities - current Sales of goods	<u>\$ 27,879</u>	<u>\$ 15,586</u>	<u>\$ 21,374</u>	<u>\$ 20,202</u>

c. Sales details of customer contracts

Sales details are disclosed in Note 40.

## 26. NET PROFIT FROM OPERATIONS

a. Interest income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Bank deposits	\$ 7,209	\$ 8,980	\$ 25,104	\$ 47,563
Other financial asset - current	185	96	506	420
Other financial asset - non-current	<u>9</u>	<u>43</u>	<u>11</u>	<u>299</u>
	<u>\$ 7,403</u>	<u>\$ 9,119</u>	<u>\$ 25,621</u>	<u>\$ 48,282</u>

b. Other income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Rental income				
Investment properties (Note 15)				
Others	\$ 4,874	\$ 4,942	\$ 14,714	\$ 15,151
Other operating leases (Note 14)				
Others	2,277	3,650	9,279	10,485
Dividend revenue				
Financial assets at FVTOCI	10,968	12,648	10,968	12,648
Government grants revenue	7,060	25,011	36,886	106,875
Others	<u>16,413</u>	<u>12,479</u>	<u>30,442</u>	<u>41,018</u>
	<u>\$ 41,592</u>	<u>\$ 58,730</u>	<u>\$ 102,289</u>	<u>\$ 186,177</u>

c. Other gains and losses

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Financial assets and liabilities				
Financial assets mandatorily classified as at FVTPL	\$ 14,299	\$ 67,965	\$ 64,957	\$ 98,071
Financial liabilities held for trading	1,340	(2,500)	(16,438)	(24,493)
Loss on disposal of property, plant and equipment	(1,628)	(61)	(4,277)	(319)
Impairment loss on property, plant and equipment	-	-	(69,728)	-
Loss on disposal of intangible assets	-	-	-	(95)
Impairment loss on investments accounted for using the equity method	(25,096)	-	(25,096)	(8,400)
Loss on redemption of convertible bonds	-	-	-	(167,869)
Net foreign exchange gains (losses)	20,526	(198,411)	24,979	(127,162)
Others	<u>(2,216)</u>	<u>(1,257)</u>	<u>(2,684)</u>	<u>(2,888)</u>
	<u>\$ 7,225</u>	<u>\$ (134,264)</u>	<u>\$ (28,287)</u>	<u>\$ (233,155)</u>

d. Finance costs

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Interest on bank loans	\$ (6,500)	\$ (3,424)	\$ (14,573)	\$ (10,518)
Interest on convertible bonds	(12,731)	(17,325)	(40,401)	(59,278)
Interest on lease liabilities	<u>(5,397)</u>	<u>(8,860)</u>	<u>(18,247)</u>	<u>(27,390)</u>
	<u>\$ (24,628)</u>	<u>\$ (29,609)</u>	<u>\$ (73,221)</u>	<u>\$ (97,186)</u>

e. Depreciation and amortization

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
An analysis of depreciation by function				
Operating costs	\$ 129,993	\$ 120,050	\$ 386,471	\$ 351,623
Operating expenses	<u>57,077</u>	<u>55,747</u>	<u>178,938</u>	<u>158,207</u>
	<u>\$ 187,070</u>	<u>\$ 175,797</u>	<u>\$ 565,409</u>	<u>\$ 509,830</u>

(Continued)

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
An analysis of amortization by function				
Operating costs	\$ 14,493	\$ 8,712	\$ 44,207	\$ 27,820
Operating expenses	<u>26,826</u>	<u>33,617</u>	<u>80,221</u>	<u>78,893</u>
	<u>\$ 41,319</u>	<u>\$ 42,329</u>	<u>\$ 124,428</u>	<u>\$ 106,713</u>
				(Concluded)

f. Operating expense directly related to investment properties

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Direct operating expenses from properties rental income	<u>\$ 850</u>	<u>\$ 910</u>	<u>\$ 2,584</u>	<u>\$ 2,751</u>

g. Employee benefits expense

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Short term benefit	\$ 1,327,985	\$ 1,020,083	\$ 3,689,402	\$ 2,957,820
Post-employment benefits (Note 23)				
Defined contribution plans	44,422	28,601	127,700	72,798
Defined benefit plans	<u>49</u>	<u>49</u>	<u>147</u>	<u>129</u>
	<u>44,471</u>	<u>28,650</u>	<u>127,847</u>	<u>72,927</u>
Share-based payments	3,470	3,470	10,296	7,581
Other employee benefits	<u>129,071</u>	<u>108,295</u>	<u>373,019</u>	<u>291,555</u>
Total employee benefits expense	<u>\$ 1,504,997</u>	<u>\$ 1,160,498</u>	<u>\$ 4,200,564</u>	<u>\$ 3,329,883</u>
An analysis of employee benefits expense by function				
Operating costs	\$ 945,997	\$ 701,133	\$ 2,624,667	\$ 1,894,895
Operating expenses	<u>559,000</u>	<u>459,365</u>	<u>1,575,897</u>	<u>1,434,988</u>
	<u>\$ 1,504,997</u>	<u>\$ 1,160,498</u>	<u>\$ 4,200,564</u>	<u>\$ 3,329,883</u>

h. Employees' compensation and remuneration of directors

BizLink accrued employees' compensation at rates of no less than 1% and no higher than 5%, and remuneration to directors at rates of no higher than 3% of net profit before income tax, employees' compensation, and remuneration of directors. For the three and nine months ended September 30, 2021 and 2020, the employees' compensation and the remuneration of directors were as follows:

Accrual rate

	<b>For the Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>
Employees' compensation	3.42%	3.20%
Remuneration of directors	0.34%	0.40%

Amount

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Employees' compensation	\$ 29,335	\$ 17,508	\$ 67,384	\$ 53,421
Remuneration of directors	2,403	2,189	6,630	6,678

If there is a change in the amounts after the annual consolidated financial statements are authorized for issue, the differences are recorded as a change in the accounting estimate.

The appropriations of employees' compensation and remuneration to directors for 2020 and 2019, which were resolved by the board of directors on March 24, 2021 and March 17, 2020, respectively.

	<b>For the Year Ended December 31</b>	
	<b>2020</b>	<b>2019</b>
Employees' compensation	\$ 85,540	\$ 104,895
Remuneration of directors	8,971	8,994

The actual amounts of the employees' compensation and remuneration of directors paid for 2020 and 2019 were no different from the amounts recognized in the consolidated financial statements for the years ended December 31, 2020 and 2019.

Information on the employees' compensation and remuneration of directors resolved by BizLink's board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

i. Gain or losses on foreign currency exchange

	<b>For the Three Months Ended September 30</b>		<b>For the Nine Months Ended September 30</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Foreign exchange gains	\$ 2,183,216	\$ 2,969,971	\$ 11,815,246	\$ 8,246,335
Foreign exchange losses	<u>(2,162,690)</u>	<u>(3,168,382)</u>	<u>(11,790,267)</u>	<u>(8,373,497)</u>
Net gains (losses)	<u>\$ 20,526</u>	<u>\$ (198,411)</u>	<u>\$ 24,979</u>	<u>\$ (127,162)</u>

## 27. INCOME TAXES RELATING TO OPERATIONS

### a. Income tax recognized in profit or loss

The major components of tax expense were as follows:

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Current tax				
In respect of the current period	\$ 177,055	\$ 147,837	\$ 504,487	\$ 390,836
Adjustments for prior periods	<u>4,718</u>	<u>1,078</u>	<u>15,627</u>	<u>(5,760)</u>
	<u>181,773</u>	<u>148,915</u>	<u>520,114</u>	<u>385,076</u>
Deferred tax				
In respect of the current period	<u>(27,232)</u>	<u>629</u>	<u>(80,802)</u>	<u>(9,872)</u>
Income tax expense recognized in profit or loss	<u>\$ 154,541</u>	<u>\$ 149,544</u>	<u>\$ 439,312</u>	<u>\$ 375,204</u>

The applicable tax rate in the nine months ended September 30, 2021 and 2020 used above are the R.O.C. corporate tax rates of 20%. The applicable tax rate used by subsidiaries in China is 25% except for BizLink (Kun Shan) Co., Ltd., OptiWorks (Kunshan) Limited, Bizconn International Corp. (China), Xiang Yao Electronics (Shen Zhen) Co., Ltd., BizLink Technology (Changzhou) Limited and Tong Ying Electronics (Shen Zhen) Co., Ltd. in the nine months ended September 30, 2021 and 2020. The six of which used a tax rate of 15%, due to their status as holders of high-tech enterprise certificates. The applicable tax rates in the nine months ended September 30, 2021 and 2020 used by the subsidiaries in the US are 21% for federal tax and 8.84% for California state tax. The applicable tax rate in the nine months ended September 30, 2021 and 2020 used by the subsidiaries in Ireland is 12.5% according to local law. The applicable tax rate in the nine months ended September 30, 2021 and 2020 used by the subsidiaries in Slovakia is 21% according to local law. The applicable tax rate for the nine months ended September 30, 2021 and 2020 used by the subsidiaries in Singapore is 17% according to local law. Tax rates used by other group entities operating in other jurisdictions are based on the tax laws in those jurisdictions.

### b. Income tax recognized in other comprehensive income

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
<u>Deferred tax</u>				
In respect of the current period				
Cash flow hedges	<u>\$ 7,179</u>	<u>\$ (2,250)</u>	<u>\$ 3,664</u>	<u>\$ (1,137)</u>
Total income tax recognized in other comprehensive income	<u>\$ 7,179</u>	<u>\$ (2,250)</u>	<u>\$ 3,664</u>	<u>\$ (1,137)</u>

### c. Income tax assessment

As of September 30, 2021, the Group has no unsettled lawsuit.



## 28. EARNINGS PER SHARE

	Unit: NT\$ Per Share			
	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020 (After Measurement Period Adjustment)	2021	2020 (After Measurement Period Adjustment)
Basic earnings per share				
Net income	<u>\$ 606,283</u>	<u>\$ 500,550</u>	<u>\$ 1,467,342</u>	<u>\$ 1,241,185</u>
Weighted average number of ordinary shares in computation of basic earnings per thousand share	<u>133,674</u>	<u>130,529</u>	<u>133,113</u>	<u>130,521</u>
Basic earnings per share	<u>\$ 4.54</u>	<u>\$ 3.83</u>	<u>\$ 11.02</u>	<u>\$ 9.51</u>
Diluted earnings per share				
Net income	\$ 606,283	\$ 500,550	\$ 1,467,342	\$ 1,241,185
Effect of potentially dilutive ordinary shares:				
Interest on convertible bonds (after tax)	12,731	17,325	40,401	38,371
Gain on valuation of converted bonds	<u>-</u>	<u>(588)</u>	<u>(199)</u>	<u>(10,816)</u>
Earnings used in the computation of diluted earnings per share from continuing operation	<u>\$ 619,014</u>	<u>\$ 517,287</u>	<u>\$ 1,507,544</u>	<u>\$ 1,268,740</u>
Weighted average number of ordinary shares in computation of basic earnings per thousand share	133,674	130,529	133,113	130,521
Effect of potentially dilutive ordinary shares:				
Convertible bonds	9,839	12,984	10,411	9,094
Employees' compensation	301	254	397	444
Employee share options	<u>293</u>	<u>161</u>	<u>357</u>	<u>50</u>
Weighted average number of ordinary shares in computation of diluted earnings per thousand share	<u>144,107</u>	<u>143,928</u>	<u>144,278</u>	<u>140,109</u>
Diluted earnings per share	<u>\$ 4.30</u>	<u>\$ 3.59</u>	<u>\$ 10.45</u>	<u>\$ 9.06</u>

BizLink offered to settle compensation or bonuses paid to employees in cash or stocks. Therefore, BizLink assumed the entire amount of the compensation or bonus would be settled in stocks and the resulting potential stocks were included in the weighted average number of stocks outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential stocks is included in the computation of diluted earnings per share until the number of stocks to be distributed to employees is resolved in the following year.

Since the second overseas convertible bonds during the nine months ended September 30, 2020 are anti-dilutive, it is excluded from the computation of diluted earnings per share.

## 29. SHARE-BASED PAYMENT ARRANGEMENTS

### Employees Share Options

On March 13, 2020, the Company approved an employee share options for employees with a total amount of 1,170,000 units, each option is eligible to subscribe for one common share when exercisable. The grant is limited to the full-time employees who work for either the Company or the company that is directly or indirectly held by the Company with 100% interest. The options granted are valid for six years and exercisable at certain percentages after the second anniversary from the grant date. 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 Company will exercise price adjustment formula upon the changes in common stocks equity.

Information on outstanding employee share options is as follows:

	For the Nine Months Ended September 30			
	2021		2020	
	Number of Options (In Thousands of Units)	Weighted- average Exercise Price (\$)	Number of Options (In Thousands of Units)	Weighted- average Exercise Price (\$)
Balance at January 1	1,170	\$163.5	-	\$ -
Options granted	-	-	1,170	163.5
Options forfeited	-	-	-	-
Options exercised	-	-	-	-
Options expired	-	-	-	-
Balance at September 30	<u>1,170</u>	156.51	<u>1,170</u>	163.5
Options exercisable, end of period	<u>-</u>		<u>-</u>	
Weighted-average fair value of options granted (\$)	<u>\$ -</u>		<u>\$ 55.74</u>	

As of September 30, 2021, December 31, 2020 and September 30, 2020, information about employee share options outstanding was as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Range of exercise price (\$)	\$ 156.51	\$ 163.50	\$ 163.50
Weighted average remaining contractual life (in years)	3.20	3.95	4.20

Options granted on March 13, 2020 was priced using the Black-Scholes pricing model and the inputs to the model were as follows:

Grant-date share price (\$)	163.5
Exercise price (\$)	163.5
Expected volatility	40%
Expected life (in years)	6
Expected dividends yield	-
Risk-free interest rate	0.4234%-0.4721%

The compensation cost for employee share options granted were \$3,470 thousand, \$3,470 thousand, \$10,296 thousand and \$7,581 thousand for the three months and nine months ended September 30, 2021 and 2020.

### 30. BUSINESS COMBINATIONS

#### a. Subsidiaries acquired

Subsidiary	Principal Activity	Date of Acquisition	Proportion of Voting Equity Interests Acquired (%)	Consideration Transferred
Speedy Industrial Supplies Pte Ltd and its subsidiary, SIS Speedy Industrial Supplies Sdn. Bhd.	Manufacture and wholesale of cable assemblies, power cords, PCBA assemblies, sheet metal fabrication and box build assemblies.	2020.4.7	100	<u>\$ 1,564,278</u>

The Group acquired Speedy Industrial Supplies Pte Ltd and its subsidiary, SIS Speedy Industrial Supplies Sdn. Bhd. (refer to as “the Speedy Group”) on April 7, 2020 to obtain Southeast Asia production and business base, build cooperative relationship directly with main customers all over the world to increase market expansion capabilities and market share.

#### b. Consideration transferred

	The Speedy Group
Cash	\$ 1,463,624
Contingent consideration arrangement	<u>100,654</u>
	<u>\$ 1,564,278</u>

Note: The consideration transferred included SGD68,474 thousand (\$1,463,624 thousand as of April 7, 2020) in cash and a contingent consideration arrangement of SGD4,709 thousand (\$100,654 thousand as of April 7, 2020). According to the contract, the Group will pay at least SGD5,000 thousand to SGD9,000 thousand annually based on the profitability of Speedy Industrial Supplies Pte Ltd in the next two consecutive accounting years.

c. Assets acquired and liabilities assumed at the date of acquisition

	<b>The Speedy Group</b>
Current assets	
Cash and cash equivalents	\$ 146,418
Trade and other receivables	183,760
Inventories	157,661
Other financial asset	9,020
Prepayments and others	14,920
Non-current assets	
Property, plant and equipment	69,960
Intangible assets	784,330
Right-of-use assets	65,984
Current liabilities	
Contract liabilities	(2,351)
Trade and other payables	(98,581)
Lease liabilities - current	(20,007)
Current tax liabilities	(35,012)
Non-current liabilities	
Lease liabilities - non-current	(43,455)
Deferred tax liabilities	(3,185)
Others	<u>(2,479)</u>
	<u>\$ 1,226,983</u>

The comparative figures have been restated base on the valuation report as if the initial accounting was completed at the acquisition date.

d. Goodwill recognized on acquisitions

	<b>The Speedy Group</b>
Consideration transferred	\$ 1,564,278
Less: Fair value of identifiable net assets acquired	<u>(1,226,983)</u>
Goodwill recognized on acquisitions	<u>\$ 337,295</u>

The goodwill recognized in the acquisitions of the Speedy Group and mainly represents the control premium included in the cost of the combinations. In addition, the consideration paid for the combinations effectively included amounts attributed to the benefits of expected synergies, revenue growth, future market development and the assembled workforces of the Speedy Group. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

The total amount of acquired goodwill is not tax-deductible.

e. Net cash outflow on the acquisition of subsidiaries

	<b>The Speedy Group</b>
Consideration paid in cash	\$ 1,564,278
Less: Other payables	(19,057)
Less: Foreign exchange translation gains and losses	(484)
Less: Cash and cash equivalent balances acquired	<u>(146,418)</u>
	<u><u>\$ 1,398,319</u></u>

f. Impact of acquisitions on the results of the Group

The financial results of the acquirees since the acquisition dates, which are included in the consolidated statements of comprehensive income, are as follows:

	<b>The Speedy Group</b>
	<b>From April 7, 2020 to September 30, 2020</b>
Revenue	<u>\$ 490,447</u>
Profit	<u>\$ 71,079</u>

Had these business combinations been in effect at the beginning of the financial year, the Group's revenue would have been \$16,533,460 thousand, and the profit would have been \$1,289,185 thousand for the nine months ended September 30, 2020. This pro-forma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on January 1, 2020, nor is it intended to be a projection of future results.

In determining the pro-forma revenue and profit of the Group had the Speedy Group been acquired at the beginning of the financial year, the management considered the fair values of the intangible assets and property, plant and equipment, rather than their carrying amounts recognized in the respective pre-acquisition financial statements at the initial accounting for the business combination, were used as the basis for the amortization of the intangible assets and the depreciation of property, plant and equipment.

### 31. CASH FLOWS INFORMATION

a. Non-cash transactions

For the nine months ended September 30, 2021 and 2020, the Group entered into the following non-cash investing and financing activities:

- 1) The Group purchased property, plant and equipment, which amounted to \$80,074 thousand, \$145,773 thousand and \$54,484 thousand as of September 30, 2021, December 31, 2020 and September 30, 2020, were unpaid and recognized as other payables - payables for purchase of equipment, respectively.

- 2) In April 2020, the Group acquired the Speedy Group. As of September 30, 2021, December 31, 2020 and September 30, 2020, \$8,693 thousand, \$8,544 thousand and \$19,057 thousand were unpaid and recognized as other payables - payables for investment.

b. Changes in liabilities arising from financing activities

For the nine months ended September 30, 2021

	January 1, 2021	Cash Flows	New Leases	Non-cash Changes				Effect of Foreign Currency Exchange Differences	Other	September 30, 2021
				Change of Variable Payments	Liability Components	Interest Expense				
Short-term borrowings	\$ 259,833	\$ 478,794	\$ -	\$ -	\$ -	\$ -		\$ (11,752)	\$ -	\$ 726,875
Long-term borrowings (included current portion due in one year)	440,881	(44,256)	-	-	-	-		(8,232)	-	388,393
Guarantee deposits	10,420	9,071	-	-	-	-		(288)	-	19,203
Bonds payable	2,739,430	-	-	-	(710,458)	40,401		1,844	-	2,071,217
Lease liabilities	609,524	(212,332)	69,797	321	-	18,247		(11,237)	(18,247)	456,073
	<u>\$ 4,060,088</u>	<u>\$ 231,277</u>	<u>\$ 69,797</u>	<u>\$ 321</u>	<u>\$ (710,458)</u>	<u>\$ 58,648</u>		<u>\$ (29,665)</u>	<u>\$ (18,247)</u>	<u>\$ 3,661,761</u>

For the nine months ended September 30, 2020

	January 1, 2020	Cash Flows	New Leases	Non-cash Changes				Effect of Foreign Currency Exchange Differences	Other	September 30, 2020
				Change of Variable Payments	Liability Components	Interest Expense				
Short-term borrowings	\$ 64,500	\$ 42,289	\$ -	\$ -	\$ -	\$ -		\$ (548)	\$ -	\$ 106,241
Long-term borrowings (included current portion due in one year)	464,665	(10,413)	-	-	-	-		(7,985)	-	446,267
Guarantee deposits	7,914	4,130	-	-	-	-		(842)	-	11,202
Bonds payable	5,202,390	(2,574,057)	-	-	(11,702)	59,278		(53,729)	167,367	2,789,547
Lease liabilities	859,627	(186,077)	12,154	(7,302)	-	27,390		(4,053)	36,072	737,811
	<u>\$ 6,599,096</u>	<u>\$ (2,724,128)</u>	<u>\$ 12,154</u>	<u>\$ (7,302)</u>	<u>\$ (11,702)</u>	<u>\$ 86,668</u>		<u>\$ (67,157)</u>	<u>\$ 203,439</u>	<u>\$ 4,091,068</u>

## 32. CAPITAL MANAGEMENT

BizLink manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization 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 BizLink (comprising issued capital, reserves, retained earnings and other equity).

The Group is not subject to any externally imposed capital requirements.

Based on recommendations of the key management personnel, 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.

## 33. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not measured at fair value

Except for the following disclosure, the management believes that the carrying amounts of financial assets and financial liabilities which are not measured at fair value approximate their fair values.

September 30, 2021

	Book Value	Fair Value			Total
		Level 1	Level 2	Level 3	
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
Convertible bonds	<u>\$ 2,071,217</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,158,307</u>	<u>\$ 2,158,307</u>

December 31, 2020

		Fair Value			
	Book Value	Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
Convertible bonds	\$ 2,739,430	\$ -	\$ -	\$ 2,920,004	\$ 2,920,004

September 30, 2020

		Fair Value			
	Book Value	Level 1	Level 2	Level 3	Total
<u>Financial liabilities</u>					
Financial liabilities at amortized cost					
Convertible bonds	\$ 2,789,547	\$ -	\$ -	\$ 2,990,902	\$ 2,990,902

b. Fair value of financial instruments measured at fair value on recurring basis

1) Fair value hierarchy

September 30, 2021

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Foreign exchange forward contracts	\$ -	\$ 12,896	\$ -	\$ 12,896
Convertible bonds options	-	-	1,692	1,692
Foreign listed shares	1,751	-	-	1,751
Domestic unlisted shares	-	-	48,832	48,832
Fund beneficiary certificates	-	-	66,992	66,992
	<u>\$ 1,751</u>	<u>\$ 12,896</u>	<u>\$ 117,516</u>	<u>\$ 132,163</u>
Financial assets at FVTOCI				
Investments in equity instruments at FVTOCI				
Domestic and foreign unlisted shares	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 280,207</u>	<u>\$ 280,207</u>
Financial liabilities at FVTPL				
Foreign exchange financial contracts	<u>\$ -</u>	<u>\$ 2,132</u>	<u>\$ -</u>	<u>\$ 2,132</u>
Financial liabilities for hedging				
Derivative financial liabilities				
Copper futures contracts	<u>\$ 6,655</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,655</u>

December 31, 2020

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Foreign exchange forward contracts	\$ -	\$ 39,574	\$ -	\$ 39,574
Convertible bonds options	-	-	2,269	2,269
Foreign listed shares	1,434	-	-	1,434
Fund beneficiary certificates	<u>-</u>	<u>-</u>	<u>17,088</u>	<u>17,088</u>
	<u>\$ 1,434</u>	<u>\$ 39,574</u>	<u>\$ 19,357</u>	<u>\$ 60,365</u>
Financial assets for hedging				
Derivative financial assets				
Copper futures contracts	<u>\$ 10,641</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,641</u>
Financial assets at FVTOCI				
Investments in equity instruments at FVTOCI				
Domestic and foreign unlisted shares	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 308,606</u>	<u>\$ 308,606</u>
Financial liabilities at FVTPL				
Foreign exchange financial contracts	<u>\$ -</u>	<u>\$ 51</u>	<u>\$ -</u>	<u>\$ 51</u>

September 30, 2020

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL				
Foreign exchange forward contracts	\$ -	\$ 26,617	\$ -	\$ 26,617
Convertible bonds options	-	-	2,325	2,325
Foreign listed shares	1,216	-	-	1,216
Fund beneficiary certificates	<u>100,260</u>	<u>-</u>	<u>-</u>	<u>100,260</u>
	<u>\$ 101,476</u>	<u>\$ 26,617</u>	<u>\$ 2,325</u>	<u>\$ 130,418</u>
Financial assets at FVTOCI				
Investments in equity instruments at FVTOCI				
Domestic and foreign unlisted shares	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 287,982</u>	<u>\$ 287,982</u>
Financial assets for hedging				
Derivative financial assets				
Copper futures contracts	<u>\$ 135</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 135</u>
Financial liabilities at FVTPL				
Foreign exchange financial contracts	<u>\$ -</u>	<u>\$ 2,336</u>	<u>\$ -</u>	<u>\$ 2,336</u>
Financial liabilities for hedging				
Derivative financial liabilities				
Copper futures contracts	<u>\$ 255</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 255</u>



For the nine months ended September 30, 2021 and 2020, there were no transfers between Level 1 and Level 2 fair value measurements.

2) Reconciliation of Level 3 fair value measurements of financial instruments

For the nine months ended September 30, 2021

	<b>Financial Assets at FVTPL</b>			<b>Financial Assets at FVTOCI</b>	
	<b>Derivative - Convertible Bonds - Option</b>	<b>Equity Instruments</b>	<b>Fund Beneficiary Certificate</b>	<b>Equity Instruments</b>	<b>Total</b>
Financial assets					
Balance at January 1, 2021	\$ 2,269	\$ -	\$ 17,088	\$ 308,606	\$ 327,963
Purchases	-	48,832	50,897	20,000	119,729
Recognized in profit or loss (included in other gains and losses)	199	-	-	-	199
Recognized in other comprehensive income (unrealized gain on financial assets at FVTOCI)	-	-	-	(42,783)	(42,783)
Capital surplus from convertible bonds	(735)	-	-	-	(735)
Effect of foreign currency exchange differences	(41)	-	(993)	(5,616)	(6,650)
Balance at September 30, 2021	<u>\$ 1,692</u>	<u>\$ 48,832</u>	<u>\$ 66,992</u>	<u>\$ 280,207</u>	<u>\$ 397,723</u>

For the nine months ended September 30, 2020

	<b>Financial Assets at FVTPL</b>	<b>Financial Assets at FVTOCI</b>	
	<b>Derivative - Convertible Bonds - Option</b>	<b>Equity Instruments</b>	<b>Total</b>
Financial assets			
Balance at January 1, 2020	\$ 747	\$ 253,609	\$ 254,356
Purchases	-	51,391	51,391
Recognized in profit or loss (included in other gains and losses)	2,137	-	2,137
Recognized in other comprehensive income (unrealized loss on financial assets at FVTOCI)	-	(11,301)	(11,301)
Loss on the redemption of convertible bonds	(502)	-	(502)
Capital surplus from convertible bonds	(8)	-	(8)
Effect of foreign currency exchange differences	(49)	(5,717)	(5,766)
Balance at September 30, 2020	<u>\$ 2,325</u>	<u>\$ 287,982</u>	<u>\$ 290,307</u>

	<b>Financial Liabilities at FVTPL</b>
	<b>Derivative - Convertible Bonds - Option</b>
Financial liabilities at FVTPL	
Balance at January 1, 2020	\$ 8,394
Recognized in profit or loss (included in other gains and losses)	
Unrealized	(8,429)
Effect of foreign currency exchange differences	<u>35</u>
Balance at September 30, 2020	<u>\$ -</u>

3) Valuation techniques and inputs applied for Level 2 fair value measurement

<b>Financial Instruments</b>	<b>Valuation Techniques and Inputs</b>
Derivatives - foreign exchange forward contracts	Discounted cash flow: Future cash flows are estimated based on observable forward exchange rates at the end of the reporting period and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

4) Valuation techniques and inputs applied for Level 3 fair value measurement

<b>Financial Instruments</b>	<b>Valuation Techniques and Inputs</b>
Convertible bond options	The binomial tree evaluation model of convertible bonds: Consideration of the duration, the stock price and volatility of the convertible bond object, conversion price, risk-free rate of interest, risk discount rate, and liquidity risk of the convertible bonds and other factors.
Unlisted equity securities and fund beneficiary certificates	Asset-based approach: The value of evaluation target can be obtained by taking into account the net asset value measured at the fair value with the consideration of liquidity and non-controlling discounts rate to estimate the target's fair value.  The market approach: The value of evaluation target can be obtained by using the transaction price of the enterprises which are similar to the evaluation target in the active market. The liquidity discounted rate is considered to estimate the target's fair value.

	<b>September 30, 2021</b>	<b>December 31, 2020</b>	<b>September 30, 2020</b>
Discount for lack of marketability	10.00%-60.00%	10.00%-30.00%	10.00%-39.53%

c. Categories of financial instruments

	September 30, 2021	December 31, 2020	September 30, 2020
<u>Financial assets</u>			
FVTPL			
Mandatorily as at FVTPL	\$ 132,163	\$ 60,365	\$ 130,418
Financial assets at amortized cost (1)	10,413,164	10,882,913	9,630,201
Financial assets for hedging	-	10,641	135
Financial assets at FVTOCI			
Equity instruments	280,207	308,606	287,982
<u>Financial liabilities</u>			
FVTPL			
Held for trading	2,132	51	2,336
Amortized cost (2)	8,157,125	7,677,819	6,550,381
Financial liabilities for hedging	6,655	-	255

- 1) The balances included cash and cash equivalents, notes receivable, trade receivables, other receivables, other financial assets and refundable deposits (included in non-current assets) at amortized cost.
- 2) The balances included financial liabilities measured at amortized cost, which comprise short-term borrowings, notes payable, trade payables, trade payables to related parties, other payables, other payables to related parties, current portion of long-term borrowings, long-term borrowings, bonds payable and guarantee deposits received (included in other non-current liabilities).

d. Financial risk management objectives and policies

The Group's major financial instruments included equity and debt investments, notes and trade receivables, trade payables, bonds payable, borrowings and lease liabilities. The Group's Corporate Treasury function provides services to the business, 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.

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.

The Corporate Treasury function reports quarterly to the board of directors, an independent body that monitors risks and policies implemented to mitigate risk exposures.

1) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below). 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 on 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.

a) Foreign currency risk

Several subsidiaries of the Group had foreign currency sales and purchases, which exposed the Group to foreign currency risk. Exchange rate exposures were managed within approved policy parameters utilizing foreign exchange forward contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including those eliminated on consolidation) and of the derivatives exposed to foreign currency risk at the end of the reporting period are set out in Note 38.

Sensitivity analysis

The Group was mainly exposed to the USD.

The following table details the subsidiaries using non-US dollar as a functional currency, and their sensitivity to a 1% increase and decrease in the US dollar against the relevant foreign currencies. A sensitivity rate of 1% is used when reporting foreign currency risk internally to key management personnel 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. A positive number below indicates an increase in pre-tax profit when the US dollar strengthening by 1% against the relevant currency. For a 1% weakens of the US dollar against the relevant currency, there would be an equal and opposite impact on pre-tax profit, and the balances below would be negative.

	<b>USD Impact</b> <b>For the Nine Months Ended</b> <b>September 30</b>	
	<b>2021</b>	<b>2020</b>
Profit or loss	\$ 9,064	\$ 27,983

This was mainly attributable to the exposure outstanding on USD receivables and payables, which were not hedged at the end of the reporting period.

The Group's sensitivity to foreign currency decreased during the current period mainly due to decrease in foreign currency net assets.

Hedge accounting

The Group purchased foreign currencies as a hedge for the foreign exchange rate on future firm commitments. The transaction is designated as cash flow hedges. Basis adjustments are made to the initial carrying amounts of non-financial hedged items when the future firm commitments take place.

The Group has designated Singapore dollars cash as a hedge of the future firm commitments (the transaction currency is Singapore dollars). The determination of the hedge is negotiated with the hedged items. The Group evaluates that the cash and the anticipated transaction will systematically reverse in response to changes in the exchange rate of the hedged item.

The source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the hedge item, which is not reflected in the fair value of the hedged item attributable to changes in foreign exchange rates. No other sources of ineffectiveness is expected to emerge from these hedging relationships.

The exchange rate hedging information for the Group is as follows:

September 30, 2020

Hedge Instrument	Currency	Contract Price	Maturity	Line Item in Balance Sheet	Carrying Amount	
					Assets	Liabilities
Cash flow hedges						
Forecast investment - firm commitment in foreign currency - cash (i)	Singapore dollars	SGD68,871	2020.4.7	Financial assets for hedging	\$ _____	\$ _____

For the nine months ended September 30, 2020

Other Comprehensive Income Effect	Recognized Income in Other Comprehensive Income
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Cash flow hedges

Firm commitments in foreign currency (i) (ii)	\$ <u>13,862</u>
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i. The Group has bought Singapore dollars and signed the investment contract in Singapore dollars in order to circumvent the risk of exchange rate fluctuations due to the future investment. The amount of originally deferred to equity at the time of the contract signing will be included in the carrying amount of the non - financial hedged item.

ii. For information on other hedging equity adjustments, refer to Note 24.

b) Interest rate risk

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:

	September 30, 2021	December 31, 2020	September 30, 2020
Interest rate risk on fair value			
Financial assets	\$ 889,372	\$ 2,038,502	\$ 911,038
Financial liabilities	3,254,165	3,608,787	3,633,599
Interest rate risk on cash flow			
Financial assets	2,569,336	3,407,304	3,307,268
Financial liabilities	388,393	440,881	446,267

Sensitivity analysis

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 personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's pre-tax profit for the nine months ended September 30, 2021 and 2020 would have increased/decreased by \$16,357 thousand and \$21,458 thousand, respectively, which would be mainly attributable to the Group's exposure to interest rates on its variable-rate bank deposits and bank borrowings.

The Group's sensitivity to interest rates decreased during the current period mainly due to the decrease in the variable rate bank deposits.

c) Other price risk

The Group was exposed to security price risk through its investments in marketable securities.

Sensitivity analysis

The sensitivity analysis below was determined based on the exposure to security price risks at the end of the reporting period.

If security price had been 1% higher/lower, pre-tax income for the nine months ended September 30, 2021 and 2020 would have increased/decreased by \$1,176 thousand and \$1,015 thousand, respectively due to the increase/decrease of financial assets at FVTPL. Pre-tax other comprehensive income for the nine months ended September 30, 2021 and 2020 would have increased/decreased by \$2,802 thousand and \$2,880 thousand, respectively due to the increase/decrease of financial assets at FVTOCI.

The Group's sensitivity to security prices increased during the current period mainly due to increase in security instruments.

Hedge accounting

In addition to the above-mentioned price risk, 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 markup with a certain margin ratio. 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 that is part of 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.

The hedging strategy of the Group was to sign copper futures contract to avoid the risk of copper price fluctuations and to designate cash flow hedges and adjust the book value of non-hedging items when expected transactions actually occur.

For the anticipation of the highly probable expected purchase transactions, the main conditions (e.g. quantity and period) of the copper futures contract are negotiated with the hedged items. According to the assessment of economic relations, the Group evaluates that the copper futures contract and the anticipated transaction will systematically reverse in response to changes in raw material copper prices. 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.

The exchange rate hedging information for the Group is as follows:

September 30, 2021

<b>Hedge Instrument</b>	<b>Contract Weight</b>	<b>Maturity</b>	<b>Line Item in Balance Sheet</b>	<b>Carrying Amount</b> <b>Liabilities</b>
Cash flow hedges				
Copper futures contracts	765 tons	2021.10-2022.1	Derivative financial liabilities for hedging	<u>\$ 6,655</u>
				<b>Book Value of Other Equity</b>
				<b>Continuous Application of Hedge Accounting</b>

Cash flow hedges				
Expected purchases (i)				<u>\$ (5,314)</u>

For the nine months ended September 30, 2021

				<b>Recognized Profit (Loss) in Other Comprehensive Income</b>
<b>Other Comprehensive Income Effect</b>				

Cash flow hedges				
Expected purchases (i) (ii)				<u>\$ 27,738</u>

September 30, 2020

<b>Hedge Instrument</b>	<b>Contract Weight</b>	<b>Maturity</b>	<b>Line Item in Balance Sheet</b>	<b>Carrying Amount</b>	
				<b>Assets</b>	<b>Liabilities</b>
Cash flow hedges					
Copper futures contracts	695 tons	2020.10-2021.1	Derivative financial assets/liabilities for hedging	<u>\$ 135</u>	<u>\$ 255</u>

					<b>Book Value of Other Equity</b>
					<b>Continuous Application of Hedge Accounting</b>
<b>Hedged Item</b>					
Cash flow hedges					
Expected purchases (i)					<u>\$ (448)</u>

For the nine months ended September 30, 2020

<b>Other Comprehensive Income Effect</b>	<b>Recognized Profit (Loss) in Other Comprehensive Income</b>
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Cash flow hedges

Expected purchases (i) (ii)

\$ (12,534)

- i. According to the status of orders, the Group highly expected to sign raw material purchase contracts with suppliers in the future and has signed copper futures contract (for a period of 3 to 12 months) in order to circumvent the risk of price fluctuations that may occur due to future purchases. The amount of originally deferred to equity at the time of the contract signing will be included in the raw materials' carrying amount.
- ii. For information on other hedging equity adjustments, refer to Note 24.

## 2) Credit risk

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 recognized financial assets as stated in the consolidated balance sheets.

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.

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 trade receivable at the end of the reporting period to ensure that adequate allowances are made for irrecoverable amounts.

Except for the major three costumers of the BizLink, the Group did not have significant credit risk for any single counterparty or any group of counterparties with similar characteristics.

The Group's concentration of credit risk of 33%, 31% and 32% of total trade receivables as of September 30, 2021, December 31, 2020 and September 30, 2020, respectively, was related to the Group's three major customers.

## 3) Liquidity risk

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 utilization of bank borrowings and ensures compliance with loan covenants.



The Group relies on bank borrowings as a significant source of liquidity. As of September 30, 2021, December 31, 2020 and September 30, 2020. The Group had available unutilized short-term bank loan facilities set out in (c) below.

a) 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.

September 30, 2021

	<b>Less Than 3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities	\$ 4,744,198	\$ 207,239	\$ 19,203	\$ -
Lease liabilities	62,377	152,033	214,769	78,979
Variable interest rate	16,464	50,084	236,471	112,166
Fixed interest rate	<u>131,900</u>	<u>598,822</u>	<u>2,185,678</u>	<u>-</u>
	<u>\$ 4,954,939</u>	<u>\$ 1,008,178</u>	<u>\$ 2,656,121</u>	<u>\$ 191,145</u>

December 31, 2020

	<b>Less Than 3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities	\$ 4,121,031	\$ 106,224	\$ 10,420	\$ -
Lease liabilities	75,943	205,399	298,926	85,633
Variable interest rate	13,381	51,226	368,734	42,475
Fixed interest rate	<u>136,821</u>	<u>124,653</u>	<u>2,944,683</u>	<u>-</u>
	<u>\$ 4,347,176</u>	<u>\$ 487,502</u>	<u>\$ 3,622,763</u>	<u>\$ 128,108</u>

September 30, 2020 (after measurement period adjustment)

	<b>Less Than 3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
<u>Non-derivative financial liabilities</u>				
Non-interest bearing liabilities	\$ 3,033,424	\$ 163,700	\$ 11,202	\$ -
Lease liabilities	77,903	228,447	411,946	88,945
Variable interest rate	5,835	47,537	373,386	56,863
Fixed interest rate	<u>62,164</u>	<u>44,349</u>	<u>3,029,180</u>	<u>-</u>
	<u>\$ 3,179,326</u>	<u>\$ 484,033</u>	<u>\$ 3,825,714</u>	<u>\$ 145,808</u>

b) Liquidity and interest rate risk table for derivative financial liabilities

The following table details the Group's liquidity analysis for its derivative financial instruments. The table was based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settle on a net basis, and the undiscounted gross inflows and outflows on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves at the end of the reporting period.

September 30, 2021

	<b>On Demand or Less Than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
<u>Net settled</u>					
Futures contract - copper	\$ (2,351)	\$ (3,220)	\$ (1,084)	\$ -	\$ -
Foreign exchange forward contracts	<u>3,340</u>	<u>1,870</u>	<u>22</u>	<u>-</u>	<u>-</u>
	<u>\$ 989</u>	<u>\$ (1,350)</u>	<u>\$ (1,062)</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Gross settled</u>					
Foreign exchange forward contracts					
Inflow	\$ 84,783	\$ 218,119	\$ 57,648	\$ -	\$ -
Outflow	<u>(82,874)</u>	<u>(214,585)</u>	<u>(57,559)</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,909</u>	<u>\$ 3,534</u>	<u>\$ 89</u>	<u>\$ -</u>	<u>\$ -</u>

December 31, 2020

	<b>On Demand or Less Than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
<u>Net settled</u>					
Futures contract - copper	\$ 2,226	\$ 8,358	\$ 57	\$ -	\$ -
Foreign exchange forward contracts	<u>16,727</u>	<u>17,672</u>	<u>2,225</u>	<u>-</u>	<u>-</u>
	<u>\$ 18,953</u>	<u>\$ 26,030</u>	<u>\$ 2,282</u>	<u>\$ -</u>	<u>\$ -</u>

Gross settled

Foreign exchange forward contracts					
Inflow	\$ 104,835	\$ 246,640	\$ 87,525	\$ -	\$ -
Outflow	<u>(103,393)</u>	<u>(245,191)</u>	<u>(87,517)</u>	<u>-</u>	<u>-</u>
	<u>\$ 1,442</u>	<u>\$ 1,449</u>	<u>\$ 8</u>	<u>\$ -</u>	<u>\$ -</u>

September 30, 2020

	<b>On Demand or Less Than 1 Month</b>	<b>1-3 Months</b>	<b>3 Months to 1 Year</b>	<b>1-5 Years</b>	<b>5+ Years</b>
<u>Net settled</u>					
Futures contract - copper	\$ (110)	\$ 323	\$ (333)	\$ -	\$ -
Foreign exchange forward contracts	<u>13,878</u>	<u>8,659</u>	<u>28</u>	<u>-</u>	<u>-</u>
	<u>\$ 13,768</u>	<u>\$ 8,982</u>	<u>\$ (305)</u>	<u>\$ -</u>	<u>\$ -</u>

Gross settled

Foreign exchange forward contracts					
Inflow	\$ 68,472	\$ 43,539	\$ 56,043	\$ 28,954	\$ -
Outflow	<u>(67,479)</u>	<u>(42,816)</u>	<u>(56,043)</u>	<u>(28,954)</u>	<u>-</u>
	<u>\$ 993</u>	<u>\$ 723</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

c) Financing facilities

	September 30, 2021	December 31, 2020	September 30, 2020
Secured bank loan facilities:			
Amount used	\$ 685,393	\$ 455,121	\$ 434,850
Amount unused	<u>105,000</u>	<u>176,200</u>	<u>84,590</u>
	<u>\$ 790,393</u>	<u>\$ 631,321</u>	<u>\$ 519,440</u>
Unsecured bank loan facilities:			
Amount used	\$ 429,875	\$ 245,593	\$ 117,658
Amount unused	<u>4,069,882</u>	<u>3,996,584</u>	<u>2,622,507</u>
	<u>\$ 4,499,757</u>	<u>\$ 4,242,177</u>	<u>\$ 2,740,165</u>

### 34. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between BizLink and its subsidiaries, which were related parties of BizLink, were eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

a. Related party name and categories

Related Party Name	Related Party Categories
Kunshan Xianglian Construction Development Limited	Substantive related parties
AquaOptics Corp.	Associate

b. Sales of goods

Related Party Category/Name	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Associate				
AquaOptics Corp.	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 252</u>

The selling prices are not comparable due to same product not sold to third parties for the nine months ended September 30, 2020. The payment term of related parties is the day of delivery and of unrelated parties is from advance payment day to 180 days.

c. Purchases of goods

Related Party Category/Name	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Associate				
AquaOptics Corp.	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 447</u>

Purchases were made at market prices and terms of purchases to related parties were similar to those with third parties. The payment term is net 30 days from the day of delivery for the related parties and net 0-120 days for the unrelated parties.

d. Trade payables to related parties

Line Item	Related Party Category/Name	September 30, 2021	December 31, 2020	September 30, 2020
Trade payables	Associate AquaOptics Corp.	\$ <u>-</u>	\$ <u>5</u>	\$ <u>5</u>
Other payables	Associate AquaOptics Corp.	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,021</u>
	Substantive related party Kunshan Xianglian Construction Development Limited	\$ <u>222</u>	\$ <u>220</u>	\$ <u>-</u>

The outstanding trade payables from related parties are unsecured.

e. Lease arrangements - Group is lessee

Line Item	Related Party Category/Name	September 30, 2021	December 31, 2020	September 30, 2020
Lease liabilities	Substantive related party Kunshan Xianglian Construction Development Limited	\$ <u>257,853</u>	\$ <u>328,646</u>	\$ <u>343,155</u>

Related Party Category/Name	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
<u>Interest expense</u>				
Substantive related party Kunshan Xianglian Construction Development Limited	\$ <u>3,145</u>	\$ <u>4,171</u>	\$ <u>10,320</u>	\$ <u>13,306</u>

The rental expenses were based on active market prices and were paid quarterly.

f. Other transactions with related parties

1) Refundable deposits (included in other non-current assets)

Related Party Categories/Name	September 30, 2021	December 31, 2020	September 30, 2020
Substantive related party Kunshan Xianglian Construction Development Limited	\$ <u>26,776</u>	\$ <u>20,833</u>	\$ <u>20,404</u>

2) Other expenses (included in research and development expenses)

Related Party Categories/Name	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Associate AquaOptics Corp.	\$ <u>-</u>	\$ <u>1,031</u>	\$ <u>-</u>	\$ <u>1,031</u>

g. Compensation of key management personnel

Line Items	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2021	2020	2021	2020
Short-term employee benefits	\$ 25,379	\$ 20,955	\$ 62,698	\$ 56,500
Share-based payments	<u>979</u>	<u>979</u>	<u>2,904</u>	<u>2,138</u>
	<u>\$ 26,358</u>	<u>\$ 21,934</u>	<u>\$ 65,602</u>	<u>\$ 58,638</u>

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends.

### 35. ASSETS PLEDGED AS COLLATERAL OR FOR SECURITY

The following assets were provided as collateral for bank borrowings:

	September 30, 2021	December 31, 2020	September 30, 2020
Pledged deposits (classified as other financial assets - current)	\$ 71,364	\$ 72,473	\$ 100
Pledged deposits (classified as other financial assets - non-current)	10,563	9,138	8,986
Pledged bank deposits (classified as other financial assets - current)	49,077	10,593	21,969
Pledged bank deposits (classified as other financial assets - non-current)	76,489	55,844	162,726
Freehold land (classified as property, plant and equipment)	666,367	292,276	294,006
Buildings (classified as property, plant and equipment)	295,029	308,873	323,465
Freehold land (classified as investment properties)	51,120	51,120	51,120
Buildings (classified as investment properties)	<u>27,403</u>	<u>27,913</u>	<u>32,880</u>
	<u>\$ 1,247,412</u>	<u>\$ 828,230</u>	<u>\$ 895,252</u>

### 36. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNIZED COMMITMENTS

In addition to those disclosed in other notes, significant commitments and contingencies of the Group as of September 30, 2021, December 31, 2020 and September 30, 2020 were as follows:

#### Significant Commitments

Unrecognized commitments are as follows:

	September 30, 2021	December 31, 2020	September 30, 2020
Acquisition of property, plant and equipment	<u>\$ 295,073</u>	<u>\$ 527,477</u>	<u>\$ 660,473</u>

### 37. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

- a. From October 1, 2021 to November 12, 2021, the amount of convertible bonds converted by the bondholders was US\$14,200 thousand for a total of 1,911 thousand ordinary shares.
- b. The Group's board of directors approved the acquisition of 100% interest in the seven target companies of LEONI Business Group Industrial Solutions on October 1, 2021. The final transaction price will be adjusted and determined by the agreement set in the contract based on the enterprise value of EUR451,000 thousand.
- c. In order to optimize the structure of the investments, the Group's board of directors approved to transfer all shares of EA Cable Assemblies GmbH to Speedy Industrial Supplies Pte Ltd on October 1, 2021.
- d. The Group's board of directors approved the syndicated loans of EUR375,000 thousand provided by Mega Bank, Taishin Bank, Bank SinoPac and CTBC Bank on October 1, 2021. The board has authorized the president and the general manager to sign the relevant documents within the above-mentioned quota.
- e. The lease of Xiang Yao Electronics (Shen Zhen) Co., Ltd., Bizconn International Corp. (China) and Hwa Zhan Electronics Corp. (Shen Zhen) will be expired on October 31, 2021. For that the Group's board of directors approved a new lease on November 15, 2021. The amount of the right-of-use assets is RMB114,623 thousand.
- f. The Company's board of directors approved the issuance of Unsecured Overseas Convertible Bonds on November 15, 2021. The proposed issuance of the fourth five-year unsecured, zero-coupon overseas convertible bonds with a US\$200 thousand par value at an aggregate principal amount at upper limit of US\$125,000 thousand.
- g. The Company's board of directors approved the issuance of Global Depository Receipts (GDRs) on November 15, 2021. The proposed stock issuance for cash is expected to be around 10,000 thousand to 14,000 thousand shares of common stocks with a par value of NT240 in participation of GDRs.
- h. In order to optimize tax planning and the structure of the group. On November 15, 2021, the Company's board of directors approved to invest EUR224,000 thousand in cash to subsidiary, Speedy Industrial Supplies Pte Ltd for investing EUR115,000 thousand in cash to subsidiary, EA Cable Assemblies GmbH.

### 38. SIGNIFICANT FINANCIAL ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by foreign currencies other than functional currencies and the related exchange rates between foreign currencies and respective functional currencies were as follows:

(N.T. Dollars and Foreign Currencies in Thousands)

September 30, 2021			
	Foreign Currencies	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 143,644	6.4851 (USD:RMB)	\$ 4,000,490
USD	9,317	7.7850 (USD:HKD)	259,479
USD	24,845	0.8617 (USD:EUR)	691,934
USD	18,790	4.1880 (USD:MYR)	523,302
USD	11,141	1.3605 (USD:SGD)	310,277
<u>Financial liabilities</u>			
Monetary items			
USD	61,956	6.4851 (USD:RMB)	1,725,477
USD	1,367	7.7850 (USD:HKD)	38,071
USD	19,760	0.8617 (USD:EUR)	550,317
USD	9,378	4.1880 (USD:MYR)	261,178
December 31, 2020			
	Foreign Currencies	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 141,981	6.5232 (USD:RMB)	\$ 4,043,614
USD	9,088	7.7526 (USD:HKD)	258,826
USD	27,078	0.8132 (USD:EUR)	771,181
USD	25,758	4.1300 (USD:MYR)	733,587
USD	8,575	1.3210 (USD:SGD)	244,216
<u>Financial liabilities</u>			
Monetary items			
USD	48,411	6.5232 (USD:RMB)	1,378,744
USD	703	7.7526 (USD:HKD)	20,021
USD	24,579	0.8132 (USD:EUR)	700,009
USD	23,013	4.1300 (USD:MYR)	655,409



September 30, 2020			
	Foreign Currencies	Exchange Rate	Carrying Amount
<u>Financial assets</u>			
Monetary items			
USD	\$ 167,516	6.8259 (USD:RMB)	\$ 4,888,124
USD	4,420	7.7502 (USD:HKD)	128,976
USD	20,540	0.8598 (USD:EUR)	599,358
USD	11,926	4.1670 (USD:MYR)	348,001
USD	12,750	1.3764 (USD:SGD)	372,046
<u>Financial liabilities</u>			
Monetary items			
USD	27,444	6.8259 (USD:RMB)	800,817
USD	403	7.7502 (USD:HKD)	11,760
USD	10,611	0.8598 (USD:EUR)	309,629
USD	14,616	4.1670 (USD:MYR)	426,495

For the nine months ended September 30, 2021 and 2020, realized and unrealized net foreign exchange gains (losses) are described in Note 26. It is impractical to disclose net foreign exchange gains (losses) by each significant foreign currency due to the variety of the foreign currency transactions and functional currencies of the Group entities.

### 39. SEPARATELY DISCLOSED ITEMS

#### a. Information about significant transactions and investees:

- 1) Financing provided to others (Table 1)
- 2) Endorsements/guarantees provided (Table 2)
- 3) Marketable securities held (excluding investments in subsidiaries, associates and joint ventures) (Table 3)
- 4) Marketable securities acquired and disposed of at costs or prices of at least NT\$300 million or 20% of the paid-in capital (None)
- 5) Acquisition of individual real estate at costs of at least NT\$300 million or 20% of the paid-in capital (Table 4)
- 6) Disposal of individual real estate at prices of at least NT\$300 million or 20% of the paid-in capital (None)
- 7) Total purchases from or sales to related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 5)

- 8) Receivables from related parties amounting to at least NT\$100 million or 20% of the paid-in capital (Table 6)
  - 9) Trading in derivative instruments (Notes 7 and 33)
  - 10) Intercompany relationships and significant intercompany transactions (Table 7)
- b. Information on investees (Table 8)
  - c. Information on investments in mainland China
    - 1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period, repatriations of investment income, and limit on the amount of investment in the mainland China area (Table 9)
    - 2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses (Table 9):
      - a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period
      - b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period
      - c) The amount of property transactions and the amount of the resultant gains or losses
      - d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes
      - e) The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds
      - f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services
  - d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder (Table 10)

#### 40. SEGMENT 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 its computer-related segment, fiber optics segment, home appliance segment and others segment. The related information is as follows:

##### a. Information of reportable segments' gains and losses

	For the Nine Months Ended September 30, 2021				
	Computer-Related	Fiber Optics	Home Appliance	Others	Total
Revenue from external customers	\$ 14,554,681	\$ 111,468	\$ 5,839,844	\$ 59,659	\$ 20,565,652
Intersegment revenue	<u>20,286,407</u>	<u>118,887</u>	<u>713,375</u>	<u>322,835</u>	<u>21,441,504</u>
Segment revenue	<u>34,841,088</u>	<u>230,355</u>	<u>6,553,219</u>	<u>382,494</u>	<u>42,007,156</u>
Eliminations					<u>(21,441,504)</u>
Consolidated revenue					<u>20,565,652</u>
Segment income	<u>\$ 1,379,195</u>	<u>\$ (99,392)</u>	<u>\$ 614,049</u>	<u>\$ 60,686</u>	<u>\$ 1,954,538</u>
Reportable segment interest income					\$ 25,621
Reportable segment other income					102,289
Reportable segment other gains and losses					(28,287)
Reportable segment compensation of management personnel					(65,602)
Reportable segment finance costs					(73,221)
Share of loss of associates accounted for using the equity method					<u>(18,921)</u>
Reportable segment income before income tax					<u>\$ 1,896,417</u>
	For the Nine Months Ended September 30, 2020				
	Computer-Related	Fiber Optics	Home Appliance	Others	Total
Revenue from external customers	\$ 12,279,689	\$ 189,586	\$ 3,763,484	\$ 38,356	\$ 16,271,115
Intersegment revenue	<u>17,210,299</u>	<u>205,651</u>	<u>484,452</u>	<u>162,647</u>	<u>18,063,049</u>
Segment revenue	<u>29,489,988</u>	<u>395,237</u>	<u>4,247,936</u>	<u>201,003</u>	<u>34,334,164</u>
Eliminations					<u>(18,063,049)</u>
Consolidated revenue					<u>16,271,115</u>
Segment income	<u>\$ 1,574,395</u>	<u>\$ (95,101)</u>	<u>\$ 276,582</u>	<u>\$ 25,225</u>	<u>\$ 1,781,101</u>
Reportable segment interest income					\$ 48,282
Reportable segment other income					186,177
Reportable segment other gains and losses					(233,155)
Reportable segment compensation of management personnel					(58,638)

(Continued)

	For the Nine Months Ended September 30, 2020				
	Computer- Related	Fiber Optics	Home Appliance	Others	Total
Reportable segment finance costs					\$ (97,186)
Share of loss of associates accounted for using the equity method					<u>(16,647)</u>
Reportable segment income before income tax					<u>\$ 1,609,934</u> (Concluded)

Segment profit represented the profit before tax earned by each segment without allocation of central administration costs and directors' salaries, share of profit of associates, interest income, 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.

b. Segment total asset and liabilities

As the measured amount of the consolidated company's assets and liabilities has not been provided to the operating decision makers, the items will not be disclosed.

TABLE 1

## BIZLINK HOLDING INC. AND SUBSIDIARIES

FINANCING PROVIDED TO OTHERS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021  
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Lender	Borrower	Financial Statement Account	Related Party	Highest Balance for the Period (Note 4)	Ending Balance (Notes 4 and 5)	Actual Borrowing Amount	Interest Rate (%)	Nature of Financing (Note 2)	Business Transaction Amount	Reasons for Short-term Financing	Allowance for Impairment Loss	Collateral		Financing Limit for Each Borrower (Note 3)	Aggregate Financing Limit (Note 3)
													Item	Value		
0	BizLink Holding Inc.	BizLink (BVI) Corp.	Other receivables from related parties	Yes	\$ 557,000	\$ -	\$ -	-	2	\$ -	Operating capital financing funds	\$ -	-	-	\$ 5,507,225	\$ 5,507,225
		BizLink (BVI) Corp. Limited	Other receivables from related parties	Yes	557,000	-	-	-	2	-	Operating capital financing funds	-	-	-	5,507,225	5,507,225
		BizLink (BVI) Corp. Limited	Other receivables from related parties	Yes	557,000	557,000	278,500	-	2	-	Operating capital financing funds	-	-	-	5,507,225	5,507,225
		BizLink (BVI) Corp. Limited	Other receivables from related parties	Yes	278,500	278,500	278,500	-	2	-	Operating capital financing funds	-	-	-	5,507,225	5,507,225
1	BizLink Technology (Ireland) LTD.	BizLink Technology SRB D.O.O.	Other receivables from related parties	Yes	113,120	113,120	113,120	0.454	2	-	Operating capital financing funds	-	-	-	836,903	836,903
		BizLink Technology (Slovakia) S.R.O.	Other receivables from related parties	Yes	32,320	32,320	32,320	0.454	2	-	Operating capital financing funds	-	-	-	836,903	836,903
2	OptiWorks (Shanghai) Limited	OptiWorks (Kunshan) Limited	Other receivables from related parties	Yes	64,414	-	-	-	2	-	Operating capital financing funds	-	-	-	86,556	86,556
		OptiWorks (Kunshan) Limited	Other receivables from related parties	Yes	64,414	64,414	64,414	3.850	2	-	Operating capital financing funds	-	-	-	86,556	86,556
3	BizLink (BVI) Corp.	BizLink International Corp.	Other receivables from related parties	Yes	278,500	-	-	-	2	-	Operating capital financing funds	-	-	-	160,284	160,284
		BizLink International Corp.	Other receivables from related parties	Yes	69,625	-	-	-	2	-	Operating capital financing funds	-	-	-	160,284	160,284
		BizLink International Corp.	Other receivables from related parties	Yes	69,625	69,625	-	-	2	-	Operating capital financing funds	-	-	-	160,284	160,284
4	BizLink (BVI) Corp. Limited	BizLink International Corp.	Other receivables from related parties	Yes	55,700	55,700	-	-	2	-	Operating capital financing funds	-	-	-	686,966	686,966
5	BizLink Technology (Belgium) NV	BizLink Technology (Slovakia) S.R.O.	Other receivables from related parties	Yes	32,320	32,320	32,320	0.678	2	-	Operating capital financing funds	-	-	-	752,027	752,027
		BizLink Technology SRB D.O.O.	Other receivables from related parties	Yes	64,640	64,640	64,640	0.598	2	-	Operating capital financing funds	-	-	-	752,027	752,027
		BizLink Technology SRB D.O.O.	Other receivables from related parties	Yes	64,640	64,640	64,640	0.598	2	-	Operating capital financing funds	-	-	-	752,027	752,027
		BizLink Technology SRB D.O.O.	Other receivables from related parties	Yes	48,480	48,480	48,480	0.491	2	-	Operating capital financing funds	-	-	-	752,027	752,027
		BizLink Technology SRB D.O.O.	Other receivables from related parties	Yes	38,784	38,784	38,784	0.468	2	-	Operating capital financing funds	-	-	-	752,027	752,027
		BizLink Technology SRB D.O.O.	Other receivables from related parties	Yes	9,696	-	-	-	2	-	Operating capital financing funds	-	-	-	752,027	752,027
		BizLink Technology SRB D.O.O.	Other receivables from related parties	Yes	9,696	-	-	-	2	-	Operating capital financing funds	-	-	-	752,027	752,027
6	BizLink Technology (Slovakia) S.R.O.	BizLink Technology SRB D.O.O.	Other receivables from related parties	Yes	113,120	-	-	-	2	-	Operating capital financing funds	-	-	-	382,494	382,494
		BizLink Technology SRB D.O.O.	Other receivables from related parties	Yes	16,160	-	-	-	2	-	Operating capital financing funds	-	-	-	382,494	382,494

(Continued)

Note 1: “0” for the issuer.  
Investees are numbered from “1”.

Note 2: Number 1 represents business relationship between companies or firms.  
Number 2 represents short-term financing is necessary between companies or firms.

Note 3: a. For short-term financing facility with BizLink, the accumulated financing amount shall not exceed 40% of the net asset value of the Group.

b. The individual loan amount and total amount of loans between the foreign companies, which are held directly or indirectly 100% of voting share, and loan between BizLink and foreign companies which are held directly or indirectly 100% of voting share should not exceed the five times of the total asset amount of BizLink.

c. For necessary short-term financing facility for BizLink (BVI) Corp., the individual loan amount and total amount of loans shall not exceed 40% of the net value of the lending company.

d. For necessary short-term financing facility for OptiWorks (Shanghai) Limited, the individual loan amount and total amount of loans shall not exceed 40% of the net value of the lending company.

e. For BizLink Technology (Ireland) Ltd., the individual loan amount and total amount of loans between the foreign subsidiaries which are held directly or indirectly 100% of voting share by BizLink shall not exceed the net value of the lending company and five times of the net value of parent company.

f. For necessary short-term financing facility for BizLink (BVI) Corp. Limited, the individual loan amount and total amount of loans shall not exceed 40% of the net value of the lending company.

g. For BizLink Technology (Belgium) NV, the individual loan amount and total amount of loans between the foreign subsidiaries which are held directly or indirectly 100% of voting share by BizLink shall not exceed two times of the net value of the lending company and five times of the net value of parent company.

h. For BizLink Technology (Slovakia) S.R.O., the individual loan amount and total amount of loans between the foreign subsidiaries which are held directly or indirectly 100% of voting share by BizLink shall not exceed the net value of the lending company and five times of the net value of parent company.

Note 4: The highest balance for the period and ending balance present in NT\$. Foreign currencies are converted into NT\$; the exchange rate was US\$1=NT\$27.8500, RMB1=NT\$4.2943, EUR1=NT\$32.3200 as of September 30, 2021.

Note 5: The amount was eliminated upon consolidation.

(Concluded)

TABLE 2

## BIZLINK HOLDING INC. AND SUBSIDIARIES

ENDORSEMENTS/GUARANTEES PROVIDED  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021  
(In Thousands of New Taiwan Dollars)

No. (Note 1)	Endorser/Guarantor Provider	Endorsee/Guarantee		Limit on Endorsement/ Guarantee Given on Behalf of Each Party (Note 3)	Maximum Amount Endorsed/ Guaranteed During the Period (Note 6)	Outstanding Endorsement/ Guarantee at the End of the Period (Notes 5 and 6)	Actual Borrowing Amount	Amount Endorsed/ Guaranteed by Collateral	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements (%)	Aggregate Endorsement/ Guarantee Limit (Note 3)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship (Note 2)										
0	BizLink Holding Inc.	BizLink Technology Inc., BizLink Tech Inc.	b	\$ 13,768,063	\$ 111,400 (US\$ 4,000)	\$ 111,400 (US\$ 4,000)	\$ -	\$ -	0.81	\$ 13,768,063	Y	N	N
		BizLink (BVI) Corp.	b	13,768,063	738,304 (US\$ 26,510)	237,004 (US\$ 8,510)	162,596 (US\$ 5,838)	-	1.72	13,768,063	Y	N	N
		BizLink International Corp.	b	13,768,063	950,000	950,000	300,000	-	6.90	13,768,063	Y	N	N
		BizLink (BVI) Corp. Limited.	b	13,768,063	1,693,280 (US\$ 60,800)	905,125 (US\$ 32,500)	105,408 (US\$ 3,785)	-	6.57	13,768,063	Y	N	N
		BizLink (BVI) Corp., BizLink (BVI) Corp. Limited	b	13,768,063	668,400 (US\$ 24,000)	-	-	-	-	13,768,063	Y	N	N
		BizLink (BVI) Corp., BizLink International Corp., BizLink (BVI) Corp. Limited	b	13,768,063	919,050 (US\$ 33,000)	-	-	-	-	13,768,063	Y	N	N
		BizLink Technology (S.E.A.) Sdn. Bhd.	b	13,768,063	278,500 (US\$ 10,000)	139,250 (US\$ 5,000)	80,765 (US\$ 2,900)	-	1.01	13,768,063	Y	N	N
		BizLink Technology (S.E.A.) Sdn. Bhd.	b	13,768,063	6,650 (MYR 1,000)	6,650 (MYR 1,000)	-	-	0.05	13,768,063	Y	N	N
		BizLink Technology (Xiamen) Limited, BizLink Technology (Chang Zhou) Limited	b	13,768,063	708,553 (RMB 165,000)	708,553 (RMB 165,000)	354,054 (RMB 82,448)	-	5.15	13,768,063	Y	N	Y
		BizLink Technology (Xiamen) Limited, BizLink Technology (Chang Zhou) Limited, BizLink (Kun Shan) Co., Ltd., Xiang Yao Electronics (Shen Zhen) Co., Ltd.	b	13,768,063	764,553 (RMB 178,000)	-	-	-	-	13,768,063	Y	N	Y
		BizLink Technology (Xiamen) Limited, BizLink Technology (Chang Zhou) Limited, BizLink (Kun Shan) Co., Ltd., Xiang Yao Electronics (Shen Zhen) Co., Ltd., BizLink Electronics (Xiamen) Co., Ltd.	b	13,768,063	55,825 (RMB 13,000)	55,825 (RMB 13,000)	4,651 (RMB 1,083)	-	0.41	13,768,063	Y	N	Y
		BizLink Technology (Slovakia) S.R.O.	b	13,768,063	111,400 (US\$ 4,000)	111,400 (US\$ 4,000)	111,400 (US\$ 4,000)	-	0.81	13,768,063	Y	N	N
		BizLink Technology (Slovakia) S.R.O.	b	13,768,063	500,959 (EUR 15,500)	500,959 (EUR 15,500)	48,480 (EUR 1,500)	-	3.64	13,768,063	Y	N	N
		BizLink Technology (Ireland) Ltd.	b	13,768,063	13,925 (US\$ 500)	13,925 (US\$ 500)	-	-	0.10	13,768,063	Y	N	N
1	BizLink Technology Inc. (Note 4)	BizLink Technology Inc.	-	2,626,023	69,625 (US\$ 2,500)	-	-	-	-	2,626,023	N	N	N
		BizLink Tech Inc.	b	2,626,023	169,823 (US\$ 6,098)	169,823 (US\$ 6,098)	30,098 (US\$ 1,081)	-	1.23	2,626,023	N	N	N
2	BizLink (BVI) Corp.	BizLink Technology SRB D.O.O.	b	1,202,137	64,783 (EUR 2,004)	64,783 (EUR 2,004)	64,783 (EUR 2,004)	76,465 (US\$ 2,746)	0.47	1,202,137	N	N	N

(Continued)

- Note 1: “0” for the issuer.  
Investees are numbered from “1”.
- Note 2: Six kinds of relationship information of endorser and endorsee to be noted.
- a. A company with which it has business relationship.
  - b. A subsidiary which directly holds more than 50% of common stocks.
  - c. An investee company of which over 50% is jointly owned by the BizLink and its subsidiaries.
  - d. The parent company holds directly and indirectly more than 50% of the common stock of the subsidiaries.
  - e. Guaranteed by the Group according to the construction contract.
  - f. All capital contributing stockholders make endorsements or guarantees for their jointly invested company in proportion to their stockholding percentage.
- Note 3: The regulation of endorsement guarantee provided by BizLink:
- a. The amount of endorsement provided by BizLink for a single enterprise and as whole shall be limited to the net value of BizLink’s audited or reviewed consolidated financial statements by accountant in the most recent period.
  - b. The amount of endorsement provided by BizLink and subsidiaries for a single enterprise and as whole shall be limited to the net value of BizLink’s audited or reviewed consolidated financial statements by accountant in the most recent period.
  - c. The endorsement between the companies which BizLink directly or indirectly holds 100% of voting right is not limited but shall not exceed ten times of the net value of BizLink’s audited or reviewed consolidated financial statements by accountant in the most recent period.
  - d. For BizLink Technology Inc., the amount of endorsement provided for a single enterprise shall be limited to two times of the net value, and the amount of endorsement as whole shall be limited to two times of the net value.
  - e. For BizLink (BVI) Corp., the amount of endorsement provided for a single enterprise shall be limited to three times of the net value, and the amount of endorsement as whole shall be limited to three times of the net value.
- Note 4: This is an endorsement provided by BizLink Technology Inc. itself regarding the tariff guarantee.
- Note 5: The amount was eliminated upon consolidation.
- Note 6: The highest balance for the period and ending balance present in NT\$. Foreign currencies are converted into NT\$; the exchange rate was US\$1=NT\$27.8500; MYR1=NT\$6.6500, RMB1=NT\$4.2943 and EUR1=NT\$32.320 as of September 30, 2021.

(Concluded)



**TABLE 3****BIZLINK HOLDING INC. AND SUBSIDIARIES****MARKETABLE SECURITIES HELD****SEPTEMBER 30, 2021****(In Thousands of New Taiwan Dollars and Shares)**

Holding Company Name	Type and Name of Marketable Securities (Note 1)	Relationship with the Holding Company	Financial Statement Account	September 30, 2021				Note
				Number of Stock/Unit	Carrying Value (Note 2)	Percentage of Ownership (%)	Fair Value (Note 2)	
BizLink Holding Inc.	<u>Stocks</u>							
	Lilee Systems, Ltd.	-	Financial assets at FVTOCI - non-current	142,857	\$ -	1.20	\$ -	-
	Tilopa Holding Inc.	Substantive related party	Financial assets at FVTOCI - non-current	2,400,000	141,889	18.00	141,889	-
BizLink Technology Inc.	<u>Stocks</u>							
	Wells Fargo & Co.	-	Financial assets at FVTPL - current	400	517	-	517	-
	Transocean Ltd.	-	Financial assets at FVTPL - current	800	84	-	84	-
	CNOOC Ltd.	-	Financial assets at FVTPL - current	200	679	-	679	-
	Walt Disney Co.	-	Financial assets at FVTPL - current	100	471	-	471	-
BizLink (BVI) Corp.	<u>Stocks</u>							
	Rainbow Star Group Limited (Note 5)	-	Financial assets at FVTOCI - non-current	20,000	28,578	26.05	28,578	-
	Prime Rich International Co., Ltd.	-	Financial assets at FVTOCI - non-current	600,000	34,256	6.00	34,256	-
	<u>Beneficiary certificate - domestic</u>							
	WI Harper Fund IX LP	-	Financial assets at FVTPL - non-current	-	27,572	3.49	27,572	-
	Amed Ventures Growthlink Fund, L.P.	-	Financial assets at FVTPL - non-current	-	33,420	48.00	33,420	-
	Mesh Cooperative Ventures, Inc.	-	Financial assets at FVTPL - non-current	-	6,000	2.46	6,000	-
BizLink International Corp.	<u>Stocks</u>							
	Anqing Innovation Co., Ltd.	-	Financial assets at FVTOCI - non-current	2,076,000	13,555	4.50	13,555	-
	Usenlight Corp.	-	Financial assets at FVTOCI - non-current	1,302,000	10,273	3.40	10,273	-
	Centera Photonics Inc.	-	Financial assets at FVTOCI - non-current	1,000,000	6,970	3.10	6,970	-
	Centera Photonics Inc.	-	Financial assets at FVTPL - current	1,627,746	48,832	Preferred stock	48,832	-
	Togowin Technology Co., Ltd.	-	Financial assets at FVTOCI - non-current	1,172,747	17,415		17,415	-
Zellwood International Corp.	<u>Equity investments</u>							
	Amed Venture I, L.P.	-	Financial assets at FVTOCI - non-current	Note 3	26,161	4.56	26,161	-
BizLink BVI Corp. Limited	<u>Equity investments</u>							
	Datlink Electronic (Shenzhen) Co., Ltd.	-	Financial assets at FVTOCI - non-current	Note 3	1,110	9.00	1,110	-

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities within the scope of IFRS 9 “Financial Instruments”.

Note 2: Above amounts present in New Taiwan dollar (NT\$). Foreign currency is converted into NT\$; the exchange rate was US\$1=NT\$27.8500 as of September 30, 2021.

Note 3: The Group is a “limited company” without stock issuance.

Note 4: Investments in subsidiaries, associates and joint ventures information (refer to Tables 8 and 9).

Note 5: BizLink is not able to exercise significant influence over the Group; therefore, marketable securities are measured at FVTOCI.

TABLE 4

BIZLINK HOLDING INC. AND SUBSIDIARIES

ACQUISITION OF INDIVIDUAL REAL ESTATE AT COSTS OF AT LEAST NT\$300 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021  
(In Thousands of New Taiwan Dollars and Foreign Currencies)

Company Name	Types of Property	Transaction Date	Transaction Amount (Foreign Currencies in Thousands)	Payment Term	Counter-party	Nature of Relationships	Prior Transaction of Related Counter-party				Price Reference	Purpose of Acquisition	Other Terms
							Owner	Relationships	Transfer Date	Amount			
BizLink Technology (Chang Zhou) Limited	Buildings	July 20, 2020	\$ 758,571 (RMB 181,000)	By the construction progress	Jiangsu Jiangdu Construction Group Co., Ltd.	-	-	-	-	\$ -	N/A (Note 1)	For operational use	-
BizLink International Corp.	Land	May 3, 2021	375,650	Within two months, as of September 30, 2021 the transaction amount has been paid off	Industrial Development Bureau, MOEA (IDB)	-	-	-	-	-	N/A (Note 2)	For operational use	-

Note 1: There was a contract with a third party to construct on its land, thus the appraisal report was not required.

Note 2: Transaction with government agencies, thus the appraisal report was not required.

TABLE 5

BIZLINK HOLDING INC. AND SUBSIDIARIES

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021  
(In Thousands of New Taiwan Dollars)

Company Name	Related Party	Nature of Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Payable or Receivable		Note
			Purchase/ Sale	Amount	% to Total	Payment Terms	Unit Price	Payment Terms	Ending Balance (Note 3)	% to Total	
BizLink Technology Inc.	BizLink (BVI) Corp. Limited	The same parent company	Sales	\$ 190,305	3	30-120 days	Markup 5% of purchase price (Note 4)	30-110 days	\$ 55,599	3	Note 2
BizLink (Kun Shan) Co., Ltd.	BizLink (BVI) Corp. Limited	The same parent company	Sales	4,821,408	87	0-120 days	BVI Limited sale price 90%-100% (Note 4)	Net 0-120 days from the end of the month of when invoice is issued	1,933,849	84	Note 2
BizLink Technology (S.E.A.) SDN. BHD.	BizLink (BVI) Corp. Limited	The same parent company	Sales	855,137	49	prepayment - 120 days	Set by agreement of both parties (Note 4)	Net 0-90 days from the end of the month of when invoice is issued	220,516	44	Note 2
BizLink Electronics (Xiamen) Co., Ltd.	BizLink (BVI) Corp. Limited	The same parent company	Sales	832,675	82	0-120 days	BVI Limited sale price 100% (Note 4)	Net 0-120 days from the end of the month of when invoice is issued	348,861	76	Note 2
TongYing Electronics (Shen Zhen) Ltd.	BizLink (Kun Shan) Co., Ltd.	The same parent company	Sales	131,538	34	0-120 days	Set by agreement of both parties (Note 4)	Net 0-60 days from the end of the month of when invoice is issued	87,234	43	Note 2
	Xiang Yao Electronics (Shen Zhen) Co.,	The same parent company	Sales	119,640	31	0-60 days	Set by agreement of both parties (Note 4)	Net 0-60 days from the end of the month of when invoice is issued	68,019	34	Note 2
BizLink Tech Inc.	BizLink Technology Inc.	The same parent company	Sales	354,449	55	30-90 days	No similar items	Net 0-100 days from the end of the month of when invoice is issued	38,291	39	Note 2
BizLink (BVI) Corp. Limited	BizLink Technology Inc.	The same parent company	Sales	4,259,056	31	1-365 days	Set by agreement of both parties (Note 4)	Net 0-120 days from the end of the month of when invoice is issued	1,882,798	33	Note 2
	Hwa Zhan Electronics Corp. (Shen Zhen)	The same parent company	Sales	103,566	1	0-365 days	Profit 0%-8% (Note 4)	Net 0-120 days from the end of the month of when invoice is issued	5,720	4	Note 2
	BizLink (Kun Shan) Co., Ltd.	The same parent company	Sales	2,831,858	21	0-180 days	Profit 0%-10% (Note 4)	Net 0-120 days from the end of the month of when invoice is issued	1,552,111	27	Note 2
	BizLink Technology (S.E.A.) SDN. BHD.	The same parent company	Sales	273,796	2	0-120 days	Set by agreement of both parties (Note 4)	Net 0-120 days from the end of the month of when invoice is issued	59,936	1	Note 2
	TongYing Electronics (Shen Zhen) Ltd.	The same parent company	Sales	145,146	1	0-365 days	Profit 0% (Note 4)	Net 0-120 days from the end of the month of when invoice is issued	18,248	11	Note 2
	BizLink Technology (Ireland) Ltd.	The same parent company	Sales	1,626,436	12	0-365 days	Set by agreement of both parties (Note 4)	Net 0-120 days from the end of the month of when invoice is issued	513,819	9	Note 2
	Xiang Yao Electronics (Shen Zhen) Co.,	The same parent company	Sales	683,499	5	90-365 days	Profit 0%-10% (Note 4)	Net 0-120 days from the end of the month of when invoice is issued	94,216	2	Note 2
Xiang Yao Electronics (Shen Zhen) Co., Ltd.	BizLink (BVI) Corp. Limited	The same parent company	Sales	2,347,426	99	1-365 days	Profit 0%-21% (Note 5)	1-365 days	580,677	98	Note 2
Bizconn International Corp. (China)	BizLink (BVI) Corp. Limited	The same parent company	Sales	181,169	39	0-365 days	BVI Limited sale price 90%-100% (Note 4)	Net 30-120 days from the end of the month of when invoice is issued	203,094	57	Note 2
BizLink Technology (Xiamen) Limited	BizLink Technology (Belgium) NV	The same parent company	Sales	222,200	16	0-60 days	Markup 5% of purchase price (Note 4)	Net 0-90 days from the end of the month of when invoice is issued	51,160	10	Note 2
BizLink Technology (Slovakia) S.R.O.	BizLink Technology SRB D.O.O.	The same parent company	Sales	210,970	15	0-30 days	Markup 5% of purchase price (Note 4)	0-60 days	25,970	5	Note 2
SIS Speedy Industrial Supplies Sdn. Bhd.	Speedy Industrial Supplies Pte Ltd.	The same parent company	Sales	209,558	100	30-180 days	Set by agreement of both parties (Note 4)	30-60 days	112,030	100	Note 2
Speedy Industrial Supplies Pte Ltd.	SIS Speedy Industrial Supplies Sdn. Bhd.	The same parent company	Sales	174,730	16	30-180 days	Set by agreement of both parties (Note 4)	30-60 days	79,726	27	Note 2

(Continued)

Note 1: The above amounts of assets accounts and liabilities accounts are converted by exchange rate US\$1=NT\$27.8500 into New Taiwan dollar as of September 30, 2021. The amounts of income accounts are converted by quarterly average exchange rate, first quarter US\$1=NT\$28.3662, second quarter US\$1=NT\$28.0032 and third quarter US\$1=NT\$27.8582.

Note 2: The amount was eliminated upon consolidation.

Note 3: Trade receivables from related parties.

Note 4: For the general customer, the sale prices were based on active market prices.

Note 5: There is no sales to unrelated parties.

(Concluded)

**TABLE 6**

**BIZLINK HOLDING INC. AND SUBSIDIARIES**

**RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT\$100 MILLION OR 20% OF THE PAID-IN CAPITAL  
SEPTEMBER 30, 2021  
(In Thousands of New Taiwan Dollars)**

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amount Received in Subsequent Period (Note 3)	Allowance for Impairment Loss
					Amount	Actions Taken		
<u>Trade receivables</u>								
BizLink (Kun Shan) Co., Ltd.	BizLink (BVI) Corp. Limited	The same parent company	\$ 1,933,849	3.59	-	-	\$ 540,235	\$ -
BizLink Technology (S.E.A.) Sdn. Bhd.	BizLink (BVI) Corp. Limited	The same parent company	220,516	2.90	-	-	46,781	-
BizLink Electronics (Xiamen) Co., Ltd.	BizLink (BVI) Corp. Limited	The same parent company	348,861	3.50	-	-	92,139	-
BizLink (BVI) Corp. Limited	BizLink Technology Inc.	The same parent company	1,882,798	3.00	-	-	734,158	-
BizLink (BVI) Corp. Limited	BizLink (Kun Shan) Co., Ltd.	The same parent company	1,552,111	2.93	-	-	258,139	-
BizLink (BVI) Corp. Limited	BizLink Technology (Ireland) Ltd.	The same parent company	513,819	3.58	-	-	310,348	-
Xiang Yao Electronics (Shen Zhen) Co., Ltd.	BizLink (BVI) Corp. Limited	The same parent company	580,677	4.52	-	-	451,467	-
Bizconn International Corp. (China)	BizLink (BVI) Corp. Limited	The same parent company	203,094	1.51	-	-	29,185	-
SIS Speedy Industrial Supplies Sdn. Bhd.	Speedy Industrial Supplies Pte Ltd.	The same parent company	112,030	3.94	-	-	1,658	-
<u>Other receivables</u>								
BizLink Holding Inc.	BizLink (BVI) Corp. Limited	Subsidiary	557,000	Not applicable	-	-	-	-
BizLink Electronics (Xiamen) Co., Ltd.	BizLink (BVI) Corp. Limited	The same parent company	209,578	Not applicable	-	-	-	-
BizLink Technology (Ireland) Ltd.	BizLink Technology SRB D.O.O.	The same parent company	113,120	Not applicable	-	-	-	-
BizLink (BVI) Corp. Limited	BizLink (BVI) Corp.	The same parent company	179,565	Not applicable	-	-	-	-
EA Cable Assemblies (Hong Kong) Co., Limited	BizLink Holding Inc.	The same parent company	111,400	Not applicable	-	-	-	-
BizLink Technology (Belgium) NV	BizLink Technology SRB D.O.O.	The same parent company	216,544	Not applicable	-	-	-	-

Note 1: Above amounts present in New Taiwan dollar (NT\$). Foreign currency is converted into NT\$; the exchange rate was US\$1=NT\$27.8500 as of September 30, 2021.

Note 2: The amount was eliminated upon consolidation.

Note 3: As of November 12, 2021.

**TABLE 7****BIZLINK HOLDING AND SUBSIDIARIES**
**INTERCOMPANY RELATIONSHIPS AND SIGNIFICANT INTERCOMPANY TRANSACTIONS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021  
(In Thousands of New Taiwan Dollars)**

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets (Note 3)
0	BizLink Holding Inc.	BizLink Technology Inc.	1	Endorsements/guarantees	\$ 111,400		0.47
		BizLink (BVI) Corp.	1	Endorsements/guarantees	237,004		1.01
		BizLink (BVI) Corp.	1	Equity investments	919,050	Profit repatriation	3.90
		BizLink International Corp.	1	Endorsements/guarantees	950,000		4.03
		BizLink International Corp.	1	Equity investments	295,000	Capital increase	1.25
		BizLink (Kun Shan) Co., Ltd.	1	Endorsements/guarantees	55,825		0.24
		BizLink Technology (S.E.A.) Sdn. Bhd.	1	Endorsements/guarantees	145,900		0.62
		BizLink Tech Inc.	1	Endorsements/guarantees	111,400		0.47
		BizLink Tech Inc.	1	Equity investments	139,250	Capital increase	0.59
		BizLink Technology (Ireland) Ltd.	1	Endorsements/guarantees	13,925		0.06
		BizLink (BVI) Corp. Limited	1	Endorsements/guarantees	905,125		3.84
		BizLink (BVI) Corp. Limited	1	Other receivables	557,000		2.36
		Xiang Yao Electronics (Shen Zhen) Co., Ltd.	1	Endorsements/guarantees	55,825		0.24
		BizLink Technology (Xiamen) Limited	1	Endorsements/guarantees	764,378		3.24
		BizLink Technology (Chang Zhou) Limited	1	Endorsements/guarantees	764,378		3.24
		BizLink Technology (Slovakia) S.R.O.	1	Endorsements/guarantees	612,359		2.60
		BizLink Electronics (Xiamen) Co., Ltd.	1	Endorsements/guarantees	55,825		0.24
		Adel Enterprise Corp.	1	Equity investments	167,100	Profit repatriation	0.71
1	BizLink Technology Inc.	BizLink Tech Inc.	3	Endorsements/guarantees	169,823		0.72
		BizLink (BVI) Corp. Limited	3	Sales	190,305	Markup 5% of purchase price and payment term 30-120 days	0.93
		BizLink (BVI) Corp. Limited	3	Trade receivables	55,599	Markup 5% of purchase price and payment term 30-120 days	0.24
		BizLink Technology (S.E.A.) Sdn. Bhd.	3	Other receivables	38,119		0.16
2	OptiWorks (Shanghai) Limited	OptiWorks (Kunshan) Limited	3	Other receivables	64,414		0.27
3	OptiWorks (Kunshan) Limited	BizLink (BVI) Corp. Limited	3	Sales	48,652	Sale price is 100% of BVI Limited sale price and payment term 0-180 days	0.24
		BizLink (BVI) Corp. Limited	3	Trade receivables	41,780	Sale price is 100% of BVI Limited sale price and payment term 0-180 days	0.18
4	BizLink (BVI) Corp.	BizLink Technology SRB D.O.O.	3	Endorsements/guarantees	64,783		0.28
		Hwa Zhan Electronics Corp. (Shen Zhen)	3	Equity investments	259,074	Profit repatriation	1.10
		BizLink (BVI) Corp. Limited	3	Miscellaneous incomes	112,355		0.55
		BizLink International Corp.	3	Other receivables	41,047		0.17

(Continued)

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets (Note 3)
5	Hwa Zhan Electronics Corp. (Shen Zhen)	BizLink (Kun Shan) Co., Ltd.	3	Sales	\$ 41,145	Set by agreement of both parties and payment term 0-120 days	0.20
6	BizLink International Corp.	BizLink (BVI) Corp. Limited	3	Miscellaneous incomes	55,898		0.27
		BizLink (BVI) Corp. Limited	3	Other receivables	31,505		0.13
7	Bizconn International Corporation	BizLink (BVI) Corp.	3	Other receivables	40,215		0.17
8	BizLink (Kun Shan) Co., Ltd.	BizLink International Corp.	3	Sales	84,713	Set by agreement of both parties and payment term 90-120 days	0.41
		BizLink International Corp.	3	Trade receivables	84,686	Set by agreement of both parties and payment term 90-120 days	0.36
		BizLink (BVI) Corp. Limited	3	Sales	4,821,408	Sale price is 90%-100% of BVI Limited sale price and payment term 0-120 days	23.44
		BizLink (BVI) Corp. Limited	3	Trade receivables	1,933,849	Sale price is 90%-100% of BVI Limited sale price and payment term 0-120 days	8.21
		Xiang Yao Electronics (Shen Zhen) Co., Ltd.	3	Sales	58,189	Profit 0% and payment term 120 days	0.28
		Xiang Yao Electronics (Shen Zhen) Co., Ltd.	3	Trade receivables	44,933	Profit 0% and payment term 120 days	0.19
9	BizLink Technology (S.E.A.) Sdn. Bhd.	BizLink (BVI) Corp. Limited	3	Sales	855,137	Set by agreement of both parties and prepayment term 120 days	4.16
		BizLink (BVI) Corp. Limited	3	Miscellaneous incomes	32,957		0.16
		BizLink (BVI) Corp. Limited	3	Trade receivables	220,516	Set by agreement of both parties and prepayment term 120 days	0.94
10	Adel Enterprises Corp.	BizLink (BVI) Corp.	3	Other receivables	43,765		0.19
		BizLink Electronics (Xiamen) Co., Ltd.	3	Equity investments	187,517	Profit repatriation	0.80
11	BizLink Electronics (Xiamen) Co., Ltd.	BizLink (BVI) Corp. Limited	3	Sales	832,675	Sale price is 100% of BVI Limited sale price and payment term 0-120 days	4.05
		BizLink (BVI) Corp. Limited	3	Trade receivables	348,861	Sale price is 100% of BVI Limited sale price and payment term 0-120 days	1.48
		BizLink (BVI) Corp. Limited	3	Other receivables	209,578		0.89
12	TongYing Electronics (Shen Zhen) Ltd.	BizLink (BVI) Corp.	3	Other receivables	44,518		0.19
		BizLink (Kun Shan) Co., Ltd.	3	Sales	131,538	Set by agreement of both parties and payment term 0-120 days	0.64
		BizLink (Kun Shan) Co., Ltd.	3	Trade receivables	87,234	Set by agreement of both parties and payment term 0-120 days	0.37
		BizLink (BVI) Corp. Limited	3	Sales	34,340	Sale price is 98%-100% of BVI Limited sale price and payment term 0-90 days	0.17
		Xiang Yao Electronics (Shen Zhen) Co., Ltd.	3	Sales	119,640	Set by agreement of both parties and payment term 0-60 days	0.58
		Xiang Yao Electronics (Shen Zhen) Co., Ltd.	3	Trade receivables	68,019	Set by agreement of both parties and payment term 0-60 days	0.29

(Continued)

No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets (Note 3)
13	BizLink Tech Inc.	BizLink Technology Inc.	3	Sales	\$ 354,449	Set by agreement of both parties and payment term 30-90 days	1.72
		BizLink Technology Inc.	3	Trade receivables	38,291	Set by agreement of both parties and payment term 30-90 days	0.16
14	BizLink Technology (Ireland) Ltd.	BizLink Technology (Slovakia) S.R.O.	3	Other receivables	32,320		0.14
		BizLink Technology SRB D.O.O.	3	Other receivables	113,120		0.48
15	BizLink (BVI) Corp. Limited	BizLink Technology Inc.	3	Sales	4,259,056	Set by agreement of both parties and payment term 1-365 days	20.71
		BizLink Technology Inc.	3	Trade receivables	1,882,798	Set by agreement of both parties and payment term 1-365 days	7.99
		OptiWorks Inc.	3	Sales	47,872	Sale price is 100% of BVI Limited purchase price and payment term 0-90 days	0.23
		BizLink (BVI) Corp.	3	Other receivables	179,565		0.76
		Hwa Zhan Electronics Corp. (Shen Zhen)	3	Sales	103,566	Profit 0%-8% and payment term 0-365 days	0.50
		BizLink (Kun Shan) Co., Ltd.	3	Sales	2,831,858	Profit 0%-10% and payment term 0-180 days	13.77
		BizLink (Kun Shan) Co., Ltd.	3	Trade receivables	1,552,111	Profit 0%-10% and payment term 0-180 days	6.59
		BizLink Technology (S.E.A.) Sdn. Bhd.	3	Sales	273,796	Set by agreement of both parties and payment term 0-120 days	1.33
		BizLink Technology (S.E.A.) Sdn. Bhd.	3	Trade receivables	59,936	Set by agreement of both parties and payment term 0-120 days	0.25
		BizLink Technology (S.E.A.) Sdn. Bhd.	3	Other receivables	69,560		0.30
		BizLink Electronics (Xiamen) Co., Ltd.	3	Sales	36,697	Profit 0%-2% and payment term 0-90 days	0.18
		TongYing Electronics (Shen Zhen) Ltd.	3	Sales	145,146	Profit 0% and payment term 0-365 days	0.71
		BizLink Tech Inc.	3	Sales	48,478	Set by agreement of both parties and payment term 0-140 days	0.24
		BizLink Tech Inc.	3	Other receivables	36,231		0.15
		Accell Corp.	3	Sales	75,210	Set by agreement of both parties and payment term 90-365 days	0.37
		Accell Corp.	3	Trade receivables	85,138	Set by agreement of both parties and payment term 90-365 days	0.36
		BizLink Technology (Ireland) Ltd.	3	Sales	1,626,436	Set by agreement of both parties and payment term 0-365 days	7.91
		BizLink Technology (Ireland) Ltd.	3	Trade receivables	513,819	Set by agreement of both parties and payment term 0-365 days	2.18
		BizLink Technology (Ireland) Ltd.	3	Other receivables	35,670		0.15
		Xiang Yao Electronics (Shen Zhen) Co., Ltd.	3	Sales	683,499	Profit 0%-10% and payment term 90-365 days	3.32
		Xiang Yao Electronics (Shen Zhen) Co., Ltd.	3	Trade receivables	94,216	Profit 0%-10% and payment term 90-365 days	0.40
		Xiang Yao Electronics (Shen Zhen) Co., Ltd.	3	Equity investments	225,585	Profit repatriation	0.96
		Bizconn International Corp. (China)	3	Sales	36,966	Profit 0%-8% and payment term 0-365 days	0.18
16	Xiang Yao Electronics (Shen Zhen) Co., Ltd.	BizLink (BVI) Corp. Limited	3	Sales	2,347,426	Profit 0%-21% and payment term 1-365 days	11.41
		BizLink (BVI) Corp. Limited	3	Trade receivables	580,677	Profit 0%-21% and payment term 1-365 days	2.47

(Continued)



No. (Note 1)	Investee Company	Counterparty	Relationship (Note 2)	Transaction Details			
				Financial Statement Account	Amount	Payment Terms	% of Total Sales or Assets (Note 3)
17	Bizconn International Corp. (China)	BizLink (Kun Shan) Co., Ltd.	3	Sales	\$ 71,919	Set by agreement of both parties and payment term 90-120 days	0.35
		BizLink (Kun Shan) Co., Ltd.	3	Trade receivables	53,913	Set by agreement of both parties and payment term 90-120 days	0.23
		BizLink Electronics (Xiamen) Co., Ltd.	3	Sales	46,473	Set by agreement of both parties and payment term 120 days	0.23
		BizLink Electronics (Xiamen) Co., Ltd.	3	Trade receivables	35,212	Set by agreement of both parties and payment term 120 days	0.15
		BizLink (BVI) Corp. Limited	3	Sales	181,169	Sale price is 90%-100% of BVI Limited sale price and payment term 0-365 days	0.88
		BizLink (BVI) Corp. Limited	3	Trade receivables	203,094	Sale price is 90%-100% of BVI Limited sale price and payment term 0-365 days	0.86
		Xiang Yao Electronics (Shen Zhen) Co., Ltd.	3	Sales	48,900	Set by agreement of both parties and payment term 60 days	0.24
18	EA Cable Assemblies (Hong Kong) Co., Limited	BizLink Holding Inc.	2	Other receivables	111,400		0.47
19	BizLink Technology (Xiamen) Limited	BizLink Technology (Belgium) NV	3	Sales	222,200	Markup 5% of purchase price and payment term 0-60 days	1.08
		BizLink Technology (Belgium) NV	3	Trade receivables	51,160	Markup 5% of purchase price and payment term 0-60 days	0.22
		BizLink Technology (Belgium) NV	3	Other receivables	33,915		0.14
20	BizLink Technology (Chang Zhou) Limited	BizLink Technology (Xiamen) Limited	3	Sales	72,189	Markup 5% of purchase price and payment term 0-60 days	0.35
		BizLink Technology (Belgium) NV	3	Sales	85,038	Markup 5% of purchase price and payment term 0-60 days	0.41
21	BizLink Technology (Belgium) NV	BizLink Technology (Slovakia) S.R.O.	3	Other receivables	32,320		0.14
		BizLink Technology SRB D.O.O.	3	Other receivables	216,544		0.92
22	BizLink Technology (Slovakia) S.R.O.	BizLink Technology SRB D.O.O.	3	Sales	210,970	Markup 5% of purchase price and payment term 0-30 days	1.03
23	BizLink Technology SRB D.O.O.	BizLink Technology (Slovakia) S.R.O.	3	Sales	61,698	Markup 5% of purchase price and payment term 0-30 days	0.30
24	SIS Speedy Industrial Supplies Sdn. Bhd.	Speedy Industrial Supplies Pte Ltd.	3	Sales	209,558	Set by agreement of both parties and payment term 30-180 days	1.02
		Speedy Industrial Supplies Pte Ltd.	3	Trade receivables	112,030	Set by agreement of both parties and payment term 30-180 days	0.48
25	Speedy Industrial Supplies Pte Ltd.	SIS Speedy Industrial Supplies Sdn. Bhd.	3	Sales	174,730	Set by agreement of both parties and payment term 30-180 days	0.85
		SIS Speedy Industrial Supplies Sdn. Bhd.	3	Trade receivables	79,726	Set by agreement of both parties and payment term 30-180 days	0.34
		SIS Speedy Industrial Supplies Sdn. Bhd.	3	Other receivables	45,426		0.19

(Continued)

Note 1: Intercompany transactions information between parent company and subsidiaries are noted within the number column as follows:

- a. “0” for the parent company.
- b. Subsidiaries are numbered from “1”

Note 2: Parties involved in the transaction have a directional relationship noted by the following:

- a. “1” represents transactions from parent company to subsidiaries.
- b. “2” represents transactions from subsidiaries to parent company.
- c. “3” represents transactions between subsidiaries.

Note 3: The amounts of asset account and liability account are calculated as a percentage of the consolidated total assets. The amounts of income account are calculated as a percentage of the consolidated total sales.

Note 4: The above amounts of asset account and liability account are converted by exchange rate US\$1=NT\$27.8500 into New Taiwan dollar as of September 30, 2021. The amounts of income accounts are converted by quarterly average exchange rate, first quarter US\$1=NT\$28.3662, second quarter US\$1=NT\$28.0032 and third quarter US\$1=NT\$27.8582 into New Taiwan dollar.

(Concluded)

**TABLE 8**

**BIZLINK HOLDING INC. AND SUBSIDIARIES**

**INFORMATION ON INVESTEEES**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021**  
(In Thousands of New Taiwan Dollars and Foreign Currencies, and Shares)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2021			Net Income (Loss) of the Investee	Share of Profit (Loss) (Note 2)	Note
				September 30, 2021	December 31, 2020	Number of Stock (Shares)	%	Carrying Value			
BizLink Holding Inc.	BizLink Technology Inc.	CA 94538, USA	(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.	\$ 109,172 (US\$ 3,920)	\$ 109,172 (US\$ 3,920)	10,000	100.00	\$ 1,309,332	\$ 192,300	\$ 190,981	Subsidiary (Note 1)
	BizLink (BVI) Corp.	Tortola, British Virgin Islands	(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.	1,393 (US\$ 50)	1,393 (US\$ 50)	50,000	100.00	398,590	(91,738)	277,626	Subsidiary (Note 1)
	BizLink International Corp.	Zhonghe Dist., New Taipei City	(1) Wholesale of cable assemblies, connectors and power cords, (2) international trade, and (3) financial center for BizLink's Asian operations.	365,000	70,000	365,000	100.00	313,075	(30,331)	(30,498)	Subsidiary (Note 1)
	Zellwood International Corp.	Tortola, British Virgin Islands	Various investment activities.	69,625 (US\$ 2,500)	69,625 (US\$ 2,500)	2,500,000	100.00	2,463,535	126,259	128,871	Subsidiary (Note 1)
	BizLink Technology (S.E.A.) Sdn. Bhd.	Johor, Malaysia	(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.	7,980 (MYR 1,200)	7,980 (MYR 1,200)	1,200,000	100.00	811,112	128,333	128,333	Subsidiary (Note 1)
	Adel Enterprises Corp.	Tortola, British Virgin Islands	(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.	45,953 (US\$ 1,650)	45,953 (US\$ 1,650)	1,650,000	100.00	923,884	288,335	272,507	Subsidiary (Note 1)
	BizLink Tech Inc.	El Paso, TX 79912 USA	(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 business trade.	572,318 (US\$ 20,550)	433,068 (US\$ 15,550)	514,274	100.00	345,415	(92,374)	(99,722)	Subsidiary (Note 1)
	Accell Corp.	CA 94538, USA	(1) Wholesale and retail of brand name connectors, cables and telecommunications equipment, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) its own brand name.	-	-	10,000	100.00	(15,099)	1,255	1,255	Subsidiary (Note 1)
	BizLink Technology (Ireland) Ltd.	Dublin 24, Ireland	(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.	8,355 (US\$ 300)	8,355 (US\$ 300)	300,000	100.00	835,179	88,230	88,150	Subsidiary (Note 1)
	BizLink Japan	Tokyo, Japan 108-0073	(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.	2,488 (JPY 10,000)	2,488 (JPY 10,000)	200	100.00	4,203	195	189	Subsidiary (Note 1)
	BizLink (BVI) Corp. Limited	Central, Hong Kong	(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.	36 (HK\$ 10)	36 (HK\$ 10)	10,000	100.00	1,404,545	249,227	(67,080)	Subsidiary (Note 1)
	Bizconn Technology Inc.	CA 94538, USA	(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.	-	-	-	100.00	-	-	-	Subsidiary (Note 1)
	EA Cable Assemblies (Hong Kong) Co., Limited	Wan Chai, Hong Kong	Various investment activities.	1,020,328 (EUR and US\$ 24,676 and 8,000)	1,020,328 (EUR and US\$ 24,676 and 8,000)	174,322,000	100.00	3,018,968	553,017	554,649	Subsidiary (Note 1)
	EA Cable Assemblies GmbH	Nuremberg, German	(1) Wholesale and retail of cable assemblies, power cords and connectors, and (2) international trade.	21,299 (EUR 659)	21,299 (EUR 659)	1	100.00	32,582	2,961	2,961	Subsidiary (Note 1)

(Continued)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount		As of September 30, 2021			Net Income (Loss) of the Investee	Share of Profit (Loss) (Note 2)	Note
				September 30, 2021	December 31, 2020	Number of Stock (Shares)	%	Carrying Value			
	BizLink Technology (Belgium) NV	Hasselt, Belgium	(1) Wholesale and retail of cable assemblies, power cords and connectors, and (2) international trade.	\$ 398,376 (EUR 12,326)	\$ 398,376 (EUR 12,326)	915	100.00	\$ 601,806	\$ 52,077	\$ 52,077	Subsidiary (Note 1)
	BizLink Technology (Slovakia) S.R.O.	Trencin, Slovakia	(1) Manufacture and assembly of cable harnesses for electrical appliance, and (2) wholesale and retail of cable assemblies and power cords.	966,077 (EUR 29,891)	966,077 (EUR 29,891)	(Note 4)	100.00	568,577	(16,751)	(16,751)	Subsidiary (Note 1)
	BizLink Technology SRB D.O.O.	Prokuplje, Republic of Serbia	(1) Manufacture and assembly of connectors and cable assemblies, and (2) wholesale and retail of cable assemblies, connectors and power cords.	230,312 (EUR 7,126)	230,312 (EUR 7,126)	(Note 4)	100.00	205,618	29,799	29,799	Subsidiary (Note 1)
	OW Holding Inc.	Grand Cayman, Cayman Islands	Various investment activities.	619,690 (US\$ 22,251)	619,690 (US\$ 22,251)	2,105,120	93.08	393,843	(147,937)	(137,700)	Subsidiary (Note 1)
	Speedy Industrial Supplies Pte. Ltd	3 Kallang Sector, Singapore	Manufacture and wholesale of cable assemblies, power cords, PCBA assemblies, sheet metal fabrication and box build assemblies.	1,486,327 (SGD 72,610)	1,486,327 (SGD 72,610)	2,000,000	100.00	1,742,308	165,809	165,809	Subsidiary (Note 1)
	Grand Infinite Enterprises Limited	OMC Chambers, Wickham Cay 1, Road Town, Tortola, British Virgin Islands	Various investment activities.	-	-	-	100.00	-	-	-	Subsidiary (Notes 1 and 5)
BizLink Technology Inc.	BobI, LLC	CA 94538, USA	Various leasing activities.	55,700 (US\$ 2,000)	55,700 (US\$ 2,000)	(Note 4)	100.00	55,291	12	12	Sub-subsiidiary (Note 1)
BizLink (BVI) Corp.	Jo Yeh Company Limited	Kowloon, Hong Kong	(1) Wholesale and retail of connectors, and (2) international trade.	109,033 (US\$ 3,915)	109,033 (US\$ 3,915)	10,000	100.00	128,037	(1,672)	(1,672)	Sub-subsiidiary (Note 1)
	Siriustek Inc.	Xinshi Dist., Tainan City	Provide customized LED (light emitting diode) lighting products and solutions.	20,000	20,000	2,000,000	40.00	5,778	(3,203)	(1,281)	-
	ProOptics International Corpl	Grand Cayman, Cayman Islands	Design, manufacture and sale of optical film.	62,802 (US\$ 2,255)	62,802 (US\$ 2,255)	2,050,000	27.00	28,547	(36,841)	(8,037)	-
BizLink International Corp.	AquaOptics Corp.	Zhubei City, Hsinchu County	Design, manufacture and sale of optical system integration	66,000	66,000	32,000,000	44.00	21,743	(21,826)	(9,603)	-
Zellwood International Corp.	Bizconn International Corporation	APIA, SAMOA	Various investment activities.	46,426 (US\$ 1,667)	46,426 (US\$ 1,667)	1,666,667	100.00	494,588	65,585	66,581	Sub-subsiidiary (Note 1)
Adel Enterprises Corp.	Asia Wick Ltd.	Central, Hong Kong	Various investment activities.	-	-	1,000	100.00	338,240	54,855	54,722	Sub-subsiidiary (Note 1)
BizLink Technology (S.E.A.) Sdn. Bhd.	BizLink Interconnect Technology (India) Private Limited	Chennai 600042, India.	(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.	378 (INR 1,000)	378 (INR 1,000)	100,000	100.00	1,935	14	14	Sub-subsiidiary (Note 1)
OW Holding Inc.	OptiWorks Inc.	CA 94538, USA	(1) Wholesale and retail of fiber optical passive components and fiber optical cables, (2) international trade, and (3) various investment activities.	562,570 (US\$ 20,200)	562,570 (US\$ 20,200)	2,000	100.00	411,054	(147,885)	(147,885)	Sub-subsiidiary (Note 1)
Speedy Industrial Supplies Pte Ltd	SIS Speedy Industrial Supplies Sdn. Bhd.	Johor, Malaysia	Manufacture and sale of cable assemblies, power cords, PCBA assemblies, sheet metal fabrication and box build assemblies.	665 (MYR 100)	665 (MYR 100)	100,000	100.00	111,800	7,485	7,485	Sub-subsiidiary (Note 1)

Note 1: The amount was eliminated upon consolidation.

Note 2: Current investment gain or loss recognition is net of reversing prior period unrealized gain or loss from upstream transactions and deducts current unrealized gain or loss from upstream transaction.

Note 3: For information of investments in mainland China, refer to Table 9.

Note 4: This company is a “limited company” without stock issuance.

Note 5: Grand Infinite Enterprises Limited is a subsidiary of the group established in the British Virgin Islands on May 26, 2021.

(Concluded)

TABLE 9

## BIZLINK HOLDING INC. AND SUBSIDIARIES

**INFORMATION ON INVESTMENTS IN MAINLAND CHINA  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021**  
(In Thousands of New Taiwan Dollars and Foreign Currencies)

1. Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net income of investees, investment income or loss, carrying amount of the investment at the end of the period and repatriations of investment income in the mainland China area:

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment (Note 2)	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021	Remittance of Funds		Accumulated Outward Remittance for Investment from Taiwan as of September 30, 2021	Net Income (Loss) of the Investee	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Note 13)	Carrying Amount as of September 30, 2021	Accumulated Repatriation of Investment Income as of September 30, 2021
					Outflow	Inflow						
Bizconn International Corp. (China)	Design, manufacture, sale and assembly of connectors, tooling and cable assemblies.	\$ 75,579 (RMB 17,600)	(2) Note 4	Note 3	Note 3	Note 3	Note 3	\$ 66,473	100.00	\$ 66,473	\$ 458,720	Note 3
TongYing Electronics (Shen Zhen) Ltd.	Manufacture of wire extrusions and cable assemblies.	96,360 (HK\$ 26,936)	(2) Note 5	Note 3	Note 3	Note 3	Note 3	55,254	100.00	55,254	364,421	Note 3
OptiWorks (Shanghai) Limited	(1) Manufacture, wholesale and retail of fiber optical passive components and fiber optical cables, and (2) international trade.	167,160 (US\$ 6,000)	(2) Note 7	Note 3	Note 3	Note 3	Note 3	232	93.08	216	201,416	Note 3
OptiWorks (Kunshan) Limited	Production and development of optical communications optoelectronic devices, components and modules, and sale of own products.	83,580 (US\$ 3,000)	(2) Note 7	Note 3	Note 3	Note 3	Note 3	(42,015)	93.08	(39,770)	61,889	Note 3
Xiang Yao Electronics (Shen Zhen) Co., Ltd.	Design, manufacture and sale of cable assemblies, power cords, and connectors.	27,850 (US\$ 1,000)	(2) Note 8	Note 3	Note 3	Note 3	Note 3	17,459	100.00	17,459	532,757	Note 3
Hwa Zhan Electronics Corp. (Shen Zhen)	Production and operations of computers and communications cables, connectors and fiber jumpers.	8,943 (HK\$ 2,500)	(2) Note 9	Note 3	Note 3	Note 3	Note 3	64,028	100.00	64,028	214,316	Note 3
BizLink (Kun Shan) Co., Ltd.	Design, manufacture and sale of cable assemblies, connectors and power cords.	278,500 (US\$ 10,000)	(2) Note 6	Note 3	Note 3	Note 3	Note 3	58,525	100.00	58,525	1,956,587	Note 3
BizLink Electronics (Xiamen) Co., Ltd.	Manufacture and assembly of power cords and cables.	15,596 (US\$ 560)	(2) Note 10	Note 3	Note 3	Note 3	Note 3	240,394	100.00	240,394	538,834	Note 3
Foshan Nanhai Jo Yeh Electronic Co., Ltd.	Production and operations of electrical appliances, electronic equipment, and plug-in connectors.	55,700 (US\$ 2,000)	(2) Note 11	Note 3	Note 3	Note 3	Note 3	(3,749)	100.00	(3,749)	112,953	Note 3
BizLink Technology (Chang Zhou) Limited	(1) Manufacture of smart instrumentational sensors, instrumentational connectors and instrumentational functional materials, (2) sale of own products, import and export business.	369,233 (US\$ 8,950) and (RMB 27,940)	(2) Note 12	Note 3	Note 3	Note 3	Note 3	386,053	100.00	386,175	1,861,015	Note 3
BizLink Technology (Xiamen) Limited	(1) Manufacture of smart instrumentational sensors, instrumentational connectors, and instrumentational functional materials, (2) sale of own products, and import and export business.	91,794 (US\$ 3,296)	(2) Note 12	Note 3	Note 3	Note 3	Note 3	166,145	100.00	166,360	1,097,715	Note 3

(Continued)

2. Limit on the amount of investment in the mainland China area:

Accumulated Outflow Remittance for Investment in Mainland China as of September 30, 2021	Investment Amount Authorized by Investment Commission, MOEA	Upper Limit on the Amount of Investment Stipulated by Investment Commission, MOEA
Note 3	Note 3	Note 3

Note 1: The paid-in capital amount is converted from invested currency into New Taiwan dollar by balance sheet ending period exchange rate.

Note 2: Investment methods are classified into the following three categories:

- (1) Directly invest in a company in mainland China.
- (2) Through investing in the third area, which then invested in the investee in mainland China.
- (3) Other methods.

Note 3: BizLink is not a company established in Taiwan and therefore is not applicable.

Note 4: Through investing in Bizconn International Corporation, which then invested in the investee in mainland China.

Note 5: Through investing in Asia Wick Ltd., which then invested in the investee in mainland China.

Note 6: Through investing in Zellwood International Corp., which then invested in the investee in mainland China.

Note 7: Through investing in OW Holding Inc. and then OptiWorks, Inc. which then invested in the investee in mainland China.

Note 8: Through investing in BizLink (BVI) Corp. Limited, which then invested in the investee in mainland China.

Note 9: Through investing in BizLink (BVI) Corp., which then invested in the investee in mainland China.

Note 10: Through investing in Adel Enterprises Corp., which then invested in the investee in mainland China.

Note 11: Through investing in Jo Yeh Company Limited, which then invested in the investee in mainland China.

Note 12: Through investing in EA Cable Assemblies (Hong Kong) Co., Limited, which then invested in the investee in mainland China.

Note 13: The share of investment income (loss) recognition determined based on the financial statements which were audited and attested by certified public accountants engaged by BizLink.

3. Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, unrealized gains or losses and others information:

- a. The amount and percentage of purchases and the balance and percentage of the related payables at the end of the period, refer to Table 5.
- b. The amount and percentage of sales and the balance and percentage of the related receivables at the end of the period, refer to Table 5.
- c. The amount of property transactions and the amount of the resultant gains or losses: None.
- d. The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the period and the purposes: None.
- e. The highest balance, the end of period balance, the interest rate range, and total current period interest with respect to financing of funds: None.
- f. Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services: None.

(Concluded)

**TABLE 10****BIZLINK HOLDING INC.****INFORMATION OF MAJOR SHAREHOLDERS  
SEPTEMBER 30, 2021**

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Hwa Tse Liang and InRuKuo Family Trust	8,624,427	6.45

Note 1: On the last business day as of quarter-end, Taiwan Depository & Clearing Company calculated the major shareholders' information, the delivered and dematerialized registration common share and preferred share more than 5 % of the Group. The share capital recorded in the Group's consolidated financial report and the actual number of the delivered and dematerialized registration securities amount may be different due to the different preparation and calculation basis.

Note 2: The above information, if the shareholder delivers the shares to the trust will be disclosed by the trustee's trust account to reveal the individual settlor. As for shareholders' declaration in accordance with the Securities and Exchange Act, shareholder holds more than 10% of insider equity holdings, includes their shareholdings and delivered to the trust which they have the power to decide how to allocate trust property. The insider equity holdings' declaration and related information, please refer to the Market Observation Post System website of the Taiwan Stock Exchange.