

**BIZLINK HOLDING INC. AND
SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2022 AND 2021**

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

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

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

Opinion

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

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

Basis for opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2022 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2022 consolidated financial statements of the current period are stated as follows:

Business combination

Description

In January 2022, the Group acquired 100% of the shareholdings of industrial application business of a German company, LEONI, totaling 13 subsidiaries (INBG) for EU\$313,996 thousand. Please refer to Note 4(36) for accounting policy on business combination, and Note 6(35) for details of business combination.

The Group engaged an independent appraisal expert to perform the purchase price allocation. As the amount of this acquisition is material and the fair value allocation of related assets and liabilities required management's assessment and judgement, thus, we considered the business combination transaction as one of the key audit matters.

How our audit addressed the matter

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

- A. Obtained an understanding of and assessed whether the business combination process is in accordance with the Group's internal control policy.
- B. Reviewed the method to assess the fair value of assets acquired and liabilities assumed as indicated in the price allocation reports prepared by the appraisal expert engaged by the Group, the key assumptions used in the cash flow projections of identifiable intangible assets, and the reasonableness of the valuation models and calculation formulas. Our procedures also included the following:

- (a) Assessed the reasonableness of identified intangible assets and the remaining useful lives;
- (b) Reviewed the appropriateness of the valuation model and primarily parameters, such as operating margin, royalty ratio, discount rates and the comparative targets in the market.

Recognition of sales revenue

Description

Please refer to Note 4(34) for the accounting policies on the recognition of sales revenue.

The Group not only acquired INBG (industrial application segment) in January, 2022, but also benefited from an increase of customer's order requirements. The Group had a significant growth in its revenue for the year ended December 31, 2022, particularly from revenues generated through computing and transportation segment. Thus, we considered the recognition of revenues from computing and transportation and industrial application segment as one of the key audit matters.

How our audit addressed the matter

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

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

Valuation of inventories

Description

Please refer to Note 4(14) for the accounting policies of inventories, Note 5 for the uncertainty of

accounting estimations and assumptions for the valuation of inventories, and Note 6(8) for the details of inventories.

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

How our audit addressed the matter

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

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

Other matter – Reference to the audit of other auditors

The financial statements of the Group as at and for the year ended December 31, 2021 were audited by other auditors who expressed an unqualified opinion on those statements dated March 31, 2022.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by

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

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

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

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

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

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

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

Liang, Hua-Ling

Lin, Tzu-Shu

For and on behalf of PricewaterhouseCoopers, Taiwan

March 30, 2023

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

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

BIZLINK HOLDING INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2022		December 31, 2021			
			AMOUNT	%	AMOUNT	%		
Current assets								
1100	Cash and cash equivalents	6(1)	\$	8,497,568	16	\$	3,209,592	13
1110	Financial assets at fair value through profit or loss - current	6(2)		23,593	-		77,605	-
1136	Financial assets at amortized cost - current	6(4) and 8		393,357	1		190,569	1
1139	Financial assets for hedging - current	6(5)		6,186	-		4,163	-
1150	Notes receivable, net	6(6)		10,854	-		10,991	-
1170	Accounts receivable, net	6(6)		10,060,143	19		7,005,579	27
1200	Other receivables	6(7)		573,146	1		558,772	2
1220	Current tax assets			98,216	-		34,943	-
130X	Inventories	6(8)		12,323,217	23		6,378,838	25
1410	Prepayments			594,559	1		367,273	2
1470	Other current assets			13,539	-		716	-
11XX	Total current assets			32,594,378	61		17,839,041	70
Non-current assets								
1510	Financial assets at fair value through profit or loss - non-current	6(2)		147,295	-		89,320	-
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)		345,671	1		281,242	1
1535	Financial assets at amortized cost - non-current	6(4) and 8		10,198	-		10,559	-
1550	Investments accounted for under equity method	6(9)		29,499	-		51,217	-
1600	Property, plant and equipment	6(10) and 8		10,300,936	19		3,864,308	15
1755	Right-of-use assets	6(11)		1,737,014	3		1,194,123	5
1760	Investment property, net	6(12) and 8		421,380	1		183,211	1
1780	Intangible assets	6(13)		6,801,888	13		1,519,211	6
1840	Deferred tax assets	6(33)		637,188	1		294,050	1
1900	Other non-current assets	6(14)		420,795	1		246,199	1
15XX	Total non-current assets			20,851,864	39		7,733,440	30
1XXX	Total assets		\$	53,446,242	100	\$	25,572,481	100

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BIZLINK HOLDING INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2022		December 31, 2021	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(15)	\$ 748,542	1	\$ 827,652	3
2120	Financial liabilities at fair value through profit or loss - current	6(2)	66,989	-	288	-
2126	Financial liabilities for hedging - current	6(5)	-	-	709	-
2130	Contract liabilities - current	6(27)	156,324	-	29,494	-
2150	Notes payable		327,930	1	376,944	2
2170	Accounts payable		5,547,952	10	4,492,550	18
2200	Other payables	6(16)	3,004,797	6	1,571,126	6
2220	Other payables - related parties	7	181	-	261	-
2230	Current tax liabilities		840,548	2	192,974	1
2250	Provisions for liabilities - current	6(19)	126,724	-	-	-
2280	Lease liabilities - current	6(11)	385,379	1	300,155	1
2320	Long-term liabilities, current portion	6(17)(18)	2,477,952	5	1,362,561	5
2399	Other current liabilities, others		89,153	-	4,471	-
21XX	Total current liabilities		13,772,471	26	9,159,185	36
Non-current liabilities						
2530	Bonds payable	6(17)	3,728,371	7	-	-
2540	Long-term borrowings	6(18)	10,283,057	19	314,664	1
2570	Deferred tax liabilities	6(33)	1,112,219	2	42,464	-
2580	Lease liabilities - non-current	6(11)	1,085,809	2	743,193	3
2640	Net defined benefit liability - non-current	6(20)	675,178	1	10,852	-
2670	Other non-current liabilities, others		285,113	1	151,981	1
25XX	Total non-current liabilities		17,169,747	32	1,263,154	5
2XXX	Total liabilities		30,942,218	58	10,422,339	41
	Share capital	6(22)				
3110	Common stock		1,564,463	3	1,374,573	5
	Capital surplus	6(23)				
3200	Capital surplus		13,111,468	24	8,847,327	35
	Retained earnings	6(24)				
3310	Legal reserve		1,223,401	2	1,015,975	4
3320	Special reserve		1,471,201	3	831,267	3
3350	Unappropriated earnings		6,403,030	12	4,526,643	18
	Other equity interest	6(25)				
3400	Other equity interest		(1,288,521)	(2)	(1,471,200)	(6)
31XX	Total equity attributable to owners of parent		22,485,042	42	15,124,585	59
36XX	Non-controlling interests	6(26)	18,982	-	25,557	-
3XXX	Total equity		22,504,024	42	15,150,142	59
	Significant contingent liabilities and unrecognized contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	Total liabilities and equity		\$ 53,446,242	100	\$ 25,572,481	100

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

BIZLINK HOLDING INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

Items		Notes	Year ended December 31			
			2022		2021	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(27)	\$ 53,757,171	100	\$ 28,564,375	100
5000	Operating costs	6(8)(32)	(39,969,688)	(75)	(21,934,903)	(77)
5900	Gross profit		13,787,483	25	6,629,472	23
	Operating expenses	6(32)				
6100	Selling expenses		(2,837,188)	(5)	(1,132,889)	(4)
6200	General and administrative expenses		(3,945,515)	(7)	(1,958,702)	(7)
6300	Research and development expenses		(1,384,227)	(3)	(862,521)	(3)
6450	Expected credit impairment loss	12(2)	(74,078)	-	(16,959)	-
6000	Total operating expenses		(8,241,008)	(15)	(3,971,071)	(14)
6900	Operating profit		5,546,475	10	2,658,401	9
	Non-operating income and expenses					
7100	Interest income	6(28)	62,266	-	32,099	-
7010	Other income	6(29)	175,906	1	150,812	-
7020	Other gains and losses	6(30)	33,038	-	(79,092)	-
7050	Finance costs	6(31)	(511,835)	(1)	(97,417)	-
7060	Share of profit/(loss) of associates and joint ventures accounted for under equity method		(13,187)	-	(23,408)	-
7000	Total non-operating income and expenses		(253,812)	-	(17,006)	-
7900	Profit before income tax		5,292,663	10	2,641,395	9
7950	Income tax expense	6(33)	(1,461,681)	(3)	(619,423)	(2)
8200	Profit for the year		\$ 3,830,982	7	\$ 2,021,972	7

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BIZLINK HOLDING INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

Items	Notes	Year ended December 31			
		2022		2021	
		AMOUNT	%	AMOUNT	%
Other comprehensive income (loss)					
Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Gains (losses) on remeasurements of defined benefit plans	6(20)	\$ 379,440	1 (\$ 165)	-
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(25)	(47,233)	- (40,607)	-
8317	Gains (losses) on hedging instrument that will not be reclassified to profit or loss	6(25)	(90,350)	- 39,133	-
8341	Exchange differences on translation to presentation currency		1,953,873	3 (494,872)	(2)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(33)	(109,463)	- 1,896	-
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss		2,086,267	4 (494,615)	(2)
Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Exchange differences on translation		(1,724,824)	(3) (99,499)	-
8360	Components of other comprehensive loss that will be reclassified to profit or loss		(1,724,824)	(3) (99,499)	-
8300	Other comprehensive income (loss)		\$ 361,443	1 (\$ 594,114)	(2)
8500	Total comprehensive income for the year		\$ 4,192,425	8 \$ 1,427,858	5
Profit (loss) , attributable to:					
8610	Owners of parent		\$ 3,838,380	7 \$ 2,036,138	7
8620	Non-controlling interests		(7,398)	- (14,166)	-
			\$ 3,830,982	7 \$ 2,021,972	7
Comprehensive income (loss) attributable to:					
8710	Owners of parent		\$ 4,199,000	8 \$ 1,442,485	5
8720	Non-controlling interests		(6,575)	- (14,627)	-
			\$ 4,192,425	8 \$ 1,427,858	5
Basic earnings per share					
9750	Basic earnings per share	6(34)	\$ 25.02	\$ 15.22	
Diluted earnings per share					
9850	Diluted earnings per share	6(34)	\$ 23.28	\$ 14.45	

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

BIZLINK HOLDING INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Equity attributable to owners of the parent												
	Notes	Retained earnings					Other equity interest			Total	Non-controlling interests	Total equity
		Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated Earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Gains (losses) on hedging instruments			
2021												
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
Profit (loss) for the year		-	-	-	-	2,036,138	-	-	-	2,036,138	(14,166)	2,021,972
Other comprehensive income (loss)		-	-	-	-	(132)	(593,910)	(40,607)	40,996	(593,653)	(461)	(594,114)
Total comprehensive income (loss) for the year		-	-	-	-	2,036,006	(593,910)	(40,607)	40,996	1,442,485	(14,627)	1,427,858
Appropriation and distribution of retained earnings for the year ended December 31, 2020:	6(24)											
Legal reserve appropriated		-	-	204,506	-	(204,506)	-	-	-	-	-	-
Reversal of special reserve		-	-	-	(136,658)	136,658	-	-	-	-	-	-
Cash dividends		-	-	-	-	(1,082,724)	-	-	-	(1,082,724)	-	(1,082,724)
Conversion of convertible bonds	6(17)	68,879	1,483,363	-	-	-	-	-	-	1,552,242	-	1,552,242
Changes in associates and joint ventures accounted for under equity method	6(9)	-	7,887	-	-	-	-	-	-	7,887	-	7,887
Compensation costs recognized for employee share options	6(21)	-	13,766	-	-	-	-	-	-	13,766	-	13,766
Basis adjustment of gains (losses) on hedging instrument	6(25)	-	-	-	-	-	-	-	(46,412)	(46,412)	-	(46,412)
Balance at December 31, 2021		\$ 1,374,573	\$ 8,847,327	\$ 1,015,975	\$ 831,267	\$ 4,526,643	(\$ 1,460,288)	(\$ 14,413)	\$ 3,501	\$ 15,124,585	\$ 25,557	\$ 15,150,142
2022												
Balance at January 1, 2022		\$ 1,374,573	\$ 8,847,327	\$ 1,015,975	\$ 831,267	\$ 4,526,643	(\$ 1,460,288)	(\$ 14,413)	\$ 3,501	\$ 15,124,585	\$ 25,557	\$ 15,150,142
Profit (loss) for the year		-	-	-	-	3,838,380	-	-	-	3,838,380	(7,398)	3,830,982
Other comprehensive income (loss)		-	-	-	-	271,016	228,226	(47,233)	(91,389)	360,620	823	361,443
Total comprehensive income (loss) for the year		-	-	-	-	4,109,396	228,226	(47,233)	(91,389)	4,199,000	(6,575)	4,192,425
Appropriation and distribution of retained earnings for the year ended December 31, 2021:	6(24)											
Legal reserve appropriated		-	-	207,426	-	(207,426)	-	-	-	-	-	-
Special reserve appropriated		-	-	-	639,934	(639,934)	-	-	-	-	-	-
Cash dividends		-	-	-	-	(1,385,649)	-	-	-	(1,385,649)	-	(1,385,649)
Capital increase in cash	6(22)	120,000	2,760,000	-	-	-	-	-	-	2,880,000	-	2,880,000
Issuance of convertible bonds		-	29,944	-	-	-	-	-	-	29,944	-	29,944
Conversion of convertible bonds	6(17)	68,065	1,439,763	-	-	-	-	-	-	1,507,828	-	1,507,828
Redemption of convertible bonds		-	(543)	-	-	-	-	-	-	(543)	-	(543)
Recognition of employee share options	6(22)(23)	1,825	25,804	-	-	-	-	-	-	27,629	-	27,629
Compensation costs recognized for employee share options	6(21)	-	9,173	-	-	-	-	-	-	9,173	-	9,173
Basis adjustment of gains (losses) on hedging instrument	6(25)	-	-	-	-	-	-	-	93,075	93,075	-	93,075
Balance at December 31, 2022		\$ 1,564,463	\$ 13,111,468	\$ 1,223,401	\$ 1,471,201	\$ 6,403,030	(\$ 1,232,062)	(\$ 61,646)	\$ 5,187	\$ 22,485,042	\$ 18,982	\$ 22,504,024

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

BIZLINK HOLDING INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

		Years ended December 31	
	Notes	2022	2021
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 5,292,663	\$ 2,641,395
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense	6(32)	1,481,164	770,247
Amortization expense	6(32)	406,909	165,962
Expected credit impairment loss	12(2)	74,078	16,959
Net loss (gain) on financial assets/liabilities at fair value through profit or loss	6(2)(30)	194,707 (	96,237)
Interest expense	6(31)	481,144	97,417
Interest income	6(28)	(62,266 ) (	32,099)
Dividends income		- (	11,070)
Share of (loss)/profit of associates and joint ventures accounted for under equity method		13,187	23,408
Impairment of investments accounted for under equity method	6(9)(30)	11,767	25,096
(Gains) losses on disposals of property, plant and equipment	6(30)	(42,045)	4,739
Impairment loss on property, plant and equipment	6(30)	72,239	69,728
Gains on disposals of investment property	6(30)	(27,857)	-
Losses on disposals of intangible assets	6(30)	418	-
Gains on lease modification	6(30)	(5,577)	-
Share-based payment	6(21)	9,173	13,766
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets mandatorily measured at fair value through profit or loss		99,074	3,224
Notes receivable		137 (	4,269)
Accounts receivable	(	1,249,787 ) (	1,807,967)
Other receivables		1,126,040 (	474,649)
Inventories	(	2,155,363 ) (	1,895,647)
Prepayments		109,429 (	62,012)
Other current assets	(	12,334)	1,444
Changes in operating liabilities			
Financial liabilities held for trading	(	256,283 ) (	13,991)
Contract liabilities		8,746	14,517
Notes payable	(	49,014)	116,525
Accounts payable	(	802,438)	1,100,226
Accounts payable to related parties		- (	5)
Other payables	(	471,333)	284,770
Other payables to related parties	(	80)	48
Provisions		9,522	-
Other current liabilities		80,943	1,231
Other non-current liabilities	(	104,598)	30,169
Cash inflow generated from operations		4,232,365	982,925
Interest received		62,266	32,099
Interest paid	(	415,934 ) (	46,630)
Income taxes paid	(	1,099,279 ) (	603,429)
Net cash flows from operating activities		2,779,418	364,965

(Continued)

BIZLINK HOLDING INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

		Years ended December 31	
	Notes	2022	2021
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through other comprehensive income		(\$ 51,237)	(\$ 20,000)
Acquisition of financial assets at amortized cost		(211,950)	(96,051)
Proceeds from disposal of financial assets at amortized cost		29,445	66,173
Acquisition of property, plant and equipment	6(36)	(1,350,475)	(1,244,650)
Proceeds from disposal of property, plant and equipment		114,787	6,430
Acquisition of right-of-use assets		(158,490)	-
Acquisition of investment property	6(12)	(275,959)	-
Proceeds from disposal of investment properties		69,927	-
Acquisition of intangible assets	6(13)	(43,701)	(39,952)
Proceeds from disposal of intangible assets		1,504	-
Increase in refundable deposits		(34,223)	(68,939)
Decrease in refundable deposits		10,916	23,691
Increase in prepayments for business facilities		(169,165)	(113,253)
Decrease in other non-current assets		18,560	-
Net cash flow from acquisition of subsidiaries	6(35)	(9,038,361)	-
Dividends received		-	11,070
Net cash flows used in investing activities		(11,088,422)	(1,475,481)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in other payables		(2,412,356)	-
Increase in short-term loans	6(37)	6,332,989	584,341
Decrease in short-term loans	6(37)	(6,431,131)	-
Proceeds from long-term debt	6(37)	12,078,209	112,036
Repayments of long-term debt	6(37)	(58,848)	(170,926)
(Decrease) increase in guarantee deposits received		(4,513)	10,560
Repayments of principal of lease liabilities	6(37)	(572,741)	(286,118)
Capital increase in cash	6(22)	2,880,000	-
Proceeds from issuance of convertible bonds	6(37)	3,426,445	-
Redemption of convertible bonds	6(37)	(19,096)	-
Employee stock options exercised		27,629	-
Cash dividends paid	6(24)	(1,385,649)	(1,082,724)
Net cash flows from (used in) financing activities		13,860,938	(832,831)
Effects due to changes in exchange rate		(263,958)	(207,064)
Net increase (decrease) in cash and cash equivalents		5,287,976	(2,150,411)
Cash and cash equivalents at beginning of year		3,209,592	5,360,003
Cash and cash equivalents at end of year		<u>\$ 8,497,568</u>	<u>\$ 3,209,592</u>

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

BIZLINK HOLDING INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS,
EXCEPT AS OTHERWISE INDICATED)

1. HISTORY AND ORGANISATION

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

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

These consolidated financial statements were authorised for issuance by the Board of Directors on March 30, 2023.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

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

New standards, interpretations and amendments endorsed by the FSC and became effective from 2022 are as follows:

<u>New Standards, Interpretations and Amendments</u>	<u>Effective date by International Accounting Standards Board</u>
Amendments to IFRS 3, ‘Reference to the conceptual framework’	January 1, 2022
Amendments to IAS 16, ‘Property, plant and equipment: proceeds before intended use’	January 1, 2022

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 37, 'Onerous contracts - cost of fulfilling a contract'	January 1, 2022
Annual improvements to IFRS Standards 2018 - 2020	January 1, 2022
The above standards and interpretations have no significant impact to the Group's financial condition and financial performance based on the Group's assessment.	

(2) Effect of new issuances of or amendments to IFRSs that came into effect as endorsed by the FSC but not yet adopted by the Group

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 1, 'Disclosure of accounting policies'	January 1, 2023
Amendments to IAS 8, 'Definition of accounting estimates'	January 1, 2023
Amendments to IAS 12, 'Deferred tax related to assets and liabilities arising from a single transaction'	January 1, 2023

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

(3) IFRSs issued by IASB but not yet endorsed by the FSC

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

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IFRS 10 and IAS 28, 'Sale or contribution of assets between an investor and its associate or joint venture'	To be determined by International Accounting Standards Board
Amendments to IFRS 16, 'Lease liability in a sale and leaseback'	January 1, 2024
IFRS 17, 'Insurance contracts'	January 1, 2023
Amendments to IFRS 17, 'Insurance contracts'	January 1, 2023
Amendment to IFRS 17, 'Initial application of IFRS 17 and IFRS 9 - comparative information'	January 1, 2023

New Standards, Interpretations and Amendments	Effective date by International Accounting Standards Board
Amendments to IAS 1, ‘Classification of liabilities as current or non-current’	January 1, 2024
Amendments to IAS 1, ‘Non-current liabilities with covenants’	January 1, 2024
The above standards and interpretations have no significant impact to the Group’s financial condition and financial performance based on the Group’s assessment.	

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(1) Compliance statement

The consolidated financial statements of the Group have been prepared in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers”, International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the FSC (collectively referred herein as the “IFRSs”).

(2) Basis of preparation

- A. Except for the following items, the consolidated financial statements have been prepared under the historical cost convention:
 - (a) Financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.
 - (b) Financial assets at fair value through other comprehensive income.
 - (c) Defined benefit liabilities recognised based on the net amount of pension fund assets less present value of defined benefit obligation.
- B. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

(3) Basis of consolidation

- A. Basis for preparation of consolidated financial statements:
 - (a) All subsidiaries are included in the Group’s consolidated financial statements. Subsidiaries are all entities controlled by the Group. The Group controls an entity when the Group is exposed,

or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Consolidation of subsidiaries begins from the date the Group obtains control of the subsidiaries and ceases when the Group loses control of the subsidiaries.

- (b) Inter-company transactions, balances and unrealised gains or losses on transactions between companies within the Group are eliminated. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- (c) Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
- (d) Changes in a parent's ownership interest in a subsidiary that do not result in the parent losing control of the subsidiary (transactions with non-controlling interests) are accounted for as equity transactions, i.e. transactions with owners in their capacity as owners. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity.
- (e) When the Group loses control of a subsidiary, the Group remeasures any investment retained in the former subsidiary at its fair value. That fair value is regarded as the fair value on initial recognition of a financial asset or the cost on initial recognition of the associate or joint venture. Any difference between fair value and carrying amount is recognised in profit or loss. All amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to profit or loss on the same basis as would be required if the related assets or liabilities were disposed of. That is, when the Group loses control of a subsidiary, all gains or losses previously recognised in other comprehensive income in relation to the subsidiary should be reclassified from equity to profit or loss, if such gains or losses would be reclassified to profit or loss when the related assets or liabilities are disposed of.

B. Subsidiaries included in the consolidated financial statements:

Investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2022	December 31, 2021	
BizLink Holding Inc. (the Company)	BizLink Technology Inc.	(1) Wholesale and retail of cable assemblies, connectors, and power cords, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) international trade.	100	100	
	OW Holding Inc.	Various investment activities.	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	100	
	BizLink International Corp.	(1) Wholesale of cable assemblies, connectors and power cords, and (2) international trade.	100	100	
	Zellwood International Corp.	Various investment activities.	100	100	
	BizLink Technology (S.E.A.) Sdn. Bhd.	(1) Design, manufacture and sale of cable assemblies, power cords, and telecommunications equipment, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) international trade.	100	100	
	Adel Enterprises Corp.	(1) Wholesale and retail of cable assemblies, connectors, and power cords, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) international trade.	100	100	

Investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2022	December 31, 2021	
BizLink Holding Inc. (the Company)	BizLink Tech, Inc.	(1) Design, manufacture, and sale of cable assemblies, (2) wholesale and retail of computer peripheral products and electronic materials, (3) production of fiberfill moldings, and (4) international trade.	100	100	
	Accell Corp.	(1) Wholesale and retail of own brand connectors, cables and telecommunication equipment, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) marketing under own brands.	100	100	
	BizLink Technology (Ireland) Ltd.	(1) Wholesale and retail of cable assemblies, power cords and connectors, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) international trade.	100	100	
	BizLink (Japan) Co., Ltd.	(1) Wholesale and retail of cable assemblies, power cords and connectors, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) international trade.	100	100	
	BizLink (BVI) Corp. Limited	(1) Wholesale and retail of cable assemblies, connectors, power cords, (2) wholesale and retail of computer peripheral products and electronic materials, (3) international trade, and (4) various investment activities.	100	100	

Investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2022	December 31, 2021	
BizLink Holding Inc. (the Company)	Bizconn Technology Inc.	(1) Wholesale and retail of cable assemblies, connectors, and power cords, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) international trade.	100	100	Note 1
	EA Cable Assemblies (Hong Kong) Co., Limited	Various investment activities.	100	100	
	BizLink Technology (Belgium) NV	(1) Wholesale and retail of cable assemblies, power cords and connectors, and (2) international trade.	100	100	
	BizLink Technology (Slovakia) S.R.O.	(1) Manufacture and assembly of cable harnesses for electrical appliance, and (2) wholesale and retail of cable assemblies and power cords.	100	100	
	BizLink Technology SRB D.O.O.	(1) Manufacture and assembly of connectors and cable assemblies, and (2) wholesale and retail of cable assemblies, connectors and power cords.	100	100	
	Speedy Industrial Supplies Pte Ltd	Manufacture and sale of cable assemblies, power cords, PCBA assemblies, sheet metal fabrication and box build assemblies.	100	100	
	Grand Infinite Enterprises Limited	Various investment activities.	100	100	
BizLink Technology Inc.	Bobi, LLC	Various leasing activities.	100	100	

Investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2022	December 31, 2021	
OW Holding Inc.	OptiWork, Inc.	(1) Wholesale and retail of fiber optical passive components and fiber optical cables, (2) international trade, and (3) various investment activities.	100	100	
OptiWork, Inc.	OptiWorks (Shanghai) Limited	(1) Manufacture, wholesale and retail of fiber optical passive components and fiber optical cables, and (2) international trade.	100	100	
	OptiWorks (Kunshan) Limited	(1) Production and development of optical communications optoelectronic devices, components and modules, and (2) sale of own products.	100	100	
BizLink (BVI) Corp.	Hwa Zhen Electronics (Shen Zhen) Co., Ltd.	Production and operations of computers and communications cables, connectors and fiber jumpers.	100	100	
	Jo Yeh Company Limited	(1) Wholesale and retail of connectors, and (2) international trade.	100	100	
Jo Yeh Company Limited	Foshan Nanhai Jo Yeh Electronic Co., Ltd.	Production of electrical appliances, electronic equipment, and plug-in connectors.	100	100	
Zellwood International Corp.	Bizconn International Corporation.	Various investment activities.	100	100	
	BizLink (Kunshan) Co., Ltd.	Design, manufacture and sale of cable assemblies, power cables and connectors.	100	100	

Investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2022	December 31, 2021	
Bizconn International Corporation.	Bizconn International Corp. (China)	Manufacture and sell connectors and their components, communication cables, plastic and metal precision molds, metal stamping parts and precision plastic products.	100	100	
Adel Enterprises Corp.	BizLink Electronics (Xiamen) Co., Ltd.	Manufacture of computer cable connections, connectors and computer power supplies and other components and modules.	100	100	
	Asia Wick Ltd.	Various investment activities.	100	100	
Asia Wick Ltd.	Tong Ying Electronics (Shen Zhen) Ltd.	Manufacture of wire extrusions and cable assemblies.	100	100	
BizLink Tech, Inc.	Productos Excel de Mexico, S. de R.L. DE C.V.	(1) Design, manufacture, and sale of cable assemblies, (2) wholesale and retail of computer peripheral products and electronic materials, (3) production of fiberfill molding, and (4) international trade.	99	99	
BizLink (BVI) Corp. Limited	Xiang Yao Electronics (Shen Zhen) Co., Ltd.	Manufacture and operate in communication and computer cable connections, industrial and medical equipment connect lines, mobile electric equipment connect lines, audio and video connect lines, transfers and switch, cords and optical fiber patch cord.	100	100	

Investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2022	December 31, 2021	
BizLink Technology (S.E.A.) Sdn. Bhd.	BizLink Interconnect Technology (India) Private Limited	(1) Design and sale of cable assemblies, power cords, and telecommunications equipment, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) international trade.	100	100	
EA Cable Assemblies (Hong Kong) Co., Limited	BizLink Technology (Changzhou) Limited	(1) Manufacture of smart instrumentational sensors, instrumentational connectors and instrumentational functional materials, and (2) sale of aforementioned products, import and export business.	100	100	
	BizLink Technology (Xiamen) Limited	(1) Manufacture of smart instrumentational sensors, instrumentational connectors and instrumentational functional materials, and (2) sale of aforementioned products, import and export business.	100	100	
Speedy Industrial Supplies Pte Ltd	EA Cable Assemblies GmbH	(1) Wholesale and retail of cable assemblies, power cords and connectors, and (2) international trade.	100	100	
	SIS Speedy Industrial Supplies Sdn. Bhd.	Manufacture and wholesale of cable assemblies, power cords, PCBA assemblies, sheet metal fabrication and box build assemblies.	100	100	
	BizLink Special Cables (Changzhou) Co., Ltd.	Manufacture and sales of power cords and cable assemblies used in the robot system, medical, automation, customized products and communication system.	100	-	Note 2

Investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2022	December 31, 2021	
EA Cable Assemblies GmbH	BizLink elocab GmbH	Manufacture of cable assemblies used in the application of customized products.	100	-	Note 2
	BizLink Industry Germany GmbH	Central management segment of industry solution program business.	100	-	Note 2
	BizLink Systems Spain,S.L.U.	Manufacture and sales of power cords and cable assemblies used in the robot system and customized products.	100	-	Note 2
	BizLink Silitherm S.r.l.	Manufacture and sales of silicone wire.	100	-	Note 2
	BizLink Industry Slovakia Spol. s.r.o.	Manufacture of cable assemblies and power cords used in the medical, automation and customized products.	85	-	Notes 2 and 3
	BizLink Special Cables Germany GmbH	Manufacture of cable assemblies and power cords used in the medical, automation and communication system.	100	-	Note 2
BizLink Special Cables Germany GmbH	BizLink Industry Slovakia Spol.s.r.o.	Manufacture of cable assemblies and power cords used in the medical, automation and customized products.	15	-	Notes 2 and 3
BizLink elocab GmbH	BizLink elocab Ltd.	Manufacture of power cords and cable assemblies used in the customized products.	100	-	Note 2
	BizLink Robotic Solutions Germany GmbH	Manufacture of power cords and cable assemblies used in the robot system.	100	-	Note 2
	BizLink Robotic Solutions France S.A.S	Manufacture and sales of power cords and cable assemblies used in the robot system.	100	-	Note 2

Investor	Name of subsidiary	Main business activities	Ownership(%)		Description
			December 31, 2022	December 31, 2021	
BizLink elocab GmbH	BizLink Industry Czech s.r.o.	Manufacture and sales of cable assemblies and power cords used in the robot system, automation and customized products.	100	-	Note 2
BizLink Robotic Solutions Germany GmbH	BizLink Tailor-Made Cable UK Ltd.	Sales of power cords and cable assemblies used in the robot system and customized products.	100	-	Note 2
BizLink Robotic Solutions France S.A.S	BizLink Robotic Solutions USA Inc.	Manufacture and sales of cords and cable assemblies used in the robot system, automation, customized products and communication system.	100	-	Note 2
BizLink Silitherm S.r.l.	Silitherm Immobiliare S.r.l.	Asest management	51	-	Note 4

Note 1: Bizconn Technology Inc. is not yet in operation.

Note 2: Acquired through business combinations in the first quarter of 2022.

Note 3: LEONI Industry Slovakia Spol.s.r.o.was renamed as BizLink Industry Slovakia Spol. s.r.o. in April 2022.

Note 4: In the third quarter of 2022, the Board of Directors of the Company approved that BizLink Silitherm S.r.l. to acquired 100% equity of Silitherm Immobiliare S.r.l. from a related party, and the Group would pay the purchase price in stages and obtain the relative rights according to the contract. As at December 31, 2022, the Group has acquired 51% of the equity interest, and the remaining equity interest will be acquired after the subsequent payment in 2023 (EUR 8,155 thousand, equivalent to NTD 266,823 thousand, which was recognized in "other payables"). This transaction does not meet the definition of business under IFRS 3, so the accounting treatment for acquisition of assets is adopted.

C. Subsidiaries not included in the consolidated financial statements: None.

D. Adjustments for subsidiaries with different balance sheet dates: None.

E. Significant restrictions: None.

F. Subsidiaries that have non-controlling interests that are material to the Group: None.

(4) Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional

currency”). The functional currency of the Company is U.S. dollars. For comparability and consistency of financial reporting, the consolidated financial statements are presented in New Taiwan dollar since the Company's stocks are listed on the Taiwan Stock Exchange.

A. Foreign currency transactions and balances

- (a) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in profit or loss in the period in which they arise.
- (b) Monetary assets and liabilities denominated in foreign currencies at the period end are re-translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising upon re-translation at the balance sheet date are recognised in profit or loss.
- (c) Non-monetary assets and liabilities denominated in foreign currencies held at fair value through profit or loss are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in profit or loss. Non-monetary assets and liabilities denominated in foreign currencies held at fair value through other comprehensive income are re-translated at the exchange rates prevailing at the balance sheet date; their translation differences are recognised in other comprehensive income. However, non-monetary assets and liabilities denominated in foreign currencies that are not measured at fair value are translated using the historical exchange rates at the dates of the initial transactions.
- (d) All foreign exchange gains and losses are presented in the statement of comprehensive income within other gains and losses.

B. Translation of foreign operations

- (a) The operating results and financial position of all the group entities, associates and joint arrangements that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
 - i. Assets and liabilities for each balance sheet presented are translated at the closing exchange rate at the date of that balance sheet;
 - ii. Income and expenses for each statement of comprehensive income are translated at average exchange rates of that period; and
 - iii. All resulting exchange differences are recognised in other comprehensive income.
- (b) When the foreign operation partially disposed of or sold is an associate or joint arrangement, exchange differences that were recorded in other comprehensive income are proportionately reclassified to profit or loss as part of the gain or loss on sale. In addition, even when the Group retains partial interest in the former foreign associate or joint arrangement after losing significant influence over the former foreign associate, or losing joint control of the former joint arrangement, such transactions should be accounted for as disposal of all interest in these

foreign operations.

- (c) Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rate at the date of that balance sheet.

(5) Classification of current and non-current items

- A. Assets that meet one of the following criteria are classified as current assets; otherwise they are classified as non-current assets:
 - (a) Assets arising from operating activities that are expected to be realised, or are intended to be sold or consumed within the normal operating cycle;
 - (b) Assets held mainly for trading purposes;
 - (c) Assets that are expected to be realised within twelve months from the balance sheet date;
 - (d) Cash and cash equivalents, excluding restricted cash and cash equivalents and those that are to be exchanged or used to settle liabilities more than twelve months after the balance sheet date.
- B. Liabilities that meet one of the following criteria are classified as current liabilities; otherwise they are classified as non-current liabilities:
 - (a) Liabilities that are expected to be settled within the normal operating cycle;
 - (b) Liabilities arising mainly from trading activities;
 - (c) Liabilities that are to be settled within twelve months from the balance sheet date;
 - (d) Liabilities for which the repayment date cannot be extended unconditionally to more than twelve months after the balance sheet date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(6) Cash equivalents

Cash equivalents refer to short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Time deposits that meet the definition above and are held for the purpose of meeting short-term cash commitments in operations are classified as cash equivalents.

(7) Financial assets at fair value through profit or loss

- A. Financial assets at fair value through profit or loss are financial assets that are not measured at amortised cost or fair value through other comprehensive income.
- B. On a regular way purchase or sale basis, financial assets at fair value through profit or loss are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value and recognises the transaction costs in profit or loss. The Group subsequently measures the financial assets at fair value, and recognises the gain or loss in profit or loss.

- D. The Group recognises the dividend income when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(8) Financial assets at fair value through other comprehensive income

- A. Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognise changes in fair value in other comprehensive income and debt instruments which meet all of the following criteria:
- (a) The objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets; and
 - (b) The assets' contractual cash flows represent solely payments of principal and interest.
- B. On a regular way purchase or sale basis, financial assets at fair value through other comprehensive income are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. The Group subsequently measures the financial assets at fair value. The changes in fair value of equity investments that were recognised in other comprehensive income are reclassified to retained earnings and are not reclassified to profit or loss following the derecognition of the investment. Dividends are recognised as revenue when the right to receive payment is established, future economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

(9) Financial assets at amortised cost

- A. Financial assets at amortised cost are those that meet all of the following criteria:
- (a) The objective of the Group's business model is achieved by collecting contractual cash flows.
 - (b) The assets' contractual cash flows represent solely payments of principal and interest.
- B. On a regular way purchase or sale basis, financial assets at amortised cost are recognised and derecognised using trade date accounting.
- C. At initial recognition, the Group measures the financial assets at fair value plus transaction costs. Interest income from these financial assets is included in finance income using the effective interest method. A gain or loss is recognised in profit or loss when the asset is derecognised or impaired.
- D. The Group's time deposits which do not fall under cash equivalents are those with a short maturity period and are measured at initial investment amount as the effect of discounting is immaterial.

(10) Accounts and notes receivable

- A. Accounts and notes receivable entitle the Group a legal right to receive consideration in exchange for transferred goods or rendered services.

- B. The short-term accounts and notes receivable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.
- C. The Group's operating pattern of accounts receivable that are expected to be factored is for the purpose of selling, and the accounts receivable are subsequently measured at fair value, with any changes in fair value recognised in profit or loss.

(11) Impairment of financial assets

For financial assets at amortised cost including accounts receivable that have a significant financing component, at each reporting date, the Group recognises the impairment provision for 12 months expected credit losses if there has not been a significant increase in credit risk since initial recognition or recognises the impairment provision for the lifetime expected credit losses (ECLs) if such credit risk has increased since initial recognition after taking into consideration all reasonable and verifiable information that includes forecasts. On the other hand, for accounts receivable that do not contain a significant financing component, the Group recognises the impairment provision for lifetime ECLs.

(12) Derecognition of financial assets

The Group derecognises a financial asset when one of the following conditions is met:

- A. The contractual rights to receive the cash flows from the financial asset expire.
- B. The contractual rights to receive cash flows of the financial asset have been transferred and the Group has transferred substantially all risks and rewards of ownership of the financial asset.
- C. The contractual rights to receive cash flows of the financial asset have been transferred; however, the Group has not retained control of the financial asset.

(13) Leasing arrangements (lessor) – operating leases

Lease income from an operating lease (net of any incentives given to the lessee) is recognised in profit or loss on a straight-line basis over the lease term.

(14) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (allocated based on normal operating capacity). It excludes borrowing costs. The item by item approach is used in applying the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(15) Investments accounted for under equity method - associates

- A. Associates are all entities over which the Group has significant influence but not control. In general, it is presumed that the investor has significant influence, if an investor holds, directly or

indirectly 20 percent or more of the voting power of the investee. Investments in associates are accounted for using the equity method and are initially recognised at cost.

- B. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.
- C. When changes in an associate's equity do not arise from profit or loss or other comprehensive income of the associate and such changes do not affect the Group's ownership percentage of the associate, the Group recognises change in ownership interests in the associate in 'capital surplus' in proportion to its ownership.
- D. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.
- E. In the case that an associate issues new shares and the Group does not subscribe or acquire new shares proportionately, which results in a change in the Group's ownership percentage of the associate but maintains significant influence on the associate, then 'capital surplus' and 'investments accounted for under the equity method' shall be adjusted for the increase or decrease of its share of equity interest. If the above condition causes a decrease in the Group's ownership percentage of the associate, in addition to the above adjustment, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately on the same basis as would be required if the relevant assets or liabilities were disposed of.
- F. Upon loss of significant influence over an associate, the Group remeasures any investment retained in the former associate at its fair value. Any difference between fair value and carrying amount is recognised in profit or loss.
- G. When the Group disposes its investment in an associate and loses significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate, are reclassified to profit or loss, on the same basis as would be required if the relevant assets or liabilities were disposed of. If it retains significant influence over this associate, the amounts previously recognised in other comprehensive income in relation to the associate are reclassified to profit or loss proportionately in accordance with the aforementioned approach.
- H. When the Group disposes its investment in an associate and loses significant influence over this

associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss. If it retains significant influence over this associate, the amounts previously recognised as capital surplus in relation to the associate are transferred to profit or loss proportionately.

(16) Property, plant and equipment

- A. Property, plant and equipment are initially recorded at cost. Borrowing costs incurred during the construction period are capitalised.
- B. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.
- C. Land is not depreciated. Other property, plant and equipment apply cost model and are depreciated using the straight-line method to allocate their cost over their estimated useful lives. Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item must be depreciated separately.
- D. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end. If expectations for the assets' residual values and useful lives differ from previous estimates or the patterns of consumption of the assets' future economic benefits embodied in the assets have changed significantly, any change is accounted for as a change in estimate under IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', from the date of the change. The estimated useful lives of the assets are as follows:

Buildings

Main buildings	20-55 years
Construction appurtenance	2-20 years
Machinery and equipment	2-23 years
Transportation equipment	2-10 years
Other equipment	1.5-10 years

(17) Leasing arrangements (lessee) — right-of-use assets/ lease liabilities

- A. Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group. For short-term leases or leases of low-value assets, lease payments are recognised as an expense on a straight-line basis over the lease term.
- B. Lease liabilities include the net present value of the remaining lease payments at the commencement date, discounted using the incremental borrowing interest rate. Lease payments are comprised of fixed payments, less any lease incentives receivable. The Group subsequently

measures the lease liability at amortised cost using the interest method and recognises interest expense over the lease term. The lease liability is remeasured and the amount of remeasurement is recognised as an adjustment to the right-of-use asset when there are changes in the lease term or lease payments and such changes do not arise from contract modifications.

C. At the commencement date, the right-of-use asset is stated at cost comprising the following:

- (a) The amount of the initial measurement of lease liability; and
- (b) Any lease payments made at or before the commencement date.

The right-of-use asset is measured subsequently using the cost model and is depreciated from the commencement date to the earlier of the end of the asset's useful life or the end of the lease term. When the lease liability is remeasured, the amount of remeasurement is recognised as an adjustment to the right-of-use asset.

D. For lease modifications that decrease the scope of the lease, the lessee shall decrease the carrying amount of the right-of-use asset and remeasure the lease liability to reflect the partial or full termination of the lease, and recognise the difference in profit or loss.

(18) Investment property

An investment property is stated initially at its cost and measured subsequently using the cost model. Except for land, investment property is depreciated on a straight-line basis over its estimated useful life of 5 ~ 55 years.

(19) Intangible assets

A. Goodwill

Goodwill arises in a business combination accounted for by applying the acquisition method.

B. Core technology and customer relationship

Core technology and customer relationship acquired in a business combination are recognized at fair value at the acquisition date. Core technology and customer relationship have a finite useful life and are amortised on a straight-line basis over their estimated useful lives of 5.5 to 13 years and 6.5 to 13 years, respectively.

C. Intangible assets, except for goodwill, core technology and customer relationship are mainly computer software and patents and are amortised on a straight-line basis over their estimated useful lives of 1 to 15 years and 3 to 5 years, respectively.

(20) Impairment of non-financial assets

A. The Group assesses at each balance sheet date the recoverable amounts of those assets where there is an indication that they are impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Except for goodwill, when the circumstances or reasons for recognising impairment loss for an asset in prior years no longer

exist or diminish, the impairment loss is reversed. The increased carrying amount due to reversal should not be more than what the depreciated or amortised historical cost would have been if the impairment had not been recognised.

- B. The recoverable amounts of goodwill are evaluated periodically. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss of goodwill previously recognised in profit or loss shall not be reversed in the following years.
- C. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that is/are expected to benefit from the synergies of the business combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

(21) Borrowings

- A. Borrowings comprise long-term and short-term bank borrowings. Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.
- B. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs.

(22) Notes and accounts payable

- A. Accounts payable are liabilities for purchases of raw materials, goods or services and notes payable are those resulting from operating and non-operating activities.
- B. The short-term notes and accounts payable without bearing interest are subsequently measured at initial invoice amount as the effect of discounting is immaterial.

(23) Financial liabilities at fair value through profit or loss

- A. Financial liabilities are classified in this category of held for trading if acquired principally for the purpose of repurchasing in the short-term. Derivatives are also categorised as financial liabilities held for trading unless they are designated as hedges.
- B. At initial recognition, the Group measures the financial liabilities at fair value. All related transaction costs are recognised in profit or loss. The Group subsequently measures these financial liabilities at fair value with any gain or loss recognised in profit or loss.

(24) Convertible bonds payable

Convertible bonds issued by the Group contain conversion options (that is, the bondholders have the right to convert the bonds into the Group's common shares by exchanging a fixed amount of cash for a fixed number of common shares), call options and put options. The Group classifies the bonds payable upon issuance as a financial asset, a financial liability or an equity instrument in accordance with the contract terms. They are accounted for as follows:

- A. The embedded call options and put options are recognised initially at net fair value as 'financial assets or financial liabilities at fair value through profit or loss'. They are subsequently remeasured and stated at fair value on each balance sheet date; the gain or loss is recognized as 'gain or loss on valuation of financial assets or financial liabilities at fair value through profit or loss'.
- B. The host contracts of bonds are initially recognised at fair value. Any difference between the initial recognition and the redemption value is accounted for as the premium or discount on bonds payable and subsequently is amortised in profit or loss as an adjustment to 'finance costs' over the period of circulation using the effective interest method.
- C. The embedded conversion options which meet the definition of an equity instrument are initially recognised in 'capital surplus—share options' at the residual amount of total issue price less the amount of financial assets or financial liabilities at fair value through profit or loss and bonds payable as stated above. Conversion options are not subsequently remeasured.
- D. Any transaction costs directly attributable to the issuance are allocated to each liability or equity component in proportion to the initial carrying amount of each abovementioned item.
- E. When bondholders exercise conversion options, the liability component of the bonds (including bonds payable and 'financial assets or financial liabilities at fair value through profit or loss') shall be remeasured on the conversion date. The issuance cost of converted common shares is the total book value of the abovementioned liability component and 'capital surplus - share options'.

(25) Derecognition of financial liabilities

A financial liability is derecognized when the obligation specified in the contract is either discharged or cancelled or expires.

(26) Non-hedging derivatives

Non-hedging derivatives are initially recognized at fair value on the date a derivative contract is entered into and recorded as financial assets or financial liabilities at fair value through profit or loss. They are subsequently remeasured at fair value and the gains or losses are recognized in profit or loss.

(27) Hedge accounting

- A. At the inception of the hedging relationship, there is formal designation and documentation of

the hedging relationship and the Group's risk management objective and strategy for undertaking the hedge. That documentation shall include identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements.

B. The Group designates the hedging relationship is cash flow hedge, a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

C. Cash flow hedges

(a) The cash flow hedge reserve associated with the hedged item is adjusted to the lower of the following (in absolute amounts):

- i. the cumulative gain or loss on the hedging instrument from inception of the hedge; and
- ii. the cumulative change in fair value of the hedged item from inception of the hedge.

(b) The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income. The gain or loss on the hedging instrument relating to the ineffective portion is recognised in profit or loss.

(c) The amount that has been accumulated in the cash flow hedge reserve in accordance with (a) is accounted for as follows:

- i. If a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, or a hedged forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, the Group shall remove that amount from the cash flow hedge reserve and include it directly in the initial cost or other carrying amount of the asset or liability.
- ii. For cash flow hedges other than those covered by i. above, that amount shall be reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment in the same period or periods during which the hedged expected future cash flows affect profit or loss.
- iii. If that amount is a loss and the Group expects that all or a portion of that loss will not be recovered in one or more future periods, it shall immediately reclassify the amount that is not expected to be recovered into profit or loss as a reclassification adjustment.

(d) When the hedging instrument expires, or is sold, terminated, exercised or when the hedging relationship ceases to meet the qualifying criteria, if the forecast transaction is still expected to occur, the amount that has been accumulated in the cash flow hedge reserve shall remain in the cash flow hedge reserve until the forecast transaction occurs; if the forecast transaction is no longer expected to occur, the amount shall be immediately reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment.

(28) Provisions

Provisions, mainly warranties, are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation on the balance sheet date.

(29) Employee benefits

A. Short-term employee benefits

Short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in a period and should be recognised as expense in that period when the employees render service.

B. Pensions

(a) Defined contribution plans

For defined contribution plans, the contributions are recognised as pension expense when they are due on an accrual basis. Prepaid contributions are recognised as an asset to the extent of a cash refund or a reduction in the future payments.

(b) Defined benefit plans

i. Net obligation under a defined benefit plan is defined as the present value of an amount of pension benefits that employees will receive on retirement for their services with the Group in current period or prior periods. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The net defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The rate used to discount is determined by using interest rates of government bonds at the balance sheet date of a currency and term consistent with the currency and term of the employment benefit obligations.

ii. Remeasurements arising on defined benefit plans are recognised in other comprehensive income in the period in which they arise and are recorded as retained earnings.

C. Employees' compensation and directors' and supervisors' remuneration

Employees' compensation and directors' and supervisors' remuneration are recognised as expense and liability, provided that such recognition is required under legal or constructive obligation and those amounts can be reliably estimated. Any difference between the resolved amounts and the subsequently actual distributed amounts is accounted for as changes in estimates.

(30) Employee share-based payment

For the equity-settled share-based payment arrangements, the employee services received are

measured at the fair value of the equity instruments granted at the grant date, and are recognised as compensation cost over the vesting period, with a corresponding adjustment to equity. The fair value of the equity instruments granted shall reflect the impact of market vesting conditions and non-vesting conditions. Compensation cost is subject to adjustment based on the service conditions that are expected to be satisfied and the estimates of the number of equity instruments that are expected to vest under the non-market vesting conditions at each balance sheet date. Ultimately, the amount of compensation cost recognised is based on the number of equity instruments that eventually vest.

(31) Income tax

- A. The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or items recognised directly in equity, in which cases the tax is recognised in other comprehensive income or equity.
- B. The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in accordance with applicable tax regulations. It establishes provisions where appropriate based on the amounts expected to be paid to the tax authorities. An additional tax is levied on the unappropriated retained earnings and is recorded as income tax expense in the year the stockholders resolve to retain the earnings.
- C. Deferred tax is recognised, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated balance sheet. However, the deferred tax is not accounted for if it arises from initial recognition of goodwill or of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.
- D. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. At each balance sheet date, unrecognised and recognised deferred tax assets are reassessed.
- E. Current income tax assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset on the balance sheet when the entity has the legally

enforceable right to offset current tax assets against current tax liabilities and they are levied by the same taxation authority on either the same entity or different entities that intend to settle on a net basis or realise the asset and settle the liability simultaneously.

- F. A deferred tax asset shall be recognised for the carryforward of unused tax credits resulting from research and development expenditures to the extent and the taxable loss that it is possible that future taxable profit will be available against which the unused tax credits can be utilised.

(32) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or stock options are shown in equity as a deduction, net of tax, from the proceeds.

(33) Dividends

Dividends are recorded in the Company's financial statements in the period in which they are resolved by the Company's shareholders. Cash dividends are recorded as liabilities.

(34) Revenue recognition

- A. The Group provided the solution for the application of connecting wiring harness, and the products was applied to various electronic technology area. Sales are recognised when control of the products has transferred, being when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, or the Group has objective evidence that all criteria for acceptance have been satisfied.
- B. Contract agreement with the customer is used to estimate and provide for the price break, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The estimation is subject to an assessment at each reporting date and recognised as refund liabilities. The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.
- C. The Group's obligation to provide a repair for faulty products under the standard warranty terms is recognised as a provision.
- D. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(35) Government grants

Government grants are recognised at their fair value only when there is reasonable assurance that

the Group will comply with any conditions attached to the grants and the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises expenses for the related costs for which the grants are intended to compensate.

(36) Business combinations

- A. The Group uses the acquisition method to account for business combinations. The consideration transferred for an acquisition is measured as the fair value of the assets transferred, liabilities incurred or assumed and equity instruments issued at the acquisition date, plus the fair value of any assets and liabilities resulting from a contingent consideration arrangement. All acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. For each business combination, the Group measures at the acquisition date components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to the proportionate share of the entity's net assets in the event of liquidation at either fair value or the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other non-controlling interests should be measured at the acquisition-date fair value.
- B. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the identifiable assets acquired and the liabilities assumed is recorded as goodwill at the acquisition date. If the total of consideration transferred, non-controlling interest in the acquiree recognised and the fair value of previously held equity interest in the acquiree is less than the fair value of the identifiable assets acquired and the liabilities assumed, the difference is recognised directly in profit or loss on the acquisition date.

(37) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group's chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND KEY SOURCES OF ASSUMPTION UNCERTAINTY

The preparation of these consolidated financial statements requires management to make critical judgements in applying the Group's accounting policies and make critical assumptions and estimates concerning future events. Assumptions and estimates may differ from the actual results and are continually evaluated and adjusted based on historical experience and other factors. Such assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and the related information is addressed below:

Critical accounting estimates and assumptions

(a) Evaluation of inventories

As inventories are stated at the lower of cost and net realisable value, the Group must determine the net realisable value of inventories on balance sheet date using judgements and estimates. Due to the rapid technology innovation, the Group evaluates the amounts of normal inventory consumption, obsolete inventories or inventories without market selling value on balance sheet date, and writes down the cost of inventories to the net realisable value. Such an evaluation of inventories is principally based on the demand for the products within the specified period in the future. Therefore, there might be material changes to the evaluation. As at December 31, 2022, the carrying amount of inventories was \$12,323,217.

(b) Impairment assessment of goodwill

The impairment assessment of goodwill relies on the Group's subjective judgement, including identifying cash-generating units, allocating assets and liabilities as well as goodwill to related cash-generating units, and determining the recoverable amounts of related cash-generating units. As at December 31, 2022, the carrying amount of goodwill was \$4,312,003.

(c) Identifiable intangible assets arising from business combination

The key assumptions used in the cash flow projecting of identifiable intangible assets under business combination, including expected growth rate and operating margin, involve the Group's subjective judgment.

(d) Calculation of net defined benefit liabilities

When calculating the present value of defined pension obligations, the Group must apply judgements and estimates to determine the actuarial assumptions on balance sheet date, including discount rates and future salary growth rate. Any changes in these assumptions could significantly impact the carrying amount of defined pension obligations. As at December 31, 2022, the carrying amount of net defined benefit liabilities was \$675,178.

6. DETAILS OF SIGNIFICANT ACCOUNTS

(1) Cash and cash equivalents

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Cash on hand and revolving funds	\$ 1,724	\$ 962
Checking accounts and demand deposits	5,934,964	2,364,019
Cash equivalents (investments with original maturities of 3 months or less)		
Time deposits	2,560,403	844,611
Bank acceptances	477	-
	<u>\$ 8,497,568</u>	<u>\$ 3,209,592</u>

A. The Group transacts with a variety of financial institutions all with high credit quality to diversify credit risks, so it expects that the probability of counterparty defaults is remote.

B. The Group has reclassified the restricted portion of cash and cash equivalents as financial assets at amortized cost. Please refer to Notes 6(4) and 8.

(2) Financial assets and liabilities at fair value through profit or loss

Items	December 31, 2022	December 31, 2021
Current financial assets:		
Derivative instruments mandatorily measured at fair value through profit or loss (not designated as hedges)		
Forward foreign exchange contracts	\$ 22,707	\$ 25,591
Convertible bond options	-	1,845
Non-derivative financial assets		
Listed stocks	886	1,695
Unlisted stocks	-	48,474
	<u>\$ 23,593</u>	<u>\$ 77,605</u>
Non-current financial assets:		
Non-derivative financial assets mandatorily measured at fair value through profit or loss		
Beneficiary certificates	<u>\$ 147,295</u>	<u>\$ 89,320</u>
Items	December 31, 2022	December 31, 2021
Current financial liabilities:		
Derivative instruments mandatorily measured at fair value through profit or loss (not designated as hedges)		
Forward foreign exchange contracts	\$ 15,253	\$ 288
Convertible bond options	<u>51,736</u>	-
	<u>\$ 66,989</u>	<u>\$ 288</u>

- A. Amounts recognised in profit or loss in relation to financial assets at fair value through profit or loss for the years ended December 31, 2022 and 2021 amounted to (\$194,707) and \$96,237, respectively.
- B. The preferred stocks of Centera Photonics Inc. owned by the group have been converted to common stocks during the third quarter of 2022. On the date of conversion, the Group recognised a remeasurement loss of \$13,692 based on fair value of preferred stocks, which was recognized in 'other gains and losses'.
- C. At the end of the reporting period, outstanding foreign exchange forward contracts not under hedge accounting were as follows:

Derivative financial assets

	Currency	Contract period	Contract amount (in thousands)
<u>December 31, 2022</u>			
Sell	USD to RMB	2023.01~2023.02	USD 78,800 / RMB 550,478
Sell	EUR to RMB	2023.01~2023.12	EUR 7,392 / RMB 52,200
Sell	USD to SGD	2023.01~2023.03	USD 11,300 / SGD 15,487
Sell	EUR to USD	2023.01~2023.02	EUR 8,600 / USD 8,372
Sell	EUR to CAD	2023.01~2023.02	EUR 1,900 / CAD 2,676
Sell	USD to CAD	2023.01~2023.02	USD 5,200 / CAD 7,002
Sell	USD to MYR	2023.01~2023.03	USD 6,960 / MYR 31,911
<u>December 31, 2021</u>			
Sell	USD to RMB	2022.01~2022.05	USD 78,950 / RMB 508,663
Sell	EUR to RMB	2022.01~2022.12	EUR 5,779 / RMB 43,900
Sell	USD to SGD	2022.01~2022.02	USD 6,850 / SGD 9,329

D. The Group entered into the aforementioned forward foreign exchange contracts to hedge exchange rate risk of assets and liabilities denominated in foreign currencies whose values would be affected by the exchange rate fluctuations. However, these forward foreign exchange contracts did not meet the criteria for effective hedging. Therefore, the contracts are not accounted for under hedge accounting.

E. The Group has no financial assets at fair value through profit or loss pledged to others.

F. Information relating to credit risk of financial assets at fair value through profit or loss is provided in Note 12(2).

(3) Financial assets at fair value through other comprehensive income

Items	December 31, 2022	December 31, 2021
Non-current items:		
Unlisted stocks	\$ 345,671	\$ 281,242

A. The Group invested in the abovementioned equity instruments for medium- to long-term strategic purposes and expected to generate profit through the medium- to long-term investments. The Group's management elected to designate these investments in equity instruments as at fair value through other comprehensive income as it believes that recognising short-term fluctuations in these investments' fair values in profit or loss would not be consistent with the aforementioned medium-to long-term investment plan.

B. Amounts recognised in profit or loss and other comprehensive income in relation to the financial assets at fair value through other comprehensive income are listed below:

	Years ended December 31,	
	2022	2021
<u>Equity instruments at fair value through other comprehensive income</u>		
Fair value change recognised in other comprehensive income	(\$ 47,233)	(\$ 40,607)

C. As at December 31, 2022 and 2021, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at fair value through other comprehensive income held by the Group was \$345,671 and \$281,242, respectively.

D. The Group has no financial assets at fair value through other comprehensive income pledged to others.

(4) Financial assets at amortized cost

Items	December 31, 2022	December 31, 2021
Current items:		
Time deposits with original maturities of more than 3 months	\$ 67,961	\$ 16,608
Pledged demand and time deposits	325,396	173,961
	<u>\$ 393,357</u>	<u>\$ 190,569</u>
Non-current items:		
Pledged demand and time deposits	<u>\$ 10,198</u>	<u>\$ 10,559</u>

A. As at December 31, 2022 and 2021, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the financial assets at amortized cost held by the Group was \$403,555 and \$201,128, respectively.

B. Details of the Group's financial assets at amortized cost pledged to others as collateral are provided in Note 8.

(5) Hedging financial assets and liabilities

A. Transaction information associated with the Group adopting hedge accounting is as follows:

	<u>December 31, 2022</u>			
Hedging instruments	<u>Contract weight</u>	<u>Maturity</u>	<u>Line item in balance sheet</u>	<u>Carrying amount</u>
Cash flow hedges				
Expected purchases - copper futures contract	475 tons	2023.01~2023.04	Financial assets for hedging	\$ 6,186
			Carrying amount of other equity which is continuously applicable to hedge accounting	
Hedged items				
Cash flow hedges				
Expected purchases			\$	5,187

	December 31, 2021			
	Contract weight	Maturity	Line item in balance sheet	Carrying amount
Cash flow hedges				
Expected purchases - copper futures contract	620 tons	2022.01~2022.04	Financial liabilities for hedging	\$ 22

	December 31, 2021			
Hedging instruments	<u>Contract price</u>	<u>Maturity</u>	<u>Assets carrying amount</u>	<u>Liabilities carrying amount</u>
Cash flow hedges				
Forecast investment - foreign exchange forward contracts (USD to EUR)	EUR 71,000 thousand	2022.01~2022.02	\$ 4,163	\$ 687
Hedged items			<u>Carrying amount of other equity which is continuously applicable to hedge accounting</u>	
Cash flow hedges				
Expected purchases			(\$	17)
Forecast investment			\$	3,518

B. The Group entered into the aforementioned forward foreign exchange contracts on December 31, 2021 to hedge the risk of exchange rate fluctuations of firm commitments in foreign currency expected to occur in the future and designated it as a cash flow hedge. The determination of the

position of the designated forward foreign exchange contract is in line with the hedged items. The Group qualitatively evaluates that forward foreign exchange contract will move systematically in the opposite direction of the estimated transaction value of the hedged items due to changes in the hedged exchange rates.

The source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Group's own credit risks on the fair value of the hedging instruments. This credit risk does not affect the fair value changes of the hedged items due from changes in exchange rates and the changes in the expected timing of transaction of the hedged items. No other sources of ineffectiveness are expected to emerge from these hedging relationships.

- C. The Group uses copper as a raw material in the process and highly expects to sign copper purchase contracts with suppliers in the future according to its order demands. The contract price is based on the copper market price with a certain markup. In order to manage the copper price risk of the contracts, the Group utilizes copper futures contracts by the same notional amount and at the same maturity date as the cash flow risk hedging tool against the copper price risk contained in the contracts. Based on historical experience, changes in the cash flow component of the specified copper price risk are highly effective in covering the entire contractual cash flow changes.

For the anticipation of the highly probable expected purchase transactions, the main conditions (e.g. quantity and period) of the copper futures contract matched the hedged items. The Group periodically compares the number of open positions of copper and the expected purchase quantity change in order to assess the effectiveness of the hedge.

- D. Gains (losses) on hedge effectiveness-amount that the Group recognised in other comprehensive income for the years ended December 31, 2022 and 2021 amounted to (\$90,350) and \$39,133, respectively.

(6) Notes and accounts receivable

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Notes receivable	\$ 10,854	\$ 10,991
Accounts receivable	\$ 10,185,802	\$ 7,040,877
Less: Allowance for uncollectible accounts	(125,659)	(35,298)
	<u>\$ 10,060,143</u>	<u>\$ 7,005,579</u>

- A. The ageing analysis of notes receivable is as follows:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Up to 60 days	\$ 10,536	\$ 6,529
61 to 90 days	-	1,144
91 to 120 days	186	100
Over 121 days	132	3,218
	<u>\$ 10,854</u>	<u>\$ 10,991</u>

The above ageing analysis was based on invoice date.

B. The ageing analysis of accounts receivable is as follows:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Not past due	\$ 8,109,497	\$ 6,200,221
Past due		
Up to 60 days	1,785,377	745,368
61 to 90 days	115,142	32,346
91 to 120 days	68,465	21,759
121 to 365 days	84,237	27,203
Over 365 days	23,084	13,980
	<u>\$ 10,185,802</u>	<u>\$ 7,040,877</u>

The above ageing analysis was based on past due date.

- C. As at December 31, 2022 and 2021, accounts receivable and notes receivable were all from contracts with customers. And as at January 1, 2021, the balance of receivables from contracts with customers amounted to \$5,372,702.
- D. For details of accounts receivable pledged to banks as collaterals as at December 31, 2022, please refer to Note 8. There were no transactions as at December 31, 2021.
- E. As at December 31, 2022 and 2021, without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk in respect of the amount that best represents the Group's notes receivable was \$10,854 and \$10,991, respectively, and accounts receivable was \$10,060,143 and \$7,005,579, respectively.
- F. As at December 31, 2022, the Group had outstanding discounted notes receivable to banks amounting to \$169,140. The Group has no payment obligation when the issuers of the notes refuse to pay for the notes at maturity. Those discounted notes receivable were deducted directly from notes receivable.
- G. The Group has endorsed and transferred some bank acceptances receivable to other parties. Based on the assessment, the credit rating of the bank issuing such acceptances is relatively high and almost all of the risks and returns arising from the ownership of the bank acceptances have been transferred. Therefore, the bank acceptances were derecognised. As at December 31, 2022 and 2021, the outstanding derecognised bank acceptances receivable that the Group has endorsed and transferred amounted to \$24,047 and \$23,952, respectively.
- H. The Group entered into factoring agreements with financial institutions to sell its accounts receivable. The Group accounted for the accounts receivable as financial assets at fair value through profit or loss before the derecognition and derecognised it after it is sold. The Group has \$184,614 of accounts receivable that are expected to be factored to the financial institutions as at December 31, 2022. Amount recognised in profit or loss because factoring accounts receivable for the year ended December 31, 2022 was \$8,083 (shown as finance costs).

I. Information relating to credit risk of accounts receivable and notes receivable is provided in Note 12(2).

(7) Transfer of financial assets

Transferred financial assets that are derecognised in their entirety

The Group entered into factoring agreements with banks to sell its accounts receivable. Under the agreement, the Group is not obligated to bear the default risk of the transferred accounts receivable, but is liable for the losses incurred on any business dispute. The Group does not have any continuing involvement in the transferred accounts receivable. Thus, the Group derecognised the transferred accounts receivable, and the related information is as follows:

December 31, 2022					
Purchaser of accounts receivable	Accounts receivable transferred (Note)	Amount derecognised	Facilities (in thousands)	Amount advanced	Interest rate of amount advanced
Coface	\$ 224	\$ 224	USD 24,145	\$ -	\$ -
Eurofactor	42,981	42,981	USD 13,320	-	-

Note: Shown as other receivables.

December 31, 2021: None.

(8) Inventories

	December 31, 2022	December 31, 2021
Raw materials	\$ 6,948,342	\$ 3,146,703
Work in progress	1,007,735	458,601
Finished goods and merchandises	4,367,140	2,773,534
	<u>\$ 12,323,217</u>	<u>\$ 6,378,838</u>

The cost of inventories recognised as expense for the period:

	Years ended December 31,	
	2022	2021
Cost of goods sold	\$ 39,684,496	\$ 21,805,143
Loss on decline in market value	115,067	89,673
Unamortized manufacturing overhead (Note)	170,125	40,087
	<u>\$ 39,969,688</u>	<u>\$ 21,934,903</u>

Note: The unamortized manufacturing overhead for the year ended December 31, 2022 includes the \$71,756 related expenditures incurred during the Covid-19 lockdown period in the second quarter of 2022.

(9) Investments accounted for under equity method

A. Investments in associates are listed below:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
<u>Individually immaterial associates</u>		
Siriustek Inc.	\$ 5,588	\$ 5,340
AquaOptics Corp.	2,491	19,496
ProOptics International Corp.	21,420	26,381
	<u>\$ 29,499</u>	<u>\$ 51,217</u>

B. The share of the operating results of the Group's individually immaterial associates are summarised below:

	<u>Years ended December 31,</u>	
	<u>2022</u>	<u>2021</u>
(Loss) profit for the year from continuing operations (that is, total comprehensive income)	(\$ 52,114)	\$ 75,358

- C. In April 2022, ProOptics International Corp. increased its capital. The Group did not participate in cash capital increase according to shareholding ratio, thus, decreasing the Group's percentage of ownership from 27.00% to 23.14%.
- D. In August 2021, the preferred shares of ProOptics International Corp. was retired, increasing the Group's shareholding ratio from 21.35% to 27.00%. The changes from investments accounted for under equity method increased capital surplus by \$7,887.
- E. In the third quarter of 2021, the Group assessed the impairment of the investment in ProOptics International Corp. based on the estimated recoverable amount, and recognized the impairment loss amounting to \$25,096 under 'other gains and losses'.
- F. In the second quarter of 2022, the Group assessed the impairment of the investment in AquaOptics Corp. based on the estimated recoverable amount, and recognized the impairment loss amounting to \$11,767 under 'other gains and losses'.
- G. For the years ended December 31, 2022 and 2021, shares of profit (loss) and other comprehensive income of associates accounted for under equity method were calculated based on the financial statements which were not audited by the independent auditors. However, the Group's management considered that there was no significant impact on financial statements.
- H. The Group is the single largest shareholder of Siriustek Inc. and AquaOptics Corp., but the Group has no control over them because the Group does not have the ability to direct the relevant finance, operational and human resources decisions of these companies.

(10) Property, plant and equipment

	Freehold land	Buildings	Machinery and equipment	Transportation equipment	Other equipment	Unfinished construction and equipment pending acceptance	Total
January 1, 2022							
Cost	\$ 720,276	\$ 1,161,381	\$ 3,160,851	\$ 25,191	\$ 1,161,597	\$ 622,832	\$ 6,852,128
Accumulated depreciation and impairment	-	(367,013)	(1,917,056)	(18,318)	(685,433)	-	(2,987,820)
	<u>\$ 720,276</u>	<u>\$ 794,368</u>	<u>\$ 1,243,795</u>	<u>\$ 6,873</u>	<u>\$ 476,164</u>	<u>\$ 622,832</u>	<u>\$ 3,864,308</u>
January 1, 2022	\$ 720,276	\$ 794,368	\$ 1,243,795	\$ 6,873	\$ 476,164	\$ 622,832	\$ 3,864,308
Additions	51,633	739,226	544,607	4,970	375,021	567,899	2,283,356
Acquired from business combinations	359,032	1,089,864	2,017,458	5,530	548,269	174,578	4,194,731
Disposals	(6,855)	(23,847)	(33,756)	-	(8,284)	-	(72,742)
Reclassifications	-	224,396	344,949	920	119,399	(7,331)	682,333
Depreciation expense	-	(114,907)	(556,918)	(4,415)	(257,148)	-	(933,388)
Impairment loss	-	-	(37,337)	-	(28,834)	(6,068)	(72,239)
Net exchange differences	30,634	113,028	115,887	368	45,755	48,905	354,577
December 31, 2022	<u>\$ 1,154,720</u>	<u>\$ 2,822,128</u>	<u>\$ 3,638,685</u>	<u>\$ 14,246</u>	<u>\$ 1,270,342</u>	<u>\$ 1,400,815</u>	<u>\$10,300,936</u>
December 31, 2022							
Cost	\$ 1,154,720	\$ 3,587,925	\$ 8,357,726	\$ 51,017	\$ 2,970,741	\$ 1,406,883	\$17,529,012
Accumulated depreciation and impairment	-	(765,797)	(4,719,041)	(36,771)	(1,700,399)	(6,068)	(7,228,076)
	<u>\$ 1,154,720</u>	<u>\$ 2,822,128</u>	<u>\$ 3,638,685</u>	<u>\$ 14,246</u>	<u>\$ 1,270,342</u>	<u>\$ 1,400,815</u>	<u>\$10,300,936</u>

	Freehold land	Buildings	Machinery and equipment	Transportation equipment	Other equipment	Unfinished construction and equipment pending acceptance	Total
January 1, 2021							
Cost	\$ 348,673	\$ 1,117,548	\$ 2,992,119	\$ 26,282	\$ 1,092,463	\$ 307,766	\$ 5,884,851
Accumulated depreciation and impairment	-	(314,433)	(1,727,159)	(17,046)	(602,132)	-	(2,660,770)
	<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>
January 1, 2021	\$ 348,673	\$ 803,115	\$ 1,264,960	\$ 9,236	\$ 490,331	\$ 307,766	\$ 3,224,081
Additions	375,650	44,775	290,388	380	138,422	318,446	1,168,061
Disposals	-	(9)	(9,375)	(63)	(1,722)	-	(11,169)
Reclassifications	-	20,873	93,907	-	10,433	(2,527)	122,686
Depreciation expense	-	(57,242)	(288,095)	(2,511)	(132,581)	-	(480,429)
Impairment loss	-	-	(69,728)	-	-	-	(69,728)
Net exchange differences	(4,047)	(17,144)	(38,262)	(169)	(28,719)	(853)	(89,194)
December 31, 2021	<u>\$ 720,276</u>	<u>\$ 794,368</u>	<u>\$ 1,243,795</u>	<u>\$ 6,873</u>	<u>\$ 476,164</u>	<u>\$ 622,832</u>	<u>\$ 3,864,308</u>
December 31, 2021							
Cost	\$ 720,276	\$ 1,161,381	\$ 3,160,851	\$ 25,191	\$ 1,161,597	\$ 622,832	\$ 6,852,128
Accumulated depreciation and impairment	-	(367,013)	(1,917,056)	(18,318)	(685,433)	-	(2,987,820)
	<u>\$ 720,276</u>	<u>\$ 794,368</u>	<u>\$ 1,243,795</u>	<u>\$ 6,873</u>	<u>\$ 476,164</u>	<u>\$ 622,832</u>	<u>\$ 3,864,308</u>

- A. Due to the expiration of some factory leases of the Slovakia subsidiary, the Group recognized impairment loss \$72,239 for the year ended December 31, 2022. In 2021, since the estimated future cash flows expected from the computing and transportation segment decreased, the Group wrote down the carrying amount of the asset based on the recoverable amount and recognised an impairment loss of \$69,728.
- B. Information about the property, plant and equipment that were pledged to others as collaterals is provided in Note 8.

(11) Lease arrangements

- A. The Group leases various assets including land use right, buildings and structures and transportation equipment. Rental contracts of land use right are made for periods of 39 to 50 years while the rental contracts of others are made for periods of 1 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose covenants, but leased assets may not be used as security for borrowing purposes. The Group does not have bargain purchase options to acquire the land use right and buildings and structures at the end of the lease terms.

B. Right-of-use assets

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Carrying amount		
Land	\$ 381,787	\$ 194,763
Buildings	1,291,959	987,406
Transportation equipment	46,474	9,831
Other equipment	16,794	2,123
	<u>\$ 1,737,014</u>	<u>\$ 1,194,123</u>
	<u>Years ended December 31,</u>	<u>2021</u>
	<u>2022</u>	<u>2021</u>
Depreciation expense		
Land	\$ 34,938	\$ 4,808
Buildings	462,670	270,992
Transportation equipment	34,398	8,214
Other equipment	9,568	2,372
	<u>\$ 541,574</u>	<u>\$ 286,386</u>

C. For the years ended December 31, 2022 and 2021, the additions to right-of-use assets were \$397,044 (not including \$759,145 acquired from business combinations) and \$734,551, respectively.

D. Lease liability

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Carrying amounts of lease liabilities		
Current	<u>\$ 385,379</u>	<u>\$ 300,155</u>
Non-current	<u>\$ 1,085,809</u>	<u>\$ 743,193</u>

E. Sublease of right-of-use assets

The Group subleases its right-of-use assets for buildings under operating leases with lease terms between 1 to 5 years and with options to extend. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The maturity analysis of lease payments receivable under operating subleases is as follows:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Year 1	\$ 5,351	\$ 3,847
Year 2	4,313	472
After Year 3	12,266	-
	<u>\$ 21,930</u>	<u>\$ 4,319</u>

F. Other lease information

	Years ended December 31,	
	2022	2021
Expense on short-term lease contracts	\$ 79,179	\$ 20,786
Expense on leases of low-value assets	\$ 4,905	\$ 4,057
Total cash outflow for leases	\$ 709,465	\$ 339,231
Gain on sublease of right-of-use assets	\$ 6,685	\$ 11,509
Gain on lease modification	\$ 5,577	\$ -

(12) Investment property

	Land	Buildings and structures	Total
January 1, 2022			
Cost	\$ 88,640	\$ 143,670	\$ 232,310
Accumulated depreciation and impairment	-	(49,099)	(49,099)
	<u>\$ 88,640</u>	<u>\$ 94,571</u>	<u>\$ 183,211</u>
January 1, 2022	\$ 88,640	\$ 94,571	\$ 183,211
Additions	140,813	135,146	275,959
Disposals	(25,939)	(16,131)	(42,070)
Depreciation expense	-	(6,202)	(6,202)
Net exchange differences	4,107	6,375	10,482
December 31, 2022	<u>\$ 207,621</u>	<u>\$ 213,759</u>	<u>\$ 421,380</u>
December 31, 2022			
Cost	\$ 207,621	\$ 268,573	\$ 476,194
Accumulated depreciation and impairment	-	(54,814)	(54,814)
	<u>\$ 207,621</u>	<u>\$ 213,759</u>	<u>\$ 421,380</u>

	Land	Buildings and structures	Total
January 1, 2021			
Cost	\$ 89,725	\$ 146,349	\$ 236,074
Accumulated depreciation and impairment	-	(46,486)	(46,486)
	<u>\$ 89,725</u>	<u>\$ 99,863</u>	<u>\$ 189,588</u>
January 1, 2021	\$ 89,725	\$ 99,863	\$ 189,588
Depreciation expense	-	(3,432)	(3,432)
Net exchange differences	(1,085)	(1,860)	(2,945)
December 31, 2021	<u>\$ 88,640</u>	<u>\$ 94,571</u>	<u>\$ 183,211</u>
December 31, 2021			
Cost	\$ 88,640	\$ 143,670	\$ 232,310
Accumulated depreciation and impairment	-	(49,099)	(49,099)
	<u>\$ 88,640</u>	<u>\$ 94,571</u>	<u>\$ 183,211</u>

The investment properties were leased out for 2 to 5 years, with options to extend for an additional 3 years. All operating lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the investment properties at the end of the lease periods.

A. Rental income from investment property and direct operating expenses arising from investment property are shown below:

	Years ended December 31,	
	2022	2021
Rental income from investment property	<u>\$ 36,814</u>	<u>\$ 20,837</u>
Direct operating expenses arising from the investment property that generated rental income during the year	<u>\$ 6,202</u>	<u>\$ 3,432</u>

B. The maturity analysis of lease payments receivable under operating leases of investment properties is as follows:

	December 31, 2022	December 31, 2021
Year 1	\$ 35,517	\$ 23,585
Year 2	28,991	22,171
Year 3	8,174	18,168
Year 4	8,583	-
After Year 5	9,766	-
	<u>\$ 91,031</u>	<u>\$ 63,924</u>

C. The fair value of the investment property held by the Group as at December 31, 2022 and, 2021 was \$556,790 and \$309,868, respectively, which was valued by the management of the Group based on most recent transaction prices of similar and comparable properties in the market which is categorized within Level 2 in the fair value hierarchy.

D. Refer to Note 8 for further information on investment property pledged to others as collateral.

(13) Intangible assets

	Patents	Computer software	Customer relationship	Core technology	Goodwill	Total
January 1, 2022						
Cost	\$ 66,345	\$ 387,109	\$ 631,800	\$ 527,645	\$ 671,751	\$ 2,284,650
Accumulated amortization and impairment	(60,740)	(262,951)	(213,330)	(228,418)	-	(765,439)
	<u>\$ 5,605</u>	<u>\$ 124,158</u>	<u>\$ 418,470</u>	<u>\$ 299,227</u>	<u>\$ 671,751</u>	<u>\$ 1,519,211</u>
January 1, 2022	\$ 5,605	\$ 124,158	\$ 418,470	\$ 299,227	\$ 671,751	\$ 1,519,211
Additions-acquired separately	16,049	27,652	-	-	-	43,701
Acquired from business combinations	10,473	21,709	964,763	857,917	3,445,409	5,300,271
Disposals	-	(1,922)	-	-	-	(1,922)
Transfers	-	1,392	-	-	-	1,392
Amortization expense	(10,503)	(77,680)	(159,431)	(159,295)	-	(406,909)
Net exchange differences	(9,044)	26,276	59,939	74,130	194,843	346,144
December 31, 2022	<u>\$ 12,580</u>	<u>\$ 121,585</u>	<u>\$ 1,283,741</u>	<u>\$ 1,071,979</u>	<u>\$ 4,312,003</u>	<u>\$ 6,801,888</u>
December 31, 2022						
Cost	\$ 66,245	\$ 576,429	\$ 1,766,607	\$ 1,636,113	\$ 4,312,003	\$ 8,357,397
Accumulated amortization and impairment	(53,665)	(454,844)	(482,866)	(564,134)	-	(1,555,509)
	<u>\$ 12,580</u>	<u>\$ 121,585</u>	<u>\$ 1,283,741</u>	<u>\$ 1,071,979</u>	<u>\$ 4,312,003</u>	<u>\$ 6,801,888</u>

	Patents	Computer software	Customer relationship	Core technology	Goodwill	Total
January 1, 2021						
Cost	\$ 60,552	\$ 376,658	\$ 663,700	\$ 551,289	\$ 730,307	\$ 2,382,506
Accumulated amortization and impairment	(59,733)	(235,357)	(162,133)	(178,320)	-	(635,543)
	<u>\$ 819</u>	<u>\$ 141,301</u>	<u>\$ 501,567</u>	<u>\$ 372,969</u>	<u>\$ 730,307</u>	<u>\$ 1,746,963</u>
January 1, 2021	\$ 819	\$ 141,301	\$ 501,567	\$ 372,969	\$ 730,307	\$ 1,746,963
Additions-acquired separately	6,302	33,650	-	-	-	39,952
Transfers	-	229	-	-	-	229
Amortization expense	(1,435)	(48,425)	(59,119)	(56,983)	-	(165,962)
Net exchange differences	(81)	(2,597)	(23,978)	(16,759)	(58,556)	(101,971)
December 31, 2021	<u>\$ 5,605</u>	<u>\$ 124,158</u>	<u>\$ 418,470</u>	<u>\$ 299,227</u>	<u>\$ 671,751</u>	<u>\$ 1,519,211</u>
December 31, 2021						
Cost	\$ 66,345	\$ 387,109	\$ 631,800	\$ 527,645	\$ 671,751	\$ 2,284,650
Accumulated amortization and impairment	(60,740)	(262,951)	(213,330)	(228,418)	-	(765,439)
	<u>\$ 5,605</u>	<u>\$ 124,158</u>	<u>\$ 418,470</u>	<u>\$ 299,227</u>	<u>\$ 671,751</u>	<u>\$ 1,519,211</u>

A. Details of amortization on intangible assets are as follows:

	Years ended December 31,	
	2022	2021
Operating costs	\$ 165,822	\$ 58,543
Selling expenses	171,332	59,191
General and administrative expenses	54,013	40,361
Research and development expenses	15,742	7,867
	<u>\$ 406,909</u>	<u>\$ 165,962</u>

B. Details of goodwill are as follows:

	December 31, 2022	December 31, 2021
Home appliance segment	\$ 364,141	\$ 348,606
Other segments	361,367	323,145
Industrial application segment	3,586,495	-
	<u>\$ 4,312,003</u>	<u>\$ 671,751</u>

C. The impairment assessment of goodwill

- (a) The impairment assessment of goodwill relies on the subjective judgement of the management, including identifying cash-generating units and determining its recoverable amounts. The Group assesses the recoverable amounts of goodwill for impairment at the end of the financial reporting period, and the recoverable amount is assessed based on the value-in-use.

- (b) The value-in-use calculations use cash flow projections based on financial budgets approved by the management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates 1%. The discount rates used reflected specific risks relating to the relevant operating segments and the current market assessments of the time value of money.
- (c) The recoverable amount of all cash-generating units calculated using the value-in-use exceeded their carrying amount, so goodwill was not impaired. The key assumptions used for value-in-use calculations for the year ended December 31, 2022 were the growth rate which was 1.6%~5.2% and the discount rate which was 5.85%~9.30%. If the key assumptions used for the recoverable amount of all cash-generating units reasonably possible change will not affect the impairment of goodwill.

(14) Other non-current assets

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Prepayments for equipment	\$ 260,266	\$ 122,816
Guarantee deposits paid	151,694	123,383
Others	8,835	-
	<u>\$ 420,795</u>	<u>\$ 246,199</u>

(15) Short-term borrowings

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
<u>Secured borrowings</u>		
Bank borrowings	\$ -	\$ 297,000
<u>Unsecured borrowings</u>		
Line of credit borrowings	748,542	530,652
	<u>\$ 748,542</u>	<u>\$ 827,652</u>

The bank borrowing interest rate on December 31, 2022 and 2021 was 1.1%~3.33% and 0.66%~3.00%, respectively.

(16) Other payables

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Wages, salaries and bonuses payable	\$ 1,544,776	\$ 792,644
Employee benefits payable	42,329	34,368
Professional service expense payable	41,926	47,639
Freight payable	70,474	75,156
Tax payable	161,086	24,976
Interest payable	65,453	243
Marketing expense payable	71,172	49,312
Payable on machinery and equipment	235,945	96,654
Payables for investment (Note)	266,823	8,640
Advance receivables on behalf of others	-	192,189
Others	504,813	249,305
	<u>\$ 3,004,797</u>	<u>\$ 1,571,126</u>

Note: Please refer to Note 4(3) B.Note 4 for the information.

(17) Bonds payable

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Bonds payable	\$ 4,010,882	\$ 1,317,568
Less: Discount on bonds payable	(282,511)	(13,341)
	3,728,371	1,304,227
Less: Current portion (shown as other current liabilities)	-	(1,304,227)
	<u>\$ 3,728,371</u>	<u>\$ -</u>

A. Details of the convertible bonds issued by the Company are as follows:

- (a) The terms of the 3rd overseas unsecured convertible bonds issued by the Company on December 13, 2019 are as follows:
- The total principal amount was US\$100,000 thousand and the coupon rate was 0%. The bonds mature 5 years from the issue date (December 13, 2019 ~ December 13, 2024) and will be redeemed in USD at 106.43% of face value at the maturity date.
 - The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three months of the bonds issue (excluding issue date) to 10 days before the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.
 - The conversion price of the bonds is determined based on the pricing formula as set forth in the terms of the bonds (the conversion price as of the issue date was the US Dollar equivalent of NT\$245.77 per share/ USD:NTD=1:30.482), and is adjusted according to

- the pricing formula if the condition of the anti-dilution provisions occur subsequently.
- iv. Unless previously redeemed or repurchased and converted or retired, in 3 years after the issue date or in the event that the stocks cease to be listed on the Taiwan Stock Exchange, the bondholders have the right to require the Company to redeem the bonds, in whole or in part, at the price of the bonds' face value plus 1.25% of the face value as interests which is calculated on a semi-annual basis (that is, 103.81% of face value).
 - v. When more than 90% of the principal amount of the bonds has already been converted or redeemed or repurchased and retired or from three years to the day after the issue date to the maturity date, if the closing price for 20 transaction days of 30 consecutive business days of the Company's common stock on the Taiwan Stock Exchange (converted into U.S. dollars at the spot exchange rate) is greater than the early redemption price applicable on the day decided by the convertible ratio exceeds 130%, then the Company may redeem the bonds in whole or part at the early redemption amount.
 - vi. Under the terms of the bonds, all bonds matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.
 - vii. For the year ended December 31, 2022, the face value of the corporate bonds whose conversion right has been exercised by the bondholders amounted to \$1,375,890 (US\$47,000 thousand), of which \$64,454 was transferred to ordinary share and \$1,334,492 was transferred to capital surplus, additional paid-in capital arising from bond conversion as the net amount of conversion exceeds the par value of the ordinary shares converted. In addition, the discount on bonds payable, current financial assets at fair value through profit or loss and capital surplus - share options of the corporate bonds whose conversion right has been exercised on the conversion date amounting to (\$2,139), (\$2,227) and \$57,040, respectively, were also transferred to capital surplus, additional paid-in capital arising from bond conversion.
 - viii. For the year ended December 31, 2021, the face value of the corporate bonds whose conversion right has been exercised by the bondholders amounted to \$1,585,064 (US\$52,000 thousand), of which \$68,879 was transferred to ordinary share and \$1,516,185 was transferred to capital surplus, additional paid-in capital arising from bond conversion as the net amount of conversion exceeds the par value of the ordinary shares converted. In addition, the discount on bonds payable, current financial assets at fair value through profit or loss and capital surplus - share options of the corporate bonds whose conversion right has been exercised on the conversion date amounting to (\$31,284), (\$1,538) and \$72,960, respectively, were also transferred to capital surplus, additional paid-in capital arising from bond conversion.
 - ix. As the convertible bonds have satisfied the conditions mentioned in item v. above that when more than 90% of the principal amount of the bonds has already been converted

or redeemed or repurchased and retired, then the Company can redeem the bonds outstanding in whole at the early redemption amount. Therefore, the Company has redeemed the 3rd overseas unsecured convertible bonds in whole on September 12, 2022.

(b) The terms of the 4th overseas unsecured convertible bonds issued by the Company on January 12, 2022 are as follows:

- i. The total issuance amount was US\$125,000 thousand and the coupon rate was 0%. The bonds mature 5 years from the issue date (January 12, 2022 ~ January 12, 2027) and will be redeemed in USD at 107.76% of face value at the maturity date.
- ii. The bondholders have the right to ask for conversion of the bonds into common shares of the Company during the period from the date after three months of the bonds issue (excluding issue date) to 10 days before the maturity date, except for the stop transfer period as specified in the terms of the bonds or the laws/regulations. The rights and obligations of the new shares converted from the bonds are the same as the issued and outstanding common shares.
- iii. The conversion price of the bonds is determined based on the pricing formula as set forth in the terms of the bonds (the conversion price as of the issue date was the US Dollar equivalent of NT\$300 per share/ USD:NTD=1:27.625), and is adjusted according to the pricing formula if the condition of the anti-dilution provisions occur subsequently. The conversion price on December 31, 2022 was NT\$290.76 (in dollars) per share.
- iv. Unless previously, redeemed or repurchased and converted or retired in 3 years after the issue date or in the event that the stocks cease to be listed on the Taiwan Stock Exchange, the bondholders have the right to require the Company to redeem the bonds, in whole or in part, at the price of the bonds' face value plus 1.50% of the face value as interests which is calculated on a semi-annual basis (that is, 104.59% of face value).
- v. When more than 90% of the principal amount of the bonds has already been converted or redeemed or repurchased and retired or from three years to the day after the issue date to the maturity date, if the closing price for 20 transaction days of 30 consecutive business days of the Company's common stock on the Taiwan Stock Exchange (converted into U.S. dollars at the spot exchange rate) is greater than the early redemption price applicable on the day decided by the convertible ratio exceeds 130%, then the Company may redeem the bonds in whole or part at the early redemption amount.
- vi. Under the terms of the bonds, all bonds matured and converted are retired and not to be re-issued; all rights and obligations attached to the bonds are also extinguished.
- vii. For the year ended December 31, 2022, the face value of the corporate bonds whose conversion right has been exercised by the bondholders amounted to \$113,317 (US\$3,800 thousand), of which \$3,611 was transferred to ordinary share and \$109,707 was transferred to capital surplus, additional paid-in capital arising from bond

conversion as the net amount of conversion exceeds the par value of the ordinary shares converted. In addition, the discount on bonds payable, current financial assets at fair value through profit or loss and capital surplus - share options of the corporate bonds whose conversion right has been exercised on the conversion date amounting to (\$555), \$485 and \$918, respectively, were also transferred to capital surplus, additional paid-in capital arising from bond conversion.

(c) On December 27, 2022, the Company was approved by the Financial Supervision Commission to issue the 5th overseas unsecured convertible bonds. The issue date was January 30, 2023, and the total issuance amount was USD 150,000 thousand with a coupon rate of 0% and a maturity of 5 years.

B. Regarding the issuance of convertible bonds, the equity conversion options were separated from the liability component and were recognised in 'capital surplus - share options' in accordance with IAS 32. The call options and put options embedded in bonds payable were separated from their host contracts and were recognised in 'financial assets at fair value through profit or loss' in net amount in accordance with IFRS 9 because the economic characteristics and risks of the embedded derivatives were not closely related to those of the host contracts. The effective interest rates of the bonds payable after such separation ranged between 1.8118% and 2.4634%. As at December 31, 2022, the balance of capital surplus - share options was \$33,813.

C. For the years ended December 31, 2022 and 2021, amortization of discount on bonds payable was \$76,362 and \$50,787, respectively.

(18) Long-term borrowings

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
<u>Secured borrowings</u>		
Syndicated borrowings	\$ 7,059,586	\$ -
Syndicated borrowings - Foreign currency (Note 1)	327,200	-
Bank borrowings	771,997	372,998
<u>Unsecured borrowings</u>		
Line of credit borrowings	2,082,787	-
Line of credit borrowings - Foreign currency (Note 2)	2,519,439	-
Less: Current portion (shown as other current liabilities)	(2,477,952)	(58,334)
	<u>\$ 10,283,057</u>	<u>\$ 314,664</u>
Interest rate range	<u>0.60%~5.74%</u>	<u>1.04%~3.38%</u>

Note 1 : Borrowings EUR 10,000 (in thousands)

Note 2 : Borrowings EUR 77,000 (in thousands)

A. Details of the collateral pledged for borrowings are provided in Note 8.

- B. In accordance with the syndicated borrowing contract entered into with the bank on December 30, 2021, the Group shall maintain a leverage ratio (as defined in the contract) of not higher than 2.5~4.25 (as the schedule defined in the contract) and repay coverage ratio (as defined in the contract) of not lower than 1.1 times. After the actual drawdown, the aforementioned financial ratios are reviewed semiannually based on the audited annual consolidated financial statements and the semiannual consolidated financial statements provided by the Group. If the Group obtains special approval from the banks participating in the syndicated borrowing, the failure to meet the financial ratios will not be regarded as an event of default.
- C. As at December 31, 2022, the aforementioned financial ratios were calculated from the audited consolidated financial statements of the Group and did not violate the requirements set in the syndicated borrowing agreement.

(19) Provisions

	<u>Warranty</u>	<u>Other</u>	<u>Total</u>
<u>2022</u>			
At January 1	\$ -	\$ -	\$ -
Acquired from business combinations	97,800	13,995	111,795
Additional provisions	59,046	7,727	66,773
Used during the period	(32,701)	(667)	(33,368)
Reversal of unused amounts	(20,806)	(3,077)	(23,883)
Exchange differences	4,658	749	5,407
At December 31	<u>\$ 107,997</u>	<u>\$ 18,727</u>	<u>\$ 126,724</u>

No such transaction for the year ended December 31, 2021.

The Group's liability provisions are related to the provision for warranty of products sold, which is estimated based on past experience of the use of warranties on the product. It is expected that the provision will be used within one year.

(20) Post-employment benefit plans

A. Defined benefit plans

- (a) The subsidiary-BizLink International Corp. has a defined benefit pension plan in accordance with the Labor Standards Act, covering all regular employees' service years prior to the enforcement of the Labor Pension Act on July 1, 2005 and service years thereafter of employees who chose to continue to be subject to the pension mechanism under the Labor Standards Act. Under the defined benefit pension plan, two units are accrued for each year of service for the first 15 years and one unit for each additional year thereafter, subject to a maximum of 45 units. Pension benefits are based on the number of units accrued and the average monthly salaries and wages of the last 6 months prior to retirement. The Company and its domestic subsidiaries contribute monthly an amount equal to 2% of the employees'

monthly salaries and wages to the retirement fund deposited with Bank of Taiwan, the trustee, under the name of the independent retirement fund committee. Also, the Company and its domestic subsidiaries would assess the balance in the aforementioned labor pension reserve account by December 31, every year. If the account balance is insufficient to pay the pension calculated by the aforementioned method to the employees expected to qualify for retirement in the following year, the Company and its domestic subsidiaries will make contributions to cover the deficit by next March.

Some European subsidiaries of the Group, in accordance with the relevant local retirement pension regulations, calculate the retirement benefits that should be paid to employees participating in the retirement plan based on the statutory payment method in each territory when they meet the conditions.

(b) The amounts recognised in the balance sheet are as follows:

	December 31, 2022	December 31, 2021
Present value of defined benefit obligations	\$ 919,924	\$ 20,016
Fair value of plan assets	(261,784)	(9,164)
Net defined benefit liability	<u>\$ 658,140</u>	<u>\$ 10,852</u>

(c) Movements in net defined benefit liabilities are as follows:

	2022		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	\$ 20,016	(\$ 9,164)	\$ 10,852
Current service cost	20,373	-	20,373
Interest (expense) income	14,246	(2,704)	11,542
	<u>54,635</u>	<u>(11,868)</u>	<u>42,767</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	4	4
Change in demographic assumptions	(8,416)	-	(8,416)
Change in financial assumptions	(371,602)	-	(371,602)
Experience adjustments	574	-	574
	<u>(379,444)</u>	<u>4</u>	<u>(379,440)</u>
Pension fund contribution	13,830	(15,603)	(1,773)
Paid pension	(50,378)	515	(49,863)
Settlement	(189)	-	(189)
Exchange difference	35,297	(10,737)	24,560
Effect of business combination	1,246,173	(224,095)	1,022,078
At December 31	<u>\$ 919,924</u>	<u>(\$ 261,784)</u>	<u>\$ 658,140</u>

	2021		
	Present value of defined benefit obligations	Fair value of plan assets	Net defined benefit liability
At January 1	\$ 19,883	(\$ 9,165)	\$ 10,718
Current service cost	678	-	678
Interest (expense) income	128	(62)	66
	<u>20,689</u>	<u>(9,227)</u>	<u>11,462</u>
Remeasurements:			
Return on plan assets (excluding amounts included in interest income or expense)	-	(77)	(77)
Change in demographic assumptions	268	-	268
Change in financial assumptions	(104)	-	(104)
Experience adjustments	78	-	78
	<u>242</u>	<u>(77)</u>	<u>165</u>
Pension fund contribution	-	(243)	(243)
Exchange difference	(915)	383	(532)
At December 31	<u>\$ 20,016</u>	<u>(\$ 9,164)</u>	<u>\$ 10,852</u>

- (d) The Bank of Taiwan was commissioned to manage the Fund of the Company's and domestic subsidiaries' defined benefit pension plan in accordance with the Fund's annual investment and utilisation plan and the "Regulations for Revenues, Expenditures, Safeguard and Utilisation of the Labor Retirement Fund" (Article 6: The scope of utilisation for the Fund includes deposit in domestic or foreign financial institutions, investment in domestic or foreign listed, over-the-counter, or private placement equity securities, investment in domestic or foreign real estate securitisation products, etc.). With regard to the utilisation of the Fund, its minimum earnings in the annual distributions on the final financial statements shall be no less than the earnings attainable from the amounts accrued from two-year time deposits with the interest rates offered by local banks. If the earnings is less than aforementioned rates, government shall make payment for the deficit after being authorised by the Regulator. The Company and domestic subsidiaries have no right to participate in managing and operating that fund and hence the Company and domestic subsidiaries are unable to disclose the classification of plan assets fair value in accordance with IAS 19 paragraph 142. The composition of fair value of plan assets as of December 31, 2022 and 2021 is given in the Annual Labor Retirement Fund Utilisation Report announced by the government.

(e) The principal actuarial assumptions used were as follows:

	Years ended December 31,	
	2022	2021
Discount rate	1.125%~4.07%	0.375%~1.00%
Future salary increases	0%~2.75%	0%~2.25%

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory.

Because the main actuarial assumption changed, the present value of defined benefit obligation is affected. The analysis was as follows:

	Discount rate		Future salary increases	
	Increase 0.25%	Decrease 0.25%	Increase 0.25%	Decrease 0.25%
<u>December 31, 2022</u>				
Effect on present value of defined benefit obligation	(\$ 86,240)	\$ 104,401	\$ 318	(\$ 313)
<u>December 31, 2021</u>				
Effect on present value of defined benefit obligation	(\$ 456)	\$ 515	\$ 206	(\$ 202)

The sensitivity analysis above is based on one assumption which changed while the other conditions remain unchanged. In practice, more than one assumption may change all at once. The method of analysing sensitivity and the method of calculating net pension liability in the balance sheet are the same. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

(f) Expected contributions to the defined benefit pension plans of the Group for the year ending December 31, 2023 amount to \$17,714.

(g) As at December 31, 2022, the weighted average duration of the retirement plan is 6.1~16 years.

B. Defined contribution plans

(a) The subsidiaries- BizLink International Corp. and BizLink (BVI) Corp. Limited Taiwan Branch have established a defined contribution pension plan (the “New Plan”) under the Labor Pension Act (the “Act”), covering all regular employees with R.O.C. nationality. Under the New Plan, the domestic subsidiaries contribute monthly an amount based on 6% of the employees’ monthly salaries and wages to the employees’ individual pension accounts at the Bureau of Labor Insurance. The benefits accrued are paid monthly or in lump sum upon termination of employment.

(b) Overseas subsidiaries contribute pension in accordance with local government regulations, and recognise pension expenses at the time of contribution.

- (c) The pension costs under defined contribution pension plans of the Group for the years ended December 31, 2022 and 2021, were \$281,739 and \$183,656, respectively.

(21) Share-based payment

A. The Group's share-based payment arrangements were as follows:

- (a) On March 13, 2020, the Company approved employee stock options with a total amount of 1,170,000 units. Each option is eligible to subscribe for one ordinary share when exercised. The eligibility is limited to the full-time employees who work for either the Company or the subsidiaries that are directly or indirectly held by the Company with 100% equity interest. The options granted are valid for six years and exercisable at certain percentages from the date after two years of the issuance. According to the terms, the exercise price should not be lower than the closing price of the Company's ordinary shares on the grant date. The exercise price will be adjusted according to the pricing formula upon the changes in shares of the ordinary stocks.

- (b) Details of the share-based payment arrangements are as follows:

	Years ended December 31,			
	2022		2021	
	Unit (in thousands)	Weighted-average exercise price (in NT dollars per share)	Unit (in thousands)	Weighted-average exercise price (in NT dollars per share)
Options outstanding at January 1	1,170	\$ 151.39	1,170	\$ 163.50
Options exercised	(183)	150.24	-	-
Options outstanding at December 31	987	146.72	1,170	151.39
Options exercisable at December 31	110	146.72	-	-

- (c) The average stock price of stock options at exercise dates for the year ended December 31, 2022 was NT\$262.83 (in dollars) to NT\$313.74 (in dollars).

- (d) Related information of stock options outstanding at balance sheet date is as follows:

	December 31, 2022		December 31, 2021	
	Weighted average remaining		Weighted average remaining	
	Range of exercise price (NT dollars)	contractual life (in years)	Range of exercise price (NT dollars)	contractual life (in years)
Issuance for the year ended December 31, 2020	\$ 146.72	3.19	\$ 151.39	4.19

- (e) The fair value of stock options granted is measured using the Black-Scholes option-pricing model. Relevant information is as follows:

	<u>Issuance for the year ended December 31, 2020</u>
Stock price on the grant date (NT dollars)	163.5
Exercise price (NT dollars)	163.5
Expected price volatility	40%
Expected option life	6 years
Expected dividends	-
Risk-free interest rate	0.4234%~0.4721%
Fair value per unit (NT dollars)	51.78-60.38

Note: The expected price volatility is a forecast of future stock price volatility based on the historical stock price of the Company and the historical volatilities used as reference for this valuation of volatility are those traced back from March 13, 2020.

- (f) Compensation cost recognised by the Company for the years ended December 31, 2022 and 2021 was \$9,173 and \$13,766, respectively.

(22) Share capital

- A. As at December 31, 2022, the Company's authorised capital was \$5,000,000, consisting of 500,000 thousand shares of ordinary stock, and the paid-in capital was \$1,564,463 with a par value of \$10 (in dollars) per share. All proceeds from shares issued have been collected.

Movements in the number of the Company's ordinary shares outstanding are as follows (unit: in thousands):

	<u>2022</u>	<u>2021</u>
At January 1	137,457	130,569
Cash capital increase	12,000	-
Bonds payable converted	6,806	6,888
Employee share options exercised	183	-
At December 31	<u>156,446</u>	<u>137,457</u>

- B. On November 15, 2021, the Board of Directors of the Company adopted a resolution that allowed the Company to issue 12,000 units of global depository receipts (GDRs), represented by 12 million shares of common stock (Deposited Shares), with one unit of GDR representing a share of common stock. After obtaining approval from the Securities and Futures Bureau of the Financial Supervisory Commission, these GDRs were listed on the Securities Exchange of Luxembourg on January 10, 2022, with total proceeds of US\$104,280 thousand. The issuance of GDRs was represented by outstanding shares, therefore, there is no dilutive effect on the common shares' equity. The main terms and conditions of the GDRs are as follows:

(a) Voting rights

GDR holders may, pursuant to the Depositary Agreement and the relevant laws and regulations of the R.O.C., exercise the voting rights pertaining to the underlying common shares represented by the GDRs.

(b) Redemption of GDRs

For sales and redemption of the underlying common shares represented by the GDRs when the holders of the GDRs request the Depositary to redeem the GDRs in accordance with the relevant R.O.C. and Cayman regulations and the provisions in the Depositary Agreement, the Depositary may (i) deliver the underlying common shares represented by the GDRs to the GDR holders, or (ii) sell the underlying common shares represented by the GDRs in the R.O.C. stock market on behalf of the GDR holder. The payment of proceeds from such sale shall be made subject to the relevant R.O.C. laws and regulations and the provisions in the Depositary Agreement.

(c) Distribution of dividends, preemptive rights and other rights

Distribution of dividends, preemptive rights and other rights and interests of GDR units bear the same rights as common shares.

(d) As at December 31, 2022, all GDR units have been converted into common share of the Company's common stock.

C. On December 27, 2022, the Company was approved by the Financial Supervision Commission (FSC) to issue 5,000 thousand common shares with cash capital increase, with a par value of NT\$10 per share. However, considering the impact of the recent international situation, the changes in the capital market are significant, the Company was approved by FSC on March 16, 2023 to extend for an extension of the fundraising period for three months until June 26, 2023.

(23) Capital surplus

Pursuant to the R.O.C. Company Act, capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations can be used to cover accumulated deficit or to issue new stocks or cash to shareholders in proportion to their share ownership, provided that the Company has no accumulated deficit. Further, the R.O.C. Securities and Exchange Act requires that the amount of capital surplus to be capitalised mentioned above should not exceed 10% of the paid-in capital each year. However, capital surplus should not be used to cover accumulated deficit unless the legal reserve is insufficient.

	Share premium	Treasury shares	Conversion of bonds premium	Corporate bond options	Employee stock options	Stock options expired	Net change in equity of associates	Total
Balance at January 1, 2022	\$ 4,011,930	\$ 12,716	\$ 4,578,567	\$ 66,786	\$ 24,817	\$ 144,624	\$ 7,887	\$ 8,847,327
Capital increase in cash	2,760,000	-	-	-	-	-	-	2,760,000
Issuance of convertible bonds	-	-	-	29,944	-	-	-	29,944
Conversion of convertible bonds	-	-	1,497,721	(57,958)	-	-	-	1,439,763
Redemption of convertible bonds	-	4,416	-	(4,959)	-	-	-	(543)
Employee stock options exercised	30,258	-	-	-	(4,454)	-	-	25,804
Employee stock options compensation cost	-	-	-	-	9,173	-	-	9,173
Balance at December 31, 2022	<u>\$ 6,802,188</u>	<u>\$ 17,132</u>	<u>\$ 6,076,288</u>	<u>\$ 33,813</u>	<u>\$ 29,536</u>	<u>\$ 144,624</u>	<u>\$ 7,887</u>	<u>\$ 13,111,468</u>

	Share premium	Treasury shares	Conversion of bonds premium	Corporate bond options	Employee stock options	Stock options expired	Net change in equity of associates	Total
Balance at January 1, 2021	\$ 4,011,930	\$ 12,716	\$ 3,022,244	\$ 139,746	\$ 11,051	\$ 144,624	\$ -	\$ 7,342,311
Conversion of convertible bonds	-	-	1,556,323	(72,960)	-	-	-	1,483,363
Changes in associates and joint ventures accounted for under equity method	-	-	-	-	-	-	7,887	7,887
Employee stock options compensation cost	-	-	-	-	13,766	-	-	13,766
Balance at December 31, 2021	<u>\$ 4,011,930</u>	<u>\$ 12,716</u>	<u>\$ 4,578,567</u>	<u>\$ 66,786</u>	<u>\$ 24,817</u>	<u>\$ 144,624</u>	<u>\$ 7,887</u>	<u>\$ 8,847,327</u>

(24) Retained earnings

- A. The Company's Articles of Incorporation prescribed that, without violating laws and regulations, the Board of Directors may, upon resolution adopted by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of directors, distribute dividends and bonus, legal reserve and/or capital surplus arising from paid-in capital in excess of par value on issuance of common stocks and donations, in whole or in part, in the form of cash, to its original shareholders. The distribution shall also be reported at the shareholders' meeting.
- B. The current year's earnings, if any, shall first be used to offset prior years' operating losses and then 10% of the remaining amount shall be set aside as legal reserve until the accumulated legal reserve equals the Company's total capital. The remaining shall be set aside or reversed as special reserve in accordance with the applicable public company rules or as requested by the regulatory authority. Any balance remaining may be distributed as dividends (including cash dividends or stock dividends) in accordance with the regulations and the applicable public company rules and after taking into consideration of finance, business and operational factors with the amount of profits distributed at not lower than 10% of profit after tax of current year and the amount of cash dividends distributed thereupon shall not be less than 10% of the profit proposed to be distributed

of current year.

- C. Legal reserve may be used to offset any deficit. If the Company has no deficit and the legal reserve has exceeded 25% of its paid-in capital, the excess may be transferred to capital or distributed in cash.
- D. The Company appropriates or reverses a special reserve in accordance with Order No. Financial-Supervisory-Securities-Corporate-1010012865 and the directive titled “Questions and Answers for Special Reserves Appropriated Following Adoption of IFRSs”. Distribution can be made out of any subsequent reversal of debits to other equity items.
- E. The appropriations of 2021 and 2020 earnings as resolved by the shareholders’ meeting on June 23, 2022 and July 5, 2021, respectively, are as follows:

	Years ended December 31,	
	2021	2020
Legal reserve appropriated	\$ 207,426	\$ 204,506
Special reserve appropriated (reversed)	\$ 639,934	(\$ 136,658)
Cash dividends	\$ 1,385,649	\$ 1,098,278
Cash dividend per share (in dollars)	\$ 9.54	\$ 8.10

- F. The appropriations of 2022 earnings as proposed by the Board of Directors meeting on March 30, 2023, respectively, are as follows:

	Year ended December 31, 2022	
	Amount	Dividends per share (in dollars)
Legal reserve appropriated	\$ 410,939	
Special reserve reversed	(\$ 182,680)	
Cash dividends	\$ 1,564,463	\$ 10.00
Stock dividends	\$ 15,645	\$ 0.10

The above appropriation of cash dividends has been resolved by the Board of Directors. The remaining proposed appropriations of earnings are to be resolved by the shareholders at their annual general meeting. The total amount of cash dividend as resolved by the Board of Directors was US\$51,513 thousand/US\$0.32927231 per share (the exchange rate is tentatively set at USD:NTD = 1:30.37).

(25) Other equity items

A. Exchange differences on translation of foreign financial statements:

	Years ended December 31,	
	2022	2021
Beginning balance	(\$ 1,460,288)	(\$ 866,378)
Recognised for the period		
Currency translation differences	(1,723,123)	(100,007)
Exchange differences on translation to presentation currency	1,951,349	(493,903)
Ending balance	<u>(\$ 1,232,062)</u>	<u>(\$ 1,460,288)</u>

B. Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income:

	Years ended December 31,	
	2022	2021
Beginning balance	(\$ 14,413)	\$ 26,194
Recognised for the period		
Unrealised gains (losses) on equity instruments	(47,233)	(40,607)
Ending balance	<u>(\$ 61,646)</u>	<u>(\$ 14,413)</u>

C. Gains (losses) on hedging instruments:

Cash flow hedges

	Years ended December 31,	
	2022	2021
Beginning balance	\$ 3,501	\$ 8,917
Recognised for the period		
Losses (gains) on fair value change of hedging instruments		
Raw material price risk - copper futures contract	(20,304)	35,615
Foreign exchange risk - forward exchange contracts	(70,046)	3,518
Transferred to initial carrying amount of hedged items		
Raw material price risk - copper futures contract	26,547	(56,512)
Foreign exchange risk - forward exchange contracts	66,528	-
Related income taxes	(1,039)	11,963
Ending balance	<u>\$ 5,187</u>	<u>\$ 3,501</u>

(26) Non-controlling interest

	Years ended December 31,	
	2022	2021
Beginning balance	\$ 25,557	\$ 40,184
Loss for the year	(7,398)	(14,166)
Other comprehensive income (loss) for the year		
Exchange differences on translation of foreign financial statements	(1,701)	508
Exchange differences on translation to presentation currency	2,524	(969)
Ending balance	<u>\$ 18,982</u>	<u>\$ 25,557</u>

(27) Operating revenue

	Years ended December 31,	
	2022	2021
Revenue from contracts with customers	<u>\$ 53,757,171</u>	<u>\$ 28,564,375</u>

A. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of goods at a point in time in the following major product lines:

	Computing and transportation	Industrial applications	Home appliances	Others	Total
Year ended December 31, 2022					
Segment revenue	\$ 56,743,267	\$ 24,991,510	\$ 8,723,079	\$ 2,182,741	\$ 92,640,597
Inter-segment	(32,198,059)	(5,150,591)	(928,363)	(606,413)	(38,883,426)
External customers	<u>\$ 24,545,208</u>	<u>\$ 19,840,919</u>	<u>\$ 7,794,716</u>	<u>\$ 1,576,328</u>	<u>\$ 53,757,171</u>
Timing of revenue recognition					
At a point in time	<u>\$ 24,545,208</u>	<u>\$ 19,840,919</u>	<u>\$ 7,794,716</u>	<u>\$ 1,576,328</u>	<u>\$ 53,757,171</u>
Year ended December 31, 2021					
Segment revenue	\$ 49,109,160	\$ -	\$ 8,809,715	\$ 1,794,607	\$ 59,713,482
Inter-segment	(29,704,263)	-	(920,234)	(524,610)	(31,149,107)
External customers	<u>\$ 19,404,897</u>	<u>\$ -</u>	<u>\$ 7,889,481</u>	<u>\$ 1,269,997</u>	<u>\$ 28,564,375</u>
Timing of revenue recognition					
At a point in time	<u>\$ 19,404,897</u>	<u>\$ -</u>	<u>\$ 7,889,481</u>	<u>\$ 1,269,997</u>	<u>\$ 28,564,375</u>

B. Contract liabilities

- (a) As at December 31, 2022, December 31, 2021, and January 1, 2021, the Group has recognised the revenue-related contract liabilities from sales contracts with customers of \$156,324, \$29,494, and \$15,586, respectively.

- (b) As at December 31, 2022, the contract liabilities has changed significantly because of the acquisition of industrial application business of a German company, LEONI, and the related information on the business combination is provided in Note 6(35).
- (c) For the years ended December 31, 2022 and 2021, the Group recognised revenue arising from contract liabilities as at December 31, 2021 and 2020, amounting to \$15,908 and \$5,041, respectively.

(28) Interest income

	Years ended December 31,	
	2022	2021
Interest income from bank deposits	\$ 60,736	\$ 31,205
Other interest income	1,530	894
	<u>\$ 62,266</u>	<u>\$ 32,099</u>

(29) Other income

	Years ended December 31,	
	2022	2021
Rental revenue	\$ 43,499	\$ 32,346
Government grant income	76,991	38,187
Others	55,416	80,279
	<u>\$ 175,906</u>	<u>\$ 150,812</u>

(30) Other gains and losses

	Years ended December 31,	
	2022	2021
Gains (losses) on disposals of property, plant and equipment	\$ 42,045	(\$ 4,739)
Gains on disposals of investment property	27,857	-
Losses on disposals of intangible assets	(418)	-
Gains on lease modification	5,577	-
Net foreign exchange gains (losses)	210,664	(31,078)
Gains on financial assets at fair value through profit or loss	128,277	110,469
Losses on financial liabilities held for trading	(322,984)	(14,232)
Impairment loss from investments accounted for under equity method	(11,767)	(25,096)
Impairment loss from property, plant and equipment	(72,239)	(69,728)
Others	26,026	(44,688)
	<u>\$ 33,038</u>	<u>(\$ 79,092)</u>

(31) Finance costs

	Years ended December 31,	
	2022	2021
Interest expense on bank borrowings	\$ 352,142	\$ 18,360
Amortization of discounts on convertible bonds	76,362	50,787
Interest on lease liabilities	52,640	28,270
Other interest expense	30,691	-
	<u>\$ 511,835</u>	<u>\$ 97,417</u>

(32) Employee benefit, depreciation and amortization expense

	Years ended December 31,	
	2022	2021
Short-term employee benefits	\$ 9,511,455	\$ 5,016,920
Post-employment benefits		
Defined contribution plan	281,739	183,656
Defined benefit plan	31,915	744
Share-based payment		
Equity-settled	9,173	13,766
Other employee benefits	1,322,691	523,165
Total employee benefit expenses	<u>\$ 11,156,973</u>	<u>\$ 5,738,251</u>
Summary by function		
Operating costs	\$ 6,727,468	\$ 3,610,066
Operating expenses	4,429,505	2,128,185
	<u>\$ 11,156,973</u>	<u>\$ 5,738,251</u>
Depreciation expense	<u>\$ 1,481,164</u>	<u>\$ 770,247</u>
Amortization expense	<u>\$ 406,909</u>	<u>\$ 165,962</u>

- A. In accordance with the Articles of Incorporation of the Company, a ratio of distributable profit of the current year shall be distributed as employees' compensation and directors' remuneration. The ratio shall not be lower than 1% but no higher than 5% for employees' compensation and shall not be higher than 3% for directors' remuneration. However, if the Company has accumulated deficits, the earnings shall be retained to cover losses. The employees' compensation will be distributed in the form of shares or cash. Employees' compensation and directors' remuneration for the years ended December 31, 2022 and 2021 were accrued based on profit before tax using the past experience to estimate possible amounts and were recognised in wages and salaries.

	Years ended December 31,	
	2022	2021
Employees' compensation	\$ 98,486	\$ 87,515
Directors' remuneration	<u>\$ 22,249</u>	<u>\$ 8,823</u>

B. The employees' compensation of \$137,610 and directors' remuneration of \$13,920 for 2022 were resolved by the Board of Directors on March 30, 2023. The difference between the amounts resolved at the meeting of Board of Directors and the amount recognized in the 2022 consolidated financial statements was accounted for as change in estimates and recognized in profit or loss for 2023.

The employees' compensation of \$87,515 and directors' remuneration of \$8,823 for 2021 were resolved by the Board of Directors on March 25, 2022. Employees' compensation and directors' remuneration as resolved by the Board of Directors were in agreement with the amounts recognized in the 2021 consolidated financial statements.

C. Information about employees' compensation and directors' remuneration of the Company as resolved at the meeting of Board of Directors will be posted in the "Market Observation Post System" at the website of the Taiwan Stock Exchange.

(33) Income tax

A. Income tax expense

(a) Components of income tax expense:

	Years ended December 31,	
	2022	2021
Current tax:		
Current tax on profits for the year	\$ 1,524,045	\$ 669,950
Prior period income tax (over) underestimation	(3,431)	2,898
Total current tax	1,520,614	672,848
Deferred tax:		
Origination and reversal of temporary differences	(58,933)	(53,425)
Income tax expense	<u>\$ 1,461,681</u>	<u>\$ 619,423</u>

(b) The income tax (charge)/credit relating to components of other comprehensive income is as follows:

	Years ended December 31,	
	2022	2021
Cash flow hedges	<u>\$ 1,039</u>	<u>(\$ 1,863)</u>
Remeasurements of defined benefit obligations	<u>\$ 108,424</u>	<u>(\$ 33)</u>

B. Reconciliation between income tax expense and accounting profit

	Years ended December 31,	
	2022	2021
Tax calculated based on profit before tax and statutory tax rate (note)	\$ 1,504,868	\$ 591,633
Expenses disallowed by tax regulation	(879)	906
Tax exempt income by tax regulation	(30,921)	(9,540)
Taxable loss/temporary differences not recognised	78,144	86,100
Effect from investment tax credits	(86,100)	(53,478)
Prior year income tax (over) underestimation	(3,431)	2,898
Effect from Alternative Minimum Tax	-	904
Income tax expense	<u>\$ 1,461,681</u>	<u>\$ 619,423</u>

Note: The basis for computing the applicable tax rate are the rates applicable in the respective countries where the Group entities operate.

C. Amounts of deferred tax assets or liabilities as a result of temporary differences and tax losses and are as follows:

	2022					
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Exchange difference	Business combination	December 31
<u>Deferred tax assets</u>						
Temporary differences:						
Property, plant and equipment	\$ 7,845	\$ 49	\$ -	\$ 2,549	\$ 5,517	\$ 15,960
Right-of-use assets	5,166	1,875	-	63	-	7,104
Payable for annual leave	33,922	(1,385)	-	1,146	-	33,683
Loss on decline in market value	89,857	17,986	-	4,457	65,193	177,493
Defined benefit obligations	1,215	6,510	(108,424)	4,447	176,915	80,663
Unrealized profit	87,332	59,105	-	3,983	19,904	170,324
Allowance for losses on accounts receivable	1,597	9,779	-	451	-	11,827
Cash flow hedge	5	-	(5)	-	-	-
Others	14,006	31,079	-	3,237	37,164	85,486
Tax losses	53,105	1,057	-	486	-	54,648
	<u>\$ 294,050</u>	<u>\$ 126,055</u>	<u>(\$ 108,429)</u>	<u>\$ 20,819</u>	<u>\$ 304,693</u>	<u>\$ 637,188</u>

2022						
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Exchange difference	Business combination	December 31
<u>Deferred tax liabilities</u>						
Temporary differences:						
Property, plant and equipment	\$ 39,512	\$ 7,935	\$ -	\$ 6,151	\$ 67,420	\$ 121,018
Unappropriated earnings of subsidiaries	-	90,842	-	4,558	54,946	150,346
Cash flow hedge	-	-	1,034	(7)	-	1,027
Others	2,952	(31,655)	-	24,792	843,739	839,828
	<u>\$ 42,464</u>	<u>\$ 67,122</u>	<u>\$ 1,034</u>	<u>\$ 35,494</u>	<u>\$ 966,105</u>	<u>\$ 1,112,219</u>
2021						
	January 1	Recognised in profit or loss	Recognised in other comprehensive income	Exchange difference		December 31
<u>Deferred tax assets</u>						
Temporary differences:						
Property, plant and equipment	\$ 10,862	(\$ 2,864)	\$ -	(\$ 153)	\$ 7,845	
Right-of-use assets	5,923	(730)	-	(27)	5,166	
Payable for annual leave	29,871	4,914	-	(863)	33,922	
Loss on decline in market value	88,575	3,708	-	(2,426)	89,857	
Defined benefit obligations	1,193	(11)	33	-	1,215	
Unrealized profit	81,250	8,464	-	(2,382)	87,332	
Allowance for losses on accounts receivable	6,177	(4,460)	-	(120)	1,597	
Cash flow hedge	-	-	5	-	5	
Others	10,305	3,873	-	(172)	14,006	
Tax losses	36,135	18,190	-	(1,220)	53,105	
	<u>\$ 270,291</u>	<u>\$ 31,084</u>	<u>\$ 38</u>	<u>(\$ 7,363)</u>	<u>\$ 294,050</u>	
<u>Deferred tax liabilities</u>						
Temporary differences:						
Property, plant and equipment	\$ 35,339	\$ 5,509	\$ -	(\$ 1,336)	\$ 39,512	
Unappropriated earnings of subsidiaries	23,069	(22,687)	-	(382)	-	
Cash flow hedge	1,868	-	(1,858)	(10)	-	
Others	8,170	(5,163)	-	(55)	2,952	
	<u>\$ 68,446</u>	<u>(\$ 22,341)</u>	<u>(\$ 1,858)</u>	<u>(\$ 1,783)</u>	<u>\$ 42,464</u>	

D. Details of the amount the Group is entitled as investment tax credit and unrecognized deferred tax assets are as follows:

Qualifying items	December 31, 2022		
	Unused tax credits	Unrecognised deferred tax assets	Expiry year
Research and development	\$ 29,803	\$ 29,803	Note
Research and development	1,634	1,634	2023

Qualifying items	December 31, 2021		
	Unused tax credits	Unrecognised deferred tax assets	Expiry year
Research and development	\$ 4,631	\$ 4,631	2022~2023

Note: It can be credited within the next five years, and unused tax credits will be refunded to the Company.

E. Expiration dates of unused tax losses and amounts of unrecognized deferred tax assets are as follows:

December 31, 2022			
Expiry year	Amount filed/ assessed	Unused amount	Unrecognised deferred tax assets
2025	\$ 22,951	\$ 22,951	\$ 22,951
2026	52,958	52,958	52,958
2027	20,196	20,196	20,196
No expiry date	557,164	557,164	198,683
	<u>\$ 653,269</u>	<u>\$ 653,269</u>	<u>\$ 294,788</u>

December 31, 2021			
Expiry year	Amount filed/ assessed	Unused amount	Unrecognised deferred tax assets
2025	\$ 3,275	\$ 3,275	\$ 3,275
2026	5,103	5,103	5,103
2035	532	532	-
2037	55,826	55,826	55,638
No expiry date	93,100	93,100	40,715
	<u>\$ 157,836</u>	<u>\$ 157,836</u>	<u>\$ 104,731</u>

F. The Company has not recognised taxable temporary differences associated with investment in subsidiaries as deferred tax liabilities. As at December 31, 2022 and 2021, the amounts of temporary difference unrecognized as deferred tax liabilities were \$9,517,682 and \$5,878,249, respectively.

G. The income tax returns of the Company's subsidiaries, BizLink International Corp. and BizLink (BVI) Corp. Limited Taiwan Branch, through 2020 and 2019, respectively, have been assessed and approved by the Tax Authority.

(34) Earnings per share

<u>Unit:per share (in dollars)</u>	Years ended December 31,	
	2022	2021
Basic earnings per share	\$ 25.02	\$ 15.22
Diluted earnings per share	\$ 23.28	\$ 14.45

Earnings used in the computation of earnings per share and weighted average number of ordinary shares are as follows:

<u>Profit for the year</u>	Years ended December 31,	
	2022	2021
Earnings used in the computation of basic earnings per share	\$ 3,838,380	\$ 2,036,138
Convertible bonds interest	76,362	50,787
Exchange difference	-	(1,173)
Earnings used in the computation of diluted earnings per share	\$ 3,914,742	\$ 2,085,752

<u>Unit:in thousands of shares</u>	Years ended December 31,	
	2022	2021
Weighted average number of ordinary shares in the computation of basic earnings per share	153,405	133,751
Assumed conversion of all dilutive potential ordinary shares		
Convertible bonds	13,818	9,781
Employee stock options	450	406
Employees' compensation	478	423
Weighted average number of ordinary shares in the computation of diluted earnings per share	168,151	144,361

When the Company offers compensation or bonus paid to employees may be settled in shares or cash at the Company's option, the Company shall presume that the employee compensation will be settled in shares, and the resulting potential shares shall be included in diluted earnings per share if the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

(35) Business combinations

A. On January 21, 2022, the Group acquired 100% of the share capital of the industrial application business of a German company, LEONI, totaling 13 subsidiaries (INBG) for EU\$313,996 (equivalent to NT\$ 9,867,489) and obtained the control over INBG. As a result of the acquisition,

the Group is expected to accelerate its long-term global planning strategy, increase the added value of products and enter into the high-end application market.

- B. The following table summarises the consideration paid for INBG and the fair values of the assets acquired and liabilities assumed at the acquisition date, as well as the fair value of the non-controlling interest at the acquisition date:

	<u>January 21, 2022</u>
Purchase consideration	
Cash	\$ 9,867,489
Others	65,820
	<u>\$ 9,933,309</u>
Fair value of the identifiable assets acquired and liabilities assumed	
Cash and bank deposits	\$ 829,128
Accounts receivable	1,883,298
Other receivables	1,140,414
Inventories	3,789,016
Prepayments	336,715
Current tax assets	12,292
Other current assets	489
Property, plant and equipment	4,194,731
Right-of-use assets	759,145
Intangible assets	1,854,862
Deferred tax assets	304,693
Other non-current assets	693,890
Contract liabilities	(118,084)
Accounts payable	(1,857,840)
Other payables	(1,510,042)
Current tax liabilities	(189,933)
Provisions for liabilities – current	(111,795)
Lease liabilities - current	(189,957)
Other current liabilities	(3,739)
Deferred tax liabilities	(966,105)
Lease liabilities - non-current	(689,461)
Long-term borrowings	(2,412,356)
Net defined benefit liability	(1,022,078)
Other non-current liabilities	(239,383)
Total identifiable net assets	<u>6,487,900</u>
Goodwill	<u>\$ 3,445,409</u>

The goodwill recognized in the aforementioned business continuation is mainly derived from the synergistic effect of the expected combined operation of the Group and the acquiree.

- C. The operating revenue included in the consolidated statement of comprehensive income since January 21, 2022 contributed by INBG was \$19,840,919. INBG also contributed profit before

income tax of \$1,605,436 over the same period. Had INBG been consolidated from January 1, 2022, the consolidated statement of comprehensive income would show operating revenue of \$54,700,730 and profit before income tax of \$5,287,760.

(36) Supplemental cash flow information

A. Investing activities with partial cash payments:

	Years ended December 31,	
	2022	2021
Purchase of property, plant and equipment	\$ 2,283,356	\$ 1,168,061
Add: Opening balance of payable on equipment	96,654	145,773
Ending balance of prepayments for equipment	260,266	122,816
Less: Ending balance of payable on equipment	(235,945)	(96,654)
Ending balance of other payables	(266,823)	-
Opening balance of prepayments for equipment	(122,816)	(95,346)
Prepayment for equipment acquired from business combinations	(664,217)	-
Cash paid during the year	<u>\$ 1,350,475</u>	<u>\$ 1,244,650</u>

B. Financing activities with no cash flow effects:

	Years ended December 31,	
	2022	2021
Convertible bonds converted to capital stocks	<u>\$ 1,507,828</u>	<u>\$ 1,552,242</u>

(37) Changes in liabilities from financing activities

	2022				
	Short-term borrowings	Long-term borrowings (including current portion)	Bonds payable (including current portion)	Lease liabilities	Total
At January 1	\$ 827,652	\$ 372,998	\$ 1,304,227	\$ 1,043,348	\$ 3,548,225
Changes in cash flow from financing activities	(98,142)	12,019,361	3,407,349	(572,741)	14,755,827
Changes in other non-cash items (Note)	-	-	(1,507,285)	41,487	(1,465,798)
Acquired from business combinations	-	-	-	879,418	879,418
Amortization of interest expense	-	-	76,362	52,640	129,002
Exchange difference	19,032	368,650	447,718	27,036	862,436
At December 31	<u>\$ 748,542</u>	<u>\$ 12,761,009</u>	<u>\$ 3,728,371</u>	<u>\$ 1,471,188</u>	<u>\$ 18,709,110</u>

	2021				
	Short-term borrowings	Long-term borrowings (including current portion)	Bonds payable (including current portion)	Lease liabilities	Total
At January 1	\$ 259,833	\$ 440,881	\$ 2,739,430	\$ 609,524	\$ 4,049,668
Changes in cash flow from financing activities	584,341	(58,890)	-	(286,118)	239,333
Changes in other non-cash items (Note)	-	-	(1,553,780)	705,305	(848,475)
Amortization of interest expense	-	-	50,787	28,270	79,057
Exchange difference	(16,522)	(8,993)	67,790	(13,633)	28,642
At December 31	\$ 827,652	\$ 372,998	\$ 1,304,227	\$ 1,043,348	\$ 3,548,225

Note: Including conversion/redemption of convertible bonds, additional lease and lease modification.

7. RELATED PARTY TRANSACTIONS

(1) Parent and ultimate controlling party

The Company has no parent and ultimate controlling party.

(2) Names of related parties and relationship

Transactions, balances, income and expenses between the Company and its subsidiaries, which were related parties of the Company, were eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below:

Names of related parties	Relationship with the Group
Kunshan Xianglian Construction Development Limited	Other related party
Silitherm Immobiliare S.r.l. (Note)	Other related party

Note: It became a related party following the acquisition of INBG on January 21, 2022. In addition, as stated in Note 4(3), it was included in the consolidated subsidiary after acquiring 51% equity interest in its company on November 14, 2022. The disclosure period of the relevant transactions was from January 21, 2022 to November 14, 2022

(3) Significant related party transactions

A. Payables to related parties

Accounts	Type of related party	December 31, 2022	December 31, 2021
Other payables	Other related party	\$ 181	\$ 261

The Company did not pledge any collateral for payables to related parties.

B. Lease transactions

(a) The Group leases land and buildings from Kunshan Xianglian Construction Development Limited and Silitherm Immobiliare S.r.l.. Rental contracts are made for the period from

January 1, 2022 to December 31, 2022 and from April 1, 2020 to March 31, 2030, respectively.
Rents are paid on a quarterly basis.

(b) Lease liabilities

i. Ending balance:

<u>Accounts</u>	<u>Type of related party</u>	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Lease liabilities	Other related party	\$ 146,444	\$ 238,082

ii. Interest expense:

<u>Accounts</u>	<u>Type of related party</u>	<u>Years ended December 31, 2022</u>	<u>2021</u>
Interest expense	Other related party	\$ 9,389	\$ 13,223

C. Other related party transactions

Guarantee deposits paid

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Other related parties	\$ 27,496	\$ 27,108

(4) Key management compensation

	<u>Years ended December 31, 2022</u>	<u>2021</u>
Short-term employee benefits	\$ 85,750	\$ 81,142
Share-based payment	3,058	3,883
	<u>\$ 88,808</u>	<u>\$ 85,025</u>

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

8. PLEDGED ASSETS

The Group's assets pledged as collateral for loan financing, endorsements and guarantees and futures margins are as follows:

Pledged assets	Book value		Footnote
	December 31, 2022	December 31, 2021	
Pledged demand and time deposits (shown as financial assets at amortized cost - current)	\$ 325,396	\$ 173,961	
Pledged demand and time deposits (shown as financial assets at amortized cost - non-current)	10,198	10,559	
Land (shown as property, plant and equipment)	673,439	665,948	
Buildings (shown as property, plant and equipment)	338,324	292,261	
Land (shown as investment property)	165,994	51,120	
Buildings (shown as investment property)	68,895	27,233	
Real estates (shown as property, plant and equipment)	587,951	-	Note(2)
Machinery and equipment (shown as property, plant and equipment)	246,357	-	Note(2)
Demand deposits (shown as cash and cash equivalents)	1,766,766	-	Note(2) and Note(3)
Trade receivable	1,719,972	-	Note(2) and Note(3)
Trade receivable - related parties	7,333,859	-	Note(2) 、Note(3) and Note(4)
Ownership interests in subsidiaries	12,440,292	1,694,837	Note(1)
	<u>\$ 25,677,443</u>	<u>\$ 2,915,919</u>	

Note 1: On December 30, 2021, the Group entered into a syndicated loan with banks whereby the Group agreed to pledge ownership interests in its subsidiaries as collateral, and those subsidiaries include Speedy Industrial Supplies Pte. Ltd., EA Cable Assemblies GmbH, BizLink elocab GmbH, BizLink Industry Germany GmbH, BizLink Silitherm S.r.l., BizLink Industry Slovakia Spol.s.r.o., BizLink Special Cables Germany GmbH, BizLink elocab Ltd., BizLink Robotic Solutions France S.A.S, BizLink Systems Spain,S.L.U. and BizLink Special Cables (Changzhou) Co., Ltd. Among which, the registrations of the pledge of ownership interests in Speedy Industrial Supplies Pte. Ltd. and EA Cable Assemblies GmbH have been completed in the first quarter of 2022, and the remaining registrations have been completed in July 2022.

Note 2: In July 2022, the Group also pledged the bank accounts and receivables of Speedy Industrial Supplies Pte Ltd, EA Cable Assemblies GmbH, BizLink Industry Germany GmbH, BizLink Special Cables Germany GmbH, the bank accounts, receivables and real estates of BizLink

elocab GmbH, BizLink Industry Slovakia Spol.s.r.o., BizLink elocab Ltd., and the bank accounts, receivables and machinery equipment of BizLink Special Cables (Changzhou) Co., Ltd. as collateral for syndicated loan with banks.

Note 3: As of December 31, 2022, certain demand deposits and trade receivables were provided as collateral for syndicated loans. The bank will have priority of indemnity right over the collaterals in the event of default. There was none of the above event as at December 31, 2021.

Note 4: The amount was eliminated upon consolidation.

9. SIGNIFICANT CONTINGENT LIABILITIES AND UNRECOGNISED CONTRACT COMMITMENTS

(1) Contingencies

None.

(2) Commitments

Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Property, plant and equipment	<u>\$ 1,086,349</u>	<u>\$ 309,650</u>

10. SIGNIFICANT DISASTER LOSS

None.

11. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

- (1) The 5th overseas unsecured convertible bonds issued by the Company on January 30, 2023. Please refer to Note 6(17) A.(c) for the information.
- (2) The Company was approved by the Financial Supervision Commission (FSC) to issue 5,000 thousand common shares with cash capital increase, with a par value of NT\$10 per share. Please refer to Note 6(22) C. for details of subsequent offerings.
- (3) Information about the appropriations of 2022 earnings of the Company as resolved by the Board of Directors on March 30, 2023 is provided in Note 6(24)F.

12. OTHERS

(1) Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings offset by cash and cash equivalents) and equity attributable to owners of the Company (comprising share capital, capital surplus, retained earnings and other equity).

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

Based on recommendations of the key management, in order to balance the overall capital structure, the Group may adjust the amount of dividends paid to stockholders, the number of new stocks issued

or repurchased, or the amount of new debt issued or existing debt redeemed.

(2) Financial instruments

A. Financial instruments by category

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
<u>Financial assets</u>		
Financial assets at fair value through profit or loss		
Financial assets mandatorily measured at fair value through profit or loss	\$ <u>170,888</u>	\$ <u>166,925</u>
Financial assets at fair value through other comprehensive income		
Equity instruments	\$ <u>345,671</u>	\$ <u>281,242</u>
Financial assets at amortized cost (Note 1)	\$ <u>19,696,960</u>	\$ <u>10,935,711</u>
Financial assets for hedging	\$ <u>6,186</u>	\$ <u>4,163</u>
<u>Financial liabilities</u>		
Financial liabilities at fair value through profit or loss		
Financial liabilities held for trading	\$ <u>66,989</u>	\$ <u>288</u>
Financial liabilities at amortized cost (Note 2)	\$ <u>26,141,657</u>	\$ <u>8,114,667</u>
Lease liabilities	\$ <u>1,471,188</u>	\$ <u>1,043,348</u>
Financial liabilities for hedging	\$ <u>-</u>	\$ <u>709</u>

Note 1: Including cash and cash equivalents, financial assets at amortized cost, notes receivable, accounts receivable, other receivables, guarantee deposits paid (shown as other non-current assets), etc.

Note 2: Including short-term borrowings, notes and accounts payable, other payables (including related parties), current portion of long-term liabilities, bonds payable, long-term borrowings, guarantee deposits received (shown as other non-current liabilities), etc.

B. Financial risk management policies

(a) The Group's major financial instruments included equity and debt investments, accounts receivable, accounts payable, bonds payable, borrowings and lease liabilities. The Group's treasury provides services to each business unit, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

- (b) The Group sought to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the Board of Directors, which provided written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group did not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.
 - (c) The treasury reports quarterly to the Board of Directors, an independent body that monitors risks and policies implemented to mitigate risk exposures.
- C. Significant financial risks and degrees of financial risks

(a) Market risk

The Group's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group entered into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk, including foreign exchange forward contracts to hedge the exchange rate risk arising from exports.

There have been no changes to the Group's exposure to market risks or the manner in which these risks are managed and measured.

Exchange rate risk

- i. The Group operates internationally and is exposed to exchange rate risk arising from the transactions of the Company and its subsidiaries used in various functional currency. Management has set up a policy to require group companies to manage their foreign exchange risk against their functional currency. The companies are required to hedge their entire foreign exchange risk exposure with the Group treasury.
- ii. The Group has certain foreign currency receivables to be denominated in the same foreign currency with certain foreign currency payables, and therefore natural hedge is applied. In addition, the Group utilises forward foreign exchange contracts to protect against reductions in the value of foreign currency assets and against the volatility of future cash flows caused by changes in foreign exchange rates. Foreign currency risk could be reduced but might not be fully eliminated by the use of forward foreign exchange contracts.
- iii. The Group's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the entities in the Group and the related exchange rates between the foreign currencies and the functional currencies were as follows:

December 31, 2022			
(Foreign currency: Functional currency)	Foreign currency		Book value (NTD)
	amount	Exchange rate	
	(in thousands)		
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:RMB	\$ 174,582	6.9646	\$ 5,361,410
USD:HKD	9,417	7.7967	289,196
USD:EUR	53,738	0.9387	1,650,293
USD:MYR	37,122	4.4130	1,140,016
USD:SGD	15,313	1.3422	470,262
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:RMB	\$ 77,712	6.9646	\$ 2,386,534
USD:EUR	41,331	0.9387	1,269,274
USD:MYR	27,073	4.4130	831,411
December 31, 2021			
(Foreign currency: Functional currency)	Foreign currency		Book value (NTD)
	amount	Exchange rate	
	(in thousands)		
<u>Financial assets</u>			
<u>Monetary items</u>			
USD:RMB	\$ 180,443	6.3674	\$ 4,994,658
USD:HKD	9,155	7.7981	253,410
USD:EUR	30,044	0.8838	831,617
USD:MYR	29,693	4.1705	821,902
USD:SGD	14,315	1.3529	396,239
<u>Financial liabilities</u>			
<u>Monetary items</u>			
USD:RMB	\$ 80,445	6.3674	\$ 2,226,716
USD:EUR	29,317	0.8838	811,494
USD:MYR	19,624	4.1705	543,192

- iv. The Group's foreign exchange gains (losses), including realised and unrealised, for the years ended December 31, 2022 and 2021 amounted to \$210,664 and (\$31,078), respectively.
- v. The Group was mainly exposed to the USD.
- vi. The following table details the Group's sensitivity to a 1% increase in the functional currency against the relevant foreign currencies. A sensitivity rate of 1% is used when reporting foreign currency risk internally to key management and represents

management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis included only outstanding foreign currency denominated monetary items, and adjusts their translation at the end of the reporting period for a 1% change in foreign currency rates. The sensitivity analysis includes cash and cash equivalents, accounts receivable and accounts payable. The positive numbers in the following table indicate the amount of increase in net profit before tax when the United States dollar depreciates by 1% relative to the relevant currencies; when the United States dollar appreciates by 1% relative to the relevant currencies, its impact on the net profit before tax will be the negative number of the same amount.

	Impact of USD (Note)	
	Years ended December 31,	
	2022	2021
Profit or loss	\$ 11,429	\$ 12,946

Note: This was mainly attributable to the exposure on net receivables, net payables and bank borrowings denominated in USD, which were outstanding and not hedged against cash flows at the balance sheet date.

Price risk

- The Group was exposed to security price risk through its investments in marketable securities. The Group's management manages this exposure by maintaining a portfolio of investments with different risks.
- The Group's investments comprise equity securities and beneficiary certificates. The prices of equity securities would change due to the change of the future value of investee companies. If the prices of these equity securities had increased/decreased by 1% with all other variables held constant, post-tax profit for the years ended December 31, 2022 and 2021 would have increased/decreased by \$1,482 and \$1,395, respectively, as a result of gains/losses on equity securities classified as at fair value through profit or loss. Other components of equity would have increased/decreased by \$3,457 and \$2,812, respectively, as a result of other comprehensive income classified as equity investment at fair value through other comprehensive income.
- The Group's sensitivity to the increase or decrease in price risks is due to volatility of stock price.

Interest rate risk

- The Group is exposed to interest rate risk because entities in the Group maintain both floating and fixed interest rates of bank deposits and borrowings.
- The carrying amounts of the Group's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Interest rate risk on fair value		
- Financial assets	\$ 3,302,502	\$ 942,848
- Financial liabilities	6,196,556	3,188,568
Interest rate risk on cash flow		
- Financial assets	4,717,877	2,299,749
- Financial liabilities	12,512,553	372,998

- iii. The sensitivity analysis below was determined based on the Group's exposure to interest rates of non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis was prepared assuming the amount of the liabilities outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management and represents management's assessment of the reasonably possible change in interest rates.
- iv. If the interest rates had increased by 100 basis points with all other variables held constant, the Group's pre-tax profit for the years ended December 31, 2022 and 2021 would have decreased by \$77,947 and increased by \$19,268, respectively. On the contrary, if the interest rates had decreased by 100 basis points, the amount of impact on pre-tax profit would be the negative number of the same amount. The main factor is the Group's exposure to floating-rate bank deposits and borrowings.
- (b) Credit risk
- i. Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. As at the end of the reporting period, the Group's maximum exposure to credit risk, which would cause a financial loss to the Group due to failure of counterparties to discharge an obligation, would arise from the carrying amount of the respective recognised financial assets as stated in the consolidated balance sheets.
- ii. The Group adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.
- iii. The Group provides receipts in advance to 180 days after the end of the month credit policy to their customers on the sale of goods. In order to minimize credit risk, management of the Group has delegated a team responsible for determining credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual accounts receivable at the end of the reporting period to ensure that adequate allowances are made for irrecoverable amounts.
- iv. The Group assumes that if the contract payments were past due over 90 days based on the terms, there has been a significant increase in credit risk on that instrument since initial

recognition; if past due over 365 days, a default has occurred.

- v. The Group measures the loss allowance for accounts receivable at an amount equal to lifetime ECLs. The expected credit losses on accounts receivable are estimated using a provision matrix approach considering the past default experience of the customer, the customer's current financial position, economic condition of the industry in which the customer operates, as well as the GDP forecasts and industry outlooks. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished according to the Group's different customer base.
- vi. The Group writes off accounts receivable when there is information indicating that the debtor is experiencing severe financial difficulty and there is no realistic prospect of recovery of the receivable. For accounts receivable that have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables which are due. Where recoveries are made, these are recognised in profit or loss.
- vii. The following table details the loss allowance of trade receivables based on the Group's provision matrix.

	Not past due	1~60 days past due	61~90 days past due	91~120 days past due	121~365 days past due	Over 366 days past due	Total
<u>December 31, 2022</u>							
Expected credit loss rate	0.00%~081%	0.00%~5.76%	0.00%~18.67%	0.00%~29.40%	0.00%~55.16%	82.45%~100%	
Total book value	\$ 8,109,497	\$ 1,785,377	\$ 115,142	\$ 68,465	\$ 84,237	\$ 23,084	\$ 10,185,802
Loss allowance (Lifetime ECLs)	(22,559)	(42,902)	(14,065)	(7,306)	(16,779)	(22,048)	(125,659)
Cost after amortization	<u>\$ 8,086,938</u>	<u>\$ 1,742,475</u>	<u>\$ 101,077</u>	<u>\$ 61,159</u>	<u>\$ 67,458</u>	<u>\$ 1,036</u>	<u>\$ 10,060,143</u>
<u>December 31, 2021</u>							
Expected credit loss rate	0.00%~4.67%	0.00%~10.45%	0.00%~13.65%	0.00%~13.33%	0.00%~22.74%	100%	
Total book value	\$ 6,200,221	\$ 745,368	\$ 32,346	\$ 21,759	\$ 27,203	\$ 13,980	\$ 7,040,877
Loss allowance (Lifetime ECLs)	(7,304)	(9,648)	(522)	(826)	(3,018)	(13,980)	(35,298)
Cost after amortization	<u>\$ 6,192,917</u>	<u>\$ 735,720</u>	<u>\$ 31,824</u>	<u>\$ 20,933</u>	<u>\$ 24,185</u>	<u>\$ -</u>	<u>\$ 7,005,579</u>

- viii. The movements of the loss allowance of accounts and notes receivable are as follows:

	Years ended December 31,	
	2022	2021
Beginning balance	\$ 35,298	\$ 20,771
Provision for impairment	74,078	16,959
Write-offs	(1,331)	(1,797)
Acquired from business combinations	11,840	-
Currency translation differences	5,774	(635)
Ending balance	<u>\$ 125,659</u>	<u>\$ 35,298</u>

- ix. Except for accounts receivable, other financial assets at amortised cost has not been a significant increase in credit risk, and the impairment provision for 12 months expected credit losses was not significant.

(c) Liquidity risk

- i. The Group manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.
- ii. The Group relies on bank borrowings as a significant source of liquidity. The Group has the following undrawn borrowing facilities:

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Bank borrowing facility		
- undrawn amount	<u>\$ 4,512,547</u>	<u>\$ 15,783,865</u>

iii. Liquidity and interest rate risk table for non-derivative financial liabilities

The following tables show details of the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed upon repayment periods. The tables were drawn up based on the undiscounted cash flows of financial liabilities from the earliest date on which the Group can be required to pay. The tables included both interest and principal cash flows. Specifically, bank loans with a repayment on demand clause were included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates of other non-derivative financial liabilities were based on the agreed upon repayment dates.

To the extent that interest cash flows are at a floating rate, the undiscounted amount was derived from the interest rate curve at the end of the reporting period.

December 31, 2022

	<u>Less than 3 months</u>	<u>Between 3 months and 1 year</u>	<u>Between 1 and 5 years</u>	<u>Over 5 years</u>
<u>Non-derivative financial liabilities:</u>				
Non-interest bearing liabilities	\$ 7,359,396	\$ 1,116,816	\$ 38,693	\$ 37,844
Lease liabilities	117,261	317,340	1,088,100	73,014
Floating interest rate	490,918	2,948,038	10,936,017	-
Fixed interest rate	17,669	572,981	296,073	153,423
	<u>\$ 7,985,244</u>	<u>\$ 4,955,175</u>	<u>\$ 12,358,883</u>	<u>\$ 264,281</u>

Additional information about the maturity analysis for lease liabilities:

	Within 1 year	1 ~ 5 years	5 ~ 10 years	10 ~ 15 years	15 ~ 20 years
Lease liabilities	\$ 434,601	\$ 1,088,100	\$ 73,014	\$ -	\$ -

December 31, 2021

	Less than 3 months	Between 3 months and 1 year	Between 1 and 5 years	Over 5 years
<u>Non-derivative financial liabilities:</u>				
Non-interest bearing liabilities	\$ 5,230,887	\$ 358,006	\$ 20,897	\$ -
Lease liabilities	95,996	249,454	755,339	66,706
Floating interest rate	16,427	49,220	226,365	115,391
Fixed interest rate	532,112	1,665,687	-	-
	<u>\$ 5,875,422</u>	<u>\$ 2,322,367</u>	<u>\$ 1,002,601</u>	<u>\$ 182,097</u>

Additional information about the maturity analysis for lease liabilities:

	Within 1 year	1 ~ 5 years	5 ~ 10 years	10 ~ 15 years	15 ~ 20 years
Lease liabilities	\$ 345,450	\$ 755,339	\$ 66,706	\$ -	\$ -

iv. Liquidity for derivative financial liabilities

As at December 31, 2022 and 2021, the Group's derivative financial liabilities all expire within one year.

(3) Fair value information

A. The different levels that the inputs to valuation techniques are used to measure fair value of financial and non-financial instruments have been defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. A market is regarded as active where a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

B. Fair value information of investment property at cost is provided in Note 6(12).

C. Financial instruments not measured at fair value

(a) Except for those listed in the table below, the carrying amounts of cash and cash equivalents, notes receivable, accounts receivable, other receivables, short-term borrowings, notes payable, accounts payable, other payables and long-term borrowings are approximate to their

fair values.

December 31, 2022				
	Book value	Level 1	Level 2	Level 3
Financial liabilities:				
Convertible bonds	\$ 3,728,371	\$ -	\$ -	\$ 3,728,371

December 31, 2021				
	Book value	Level 1	Level 2	Level 3
Financial liabilities:				
Convertible bonds	\$ 1,304,227	\$ -	\$ -	\$ 1,339,703

The aforementioned bonds payable liabilities are measured at present value, which is calculated based on the cash flow expected to be paid and discounted using a market rate prevailing at balance sheet date.

D. The related information of financial and non-financial instruments measured at fair value by level on the basis of the nature, characteristics and risks of the assets and liabilities at December 31, 2022 and 2021 are as follows:

(a) The related information of natures of the assets and liabilities is as follows:

<u>December 31, 2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Derivative instruments	\$ -	\$ 22,707	\$ -	\$ 22,707
Listed stocks	886	-	-	886
Fund beneficiary certificates	-	-	147,295	147,295
Financial assets at fair value through other comprehensive income				
Unlisted stocks	-	-	345,671	345,671
	<u>\$ 886</u>	<u>\$ 22,707</u>	<u>\$ 492,966</u>	<u>\$ 516,559</u>
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	\$ -	\$ 15,253	\$ 51,736	\$ 66,989
Derivative financial liabilities for hedging				
Derivative instruments	-	6,186	-	6,186
	<u>\$ -</u>	<u>\$ 21,439</u>	<u>\$ 51,736</u>	<u>\$ 73,175</u>

<u>December 31, 2021</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
<u>Recurring fair value measurements</u>				
Financial assets at fair value through profit or loss				
Derivative instruments	\$ -	\$ 25,591	\$ 1,845	\$ 27,436
Listed stocks	1,695	-	-	1,695
Unlisted stocks	-	-	48,474	48,474
Fund beneficiary certificates	-	-	89,320	89,320
Derivative financial assets for hedging				
Derivative instruments	-	4,163	-	4,163
Financial assets at fair value through other comprehensive income				
Unlisted stocks	-	-	281,242	281,242
	<u>\$ 1,695</u>	<u>\$ 29,754</u>	<u>\$ 420,881</u>	<u>\$ 452,330</u>
<u>December 31, 2021</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Liabilities				
<u>Recurring fair value measurements</u>				
Financial liabilities at fair value through profit or loss				
Derivative instruments	\$ -	\$ 288	\$ -	\$ 288
Derivative financial liabilities for hedging				
Derivative instruments	22	687	-	709
	<u>\$ 22</u>	<u>\$ 975</u>	<u>\$ -</u>	<u>\$ 997</u>

(b) The methods and assumptions the Group used to measure fair value are as follows:

- i. The Group used closing price as its fair value inputs (that is, Level 1) to measure the listed shares.
- ii. Except for financial instruments with active markets, the fair value of other financial instruments is measured by using valuation techniques that are widely accepted in financial management.
- iii. When assessing non-standard and low-complexity financial instruments, the Group adopts valuation technique that is widely used by market participants. The inputs used in the valuation method to measure these financial instruments are normally observable in the market.
- iv. The valuation of derivative financial instruments is based on valuation model widely accepted by market participants, such as present value techniques and option pricing models. Forward exchange contracts are usually valued based on the current forward exchange rate.
- v. The output of valuation model is an estimated value and the valuation technique may not be able to capture all relevant factors of the Group's financial and non-financial

instruments. Therefore, the estimated value derived using valuation model is adjusted accordingly with additional inputs, for example, model risk or liquidity risk and etc. In accordance with the Group's management policies and relevant control procedures relating to the valuation models used for fair value measurement, management believes adjustment to valuation is necessary in order to reasonably represent the fair value of financial and non-financial instruments at the consolidated balance sheet. The inputs and pricing information used during valuation are carefully assessed and adjusted based on current market conditions.

- E. For the years ended December 31, 2022 and 2021, there was no transfer between Level 1 and Level 2.
- F. The following chart is the movement of Level 3 for the years ended December 31, 2022 and 2021:

Year ended December 31, 2022

	Financial asset (liabilities) at fair value through profit or loss			Financial assets at fair value through other comprehensive income	
	Fund				
	Equity instruments	beneficiary certificates	Derivative instruments	Equity instruments	Total
Beginning balance	\$ 48,474	\$ 89,320	\$ 1,845	\$ 281,242	\$ 420,881
Acquisition	-	39,083	-	86,215	125,298
Derecognition	(34,978)	-	-	-	(34,978)
Gains and losses recognised in profit or loss	(13,496)	9,154	(51,054)	-	(55,396)
Gains and losses recognised in other comprehensive income	-	-	-	(47,233)	(47,233)
Effect of exchange rate changes	-	9,738	(785)	25,447	34,400
Others (Note)	-	-	(1,742)	-	(1,742)
Ending balance	<u>\$ -</u>	<u>\$ 147,295</u>	<u>(\$ 51,736)</u>	<u>\$ 345,671</u>	<u>\$ 441,230</u>

Year ended December 31, 2021

	Financial assets at fair value through profit or loss			Financial assets at fair value through other comprehensive income	
	Fund				
	Equity instruments	beneficiary certificates	Derivative instruments	Equity instruments	Total
Beginning balance	\$ -	\$ 17,088	\$ 2,269	\$ 308,606	\$ 327,963
Acquisition	48,832	81,742	-	20,000	150,574
Gains and losses recognised in profit or loss	(358)	(8,307)	1,173	-	(7,492)
Gains and losses recognised in other comprehensive income	-	-	-	(40,607)	(40,607)
Effect of exchange rate changes	-	(1,203)	(59)	(6,757)	(8,019)
Others (Note)	-	-	(1,538)	-	(1,538)
Ending balance	<u>\$ 48,474</u>	<u>\$ 89,320</u>	<u>\$ 1,845</u>	<u>\$ 281,242</u>	<u>\$ 420,881</u>

Note: It pertains to capital surplus, additional paid-in capital arising from bond conversion.

- G. For the years ended December 31, 2022 and 2021, there was no transfer into or out from Level 3.
- H. The following is the qualitative information of significant unobservable inputs and sensitivity analysis of changes in significant unobservable inputs to valuation model used in Level 3 fair value measurement:

		Fair value at December 31, 2022	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair
Non-derivative equity instrument:						
Unlisted shares	\$	112,258	Market comparable	Price to book ratio multiple	0.874~3.89 (1.61)	The higher the multiple, the higher the fair value
				Enterprise value to operating revenue ratio multiple	0.376~1.17 (0.85)	
				Discount for lack of marketability	10%~30%	
		12,640	Net asset value	Discount for lack of marketability	10%	The higher the discount for lack of marketability, the lower the fair value
		220,773	Net asset value	Not applicable	-	Not applicable
Fund beneficiary certificates		147,295	Net asset value	Not applicable	-	Not applicable
Derivative instruments:						
Redemption/put (		51,736)	Binomial tree valuation model	Stock price volatility	44.09%	The higher the stock price volatility, the higher the redemption value/the lower the put options value
options of convertible bonds				Risk discount rate	4.2322%	

	Fair value at December 31, 2021	Valuation technique	Significant unobservable input	Range (weighted average)	Relationship of inputs to fair
Non-derivative equity instrument:					
Unlisted shares	\$ 73,660	Market comparable	Price to book ratio multiple	0.903~2.66 (1.67)	The higher the multiple, the higher the fair value
			Enterprise value to operating revenue ratio multiple	0.493~1.74 (0.876)	
			Discount for lack of marketability	10%~30%	
	48,474	Binomial tree valuation model	Stock price volatility	39.21%	The higher the stock price volatility, the lower conversion right value
			Risk discount rate	1.5293%	The higher the risk discount rate, the lower conversion right value
	12,230	Net asset value	Discount for lack of marketability	10%	The higher the discount for lack of marketability, the lower the fair value
	195,352	Net asset value	Not applicable	-	Not applicable
Fund beneficiary certificates	89,230	Net asset value	Not applicable	-	Not applicable
Derivative instruments:					
Redemption/put options of convertible bonds	1,845	Binomial tree valuation model	Stock price volatility	37.34%	The higher the stock price volatility, the higher the redemption value/the lower the put options value
			Risk discount rate	1.5610%	The higher the risk discount rate, the higher the put options value

I. The Group has carefully assessed the valuation models and assumptions used to measure fair value. However, use of different valuation models or assumptions may result in different measurement. The following is the effect of profit or loss or of other comprehensive income from financial assets and liabilities categorised within Level 3 if the inputs used to valuation models have changed:

			December 31, 2022			
			Recognised in profit or loss		Recognised in other comprehensive income	
			Favourable change	Unfavourable change	Favourable change	Unfavourable change
	Input	Change				
Financial assets						
Equity instrument	Discount for lack of marketability	±1%	\$ -	\$ -	\$ 1,249	(\$ 1,249)

			December 31, 2021			
			Recognised in profit or loss		Recognised in other comprehensive income	
			Favourable change	Unfavourable change	Favourable change	Unfavourable change
	Input	Change				
Financial assets						
Equity instrument	Discount for lack of marketability	±1%	\$ 485	\$ (485)	\$ 859	(\$ 859)

(4) Other matter

The Group's subsidiaries, BizLink (Kunshan) Co., Ltd. and OptiWorks (Kunshan) Limited, were in lockdowns in the second quarter of 2022 to cooperate with the local governments on the Covid-19 prevention. The Group has complied with the various preventive measures imposed by the local governments, implemented the relevant response measures to mitigate the impact of the Covid-19, and increased the production capacity. Therefore, the Covid-19 had no significant impact on the Group's production activities for the year ended December 31, 2022 and also did not have a significant impact on the Group's operations and financial condition.

13. SUPPLEMENTARY DISCLOSURES

(1) Significant transactions information

A. Loans to others: Please refer to table 1.

B. Provision of endorsements and guarantees to others: Please refer to table 2.

C. Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures): Please refer to table 3.

- D. Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital: Please refer to table 4.
- E. Acquisition of real estate reaching \$300 million or 20% of paid-in capital or more: Please refer to table 5.
- F. Disposal of real estate reaching \$300 million or 20% of paid-in capital or more: None.
- G. Purchases or sales of goods from or to related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 6.
- H. Receivables from related parties reaching \$100 million or 20% of paid-in capital or more: Please refer to table 7.
- I. Trading in derivative instruments undertaken during the reporting periods: Please refer to Notes 6(2), 6(5) and 12(2).
- J. Significant inter-company transactions during the reporting periods: Please refer to table 8.

(2) Information on investees

Names, locations and other information of investee companies (not including investees in Mainland China). Please refer to table 9.

(3) Information on investments in Mainland China

A. Basic information: Please refer to table 10.

B. Significant transactions, either directly or indirectly through a third area, with investee companies in the Mainland Area: Please refer to tables 6, 7 and 8.

(4) Major shareholders information

Major shareholders information: Please refer to table 11.

14. SEGMENT INFORMATION

(1) General information

Information reported to the chief operating decision-maker for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The Group's reportable segments are computing and transportation segment, industrial application segment, home appliance segment, and others.

Because of the change of product classification, the Group's internal business segment was restructured accordingly. The prior period information was restated for comparison.

(2) Measurement of segment information

The Group's segment profit (loss) is measured with the operating revenue and operating profit (excluding total management cost), which is used as a basis for the Group in assessing the performance of the operating segments. The accounting policies of the operating segments are in agreement with the significant accounting policies summarized in Note 4.

(3) Segment information

The segment information provided to the chief operating decision-maker for the reportable segments is as follows:

Year ended December 31, 2022

	Computing and transportation segment	Industrial application segment	Home appliance segment	All other segments	Total
Revenue					
Revenue from external customers	\$ 24,545,208	\$ 19,840,919	\$ 7,794,716	\$ 1,576,328	\$ 53,757,171
Inter-segment revenue	<u>32,198,059</u>	<u>5,150,591</u>	<u>928,363</u>	<u>606,413</u>	<u>38,883,426</u>
Total segment revenue	<u>56,743,267</u>	<u>24,991,510</u>	<u>8,723,079</u>	<u>2,182,741</u>	<u>92,640,597</u>
Eliminations					(38,883,426)
Consolidated revenue					<u>53,757,171</u>
Segment income	<u>\$ 2,896,134</u>	<u>\$ 1,857,515</u>	<u>\$ 1,014,776</u>	<u>\$ 188,259</u>	<u>5,956,684</u>
Interest income					62,266
Other income					175,906
Other gains and losses					33,038
Total management cost					(410,209)
Finance costs					(511,835)
Share of profit of associates accounted for under equity method					(13,187)
Profit from continuing operations before tax					<u>\$ 5,292,663</u>

Year ended December 31, 2021

	Computing and transportation segment	Industrial application segment	Home appliance segment	All other segments	Total
Revenue					
Revenue from external customers	\$ 19,404,897	\$ -	\$ 7,889,481	\$ 1,269,997	\$ 28,564,375
Inter-segment revenue	<u>29,704,263</u>	<u>-</u>	<u>920,234</u>	<u>524,610</u>	<u>31,149,107</u>
Total segment revenue	<u>49,109,160</u>	<u>-</u>	<u>8,809,715</u>	<u>1,794,607</u>	<u>59,713,482</u>
Eliminations					(31,149,107)
Consolidated revenue					<u>28,564,375</u>
Segment income	<u>\$ 1,691,328</u>	<u>\$ -</u>	<u>\$ 792,214</u>	<u>\$ 259,884</u>	<u>2,743,426</u>
Interest income					32,099
Other income					150,812
Other gains and losses					(79,092)
Total management cost					(85,025)
Finance costs					(97,417)
Share of profit of associates accounted for under equity method					(23,408)
Profit from continuing operations before tax					<u>\$ 2,641,395</u>

Segment income represented the profit earned by each segment without allocation of central administration costs and directors' salaries, share of profit or loss of associates accounted for using the equity method, other income, other gain and loss, finance costs and income tax expense. This was the measure reported to the chief operating decision-maker for the purpose of resource allocation and assessment of segment performance.

(4) Segment total assets and liabilities

Segment total assets and liabilities were not disclosed because such information was not provided to the chief operating decision-maker.

(5) Information on products

As the Group considered the business from a product perspective, the reportable segments were based on different products and services. Revenues from external customers are the same as in Note 14(3).

(6) Geographical information

Geographical information for the years ended December 31, 2022 and 2021 is as follows:

	<u>Year ended December 31, 2022</u>		<u>Year ended December 31, 2021</u>	
	Revenue	Non-current assets	Revenue	Non-current assets
USA	\$ 11,281,460	\$ 1,078,570	\$ 8,189,840	\$ 823,488
China	11,249,193	4,641,116	7,486,913	2,815,448
Germany	9,175,193	4,692,540	Note	Note
Malaysia	3,960,476	355,393	2,852,635	282,226
Taiwan	534,436	1,249,492	178,239	998,294
Italy	378,014	2,030,929	Note	Note
Others	17,178,399	5,482,279	9,856,748	1,964,213
	<u>\$ 53,757,171</u>	<u>\$ 19,530,319</u>	<u>\$ 28,564,375</u>	<u>\$ 6,883,669</u>

Note: The revenue and asset amounts from external customers outside of this single country were not significant for the year ended December 31, 2021, therefore not disclosed separately.

(7) Major customer information

No single customer contributed 10% or more to the Group's revenue for the years ended December 31, 2022, major customer information of the Group for the years ended December 31, 2021 is as follows:

	<u>Year ended December 31, 2021</u>	
	Revenue	Segment
Customer A	\$ 4,709,923	Computing and transportation segment

BizLink Holding Inc. and subsidiaries
Loans to others
Year ended December 31, 2022

Table 1

Expressed in thousands of NTD
(Except as otherwise indicated)

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the	Balance at	Actual amount drawn down	Interest rate	Nature of loan (Note 3)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 4)	Ceiling on total loans granted (Note 4)	Footnote
					year ended December 31, 2022 (Note 2)	December 31, 2022 (Note 2)							Item	Value			
0	Bizlink Holding Inc.	BizLink (BVI) Corp. Limited	Other receivables due from related parties	Y	\$ 589,500	\$ -	\$ -	0.000%	2	\$ -	Operations	\$ -	-	-	\$ 8,994,017	\$ 8,994,017	Notes 4(1), (2)
0	Bizlink Holding Inc.	BizLink (BVI) Corp. Limited	Other receivables due from related parties	Y	294,750	-	-	0.000%	2	-	Operations	-	-	-	8,994,017	8,994,017	Notes 4(1), (2)
0	Bizlink Holding Inc.	BizLink (BVI) Corp. Limited	Other receivables due from related parties	Y	805,375	767,750	767,750	0.000%	2	-	Operations	-	-	-	8,994,017	8,994,017	Notes 4(1), (2)
0	Bizlink Holding Inc.	BizLink (BVI) Corp. Limited	Other receivables due from related parties	Y	322,150	307,100	307,100	0.000%	2	-	Operations	-	-	-	8,994,017	8,994,017	Notes 4(1), (2)
0	Bizlink Holding Inc.	BizLink (BVI) Corp. Limited	Other receivables due from related parties	Y	966,450	921,300	921,300	0.000%	2	-	Operations	-	-	-	8,994,017	8,994,017	Notes 4(1), (2)
0	Bizlink Holding Inc.	BizLink (BVI) Corp. Limited	Other receivables due from related parties	Y	322,150	307,100	245,680	0.000%	2	-	Operations	-	-	-	8,994,017	8,994,017	Notes 4(1), (2)
0	Bizlink Holding Inc.	BizLink (BVI) Corp. Limited	Other receivables due from related parties	Y	767,750	767,750	-	0.000%	2	-	Operations	-	-	-	8,994,017	8,994,017	Notes 4(1), (2)
0	Bizlink Holding Inc.	BizLink (BVI) Corp. Limited	Other receivables due from related parties	Y	307,100	307,100	-	0.000%	2	-	Operations	-	-	-	8,994,017	8,994,017	Notes 4(1), (2)
0	Bizlink Holding Inc.	Speedy Industrial Supplies Pte Ltd	Other receivables due from related parties	Y	3,519,908	-	-	0.000%	2	-	Operations	-	-	-	8,994,017	8,994,017	Notes 4(1), (2)

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at December 31, 2022	Actual amount drawn down	Interest rate	Nature of loan (Note 3)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 4)	Ceiling on total loans granted (Note 4)	Footnote
					December 31, 2022 (Note 2)	(Note 2)							Item	Value			
0	Bizlink Holding Inc.	Speedy Industrial Supplies Pte Ltd	Other receivables due from related parties	Y	\$ 327,215	\$ 327,215	\$ 327,215	0.000%	2	\$ -	Operations	\$ -	-	-	\$ 8,994,017	\$ 8,994,017	Notes 4(1), (2)
0	Bizlink Holding Inc.	Speedy Industrial Supplies Pte Ltd	Other receivables due from related parties	Y	654,430	654,430	654,430	0.000%	2	-	Operations	-	-	-	8,994,017	8,994,017	Notes 4(1), (2)
0	Bizlink Holding Inc.	Speedy Industrial Supplies Pte Ltd	Other receivables due from related parties	Y	654,430	654,430	654,430	0.000%	2	-	Operations	-	-	-	8,994,017	8,994,017	Notes 4(1), (2)
0	Bizlink Holding Inc.	Speedy Industrial Supplies Pte Ltd	Other receivables due from related parties	Y	654,430	654,430	621,709	0.000%	2	-	Operations	-	-	-	8,994,017	8,994,017	Notes 4(1), (2)
0	Bizlink Holding Inc.	Speedy Industrial Supplies Pte Ltd	Other receivables due from related parties	Y	654,430	654,430	654,430	0.000%	2	-	Operations	-	-	-	8,994,017	8,994,017	Notes 4(1), (2)
0	Bizlink Holding Inc.	Speedy Industrial Supplies Pte Ltd	Other receivables due from related parties	Y	654,430	654,430	654,430	0.000%	2	-	Operations	-	-	-	8,994,017	8,994,017	Notes 4(1), (2)
0	Bizlink Holding Inc.	Speedy Industrial Supplies Pte Ltd	Other receivables due from related parties	Y	490,823	490,823	327,215	0.000%	2	-	Operations	-	-	-	8,994,017	8,994,017	Notes 4(1), (2)
1	BizLink Technology Inc.	OptiWorks, Inc.	Other receivables due from related parties	Y	32,215	30,710	30,710	2.000%	2	-	Operations	-	-	-	624,274	624,274	Note 4(3)
2	Bizlink Technology (Ireland) Ltd.	Bizlink Technology SRB D.O.O.	Other receivables due from related parties	Y	114,525	114,525	114,525	0.454%	2	-	Operations	-	-	-	1,018,765	1,018,765	Note 4(4)

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at December 31, 2022	Actual amount drawn down	Interest rate	Nature of loan (Note 3)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 4)	Ceiling on total loans granted (Note 4)	Footnote
					December 31, 2022 (Note 2)	(Note 2)							Item	Value			
2	Bizlink Technology (Ireland) Ltd.	Bizlink Technology (Slovakia) S.R.O.	Other receivables due from related parties	Y	\$ 32,722	\$ 32,722	\$ 32,722	0.454%	2	\$ -	Operations	\$ -	-	-	\$ 1,018,765	\$ 1,018,765	Note 4(4)
2	Bizlink Technology (Ireland) Ltd.	Bizlink Technology (Slovakia) S.R.O.	Other receivables due from related parties	Y	183,240	183,240	-	0.000%	2	-	Operations	-	-	-	1,018,765	1,018,765	Note 4(4)
3	OptiWorks (Shanghai) Limited	OptiWorks (Kunshan) Limited	Other receivables due from related parties	Y	67,637	-	-	3.850%	2	-	Operations	-	-	-	89,308	89,308	Note 4(5)
3	OptiWorks (Shanghai) Limited	OptiWorks (Kunshan) Limited	Other receivables due from related parties	Y	67,332	66,142	66,142	3.850%	2	-	Operations	-	-	-	89,308	89,308	Note 4(5)
4	BizLink (Kunshan) Co.,Ltd.	BizLink Special Cables (Changzhou) Co., Ltd.	Other receivables due from related parties	Y	766,556	749,605	749,605	3.700%	2	-	Operations	-	-	-	2,923,606	2,923,606	Note 4(6)
5	BizLink (BVI) Corp. Limited	BizLink International Corp.	Other receivables due from related parties	Y	57,250	-	-	0.000%	2	-	Operations	-	-	-	1,095,642	1,095,642	Note 4(7)
5	BizLink (BVI) Corp. Limited	BizLink Tech, Inc.	Other receivables due from related parties	Y	99,465	99,465	99,465	0.000%	2	-	Operations	-	-	-	1,095,642	1,095,642	Note 4(7)
5	BizLink (BVI) Corp. Limited	Accell Corp.	Other receivables due from related parties	Y	79,462	79,462	79,462	0.000%	2	-	Operations	-	-	-	1,095,642	1,095,642	Note 4(7)
6	EA Cable Assemblies GmbH	Bizlink Technology (Slovakia) S.R.O.	Other receivables due from related parties	Y	19,633	19,633	19,633	0.452%	2	-	Operations	-	-	-	18,107,608	18,107,608	Note 4(8)

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at December 31, 2022	Actual amount drawn down	Interest rate	Nature of loan (Note 3)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 4)	Ceiling on total loans granted (Note 4)	Footnote
					December 31, 2022 (Note 2)	(Note 2)							Item	Value			
6	EA Cable Assemblies GmbH	BizLink Industry Germany GmbH	Other receivables due from related parties	Y	\$ 490,823	\$ 490,823	\$ 327,215	2.000%	2	\$ -	Operations	\$ -	-	-	\$ 18,107,608	\$ 18,107,608	Note 4(8)
6	EA Cable Assemblies GmbH	BizLink elocab GmbH	Other receivables due from related parties	Y	1,145,560	1,145,560	-	0.000%	2	-	Operations	-	-	-	18,107,608	18,107,608	Note 4(8)
6	EA Cable Assemblies GmbH	BizLink Industry Slovakia Spol. s.r.o	Other receivables due from related parties	Y	853,435	853,435	-	0.000%	2	-	Operations	-	-	-	18,107,608	18,107,608	Note 4(8)
6	EA Cable Assemblies GmbH	BizLink Industry Czech s.r.o.	Other receivables due from related parties	Y	13,091	13,091	-	0.000%	2	-	Operations	-	-	-	18,107,608	18,107,608	Note 4(8)
7	Bizlink Technology (Belgium) NV	Bizlink Technology (Slovakia) S.R.O.	Other receivables due from related parties	Y	32,722	32,722	32,722	0.678%	2	-	Operations	-	-	-	893,626	893,626	Note 4(9)
7	Bizlink Technology (Belgium) NV	Bizlink Technology SRB D.O.O.	Other receivables due from related parties	Y	65,443	65,443	65,443	0.598%	2	-	Operations	-	-	-	893,626	893,626	Note 4(9)
7	Bizlink Technology (Belgium) NV	Bizlink Technology SRB D.O.O.	Other receivables due from related parties	Y	65,443	65,443	65,443	0.598%	2	-	Operations	-	-	-	893,626	893,626	Note 4(9)
7	Bizlink Technology (Belgium) NV	Bizlink Technology SRB D.O.O.	Other receivables due from related parties	Y	49,082	49,082	49,082	0.491%	2	-	Operations	-	-	-	893,626	893,626	Note 4(9)
7	Bizlink Technology (Belgium) NV	Bizlink Technology SRB D.O.O.	Other receivables due from related parties	Y	39,266	39,266	39,266	0.468%	2	-	Operations	-	-	-	893,626	893,626	Note 4(9)

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at December 31, 2022	Actual amount drawn down	Interest rate	Nature of loan (Note 3)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 4)	Ceiling on total loans granted (Note 4)	Footnote
					December 31, 2022 (Note 2)	(Note 2)							Item	Value			
7	Bizlink Technology (Belgium) NV	Bizlink Technology (Slovakia) S.R.O.	Other receivables due from related parties	Y	\$ 32,722	\$ 32,722	\$ 32,722	0.452%	2	\$ -	Operations	\$ -	-	-	\$ 893,626	\$ 893,626	Note 4(9)
7	Bizlink Technology (Belgium) NV	Bizlink Technology (Slovakia) S.R.O.	Other receivables due from related parties	Y	32,722	32,722	32,722	2.795%	2	-	Operations	-	-	-	893,626	893,626	Note 4(9)
8	Speedy Industrial Supplies Pte Ltd	EA Cable Assemblies GmbH	Other receivables due from related parties	Y	1,506,825	1,506,825	1,506,825	2.000%	2	-	Operations	-	-	-	62,658,580	62,658,580	Note 4(10)
8	Speedy Industrial Supplies Pte Ltd	BizLink Industry Germany GmbH	Other receivables due from related parties	Y	319,992	-	-	2.000%	2	-	Operations	-	-	-	62,658,580	62,658,580	Note 4(10)
8	Speedy Industrial Supplies Pte Ltd	BizLink elocab GmbH	Other receivables due from related parties	Y	1,145,560	1,145,560	1,145,560	2.000%	2	-	Operations	-	-	-	62,658,580	62,658,580	Note 4(10)
8	Speedy Industrial Supplies Pte Ltd	BizLink Industry Slovakia Spol. s.r.o.	Other receivables due from related parties	Y	1,353,191	853,435	853,435	2.000%	2	-	Operations	-	-	-	62,658,580	62,658,580	Note 4(10)
8	Speedy Industrial Supplies Pte Ltd	BizLink Industry Czech s.r.o.	Other receivables due from related parties	Y	13,091	13,091	13,091	2.000%	2	-	Operations	-	-	-	62,658,580	62,658,580	Note 4(10)
8	Speedy Industrial Supplies Pte Ltd	EA Cable Assemblies GmbH	Other receivables due from related parties	Y	32,722	32,722	32,722	2.000%	2	-	Operations	-	-	-	62,658,580	62,658,580	Note 4(10)
8	Speedy Industrial Supplies Pte Ltd	EA Cable Assemblies GmbH	Other receivables due from related parties	Y	490,823	490,823	327,215	2.000%	2	-	Operations	-	-	-	62,658,580	62,658,580	Note 4(10)

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at December 31, 2022	Actual amount drawn down	Interest rate	Nature of loan (Note 3)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 4)	Ceiling on total loans granted (Note 4)	Footnote
					December 31, 2022 (Note 2)	(Note 2)							Item	Value			
8	Speedy Industrial Supplies Pte Ltd	EA Cable Assemblies GmbH	Other receivables due from related parties	Y	\$ 2,012,086	\$ 2,012,086	\$ -	0.000%	2	\$ -	Operations	\$ -	-	-	\$ 62,658,580	\$ 62,658,580	Note 4(10)
9	BizLink Silitherm s.r.l.	BizLink Industry Germany GmbH	Other receivables due from related parties	Y	542,255	542,255	542,255	2.000%	2	-	Operations	-	-	-	9,580,375	9,580,375	Note 4(11)
9	BizLink Silitherm s.r.l.	BizLink Industry Germany GmbH	Other receivables due from related parties	Y	163,608	163,608	163,608	2.000%	2	-	Operations	-	-	-	9,580,375	9,580,375	Note 4(11)
9	BizLink Silitherm s.r.l.	BizLink Industry Germany GmbH	Other receivables due from related parties	Y	130,886	130,886	130,886	2.000%	2	-	Operations	-	-	-	9,580,375	9,580,375	Note 4(11)
9	BizLink Silitherm s.r.l.	BizLink Industry Germany GmbH	Other receivables due from related parties	Y	98,165	98,165	98,165	2.000%	2	-	Operations	-	-	-	9,580,375	9,580,375	Note 4(11)
9	BizLink Silitherm s.r.l.	BizLink Industry Germany GmbH	Other receivables due from related parties	Y	98,165	98,165	98,165	2.000%	2	-	Operations	-	-	-	9,580,375	9,580,375	Note 4(11)
10	BizLink Systems Spain, S.L.U.	BizLink Industry Germany GmbH	Other receivables due from related parties	Y	559,440	549,721	549,721	2.000%	2	-	Operations	-	-	-	2,665,900	2,665,900	Note 4(12)
11	BizLink Industry Germany GmbH	BizLink Robotic Solutions France S.A.S.	Other receivables due from related parties	Y	226,881	177,799	177,799	2.000%	2	-	Operations	-	-	-	12,833,040	12,833,040	Note 4(13)
11	BizLink Industry Germany GmbH	BizLink elocab GmbH	Other receivables due from related parties	Y	333,186	284,104	284,104	2.000%	2	-	Operations	-	-	-	12,833,040	12,833,040	Note 4(13)

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at December 31, 2022	Actual amount drawn down	Interest rate	Nature of loan (Note 3)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 4)	Ceiling on total loans granted (Note 4)	Footnote
					December 31, 2022 (Note 2)	(Note 2)							Item	Value			
11	BizLink Industry Germany GmbH	BizLink elocab GmbH	Other receivables due from related parties	Y	\$ 159,996	\$ -	\$ -	2.000%	2	\$ -	Operations	\$ -	-	-	\$ 12,833,040	\$ 12,833,040	Note 4(13)
11	BizLink Industry Germany GmbH	BizLink elocab GmbH	Other receivables due from related parties	Y	130,886	81,804	81,804	2.000%	2	-	Operations	-	-	-	12,833,040	12,833,040	Note 4(13)
11	BizLink Industry Germany GmbH	BizLink Robotic Solutions USA, Inc.	Other receivables due from related parties	Y	137,478	137,478	137,478	2.000%	2	-	Operations	-	-	-	12,833,040	12,833,040	Note 4(13)
11	BizLink Industry Germany GmbH	BizLink Robotic Solutions Germany GmbH	Other receivables due from related parties	Y	237,305	212,690	212,690	2.000%	2	-	Operations	-	-	-	12,833,040	12,833,040	Note 4(13)
11	BizLink Industry Germany GmbH	BizLink Tailor-Made Cable UK Ltd.	Other receivables due from related parties	Y	12,047	12,047	12,047	2.000%	2	-	Operations	-	-	-	12,833,040	12,833,040	Note 4(13)
11	BizLink Industry Germany GmbH	BizLink Tailor-Made Cable UK Ltd.	Other receivables due from related parties	Y	7,199	7,199	7,199	2.000%	2	-	Operations	-	-	-	12,833,040	12,833,040	Note 4(13)
11	BizLink Industry Germany GmbH	BizLink Robotic Solutions France S.A.S.	Other receivables due from related parties	Y	16,361	-	-	2.000%	2	-	Operations	-	-	-	12,833,040	12,833,040	Note 4(13)
11	BizLink Industry Germany GmbH	BizLink Industry Slovakia Spol. s.r.o	Other receivables due from related parties	Y	16,361	-	-	2.000%	2	-	Operations	-	-	-	12,833,040	12,833,040	Note 4(13)
11	BizLink Industry Germany GmbH	BizLink Special Cables Germany GmbH	Other receivables due from related parties	Y	490,823	490,823	490,823	2.000%	2	-	Operations	-	-	-	12,833,040	12,833,040	Note 4(13)

No. (Note 1)	Creditor	Borrower	General ledger account	Is a related party	Maximum outstanding balance during the year ended	Balance at December 31, 2022	Actual amount drawn down	Interest rate	Nature of loan (Note 3)	Amount of transactions with the borrower	Reason for short-term financing	Allowance for doubtful accounts	Collateral		Limit on loans granted to a single party (Note 4)	Ceiling on total loans granted (Note 4)	Footnote
					December 31, 2022 (Note 2)	(Note 2)							Item	Value			
11	BizLink Industry Germany GmbH	BizLink Special Cables Germany GmbH	Other receivables due from related parties	Y	\$ 163,608	\$ 163,608	\$ 163,608	2.000%	2	\$ -	Operations	\$ -	-	-	\$ 12,833,040	\$ 12,833,040	Note 4(13)
12	BizLink Industry Slovakia Spol. s.r.o.	BizLink Industry Germany GmbH	Other receivables due from related parties	Y	25,026	-	-	2.000%	2	-	Operations	-	-	-	1,496,860	1,496,860	Note 4(14)

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:
(1)The Company is ‘0’.
(2)The subsidiaries are numbered in order starting from ‘1’.

Note 2: The maximum balance for the period and ending balance are presented in New Taiwan dollars. Foreign currencies are converted into New Taiwan dollars; the exchange rate was US\$1=NT\$30.71; RMB1=NT\$4.408 and EUR1=NT\$32.72 as of December 31, 2022.

Note 3: The nature of loans are as follows:
(1) Related to business transactions is "1".
(2) short-term financing is "2".

Note 4: Fill in limit on loans granted to a single party and ceiling on total loans granted as prescribed in the creditor company’s “Procedures for Provision of Loans”, and state each individual party to which the loans have been provided and the calculation for ceiling on total loans granted in the footnote.

(1) For short-term financing facility with the Company, the accumulated financing amount shall not exceed 40% of the net asset value of the Company.

(2) 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 the Company and foreign companies which are held directly or indirectly 100% of voting share should not exceed the 500% of the total asset amount of the Company.

(3) For necessary short-term financing facility with BizLink Technology Inc., the individual loan amount and total amount of loans shall not exceed 40% of the net value of the lending company.

(4) 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 the Company shall not exceed the net value of the lending company and 500% of the net value of parent company.

(5) 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.

(6) For BizLink (Kunshan) Co., 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 the Company shall not exceed the net value of the lending company and 500% of the net value of parent company.

(7) For short-term financing facility with 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.

(8) For EA Cable Assemblies GmbH, the individual loan amount and total amount of loans between the foreign subsidiaries which are held directly or indirectly 100% of voting share by the Company shall not exceed 200% of the net value of the lending company and 500% of the net value of parent company.

(9) 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 the Company shall not exceed 200% of the net value of the lending company and 500% of the net value of parent company.

(10) For Speedy Industrial Supplies Pte 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 the Company shall not exceed 500% of the net value of the lending company and 500% of the net value of parent company.

(11) For BizLink Silitherm s.r.l., the individual loan amount and total amount of loans between the foreign subsidiaries which are held directly or indirectly 100% of voting share by the Company shall not exceed 500% of the net value of the lending company and 500% of the net value of parent company.

(12) For BizLink Systems Spain, S.L.U., the individual loan amount and total amount of loans between the foreign subsidiaries which are held directly or indirectly 100% of voting share by the Company shall not exceed 500% of the net value of the lending company and 500% of the net value of parent company.

(13) For BizLink Industry Germany GmbH, the individual loan amount and total amount of loans between the foreign subsidiaries which are held directly or indirectly 100% of voting share by the Company shall not exceed 400 times of the net value of the lending company and 500% of the net value of parent company.

(14) For BizLink Industry Slovakia Spol. s.r.o. individual loan amount and total amount of loans between the foreign subsidiaries which are held directly or indirectly 100% of voting share by the Company shall not exceed 500% of the net value of the lending company and 500% of the net value of parent company.

(15) Except for the changes in the original currency, the increase (decrease) amount of individual subsidiary in the current month including effects from changes in exchange rate.

Table 2

BizLink Holding Inc. and subsidiaries														
Provision of endorsements and guarantees to others														
Year ended December 31, 2022														
Expressed in thousands of NTD														
(Except as otherwise indicated)														
Number (Note 1)	Endorser/guarantor	Party being endorsed/ guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding endorsement/ guarantee amount during the year ended December 31, 2022 (Note 4)	Outstanding endorsement/ guarantee amount at December 31, 2022 (Note 4)	Actual amount drawn down	Amount of endorsements /guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the Endorser/guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the Endorser/ guarantor (Note 2)											
0	BizLink Holding Inc.	BizLink (BVI) Corp. Limited	2	\$ 33,727,563	\$ 677,925	\$ -	\$ -	\$ -	0.00%	\$ 33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink (BVI) Corp. Limited	2	33,727,563	1,030,880	982,720	1,769	-	4.37%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink (BVI) Corp. Limited	2	33,727,563	48,323	46,065	1,097	-	0.20%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink (BVI) Corp. Limited, BizLink International Corp.	2	33,727,563	644,300	614,200	39,561	-	2.73%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink International Corp.	2	33,727,563	300,000	-	-	-	0.00%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink Technology Inc., BizLink Tech Inc.	2	33,727,563	128,860	122,840	-	-	0.55%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink Technology (S.E.A.) Sdn. Bhd.	2	33,727,563	6,959	6,959	-	-	0.03%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink (BVI) Corp. Limited	2	33,727,563	48,323	46,065	1,564	-	0.20%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink (BVI) Corp. Limited	2	33,727,563	805,375	767,750	-	-	3.41%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink International Corp.	2	33,727,563	50,000	50,000	-	-	0.22%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink (BVI) Corp. Limited	2	33,727,563	48,323	46,065	-	-	0.20%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink International Corp.	2	33,727,563	150,000	150,000	-	-	0.67%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink International Corp.	2	33,727,563	200,000	-	-	-	0.00%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink (BVI) Corp. Limited, BizLink International Corp.	2	33,727,563	966,450	921,300	50,000	-	4.10%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink Technology (Changzhou) Limited, BizLink Technology (Xiamen) Ltd.	2	33,727,563	744,010	-	-	-	0.00%	33,727,563	Y	N	Y	

Number (Note 1)	Endorser/guarantor	Party being endorsed/ guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding guarantee amount during the year ended December 31, 2022 (Note 4)	Outstanding endorsement/ guarantee amount at December 31, 2022 (Note 4)	Actual amount drawn down	Amount of endorsements /guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the Endorser/guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the Endorser/ guarantor (Note 2)											
0	BizLink Holding Inc.	BizLink Technology (Changzhou) Limited, BizLink Technology (Xiamen) Ltd, BizLink Special Cables (Changzhou) Co., Ltd.	2	\$ 33,727,563	\$ 740,647	\$ 727,558	\$ 306,382	\$ -	3.24%	\$ 33,727,563	Y	N	Y	
0	BizLink Holding Inc.	BizLink Technology (Changzhou) Limited, BizLink Technology (Xiamen) Ltd. Xiang Yao Electronics (Shen Zhen) Co., Ltd., BizLink (Kunshan) Co., Ltd., BizLink Electronics (Xiamen) Co., Ltd.	2	33,727,563	58,619	57,323	38,879	-	0.25%	33,727,563	Y	N	Y	
0	BizLink Holding Inc.	BizLink Technology (Slovakia) S.R.O.	2	33,727,563	128,860	122,840	122,840	-	0.55%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink (BVI) Corp. Limited	2	33,727,563	76,088	-	-	-	0.00%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink Technology (Ireland) Ltd.	2	33,727,563	15,218	-	-	-	0.00%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink International Corp.	2	33,727,563	450,000	-	-	-	0.00%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink (BVI) Corp. Limited, BizLink International Corp.	2	33,727,563	837,590	798,460	145,000	-	3.55%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink (BVI) Corp. Limited	2	33,727,563	48,323	46,065	-	-	0.20%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink Technology (Ireland) Ltd.	2	33,727,563	64,430	61,420	8,362	-	0.27%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink (BVI) Corp. Limited	2	33,727,563	308,900	307,100	-	-	1.37%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink International Corp.	2	33,727,563	2,711,000	2,711,000	-	-	12.06%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink (BVI) Corp.	2	33,727,563	161,075	153,550	76,818	-	0.68%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink (BVI) Corp. Limited	2	33,727,563	32,215	30,710	1,781	-	0.14%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink Technology (Slovakia) S.R.O.	2	33,727,563	507,183	507,183	32,722	-	2.26%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink Technology (S.E.A.) Sdn. Bhd.	2	33,727,563	161,075	153,550	-	-	0.68%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink (BVI) Corp. Limited	2	33,727,563	17,685	-	-	-	0.00%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink (BVI) Corp. Limited	2	33,727,563	26,748	-	-	-	0.00%	33,727,563	Y	N	N	

Number (Note 1)	Endorser/guarantor	Party being endorsed/ guaranteed		Limit on endorsements/ guarantees provided for a single party (Note 3)	Maximum outstanding guarantee amount during the year ended December 31, 2022 (Note 4)	Outstanding endorsement/ guarantee amount at December 31, 2022 (Note 4)	Actual amount drawn down	Amount of endorsements /guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the Endorser/guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the Endorser/ guarantor (Note 2)											
0	BizLink Holding Inc.	BizLink (BVI) Corp. Limited	2	\$ 33,727,563	\$ 128,860	\$ 122,840	\$ 122,840	\$ -	0.55%	\$ 33,272,563	Y	N	N	
0	BizLink Holding Inc.	BizLink elocab GmbH	2	33,727,563	236,662	236,662	236,662	-	1.05%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink Special Cables Germany GmbH, Bizlink elocab GmbH, BizLink Special Cables (Changzhou) Co., Ltd., BizLink Industry Slovakia Spol. s.r.o.	2	33,727,563	130,886	130,886	130,886	-	0.58%	33,727,563	Y	N	Y	
0	BizLink Holding Inc.	BizLink Special Cables Germany GmbH, Bizlink elocab GmbH, BizLink Special Cables (Changzhou) Co., Ltd., BizLink Industry Slovakia Spol. s.r.o.	2	33,727,563	327,215	327,215	327,215	-	1.46%	33,727,563	Y	N	Y	
0	BizLink Holding Inc.	BizLink Silitherm S.r.l.	2	33,727,563	392,658	392,658	392,658	-	1.75%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink Industry Czech s.r.o.	2	33,727,563	10,471	10,471	-	-	0.05%	33,727,563	Y	N	N	
0	BizLink Holding Inc.	BizLink Industry Germany GmbH	2	33,727,563	588,987	588,987	588,987		2.62%	33,727,563	Y	N	N	
1	BizLink Technology Inc.	BizLink Tech Inc.	4	3,121,368	74,605	71,119	15,409	-	0.32%	3,121,368	N	N	N	
1	BizLink Technology Inc.	BizLink Tech Inc.	4	3,121,368	121,835	116,144	87,108	-	0.52%	3,121,368	N	N	N	
2	BizLink (BVI) Corp.	BizLink Technology SRB D.O.O.	4	1,477,245	20,073	20,073	20,073	25,746	0.09%	1,477,245	N	N	N	
2	BizLink (BVI) Corp.	BizLink Technology SRB D.O.O.	4	1,477,245	8,033	8,033	8,033	10,304	0.04%	1,477,245	N	N	N	
2	BizLink (BVI) Corp.	BizLink Technology SRB D.O.O.	4	1,477,245	37,482	37,482	37,482	48,268	0.17%	1,477,245	N	N	N	
2	BizLink (BVI) Corp.	BizLink Technology SRB D.O.O.	4	1,477,245	11,103	11,103	11,103	-	0.05%	1,477,245	N	N	N	
3	BizLink (BVI) Corp. Limited	BizLink Holding Inc.	3	8,217,315	572,500	-	-	-	0.00%	8,217,315	N	Y	N	
4	EA Cable Assemblies GmbH	BizLink Robotic Solutions Germany GmbH	4	45,269,020	672	672	672	-	0.00%	45,269,020	N	N	N	
4	EA Cable Assemblies GmbH	BizLink Industry Slovakia Spol. s.r.o., BizLink Tailor-Made Cable UK Ltd., BizLink Industry Czech s.r.o.	4	45,269,020	7,980	-	-	-	0.00%	45,269,020	N	N	N	

Number		Party being endorsed/ guaranteed		Limit on endorsements/ guarantees provided for a single party	Maximum outstanding endorsement/ guarantee amount during the year ended December 31, 2022 (Note 4)	Outstanding endorsement/ guarantee amount at December 31, 2022 (Note 4)	Actual amount drawn down	Amount of endorsements /guarantees secured with collateral	Ratio of accumulated endorsement/ guarantee amount to net asset value of the Endorser/guarantor company	Ceiling on total amount of endorsements/ guarantees provided (Note 3)	Provision of endorsements/ guarantees by parent company to subsidiary	Provision of endorsements/ guarantees by subsidiary to parent company	Provision of endorsements/ guarantees to the party in Mainland China	Footnote
		Company name	Relationship with the Endorser/ guarantor (Note 2)											
4	EA Cable Assemblies GmbH	BizLink Industry Germany GmbH	4	\$ 45,269,020	\$ 491	\$ 491	\$ 491	\$ -	0.00%	\$ 45,269,020	N	N	N	
4	EA Cable Assemblies GmbH	BizLink Holding Inc.	3	45,269,020	8,343,984	8,343,984	8,343,984	4,819,406	37.11%	45,269,020	N	Y	N	Note (15)
5	Speedy Industrial Supplies Pte Ltd.	BizLink Holding Inc.	3	62,658,580	8,343,984	8,343,984	8,343,984	4,713,084	37.11%	62,658,580	N	Y	N	Note (15)
6	BizLink Industry Germany GmbH	BizLink Holding Inc.	3	641,652	74,410	34,936	34,936	1,235,700	0.16%	641,652	N	Y	N	Note (15)
7	BizLink Industry Slovakia Spol. s.r.o.	BizLink Holding Inc.	3	1,796,232	270,309	246,990	246,990	535,817	1.10%	1,796,232	N	Y	N	Note (15)
8	BizLink Special Cables Germany GmbH	BizLink Industry Germany GmbH	4	6,346,446	1,309	1,309	1,309	-	0.01%	6,346,446	N	N	N	
8	BizLink Special Cables Germany GmbH	BizLink Holding Inc.	3	6,346,446	1,241,977	1,241,977	1,241,977	143,085	5.52%	6,346,446	N	Y	N	Note (15)
9	BizLink Special Cables (Changzhou) Co., Ltd.	BizLink Holding Inc.	3	7,946,526	4,485,032	3,796,194	3,796,194	518,139	16.87%	7,946,526	N	Y	N	Note (15)
10	BizLink elocab Ltd.	BizLink Holding Inc.	3	5,676,900	2,882,819	2,882,819	2,882,819	172,609	12.82%	5,676,900	N	Y	N	Note (15)
11	BizLink elocab GmbH	BizLink Holding Inc.	3	2,858,742	191,729	191,729	191,729	97,091	0.85%	2,858,742	N	Y	N	Note (15)

Note 1: The numbers filled in for the loans provided by the Company or subsidiaries are as follows:

- (1)The Company is ‘0’.
- (2)The subsidiaries are numbered in order starting from ‘1’.

Note 2: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:

- (1) Having business relationship.
- (2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.
- (3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.
- (4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.
- (5) Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.
- (6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.
- (7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 3: The regulation of endorsement guarantee provided by the Company:

- (1) The amount of endorsement provided by the Company for a single enterprise and as whole shall be limited to 150% of the net value of the Company’s audited or reviewed consolidated financial statements by independent auditors in the most recent period.
- (2) The amount of endorsement provided by the Company and subsidiaries for a single enterprise and as whole shall be limited to 150% of the net value of the Company’s audited or reviewed consolidated financial statements by accountant in the most recent period.
- (3) The endorsement between the companies which the Company directly or indirectly holds 100% of voting right is not limited but shall not exceed 10 times of the net value of the Company’s audited or reviewed consolidated financial statements by independent auditors in the most recent period.
- (4) For BizLink Technology Inc., the amount of endorsement provided for a single enterprise shall be limited to 200% of the net value, and the amount of endorsement as whole shall be limited to 200% of the net value.
- (5) For BizLink (BVI) Corp., the amount of endorsement provided for a single enterprise shall be limited to 300% of the net value, and the amount of endorsement as whole shall be limited to 300% of the net value.
- (6) For BizLink (BVI) Corp. Limited, the amount of endorsement provided for a single enterprise shall be limited to 300% of the net value, and the amount of endorsement as whole shall be limited to 300% of the net value.
- (7) For EA Cable Assemblies GmbH, the amount of endorsement provided for a single enterprise shall be limited to 500% of the net value, and the amount of endorsement as whole shall be limited to 500% of the net value.
- (8) For Speedy Industrial Supplies Pte Ltd, the amount of endorsement provided for a single enterprise shall be limited to 500% of the net value, and the amount of endorsement as whole shall be limited to 500% of the net value.
- (9) For BizLink Industry Germany GmbH, the amount of endorsement provided for a single enterprise shall be limited to 600% of the net value, and the amount of endorsement as whole shall be limited to 600% of the net value.
- (10) For BizLink Industry Slovakia Spol. s.r.o., the amount of endorsement provided for a single enterprise shall be limited to 600% of the net value, and the amount of endorsement as whole shall be limited to 600% of the net value.
- (11) For BizLink Special Cables Germany GmbH, the amount of endorsement provided for a single enterprise shall be limited to 600% of the net value, and the amount of endorsement as whole shall be limited to 600% of the net value.
- (12) For BizLink Special Cables (Changzhou) Co., Ltd., the amount of endorsement provided for a single enterprise shall be limited to 600% of the net value, and the amount of endorsement as whole shall be limited to 600% of the net value.
- (13) For BizLink elocab Ltd, the amount of endorsement provided for a single enterprise shall be limited to 600% of the net value, and the amount of endorsement as whole shall be limited to 600% of the net value.
- (14) For BizLink elocab GmbH, the amount of endorsement provided for a single enterprise shall be limited to 600% of the net value, and the amount of endorsement as whole shall be limited to 600% of the net value.
- (15) This is a joint endorsement provided by EA Cable Assemblies GmbH 、Speedy Industrial Supplies Pte Ltd 、BizLink Industry Germany GmbH 、BizLink Industry Slovakia Spol. s.r.o. 、BizLink Special Cables Germany GmbH 、BizLink Special Cables (Changzhou) Co., Ltd. 、BizLink elocab Ltd. and BizLink elocab GmbH to BizLink Holding Inc.

Note 4: The maximum balance for the period and ending balance are presented in New Taiwan dollars. Foreign currencies are converted into New Taiwan dollars; the exchange rate was US\$1=NT\$30.71; MYR1=NT\$6.959, RMB1=NT\$4.408 and EUR1=NT\$32.72 as of December 31, 2022.

BizLink Holding Inc. and subsidiaries
Holding of marketable securities at the end of the period (not including subsidiaries, associates and joint ventures)
December 31, 2022

Table 3

Expressed in thousands of NTD
(Except as otherwise indicated)

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As at December 31, 2022				Footnote
				Number of shares (Note 5)	Book value (Note 2)	Ownership (%)	Fair value (Note 2)	
The Company	<u>Stocks</u>							
	LILEE SYSTEMS, LTD.	—	Financial assets at fair value through other comprehensive income - non-current	142,857	\$ -	1.20%	\$ -	
	TILOPA HOLDING INC.	Substantive related party	Financial assets at fair value through other comprehensive income - non-current	2,400,000	159,934	17.80%	159,934	
BizLink Technology Inc.	<u>Stocks</u>							
	WELLS FARGO & CO.	—	Financial assets at fair value through profit or loss - current	400	507	-	507	
	TRANSOCEAN LTD.	—	Financial assets at fair value through profit or loss - current	800	112	-	112	
	WALT DISNEY CO.	—	Financial assets at fair value through profit or loss - current	100	267	-	267	
BizLink (BVI) Corp.	<u>Stocks</u>							
	RAINBOW STAR GROUP LIMITED	—	Financial assets at fair value through other comprehensive income - non-current	20,000	26,322	26.05%	26,322	Note 4
	PRIME RICH INTERNATIONAL CO., LTD	—	Financial assets at fair value through other comprehensive income - non-current	600,000	26,533	6.00%	26,533	
	<u>Beneficiary certificates of funds</u>							
	WI HARPER FUND IX LP	—	Financial assets at fair value through profit or loss - non-current	-	39,609	-	39,609	
	AMED VENTURES GROWTHLINK FUND, L.P.	—	Financial assets at fair value through profit or loss - non-current	-	89,063	-	89,063	

Securities held by	Marketable securities	Relationship with the securities issuer	General ledger account	As at December 31, 2022				Footnote
				Number of shares (Note 5)	Book value (Note 2)	Ownership (%)	Fair value (Note 2)	
BizLink International Corp.	<u>Stocks</u>							
	Anqing Innovation Co., Ltd.	—	Financial assets at fair value through other comprehensive income - non-current	2,076,000	\$ 12,640	4.50%	\$ 12,640	
	Centera Photonics Inc.	—	Financial assets at fair value through other comprehensive income - non-current	1,470,809	4,589	3.79%	4,589	
	<u>Stocks</u>							
	Togowin Technology Co., Ltd.	—	Financial assets at fair value through other comprehensive income - non-current	2,057,186	81,135	6.79%	81,135	
Zellwood International Corp.	<u>Beneficiary certificates of funds</u>							
	Mesh Cooperative Ventures, Inc.	—	Financial assets at fair value through profit or loss - non-current	-	18,623	-	18,623	
	<u>Equity investments</u>							
	AMED VENTURE I, L.P.	—	Financial assets at fair value through other comprehensive income - non-current	-	31,740	-	31,740	
Xiang Yao Electronics (Shen Zhen) Co., Ltd.	<u>Equity investments</u>							
	Datlink Electronic (Shenzhen) Co., Ltd.	—	Financial assets at fair value through other comprehensive income - non-current	-	2,778	8.61%	2,778	Note 3

Note 1: Marketable securities in the table refer to stocks, bonds, beneficiary certificates and other related derivative securities.

Note 2: Above amounts are presented in New Taiwan dollar. Foreign currency is converted into New Taiwan dollar; the exchange rate was US\$1=NT\$30.71 as of December 31, 2022.

Note 3: It is a limited company without shares.

Note 4: The Company is not able to exercise significant influence over this company; therefore, marketable securities are measured at fair value through other comprehensive income.

Note 5: Expressed in shares.

BizLink Holding Inc. and subsidiaries
Acquisition or sale of the same security with the accumulated cost exceeding \$300 million or 20% of the Company's paid-in capital
Year ended December 31, 2022

Table 4

Expressed in thousands of NTD
(Except as otherwise indicated)

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the counterparty	Balance as at January 1, 2022		Acquisition		Disposal				Balance at December 31, 2022	
					Number of shares (Note 7)	Amount	Number of shares (Note 7)	Amount	Number of shares	Selling price	Book value	Gains (losses) on disposal	Number of shares (Note 7)	Amount (Note 8)
The Company	<u>Equity investments</u>													
	Speedy Industrial Supplies Pte Ltd	Investments accounted for under equity method	Speedy Industrial Supplies Pte Ltd	Subsidiaries	2,000,000	\$ 1,804,002	281,000,000	\$ 11,414,337 (Note 1)	-	\$ -	\$ -	\$ -	283,000,000	\$ 13,218,339
	BizLink International Corp.	Investments accounted for under equity method	BizLink International Corp.	Subsidiaries	365,000	382,119	420,375	453,594 (Note 2)	-	-	-	-	785,375	835,713
	BizLink Tech Inc.	Investments accounted for under equity method	BizLink Tech Inc.	Subsidiaries	546,532	367,278	808,468	215,959 (Note 3)	-	-	-	-	1,355,000	583,237
	BizLink (BVI) Corp. Limited	Investments accounted for under equity method	BizLink (BVI) Corp. Limited	Subsidiaries	10,000	1,352,429	93,072,000	717,209 (Note 4)	-	-	-	-	93,082,000	2,069,638
Speedy Industrial Supplies Pte Ltd	EA Cable Assemblies GmbH	Investments accounted for under equity method	EA Cable Assemblies GmbH	Subsidiaries	1	32,274	-	9,023,075 (Note 5)	-	-	-	-	1	9,055,349
	BizLink Special Cables (Changzhou) Co., Ltd.	Investments accounted for under equity method	LEONI elobel GmbH	Not applicable	-	-	-	1,830,616 (Note 5)	-	-	-	-	-	1,830,616
EA Cable Assemblies GmbH	BizLink Special Cables Germany GmbH	Investments accounted for under equity method	LEONI Industry Holding GmbH	Not applicable	-	-	-	967,783 (Note 5)	-	-	-	-	-	967,783
	BizLink elocab GmbH	Investments accounted for under equity method	LEONI Industry Holding GmbH	Not applicable	-	-	-	5,203,628 (Note 5)	-	-	-	-	-	5,203,628
	BizLink Silitherm S.r.l.	Investments accounted for under equity method	LEONI Industry Holding GmbH	Not applicable	-	-	-	3,595,596 (Note 5)	-	-	-	-	-	3,595,596

Investor	Marketable securities	General ledger account	Counterparty	Relationship with the counterparty	Balance as at January 1, 2022		Acquisition		Disposal			Balance at December 31, 2022			
					Number of shares (Note 7)	Amount	Number of shares (Note 7)	Amount	Number of shares	Selling price	Book value	Gains (losses) on disposal	Number of shares (Note 7)	Amount (Note 8)	
<u>Equity investments</u>															
EA Cable Assemblies GmbH	BizLink Systems Spain,S.L.U.	Investments accounted for under equity method	LEONI Wiring Systems France S.A.S.	Not applicable	-	\$ -	-	\$ -	508,068 (Note 5)	-	\$ -	\$ -	\$ -	-	\$ 508,068
BizLink Silitherm S.r.l.	Silitherm Immobiliare S.r.l.	Investments accounted for under equity method	Bruna Dordoni, Lorenezo Quarantelli and Michele Quarantelli	Note 6	-	-	-	-	547,256 (Note 6)	-	-	-	-	-	547,256

Note 1: The Company newly invested in Speedy Industrial Supplies Pte Ltd in the amount of \$11,414,337 in the period, including gains on investments recognised in the period and adjustment of changes in net value.

Note 2: The Company newly invested in BizLink International Corp. in the amount of \$453,594 in the period, including gains on investments recognised in the period and adjustment of changes in net value.

Note 3: The Company newly invested in BizLink Tech Inc. in the amount of \$215,959 in the period, including gains on investments recognised in the period and adjustment of changes in net value.

Note 4: The Company newly invested in BizLink (BVI) Corp. Limited in the amount of \$717,210 in the period, including gains on investments recognised in the period and adjustment of changes in net value.

Note 5: The Company acquired a 100% equity interest in the industry application business group of Leoni AG through Speedy Industrial Supplies Pte Ltd and EA Cable Assemblies GmbH and obtained control power over it, the total acquisition price was \$9,933,309. The table disclosed new acquisition of shares exceeding \$300 million or 20% of paid-in capital by Speedy Industrial Supplies Pte Ltd and EA Cable Assemblies GmbH.

Acquisition in the period including gains on investments recognised in the period and adjustment of changes in net value.

Note 6: BizLink Silitherm S.r.l. newly invested in Silitherm Immobiliare S.r.l. in the amount of \$547,256 in the period, including gains on investments recognised in the period and adjustment of changes in net value. One of the counterparties- Lorenzo Quarantelli is a director of BizLink Silitherm S.r.l. and the other two natural persons are not related parties to company.

Note 7: Expressed in shares.

Note 8: The amount was eliminated upon consolidation.

BizLink Holding Inc. and subsidiaries
Acquisition of real estate reaching NT\$300 million or 20% of paid-in capital or more
Year ended December 31, 2022

Table 5

Expressed in thousands of NTD
(Except as otherwise indicated)

If the counterparty is a related party, information as to the last transaction of the real estate is disclosed below													
Real estate acquired by	Real estate acquired	Date of the event	Transaction amount	Status of payment	Counterparty	Relationship with the counterparty	Original owner who sold the real estate to the counterparty	Relationship between the original owner and the acquirer	Date of the original transaction	Amount	Basis or reference used in setting the price	Reason for acquisition of real estate and status of the real estate	Other commitments
BizLink Technology (Xiamen) Limited	Buildings and Land Use Right	January 18, 2022	\$ 433,007 RMB 98,200	Paid in full	XIAMEN HAICANG INVESTMENT GROUP CO.,LTD.	Non-related parties	-	-	-	\$ -	Refer to professional valuation agencies for valuation information	For operational use	None
BizLink Technology (Changzhou) Limited	Buildings	July 20, 2020	798,109 RMB 181,000	By the construction progress	Jiangsu Jiangdu Construction Group Co., Ltd.	Non-related parties	-	-	-	-	Price comparison and bargaining	For operational use	None
BizLink International Corp.	Buildings	September 29, 2022	899,850	By the construction progress	FENG YU CONSTRUCTION CO., LTD.	Non-related parties	-	-	-	-	Price comparison and bargaining	For operational use	None

BizLink Holding Inc. and subsidiaries
Purchases or sales of goods from or to related parties reaching NT\$100 million or 20% of paid-in capital or more
Year ended December 31, 2022

Table 6

Expressed in thousands of NTD
(Except as otherwise indicated)

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Ending Balance (Note 2)	Percentage of total notes/accounts receivable (payable)	
BizLink (Kunshan) Co., Ltd.	BizLink (BVI) Corp. Limited	The same parent company	Sales	\$ 9,973,162	88%	180 days after monthly billings	Note 3	Note 3	\$ 2,725,969	87%	
BizLink (Kunshan) Co., Ltd.	BizLink International Corp.	The same parent company	Sales	371,880	3%	180 days after monthly billings	Note 3	Note 3	43,189	1%	
BizLink Technology (S.E.A.) Sdn. Bhd.	BizLink (BVI) Corp. Limited	The same parent company	Sales	1,047,406	29%	180 days after monthly billings	Note 3	Note 3	457,305	46%	
BizLink Electronics (Xiamen) Co., Ltd.	BizLink (BVI) Corp. Limited	The same parent company	Sales	1,286,624	76%	180 days after monthly billings	Note 3	Note 3	664,879	75%	
BizLink Electronics (Xiamen) Co., Ltd.	BizLink International Corp.	The same parent company	Sales	134,886	19%	180 days after monthly billings	Note 3	Note 3	138,984	16%	
Xiang Yao Electronics (Shen Zhen) Co., Ltd.	BizLink (BVI) Corp. Limited	The same parent company	Sales	4,003,675	100%	180 days after monthly billings	Note 3	Note 3	928,701	100%	Note 4
Bizconn Int'l Ltd. (Shen Zhen)	BizLink (BVI) Corp. Limited	The same parent company	Sales	200,324	36%	180 days after monthly billings	Note 3	Note 3	247,777	60%	
BizLink Technology Inc.	BizLink (BVI) Corp. Limited	The same parent company	Sales	128,224	1%	180 days after monthly billings	Note 3	Note 3	19,245	1%	
BizLink Tech, Inc.	BizLink Technology Inc.	The same parent company	Sales	905,447	59%	180 days after monthly billings	Note 3	Note 3	42,095	20%	
BizLink (BVI) Corp. Limited	BizLink Technology Inc.	The same parent company	Sales	8,070,384	33%	180 days after monthly billings	Note 3	Note 3	2,847,265	33%	

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction				Compared to third party transactions		Notes/accounts receivable (payable)		Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Ending Balance (Note 2)	Percentage of total notes/accounts receivable (payable)	
BizLink (BVI) Corp. Limited	BizLink (Kunshan) Co., Ltd.	The same parent company	Sales	\$ 4,804,791	20%	180 days after monthly billings	Note 3	Note 3	\$ 2,279,975	26%	
BizLink (BVI) Corp. Limited	BizLink Technology (Ireland) Ltd.	The same parent company	Sales	2,956,647	12%	180 days after monthly billings	Note 3	Note 3	1,006,234	11%	
BizLink (BVI) Corp. Limited	Xiang Yao Electronics (Shen Zhen) Co., Ltd.	The same parent company	Sales	876,664	4%	180 days after monthly billings	Note 3	Note 3	73,516	1%	
BizLink (BVI) Corp. Limited	Hwa Zhan Electronics Corp. (Shen Zhen)	The same parent company	Sales	117,890	-	180 days after monthly billings	Note 3	Note 3	9,670	-	
BizLink (BVI) Corp. Limited	BizLink Technology (S.E.A.) Sdn. Bhd.	The same parent company	Sales	756,283	3%	180 days after monthly billings	Note 3	Note 3	655,203	7%	
Tong Ying Electronics (Shen Zhen) Ltd.	BizLink (Kunshan) Co., Ltd.	The same parent company	Sales	213,101	42%	180 days after monthly billings	Note 3	Note 3	135,157	40%	
Tong Ying Electronics (Shen Zhen) Ltd.	Xiang Yao Electronics (Shen Zhen) Co., Ltd.	The same parent company	Sales	141,277	28%	180 days after monthly billings	Note 3	Note 3	91,768	27%	
BizLink International Corp.	BizLink Technology Inc.	The same parent company	Sales	121,642	20%	180 days after monthly billings	Note 3	Note 3	79,110	57%	
BizLink Technology (Slovakia) S.R.O.	BizLink Technology SRB D.O.O.	The same parent company	Sales	296,536	20%	30 days after monthly billings	Note 3	Note 3	12,403	11%	
BizLink Technology (Xiamen) Limited	BizLink Technology (Belgium) NV	The same parent company	Sales	274,348	15%	60 days after monthly billings	Note 3	Note 3	45,178	12%	
BizLink Special Cables Germany GmbH	BizLink Industry Slovakia Spol. s.r.o.	The same parent company	Sales	442,704	6%	30 days after monthly billings	Note 3	Note 3	-	-	
BizLink Special Cables Germany GmbH	BizLink Special Cables (Changzhou) Co., Ltd.	The same parent company	Sales	332,653	4%	90 days after monthly billings	Note 3	Note 3	102,006	13%	

Table 6, Page 2

Purchaser/seller	Counterparty	Relationship with the counterparty	Transaction			Compared to third party transactions		Notes/accounts receivable (payable)			Footnote
			Purchases (sales)	Amount	Percentage of total purchases (sales)	Credit term	Unit price	Credit term	Ending Balance (Note 2)	Percentage of total notes/accounts receivable (payable)	
BizLink Industry Slovakia Spol. s.r.o.	BizLink Special Cables Germany GmbH	The same parent company	Sales	\$ 2,751,146	92%	30 days after monthly billings	Note 3	Note 3	\$ 165,550	85%	
BizLink Industry Slovakia Spol. s.r.o.	BizLink elocab GmbH	The same parent company	Sales	162,116	5%	30 days after monthly billings	Note 3	Note 3	24,978	13%	
BizLink Robotic Solutions Germany GmbH	BizLink Special Cables (Changzhou) Co., Ltd.	The same parent company	Sales	104,410	18%	90 days after monthly billings	Note 3	Note 3	32,419	30%	
BizLink Special Cables (Changzhou) Co., Ltd.	BizLink Special Cables Germany GmbH	The same parent company	Sales	844,389	22%	90 days after monthly billings	Note 3	Note 3	281,534	27%	
Speedy Industrial Supplies Pte Ltd	SIS Speedy Industrial Supplies Sdn. Bhd.	The same parent company	Sales	276,633	15%	120 days after monthly billings	Note 3	Note 3	103,896	26%	
SIS Speedy Industrial Supplies Sdn. Bhd.	Speedy Industrial Supplies Pte Ltd	The same parent company	Sales	329,161	100%	120 days after monthly billings	Note 3	Note 3	64,055	100%	Note 4

Note 1: The above amounts of assets accounts and liabilities accounts are converted by exchange rate US\$1=30.71 into New Taiwan dollars as of December 31, 2022. The amounts of income accounts are converted by average exchange rate. US\$1=29.8044 into New Taiwan dollars for the year ended December 31, 2022.

Note 2: The amount was eliminated upon consolidation.

Note 3: For the general customer, the sale prices were based on general market prices. The sales transactions between the Group and related parties are priced at reasonable profits, so the sale prices to related parties cannot be compared with non-related parties; the terms of payment are not significantly different from non-related parties.

Note 4: There is no sales to unrelated parties.

BizLink Holding Inc. and subsidiaries
Receivables from related parties reaching NT\$100 million or 20% of paid-in capital or more
December 31, 2022

Table 7

Expressed in thousands of NTD
(Except as otherwise indicated)

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2022 (Notes 1 and 2)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for Creditor Counterparty doubtful accounts
					Amount	Action taken		
<u>Accounts receivable</u>								
BizLink (Kunshan) Co., Ltd.	BizLink (BVI) Corp. Limited	The same parent company	\$ 2,725,969	3.60	\$ -	—	\$ 1,891,736	\$ -
BizLink Technology (S.E.A.) Sdn. Bhd.	BizLink (BVI) Corp. Limited	The same parent company	457,305	2.62	-	—	-	-
BizLink Electronics (Xiamen) Co., Ltd.	BizLink (BVI) Corp. Limited	The same parent company	664,879	2.12	-	—	433,011	-
BizLink Electronics (Xiamen) Co., Ltd.	BizLink International Corp.	The same parent company	138,984	0.97	-	—	-	-
BizLink (BVI) Corp. Limited	BizLink Technology Inc.	The same parent company	2,847,265	3.57	-	—	1,769,067	-
BizLink (BVI) Corp. Limited	BizLink (Kunshan) Co., Ltd.	The same parent company	2,279,975	2.69	-	—	1,001,224	-
BizLink (BVI) Corp. Limited	BizLink Technology (S.E.A.) Sdn. Bhd.	The same parent company	655,203	1.59	-	—	-	-
BizLink (BVI) Corp. Limited	BizLink Technology (Ireland) Ltd.	The same parent company	1,006,234	3.26	-	—	661,909	-
Xiang Yao Electronics (Shen Zhen) Co., Ltd.	BizLink (BVI) Corp. Limited	The same parent company	928,701	5.04	-	—	821,984	-
Bizconn Int'l Corp (Shen Zhen)	BizLink (BVI) Corp. Limited	The same parent company	247,777	0.93	194,151	Generally arranged by group based on the capital situation of subsidiaries	5,554	-
Speedy Industrial Supplies Pte Ltd	SIS Speedy Industrial Supplies Sdn. Bhd.	The same parent company	103,896	2.88	-		—	-
Tong Ying Electronics (Shen Zhen) Ltd.	BizLink (Kunshan) Co., Ltd.	The same parent company	135,157	1.05	-	—	34,810	-
BizLink Industry Slovakia Spol. s.r.o.	BizLink Special Cables Germany GmbH	The same parent company	165,550	6.46	-	—	165,550	-
BizLink Special Cables (Changzhou) Co., Ltd.	BizLink Special Cables Germany GmbH	The same parent company	281,534	3.97	-	—	281,534	-
BizLink Special Cables Germany GmbH	BizLink Special Cables (Changzhou) Co., Ltd.	The same parent company	102,006	10.09	-	—	89,322	-

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2022 (Notes 1 and 2)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for Creditor Counterparty doubtful accounts
					Amount	Action taken		
<u>Other receivables</u>								
BizLink Holding Inc.	BizLink (BVI) Corp. Limited	Subsidiaries	\$ 2,259,462	Not applicable	\$ -	—	\$ -	\$ -
BizLink Holding Inc.	BizLink Technology (Slovakia) s.r.o.	Subsidiaries	212,680	Not applicable	-	—	-	-
BizLink Holding Inc.	Speedy Industrial Supplies Pte Ltd	Subsidiaries	3,908,277	Not applicable	-	—	-	-
EA Cable Assemblies (Hong Kong) Co., Limited	BizLink Holding Inc.	Parent company	122,839	Not applicable	-	—	-	-
BizLink International Corp.	BizLink (BVI) Corp. Limited	The same parent company	158,455	Not applicable	-	—	-	-
BizLink Technology (Ireland) Ltd.	BizLink Technology SRB D.O.O.	The same parent company	114,525	Not applicable	-	—	-	-
BizLink (BVI) Corp. Limited	BizLink (BVI) Corp.	The same parent company	265,445	Not applicable	-	—	-	-
BizLink (BVI) Corp.	BizLink International Corp.	The same parent company	102,833	Not applicable	-	—	-	-
BizLink (Kunshan) Co., Ltd.	BizLink Special Cables (Changzhou) Co., Ltd.	The same parent company	763,337	Not applicable	-	—	-	-
Speedy Industrial Supplies Pte Ltd	EA Cable Assemblies GmbH	The same parent company	1,895,343	Not applicable	-	—	-	-
Speedy Industrial Supplies Pte Ltd	BizLink elocab GmbH	The same parent company	1,145,560	Not applicable	-	—	-	-
Speedy Industrial Supplies Pte Ltd	BizLink Industry Slovakia, Spol. s.r.o.	The same parent company	853,435	Not applicable	-	—	-	-
BizLink Technology (Belgium) NV	BizLink Technology SRB D.O.O.	The same parent company	219,234	Not applicable	-	—	-	-
BizLink Industry Germany GmbH	BizLink Robotic Solutions USA, Inc.	The same parent company	137,478	Not applicable	-	—	-	-
BizLink Industry Germany GmbH	BizLink elocab GmbH	The same parent company	365,908	Not applicable	-	—	-	-
BizLink Industry Germany GmbH	BizLink Robotic Solutions Germany GmbH	The same parent company	212,690	Not applicable	-	—	-	-
BizLink Industry Germany GmbH	BizLink Special Cables Germany GmbH	The same parent company	654,431	Not applicable	-	—	-	-
BizLink Industry Germany GmbH	BizLink Robotic Solutions France S.A.S.	The same parent company	177,799	Not applicable	-	—	-	-
BizLink Systems Spain, S.L.U.	BizLink Industry Germany GmbH	The same parent company	549,721	Not applicable	-	—	-	-

Creditor	Counterparty	Relationship with the counterparty	Balance as at December 31, 2022 (Notes 1 and 2)	Turnover rate	Overdue receivables		Amount collected subsequent to the balance sheet date (Note 3)	Allowance for Creditor Counterparty doubtful accounts
					Amount	Action taken		
BizLink Silitherm S.r.l.	BizLink Industry Germany GmbH	The same parent company	\$ 1,033,079	Not applicable	\$ -	—	\$ -	\$ -
EA Cable Assemblies GmbH	BizLink Special Cables Germany GmbH	The same parent company	300,749	Not applicable	-	—	-	-
EA Cable Assemblies GmbH	BizLink Industry Germany GmbH	The same parent company	327,879	Not applicable	-	—	-	-

Note 1: Above amounts are presented in New Taiwan dollar. Foreign currency is converted into New Taiwan dollar; the exchange rate was US\$1=NT\$30.71 as of December 31, 2022.

Note 2: The amount was eliminated upon consolidation.

Note 3: The subsequent collections are amounts collected as at March 30, 2023.

BizLink Holding Inc. and subsidiaries
Significant inter-company transactions during the reporting periods
Year ended December 31, 2022

Table 8

Expressed in thousands of NTD
(Except as otherwise indicated)

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount (Notes 4 and 5)	Transaction terms	
0	BizLink Holding Inc.	BizLink (BVI) Corp. Limited	1	Other receivables	\$ 2,259,462		4
0	BizLink Holding Inc.	Speedy Industrial Supplies Pte Ltd	1	Other receivables	3,908,277		7
0	BizLink Holding Inc.	BizLink Technology (Slovakia) S.R.O.	1	Other receivables	212,680		-
1	BizLink International Corp.	BizLink (BVI) Corp. Limited	3	Other receivables	158,455		-
1	BizLink International Corp.	BizLink Technology Inc.	3	Sales of goods	121,642	180 days after monthly billings, the date of payment was 25 of every month	-
2	BizLink (Kunshan) Co., Ltd.	BizLink International Corp.	3	Sales of goods	371,880	180 days after monthly billings, the date of payment was 25 of every month	1
2	BizLink (Kunshan) Co., Ltd.	BizLink (BVI) Corp. Limited	3	Sales of goods	9,973,162	180 days after monthly billings, the date of payment was 25 of every month	19
2	BizLink (Kunshan) Co., Ltd.	BizLink (BVI) Corp. Limited	3	Accounts receivable	2,725,969	180 days after monthly billings, the date of payment was 25 of every month	5
2	BizLink (Kunshan) Co., Ltd.	BizLink Special Cables (Changzhou) Co., Ltd.	3	Other receivables	763,337		1
3	BizLink Technology (S.E.A.) Sdn. Bhd.	BizLink (BVI) Corp. Limited	3	Sales of goods	1,047,406	180 days after monthly billings, the date of payment was 25 of every month	2
3	BizLink Technology (S.E.A.) Sdn. Bhd.	BizLink (BVI) Corp. Limited	3	Accounts receivable	457,305	180 days after monthly billings, the date of payment was 25 of every month	1
4	BizLink Electronics (Xiamen) Co., Ltd.	BizLink (BVI) Corp. Limited	3	Sales of goods	1,286,624	180 days after monthly billings, the date of payment was 25 of every month	2
4	BizLink Electronics (Xiamen) Co., Ltd.	BizLink (BVI) Corp. Limited	3	Accounts receivable	664,879	180 days after monthly billings, the date of payment was 25 of every month	1
4	BizLink Electronics (Xiamen) Co., Ltd.	BizLink International Corp.	3	Sales of goods	134,886	180 days after monthly billings, the date of payment was 25 of every month	-
4	BizLink Electronics (Xiamen) Co., Ltd.	BizLink International Corp.	3	Accounts receivable	138,984	180 days after monthly billings, the date of payment was 25 of every month	-
5	Tong Ying Electronics (Shen Zhen) Ltd.	BizLink (Kunshan) Co., Ltd.	3	Sales of goods	213,101	180 days after monthly billings, the date of payment was 25 of every month	-
5	Tong Ying Electronics (Shen Zhen) Ltd.	BizLink (Kunshan) Co., Ltd.	3	Accounts receivable	135,157	180 days after monthly billings, the date of payment was 25 of every month	-
5	Tong Ying Electronics (Shen Zhen) Ltd.	Xiang Yao Electronics (Shen Zhen) Co., Ltd.	3	Sales of goods	141,277	180 days after monthly billings, the date of payment was 25 of every month	-

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount (Notes 4 and 5)	Transaction terms	
6	BizLink Tech Inc.	BizLink Technology Inc.	3	Sales of goods	\$ 905,447	180 days after monthly billings, the date of payment was 25 of every month	2
7	BizLink Technology (Ireland) Ltd.	BizLink Technology SRB D.O.O.	3	Other receivables	114,525		-
8	BizLink (BVI) Corp. Limited	BizLink Technology Inc.	3	Sales of goods	8,070,384	180 days after monthly billings, the date of payment was 25 of every month	15
8	BizLink (BVI) Corp. Limited	BizLink Technology Inc.	3	Accounts receivable	2,847,265	180 days after monthly billings, the date of payment was 25 of every month	5
8	BizLink (BVI) Corp. Limited	BizLink Technology (Ireland) Ltd.	3	Sales of goods	2,956,647	180 days after monthly billings, the date of payment was 25 of every month	6
8	BizLink (BVI) Corp. Limited	BizLink Technology (Ireland) Ltd.	3	Accounts receivable	1,006,234	180 days after monthly billings, the date of payment was 25 of every month	2
8	BizLink (BVI) Corp. Limited	Xiang Yao Electronics (Shen Zhen) Co., Ltd.	3	Sales of goods	876,664	180 days after monthly billings, the date of payment was 25 of every month	2
8	BizLink (BVI) Corp. Limited	BizLink (Kunshan) Co., Ltd.	3	Sales of goods	4,804,791	180 days after monthly billings, the date of payment was 25 of every month	9
8	BizLink (BVI) Corp. Limited	BizLink (Kunshan) Co., Ltd.	3	Accounts receivable	2,279,975	180 days after monthly billings, the date of payment was 25 of every month	4
8	BizLink (BVI) Corp. Limited	BizLink Technology (S.E.A.) Sdn. Bhd.	3	Sales of goods	756,283	180 days after monthly billings, the date of payment was 25 of every month	1
8	BizLink (BVI) Corp. Limited	BizLink Technology (S.E.A.) Sdn. Bhd.	3	Accounts receivable	655,203	180 days after monthly billings, the date of payment was 25 of every month	1
8	BizLink (BVI) Corp. Limited	Hwa Zhan Electronics Corp. (Shen Zhen)	3	Sales of goods	117,890	180 days after monthly billings, the date of payment was 25 of every month	-
8	BizLink (BVI) Corp. Limited	BizLink (BVI) Corp.	3	Other receivables	265,445		-
9	Xiang Yao Electronics (Shen Zhen) Co., Ltd.	BizLink (BVI) Corp. Limited	3	Sales of goods	4,003,675	180 days after monthly billings, the date of payment was 25 of every month	7
9	Xiang Yao Electronics (Shen Zhen) Co., Ltd.	BizLink (BVI) Corp. Limited	3	Accounts receivable	928,701	180 days after monthly billings, the date of payment was 25 of every month	2
10	Bizconn Int'l Corp. (Shen Zhen)	BizLink (BVI) Corp. Limited	3	Sales of goods	200,324	180 days after monthly billings, the date of payment was 25 of every month	-
10	Bizconn Int'l Corp. (Shen Zhen)	BizLink (BVI) Corp. Limited	3	Accounts receivable	247,777	180 days after monthly billings, the date of payment was 25 of every month	-
11	EA Cable Assemblies (Hong Kong) Co., Limited	BizLink Holding Inc.	2	Other receivables	122,839		-
13	BizLink Special Cables Germany GmbH	BizLink Industry Slovakia Spol. s.r.o.	3	Sales of goods	442,704	Mutual agreement with a credit term of 15-45 days	1
13	BizLink Special Cables Germany GmbH	BizLink Special Cables (Changzhou) Co., Ltd.	3	Sales of goods	332,653	Mutual agreement with a credit term of 75-105 days	1
13	BizLink Special Cables Germany GmbH	BizLink Special Cables (Changzhou) Co., Ltd.	3	Accounts receivable	102,006	Mutual agreement with a credit term of 75-105 days	-
14	BizLink Industry Slovakia Spol. s.r.o.	BizLink elocab GmbH	3	Sales of goods	162,116	Mutual agreement with a credit term of 15-45 days	-

Table 8, Page 2

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount (Notes 4 and 5)	Transaction terms	
14	BizLink Industry Slovakia Spol. s.r.o.	BizLink Special Cables Germany GmbH	3	Sales of goods	\$ 2,751,146	Mutual agreement with a credit term of 15-45 days	5
14	BizLink Industry Slovakia Spol. s.r.o.	BizLink Special Cables Germany GmbH	3	Accounts receivable	165,550	Mutual agreement with a credit term of 15-45 days	-
15	BizLink Special Cables (Changzhou) Co., Ltd.	BizLink Special Cables Germany GmbH	3	Sales of goods	844,389	Mutual agreement with a credit term of 75-105 days	2
15	BizLink Special Cables (Changzhou) Co., Ltd.	BizLink Special Cables Germany GmbH	3	Accounts receivable	281,534	Mutual agreement with a credit term of 75-105 days	1
16	BizLink Industry Germany GmbH	BizLink Robotic Solutions USA Inc.	3	Other receivables	137,478		-
16	BizLink Industry Germany GmbH	BizLink elocab GmbH	3	Other receivables	365,908		1
16	BizLink Industry Germany GmbH	BizLink Robotic Solutions Germany GmbH	3	Other receivables	212,690		-
16	BizLink Industry Germany GmbH	BizLink Robotic Solutions France S.A.S.	3	Other receivables	177,799		-
16	BizLink Industry Germany GmbH	BizLink Special Cables Germany GmbH	3	Other receivables	654,431		1
17	BizLink Systems Spain, S.L.U.	BizLink Industry Germany GmbH	3	Other receivables	549,721		1
18	BizLink Silitherm S.r.l.	BizLink Industry Germany GmbH	3	Other receivables	1,033,079		2
19	Speedy Industrial Supplies Pte Ltd	SIS Speedy Industrial Supplies Sdn. Bhd.	3	Sales of goods	276,633	Mutual agreement with a credit term of 120 days	1
19	Speedy Industrial Supplies Pte Ltd	SIS Speedy Industrial Supplies Sdn. Bhd.	3	Accounts receivable	103,896	Mutual agreement with a credit term of 120 days	-
19	Speedy Industrial Supplies Pte Ltd	EA Cable Assemblies GmbH	3	Other receivables	1,895,343		3
19	Speedy Industrial Supplies Pte Ltd	BizLink elocab GmbH	3	Other receivables	1,145,560		2
19	Speedy Industrial Supplies Pte Ltd	BizLink Industry Slovakia Spol. s.r.o.	3	Other receivables	853,435		2
20	BizLink Technology (Slovakia) S.R.O.	BizLink Technology SRB D.O.O.	3	Sales of goods	296,536	Mutual agreement with a credit term of 30 days	1
21	BizLink Technology (Xiamen) Limited	BizLink Technology (Belgium) NV	3	Sales of goods	274,348	Mutual agreement with a credit term of 60 days	1
22	BizLink Technology (Belgium) NV	BizLink Technology SRB D.O.O.	3	Other receivables	219,234		-
23	SIS Speedy Industrial Supplies Sdn. Bhd.	Speedy Industrial Supplies Pte Ltd	3	Sales of goods	329,161	Mutual agreement with a credit term of 120 days	1
24	BizLink Technology Inc.	BizLink (BVI) Corp. Limited	3	Sales of goods	128,224	180 days after monthly billings, the date of payment was 25 of every month	-
25	EA Cable Assemblies GmbH	BizLink Special Cables Germany GmbH	3	Other receivables	300,749		1

Number (Note 1)	Company name	Counterparty	Relationship (Note 2)	Transaction			Percentage of consolidated total operating revenues or total assets (Note 3)
				General ledger account	Amount (Notes 4 and 5)	Transaction terms	
25	EA Cable Assemblies GmbH	BizLink Industry Germany GmbH	3	Other receivables	\$ 327,879		1
26	BizLink Robotic Solutions Germany GmbH	BizLink Special Cables (Changzhou) Co., Ltd.	3	Sales of goods	104,410	Mutual agreement with a credit term of 90 days	-
27	BizLink (BVI) Corp.	BizLink International Corp.	3	Other receivables	102,833		-

Note 1: The numbers filled in for the transaction company in respect of inter-company transactions are as follows:

(1) Parent company is '0'.

(2) The subsidiaries are numbered in order starting from '1'.

Note 2: Relationship between transaction company and counterparty is classified into the following three categories; fill in the number of category each case belongs to (If transactions between parent company and subsidiaries or between subsidiaries refer to the same transaction, it is not required to disclose twice. For example, if the parent company has already disclosed its transaction with a subsidiary, then the subsidiary is not required to disclose the transaction; for transactions between two subsidiaries, if one of the subsidiaries has disclosed the transaction, then the other is not required to disclose the transaction.)

(1) Parent company to subsidiary.

(2) Subsidiary to parent company.

(3) Subsidiary to subsidiary.

Note 3: Regarding percentage of transaction amount to consolidated total operating revenues or total assets, it is computed based on period-end balance of transaction to consolidated total assets for balance sheet accounts and based on accumulated transaction amount for the period to consolidated total operating revenues for income statement accounts.

Note 4: The above amounts of assets accounts and liabilities accounts are converted by exchange rate US\$1=30.71 into New Taiwan dollars as of December 31, 2022. The amounts of income accounts are converted by average exchange rate US\$1=29.8044 into New Taiwan dollars for the year ended December 31, 2022.

Note 5: Only transaction amount exceeds \$100 million will be disclosed.

BizLink Holding Inc. and subsidiaries

Information on investees

Year ended December 31, 2022

Table 9

Expressed in thousands of NTD

(Except as otherwise indicated)

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2022			Net profit (loss)	Investment income	Footnote
				Balance as at December 31, 2022	Balance as at December 31, 2021	Number of shares (Note 1)	Ownership (%)	Book value (Note 2)	of the investee for the year ended December 31, 2022 (Note 2)	(loss) recognised by the Company for the year ended December 31, 2022 (Note 2)	
The Company	BizLink Technology Inc.	U.S.A	(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.	\$ 120,383 USD 3,920	\$ 120,383 USD 3,920	10,000	100%	\$ 1,557,165	\$ 48,614	\$ 49,703	Note3 and Note7
	BizLink (BVI) Corp.	British Virgin IS.	(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.	1,535 USD 50	1,535 USD 50	50,000	100%	490,149	77,700	77,098	Note3 and Note7
	BizLink International Corp.	TAIWAN	(1) Wholesale of cable assemblies, connectors and power cords, and (2) international trade.	785,375	365,000	785,375	100%	835,713	35,141	29,507	Note3 and Note7
	Zellwood International Corp.	British Virgin IS.	Various investment activities.	76,775 USD 2,500	76,775 USD 2,500	2,500,000	100%	3,464,130	1,127,456	1,120,387	Note3 and Note7
	BizLink Technology (S.E.A.) Sdn. Bhd.	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.	308,142 MYR 1,200 USD 9,762	8,351 MYR 1,200	43,180,000	100%	1,832,220	526,107	542,588	Note3 and Note7

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2022			Net profit (loss)	Investment income	Footnote
				Balance as at December 31, 2022	Balance as at December 31, 2021	Number of shares (Note 1)	Ownership (%)	Book value (Note 2)	of the investee for the year ended December 31, 2022 (Note 2)	(loss) recognised by the Company for the year ended December 31, 2022 (Note 2)	
The Company	Adel Enterprises Corp.	British Virgin IS.	(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.	\$ 50,671 USD 1,650	\$ 50,671 USD 1,650	1,650,000	100%	\$ 1,438,389	\$ 440,573	\$ 428,436	Note3 and Note7
	BizLink Tech, Inc.	U.S.A	(1) Design, manufacture, and sale of cable assemblies, (2) wholesale and retail of computer peripheral products and electronic materials, (3) production of fiberfill moldings, and (4) international trade.	1,079,456 USD 35,150	661,800 USD 21,550	1,355,000	100%	583,237	(274,770)	(279,828)	Note3 and Note7
	Accell Corp.	U.S.A	(1) Wholesale and retail of own brand connectors, cables and telecommunication equipment, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) marketing under own brands.	-	-	10,000	100%	(70,957)	(46,324)	(46,324)	Note3
	BizLink Technology (Ireland) Ltd.	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.	9,213 USD 300	9,213 USD 300	300,000	100%	1,016,469	132,565	131,920	Note3 and Note7
	BizLink Co., Ltd. (Japan)	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.	2,324 JPY 10,000	2,324 JPY 10,000	200	100%	4,500	594	594	Note3
	BizLink (BVI) Corp. Limited	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.	365,402 HKD 15,000 USD 9,975	39 HKD 10	93,082,000	100%	2,069,638	493,756	268,721	Note3 and Note7

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2022			Net profit (loss)	Investment income	Footnote
				Balance as at December 31, 2022	Balance as at December 31, 2021	Number of shares (Note 1)	Ownership (%)	Book value (Note 2)	of the investee for the year ended December 31, 2022 (Note 2)	(loss) recognised by the Company for the year ended December 31, 2022 (Note 2)	
The Company	Bizconn Technology Inc.	U.S.A	(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%	\$ -	\$ -	\$ -	It did not operate actually.
	EA Cable Assemblies (Hong Kong) Co., Limited	HONG KONG	Various investment activities.	1,053,079 EUR 24,676 USD 8,000	1,053,079 EUR 24,676 USD 8,000	174,322,000	100%	4,151,313	863,218	860,437	Note3 and Note7
	BizLink Technology (Belgium) NV	BELGIUM	(1) Wholesale and retail of cable assemblies, power cords and connectors, and (2) international trade.	403,307 EUR 12,326	403,307 EUR 12,326	915	100%	675,400	44,889	44,889	Note3
	BizLink Technology (Slovakia) S.R.O.	SLOVAK	(1) Manufacture and assembly of cable harnesses for electrical appliance, and (2) Wholesale and retail of cable assemblies and power cords.	978,034 EUR 29,891	978,034 EUR 29,891	-	100%	441,299 (	124,873) (	197,112)	Note3, Note 4 and Note7
	BizLink Technology SRB D.O.O.	BOSNIA-HERZEGO-VINA	(1) Manufacture and assembly of connectors and cable assemblies, and (2) wholesale and retail of cable assemblies, connectors and power cords.	233,163 EUR 7,126	233,163 EUR 7,126	-	100%	273,736	58,659	58,659	Note3 and Note4
	OW Holding Inc.	CAYMAN IS.	Various investment activities.	683,328 USD 22,251	683,328 USD 22,251	2,105,120	93.08%	255,341 (	106,906) (	99,508)	Note3 and Note7
	Speedy Industrial Supplies Pte Ltd	SINGAPORE	Manufacture and wholesale of cable assemblies, power cords, PCBA assemblies, sheet metal fabrication and box build assemblies.	11,525,947 SGD 489,456 EUR 10,000	1,661,316 SGD 72,610	283,000,000	100%	13,218,339	1,428,673	1,440,469	Note3 and Note7
	Grand Infinite Enterprises Limited	British Virgin IS.	Various investment activities.	-	-	-	100%	1,484 (	50) (	50)	Note3 and Note4
BizLink Technology Inc.	Bobi, LLC	U.S.A	Various leasing activities.	61,420 USD 2,000	61,420 USD 2,000	-	100%	62,253	1,248	1,248	Note3 and Note4

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2022			Net profit (loss)	Investment income	Footnote
				Balance as at December 31, 2022	Balance as at December 31, 2021	Number of shares (Note 1)	Ownership (%)	Book value (Note 2)	of the investee for the year ended December 31, 2022 (Note 2)	(loss) recognised by the Company for the year ended December 31, 2022 (Note 2)	
BizLink (BVI) Corp.	Jo Yeh Company Limited	HONG KONG	(1) Wholesale and retail of connectors, and (2) international trade.	\$ 120,230 USD 3,915	\$ 120,230 USD 3,915	10,000	100%	\$ 142,424	\$ 5,231	\$ 5,231	Note3
	Siriustek Inc.	TAIWAN	Provide customized LED (light emitting diode) lighting products and solutions.	20,000	20,000	2,000,000	37%	5,588	(869)	(329)	Note6
	ProOptics International Corp.	CAYMAN IS.	Design, manufacture and sale of optical film.	69,251 USD 2,255	69,251 USD 2,255	2,050,000	23%	21,420	(36,331)	(7,619)	Note6
BizLink International Corp.	AquaOptics Corp.	TAIWAN	Design, manufacture and sale of optical system integration	66,000	66,000	18,418,640	44%	2,491	(14,914)	(17,006)	Note6 and Note9
Zellwood International Corp.	Bizconn International Corporation	SAMOA	Various investment activities.	51,194 USD 1,667	51,194 USD 1,667	1,666,667	100%	598,638	71,173	74,602	Note3 and Note7
Adel Enterprises Corp.	Asia Wick Ltd.	HONG KONG	Various investment activities.	-	-	1,000	100%	439,256	85,357	85,341	Note3 and Note7
BizLink Tech Inc.	Productos Excel de Me xico, S. de R.L. DE C.V.	MEXICO	(1) Design, manufacture, and sale of cable assemblies, (2) wholesale and retail of computer peripheral products and electronic materials, (3) production of fiberfill moldings, and (4) international trade.	8,169 USD 266	8,169 USD 266	-	99%	42,931	24,890	24,890	Note3 and Note4
BizLink Technology (S.E.A.) Sdn. Bhd.	BizLink Interconnect Technology (India) Private Limited	INDIA	(1) Design and sale of cable assemblies, power cords, and telecommunications equipment, (2) wholesale and retail of computer peripheral products and electronic materials, and (3) international trade.	371 INR 1,000	371 INR 1,000	100,000	100%	2,262	335	335	Note3
OW Holding Inc.	OptiWork, Inc.	U.S.A	(1) Wholesale and retail of fiber optical passive components and fiber optical cables, (2) international trade, and (3) various investment activities.	620,342 USD 20,200	620,342 USD 20,200	2,000	100%	261,479	(106,665)	(106,665)	Note3

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2022			Net profit (loss)	Investment income	Footnote
				Balance as at December 31, 2022	Balance as at December 31, 2021	Number of shares (Note 1)	Ownership (%)	Book value (Note 2)	of the investee for the year ended December 31, 2022 (Note 2)	(loss) recognised by the Company for the year ended December 31, 2022 (Note 2)	
Speedy Industrial Supplies Pte Ltd	SIS Speedy Industrial Supplies Sdn. Bhd.	MALAYSIA	Manufacture and wholesale of cable assemblies, power cords, PCBA assemblies, sheet metal fabrication and box build assemblies.	\$ 696 MYR 100	\$ 696 MYR 100	100,000	100%	\$ 109,099	(\$ 5,966)	(\$ 3,923)	Note3 and Note7
	EA Cable Assemblies GmbH	GERMANY	(1) Wholesale and retail of cable assemblies, power cords and connectors, and (2) international trade.	8,307,472 SGD 363,809	34,434 SGD 1,505	1	100%	9,055,349	957,202	957,202	Note3
EA Cable Assemblies GmbH	BizLink elocab GmbH	GERMANY	Manufacture of cable assemblies used in the application of customized products.	4,984,791 EUR 152,347	-	-	100%	5,203,628	205,812	201,432	Note3, Note4, Note5 and Note7
	BizLink Special Cables Germany GmbH	GERMANY	Manufacture of cable assemblies and power cords used in the medical, automation and communication system.	652,796 EUR 19,951	-	-	100%	967,783	57,636	60,339	Note3, Note4, Note5 and Note7
	BizLink Industry Germany GmbH	GERMANY	Central management segment of industry solution program business.	80,426 EUR 2,458	-	-	100%	85,874	861	861	Note3
	BizLink Industry Slovakia Spol. s.r.o.	SLOVAK	Manufacture of cable assemblies and power cords used in the medical, automation and customized products.	29,677 EUR 907	-	-	85%	61,296	40,676	4,053	Note3, Note4 and Note7
	BizLink Silitherm S.r.l.	ITALY	Manufacture and sales of silicone wire.	2,861,886 EUR 87,466	-	-	100%	3,595,596	700,811	699,580	Note3, Note4, Note5 and Note7
	BizLink Systems Spain,S.L.U.	SPAIN	Manufacture and sales of power cords and cable assemblies used in the robot system and customized products.	585,328 EUR 17,889	-	-	100%	508,068	(74,047)	(73,993)	Note3, Note4, Note5 and Note7
BizLink elocab GmbH	BizLink elocab Ltd.	CANADA	Manufacture of power cords and cable assemblies used in the customized products.	Note8	-	-	100%	946,150	219,382	212,540	Note3, Note4 and Note7
	BizLink Robotic Solutions Germany GmbH	GERMANY	Manufacture of power cords and cable assemblies used in the robot system.	16,360 EUR 500	-	-	100%	58,635	3,493	2,578	Note3, Note4, Note7 and Note8

Investor	Investee	Location	Main business activities	Initial investment amount		Shares held as at December 31, 2022			Net profit (loss)	Investment income	Footnote
				Balance as at December 31, 2022	Balance as at December 31, 2021	Number of shares (Note 1)	Ownership (%)	Book value (Note 2)	of the investee for the year ended December 31, 2022 (Note 2)	(loss) recognised by the Company for the year ended December 31, 2022 (Note 2)	
BizLink elocab GmbH	BizLink Robotic Solutions France S.A.S.	FRANCE	Manufacture and sales of power cords and cable assemblies used in the robot system.	\$ 49,080 EUR 1,500	\$ -	33,167	100%	\$ 79,394	(\$ 4,930)	(\$ 3,567)	Note3, Note4, Note7 and Note8
	BizLink Industry Czech s.r.o.	CZECH REP.	Manufacture and sales of cable assemblies and power cords used in the robot system, automation and customized products.	Note8	-	-	100%	154,179	7,823	9,123	Note3, Note4 and Note7
BizLink Special Cables Germany GmbH	BizLink Industry Slovakia Spol.s.r.o.	SLOVAK	Manufacture of cable assemblies and power cords used in the medical, automation and customized products.	Note8	-	-	15%	10,817	40,676	715	Note3, Note4 and Note7
BizLink Robotic Solutions Germany GmbH	BizLink Tailor-Made Cable UK Ltd.	U.K.	Manufacture and sales of power cords and cable assemblies used in the robot system, automation, customized products and communication system.	Note8	-	-	100%	5,524	(8,948)	(8,948)	Note3 and Note4
BizLink Robotic Solutions France S.A.S	BizLink Robotic Solutions USA Inc.	U.S.A	Manufacture and sales of cords and cable assemblies used in the robot system, automation, customized products and communication system.	Note8	-	60,000	100%	100,827	(4,760)	(5,093)	Note3 and Note7
BizLink Silitherm S.r.l.	Silitherm Immobiliare S.r.l.	ITALY	Asset management	545,900 EUR 16,684	-	-	100%	547,256	1,302	1,302	Note3 and Note4

Note 1: Expressed in shares.

Note 2: The information on investees (excluding investees in Mainland China), the amount of profit or loss and ending book value are translated at the average exchange rate for the year ended December 31, 2022 and as of December 31, 2022, respectively.

Note 3: The amount was eliminated upon consolidation.

Note 4: It is a limited company without shares.

Note 5: Please refer to Table 4.

Note 6: The investee accounted for using equity method of subsidiary of the Company.

Note 7: Including recognition and elimination of realised and unrealised gains (losses) from reverse stream and side stream transactions.

Note 8: There were no initial investment amount due to acquisition of equity shares in BizLink elocab GmbH and holding equity shares in such companies.

Note 9: Has recognized impairment losses \$11,767 for the year ended December 31, 2022.

BizLink Holding Inc. and subsidiaries
Information on investments in Mainland China
Year ended December 31, 2022

Table 10

Expressed in thousands of NTD
(Except as otherwise indicated)

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 2)	Accumulated amount of remittance from Taiwan to Mainland China as at January 1, 2022	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2022		Accumulated amount of remittance from Taiwan to Mainland China as at December 31, 2022	Net income (loss) of investee for the year ended December 31, 2022	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2022 (Note 5)	Book value of investments in Mainland China as at December 31, 2022 (Note 5)	Accumulated amount of investment income remitted back to Taiwan as at December 31, 2022	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Bizconn International Corp. (China)	Manufacture and sell connectors and their components, communication cables, plastic and metal precision molds, metal stamping parts and precision plastic products.	\$ 77,606 CNY 17,600	2	Note3	Note3	Note3	Note3	\$ 70,666	100%	\$ 74,720	\$ 553,820	Note3	Note4(2)B, Note 6 and Note16
Tong Ying Electronics (Shen Zhen) Ltd.	Manufacture of wire extrusions and cable assemblies.	106,096 HKD 26,936	2	"	"	"	"	85,366	100%	85,366	467,823	"	Note4(2)B, Note 7 and Note16
OptiWorks (Shanghai) Limited	(1) Manufacture, wholesale and retail of fiber optical passive components and fiber optical cables, and (2) international trade.	184,260 USD 6,000	2	"	"	"	"	517	93.08%	481	223,130	"	Note4(2)B, Note 8 and Note16
OptiWorks (Kunshan) Limited	(1) Production and development of optical communications optoelectronic devices, components and modules, and (2) sales of own products.	92,130 USD 3,000	2	"	"	"	"	(20,411)	93.08% (	18,867)	37,134	"	Note4(2)B, Note 8 and Note16

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 2)	Accumulated amount of remittance from Taiwan to Mainland China as at January 1, 2022	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2022		Accumulated amount of remittance from Taiwan to Mainland China as at December 31, 2022	Net income (loss) of investee for the year ended December 31, 2022	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2022 (Note 5)	Book value of investments in Mainland China as at December 31, 2022 (Note 5)	Accumulated amount of investment income remitted back to Taiwan as at December 31, 2022	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
Xiang Yao Electronics (Shen Zhen) Co., Ltd.	Manufacture and operate in communication and computer cable connections, industrial and medical equipment connect lines, mobile electric equipment connect lines, audio and video connect lines, transfers and switch, cords and optical fiber patch cord.	\$ 30,710 USD 1,000	2	Note3	Note3	Note3	Note3	\$ 517,108	100%	\$ 517,107	\$ 941,558	Note3	Note4(2)B, Note 9 and Note16
Hwa Zhan Electronics Corp. (Shen Zhen)	Production and operations of computers and communications cables, connectors and fiber jumpers.	9,847 HKD 2,500	2	"	"	"	"	71,541	100%	71,541	312,322	"	Note4(2)B, Note 10 and Note16
BizLink (Kunshan) Co., Ltd.	Design, manufacture and sale of cable assemblies, power cables and connectors.	307,100 USD 10,000	2	"	"	"	"	1,159,696	100%	1,160,841	2,922,998	"	Note4(2)B, Note 11 and Note16
BizLink Electronics (Xiamen) Co., Ltd.	Manufacture of computer cable connections, connectors and computer power supplies and other components and modules.	17,198 USD 560	2	"	"	"	"	355,379	100%	355,381	956,215	"	Note4(2)B, Note 12 and Note16
Foshan Nanhai Jo Yeh Electronic Co., Ltd.	Production of electrical appliances, electronic equipment, and plug-in connectors.	61,420 USD 2,000	2	"	"	"	"	4,268	100%	4,268	124,309	"	Note4(2)B and Note13

Investee in Mainland China	Main business activities	Paid-in capital	Investment method (Note 2)	Accumulated amount of remittance from Taiwan to Mainland China as at January 1, 2022	Amount remitted from Taiwan to Mainland China/Amount remitted back to Taiwan for the year ended December 31, 2022		Accumulated amount of remittance from Taiwan to Mainland China as at December 31, 2022	Net income (loss) of investee for the year ended December 31, 2022	Ownership held by the Company (direct or indirect)	Investment income (loss) recognised by the Company for the year ended December 31, 2022 (Note 5)	Book value of investments in Mainland China as at December 31, 2022 (Note 5)	Accumulated amount of investment income remitted back to Taiwan as at December 31, 2022	Footnote
					Remitted to Mainland China	Remitted back to Taiwan							
BizLink Technology (Changzhou) Limited	(1) Manufacture of smart instrumental sensors, instrumental connectors and instrumental functional materials, and (2) sale of aforementioned products, import and export business.	\$ 1,330,850 USD 8,950 RMB 239,485	2	Note3	Note3	Note3	Note3	\$ 657,685	100%	\$ 657,660	\$ 2,709,241	Note3	Note4(2)B and Note14
BizLink Technology (Xiamen) Limited	(1) Manufacture of smart instrumental sensors, instrumental connectors and instrumental functional materials, and (2) sale of aforementioned products, import and export business.	519,521 USD 16,917	2	"	"	"	"	205,566	100%	205,487	1,376,469	"	Note4(2)B and Note14
BizLink Special Cables (Changzhou) Co., Ltd.	Manufacture and sales of power cords and cable assemblies used in the robot system, medical, automation, customized products and communication system.	393,088 USD 12,800	2	"	"	"	"	409,379	100%	397,065	1,830,616	"	Note4(2)B, Note 15, Note16 and Note17

Note 1: Paid-in capital was converted into New Taiwan dollars at the exchange rate as of December 31, 2022.

Note 2: Investment methods are classified into the following three categories; fill in the number of category each case belongs to:

- (1) Directly invest in a company in Mainland China.
- (2) Through investing in an existing company in the third area, which then invested in the investee in Mainland China.
- (3) Others.

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

Note 4: In the 'Investment income (loss) recognised by the Company for the year ended December 31, 2022' column:

- (1) It should be indicated if the investee was still in the incorporation arrangements and had not yet any profit during this period.
- (2) Indicate the basis for investment income (loss) recognition in the number of one of the following three categories:
 - A. The financial statements that are audited by international accounting firm which has cooperative relationship with accounting firm in R.O.C.
 - B. The financial statements that are audited by R.O.C. parent company's CPA.
 - C. Others.

Note 5: The amount was eliminated upon consolidation.

Note 6: Through investing in Bizconn International Corporation., which then invested in the investee in Mainland China.

Note 7: Through investing in Asia Wick Ltd., which then invested in the investee in mainland China.

Note 8: Through investing in OW Holding Inc. and then OptiWork, Inc. which then invested in the investee in mainland China.

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

Note 10: Through investing in BizLink (BVI) Corp., which then invested in the investee in Mainland China.

Note 11: Through investing in Zellwood International Corporation, which then invested in the investee in Mainland China.

Note 12: Through investing in Adel Enterprises Corp. which then invested in the investee in Mainland China.

Note 13: Through investing in Jo Yeh Company Limited, which then invested in the investee in mainland China.

Note 14: Through investing in EA Cable Assemblies (Hong Kong) Co., Limited, which then invested in the investee in mainland China.

Note 15: Through investing in Speedy Industrial Supplies Pte Ltd, which then invested in the investee in mainland China.

Note 16: Including recognition and elimination of realised and unrealised gains (losses) from reverse stream and side stream transactions.

Note 17: Please refer to Table 4.

Company name	Accumulated amount of remittance from Taiwan to Mainland China as at December 31, 2022	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
BizLink Holding Inc.	Note	Note	Note

Note: The Company is not a company established in Taiwan and therefore is not applicable.

BizLink Holding Inc. and subsidiaries

Major shareholders information

December 31, 2022

Table 11

Name of major shareholders	Shares	
	Name of shares held	Ownership (%)
Fubon Life Insurance Co., Ltd.	8,715,000	5.57%
Hwa Tse Liang and In Ru Kuo Family Trust	8,624,427	5.51%

Note 1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preference shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If the aforementioned data contains shares which were kept in the trust by the shareholders, the data was disclosed as a separate account of the client which was set by the trustee. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, refer to Market Observation Post System.