

BizLink Holding Inc **3665.TT**

Investor Presentation

2Q 2022 Version

August 2022



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Presentation Agenda

01 About BizLink

02 Why BizLink

03 Key Financials

04 ESG & Awards



BizLink

At a glance

5 core values
Integrity, Customer Orientation, Teamwork
Environment, and Innovation

Business

- ODM capabilities with **in-house** design, NPI, production, and testing
- Focused on commercial, and **industrial** markets and applications
- Superior at high-mix-low-volume & high-volume-low-mix

Goals

- A leading technology contributor and an **ESG** player by **2025**
- To enhance life and protect our environment through innovative, high-quality products and service solutions
- Tightly-integrated operations across **four major regions** worldwide

Culture

- **HQ in Fremont** – Silicon Valley mindset on a global scale
- **Five co-founders** continue to be deeply involved in daily operations
- Decades-long business partnerships for first-mover advantages

Bridging the divide with
the Silicon Valley.



What makes us Different

01 Culture

- Silicon Valley Mindset: Innovation, Flexibility, Speed, Competence, and Out-of-the-Box Thinking
- Global, Long-Lasting Partnerships with Customers

03 Support

- High Flexibility
- Quick Response
- Customer-Oriented

02 Product

- Forerunner in IT, EV, EA, and Optical industries
- Leverage capabilities and experience across regions and industries to address wider range of emerging applications

04 Manufacture

- One-stop shop: from design to mass production
- Automated manufacturing capabilities

Our story 25+ years in the making

1996

Founded BizLink as an IT & CE interconnect focused business



2019

- Received SGS Assurance for CSR report
- Rated Low-Risk by Sustainalytics
- Ranked Top-5% in TWSE Corporate Governance



2021

- Recategorized segments to highlight LT strategies
- Won IR Magazine recognition for IR efforts



2022

- Completed INBG M&A
- Ranked No.1 Asia Executive Team by Institutional Investor
- Ranked Top-5% in TWSE's 2021 Corporate Governance



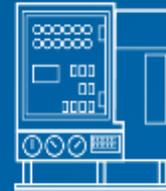
2011

Listed on the TWSE (3665.TT)



2017

Entered EA interconnect business via M&A



2020

- Entered System Integration business via M&A
- Green Revenues surpassed >10% of total annual sales
- Rated Low-Risk by FTSE-Russell



Product Timeline

- 1999 – Auto
- 2000 – Optical
- 2001 – Industrial
- 2002 – Medical
- 2008 – Solar power
- 2014 – 4K2K docking stations
- 2019 – 400G QSFP-DD cables

Global Footprint network



4 major regions globally
Total 32 sites



About 17,400 Employees
as of July 2022

Investment case: Our long-term value



Past



- Progressing from a company with high IT&CE sales exposure and **regional** production dependence...

Present



- ...To a **global** enterprise with diversified product segments and a diversified manufacturing footprint

Key rationale



- Maximizing **flexibility** and minimizing response time: hardening of our customers' supply chains
- Corporate level: Proactive but selective diversification to **reduce earnings cyclicality** and to develop and/or penetrate into new products and/or markets
- Business level: Controlled exposure to consumer-centric, cyclical industries for **greater resilience** and **constant growth** given LT potential from Mega-Trends
- Integrating **sustainability** into LT business planning and goal setting to share in global responsibility of creating a better future for all stakeholders

4 product segments: Long-term catalysts

% of sales	'19	'20	'21
Industrial	12%	16%	19%
<i>Secular as % of Industrial</i>	<i>> 5</i>	<i>> 40</i>	<i>> 55</i>
IT & DataComm	46%	41%	34%
<i>Secular as % of IT</i>	<i>> 5</i>	<i>> 15</i>	<i>> 20</i>
Automotive	16%	16%	17%
<i>Secular as % of Auto</i>	<i>> 35</i>	<i>> 45</i>	<i>> 50</i>
Electrical Appliance	25%	25%	28%

Secular Drivers have grown from 5-10% of 2019 sales to 20-25% of 2020 sales, and were nearly **30%** of 2021 sales with upside left to grow

Note:

1. Industrial Solutions business group of LEONI AG ("LEONI Industrial Solutions")
2. High mix low volume
3. High volume low mix



Industrial

- **Business nature:** **HMLV²** – includes Factory Automation, Healthcare, and Capital Eqpt
- **Solutions:** cable assembly, wire harness, box build, system integration, connectors
- **Strategy:**
 - Tap into infrastructure capex trends given under-spend during 2020-2021
 - INBG¹ M&A to expand capabilities and grab more opportunities sooner
- **Regions:** all 4 regions, varying degrees
- **Secular:** Factory Automation, Capital Eqpt



Automotive

- **Business nature:** **HVLM³** – includes Electric Vehicle and non-EV related
- **Solutions:** cable assembly, wire harness, charging gun/kit, electronics, connectors
- **Strategy:**
 - Target selective consumer & commercial EV opportunities
 - Raise technical & service offerings to tap into higher-value businesses
- **Regions:** all 4 regions, varying degrees
- **Secular:** Electric Vehicles



IT & DataComm

- **Business nature:** **HVLM** – includes High Performance Computing and peripherals
- **Solutions:** cable assembly, wire harness, PCB, finished goods, connectors
- **Strategy:**
 - Tap into distributed environment: lower peripheral, higher HPC
 - Use in-house expertise + resources to co-work with other segments
- **Regions:** North Asia + South Asia
- **Secular:** High Performance Computing



Electrical Appliance

- **Business nature:** **HVLM** – mainly tier-one European brand names
- **Solutions:** cable assembly, wire harness, systems, electronics, connectors
- **Strategy:**
 - Increase mix of custom-made premium system projects
 - Partner w/high growth potential small- to mid-sized customers
 - Further tweak European operations
- **Regions:** North Asia, Europe

INBG Opportunities across Diversified end-markets Healthcare, HPC, Factory Automation, Transportation

INBG Business Units Overview

Healthcare (HC)

Top 1 in EMEA

- Rapidly aging global population to lead to rising imaging and dental demand to maintain wellness and prolong life thru health diagnostics
- Enables data/signal/power transmission for medical eqpt OEMs, and **boosts our Healthcare exposure**

Factory Automation: Robotic Solutions (RS)

Top 1 in EMEA

- Shift towards automation and **smart factories** post-pandemic given higher costs and inconsistent supply of labor
- Provides cables, dress packs & custom turnkey solutions/system integration for process and machine control

Silicone (SIL)

Top 1 in EMEA

- Rise of applications with higher thermal, electrical, mechanical, and flexibility needs: no other materials with similar operating properties, and temperature range (-60C to +200C)
- Enables power transmission, including for **modernization of transportation infrastructure and xEV**

Telecomm. Systems (TS)

Top 5 in EMEA

- Rising needs to support greater data generation, storage, processing, and transmission, including for Industrial 4.0, amid rising densification
- Enables data transmission across mobile networks and within data-centers, and **boosts our HPC exposure**

Factory Automation: Automation & Drives (AD)

Top 5 in EMEA

- Driven by growing adoption of **high speed data communication** from machine control to field IO applications
- Supplies data transmission and power supply cables, including for factory automation eqpt solution providers

Tailor-Made Products (TMP)

Top 1-5 in EMEA

- General trend towards customized, high-end, high-tech, complex applications encompassing a wide variety of end-markets
- **Adds higher spec capabilities**, including in specialized areas within Capital Eqpt and Healthcare

Product Segment Inclusion

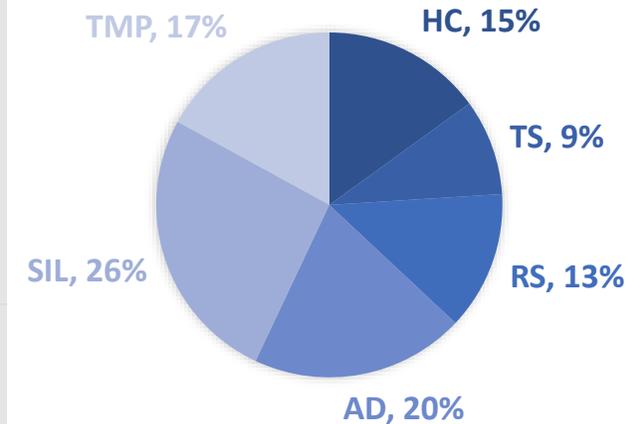
Industrial: AD + RS + HC + TMP

IT DataComm: TS

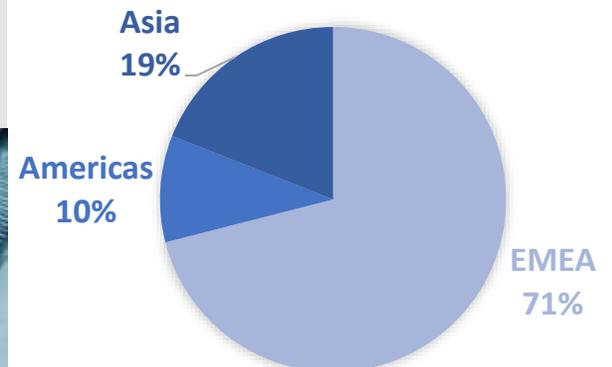
Automotive: SIL



2Q 2022 SALES BY BU

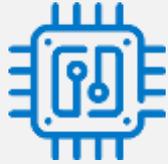


2Q 2022 SALES BY GEOGRAPHY



Mega-trends

Capture More Opportunities



Capital Eqpt

Unprecedented rise in demand from an increase in silicon dollar content per device from multiple suppliers in multiple industries. Localization efforts are an additional driver.



Industrial 4.0

Factory automation and digitalization drives rising complexity and demand for robotic interconnect solutions. IoT and energy infrastructure are additional drivers.



High Perf Compute

Increased data and higher transmission speed needs from smart devices are driving significant growth in data centers. Data-centers to need robust power solutions.



Auto Electrification

Internal combustion engine vehicles slowly being replaced by battery electric vehicles with growing data, power, and signal needs to support a computer-on-wheels future.



Healthcare

The enablement of AI, machine learning, and advanced diagnostics to boost demand for interconnect solutions, including for imaging, in-body, and aesthetics applications.

Annual sales in our Mega-Trend areas grew by +33% CAGR from 1/5 of sales in 2019 to 1/3 of sales in 2021 with more room to grow

BizLink 4.0

Industrial Solutions M&A

Synergies to be gradually realized across revenues and costs (COGS + OpEx) as well as manufacturing and supply chain as integration activities progress

FY20 Sales
~ \$ 764m

FY21 Sales
~ \$1,024m

Employees
~ 11,300

Mainly in Asia with some in North America & Europe

Main is in IT with EA second largest but with Auto and Industrial gradually catching up

Markets/BU ²	FY20	FY21
Industrial	16%	19%
IT DataComm	41%	34%
Automotive	16%	17%
Electrical Appliance	25%	28%

BizLink + INBG

Expect earnings accretion immediately upon consolidation with room to grow over time as full potential of combined teams grab more opportunities sooner

Addition of INBG's technical capabilities and leading market position within Industrial to greatly enhance our combined offerings

Greatly diversify regional exposure for a truly global market presence – strengthen activities and leverage our capabilities together

Greatly diversify market exposure from heavy-IT to heavy-Industrial – take advantage of coming wave of infrastructure spending

FY20 Sales
~ € 432m

FY21 Sales
~ € 541m

Employees
~ 3,000

Mainly in Europe with some in North America & Asia

Main is in Industrial with light exposure to IT and to Auto

Markets/BU	FY20	FY21
Tailor-made Products	19%	17%
Silicone	19%	22%
Telecom Systems	10%	9%
Healthcare	19%	18%
Robotic Solutions	14%	13%
Automation & Drives	19%	21%

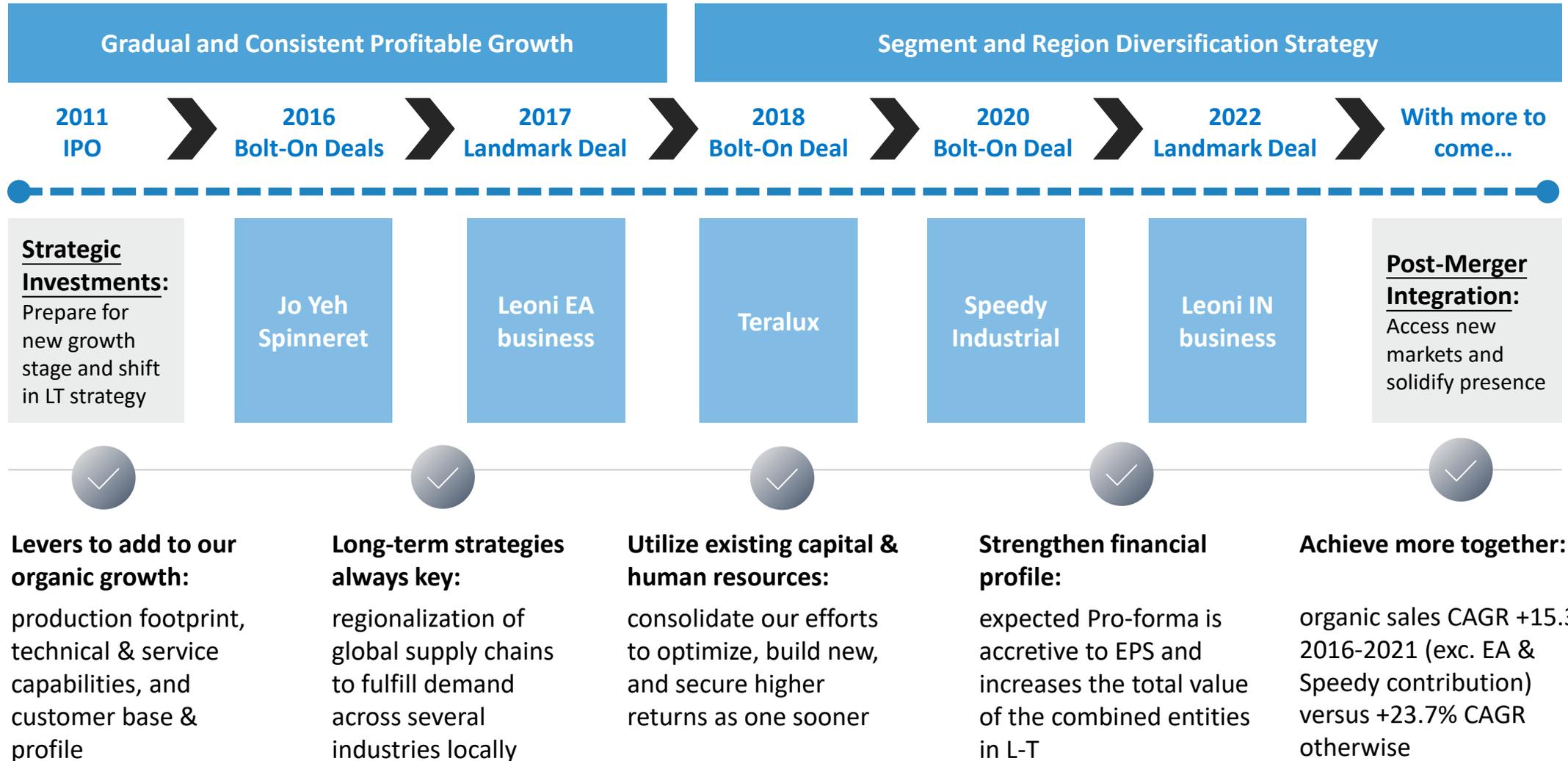


Note:

1. Industrial Solutions business group of LEONI AG ("LEONI Industrial Solutions")
2. Others was 2% of sales

Strategic opportunities to Complement growth

BizLink's proven execution track record and strong management team to drive significant long-term value creation for all stakeholders



Well-equipped to Capitalize on growth opportunities

EABU (acquired in 2017)¹
Enterprise Value: €50 million

“We have received tremendous support from BizLink with investments in customer projects; it enabled us in parallel to extend our value chain, which helped us to deal much better with the recent raw material constraints.” – *Senior Vice President, EABU*

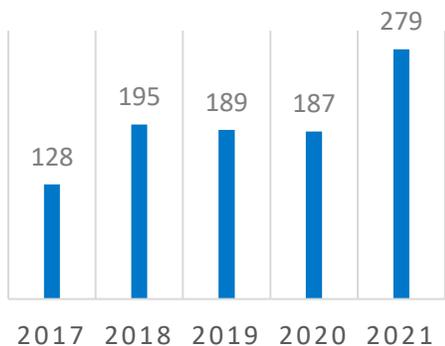
- Realized upselling with existing EA customers with connectors and by using IT-related products from BizLink. Created cross-selling with other segments within BizLink through EA’s production network
- Progressing to a Silicon Valley culture from a more conservative European background

Speedy Industrial (acquired in 2020)²
Enterprise Value: SGD \$65 million

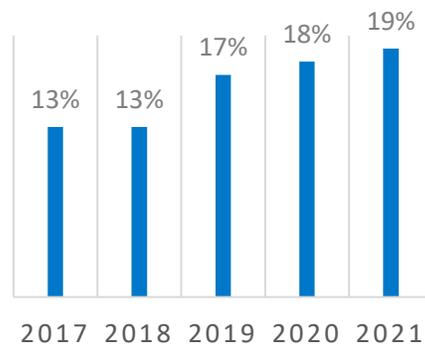
“By combining the best-in-class wire harness and system integration with BizLink’s offerings, we achieved the leadership position in providing complex solutions for semiconductor equipment and medical products.” – *General Manager, Speedy*

- Leveraging the procurement power of BizLink to mitigate supply chain impacts and to better negotiate on pricing with suppliers
- Successfully grew our top line with key customers as we evolved from a component supplier to a solution provider. More growth can be expected in applications that require “high mix low volume” expertise

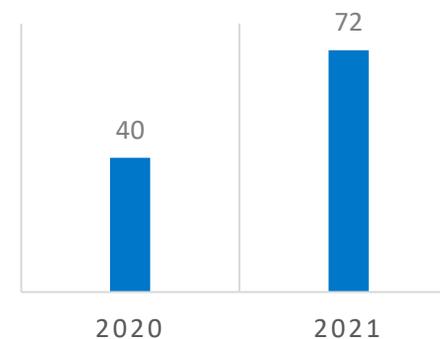
REVENUE (USD)



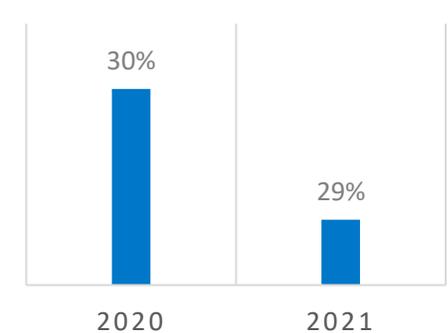
GROSS MARGIN



REVENUE (SGD)



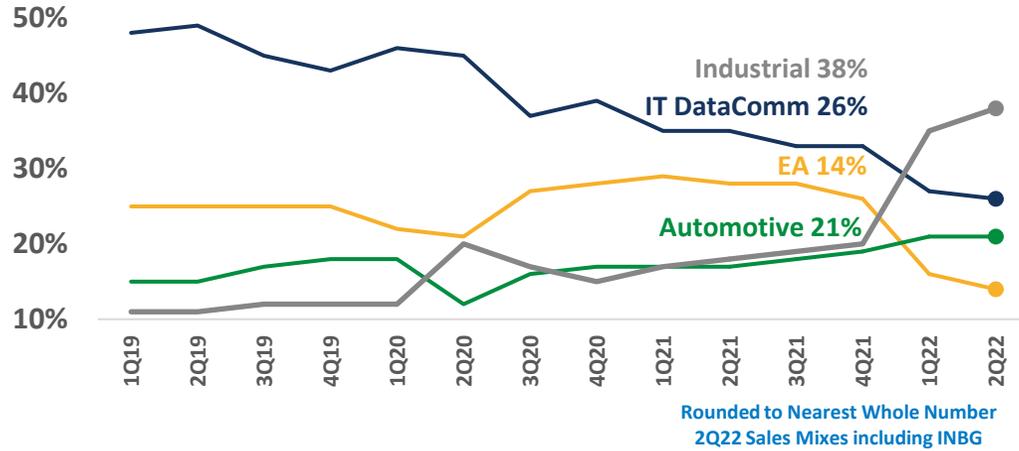
GROSS MARGIN



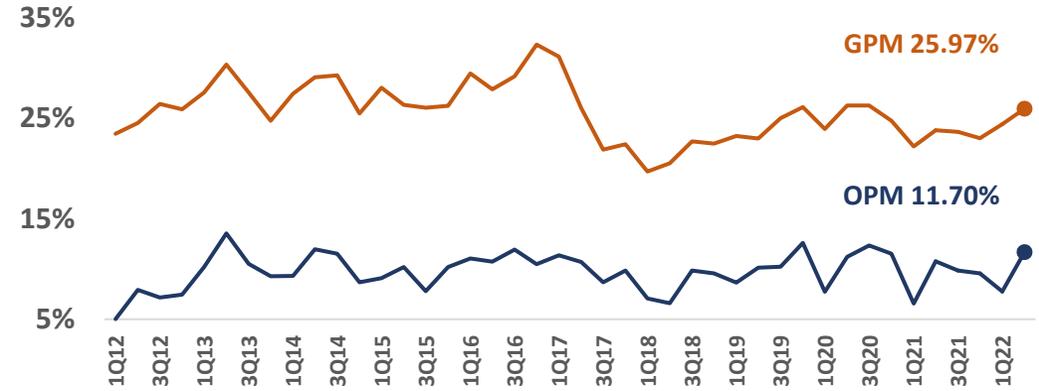
Note:
1. EABU: began consolidating from May 2017
2. Speedy: began consolidating from April 2020

Key Financials

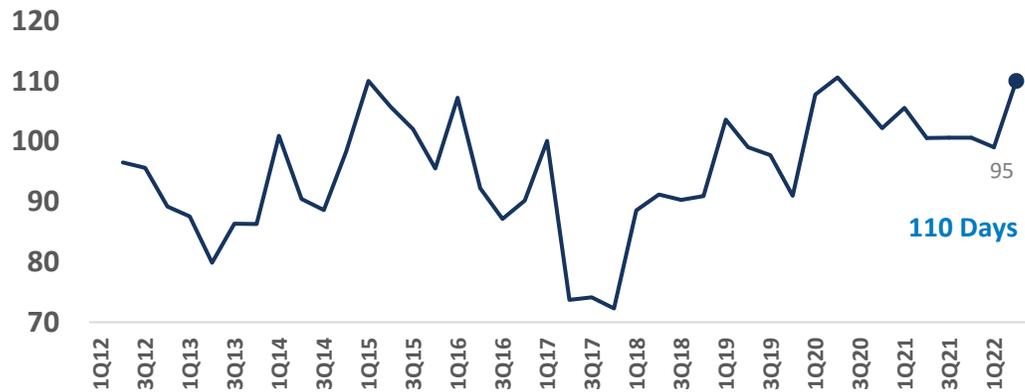
Product Segment Sales Mix



Gross and Operating Margins



Cash Conversion Cycle



Return on Invested Capital



Rolling Avg LTM ROIC

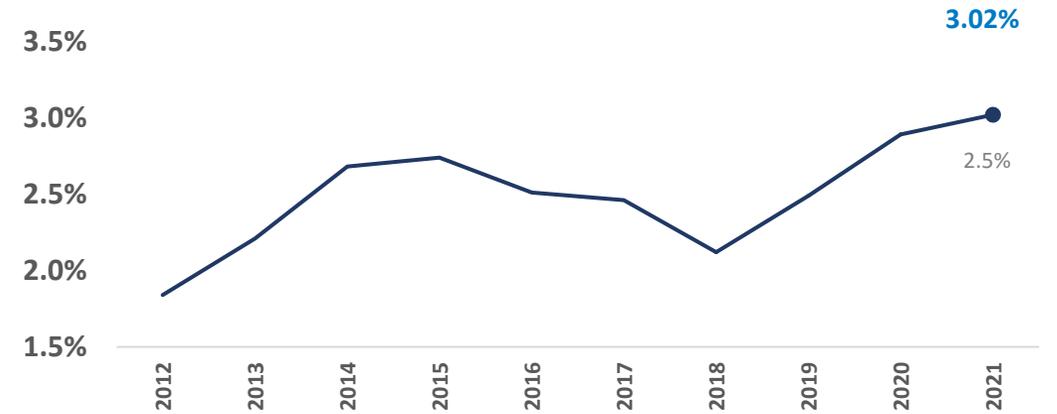
Key Financials

Capital Expenditures

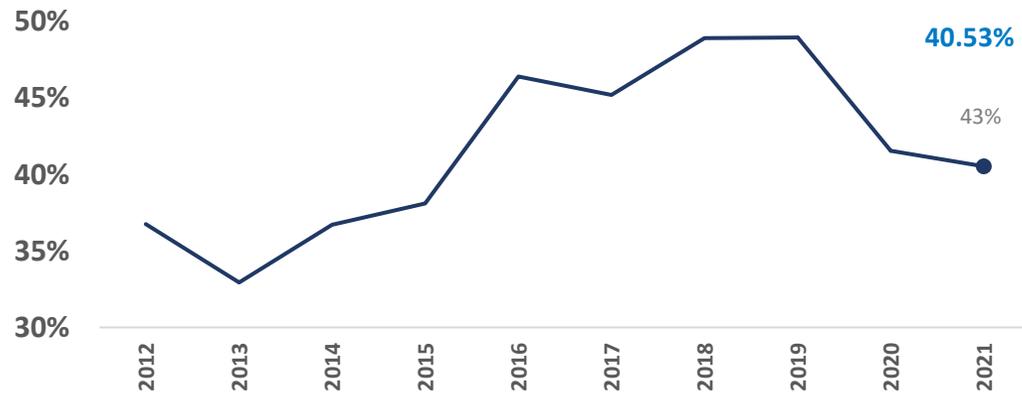
Budget vs Actual



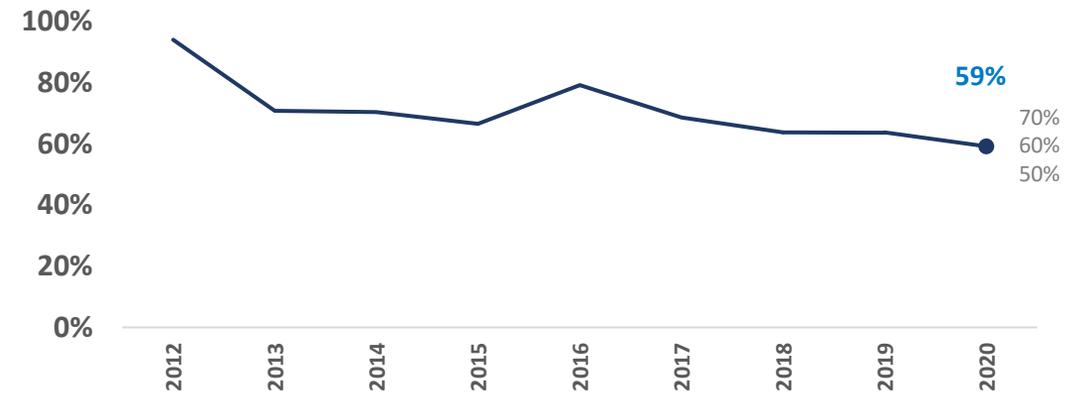
R&D to Sales Ratio



Liability to Asset Ratio



Dividend Payout Ratio



E

Energy generation & conservation

- Bolster carbon emission reduction and energy conservation measures plus raise **energy** utilization efficiency
- Expanded scope of **environmental** data collection and analysis from 9 sites in China in 2019 to all 17 in 2020
- Production lines are currently mainly based on **dry** assembly processes and most consume local sources only
- **Renewable** energy generation: introduce at more sites in coming years, Malaysia & Fremont up and running

S

Social empowerment & improvement

- Continued **donations** to financially support charitable organizations & research efforts that align with our values
- Comply with local laws and regulations, **support** related international standards, and sustain no controversy status
- Increase involvement with local communities through various **activities** to solidify and improve relationships
- Ongoing education and training of global staff to identify talents, prepare **successors**, and broaden skill pool

G

Governing for sustainable excellence

- Board **Oversight** to strengthen their performance: Audit, Remuneration, and Corporate Governance committees
- Annual TWSE **Corporate Governance** evaluation: continue to be ranked in Top-20% of companies (or better)
- All staff sign Statement of Integrity and Ethical Standards, "**Code of Conduct**" formed to bolster our values
- Global Sustainability Center (GSC): enforces "**zero accident**" policy across sites for optimal working environment

BizLink

Corporate LT strategies

- Long-term strategies: reduce supply shocks from climate change and natural disasters, reduce carbon footprint
- Secular drivers: **Green Revenues** (EV, Charging, Energy) to continue to grow as percentage of total annual sales
- Maximize **transparency** and accessibility of info, set goals and strategies to achieve them, and share progress
- Open **communication** channels for all stakeholders to obtain feedback, improve, and to realize our full potential

Sustainability Achievements in 2021

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

View CSR Reports:

<https://www.bizlinktech.com/esg/detail/11>



Malaysia Site:
Nearly 500MWh of Solar Energy Generation Contributed Annually (2020-2021)

Social Contribution

- Green Plants Growth **3851 tree(s)**
- Emission Reduction **1405.77 Ton**
- Bulb Usage **1 Hundreds of millions Hour**

Generation(Annual)

Yearly Production **479.63 MWh**



as of Dec 22, 2021



26.74%

Net Income Increased



20.86%

GHG Intensity Reduction



9.7%

Water Consumption Intensity Reduction



6.59%

Energy Consumption Intensity Reduction



5%

Corporate Governance Rated Top



93%

Customer Satisfaction



46%

Charitable Donations Increased

ESG Awards & Recognition

- BizLink began publishing **CSR** report in 2017 and received **SGS Assurance** starting 2018
- **Global Sustainability** Center and **Digital Transformation** Office have been set up to ensure proper steps are taken and to measure our performance

<p>Sustainalytics 2021 Evaluation – Rated as a Low Risk Company</p>	<p>Newsweek – 2022 America’s Most Responsible Companies #186</p>	<p>FTSE Russell 2020 Evaluation – Rated as a Low Risk Company</p>
<p>Taiwan Stock Exchange – 2021 Corporate Governance Top 5%</p>		<p>TWSE Taiwan Indices – Corporate Governance 100 (effective 7/19/2022)</p>
<p>AsiaMoney – 2019-2021 Outstanding Companies – Taiwan Automobiles & Components Sector</p>	<p>IR Magazine – 2021 Greater China Best in Technology</p>	<p>Institutional Investor – 2022 No.1 Asia Executive Team within Small & Mid Cap: Technology / Hardware</p>

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