

2017 Annual Report

BizLink Holding Inc.



I. The name, title, telephone number, and e-mail address of the spokesperson and deputy spokesperson:

- (I) Spokesperson: Chien-Hua Teng Title: Chief Executive Officer
Tel: (886)2-8226-1000 Email: felix@BizLinktech.com
Deputy Spokesperson: Chen-Shen Chou Title: Vice President
Tel: (886)2-8226-1000 Email: paul_chou@BizLinktech.com
- (II) Litigation representative in R.O.C.; title; contact telephone and email
Yin-Shu Kuo Title: Special Assistant to President
Tel: (886)2-8226-1000 Email: elaine_kuo@BizLinktech.com

II. Address and telephone number of all operation locations:

(I) Parent company

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Website : <http://www.BizLinktech.com> Tel : (886)2-8226-1000

(II) Subsidiaries and manufacturing plants

Name : BIZLINK TECHNOLOGY INC.	Address : 47211 Bayside Parkway. Fremont, CA 94538,USA
Website : http://www.BizLinktech.com	Tel : (1)510-252-0786
Name : BIZLINK INTERCONNECT TECHNOLOGY (INDIA) PRIVATE (LIMITED)	Address : 8F, SLN Terminus, Survey No. 133, Gachibowli, Hyderabad, Telangana 500032, India
Website : http://www.BizLinktech.com	Tel : (91)40-40207673
Name : OPTIWORKS, INC.	Address : 47211 Bayside Parkway. Fremont, CA 94538, USA
Website : http://www.optiworks.com	Tel : (1) 510-438-4560
Name : OPTIWORKS (SHANGHAI) CO., LTD.	Address : Room 309, Changchun Business Building, No. 953 Qinzhou North Road, CaoHeJing Hi-Tech Park, XuHui District, Shanghai City
Website : http://www.optiworks.com	Tel : (86)21-64858787
Name : OPTIWORKS (KUNSHAN) CO., LTD.	Address : No.168, Nanhe Road, Kunshan Economic &Technology Development Zone, Kunshan City, Jiangsu Province
Website : http://www.optiworks.com	Tel : (86)512-57630863
Name : BIZLINK (BVI) CORP.	Address : OMC Chambers, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands
Website : http://www.BizLinktech.com	Tel : (886)2-8226-1000
Name : HUA ZHAN ELECTRONICS (SHENZHEN) CO., LTD.	Address: 2F.,P2 Building, No.86 Lingxia Road, Fenghuang Park, Fuyong Town, Baoan District, Shenzhen City
Website : http://www.BizLinktech.com	Tel : (86)755-27306898
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Name : ZELLWOOD INTERNATIONAL CORPORATION	Address : OMC Chambers, P.O. Box 3152, Road Town, Tortola, British Virgin Islands
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Name : BIZCONN INTERNATIONAL CORPORATION	Address : Offshore Chambers, P.O. Box 217, Apia, Samoa
Website : http://www.BizLinktech.com	Tel : (886)2-8226-1000
Name : BIZLINK INTERNATIONAL ELECTRONICS (SHENZHEN) CO., LTD.	Address: 2F.,P1 Building, No.86 Lingxia Road, Fenghuang Park, Fuyong Town, Baoan District, Shenzhen City
Website : http://www.BizLinktech.com	Tel : (86)755-33889898
Name : BIZLINK (KUNSHAN) CO., LTD.	Address: No.168, Nanhe Road, Kunshan Economic & Technology Development Zone, Kunshan City, Jiangsu Province
Website : http://www.BizLinktech.com	Tel : (86)512-57630888
Name : BIZLINK TECHNOLOGY (S.E.A.) SDN. BHD.	Address : No.2722, Lorong Jelawat 2, Kawasan Perusahaan Seberang Jaya, 13700, Penang, Malaysia.
Website : http://www.BizLinktech.com	Tel : (60)4-399-4428
Name : ASIA WICK LTD.	Address : Flat B 19/F, Wing Hang Insurance Bldg, 11 Wing Kut ST, Central, HK
Website : http://www.BizLinktech.com	Tel : (886)2-8226-1000
Name : ADEL ENTERPRISES CORPORATION	Address : OMC Chambers, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands
Website : http://www.BizLinktech.com	Tel : (886)2-8226-1000
Name : BIZLINK ELECTRONICS (XIAMEN) CO., LTD.	Address : No.7 Zhongwan Road, Xingbei Industrial Zone, Xinglin Town, Xiamen, Fujian
Website : http://www.BizLinktech.com	Tel : (86)592-6218051

Name : TONGYING ELECTRONICS (SHENZHEN) LTD.	Address : No. 18 Jiejiabao Road, Shutian Village Shiyan Town, Baoan District, Shenzhen City, Guangdong Province
Website : http://www.BizLinktech.com	Tel : (86)755-338609881
Name : BIZLINK TECH, INC.	Address : Aircraft Rd, EL Paso, TX 79932, USA
Website : http://www.BizLinktech.com	Tel : (1)915-8774888
Name : ACCELL CORPORATION	Address : 47211 Bayside Parkway. Fremont, CA 94538, USA
Website : http://www.BizLinktech.com	Tel : (1)510-438-9288
Name : BIZLINK TECHNOLOGY (IRELAND) LTD.	Address : G.D. House, Tallaght Business Park, Tallaght, Dublin 24, Ireland
Website : http://www.BizLinktech.com	Tel : (353)1-4626126
Name : ビズリンク株式会社	Address : TTD Building 3F Room No. 312. 1-2-18 Mita Minato-ku, Tokyo, Japan 108-0073
Website : http://www.BizLinktech.com	Tel : (81)3-6435-2918
Name : BIZLINK WIDE LIMITED	Address : Room B, 19th floor, Wing Hang Insurance Building, 11 Wing Kut Street, Central, Hong Kong
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Name : XIANG YAO ELECTRONICS (SHENZHEN) CO., LTD.	Address : No.86 P6 Building, Lingxia Road, Fenghuang Park, Fuyong Town, BaoAn District, ShenZhen City
Website : http://www.BizLinktech.com	Tel : (86)755-33889898
Name : BIZCONN INTERNATIONAL CORPORATION	Address : No.86, F02 Building, Lingxia Road, Fenghuang Park, Fuyong Town, Baoan District, Shenzhen City
Website : http://www.BizLinktech.com	Tel : (86)755-33845888
Name : BIZCONN TECHNOLOGY INC.	Address : 47211 Bayside Parkway. Fremont, CA 94538, USA
Website : http://www.BizLinktech.com	Tel : (1)510-252-0786
Name : BOBI, LLC	Address : 47211 Bayside Parkway. Fremont, CA 94538, USA
Website : http://www.BizLinktech.com	Tel : (1) 510-252-0786
Name : JO YEH COMPANY LIMITED	Address : 1004 AXA Center, 151 Gloucester Road, Wan Chai, Hong Kong
Website : http://www.BizLinktech.com	Tel : (852) 2687-2002
Name : NANHAI JO YEH ELECTRONIC CO., LTD.	Address : Jiujiang Industrial Park, Dun Gen Section, Longkao Road, Jiujiang Town, Nanhai District, Foshan City
Website : http://www.BizLinktech.com	Tel : (86) 0757-86503111
Name : EA CABLE ASSEMBLIES (HONGKONG) CO., LIMITED	Address : 1004 AXA Center, 151 Gloucester Road, Wan Chai, Hong Kong
Website : http://www.BizLinktech.com	Tel : (886)2-8226-1000
Name : EA CABLE ASSEMBLIES GMBH	Address : Längenmühlweg 24, D-86633 Neuburg an der Donau, Germany
Website : http://www.BizLinktech.com	Tel : (49) 911 8919 9698
Name : BIZLINK TECHNOLOGY (BELGIUM) N.V.	Address : Kempische Steenweg 293/10, B-3500 Hasselt, Belgium
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Name : BIZLINK TECHNOLOGY (SLOVAKIA) S.R.O.	Address : 914 01 Trenčianska Teplá 1356, Slovakia
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Name : BIZLINK TECHNOLOGY SRB D.O.O.	Address : Vasilija Djurovica Zarkog 56, 18400 Prokuplje, Serbia
Website : http://www.BizLinktech.com	Tel : (381) 27 240 450
Name : BizLink Technology (Changzhou) Ltd.	Address : No.6, North Changjiang Rd., New Dist., Changzhou, Jiangsu 213022
Website : http://www.BizLinktech.com	Tel : (886)2-8226-1000
Name : BizLink Technology (Xiamen) Ltd.	Address : No. 28, Pingcheng Central Rd., Haicang, Xiamen, Fujian 361026
Website : http://www.BizLinktech.com	Tel : (86) 592 770 1801
Name : OW HOLDING INC.	Address : P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands
Website : http://www.BizLinktech.com	Tel : (886)2-8226-1000

III. The name, address, e-mail address, and telephone number of the agency handling share transfers

Name: Fubon Securities, Stock Affair Agency
Address: 6F., No.6, Sec. 1, Zhongxiao E. Rd., Zhongzheng Dist., Taipei City, Taiwan
Website: <http://www.gfortune.com.tw>
Tel: (886) 2-2371-1658

IV. The name of the certified public accountant who duly audited the annual financial report for last fiscal year, and the name, address and telephone number of the accounting firm:

CPA: Mr. Chung-Chen Chen and Mr. Cheng-Quan Yu

CPA firm: Deloitte & Touche

Website: <http://www.deloitte.com.tw>

Address: 12F., No.156, Sec. 3, Minsheng E. Rd., Songshan Dist., Taipei City 105, Taiwan

Tel: (886)2-2545-9988

- V. The name of any exchanges where the company's securities are traded offshore, and the way to access information on said offshore securities: N.A.

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

VII. Board members:

Title	Name	Note	Selected Experience
Chairman	Hwa-Tse Liang (Nationality USA)		Please refer to page 10~12 in this chapter
Director	Inru Kuo (Nationality USA)		
Director	Chien-Hua Teng (Nationality R.O.C.)		
Director	Huong-Chang Chen (Nationality R.O.C.)	November 14 th , 2017 Resignation of Director	
Independent director	Jr-Wen Huang (Nationality R.O.C.)		
Independent director	Ming-Chun Chen (Nationality R.O.C.)		
Independent director	Chun-Yen Chang (Nationality R.O.C.)		

Table of Contents

One	Message to Shareholders.....	1
Two	Company Overview	4
I.	Establishment Date and Organization Overview.....	4
II.	Group Overview	4
III.	Group Structure	7
IV.	Risk Management.....	7
Three	Corporate Governance	8
I.	Organizational Chart	8
II.	Biographies of Company Directors, Supervisors, President, Vice Presidents, Asst. VPs, and Heads of Departments and Branches	10
III.	Corporate Governance Practices	21
IV.	Information on Accountant's Fee	49
V.	Change of Accountant : None	49
VI.	Declaration of the Company's Chairman, President, or any finance and accounting officers ever holding a position in the accounting firm or its affiliates of the company's CPA: None	50
VII.	Declaration of share transfers and pledges by directors, supervisors, and shareholders holding more than 10% of the company shares, in last fiscal year and year to date of the annual report publication.....	50
VIII.	Information on the top 10 shareholders who meet the related party disclosure terms.....	51
IX.	Declaration of shareholdings and the accumulated holding percentages on investments by the company, directors, supervisors, managers, direct, or indirect subsidiaries	52
Four	Capitalization.....	54
I.	Capital and Shares.....	54
II.	Issuance of Corporate Bonds (Including Overseas Corporate Bonds)	66
III.	Preferred Shares: None.....	67
IV.	Issuance of Global Depositary Receipts Shares: None.....	67
V.	Issuance of Employee Stock Options	67
VI.	Issuance of New Employee Stock Options as of the date of this Annual Report	68
(I)	Issuance of New Employee Stock Options.....	68
VII.	New restricted employee shares as of the date of this Annual Report: None	70
VIII.	Mergers & Acquisitions, and the issuance of new shares due to acquisition of shares of other companies: None	70

IX.	Capital allocation.....	70
Five	Operating Summary.....	71
I.	Business Operation.....	71
II.	Overview of the Market, Production, and Sales.....	76
III.	Employees in 2016, 2017, and as of the date of this Annual Report.....	84
IV.	Environment Protection Expenditures.....	85
V.	Labor Relation.....	86
VI.	Important contracts.....	91
Six	Financial Highlights	92
I.	Financial Information from 2013 to 2017	92
II.	Financial Ratio Analysis from 2013 to 2017.....	95
III.	Audit Committee Report	97
IV.	Financial reports in recent years, including CPA audit reports, two comparable balance sheets, statements of comprehensive income, statements of changes in equity, statements of cash flows.....	98
V.	Audited stand-alone financial statements in recent years, not including detailed list of important items: None.	98
VI.	The Company should disclose the financial impact to the Company if the Company and its affiliates have incurred any financial or cash flow difficulties in recent years or as of the date of this Annual Report: None.	98
Seven	Financial Status, Performance Review, and Risk Analysis	99
I.	Financial Condition Analysis	99
II.	Financial Performance.....	100
III.	Cash Flow.....	101
IV.	Major Capital Expenditures and Impact on Finance and Business in 2017	101
V.	Investment Policies, Reasons for Gains (Loss), Plans for Improvement, and Future Investment Plans	101
VI.	Analysis of Risk Items in 2015 and 2016 and Up to the Date of Annual Report	102
VII.	Other Material Matters	107
Eight	Special Notes and Others.....	108
I.	Affiliates' Information.....	108
II.	Private placement securities in 2017 and as of the date of this annual report: None.....	110
III.	Shares of the Company acquired, disposed of, and held by subsidiaries in 2017 and as of the date of this annual report: None.....	110

IV.	Other Necessary Supplements: None.	110
V.	Occurrence, in 2016 and as of the date of this annual report, of matters that significantly affected the shareholders' equity or the stock price of the Company as described under Article #36-3-2 of the Securities and Exchange Act: None.	110
VI.	Exercising shareholders' rights.....	110
Appendix- 2016 and 2017 Financial Statements.....		111

One Message to Shareholders

Dear Madam/ Sir:

The Company hereby reports its operating results for 2017 and a summary of the business plan for 2018:

Financial Performance

The year 2017 was a fruitful year for BizLink; both our revenues and profits increased significantly. Our consolidated revenue was NT\$15,599.20 million in 2017, a YoY growth of 69.41%, with a net profit increase of 27.75% for an EPS of NT\$10.68.

Company Development

To carry out our long-term goal, we achieved a milestone through a strategic move in May 2017: Acquiring the Electrical Appliances Cable Assembly under the LEONI group from Germany. The manufacturing capacity, thereby, expanded to Eastern Europe and an Electrical Appliances business unit was added, which has brought in new customers with high-end brands in Europe to our business and led revenue leaps.

In addition to the rapid expansion into new markets, the organic business has also delivered an eye-catching performance, especially, the new cable docking product: A new generation cable docking carrying Type - C plus various product features to fully match the latest trend of thin and light laptops and to meet the needs of the commercial-use market. For this product, our sales, technology, R&D as well as production teams have worked seamlessly to ensure its strong demand is fulfilled. In the meantime, our new product introduction (NPI) team in North America was ready and brought in new customers from the semiconductor equipment sector that had rush orders for their Asian clients. Looking back at 2017, we worked diligently to complete strategic investments, tap into new products, acquire new potential customers, and set a new record of over 75% sales growth for the Company.

Of course, we also faced various challenges. The first was the integration of two entities, including sales, operations, human resources, MID and financial departments, which was no easy task. We, however, under a very tight time frame, coordinated among each counterpart located in different time zones to undertake various projects and completed the merger procedures as scheduled. Secondly, we took a series of actions to cope with the sudden needs in additional production capacity and R&D, an intense schedule for project kickoffs, and shortage in supporting resources due to a surge in orders. This involved collaborating with our supply chain to meet the urgent orders, drafting future capacity plans, dividing R&D tasks into different specializations, utilizing existing resource with greater flexibility, focusing on the target markets, launching new projects, as well as actively recruiting talents to strengthen the core team and create organizational agility.

The challenges also came from the external environment at the same time, including volatile exchange rates, surging raw materials prices, a shifting national trade policy, and labor shortages. To tackle these, we have hedged our currency risks, diversified our purchasing strategies, relocated our production and increased automation. From time to time, the management team readjusted its direction to cope with the drastic market changes and to continue moving forward steadily.

Public welfare sponsorship

The Company continued to actively participate in public welfare activities during the year. In Taiwan, in order to encourage healthy living, we sponsored marathon events, which motivated employees to step outside and enjoy sports. We also financed social service agencies to bring theatrical plays from cities to the countryside, allowing rural children, the elderly and families to experience the art performances. We continued to pay attention to and support vulnerable children and related charity organizations, such as Washington Hospital with the project and handling of constructing emergency room and intensive care units, UNICEF, World Vision, Medicines Sans Frontiers (MSF), FCSN (Friends of Children with Special Needs) in the U.S., Children Oakland Hospital, Smile Train (assistance agencies for kids with cleft palate), and other agencies.

Development Highlights in 2018

Resources integration for better efficiencies.

The Company continued to strengthen its firmware R&D capabilities to support product development, automation, smart manufacturing and production optimization. In the production of industrial products, we developed automation modules to enhance the automation levels. In manufacturing, we have developed the technology for engineering testing, phased in a stricter quality assurance system at our global manufacturing bases to improve quality control efficiency and production yield and to enforce the use of environmental-friendly production materials. We are committed to the integration of information systems to ensure close linkages among ordering, manufacturing, logistics, and personnel management systems across the globe.

Product Development

Following the rising global trends in the commercial-use market focusing on light-weight and thin hand-held devices, high speed signal transmission and power supply efficiency, cloud computing applications, electric vehicles and automobile electronics, as well as the semiconductor industry and other fields, we plan to develop advanced applications in Media Stream HUB, and cable docking product lines, equipped with wireless and power supply technology. In the field of high-speed cables, in addition to the Thunderbolt-3 high-speed cable, we are exploring active optical cables and direct attachment cables needed for cloud storage to cater to demand for the next-generation cloud platform. In the field of electric vehicles, we will keep developing power supply applications under EVSE (electric vehicle supply equipment) to fulfill the demands from the electric vehicle markets.

Business Model

We know the connecting device industry is a mega industry with broad applications in many areas. To get ahead, we will co-develop new markets with our strategic partners to quickly broaden our product applications and cross the geographical barriers. Since then, we have worked together with the newly-joined European electrical appliance division to steadily expand our services to the existing customers and increase selling to them.

Production site planning

To cope with our business growth, we have expanded our production capacity in Kunshan, China and Serbia. To raise up the in-house production ratio and save sourcing costs, new PVC compounding lines were added to the Slovakia site. At the same time, our production management system started to apply to the optical communications division and the production lines in California.

More strategic investments

We are adopting prudent strategies to acquire target customers and key technologies and to upgrade production capabilities.

Future Prospective

Refine our team and manufacturing process

The Company has established a global team of diverse cultures. The team is not only expanding but polishing itself to better master the growing international business. For management, we have built BizLink 4.0 platform to assist in routine management and prevent exposure to operating risks. For manufacturing, we have set up a standardized quality control system, from North America through all our global production sites, to align the quality and service standards. For production, while expanding for the business growth, we never stop pushing production line automation, augmenting the automation execution team to fully utilize automated manufacturing and applying the collected data to improve quality and reduce reliance on manpower. Our excellent teams and advanced manufacturing capabilities are the cornerstone of our success.

Commitment to Investors

In January 2018, we complete a capital injection, followed by an issuance of convertible corporate bonds. The success of the funding runs strongly demonstrated our investors' confidence in our future and potential.

We are in the connected device industry, which is involved in multiple applications and comes with huge market potential. For 21 years, we have taken the global lead in multiple product categories and built worldwide operating sites around the key customers. Our core management team is stable, reliable and competent, and highly appraised for leading the revenue growth and keeping business promises.

Long-term development is the commitment from the management team to the shareholders as well as to the Company. In 2018, we will adhere to the spirit of excellence and accomplish another year of success.

BIZLINK HOLDING INC.

Chairman Hwa-Tse Liang

Chief Executive Officer Chien-Hua Teng

Chief Financial Officer Shiou-Lin Chen

Two Company Overview

I. Establishment Date and Organization Overview

BizLink Holding Inc. was founded on June 1, 2000, in the Cayman Islands. The subsidiaries include BizLink Technology Inc., OptiWorks Inc. in US, BizLink International Corp. in Taiwan, OptiWorks (Shanghai) Co., Ltd., BizLink (Kunshan) Co., Ltd., Xiang Yao Electronics (Shenzhen) Co., Ltd., and BizLink Electronics (Xiamen) Co., Ltd., Jo Yeh Company Ltd. in Foshan, BizLink Technology (Changzhou) Ltd., BizLink Technology (Xiamen) Ltd., BizLink Technology (Ireland) Ltd., Bizlink Technology (Belgium) N.V., EA Cable Assemblies GmbH, BizLink Technology (Slovakia) s.r.o., BizLink Technology SRB d.o.o., and subsidiaries in the British Virgin Islands, including BizLink (BVI) Corp.. All the above subsidiaries are wholly owned.

The business scope of the group comprises the research and development, design, manufacturing, and sales of products and components for diverse tech industries. These include computer peripherals, consumer electronics, cables and harnesses for electrical appliances, vehicles, medical equipment, optical communication devices, photovoltaic component products, and industrial cables.

II. Group Overview

Year	Milestones
1996	BizLink was founded in Taiwan, registered under the Chinese name “貿聯國際有限公司.”
1997	BizLink Technology was established in the US as the corporate headquarters with a list of established brand names as its first customers, including Dell, Intel, and Gateway.
1998	BizLink Xiamen was established and received certification to the ISO9002 Quality Management Systems. BizLink Ireland was established in Dublin to serve European customers, such as Siemens. Acquired Excel Products Inc. and obtained customers such as Compaq, Philips, etc. in response to NAFTA.
1999	BizLink Shenzhen received certification for QS9000 Quality Management Systems and entered the vehicle wiring harness market. Malaysian office formed, serving Southeast Asian customers such as Flextronics.
2000	BizLink Holding Inc. was established (hereinafter referred to as “the Company” and “the Group” with its subsidiaries) and registered in the Cayman Islands. Manufacturing computer connectors, Bizconn Technology was established in the first step of the Group’s vertical integration plan. OptiWorks US started business operations, followed by OptiWorks Shanghai, and manufactured its first opto-isolator.
2001	Bizconn products obtained UL and CSA certification. Manufacturing industrial rubber, K-Link’s new plant was established in Shenzhen as part of the Group’s vertical integration plan. New Malaysian plant started operation to expand local services.
2002	Finalized vertical integration by acquiring Tongying Electronics Co., Ltd. and obtaining wire harness technology.

Year	Milestones
	By establishing Hua Zhan Electronics (Shenzhen) Co., Ltd., BizLink entered China's medical device market.
2003	Shenzhen plant received SONY GP certification. Xiamen plant relocated to Asiaworld in Xinglin town. Established BizLink (Kunshan) Co., Ltd. to serve customers in the East China region. OptiWorks (Shanghai) received international certification for TL9000, and was recognized by the Science and Technology Commission of Shanghai Municipality as a high technology enterprise.
2004	The cadmium testing capacity of lead in the chemical laboratory of the Shenzhen plant received Microsoft certification. Xiamen plant passed OHSAS18001 certification. Bizconn started to supply Microsoft XBOX connectors. The variable fiber optical attenuators manufactured by OptiWorks Shanghai received China patent No. 651375.
2005	Shenzhen plant received ISO/IEC17025 certification for National Laboratory Accreditation Standards. Light switch manufactured by OptiWorks Shanghai received China patent No. 719673 and 719836. BizLink Japan was established, serving Japanese customers such as Sony and NEC. BizLink group imported Tiptop and ERP systems.
2006	Tongying plant received ISO14001:2004 certification for environmental management systems. Bizconn obtained patent certification (China, US) for resilient cards that are used in wire connectors.
2007	Shenzhen plant set up a business unit of motor vehicle wiring harnesses. Tongying plant received QC080000 certification for Hazardous Substance Process Management. Established Xiang Yao Electronics (Shenzhen) Co., Ltd.. BizLink's eLearning system received a grant from Industrial Development and Promotion of e-Learning Project that launched by Industrial Development Bureau, Ministry of Economic Affairs, and obtained Class A certification for service quality.
2008	By obtaining ISO13485 certification, the Shenzhen plant was able to penetrate deeper into the international medical device market. By successful development of BFR/PVC Free products, the Xiamen plant marked a leading position in environmental products. Bizconn obtained 8 patents (US & China) for solar energy products. The successful development of a solar junction device opened up the door of the solar device market for BizLink. By establishing an India office, Bizconn aimed to enter the local solar energy and medical device market.
2009	K-Link plant developed halogen-free materials. The optical components developed by OptiWorks Shanghai obtained 7 China patents. Bizconn was recognized as a China High Technology Enterprise. BizLink purchased new group headquarters in the US. Partial product line of OptiWorks Shanghai was transferred to the Kunshan plant's clean room.

Year	Milestones
	Three independent directors were elected in the extraordinary shareholder meeting dated November 12.
2010	<p>Set up an audit committee.</p> <p>In the forefront of the development of integrated modules and subsystems by OptiWorks Shanghai, the product line was extended to the mid and downstream of optical communications.</p> <p>With direction heading toward fine, high pressure, & high temperature, and high fire proof, the Tongying plant has successfully developed a Teflon line.</p> <p>The Kunshan plant set up a product line of wire harnesses and connectors, and an All-In-One plan is progressing well.</p> <p>BizLink India was relocated to Hyderabad India.</p> <p>BizLink Int'l Electronics (Shenzhen) Co., Ltd. imported a Green House Gas GHG system and obtained temperature & humidity test standards.</p>
2011	<p>Approved by the Financial Supervisory Commission, Executive Yuan, on January 17 to issue shares under an Initial Public Offering in the Republic of China. Listed on the stock exchange dated April 21.</p> <p>Formed a Remuneration Committee.</p> <p>Converted an ERP system, imported SAP, and enhanced integration into the global system.</p>
2012	<p>By obtaining AS9100 certification, the Malaysian plant entered the product line of the aviation industry.</p> <p>Imported defibrillator cables and anesthesia monitor cables.</p> <p>Developed a high-frequency audio signal adapter and thin mobile device adapter.</p> <p>Developed server cables.</p> <p>BizLink US signed a contract for the purchase of land for a new plant project in New Mexico in September.</p> <p>Sunbolts is the BizLink's solar energy brand. It was recognized by PHOTON International (September) as the best brand for the second consecutive year.</p>
2013	<p>F-BizLink (3665-TW) was elected to the MSCI global mid-small cap indices.</p> <p>Obtained certification for a US regulation electric vehicle charging coupler.</p> <p>Collaborated with the National Taiwan University of Science and Technology to develop a solar energy smart junction box.</p> <p>Obtained certification for a solar energy connector (1500V).</p> <p>Supplied cable and wire harnesses for petroleum/gas exploration equipment.</p> <p>Supplied cable and wire harnesses for sport yacht engines.</p> <p>Set up a simulation device for Fremont Electro-Magnetic Interference (EMI).</p> <p>Enabled the Kunshan EMI laboratory.</p> <p>Set up a high-frequency team for the Taipei R&D center.</p>
2014	<p>Completed 4K2K docking station product line development.</p> <p>At the 2015 Consumer Electronics Show, the UltraAV Mini DisplayPort 1.2 to 2 DisplayPort Multi-Display MST Hub received the innovation award in the computer accessories category.</p> <p>Establishing a new wire extrusion plant in El Paso, U.S.A.</p>

Year	Milestones
	Phasing in manufacturing execution system (MES) for product traceability. Expanded capacity of plants in Kunshan, Malaysia, and Mexico.
2015	The Shenzhen factory received certification to the AS9100 Quality Management Systems, used in the aerospace industry. Leading global supplier of USB Type-C products.
2016	Acquired Jo Yeh Co., Ltd. in Hong Kong to expand into motor vehicle application space Selected as a constituent under the “TWSE Corporate Governance 100 Index” Expanded production capacity in Kunshan China, Malaysia, Texas and U.S.A., and added a new production plant in Fremont, California
2017	Acquired of LEONI’s Electrical Appliance Assemblies Business Group and obtained production sites and customers in Europe Our NPI has tapped into the wiring application of the semiconductor equipment sector. Complete the development of electronic vehicle supply equipment EVSE

III. Group Structure

Please see p.108 of the Company’s Annual Report.

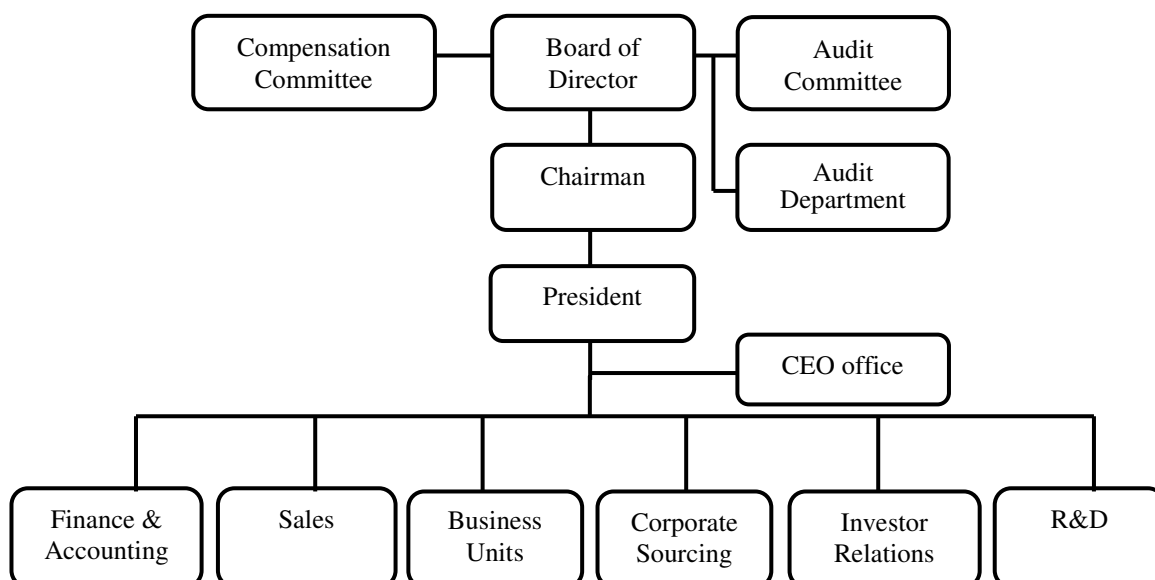
IV. Risk Management

Please see p.99~107 of the Company’s Annual Report.

Three Corporate Governance

I. Organizational Chart

(I) Organizational Structure



(II) Business operations of the respective departments

Department Name	Responsibility
Chairman	Stipulating policy directives and objective guidelines for the Company's operations and assigning managers to execute business operations.
President	Implementing the resolution of the "board of directors" and the Company's general administration.
Audit Department	Based on the Articles of Association and under the authorization of the Board, the audit committee is in charge of guiding the operation of the audit department to conduct various audit projects by applying objective, fair and impartial attitudes to complete each project independently.
CEO Office	Stipulating and improving operation tactics and planning according to business status and mission, motivating employees to work hard under the company's growing strategies, as well as fulfilling the Company's corporate and mission.
R&D	Executing R&D plans to create new products and upgrade existing products, as well as enhance technology level and product competitiveness based on the needs of business production and operation.
Investor relations	Issuing and responding to the Company's information to the external parties and handling relationships with domestic and international investors for better communication. Collecting information regarding market and industry changes to assist management strategy and decision making.
Corporate Sourcing	Integrating supplier resources to build an optimal supply chain that ensures superior delivery, costs and quality of production materials for better competitiveness based on the Company's business plan and organization structure.

Business Units	Collecting market information relevant to business objectives and strategies and providing effective support to daily operation to ensure economic efficiency.
Sales	As a critical part of the for sales and marketing operation, that is responsible for bridging the psychological gap between products and customers and establishing ground to shorten the physical gap between them.
Finance & Accounting	Formulating and executing budget plan and financial management according to the Company's strategies. Making precise accounting journals and providing both internal and external parties, in a timely fashion, financial and operating information. Supplying concrete evidence to assist in business strategies and financial planning. Safeguarding capital and controlling operation costs to enhance capital efficiency and bring about operation goals.

II. Biographies of Company Directors, Supervisors, President, Vice Presidents, Asst. VPs, and Heads of Departments and Branches

(I) Biographies of directors and supervisors (the Company did not appoint supervisors)

1. Directors' name, educational background (professional experiences), number and nature of shares held

04.23.2018

Title	Nationality	Name	Elected date	Term of service	Date of first term	Shares held on election day		Number of shares held		Shares held by spouse and minor children		Shares held under name of another		Selected experience	Services concurrently with other companies	Directors/supervisors, senior executives, who are spouse or 2 nd degree of kinship		
						Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Title	Name	Relation
Chairman	U.S.A.	Hwa-Tse Liang	2015/06/24	3 years	2000/6/1	7,303,042	8.39%	7,303,042	8.39%	8,080,991	7.86%	148,497	0.13%	MSEE, Penn State U., NCTU Electronics Engineering CEO, Greatlink USA	Director of BIZLINK TECHNOLOGY INC. Director of OPTIWORKS, INC. Director of ビズリンク株式会社 Director/Manager of BIZLINK INT'L CORP. Director of BIZLINK TECHNOLOGY (IRELAND) LTD. Director of BIZLINK TECHNOLOGY (S.E.A.) SDN. BHD. Director of BIZLINK TECH, INC. Director of ACCELL CORPORATION Director of BIZCONN TECHNOLOGY INC. Director of BIZWIDE LIMITED Legal Person/Executive Director of OPTIWORKS(SHANGHAI) CO., LTD. Legal Person/ Executive Director of OPTIWORKS (KUNSHAN) CO., LTD. Director BIZLINK (KUNSHAN) CO., LTD. Director ASIA WICK LTD. Director of OW HOLDING INC.	Director	Inru Kuo	Spouse
Director	U.S.A.	Inru Kuo	2015/06/24	3years	2000/6/1	9,736,962	11.18%	9,262,465	7.81%	8,145,341	6.87%	0	0	MS Actuarial Georgia State Department of Physics National Kaohsiung Normal University VP, Greatlink USA	Director /General Manager of BIZLINK TECHNOLOGY INC. Director of OPTIWORKS, INC. Director of ビズリンク株式会社 Director of BIZLINK (BVI) CORP. Chairman BIZLINK INT'L CORP. Director of ZELLWOOD INTERNATIONAL CORPORATION Director of BIZLINK TECHNOLOGY (IRELAND) LTD. BIZLINK TECH, INC. Director of ADEL ENTERPRISES CORPORATION Director of ACCELL CORPORATION Director of BIZCONN TECHNOLOGY INC. Supervisor OPTIWORKS(SHANGHAI) CO., LTD. Supervisor OPTIWORKS(KUNSHAN) CO., LTD. Executive Director HUA ZHAN ELECTRONICS (SHENZHEN) CO., LTD. Director BIZCONN INTERNATIONAL CORPORATION Legal Person/Executive Director of BIZLINK INT'L ELECTRONICS (SHENZHEN)CO., LTD. Legal Person/Executive Director of BIZLINK (KUNSHAN) CO., LTD. Legal Person/Executive Director of BIZLINK ELECTRONICS (XIAMEN) CO., LTD. Legal Person/General Manager/Executive Director of XIANG YAO ELECTRONICS (SHENZHEN) CO., LTD. Legal Person/Executive Director of BIZCONN INT'L CORP. Executive Director of TONGYING ELECTRONICS (SHENZHEN) LTD.	Director	Hwa-Tse Liang	Spouse

Title	Nationality	Name	Elected date	Term of service	Date of first term	Shares held on election day		Number of shares held		Shares held by spouse and minor children		Shares held under name of another		Selected experience	Services concurrently with other companies	Directors/supervisors, senior executives, who are spouse or 2 nd degree of kinship		
						Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Title	Name	Relation
Director	Republic of China	Chien-Hua Teng	2015/06/24	3years	2000/6/1	1,424,000	1.64%	1,472,654	1.24%	89,895	0.08%	0	0	MBA,San Francisco State U. , Institute of Electrical and Control Engineering of NCTU Engineering Manager, Greatlink USA	Director of ビズリンク株式会社 Director of BIZLINK INT'L CORP. Director of BIZCONN TECHNOLOGY INC. General Manager of BIZLINK (KUNSHAN) CO., LTD. Legal Person/General Manager of HUA ZHAN ELECTRONICS (SHENZHEN) CO., LTD. Supervisor of BIZLINK ELECTRONICS (XIAMEN) CO., LTD. Director of ASIA WICK LTD. Supervisor of BIZCONN INT'L (SHENZHEN) CORP. Director of JO YEH COMPANY LIMITED Director of NANHAI JO YEH ELECTRONIC CO., LTD.	-	-	-
Director	Republic of China	Huong-Chang Chen	2015/06/24	3years	2012/06/12	1,430,000	2.50%	2,173,347	2.50%	0	0	0	0	M.S.E.E from University of Massachusetts Instructor of Department of Electronics Engineering, Nan Kai University of Technology Senior electronics engineer in Universal Microelectronics Supervisor of Jenn Feng New Energy Co.,Ltd Supervisor of ACARD Technology Corp. Supervisor of AME, Inc.	-			
Independent director	Republic of China	Ming-Chun Chen	2015/06/24	3years	2009/11/12	173,863	0.35%	173,863	0.35%	5,121	0.00%	0	0	Institute of Management Science of NCTU Aurotek Corporation Elitegroup Computer Systems Co., Ltd General Manager Aurotek (Shang Hai) Inc. Chairman 3e YAMAICHI Electronics Co., Ltd Chairman Promaster Technology Corporation Director	Director of Aurotek Corporation Supervisor of Taiwan OILES Corporation Chairman of Aurotek (Shang Hai) Inc. Chairman of 3e YAMAICHI Electronics Co., Ltd Director of Acrored Technologies, Inc. Independent director of Promaster Technology Corporation	-	-	-

Title	Nationality	Name	Elected date	Term of service	Date of first term	Shares held on election day		Number of shares held		Shares held by spouse and minor children		Shares held under name of another		Selected experience	Services concurrently with other companies	Directors/supervisors, senior executives, who are spouse or 2 nd degree of kinship		
						Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Title	Name	Relation
Independent director	Republic of China	Chun-Yen Chang	2015/06/24	3years	2010/10/29	0	0.00%	0	0.00%	0	0	0	0	Ph.D. in Electrical Engineering, NCTU B.S. in Electrical Engineering, NCTU Senior Researcher of Bell Labs, U.S.A. Dean of Electrical and Computer Engineering Dept. NCTU Visiting Professor in Stuttgart U. Germany Academician of Academia Sinica Member of The National Academy of Engineering	Lifetime Chair Professor of National Chiao Tung University Independent director of United Microelectronics Corp. UMC Contract Professor of International College of Semiconductor Technology, NCTU	-	-	-
Independent director	Republic of China	Jr-Wen Huang	2015/06/24	3years	2012/06/12	0	0.00%	0	0.00%	0	0	0	0	Institute of MS-Finance, Saint Louis University(USA) Investment Dept. Supervisor in Waterland Venture Capital Co., Ltd. Investment & Research Dept.in China Development Industrial Bank Sparkle Power Inc.San Jose/Los Angeles , USA	Research Manager of Waterland Venture Capital Co., Ltd. Supervisor of FSP TECHNOLOGY INC. Supervisor of Touch Cloud Inc.	-	-	-

Note 1: In addition to 700,155 shares held by Hua Tse, Liang and 1,881,629 shares held by Inru Kuo, the trust shares included Hwa-Tse Liang and Inru Kuo Family Trust (9,624,427 shares) that was created on April 15,1999, and the Liang Family Irrevocable Trust (5,137,245 shares).

Note 2: Hong-Chang Chen resigned from the Board of Directors on November 14, 2017.

2. Corporate shareholder: None of the directors or independent directors is representative of corporate shareholders.

3. Biographies of the director and independent director (professional expertise and independency)

Qualifications Name	Five or more years of work experience, together with the following professional qualification			Is in conformity with independency (Note)										# of companies served concurrently as independent directors of public companies
	An instructor or higher up in a department of commerce, law, finance, accounting or other academic department related to corporate business in a public or private college or university	A judge, public prosecutor, attorney, certified public accountant, or other professional or technical specialist who has passed a national examination and has been awarded a certificate in a professional capacity that is necessary for corporate business	Work experience in the field of commerce, law, finance, accounting, or otherwise necessary for corporate business	1	2	3	4	5	6	7	8	9	10	
Ming-Chun Chen	-	-	V	V	V	V	V	V	V	V	V	V	V	1
Chun-Yen Chang	V	-	V	V	V	V	V	V	V	V	V	V	V	1
Jr-Wen Huang	-	-	V	V	V	V	V	V	V	V	V	V	V	0
Huong-Chang Chen	-	-	V	V	V	V	V	V	V	V	V	V	V	0
Hwa-Tse Liang	-	-	V	-	-	-	-	V	V	V	-	V	V	0
Inru Kuo	-	-	V	-	-	-	-	V	V	V	-	V	V	0
Chien-Hua Teng	-	-	V	-	-	-	-	V	V	V	V	V	V	0

Note 1 : During the two years before being elected or joining the term office, directors or supervisors shall meet the following terms with "V" mark.

- (1) Not an employee of the Company or its affiliated companies
- (2) Not a director or supervisor of the Company's affiliated companies (unless the person is an independent director of the Company, the Company's parent company or any subsidiary in which the Company holds, directly or indirectly, more than 50 percent of the voting shares)
- (3) Not a shareholder whose total holdings, including that of his/her spouse and minor children, or shares held under others' names reach or exceed 1 percent of the total outstanding shares of the Company or rank among the top 10 individual shareholders
- (4) Not a spouse or relative within second degree by affinity, or within five degrees by consanguinity to any person specified in criteria 1 to 3
- (5) Neither a director, supervisor, or employee of an entity that directly and/or indirectly holds more than 5% of the Company's shares, nor one of the Company's top five shareholders
- (6) Not a director, supervisor, manager, or shareholder owning more than 5% of the outstanding shares of any company that has financial or business relations with the Company
- (7) Not an owner, partner, director, supervisor, manager, or spouse of any of the aforementioned, of any sole proprietorship, partnership, company, or institution that provides commercial, legal, financial and accounting services or consultation to the Company or its affiliates. However, members of the Compensation Committee are not covered by this restriction per Article 7 of the Regulations Governing the Appointment and Exercise of Powers by the Compensation Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter
- (8) Not a spouse or relative within second degree by affinity to other directors
- (9) Not in contravention of Article 30 of the Company Act
- (10) Not an institutional shareholder or its representative pursuant to Article 27 of the Company Act

Note 2: Hong-Chang Chen resigned from the Board of Directors on November 14, 2017.

(II) Biographies of president and Vice President

Title	Nationality	Name	Date of assumption of duty	Shareholding held		Shareholding by spouse and minor children		Shares held under name of another		Selected experience	Services concurrently with other companies	Managers who are spouse or 2 nd degree of kinship		
				Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Title	Name	Relation
Chief Executive Officer	Republic of China	Chien-Hua Teng	2000/06/01	1,472,654	1.24%	0	0%	0	0	MBA, San Francisco State U., Institute of Electrical and Control Engineering of NCTU Engineering Manager, Greatlink USA	Director of ビズリンク株式会社 BIZLINK INT'L CORP. Director of BIZCONN TECHNOLOGY INC. General Manager of BIZLINK (KUNSHAN) CO., LTD. Legal Person/General Manager of HUA ZHAN ELECTRONICS (SHENZHEN) CO., LTD. Supervisor of BIZLINK ELECTRONICS (XIAMEN) CO., LTD. Director of ASIA WICK LTD. Supervisor of BIZCONN INT'L (SHENZHEN) CORP. Director of JO YEH COMPANY LIMITED Director of NANHAI JO YEH ELECTRONIC CO., LTD.	-	-	-
Group CFO	Republic of China	Shiou-Lin Chen	2012/02/01	85,469	0.07%	89,895	0.08%	0	0	Institute of Accounting, NTU Vice CFO of Dimerco Express Corporation Associate Financial General Manager, China Synthetic Rubber Corp.	-	-	-	-
Vice President	Republic of China	Chia-Cheng Lin	2010/08/01	0	0%	0	0	0	0	College of Management, NCHU Financial Manager of Necvox	-	-	-	-
Vice President	Republic of China	Chen-Shen Chou	105/06/30	9,621	0.01%	0	0	0	0	MBA, University of Missouri-Columbia Department of Transportation Engineering and Management of NCTU China Development Industrial Bank Capital Securities Corp.	-	-	-	-

Title	Nationality	Name	Date of assumption of duty	Shareholding held		Shareholding by spouse and minor children		Shares held under name of another		Selected experience	Services concurrently with other companies	Managers who are spouse or 2 nd degree of kinship		
				Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Title	Name	Relation
General Manager of Subsidiaries	U.S.A.	Inru Kuo	2000/06/01	9,262,465	7.81%	8,145,341	6.87%	0	0	MS Actuarial Georgia State Director/General Manager Department of Physics National Kaohsiung Normal University VP, Greatlink USA	BIZLINK TECHNOLOGY INC., Director/General Manager OPTIWORKS, INC. Director ビズリンク株式会社 Director BIZLINK (BVI) CORP. Director BizLink International Corp. Chairman ZELLWOOD INTERNATIONAL CORPORATION Director BIZLINK TECHNOLOGY (IRELAND) LTD. Director BIZLINK TECH, INC. Director ADEL ENTERPRISES CORPORATION Director ACCELL CORPORATION Director BIZCONN TECHNOLOGY INC. Director OptiWorks (Shanghai) Co., Ltd. Supervisor OptiWorks (Kunshan) Co., Ltd. Supervisor OPTIWORK HOLDING INC. Director Hua Zhan Electronics (Shenzhen) Co., Ltd. Executive Director BIZCONN INTERNATIONAL CORPORATION Director BizLink International Electronics (Shenzhen) Co., Ltd. Legal Person / Executive Director BizLink (Kunshan) Co., Ltd. Legal Person/ Executive Director BizLink Electronics (Xiamen) Co., Ltd. Legal Person / Executive Director Xiang Yao Electronics (Shen Zhen) Co., Ltd. Legal Person /General Manager/ Executive Director BizConn (Shenzhen) International Corp. Legal Person / Executive Director Tongying Electronics (Shen Zhen) Ltd. Executive Director	Financial Vice President of Subsidiaries	Chun-Pin Liang	Relatives within 2nd degree relationship

Note 1: In addition to 700,155 shares held by Hwa-Tse Liang and 1,881,629 shares held by Inru Kuo, the trust shares included the Hwa-Tse Liang and Inru Kuo Family Trust (9,624,427 shares) that was created on April 15, 1999, and the Liang Family Irrevocable Trust (5,137,245 shares).

(III) Compensation to directors and management executives

1. Compensation to directors

Unit: NT\$ Thousands

Title	Name	Compensation to directors								Percent of A+B+C+D to Net Income		Relevant compensation received by directors who are also employees								Percent of A+B+C+D+E+F+G to Net Income		Compensation paid to directors from an invested company other than the company's subsidiary
		Compensation (A)		Retirement Pension (B)		Compensation Paid on Earnings Distribution (C)		Expenses for Execution of Business(D)				Salaries, Bonus, and Special Expenditures (E)		Retirement Pension(F)		Employee Bonus in Earnings Distribution(G)						
		The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company		All companies in the financial statement		The Company	All companies in the financial statement	
Cash dividend	Stock dividend															Cash dividend	Stock dividend					
Chairman	Hwa-Tse Liang	0	NT\$9,132	0	0	0	0	0	0	0.79%	0	NT\$24,886	0	0	0	0	NT\$3,878	NT\$25,440	0	5.45%	-	
Director	Chien-Hua Teng																					
Director	Inru Kuo																					
Director	Huong-Chang Chen																					
Independent director	Ming-Chun Chen																					
Independent director	Chun-Yen Chang																					
Independent director	Jr-Wen Huang																					
*Other than disclosure in the above table, Directors remunerations earned by providing services (e.g. providing consulting services as a non-employee) to BizLink and all consolidated entities in the 2017 financial statements: None																						

Note 1: 2017 Compensation still not paid to the directors was not resolved at shareholders' meeting.

Note 2: Hong-Chang Chen resigned from the Board of Directors on November 14, 2017.

Range of Compensation

Numerical range of Compensation (Directors)	Name of directors			
	Total of A+B+C+D		Total of A+B+C+D+E+F+G	
	The Company	All companies I in the financial statement	The Company	All companies J in the financial statement
Below \$2,000,000	Hwa-Tse Liang Chien-Hua Teng Inru Kuo Huong-Chang Chen Ming-Chun Chen Chun-Yen Chang Jr-Wen Huang	Hwa-Tse Liang Chien-Hua Teng Inru Kuo Huong-Chang Chen Ming-Chun Chen Chun-Yen Chang Jr-Wen Huang	Hwa-Tse Liang Chien-Hua Teng Inru Kuo Huong-Chang Chen Ming-Chun Chen Chun-Yen Chang Jr-Wen Huang	Huong-Chang Chen Ming-Chun Chen Chun-Yen Chang Jr-Wen Huang
\$2,000,000 (included) ~ \$5,000,000 (not included)	-	-	-	-
\$5,000,000 (included) ~ \$10,000,000 (not included)	-	-	-	Hwa-Tse Liang Chien-Hua Teng Inru Kuo
\$10,000,000 (included) ~ \$15,000,000 (not included)	-	-	-	-
\$15,000,000 (included) ~ \$30,000,000 (not included)	-	-	-	-
\$30,000,000 (included) ~ \$50,000,000 (not included)	-	-	-	-
\$50,000,000 (included) ~ \$100,000,000 (not included)	-	-	-	-
More than \$ 100,000,000	-	-	-	-
Total	7	7	7	7

Note 1: Hong-Chang Chen resigned from the Board of Directors on November 14, 2017.

2. Compensation to Supervisors: None.

3. Compensation to Presidents and Vice Presidents

Compensation to Presidents and Vice Presidents (information provided in numerical range and disclosure of names)

Unit: NT\$ Thousands

Title	Name	Salaries (A)		Retirement Pension (B)		Bonus and Special Expenditures..., etc (C)		Employee Bonus in Earnings Distribution (D)				Percent of A+B+C+D to Net Income		Compensation paid to directors from an invested company other than the company's subsidiary
		The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company		All companies in the financial statement		The Company	All companies in the financial statement	
								Cash dividend	Stock dividend	Cash dividend	Stock dividend			
Chairman	Hwa-Tse Liang	0	NT\$23,204	0	0	NT\$5,787	NT\$5,831	0	0	0	0	0.54%	2.58%	-
Chief Executive Officer	Chien-Hua Teng													
General Manager of Subsidiaries	Inru Kuo													
CFO	Shiou Lin, Chen													
Vice President	Chia-Cheng Lin													
Vice President	Chen-Shen Chou													

Range of Compensation

Range of Compensation (Presidents & Vice Presidents)	Name of presidents and vice-presidents	
	The Company	All companies in the financial statement (E)
Below \$2,000,000	Hwa-Tse Liang Chien-Hua Teng Inru, Ku Shiou Lin, Chen Chia Cheng, Lin Chen-Shen Chou	-
\$2,000,000 (included) ~ \$5,000,000 (not included)	-	Shiou Lin, Chen Chia Cheng, Lin Chen-Shen Chou
\$5,000,000 (included) ~ \$10,000,000 (not included)	-	Chien-Hua Teng Inru Kuo Hwa-Tse Liang
\$10,000,000 (included) ~ \$15,000,000 (not included)	-	-
\$15,000,000 (included) ~ \$30,000,000 (not included)	-	-
\$30,000,000 (included) ~ \$50,000,000 (not included)	-	-
\$50,000,000 (included) ~ \$100,000,000 (not included)	-	-
More than \$ 100,000,000	-	-
Total	6	6

4. Name of managers responsible for distribution of employee bonus and distribution status: No employee bonus available.

(IV) Analysis of compensation for directors, independent directors, presidents and Vice Presidents in the most recent two fiscal years and compensation policy for directors, independent directors, presidents and Vice Presidents, along with information related to the policies, standards, and portfolios for the payment of compensation, the procedures for determining compensation, and the correlation with business performance and future risks.

1. The ratio of total compensation paid by the Company and by all companies included in the consolidated financial reports to directors, independent directors, presidents and Vice Presidents of the Company, to the net income.

Unit: In thousand NTD; %

Item	2016		2017	
	Amount	%	Amount	%
Directors	10,163	1.12	9,132	0.79
Presidents and Vice Presidents	29,356	3.23	29,112	2.50
Consolidated net profit	909,945	100.00	1,162,465	100.00

Note 1: Shareholders' meeting has not resolved to pay 2017 compensation

2. Policy, standards and combinations, as well as the procedures for deciding compensation and the relations with operation performance and risks.
- (1) In accordance with clause 34.1 of the Company's Articles of Association, before a special reserve is appropriated subject to regulations of public listings and the competent authority, previous losses shall be offset against net profit and 10% of the remaining profit shall be appropriated as a legal reserve until the accumulated legal reserve is equivalent to the Company's capital; compensation to directors shall not exceed 0%~3% of the remaining profit.
 - (2) Based on the Company Act, amended in May 2015, and the Company's Articles of Incorporation, amended in June 2016 by shareholders' resolution, the Company shall set aside no less than 1% and not more than 10% of its pre-tax income for its employees as profit sharing and no more than 3% of the same base above as remuneration for the directors.
 - (3) Compensation to presidents and Vice Presidents is based on position, years of service, performance, and contribution; it has no effect on future risk.

III. Corporate Governance Practices

(I) Board of Directors Operation:

- 5 meetings were held by the Board of Directors in the current calendar year, with attendance of directors in Board Meetings as follows:

Title	Name	Frequency of actual attendance	Frequency of proxy-attendance	Actual attendance ratio	Note
Directors	Hwa-Tse Liang	9	0	100%	—
Directors	Chien-Hua Teng	9	0	100%	—
Directors	Inru Kuo	9	0	100%	—
Directors	Huong-Chang Chen	7	1	88%	Resignation of Director on November 14 th , 2017
Independent director	Ming-Chun Chen	9	0	100%	—
Independent director	Chun-Yen Chang	7	2	78%	—
Independent director	Jr-Wen Huang	9	0	100%	—

2. Other Notes

- In matters specified in Article 14-3 of the Securities and Exchange Act, or Board resolutions where independent directors have expressed opposition or qualified opinions that have been noted in the record or declared in writing, meeting minutes shall record the date and session of the board meeting, the content of the resolution, and the response of the Company regarding the opinion of the Independent Director: None.
- So as to avoid any conflict of interest by directors, meeting minutes shall record the names of directors, the content of any resolution, reasons for avoidance of conflict of interest, and the result of voting: None.
- Assessment of objectives and implementation status in the area of strengthening the powers of the board of directors for the current and immediate past years will be carried out: the Company established an Auditing Committee on February 4, 2010, and the Board of Directors approved the establishment of a compensation Committee on December 15, 2011.

(II) Audit Committee Operation:

- 4 meetings were held by the Auditing Committee in the current calendar year, with attendance of independent directors as follows:

Title	Name	Frequency of actual attendance	Frequency of proxy-attendance	Actual attendance ratio	Note
Independent director	Ming-Chun Chen	7	0	100%	—
Independent director	Chun-Yen Chang	5	2	71%	—
Independent director	Jr-Wen Huang	7	0	100%	—

2. Other Notes

- (1) In matters specified in Article 14-5 of the Securities and Exchange Act, or approved by 2/3 of the Board of Directors but denied by Audit committee, meeting minutes shall record the date and session of the board meeting, the content of the resolution, and the response of the Company regarding the opinion of the Audit Committee: None.
- (2) So as to avoid any conflict of interest by independent directors, meeting minutes shall record the names of the independent directors, the content of the resolution, the reasons for avoidance of conflict of interest, and the result of voting: None.
- (3) Regular discussions on the audit report are conducted by the Company's internal auditor and audit committee, and the internal audit report is made at the meeting of audit committee on a quarterly basis. The independent auditors are also required to immediately communicate to the Audit Committee any material matters that they have discovered. During 2017, the Company's independent auditors did not report any irregularities. The communication channels between the Audit Committee and the Internal Audit manager functioned well. The Company's independent auditors have presented the findings of their quarterly review or audits on the Company's financial results and other matters required by laws and regulations to Audit Committee. The communication channels between the Audit Committee and independent auditors functioned well.

Date	Means of Communication	Receiving Party of the Communication	Communication Item	Results of the Communication
2017/03/08	Audit Committee	Internal Audit Supervisor	4Q2016 Internal audit implementation and reporting	Acknowledged by all attending members
2017/03/08	Audit Committee	Internal Audit Supervisor	2016 "Statement of Internal Control"	Will further discuss in the board meeting
2017/05/11	Audit Committee	Internal Audit Supervisor	1Q2017 Internal audit implementation and reporting	Acknowledged by all attending members
2017/08/12	Audit Committee	Internal Audit Supervisor	2Q2017 Internal audit implementation and reporting	Acknowledged by all attending members
2017/11/10	Audit Committee	Internal Audit Supervisor	3Q2017 Internal audit implementation and reporting	Acknowledged by all attending members
2017/11/10	Audit Committee	Internal Audit Supervisor	Proposal of the internal audit plan for 2018	Will further discuss in the board meeting

- (4) The communication channels between the Audit Committee and the Internal Audit manager functioned well. The Company's independent auditors have presented the findings of their review or audits when required on the Company's financial results and other matters required by laws and regulations to the Audit Committee.

Date	Means of Communication	Receiving Party of the Communication	Communication Item	Results of the Communication
2017/12/12	Audit Committee	Internal Audit Supervisor	1. 2017 Audit planning	Acknowledged by all attending members
2017/12/12	Audit Committee	Internal Audit Supervisor	2. Introduction of IFRS 9 and 15	Acknowledged by all attending members

(III) Variations (if any) with the Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons for such discrepancies

1. Implementation of Corporate Governance Practices:

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Implementation Status	
1. The Company's establishment and disclosure of a Corporate Governance in accordance with "Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Company".	✓		The Company has established and disclosed principles for Corporate Governance practice in accordance with "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Company".	None
2. Shareholding structure and shareholder rights (1) The Company's establishment and implementation of internal operating procedures for matters relating to shareholder suggestion, question, conflict and litigation. (2) The Company's possession of a list of major shareholders and a list of ultimate owners of these major shareholders. (3) The Company's establishment and implementation of a risk management mechanism and firewalls between the Company and its affiliates. (4) The Company's establishment of internal standards to prevent internal personnel trade based on non-public information.	✓		(1) The Company has designated a spokesperson, deputy spokesperson, exclusive personnel, and a phone line for investors along with an e-mail box to handle shareholder suggestions or complaints based on "Corporate Governance Practices". (2) The Company is able to maintain a list of major shareholders and a list of the end parties in control of these major shareholders to make regular disclosure accordingly. Please see p.51 of the annual report for the list of major shareholders. (3) The Company has established a risk management mechanism and firewalls based on internal guidelines on supervision of subsidiaries, providing endorsement and guarantee, financing to others, acquisition and disposition of asset, as well as, other related internal regulations. All business activities with affiliates will be handled as with third-parties to avoid irregular transactions. (4) The Company has established "Procedures of Handling Significant Information & Insider Trading policy" to prevent insider trading.	None
3. Composition and responsibilities of the Board of Directors (1) The Board's establishment and implementation of a guideline for forming a board of diversification.	✓		(1) In accordance with Article #19-3 under the Company's "Corporate Governance Best Practice Principle," the composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations and development needs. As for the current commission, we have one female director out of the total seven	None

Item	Operation			Deviations from “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Implementation Status	
<p>(2) The Company's establishment of committees other than remuneration and audit committees required by the law.</p> <p>(3) The Company's establishment of evaluation procedures and methodology to assess Board performance annually.</p> <p>(4) The Company's regular evaluation of external auditors' independence.</p>			<p>members and three independent directors. All of our directors possess the necessary knowledge, skills, and areas of expertise covering—but not limited to— commerce, finance, accounting, and our specific business operations.</p> <p>(2) We are working on the creation of “The Committee for Corporate Governance and Sustainability.” The committee members will assist in board member nomination and independent member recommendation and the Board’s overall operations, as well as oversee and assess the implementation of corporate governance and sustainability</p> <p>(3) We have established the “methodology for evaluating the performance of the Board of Directors.” The evaluation will be given at the end of each year and the results will be posted on the Company’s website.</p> <p>(4) The Company makes regular evaluation of external auditors’ independence according to Corporate Governance Practices on the guidance of "Integrity, Objectivity and Independence" under The Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China No. 10.</p>	
4. Does the Company established a full- (or part-) time corporate governance unit or personnel to be in charge of corporate governance affairs (including but not limited to furnish information required for business execution by directors, handle matters relating to board meetings and shareholders’ meetings according to laws, handle corporate registration and amendment registration, produce (or record?) minutes of board meetings and shareholders meetings, etc.	✓		To establish a sound corporate governance system to facilitate the management of corporate social responsibility, we have set up an “ethical management and social responsibility task force” which will be in charge of establishing and monitoring the related implementation and management policies and report to the board regularly. Please refer to the IR page under the company’s website regarding team members and job description of social responsibility task force (<a)"="" href="http://zh.bizlinktech.com/Investor.">http://zh.bizlinktech.com/Investor.)	None

Item	Operation			Deviations from “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Implementation Status	
5. The Company's establishment of communication channel with shareholders, a related dedicated website on its company site, and due response for issues regarding social responsibility.	✓		The Company has set up a dedicated page for “Stakeholder Engagement” on its website under “Investors” that includes contact details for the Company Spokesperson, Deputy Spokesperson, and the Investor Relations Department. Issues regarding social responsibility are published on MOPS and the Company website.	None
6. The Company's commission of professional stock affair services to handle matters regarding the shareholders' meeting.	✓		Gfourtime Stock Agency has been commissioned.	None
7. Disclosure of information (1) Establishment of a corporate website to disclose information regarding the Company's financials, business, and corporate governance status. (2) Other information disclosure channels.	✓		(1) Information regarding the financials, business, and corporate governance status is available on the Company's website, (http://www.BizLinktech.com). The Company has designated personnel to handle required disclosure on Market Observation Post System and the Company's website. (2) The Company has designated appropriate personnel to handle the collection and disclosure of information. As required by relevant laws and regulations, the company has assigned a spokesperson and deputy spokesperson. In addition, investor conferences are held on a regular and irregular basis and new press containing operation results in Chinese and English are used to enhance the transparency of the Company.	None
8. Other important information for facilitating better understanding of the Company's corporate governance practices:	✓		(1) Employee Rights: Please see Labor Relations under Section Five-Operating Summary on page 86 to 90.” (2) Investor Relations, Stakeholder Engagement, and Supplier Relations: The Company uses MOPS and its website as channels to inform all parties of its operations. Additionally, the Investor Relations Department was established to better liaison with investors and stakeholders and also serves as Public Relations. A “Stakeholder Engagement” section was added onto the Company website. (3) Status of continued education for	None

Item	Operation			Deviations from “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Implementation Status	
			<p>directors and supervisors: All Board members and relevant supervisors participated in financial, business, and professional refresher courses. Please see page 27 for more details.</p> <p>(4) Implementation of risk management and risk evaluation: Internal regulations were established in line with regulatory laws, along with the performance of risk management and assessment.</p> <p>(5) Implementation of Customer Service Policy: The Company has Quality Assurance and Customer Support departments to provide transparency and streamline the resolution of service or product issues.</p> <p>(6) Status of the company purchased liability insurance for directors: The Company has purchased D&O Insurance for its directors.</p>	
9.	<p>The improvement status for the result of Corporate Governance Evaluation announced by Taiwan Stock Exchange</p> <p>(1) Improvement status: The “Procedures for Ethical Management and Guidelines for Conduct” have been set up to handle the reporting system regarding illegal (including corruption) and unethical practices from both the internal and external parties.</p> <p>(2) Prioritized enforcements and measures: Web posting on information regarding the diversification policy for the composition of its Board of Directors (fulfillment status from individual Board members on diversified core competence).</p>			

Implementation of the diversification policy for the composition of its Board of Directors

Director	Position	Gender	Key diversified core competence							
			The ability to make judgments about operations	Accounting and financial analysis ability.	Business management ability.	Crisis control ability.	Industry knowledge.	An international market perspective.	Ability to lead.	Decision-making ability.
Hwa-Tse Liang	Chairman	M	V	V	V	V	V	V	V	V
Chien-Hua Teng	Director	F	V	V	V	V	V	V	V	V
Inru Kuo	Director	M	V	V	V	V	V	V	V	V
Ming-Chun Chen	Independent director	M	V	V	V	V	V	V	V	V
Chun-Yen Chang	Independent director	M	V	V	V	V	V	V	V	V
Jr-Wen Huang	Independent director	M	V	V	V	V	V	V	V	V

Note: The Director of Hong-Chang Chen resigned in November 2017 due to personal matters. The vacancy will be filled through a re-election in the 2018 shareholders' meeting.

2. Continuing education of the directors and independent directors

Title	Name	Date of assumption of duty	Date of the first assumption of duty	Training date		Organizer	Class name	Training hours	Has continuing education complied with laws and regulations? (Note)
				From	To				
Director	Huong-Chang Chen	2015/06/24	2012/06/12	2017/11/13	2017/11/13	ARDF	Analysis of Corporate Merger and Acquisition Cases	6	
				2016/12/23	2016/12/23	SFI	Insider Equity Trading Act of The First Time Listed Company	3	
				2016/10/23	2016/10/23	SFI	Equity Transfer by Insiders of Listed Companies and Legal Compliance	3	Yes
				2016/04/22	2016/04/22	SFI	Insider Trading and Corporate Governance	3	
				2015/09/18	2015/09/18	SFI	Corporate Ethical Management and Social Responsibility Forums	3	
				2014/08/28	2014/08/28	TWSE/TPEX	Corporate Ethical Management and Social Responsibility Forums	3	
Director	Chien-Hua Teng	2015/06/24	2000/06/01	2017/09/11	2017/09/11	TABF	Corporate Sustainability Management	3	Yes
				2017/06/13	2017/06/13	TABF	The Succession of Family Business	3	
				2016/04/15	2016/04/15	SFI	Securities and Futures Institute Directors and Supervisors' Legal Risk and Response in Major Corporate Scandals	3	
				2015/05/29	2015/05/29	SFI	Securities and Futures Institute Directors' Liabilities in Corporate Governance	3	
				2015/05/27	2015/05/27	SFI	Securities and Futures Institute Listed Companies Ethics Leadership Forum	3	
				2015/05/25	2015/05/25	SFI	Securities and Futures Institute An Analysis of Directors, Supervisors and Comprehensive Income Tax	3	
Directors	Inru Kuo	2015/06/24	2000/06/01	2015/8/27	2015/8/27	2015/8/27	Corporate Ethical Management and Social Responsibility Forums	3	Yes
Director	Hwa-Tse Liang	2015/06/24	2000/06/01	2015/08/27	2015/08/27	SFI	Corporate Ethical Management and Social Responsibility Forums	3	Yes
				2014/08/25	2014/08/25	TWSE/TPEX	Corporate Ethical Management and Social Responsibility Forums	3	
Independent director	Ming-Chun Chen	2015/06/24	2009/11/12	2017/11/01	2017/11/01	SFI	Supervising the company's Risk Management and Strengthening Corporate Governance	3	Yes
				2017/10/25	2017/10/25	Taiwan	The 13 th Corporate	3	

						Corporate Governance Association	Governance Summit Forum		
				2017/07/26	2017/07/26	SFI	Directors and Supervisors' Prosecutions for Financial statement Fraud	3	
				2016/11/03	2016/11/03	Taiwan Corporate Governance Association	Strengthening Corporate Governance: Trade Secret Protection and Fraud Prevention	3	
Independent director	Jr-Wen Huang	2015/06/24	2012/06/12	2017/08/03	2017/08/03	Taiwan Corporate Governance Association	2017 Focus Views- Reactions to New Regulations on Anti-tax avoidance	3	Yes
				2017/06/08	2017/06/08	Taiwan Corporate Governance Association	Audit committee practices	3	
				2017/04/07	2017/04/07	SFI	2017 Inside Trading and CSR Forum	3	
				2016/11/03	2016/11/03	Taiwan Corporate Governance Association	Supervising the company's Risk Management and Strengthening Corporate Governance	3	
				2016/06/08	2016/06/08	Taiwan Corporate Governance Association	Anti-tax avoidance and Agreement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income	3	
				2015/11/02	2015/11/02	Taiwan Corporate Governance Association	Strengthening Corporate Governance: Trade Secret Protection and Fraud Prevention	3	
				2015/05/04	2015/05/04	Taiwan Corporate Governance Association	New Development in Taxes	3	
				2015/04/14	2015/04/14	Taiwan Academy of Banking and Finance	Corporate Governance Forum-Activating the Future Competitiveness for the Corporation (CSR)	3	
				2014/08/25	2014/08/25	TWSE/TPEX	Corporate Ethical Management and Social Responsibility Forums	3	
Independent director	Chun-Yen Chang	2015/06/24	2010/10/29	2017/11/09	2017/11/09	Taiwan Corporate Governance Association	Anti-tax avoidance and Agreement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income		Yes
				2017/05/11	2017/05/11	Taiwan Corporate Governance Association	The obligation and responsible for Supervisors in Securities and Exchange Act		
				2016/11/8	2016/11/8	Taiwan Corporate Governance Association	The obligation and responsible for Supervisors in Securities and Exchange Act	3	
				2016/05/05	2016/05/05	Taiwan Corporate Governance Association	CSR and Sustainable Operation	3	
				2015/12/16	2015/12/16	SFI	Essential Risk	3	

							Management of Corporate Operations		
				2015/11/10	2015/11/10	Taiwan Corporate Governance Association	Risk Management and Internal Control	3	
				2015/03/19	2015/03/19	Taiwan Corporate Governance Association	Corporate Merger and Acquisition and Responsibilities of Directors	3	
				2014/09/02	2014/09/02	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulation	3	
				2014/06/16	2014/06/16	Taiwan Corporate Governance Association	Strengthen Corporate Ethical Management and Social Responsibility	3	

Note: Comply with time, scope, system, arrangement and information disclosures stated in “Directions for the implementation of continuing education for directors and supervisors of TWSE Listed and GTSM Listed companies.”

(IV) The composition, responsibilities, and operation of the Compensation Committee:
The Board of Directors approved the establishment of a Compensation Committee on December 15, 2011, and formulated a “Compensation Committee Charter.” The responsibilities of the Compensation Committee are to formulate and discuss on a regular basis the performance of directors, supervisors, and managers, along with the policy, system, standard, and structure of compensation, while evaluating and determining the compensation for directors, supervisors, and managers.

1. Member of Compensation Committee

Identity (Note 1)	Qualifications	Five or more years of work experience, together with the following professional qualification			is in conformity with independency (Note 2)								Number of listed companies concurrently served as member of Compensation Committee	Remarks (Note 3)
		An instructor or higher up in a department of commerce, law, finance, accounting or other academic department related to corporate business in a public or private college or university	A judge, public prosecutor, attorney, certified public accountant, or other professional or technical specialist who has passed a national examination and has been awarded a certificate in a professional capacity that is necessary for corporate business.	Work experience in the field of commerce, law, finance, accounting, or otherwise necessary for corporate business	1	2	3	4	5	6	7	8		
Independent director	Ming-Chun Chen	-	-	V	V	V	V	V	V	V	V	V	0	None
Other	Chin-Teh Hsu	-	V	-	V	V	V	V	V	V	V	V	0	None
Other	Chia-Jiun Cherng	-	-	V	V	V	V	V	V	V	V	V	0	None

Note 1: Identity refers to director, independent director, or others.

Note 2: During the two years before being elected or joining the term office, directors or supervisors shall meet the following terms with “✓” mark.

- (1) Is not an employee of the Company; nor an employee of its affiliated enterprises.
- (2) Is not a director, supervisor of the Company nor an employee of its affiliated enterprises. Provided that this shall not apply where the director/supervisor is an independent director of the Company or its parent company, and any company of which over 50% of shares with voting right are held by the Company directly or indirectly.
- (3) Natural shareholders who are not any persons other than the director / supervisor, and the director’s / supervisor’s spouse or minor children possessing more than 1% of the Company’s total issued shares, or natural shareholders who possess more than 1% of the Company’s total issued shares in the name of another person, or top ten natural shareholders.
- (4) Other than spouses, relatives within 2nd degree relationship or lineal relatives within 3rd degree relationship of the personnel referred to in the preceding three subparagraphs.
- (5) Is not a director, supervisor, or employee of a juridical individual shareholder who directly owns more than 5% of the Company’s outstanding shares; nor a director, supervisor or employee of a top five juridical individual shareholder who is an owner of Company issued shares.
- (6) Is not a director, supervisor, or officer of a company which has a business relationship with the Company; nor a shareholder who owns more than 5% of such a company.
- (7) Is not a professional individual, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that provides commercial, legal, financial, accounting services or consultation to the Company or to any affiliate of the company, or a spouse thereof.

(8) Not any of the circumstances in the subparagraphs of Article 30 of the Company Act.

Note 3: If the member is a director, please specify conformity with Article 6.5 of "Regulations Governing the Appointment and Exercise of Powers by the Compensation Committee of a Company whose Stock is listed on the Stock Exchange or traded Over the Counter."

2. Compensation Committee meeting status

- (1) The Company has 3 members in the Compensation Committee.
- (2) Term of office: June 12, 2015 to June 11, 2018. Two meetings were convened in the current calendar year, with the qualification and attendance of members as follows:

Title	Name	Attendance in person	Frequency of proxy-attendance	Attendance rate in person (%)	Note
Convener	Ming-Chun Chen	2	0	100%	
Auditors	Chin-Teh Hsu	2	0	100%	
Auditors	Chia-Jiun Cherng	2	0	100%	

3. Other notes

- (1) If the recommendation of the Compensation Committee is denied by the Board of Directors, meeting minutes shall record the date and session of the board meeting, the content of the resolution, and the response of the Company regarding the opinion of the Compensation Committee: None.
- (2) If any member of the Compensation Committee denied the resolution or expressed opinions put in writing, meeting minutes shall record the date and session of the meeting, the content of the resolution, the members' opinions, and the response regarding the opinion of the members: None.

(V) The implementation of social responsibility

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Implementation Status	
<p>I. Actualizing the promotion of corporate governance policies</p> <p>1. Condition where the Company sets forth corporate social responsibility policies or regulations and examines performance results from the implementation.</p> <p>2. The Company's promotion of corporate social responsibility by holding regular related trainings.</p> <p>3. The Company's establishment of a dedicated Board authorized task force, to promote corporate social responsibility and present relevant reports to the Board.</p> <p>4. The Company's establishment of a sound salary and compensation policy connecting employee performance</p>	✓		<p>1. The Company's establishment of "Corporate Social Responsibility Best Practices" to stipulate employee policy with code of conduct and regulations, ensuring safe and clean environment as well as safekeeping of hazardous materials (regarding energy, production material and waste). The Company will also conduct regular reviews held by the task force and associated departments.</p> <p>2. The Company has designated instructors and arranged routine trainings on corporate social responsibility.</p> <p>3. To perfect the management of corporate social responsibility, the Company has followed the "Corporate Social Responsibility Best Practice Principles" to set the "CEO Office" as the task force unit and designated our General Manager, Mr. Chien-Hua Teng, as the convener. The top executives will serve as the advocates to establish annual social targets—including but not limited to economic and environmental ones—for the Company and to lead the implementation of the related goals set for each time span, as well as to make the regular work reports to the Board.</p> <p>Project planning and job description Our CEO Office is in charge of assuring the Company's commitments to the society, covering employee relations, staff care, corporate governance, environmental protection and public welfare. Moreover, special attention will be paid to social and environment responsibilities, including regulation compliance, job security, workplace health and safety, green product and environmental impact, as well as customer requirements and satisfaction.</p> <p>4. The Company has established a sound salary and compensation policy connecting employee performance</p>	None

Item	Operation			Deviations from “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Implementation Status	
evaluations to corporate social responsibility and delineating a clear and effective review system.			evaluations to corporate social responsibility. Employees will be rewarded when participating in community activities or benefiting others significantly.	
<p>II. Develop sustainable environments</p> <p>1. Condition where the Company is devoted to enhancing the effective use of all resources and making use of recycled materials that pose the least impact to the environment.</p> <p>2. Condition facilitating the Company establishment of an appropriate environment management system compliant with industry characteristics</p>	✓		<p>1. The Company has established effective waste management procedures that separate waste into three types in accordance with their natures and entrust certified waste management services for disposition and recycling. Environmentally friendly materials are chosen during product development (the Company halted the use of Styrofoam in 2015).</p> <p>2. The Company’s product line includes connecting wires, connectors, solar junction boxes, wire harnesses and cables, and optical components. The Company is dedicated to establishing the optimal environment management system to fulfill environmental protection responsibilities by insisting on pollution prevention and continuous improvement of green product manufacturing while implementing Quality Management Systems to promote social development and enhance operational efficiency.</p> <p>Certifications:</p> <p>(1) ISO 14001:2004 Environment Management System: plants that receive the certificate include Shenzhen plants (Xiang Yao, Bizconn, Tong Ying), Queen Mao, OptiWorks, BizLink Electronics and Malaysia plant for implementation measures on energy saving, environment protection, and waste disposition. This builds a foundation for the continuous improvement of procedures to reduce environmental hazards for long term ecological balance.</p> <p>(2) Microsoft certification laboratory: Laboratory Accreditation for OEM (ISO/IEC 17025) and testing laboratory for lead and hazardous materials</p> <p>(3) Environment protection plant: Certifications for EU RoHS (Restriction of Hazardous</p>	None

Item	Operation			Deviations from “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and reasons												
	Yes	No	Implementation Status													
3. The Company's awareness of impacts from climate change to business activities, implementation of greenhouse gas inventory, stipulation of a strategy for energy conservation, as well as carbon and greenhouse gas reduction.			<p>Substances Directive) and OHSAS 18001 occupational health and Safety environmental plant</p> <p>3. To ensure that the production and manufacturing processes of our halogen free materials conform with the European RoHS Standards an environment evaluation report and sewage discharge permission were obtained before establishing a halogen free material production plant. In addition, industry waste such as the residue of ink solvent from processing wire harnesses, stamping process, and chemical residue from the maintenance of mold and injection molding machines is relatively low, and has been approved by the QC080000 Hazardous Substance Process Management system. The Company takes corporate social responsibility seriously; and strives to conform with environmental protection standards by reducing its’ carbon footprint every step of the way.</p> <p>Greenhouse gas emission for the past two years:</p> <p style="text-align: right;">Unit: CO2e tons</p> <table><tr><th>Year</th><th>2016</th><th>2017</th></tr><tr><td>Direct emission</td><td>1,293.09</td><td>1,328.85</td></tr><tr><td>Indirect emission</td><td>13,878.23</td><td>18,633.84</td></tr><tr><td>Total emission</td><td>15,171.32</td><td>19,962.70</td></tr></table> <p>The current inventory checks were conducted in the Kunshan and Shenzhen. Changzhou, Xiamen sites were included from 2017. All China sites are planned to be included in inventory check eventually.</p> <p>In-house R&D procedures were executed in order to reduce energy usage and greenhouse emissions. Reduction target for energy intensity: 10% of energy intensity decrease by 2025 compared to the intensity in 2017.</p> <p>Reduction target for greenhouse gas emission: 2% emission intensity decrease from that of the previous year.</p>	Year	2016	2017	Direct emission	1,293.09	1,328.85	Indirect emission	13,878.23	18,633.84	Total emission	15,171.32	19,962.70	
Year	2016	2017														
Direct emission	1,293.09	1,328.85														
Indirect emission	13,878.23	18,633.84														
Total emission	15,171.32	19,962.70														
III. Maintenance of social welfare 1. The Company's complies with	✓		1. To conduct due diligence on human	None												

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Implementation Status	
<p>relevant laws and regulations, and the International Bill of Human Rights to establish related management policies and procedures.</p> <p>2. The Company's establishment of due mechanism and channels handling employee complaints.</p> <p>3. The Company's offers a safe and healthy working environment for its employees and provides safety and health education regularly..</p> <p>4. The Company establishment of an internal communication platform to , notify employees of any significant operational changes.</p>			<p>rights issues and stipulate related management policies and procedures the Company has conformed with the International Bill of Human Rights; including the U.N. "Universal Declaration of Human Rights" and "Labor Standard from ILO". The Company has also established the "Business and Human Rights: Protect, Respect and Remedy Framework" and "Guiding Principles" to support this initiative.</p> <p>2. To address this issue, the Company has created "Management Practices for Employee Complaints" located in the employee handbook. In principle, claimants shall appeal via chain of command system. For extraordinary matters, employees are allowed to appeal via channels that he or she finds appropriate.</p> <p>3. The Company aims to provide a secure, healthy and comfortable working environment for the employees. A healthy environment will be achieved by promoting the right mindset, sound bodies and sound minds. In addition to employee health, BizLink conducts safety tests and hygiene education sessions on a regular basis. Regulations and related files regarding worker safety and hygiene are made available for viewing on internal website.</p> <p>4. Diverse channels to communicate with employees and provide business strategy updates: (1) To facilitate bi-directional communication within managerial layers: all-manager meetings are held every six months. (2) Each subsidiary maintains a presidential mailbox: employees can send all suggestions directly to the mailbox. (3) Internal network communication system: the internal network keeps all information for future search and updates timely new release, product information and management policies.</p>	

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Implementation Status	
5. The availability of effective career development plans employees.			5. Personality & aptitude tests will be given to newly-hired college graduates when during the on-boarding process. Guidance regarding career paths will be provided after. A dual promotion system is adopted for existing staff to develop their career in a professional or management field based on personal will and characteristics. Four-month training, including on-job education and rotation, will be required for a new manager to strengthen their management capabilities.	
6. The Company's creation of consumer rights policies and communication channels regarding its processes on R&D, procurement, production, operational processing and service.			6. With a core value of integrity and being customer oriented, the Company considers customers to be partners and aims to create mutual benefits for both parties. The Customer Service department is responsible for customer complaints, and conducts an annual satisfaction survey for continuous improvement.	
7. The Compliance of relevant laws, regulations and international guidelines when marketing or labeling its' products.			7. The Company has established "Corporate Social Responsibility Best Practice Principles" in addition to following the related regulations and international standards regarding the marketing and labeling of its' services and products.	
8. The Company's verification of records pertaining to its' suppliers' negative impact on the environment and society.			8. To encourage supplier corporate social responsibility, suppliers must comply with the "Guarantee for maintaining corporate social responsibility" policy. Before engaging with BizLink, the suppliers must obtain the corresponding environment protection document and ROHS certification. Prior impact on environment and society from the suppliers is evaluated on the below criteria: (1) Availability of technology, quality criteria and testing methodology for raw materials (2) Availability of conducting quality system examinations on material vendors (3) Completed records when making orders to qualified vendors (4) Availability of tracking procurement procedures (5) Availability of environment	

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Implementation Status	
9. The Company's capability to terminate contracts with its suppliers any time the supplier has violated such policy or has caused significant negative impact on the environment and society.			<p>protection labeling on packaging</p> <p>(6) Availability of signing eco-friendly agreement with raw material suppliers'.</p> <p>(7) Records of violating environmental protection and social responsibility.</p> <p>9. The Company has included its corporate social responsibility in supplier contracts. The Company has the right to terminate a contract any time a supplier violates any of the policy stated below or makes significant negative impact to the environment and society. Terms and conditions:</p> <p>(1) Based on "Raw Material Procurement Contract", the Company stipulates environmental protection standards, termination clauses and associated damages with the vendor. These require that the supplier conduct business activities with due consideration of labor health and safety, friendly working environment, legal compliance, code of ethics, EICC qualification and ban on using metal from controversial mining areas.</p> <p>(2) According to suppliers' "Guarantee for maintaining corporate social responsibility", vendors shall not apply materials from controversial mining areas. However, vendors shall comply with all related laws and regulations, as well as related standards covering employee management, health and safety, environment and ethics. Vendors will also understand the Company's right to terminate any transaction when violating corporate social responsibility.</p>	
IV. Reinforce information disclosure The Company's disclosure regarding status of corporate social responsibility on its website and Market Observation Post System.	✓		<p>The Company voluntarily prepared the corporate sustainability report in accordance with GRI Standards to present the associated implementation and performance in 2018. The report is available on our website http://www.bizlinktech.com/ for public view.</p>	None
V. If the company has established its corporate social responsibility code of practice in accordance with the "Corporate Social Responsibility Best Practice Principles for TWSE / GTSM-Listed Companies" please describe the operational status and differences: None.				

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Implementation Status	
The Company has long upheld integrity as its core value and integrated corporate social responsibility to its daily business activities and management. The Board approved the "Corporate Social Responsibility Best Practices" policy to facilitate our implementation of the concept and fulfill our promise to society.				
VI. Other important information to facilitate better understanding of the Company's implementation of corporate social responsibility (e.g., environmental protection, community participation, social contribution, social services, social welfare, consumer rights, human rights, and safety and health):				
<div>1. Employee rights and employee care: Please refer to labor-management relations in the business operation section of the annual report.</div> <div>2. Rights of the shareholders: There is an open communication channel with banks, employees, consumers and suppliers, whose legitimate rights are respected and maintained. In addition, there is a spokesperson, deputy spokesperson, and litigation and non-litigation agent available for the Company. The Company provides shareholders with honest financial and business records to protect the rights of shareholders. The Company's transactions with subsidiaries follow strictly by "Administrative measures governing related party transactions" and "Procedures governing the monitoring and management of subsidiaries".</div> <div>3. Environmental protection: In addition to following global design and manufacturing trends, responding to the demands of RoHS, HSF (Hazardous Substances Free) of the Company, and customers so as to ensure that the Company's products satisfy international standards and customers' requirements, the Company complies strictly with the Trash Clearance Act, Water Pollution Controls Act and Air Pollution Controls Act to protect environmental quality.</div> <div>4. Community participation, social contribution, social services and social welfare: donations to social groups, participation in educational, welfare and cultural activities and implementation of corporate social responsibilities:<div>(1) Participated in the Taipei International Marathon for Easter on 2017/04/16 To evoke concern for the society and less-privileged groups as well as attention to health, BizLink not only participated in the Marathon event on Easter morning in 2017, held by the "Taipei International Marathon for Easter", but also sponsored NT\$ 55,800. Our goal was to encourage our employees to go outdoors and enjoy sports to improve personal health by leveraging our sponsorships to social welfare institutions, non-governmental agencies, public schools, and cultural organizations.</div><div>(2) Sponsorship for the 368 Kids Art program on 2017/12/23 To inspire artistic creativity in children, bridge the gap of art appreciation between the urban and rural areas, and encourage participation in kids' art events to support children on their first journey into art, we financed a theater performance in the Sha-Ying District in Tainan for NT\$450,000, which assembled the efforts of many parties to bring theatrical plays from cities to the countryside, allowing 1,800 audience members to witness art performances that inspire creativity and aesthetic enjoyment.</div><div>(3) Continuing support of vulnerable children and the related charity organizations -2017 Gave concrete support to Washington Hospital for its construction projects of constructing an emergency room and intensive care units, UNICEF, World Vision, Medicins Sans Frontieres (MSF), FCSN (Friends of Children with Special Needs) in the U.S., Children Oakland Hospital, Smile Train (assistance agencies for kids with cleft palate) and other agencies. Total sponsorships given during 2017 was US\$ 115, 500</div></div> <div>5. Consumer rights: Improve the Company's competitiveness by providing aggressive, efficient, and effective services to meet the satisfaction of existing and potential customers.</div> <div>6. Human rights: the Company offers equal opportunity to all genders, religious groups, and political parties, and provides a working environment free of discrimination and harassment.</div> <div>7. Occupational safety and health: The Company provides the best safety and health environment so as to comply with the Labor Safety and Health Act (please refer to Labor safety and health code of practice for details).</div> <div>8. Public organizations: The Company shares its experiences in public organizations and seminars in hopes of enhancing industry competitiveness and contributing to a better society.</div>				
VII. Other information regarding products or the "Corporate Social Responsibility Report" which are verified by certification authority shall be specified: None.				

(VI) The implementation of integrity management and the responsive measures

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Implementation Status	
<p>I. Establishment of corporate ethical conduct policy and implementation measures</p> <p>1. The Company's guidelines on corporate ethical conduct policy are provided in internal policy and disclosed publicly. The Board of Directors and management team demonstrate their commitment to implement the policies.</p> <p>2. The Company sets forth policies to prevent unethical conduct. The implementation of the relevant procedures, guidelines and training mechanism are provided in the policies.</p> <p>3. The Company's protection measures regarding activities that are at a possible higher risk of unethical conduct or described under Article #7.2 under "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies".</p>	✓		<p>1. In our "Ethical Corporate Management Best Practice Principle," information regarding the related policies with practices and the commitment to implement the operating policies from the Board and the top management have been disclosed. Our "Ethical Corporate Management Best Practice Principle" and "Procedures for Ethical Management and Guidance on Conduct" have been available on the internal employee website, the company website and the Market Observation Post System.</p> <p>2. The Company requires that directors and managements sign a "Confidentiality Agreement" or other declaration which sets forth the responsibilities of the directors and shareholders, and stipulates "Involvement with significant information and insider dealings" so as to implement honest and upright operations.</p> <p>3. The Company's "Procedures for Handling Material Inside Information" and "Employee Practices" sets forth restrictions on revealing any material insider information by directors, management, and employees to others, along with restrictions on inquiring about or collecting any material insider information that is not related to his/her scope of responsibility, with any material insider information arising from non-implementation of business not being revealed to others. Bribery, corruption, providing illegal political contributions, improper charitable donations or sponsorship, unreasonable gifts, services or other improper benefits are restricted during business operations. Employees, management and directors shall be aware of "Procedures for Handling Material Insider Information" and "Employee Practices" to avoid unethical conduct.</p>	None
II. Carry out corporate conduct and ethical operation	✓			None

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Implementation Status	
<p>1. Conditions where the Company shall prevent doing business with those who have unethical records and include clauses with ethical conduct in the business contract.</p> <p>2. Conditions where the Company sets up full (part) time department to promote the operation of corporate ethical conduct policy and oversee by the Board of Directors.</p> <p>3. Conditions where the Company sets forth policy to prevent conflict of interest and provide appropriate communication channels.</p> <p>4. Conditions where the Company establishes effective accounting system, internal control system and internal auditing for the implementation of ethical conduct.</p> <p>5. Availability of internal and external training programs regarding ethical corporate practice.</p>			<p>1. Any agreements/contracts signed between the Company and an outside party shall include an ethical operation policy, and the Company may at any time terminate or cancel the agreement/contract should there be unethical conduct by the counterparties.</p> <p>2. To perfect the management of an ethical corporation, the Company has followed the "Ethical Corporate Management Best Practice Principle" to set the "CEO Office" as the task force unit and designated our General Manager, Mr. Chien-Hua Teng, as the convener to carry out the associated tasks, including formulating the operations and prevention, and the follow-up supervision. The implementation level varies depending on each division's operating nature and responsibility. A regular report of the implementation status will be sent to the Board for review each year.</p> <p>3. To prevent conflict of interest and to provide suitable complaining channels, the Company has formulated and implemented the "Procedures for Ethical Management and Guidance on Conduct."</p> <p>4. Formulate and implement ethical corporate management best practices for management and employees, and internal control systems for related party transactions and insider transactions; All cooperation parties are required to sign a Letter of Undertaking of Integrity, and no kickbacks, commissions, or unethical conduct are allowed. In addition to regular auditing, any verified and confirmed reporting shall immediately be communicated to the Audit Committee and Board of Directors to ensure the efficiency of the system.</p> <p>5. Internal and external training courses in 2017, covering work ethics, internal control, corporate risk management, and ethical risks with the solutions and implementation, were given to 164 participants totaling over 133 hours.</p>	
III. Condition where the Company establishes appropriate punishment and complaint system for reporting of any ethical irregulars.				None

Item	Operation			Deviations from “Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies” and reasons
	Yes	No	Implementation Status	
<p>1. The Company's establishment of a complaint and reward system with a convenient reporting functions and dedicated personnel for reported person.</p> <p>2. The Company's establishment of handling procedures and protection mechanisms for reported cases.</p> <p>3. The Company's establishment of measures to protect the whistleblowers from improper treatment.</p>			<p>1. The Company has made mailboxes available for employees and suppliers to send complaints. These mailboxes are disclosed in the employee handbook and the honest supplier contract. The internal audit department will conduct an investigation after receiving complaints and report the findings to the Company. Disciplinary action will be taken when necessary. Under HR policy, the corporate integrity policies have been linked to employee performance evaluations in an effort to establish a clear, rewarding and disciplinary system.</p> <p>2. The Company has established a handling procedure for non-integrity events. After an receiving a complaint, the Company or the group will assign special personnel or a review committee to conduct a private investigation. The handling personnel shall not release the identification of the whistleblower to protect his or her safety. If leaked, action will be taken in the same manner as giving out major company classified information.</p> <p>3. The Company's responsibility to handle the whistle-blowing matters: (1) The whistleblower shall take full responsibility of the reported content to prevent fabrication and exaggeration of facts for malicious reasons. If the investigation findings do not agree with the accusation, the Company may apply the heaviest punishment or take litigation action against the whistleblower. (2) The handling personnel shall take full responsibility for the entire procedures and the result. If any unfair treatment or improper disclosure is found, the Company may apply the heaviest punishment to the personnel and his or her supervisor, or take litigation for pursuing legal responsibility. (3) If personnel involved in this investigation are found perjuring or misreporting the Company may apply the heaviest punishment or take litigation action against him/her.</p>	

Item	Operation			Deviations from “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Implementation Status	
			<p>(4) Retaliation to the whistleblower is not permitted. The Company may apply the heaviest punishment to or take litigation action against the retaliating party.</p> <p>(5) Parties involved who do not object to the verdict of the arbitration but refuse to perform the resulting tasks may to be forcibly removed by the Company or subject to other disciplinary actions.</p>	
IV. Reinforce information disclosure The Company's disclosure on its Ethical Corporate Management Best Practice Principles and information regarding the status of implementation on its website and Market Observation Post System.	✓		The company maintains a corporate website (http://www.BizLinktech.com) where relevant information relating to the Company's financials, business, and corporate governance is updated on a regular basis.	None
V. If the company has established ethical corporate management best practices Principles for TWSE/GTSM Listed Companies and Ethics Best Practices Principles please describe any discrepancy between the policies and their implementation: None.				
VI. Other important information to facilitate better understanding of the Company's corporate ethical conduct compliance practice (i.e. Promote and demonstrate the Company's commitment to ethical standard and provide training to its business partners; review the Company's corporate ethical conduct policy. The Company invites its business partners to participate in regular educational training and promotional activities and facilitate their understanding of the Company's commitment, policy, avoidance measures for ethical operations, and the outcome of violations.				

(VII) Information shall be provided for any further corporate governance best practices and regulations

The Board of Directors resolved the revision of “Ethical corporate management best practices” on March 13, 2014, with relevant information detailing corporate governance rules, resolutions of the Board of Directors, and material information being available on June 11, 2014, on the Company's website (<http://www.BizLinktech.com>) once approved by the resolution of a shareholders' meeting.

(VIII) Other important information to facilitate better understanding of the company's corporate governance practices.

An investor conference is convened for the disclosure of any material information to maintain the transparency of information. The audit Committee is comprised of three independent directors to carry out best corporate governance practices. Corporate governance practice updates and rules will be available on the Company's website once approved by the resolution of the shareholders' meeting.

(IX) The following disclosure is required for the practice of Internal Control:

1. Statement of Internal Control

BizLink Holding Inc.

Statement of Internal Control

Date: March 13, 2018

Based on the findings of a self-assessment, the Company stated the following with regard to its internal control system during the fiscal year 2017:

- I. The Company's Board of Directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system. Our internal control is a process designed to provide reasonable assurances concerning the effectiveness and efficiency of our operations (including profitability, performance, and safeguarding of assets), reliability of our financial reporting, and compliance with applicable laws and regulations.
- II. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any identified deficiencies.
- III. The Company evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing Establishment of Internal Control Systems by Public Companies (hereinafter referred to as the "Regulations"). The criteria adopted by the Regulations identify five key components of managerial internal control: 1. Control environment, 2. Risk assessment, 3. Control activities, 4. Information and communication, and 5. Monitoring. Each key component includes various criteria. Please refer to "Regulations" for the criteria.
- IV. The Company has evaluated the design and operating effectiveness of its internal control system according to the Regulations.
- V. Based on the findings of such evaluation, the Company believes that, on December 31, 2017, we have maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), so as to provide reasonable assurances concerning our operational effectiveness and efficiency, the reliability of financial reporting, and compliance with applicable laws and regulations.
- VI. This Statement will be an integral part of the Company's Annual Report and Prospectus, and will be made public. Any falsehoods, concealments, or other illegalities in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
- VII. This Statement was passed by the Board of Directors in their meeting held on March 13, 2018, with none of the six attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

BizLink Holding Inc.

Chairman: Hwa-Tse Liang

Chief Executive Officer: Chien-Hua Teng

(X) Violation of internal control policy: None

(XI) The major Resolutions of Shareholders' Meeting and Board Meetings of the current calendar year as of the date of this annual report.

1. Major resolutions of shareholders' meeting

Time	Major subject
06.15.2017 Shareholder meeting	<ul style="list-style-type: none"> (1) Approved 2016 business report and final accounts (2) Approved 2016 earnings distribution Medicins Sans Frontieres (3) Approved the revision of "Procedures for the Acquisition or Disposal of Assets" (4) Approved the issuance of new common shares for cash and/or issue new common shares for cash to sponsor the GDRs Offering (5) Approved the issuance of new common shares for cash through private placement

2. Major resolutions in the meeting of Board of Directors

Time	Major subject
01.06.2017 First Meeting of Board of Directors	<ul style="list-style-type: none"> (1) Approved 2017 Business Plan and Financial Budget (2) Approved the investment of acquiring 100% equity of LEONI AG's Electrical Appliance Assemblies Business Group
03.08.2017 Second Meeting of Board of Directors	<ul style="list-style-type: none"> (1) Approved Year 2016 Consolidated Financial Statements and Business Reports (2) Approved Year 2016 Remuneration Proposal for Directors (3) Approved Year 2016 Incentive Pay Proposal for Employees (4) Approved Year 2016 Statement on Internal Control (5) Approved the amendments of "Regulations of The board performance evaluation" (6) Approved Year 2016 Proposal for Distribution of Profits. (7) Approved to the revision of "Procedures for Acquisition or Disposal of Assets" (8) Approved Proposal to Convene Year 2017 Annual General Shareholders' Meeting (9) Approved Validation and Appointment of the Effectiveness and Independence of auditing Certified Public Accountants. (10) Approved the modification of Endorsements/Guarantees for making of general credit limit, granted by Citibank (Taiwan) commercial bank, for subsidiary – "BIZLINK (BVI) CORP" (11) Approved the modification of general credit limit, granted by HSBC Bank (Taiwan) Limited, for subsidiary – "BIZLINK (BVI) CORP" (12) Approved Comprehensive Credit-Extension for "BIZLINK (BVI) CORP" and "BIZLINK INTERNATIONAL CORP" guaranteed by "E.SUN COMMERCIAL BANK, LTD" (13) Approved the modification of general credit limit, granted by China Trust Commercial Bank, for subsidiary – "BIZLINK (BVI) CORP" (14) Approved Short-term Comprehensive Credit Extension and modification of Pre-Settlement Risk credit limit for

	<p>“BIZLINK (BVI) CORP)” guaranteed by “TAIPEI FUBON COMMERCIAL BANK CO., LTD”</p> <p>(15) Extended loan Terms between Subsidiaries wholly owned by the Company.</p> <p>(16) Approved Comprehensive Credit Extension between Subsidiaries</p>
04.27.2017 Third Meeting of Board of Directors	<p>(1) Approved the issuance of no more than 20 million shares of new common shares for cash and/or issue new common shares for cash to sponsor the GDRs Offering</p> <p>(2) Approved the issuance of new common shares for cash through private placement</p> <p>(3) Approved the comprehensive credit authorization of Endorsements/Guarantees, granted by HSBC, for subsidiaries -”LEONI Cable (Xiamen) Co., Ltd. And LEONI Cable Assemblies” acquired from LEONI AG Electrical Appliance Assemblies business group</p> <p>(4) The modification on loan Terms between Subsidiaries wholly owned by the Company</p> <p>(5) The Application of additional loan Terms and limit authorization between Subsidiaries wholly owned by the Company</p> <p>(6) Approved additional items in 2017 Annual General Shareholders' Meeting</p>
05.11.2017 Fourth Meeting of Board of Directors	<p>(1) Approved 2017 Q1 consolidated financial statement</p> <p>(2) Approved the extension of loaning of funds between Subsidiaries</p> <p>(3) Approved the extension of Endorsements/Guarantees between Subsidiaries</p>
06.15.2017 Fifth Meeting of Board of Directors	<p>(1) Resolution on the record date for distribution of dividends</p>
08.11.2017 Sixth Meeting of Board of Directors	<p>(1) Approved 2017 Q2 consolidated financial statement</p> <p>(2) Approved the proposal to make a capital injection to EA Cable Assemblies GmbH</p> <p>(3) Approved the proposal to make a capital injection to BizLink Tech Inc</p> <p>(4) Approved the early termination of inter-subsidiary endorsements</p> <p>(5) Approved the proposal to guarantee the extension of the short-term credit line from Mega Bank (Tucheng Branch) for BIZLINK (BVI) CORP and BizLink Tech Inc</p> <p>(6) Approved the proposal to guarantee the short-term credit line and the line increase on the mid-term loan from First Commercial Bank</p> <p>(7) Approved the proposal to guarantee the short-term credit line, export negotiation and increase of the pre-settlement risk limit from Cathay United Bank</p> <p>(8) Approved the proposal to make loans to Bizlink Technology (Slovakia) S.R.O.</p>

	(9) Approved the proposal to increase the inter-subsidary loans of funds
09.20.2017 Seventh Meeting of Board of Directors	(1) Approved the proposal to issue the 2nd unsecured overseas corporate bond (2) Approved to the proposal to conduct cash capital increase by issuing common shares
11.10.2017 Eighth Meeting of Board of Directors	(1) Approved the 2017Q3 consolidated financial statements (2) Approved the 2018 business plan and financial forecast (3) Approved to formulate the 2018 audit plan (4) Approved the proposal to issue shares under the 2018 management phantom stock plan (5) Approved the proposal to modify the “BizLink Procedures for Acquisition or Disposal of Assets” (6) Approved the proposal to guarantee BIZLINK (BVI) CORP. on the extension of the comprehensive credit line from China Trust Bank (7) Approved the proposal to guarantee BIZLINK (BVI) CORP. on the additional credit line for short-term and mid-term loans from Ta Chong Bank (8) Approved the proposal to guarantee BIZLINK (BVI) CORP. on the authorization to change credit lines on short-term and mid-term loans and financial instrument trading limit from First Bank (9) Approved the proposal to guarantee BizLink Technology (Xiamen) Ltd. and Bizlink Technology (Changzhou) Ltd. on the changes of the comprehensive credit lines from HSBC (China) (10) Approved the proposal to provide joint payment guarantee for BIZLINK (BVI) CORP. (11) Approved the proposal to guarantee BIZLINK TECHNOLOGY, INC. on the extension of the comprehensive short-term credit line from China Trust Bank (U.S.A.) (12) Approved the proposal to increase the inter-subsidary loans of funds (13) Approved the proposal to extend the guarantee and endorsement provided for the inter-subsidaries’ (100% owned directly and indirectly) loans
12.12.2017 Ninth Meeting of Board of Directors	(1) Approved the proposal to set the actual issuing price for the 2017 cash capital increase (2) Approved the employee stock subscription list for the 2017 cash capital increase (3) Approved the proposal to transfer 100% shareholdings of Optiworks Inc. to OW Holding Inc. and acquire all new shares issued from the latter entity
01.12.2018 First Meeting of Board of Directors	(1) Approved the proposal to transfer 100% shareholdings of Optiworks Inc. to OW Holding Inc. and acquire all new shares issued from the latter entity
03.13.2018 Second Meeting	(1) Approved the 2017 financial statements and business report (2) Approved the proposal of the 2017 earning distribution

of Board of Directors	<p>(3) Approved the 2017 efficiency review of the internal control system and “Management Internal Control System Statements”</p> <p>(4) Approved the proposal of the 2017 Board of Directors remuneration plan</p> <p>(5) Approved the proposal of the 2017 employee compensation distribution plan</p> <p>(6) Approved the proposal to elect the directors across the board</p> <p>(7) Approved the proposal to nominate the director candidates (including the independent director)</p> <p>(8) Approved the proposal to modify the “Articles of Incorporation”</p> <p>(9) Approved the modified “BizLink Procedures for Acquisition or Disposal of Assets”</p> <p>(10) Approved the modified “Regulations Governing Procedure for Board of Directors Meetings”</p> <p>(11) Approved the proposal to conduct domestic issuance (within the limit of 20 million shares) of common shares for capital increase in cash or a combined issuance of common shares for capital increase in cash and overseas deposit receipts</p> <p>(12) Approved the proposal to conduct cash capital increase through private placement</p> <p>(13) Approved the proposal to convene the 2018 regular shareholders’ meeting</p> <p>(14) Approved the proposal to authorize the Chairman to open accounts with banks that the Company has established relationships with on behalf of BizLink Holding Inc.</p> <p>(15) Approved the proposal to evaluate the competency and independency of the independent CPAs for commission</p> <p>(16) Approved to set the record date for capital reduction for new restricted employee stocks of the 2016</p> <p>(17) Approved the authorization to guarantee the associated companies on the changes of the bank credit lines</p> <p>(18) Approved the proposal to guarantee BIZLINK (BVI) CORP. on the extension of the comprehensive credit line from HSBC (Taiwan)</p> <p>(19) Approved to guarantee BIZLINK (BVI) CORP. and BizLink Technology Inc. on the extension of the comprehensive credit line from E. Sun Bank (Taiwan)</p> <p>(20) Approved the proposal to guarantee BIZLINK (BVI) CORP. on the extension of the short-term comprehensive credit line and pre-settlement risk limit from Taipei Fubon Bank</p> <p>(21) Approved the authorization to guarantee the Taiwan branch of BIZLINK (BVI) CORP. on the increase of the hedging limit from E. Sun Commercial Bank</p> <p>(22) Approved the authorization to extend the credit line of inter-subsiary (100% directly or indirectly owned by the Company) loans of funds</p> <p>(23) Approved the authorization to extend the credit line of inter-subsiary (100% directly or indirectly owned by the Company) loans of funds</p> <p>(24) Approved the authorization to apply the credit line of</p>
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	inter-subsidiary (100% directly or indirectly owned by the Company) loans (25) Approved the authorization to change the credit line of inter-subsidiary (100% directly or indirectly owned by the Company) loans of funds (26) Approved the proposal to increase the inter-subsidiary loans of funds
05.11.2018 Third Meeting of Board of Directors	(1) Approved the 2018Q1 consolidated financial statements (2) Approved the proposal to nominate the director candidates (including the independent director) (3) Approved the proposal to authorize the Chairman to decide the earnings distribution dates after annual general meeting's approval (4) Approved cancellation of non-competition clause for new directors (5) Approved the authorization to apply the credit line change of inter-subsidiary (100% directly or indirectly owned by the Company) loans (6) Approved the authorization to apply the credit line of inter-subsidiary (100% directly or indirectly owned by the Company) loans (7) Approved the proposal to increase the inter-subsidiary loans of funds

3. Review of resolution implementation from the 2017 general shareholders' meeting
2017 Annual General Meeting was held on June 15th, 2017, B2 Meeting Room, No. 726 Zhongzheng Rd., Zhonghe Dist., New Taipei City. The resolutions shareholders present in person or by proxy approved at the meeting and implementation status are as the following:

Resolutions	Implementation Status
(1) Approved 2016 earnings distribution	<ul style="list-style-type: none"> Total profit sharing made for 2016 operation included NT\$10,163 thousand distributed as director remuneration, NT\$ 43,566 thousand distributed as employee bonus and NT\$ 720,715 thousand as cash dividends Setting August 3, 2017 as the base date for profit distribution date. The cash dividend was distributed on September 1, 2017.
(2) Approved 2016 business report and final accounts.	For the year of 2016, the Company made an annual sales of NT\$ 9,208,059 thousand and a net income of NT\$ 909,945 thousand with an EPS of NT\$9.23 per share.
(3) Approved the revision of "Procedures for the Acquisition or Disposal of Assets".	Executed as resolved.
(4) Approved the issuance of new common shares for cash and/or issue new common shares for cash to	Executed as resolved.

sponsor the GDRs Offering.	
(5) Approved the issuance of new common shares for cash through private placement.	Executed as resolved.

(XII) In the recent calendar year and up to the date of the publication of the annual report, if there is a disagreement that was already recorded or announced by statement among board directors or supervisors concerning material decisions approved at a board meeting, along with the major content of those disagreements: None.

(XIII) In the recent calendar year and up to the date of the publication of the annual report, the disclosure of the resignation or dismissal of any directors, managers, accounting managers, finance manager, internal auditing managers, or R& D managers: None.

IV. Information on Accountant's Fee

(I) Numerical range of accountant's fee

Certified Public Accountants	CPA	Auditing period	Note
Deloitte & Touche	Angus Chang Cheng-Chun Yu	2017.1.1 -2017.12.31	None

Range \ Items		2017		
		Auditing fee	Non-auditing fee	Total
1	Below \$2,000,000	-	-	-
2	\$2,000,000 (included) ~ \$4,000,000	-	-	-
3	\$4,000,000 (included) ~ \$6,000,000	-	V	-
4	\$6,000,000 (included) ~ \$8,000,000	-	-	-
5	\$8,000,000 (included) ~ \$10,000,000	-	-	-
6	Above \$10,000,000 (included)	V	-	V

(II) formation on Accountant's Fee

Unit: NT\$ Thousands

Certified Public Accountants	CPA	Auditing fee	Non-auditing fee					Auditing period by CPA	Note
			System design	Business registration	Human resource	Others (Note 2)	Sub-total		
Deloitte & Touche	Angus Chang Cheng-Chun Yu	12,300	0	0	0	4,725	4,725	2017.01.01-2017.12.31	Advisory services, Tax consuladation services

Note 1: In the recent calendar year, if there was a change in accountants or the accounting firm, please specify the inspection period, the reasons for the change, and the auditing and non-auditing fees: None.

Note 2: Non-auditing fees shall be recorded in accordance with service types, with detailed information being specified if "others" exceeded 25% of the non-auditing fee: None.

(III) Change in accounting firm and the audit fee is less than the previous year: None.

(IV) A decrease over 15% from the previous year in the audit fee: None

V. Change of Accountant : None

VI. Declaration of the Company's Chairman, President, or any finance and accounting officers ever holding a position in the accounting firm or its affiliates of the company's CPA: None

VII. Declaration of share transfers and pledges by directors, supervisors, and shareholders holding more than 10% of the company shares, in last fiscal year and year to date of the annual report publication

(I) Shareholding changes for directors, supervisors, managers and major shareholders

Unit: In shares

Title	Name	2017		As of April 23 of this year	
		Increase (Decrease) in shareholding	Increase (Decrease) in share pledge	Increase (Decrease) in shareholding	Increase (Decrease) in share pledge
Chairman	Hwa-Tse Liang (Note 1)	(70,000)	0	(334,221)	0
Director	Inru Kuo (Note 1)	(391,000)	0	582,583	0
Director	Chien-Hua Teng	(192,000)	0	(3,609)	0
Director	Huong-Chang Chen (Note 2)	(91,000)	(1,607,000)	-	-
Independent director	Ming-Chun Chen	(36,000)	0	(1,856)	0
Independent director	Chun-Yen Chang	0	0	0	0
Independent director	Jr-Wen Huang	0	0	0	0
Vice President	Chia-Cheng Lin	(20,000)	0	0	0
Vice President	Chen-Shen Chou	(21,000)	0	621	0
CFO	Shiou-Lin Chen	108,734	0	(70,000)	0

Note 1: Including shares of Hwa-Tse Liang and Inru Kuo Family Trust, and Liang Family Irrevocable Trust

Note2: Hong-Chang Chen resigned from the Board of Directors on November 14, 2017.

(II) Related party transactions for shareholding transfers: None

(III) Related party transactions for shareholding pledges: None

VIII. Information on the top 10 shareholders who meet the related party disclosure terms

Declaration of relationships among top 10 shareholders per defined in the Statement of Financial Accounting Standards No. 6, or if spouse or relatives within the 2nd degree of kinships to each other

April 23, 2018

Name	Personnel stockholding		Shareholding by spouse and minor children		Shareholding under another's name		Name and relationship of a related party or spouse or relatives within second degree of kinship with the top 10 shareholders.		Note
	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %	Name	Relation	
Hwa-Tse Liang and InRu Kuo Family Trust	8,624,427	7.27%	0	0	0	0	Hwa-Tse Liang Inru Kuo	Trustee	Note
Liang Family Irrevocable Trust	5,137,245	4.33%	0	0	0	0	Hwa-Tse Liang Inru Kuo	Trustee	Note
Fubon Life Insurance Co., Ltd.	4,264,000	3.60%	0	0	0	0	Not applicable	Not applicable	-
Cathay Financial Holdings Co., Ltd.	3,812,085	3.22%	0	0	0	0	Not applicable	Not applicable	-
Nomura Investment Trust	3,284,967	2.77%	0	0	0	0	Not applicable	Not applicable	-
InRu Kuo	2,881,629	2.43%	764,505	0.64%	0	0	Chun-Pin Liang	Relatives within 2nd degree relationship	-
BNP SNC Trust	2,549,215	2.15%	0	0	0	0	Not applicable	Not applicable	-
Deutsche Bank in Custody for the U.S. Pension & Emerging Market Fund	2,537,000	2.14%	0	0	0	0	Not applicable	Not applicable	
Chun-Pin Liang	2,292,132	1.93%	85,803	0.07%	432,002	0.36%	Hwa-Tse Liang Inru Kuo	Relatives within 2nd degree relationship	
Deutsche Bank in Custody for the University Pension Fund	2,139,656	1.81%	0	0	0	0	Not applicable	Not applicable	

Note 1: The mutual shareholding of trust is held by Hwa-Tse Liang and Inru Kuo, also including the Hwa-Tse Liang and Inru Kuo Family Trust, created on April 15, 1999, and Liang Family Irrevocable Trust.

**IX. Declaration of shareholdings and the accumulated holding percentages on investments
by the company, directors, supervisors, managers, direct, or indirect subsidiaries**

12/31/2017 Unit: shares; %

Reinvestment business	The Company's investment		Director, supervisor, manager and direct or indirect controlled business that reinvests		Comprehensive investment	
	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %
BIZLINK TECHNOLOGY INC.	10,000	100%	0	0%	10,000	100%
OPTIWORKS, INC.	1,400	100%	0	0%	1,400	100%
BIZLINK (BVI) CORP.	50,000	100%	0	0%	50,000	100%
BIZLINK INT'L CORP.	70,000	100%	0	0%	70,000	100%
ZELLWOOD INTERNATIONAL CORPORATION	2,500,000	100%	0	0%	2,500,000	100%
BIZLINK TECHNOLOGY (S.E.A.) SDN. BHD.	1,200,000	100%	0	0%	1,200,000	100%
ADEL ENTERPRISES CORPORATION	1,650,000	100%	0	0%	1,650,000	100%
BIZLINK TECH, INC.	180,000	100%	0	0%	180,000	100%
ACCELL CORPORATION	10,000	100%	0	0%	10,000	100%
BIZLINK TECHNOLOGY (IRELAND) LTD.	300,000	100%	0	0%	300,000	100%
株式会社ビズリンク	200	100%	0	0%	200	100%
BIZLINK WIDE LIMITED	10,000	100%	0	0%	10,000	100%
BIZCONN TECHNOLOGY INC.	-	100%	0	0%	-	100%
EA CABLE ASSEMBLIES (HONGKONG) CO., LIMITED	10,000	100%	0	0%	10,000	100%
EA CABLE ASSEMBLIES GMBH	1	100%	0	0%	1	100%
BIZLINK TECHNOLOGY (BELGIUM) N.V.	915	100%	0	0%	915	100%
BIZLINK TECHNOLOGY (SLOVAKIA) S.R.O.	Note 1	100%	0	0%	Note 1	100%
OW HOLDING INC.	-	100%	0	0%	-	100%
BOBI, LLC.	Note 1	100%	0	0%	Note 1	100%
JO YEH COMPANY LIMITED	10,000	100%	0	0%	10,000	100%
BIZCONN INTERNATIONAL CORPORATION	1,666,667	100%	0	0%	1,666,667	100%
ASIA WICK LTD.	1,000	100%	0	0%	1,000	100%
BIZLINK INTERCONNECT TECHNOLOGY (INDIA) PRIVATE LIMITED	100,000	100%	0	0%	100,000	100%
BIZLINK TECHNOLOGY SRB D.O.O.	Note 1	100%	0	0%	Note 1	100%
BIZCONN (SHENZHEN) INTERNATIONAL CORP.	Note 1	100%	0	0%	Note 1	100%
TONGYING ELECTRONICS (SHEN ZHEN) LTD.	Note 1	100%	0	0%	Note 1	100%
BIZLINK INTERNATIONAL ELECTRONICS (SHENZHEN) CO., LTD	Note 2	Note 2	0	0%	Note 2	Note 2
OPTIWORKS (SHANGHAI) CO., LTD.	Note 1	100%	0	0%	Note 1	100%
OPTIWORKS (KUNSHAN) CO., LTD.	Note 1	100%	0	0%	Note 1	100%
XIANG YAO ELECTRONICS (SHEN ZHEN) CO., LTD.	Note 1	100%	0	0%	Note 1	100%
HUA ZHAN ELECTRONICS (SHENZHEN) CO., LTD.	Note 1	100%	0	0%	Note 1	100%

Reinvestment business	The Company's investment		Director, supervisor, manager and direct or indirect controlled business that reinvests		Comprehensive investment	
	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %
BIZLINK (KUNSHAN) CO., LTD.	Note 1	100%	0	0%	Note 1	100%
BIZLINK ELECTRONICS (XIAMEN) CO., LTD.	Note 1	100%	0	0%	Note 1	100%
FOSHAN CITY NANHAI JO YEH ELECTRONIC CO., LTD.	Note 1	100%	0	0%	Note 1	100%
BIZLINK TECHNOLOGY (CHANGZHOU) LTD.	Note 1	100%	0	0%	Note 1	100%
BIZLINK TECHNOLOGY (XIAMEN) LTD.	Note 1	100%	0	0%	Note 1	100%

Note 1: No shares or par value was issued for a limited company

Note 2: The Company was liquidated in September of 2017.

Four Capitalization

I. Capital and Shares

(I) Capital

1. Capitalization

Unit: US\$1/share

Year month	Issuing price	Registered capital		Paid in capital		Note	
		Share	Amount	Share	Amount	Source of capital	Capital payments made by assets other than cash
6/2000	0.85	20,000,000	117,000,000	15,000,000	12,750,000	Original capital: 15,000,000 shares	None
5/2002	0.283333	60,000,000	117,000,000	45,000,000	12,750,000	Stock split: 1:3	None
7/2002	0.283333	60,000,000	117,000,000	45,881,614	12,999,791	Addition and conversion: 881,614 shares	None
10/2003	0.283333	60,000,000	117,000,000	51,556,411	14,607,650	Addition and conversion: 5,674,797 shares	None
12/2006	0.283333	60,000,000	117,000,000	51,028,262	14,458,008	Shares buyback: 528,149 shares	None
12/2007	0.283333	60,000,000	117,000,000	49,467,637	14,015,831	Shares buyback: 1,560,625 shares	None
6/2009	0.283333	60,000,000	117,000,000	49,667,637	14,072,498	New share issued through cash injection: 200,000 shares	None
11/2009	10	500,000,000	5,000,000,000	49,667,637	496,676,370	Capitalization of capital reserve: NT\$ 41,853 thousand	None
8/2010	10	500,000,000	5,000,000,000	55,627,753	556,277,530	Earnings capitalization: NT\$ 59,601 thousand	None
9/2010	60	500,000,000	5,000,000,000	57,627,753	576,277,530	New share issued through cash injection: 2,000,000 shares	None
4/2011	56	500,000,000	5,000,000,000	65,311,753	653,117,530	New share issued through cash injection: 7,684,000 shares	None
8/2012	10	500,000,000	5,000,000,000	66,617,988	666,179,880	Capitalization of capital reserve: NT\$ 13,062 thousand	None
9/2012	26	500,000,000	5,000,000,000	73,037,106	730,371,060	Capitalization through the conversion of unsecured convertible bonds: 6,419,118 shares	None
12/2012	26	500,000,000	5,000,000,000	73,390,946	733,909,460	Capitalization through the conversion of unsecured convertible bonds: 353,840 shares	None

Year month	Issuing price	Registered capital		Paid in capital		Note	
		Share	Amount	Share	Amount	Source of capital	Capital payments made by assets other than cash
3/2013	26	500,000,000	5,000,000,000	75,844,775	758,447,750	Capitalization through the conversion of unsecured convertible bonds: 2,453,829 shares	None
6/2013	26	500,000,000	5,000,000,000	77,387,076	773,870,760	Capitalization through the conversion of unsecured convertible bonds: 1,542,301 shares	None
9/2013	24.4	500,000,000	5,000,000,000	78,206,739	782,067,390	Capitalization through the conversion of unsecured convertible bonds: 819,663 shares	None
9/2013	47.6	500,000,000	5,000,000,000	79,320,239	793,202,390	Capitalization through the exercise of employee stock options: 1,113,500 shares	None
12/2013	47.6	500,000,000	5,000,000,000	79,796,739	797,967,390	Capitalization through the exercise of employee stock options: 476,500 shares	None
3/2014	47.6	500,000,000	5,000,000,000	79,834,739	798,347,390	Capitalization through the exercise of employee stock options: 38,000 shares	None
6/2014	47.6	500,000,000	5,000,000,000	79,914,739	799,147,390	Capitalization through the exercise of employee stock options: 80,000 shares	None
8/2014	10	500,000,000	5,000,000,000	83,904,575	839,045,750	Capitalization of earnings: NT\$ 39,898 thousand	None
9/2014	112.2	500,000,000	5,000,000,000	86,404,575	864,045,750	New share issued through cash injection: 2,500,000 shares	None
9/2014	43.7	500,000,000	5,000,000,000	86,420,075	864,200,750	Capitalization through the exercise of employee stock options: 15,500 shares	None
12/2014	43.7	500,000,000	5,000,000,000	86,869,075	868,690,750	Capitalization through the exercise of employee stock options: 449,000 shares	None
3/2015	43.7	500,000,000	5,000,000,000	87,010,075	870,100,750	Capitalization through the exercise of employee stock options: 141,000	None

Year month	Issuing price	Registered capital		Paid in capital		Note	
		Share	Amount	Share	Amount	Source of capital	Capital payments made by assets other than cash
						shares	
6/2015	43.7	500,000	5,000,000	87,086	870,860	Capitalization through the exercise of employee stock options: 61,000 shares	None
	134.1					Capitalization through the conversion of unsecured convertible bonds: 14,914 shares	
8/2015	10	500,000	5,000,000	91,429	914,294	Earnings capitalization: NT\$ 43,435 thousand	
9/2015	43.7 40.5	500,000	5,000,000	91,783	917,826	Capitalization through the exercise of employee stock options: 78,000 shares	None
	134.1					Capitalization through the conversion of unsecured convertible bonds: 278,121 shares	None
12/2015	124.1	500,000	5,000,000	91,819	918,192	Capitalization through the conversion of unsecured convertible bonds: 1,611 shares	None
	40.5					Capitalization through the exercise of employee stock options: 35,000 shares	None
3/2016	124.1	500,000	5,000,000	92,190	921,896	Capitalization through the conversion of unsecured convertible bonds: 327,951 shares	None
	40.5					Capitalization through the exercise of employee stock options: 42,500 shares	None
6/2016	124.1 179.4	500,000	5,000,000	93,341	933,409	Capitalization through the conversion of unsecured convertible bonds: 1,151,241 shares	None
8/2016	10	500,000	5,000,000	97,932	979,318	Earnings capitalization: NT\$ 45,910 thousand	None
9/2016	124.1 179.4/166.1	500,000	5,000,000	101,449	1,014,493	Capitalization through the	None

Year month	Issuing price	Registered capital		Paid in capital		Note	
		Share	Amount	Share	Amount	Source of capital	Capital payments made by assets other than cash
	37.5					conversion of unsecured convertible bonds: 3,383,521 shares Capitalization through the exercise of employee stock options: 134,000 shares	
12/2016	37.5	500,000	5,000,000	101,459	1,014,593	Capitalization through the exercise of employee stock options: 10,000 shares	None
2/2017	10	500,000	5,000,000	102,959	1,029,593	Capitalization through the exercise of new restricted employee stock options: 1,500,000 shares	None
3/2017	166.1	500,000	5,000,000	106,299	1,062,991	Capitalization through the conversion of unsecured convertible bonds: 3,339,732 shares	None
6/2017	166.1	500,000	5,000,000	113,788	1,137,882	Capitalization through the conversion of unsecured convertible bonds: 7,489,099 shares	None
9/2017	166.1/ 161.3	500,000	5,000,000	115,601	1,156,014	Capitalization through the conversion of unsecured convertible bonds: 1,813,231 shares	None
1/2018	210	500,000	5,000,000	118,601	1,186,014	New share issued through cash injection: 3,000,000 shares	None
3/2018	10	500,000	5,000,000	118,566	1,185,664	Cancellation of new restricted employee stock options: 35,000 shares	None

Note 1: The par value was changed to NT\$ 10 per share on 11/12/2009 with a total common capital of 49,667,637 shares

Note 2: Par value at NT\$ 10 per share with an issuing value at NT\$ 60 per share.

Note 3: Par value at NT\$ 10 per share with an issuing value at NT\$ 56 per share.

2. Share type

4/23/2018

Share type	Registered capital			Note
	Outstanding shares (Note)	Un-issued shares	Total	
Registered common stocks	118,566,407	381,433,593	500,000,000	The interim shareholders' meeting held on 11/12/2009 resolved to adopt an exchange rate of NT\$32.32 to US\$ 1 for conversion

Note: Listed shares

3. Information regarding shelf registration: None.

(II) Shareholder structure

4/23/2018

Unit: one share

Shareholder structure	Government agency	Financial Institution	Institutions of the Mainland Area	Other institutional investor	Individual investor	Foreign institutional and individual investor	Total
Number of shareholders	4	78	2	65	7,897	266	8,312
Shareholding (one share)	3,763,208	14,505,549	259,000	2,855,203	29,378,110	67,805,337	118,566,407
Shareholding percentage (%)	3.17%	12.23%	0.22%	2.41%	24.78%	57.19%	100.00%

Note: A primary exchange listed company shall disclosed its shareholding of Mainland area investors, who are juristic persons, groups, or other institutions of the Mainland Area, or companies invested through a third jurisdiction in accordance with Article 3 of the Regulations Governing Permission for People from the Mainland Area to Invest in the Taiwan Area.

(III) Distribution of share ownership

1. Common stocks:

4/23/2018

Unit: one share

Shareholding distribution	Number of shareholders	Shareholding	Shareholding percentage
1 ~ 999	3,060	360,794	0.30%
1,000 ~ 5,000	4,239	7,164,771	6.04%
5,001 ~ 10,000	401	2,923,355	2.47%
10,001 ~ 15,000	150	1,849,987	1.56%
15,001 ~ 20,000	66	1,189,689	1.00%
20,001 ~ 30,000	93	2,293,445	1.93%
30,001 ~ 40,000	50	1,747,877	1.47%
40,001 ~ 50,000	28	1,250,964	1.06%
50,001 ~ 100,000	81	5,994,607	5.06%
100,001 ~ 200,000	62	8,856,873	7.47%
200,001 ~ 400,000	29	8,249,343	6.96%
400,001 ~ 600,000	15	7,393,527	6.24%
600,001 ~ 800,000	8	5,784,622	4.88%
800,001 ~ 1,000,000	9	8,260,296	6.97%
Over 1,000,001	21	55,246,257	46.59%
Total	8,312	118,566,407	100.00%

2. Preferred shares: Not applicable.

(IV) Major shareholders: Names, shareholding of shareholders with an ownership of 5 percent or greater, or the names of the top ten shareholders

4/17/2018

Unit: one share

Shareholding	Shareholding	Shareholding percentage
Major shareholders		
Hwa-Tse Liang and InRu Kuo Family Trust	8,624,427	7.27%
Liang Family Irrevocable Trust	5,137,245	4.33%
Fubon Life Insurance Co., Ltd.	4,264,000	3.60%
Cathay Financial Holdings Co., Ltd.	3,812,085	3.22%
Nomura Investment Trust	3,284,967	2.77%
InRu Kuo	2,881,629	2.43%
BNP SNC Trust	2,549,215	2.15%
Deutsche Bank in Custody for the U.S. Pension & Emerging Market Fund	2,537,000	2.14%
Chun-Pin Liang	2,292,132	1.93%
Deutsche Bank in Custody for the University Pension Fund	2,139,656	1.81%

(V) Per share market price, book value, earnings, dividend and other information.

Unit: NT\$ thousands: one thousand shares

Year		2016	2017	As of 03/31/2018 (Note 8)
Item				
Per share market value (Note 1)	The highest	227.00	327.50	295.50
	The lowest	131.00	163.00	226.00
	Average	171.71	227.24	265.94
Per share book value (Note 2)	Before distribution	51.80	65.67	73.18
	After distribution	44.78	(Note 9)	(Note 9)
Per share earnings (Note 3)	Weighted Average Shares	98,626	108,850	116,551
	Per share earnings, before adjustment	9.23	10.68	1.94
	Per share earnings, after adjustment	9.23	(Note 9)	(Note 9)
Per share dividend	Per share cash dividend	7.0	(Note 9)	(Note 9)
	Stock dividend	-	(Note 9)	(Note 9)
		-	-	-
	Accumulated unpaid dividend (Note 4)	-	(Note 9)	(Note 9)
Investment return	PE ratio (Note 5)	18.60	21.28	137.08

analysis	Dividend ratio (Note 6)	24.53	(Note 9)	(Note 9)
	Cash dividend yield (Note 7)	4.08%	(Note 9)	(Note 9)

Note 1: the highest and lowest market prices per common share for each fiscal year. And calculating the average market price per period based upon the actual transaction prices and volume.

Note 2: Please use the number of the outstanding issued shares at year end as the basis to fill in the earning appropriation from the shareholders' resolution of the following year.

Note 3: In the case of retroactive adjustment due to stock dividends, both before and after adjustment EPS shall be disclosed.

Note 4: If the issuing terms of the security specify unpaid dividends will be accumulated until paid off, cumulated and unpaid dividends for individual year shall be disclosed as of then year

Note 5: Price-earnings (P/E) ratio = Average Market Price/ Earnings Per Share.

Note 6: Price-dividend (P/D) ratio = Average Market Price/Cash Dividends Per Share.

Note 7: Cash dividend yield: Cash Dividends Per Share/Average Market Price.

Note 8: Per share book value and earnings information shall be included to cover the data from the most recent quarter, and reviewed by a CPA. Information of the rest fields shall be updated as of the most recent fiscal as indicated in the annual report.

Note 9: Per share dividend will be based on the appropriation resolution in 2018 shareholders' meeting, which has not held. Thus the information is not available yet.

(VI) Dividend policy and execution

1. Dividend policy as stipulated in the Company's Articles of Association

As approved at the regular shareholders' meeting on 06/16/2011, the Company has amended Article#34.1 to allow the earnings appropriation to be proposed by the Board and resolved by the shareholders through ordinary resolution. The Board shall propose the appropriation based on the following guidelines: The Company shall, from the current year's earnings, offset for prior years' deficit and appropriate 10% of the residual earnings as legal reserve until the accumulated legal reserve equal to the Company's capital. Then set aside a special capital reserve, if one is required, in accordance with the Applicable Public Company Rules or as requested by the authorities in charge. Finally, no more than 3% and 5% of the balance can be allotted as Board remuneration and employee bonus (as prescribed in employee motivation plan under Article#11. 1), respectively. The Board shall articulate the appropriation percentage for the Board and employees in the earning distribution meeting. The shareholders have the right to amend the proposal before resolution. Board members who are also a member of the Company executive are qualified for both Board remuneration and employee bonus. The residual earnings, which shall not be less than 10% of the net earnings, can be distributed to shareholders as earning appropriation based on the related laws and regulations for public companies, but after the consideration for the financial and business needs of the Company. The distribution, either in new shares or cash, shall be made up of 10% cash or more.

In line with amendments to the Company's Articles of Association by the Board of Directors in June 2016: remuneration to ex officio employees, Directors, and Management before tax and interest cannot be lower than 1% nor exceed 10% of normal employee remuneration and not exceed 3% of Director and Management remuneration. Estimated employee remuneration for the year ended 2017 totaled NTD 52,188 thousand, while Director and Management remuneration totaled an estimated NTD 9,132 thousand. The ex officio remunerations, before tax and interest, were budgeted at 3.33% and 0.58% respectively. On March 13 2018, the Board of Director's decided that the remuneration shall be paid in cash. In accordance to regulation amendments passed in May 2015, dividends and bonuses can only be distributed to shareholders. Employees are ineligible for distributions. The Company has formalized the amendments and employees distributions policy to the Articles of Association during the 2016 General Shareholders' Meeting.

If there are substantial changes to the distributed payments that occur after the Board of Directors' approval of the Company's consolidated financial statements, the adjustments have to be made to the original costs. If the consolidated financial statements have already been published, the adjustments will be entered into the following year's accounts.

2. 2017 earnings appropriation

- (1) The Board, on 03/13/2018, has resolved an earnings appropriation for 2017 including a cash dividend of NT\$ 809,209,849 to the common shareholders). Per share distribution of total outstanding shares as of 12/31/2017 is US\$0.2235215 (or NT\$ 7.0) in cash. The proposal is pending for approval from shareholders' meeting. The shareholders' meeting will be held on 06/21/2018.
- (2) If the total number of outstanding shares is amended due to exercise of employee stock options and conversion of convertible bonds before the record day, the Board shall be authorized by the shareholders' meeting to adjust the distribution ratio according to the updated floating share number as of the record day.

BIZLINK HOLDING INC. 2017 Earnings Distribution	
Item	Amount (NT\$)
Beginning unappropriated earnings	1,160,904,668
Actuarial gains (loss) included in retained earnings	(361,094)
Unappropriated earnings of employee restricted stock cancellation after adjustment	245,000
Unappropriated earnings after adjustment	1,160,788,574
Plus: net income	1,162,464,214
Accumulative unappropriated earnings	2,323,252,788
Reserve Items	
Less: legal reserve (10%)	116,246,421
Less: Special reserves	299,926,864
Distributable net profit	1,907,079,503
Distribution	
Cash dividend – NT\$ 7.0 per share	809,209,849
Stock dividend - NT\$ 0.0 per share	0
Ending unappropriated earnings	1,097,869,654
<p>1. The earning appropriation is based on the total outstanding shares (115,601,407 shares) as of 12/31/2017 and includes a cash dividend of US\$ 0.235215 (or NT\$ 7.0) in cash. Upon the approval of the general shareholders meeting, it is proposed that the Board of Directors be authorized to resolve the ex-dividend date and ex-right date, and other relevant issues. If the total number of outstanding shares is amended due to exercise of employee stock options and convertible bonds are executed before the record day, the Board shall be authorized by the shareholders' meeting to adjust the distribution ratio according to the updated floating share number as of the record day.</p> <p>2. The functional currency of the Company is US Dollars (US\$). The NT\$ chart above was converted according to IAS #21 "The Effects of Changes in Foreign Exchange Rates".</p>	

(VII) The upcoming shareholders' meeting will discuss the effect brought by stock dividend to the operation and per share performance.

Unit: NT\$

Item		Year	2018(estimated)
Beginning actual paid-in capital (NT\$ thousands)			1,156,014
2017 earnings distribution	Per share cash dividend		NT\$7 (Note 1)
	Per share stock dividend from earnings recapitalization		-
	Per share stock dividend from legal reserve recapitalization		-
Change of operating performance	Operating income (NT\$ thousands)		Note 2
	Percentage change in operating income, compared with last year		
	Net income (NT\$ thousands)		
	Percentage change in net income, compared with last year		
Assumptions of EPS and PE ratio	When all stock dividends are distributed in cash	EPS assumption (NT\$)	Note 2
		Assumption of annualized average return	
	If no legal reserve recapitalization	EPS assumption (NT\$)	
		Assumption of annualized average return	
	If stock dividends from legal reserve recapitalization are distributed in cash	EPS assumption (NT\$)	
		Assumption of annualized average return	

Note 1: Estimated dividend distribution in 2018 was based on the Board's appropriation resolution made on 03/13/2018.

Note 2: The Company did not make financial forecast for 2018; therefore, no financial information or assumption for 2018 is required to be disclosed.

(VIII) Remuneration paid to directors and supervisors (the Company has not had supervisors)

1. Range of earnings appropriation to directors and supervisors remuneration in the Company's Articles of Association:

The Company's Articles of Association #34.1, the Company makes earnings distribution according to profit appropriation proposal resolved by the Board and approved by the shareholders. The Board shall propose the appropriation based on the following guidelines: The Company shall, from the current year's earnings, offset for prior years' deficit and appropriate 10% of the residual earnings as legal reserve until the accumulated legal reserve equal to the Company's capital. Then set aside a special capital reserve, if one is required, in accordance with the Applicable Public Company Rules or as requested by the authorities in charge. The residual earnings, which shall not be less than 10% of the net earnings, can be distributed to shareholders as earning appropriation based on the related laws and regulations for public companies, but after the consideration for the financial and business needs of the Company. The distribution, either in new shares or cash, shall be made up of 10% cash. The profit before tax of the fiscal year without deducting employees' compensation and remuneration of directors

and supervisors can be allocated 1% ~ 10% as employees' compensation and no more than 3% as directors and supervisors' remuneration.

2. Handling of the discrepancy between the actual appropriation and the original proposal (including distribution estimate for directors/supervisors, employees and the calculation of outstanding shares)

The Company makes appropriation estimate according to the guidance under the Company's Articles of Association. If the actual amounts subsequently resolved by the shareholders differ from the proposed amounts, the differences will be recorded in the following year's Profit & Loss as a change in accounting estimate. Moreover, the Company has not had a supervisor.

3. Proposal of employee stock bonus and total employee bonus as a percentage of the net income in consolidated and individual financial statements: not applicable

4. Per share earnings after deduction of the Board's proposal of remuneration paid to directors and supervisors and bonus distributed to employees.

The Board has adopted a proposal for distribution of 2017 profits. Please refer to the profit distribution below:

(1) Employee bonus of US\$1,714,400.

(2) Distribution of US\$300,000 as remuneration to the directors.

(3) The proposal amount is the same as the expensed item for the compensation to the directors. Any actual discrepancy incurred after the actual distribution will be recorded as changes in accounting estimates and adjusted in the income statement next year (2018).

(4) Per share earnings after deduction of the proposal of remuneration paid to directors and supervisors and bonus distributed to employees: not applicable

5. Proposal of earning distribution approved by the shareholders' meeting: None

6. Actual appropriations to employee bonus and remuneration to directors and supervisors: 2015 actual earnings distributions as employee bonus and remuneration to directors and supervisors are as follows:

Unit: US\$

	Actual distribution via the approval of the shareholders' meeting	Proposed distribution made by the Board	Difference	Reason of difference
Distribution	0	0	0	None
Employee cash bonus	1,350,247	1,350,247	0	None
Employee stock bonus	0	0	0	None
Director remuneration	315,000	315,000	0	None

(IX) Share buyback: None

II. Issuance of Corporate Bonds (Including Overseas Corporate Bonds)

(I) Unconverted bonds:

Types of corporate bond	First Overseas Unsecured Foreign Convertible Bond
Issuing Date	02/01/2017
Face value	US\$250,000
Issuing and listing	Singapore Exchange Limited
Issuing price	Issuing at par
Total amount	US\$ 100,000,000
Interest	0.00%
Tenor and Maturity Date	Five years, mature on 02/01/2023.
Guarantor	Not applicable
Trustee	The Bank of New York Mellon, London Branch
Underwriter	Domestic: Yuanta Securities Co., Ltd Overseas: Yuanta Securities (Hong Kong) Company Limited
Legal Counsel	Domestic: Jheding Law Office Overseas: K&L Gates LLP, USA 、Mayer Brown JSM, Hong Kong 、Maples and Calder (Hong Kong) LLP, Hong Kong 、LCS & Partners, China 、Allen & Gledhill LLP, Singapore
Independent auditors	Deloitte & Touche
Repayment	Unless the bonds have been converted, repurchased, or redeemed, the Company will redeem the bonds on the maturity date at a redemption price equal to 100% of the outstanding principal amount thereof.
Unpaid principal amount	US\$ 100,000 thousand
Early redemption or repayment clause	The Company is obligated to redeem the bonds under the following circumstances: 1. Beginning from 2 years after the Issuance Date to the Maturity Day, the Issuer may redeem the Bonds in whole or in part, at the Early Redemption Amount, provided that the closing price of Issuer's common shares on the Taiwan Stock Exchange ("TWSE"), converted into US dollars at the prevailing rate, for a period of 20 out of 30 consecutive trading days is at least 130% of the amount, which is the price of Early Redemption Amount divided by the then Conversion Rate (as defined below). 2. If more than 90% in principal amount of the Bonds have been redeemed, repurchased, and cancelled or converted, the issuing Company shall redeem all remaining outstanding debt linked with the Corporate Bonds. 3. If the Company has become obliged to pay additional amounts—increases in tax burdens, extra interest charges, or increased costs among others—as a result of any change in, or amendment to, the laws or regulations of the Cayman Islands or the Republic of China. The bond holders may not request the issuing Company the burden of any extra taxes or fees.
Covenant clause	None
Credit Rating, including name of the agency, rating date and rating result	Not applicable

Other Rights of Bondholders	Amount converted (via exchange or subscription) to common share, GDRs or other securities as of the date of this Annual Report	None
	Issuance and conversion (through swap or subscription)	Please refer to page 76~107 in the prospectus
The impact to existing shareholders is a dilution effect on existing shareholders due to share issuance and conversion and rights to exchange or subscribe.		Number of total shares issued through exercise of the conversion of unsecured convertible bonds as a percentage of total outstanding shares is 7.12% which has limited dilution effect to the existing shareholders.
Custodian institute		None

(II) Convertible bonds details

1. Second Domestic Unsecured Foreign Convertible Bond

Types of corporate bonds		Second domestic unsecured convertible bond
Item	Year	As of the publication of prospectus
Market price of the convertible bond	The highest	107.676
	The lowest	99.405
	Average	103.415
Conversion price		124.1
Issuing date and conversion price		02/01/2018 : 320
Exercise of conversion		Issuing new shares

III. Preferred Shares: None.

IV. Issuance of Global Depositary Receipts Shares: None.

V. Issuance of Employee Stock Options

To retain the talent needed and maintain employee morale to the shareholders' benefits, the Company had offered employee stock options and made associate exercise plan in 2010 according to the Company's Articles of Association to motivate employees.

(I) Unexpired employee stock option: None

(II) Employee restricted stock granted to management team and the top 10 employees as of the date of this annual report: None

(III) Private placement of employee stock options as of the date: None

VI. Issuance of New Employee Stock Options as of the date of this Annual Report

To retain the talent needed and maintain employee morale to the shareholders' benefits, the Company had made associate exercise plan of new employee stock option in compliance with FSC "Regulations Governing the Offering and Issuance of Securities by Securities Issuers".

(I) Issuance of New Employee Stock Options

4/23/2018

Types of employee stock options granted	2016 employee stock option
Date of authority approval	07/28/2016
Date of issuance	12/09//2016
Number of issuance	1,500,000 shares
Issue price	NT\$ 15,000,000
Percentage of shares exercisable to total outstanding shares	1.27%
Vesting condition	<p>A. Business condition</p> <p>(a) When the company's annual sales or net income (meaning the disclosed annual net income) for the period ended one year before the vested day, as shown on the audited financial statements, has grown by 5% or more compared to that of the previous period, 60% of shares vested for the year become exercisable;</p> <p>(b) When the growth reaches 10% or above, 100% of shares vested for the year would be exercisable.</p> <p>B. Condition of employee's performance and conduct evaluations:</p> <p>(a) All performance evaluations are rated "B" during the year before the option is exercisable;</p> <p>(b) There is no breach of the employment contract or issuing of any major demerit due to a violation of the company's rules for employee reward and punishment system.</p> <p>C. When condition (a) and (b) are both met for vesting condition, the granted shares will be vested based on the schedule below:</p> <p>(a) 30%: when the employee has been on the job for a full year or longer, starting from the issuing date of the restricted employee stock option.</p> <p>(b) 30%: when the employee has been on the job for two full years or longer, starting from the issuing date of the restricted employee stock option.</p> <p>(c) 40%: when the employee has been on the job for three full years or longer, starting from the issuing date of the restricted employee stock option.</p> <p>D. No shares will be vested when either vesting condition, (a) or (b), is not met, even if the</p>

	employee has been on the job for three full years or longer.
Restricted rights	<p>A. No shares, under the restricted stock option plan, shall be sold, pledged, transferred, gifted to others, set or disposed of through any other means.</p> <p>B. Options issued but not vested under the plan are eligible for stock and cash dividend distributions and subscription rights for new-shares issuance for cash.</p> <p>C. After the restricted employee stock option plan is issued, all rights shall be handed to professional trust or custodian agencies for administering. Prior to being vested, rights granted will not be returned by the trustee custodian bank to the employee.</p>
Custody status	During the custodial period, the company will be fully authorized by the employees to deal with the trust agency for the following issues (including but not limited to): service contract negotiations, signing, revision, extensions, cancellations and terminations, and instructions on the entrusted asset's delivery, execution and disposition.
Measures to be taken when vesting conditions are not met	The company will retrieve and cancel rights granted under the plan without compensation. Any stock or cash dividends appropriated during the vesting period will be paid by the company without charge.
Redeemed or repurchased share(s)	35,000 share
Vested to exercised share(s)	450,000 share
Vested to unexercised shares(S)	1,015,000 shares
Number of shares vested to unexercised shares as a percentage of total outstanding shares (%)	0.86%

Note: Based on total outstanding shares of 118,566,407 as of 04/23/2018.

(II) Employee stock option granted to management team and top-ten holders of the employee stock option as of the date of this Annual Report:

2016 Employee Stock Option

	Title	Name	Number of shares vested	Number of shares vested as a percentage of total outstanding shares	Exercised				open			
					Number of shares subscribed	Subscription price	Subscription amount in NT\$	ratio of the number of subscribed shares to total outstanding shares	Number of shares subscribed	Subscription price	Subscription amount in NT\$	Ratio of the number of subscribed shares to total outstanding shares
Management team	Chief Executive Officer	Chien-Hua Teng	890,000 shares	0.84%	267,000 shares	NT\$ 0	NT\$0	0.23%	623,000 shares	NT\$ 0	NT\$0	0.53%
	CFO	Shiou-Lin Chen										
	Vice President	Chia-Cheng Lin										
	Vice President	Chen-Shen Chou										
Employees	Chairman	Hwa-Tse Liang										
	General Manager of Subsidiaries	Inru Kuo										
	General Manager of Subsidiaries	Jack Leo										
	General Manager of Subsidiaries	Daniel Liang										
	General Manager of Subsidiaries	Terrence Ng										
	Vice President of Subsidiaries	Younger Wang										
	Vice President of Subsidiaries	KS Dung										
	Vice President of Subsidiaries	Yvonne Wang										
	Vice President of Subsidiaries	Peili Wu										
	Vice President of Subsidiaries	Anders Peterson										

VII. New restricted employee shares as of the date of this Annual Report: None

VIII. Mergers & Acquisitions, and the issuance of new shares due to acquisition of shares of other companies: None

IX. Capital allocation

(II) Description of the plan: Previous uncompleted public issue or private placement and issues and placements that were completed in the most recent 3 years but have not yet fully yielded the planned benefits: None

(III) Implementation status: Not applicable

Five Operating Summary

I. Business Operation

(I) Business Scope

1. Main business

The Company specializes in the research, development, manufacturing, and sales of products for the automotive, electrical appliance, information technology, telecommunication, photovoltaic, medical, and semiconductor industries in the form of connectors, modules, peripherals, and wiring and optical components.

2. Sales mix of major products

Unit: %

Year Product	2016	2017
	Percentage	Percentage
Cable Assemblies (Note)	24.13%	17.68%
Wire Harnesses	35.41%	25.53%
Power Cables(Note)	1.37%	14.45%
Docking Stations	14.14%	20.33%
Adaptors and Connectors	13.96%	8.57%
Systems Assembly (Cord Winder)	0.00%	5.42%
Others	10.99%	8.02%
Total	100.00%	100.00%

Note: Product re-organized

3. Product (Service)

Cable Assemblies	<ul style="list-style-type: none"> - Computers and handheld peripherals: dongles and docking stations -Electrical Appliances: home appliance, power tool, smart furniture harness -ATV main harness, EV battery management system harness, battery pack harness, universal EV charging devices, ADAS wire harness and temperature-controlled wire harness -High-frequency transmission server cable and connector, power cord for industrial servers -High-frequency transmission cable for consumer
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	electronics, audio system cable, wiring for augmented reality (AR) and virtual reality (VR) -Medical sensor cable, balun signal cable, electric filter
Wire Harnesses	Automobile harnesses, interior wires for medical equipment, wire harnesses for industrial use, and power harnesses for automatic production facilities
Adaptors and Connectors	Customized interconnect solutions, including high-frequency connectors for use in computers, consumer electronics, electric vehicles, and electronic appliances
Photovoltaic	Junction box, solar connectors, and high-voltage wiring material for solar energy applications
Raw Cables	High-frequency cables used in 3C products, high-speed data transmission cable for servers, industrial power cords, signal cables, and telecommunication applications, high-rated flame-retardant building cables, Teflon cables, wearable devices, optical cable and optical and electrical hybrid cables
Passive Optical Components	Wavelength Division Multiplexing (WDM) series Fiber optic splitters Micro optics product Optoelectronics product

4. Product development

Future product development will focus on high-frequency technologies and interconnect applications for commercial PC peripheral equipment, car electronics, high-current cables for EVs, high-end medical equipment, and semiconductor manufacturing equipment.

(II) Industry Overview

1. Industry overview and outlooks

(1) Active Cable

The commercial and consumer laptop and tablet trend towards compactness and weight reduction places limitations on the number of connector interfaces supported in new products. Compounded with the continued requirement for data transmission across increased differing devices and formats, this translates to an increased need for high-speed low-loss signal conversion in the form of Adaptors, Dongles, and Docking Stations. Meanwhile, there is also ripe opportunity in the high-speed transmission of

high-resolution graphics across multiple monitors for gaming, commercial design, workstations, and medical equipment.

(2) Cable Assembly & Passive Cable

The global aging population is accelerating demand for medical equipment. Quality standards in medical equipment wires for signal integrity, electromagnetic interference, and durability are constantly raised. Continued importance is being placed on manufacturing technology, quality control, and assembly skills.

The advent of smart phones in automotive infotainment, increased potential in driverless technology, and continued digitalization of cars have led to the rise of automotive networking. Combined with breakthroughs in battery technology, the electric vehicle industry is maturing.

(3) Connector

USB-Type C is the new interface for lighter and laminar device design. It not only supports faster and larger capacity charging, but also higher transmission rates (10Gbps) than USB 3.0 and is smaller in size (8.4×2.6mm). The product requires technology that has a high barrier to entry due to its micro components, embedded circuitry, and software integration. Consumer and commercial products alike have been accelerating adoption of this new technology over the past year.

(4) Server Interconnect

To process the ever increasing amount of data and bandwidth from services running through cloud computing, we need to keep upgrading related transmission technologies for better wiring speed and efficiency.

(5) Photovoltaic

Due to the decreasing unit cost of solar power generation, larger and increasing numbers of solar power plants will accelerate to boost the need for photovoltaic components, associated products, and specific models that support high voltage.

2. Supply chain

We use vertical integration to produce connectors and wiring material essential to our end-product, cable assemblies. Besides wires and connectors by subsidiaries, components are largely procured from external upstream vendors. Our customers are generally EMS players

or international brand companies that make or sell the end products.

3. Product development trends

Below are the latest interface standards:

(1) Video interfaces:

Supporting 4K and above resolution with 3D features, high-speed transmission, multi-screen display, quick charging, automobile interfaces, and new-generation interconnect technology

(2) Data transmission between storage devices: High speed transmission via optical fiber converted from multi-channel copper lines

(3) High-speed transmission: Upgrade speeds to 100Gbps and above

(4) Solar energy: 1500V high voltage junction boxes

4. Competition

Long-term strategies to establish competitive differentiation from peers: replacing parts of production procedures with automatic manufacturing to enhance production efficiency. We aim to further establish a global operation network close to target markets and major customers. Through multiple strategic partnerships and investments, we are gaining reciprocal technologies that will help us attain sustainable operation and stable profitability.

(III) Technology and R&D

1. Current technologies and R&D development

Main products include cable assemblies, connectors, and fiber optical parts used in PC peripherals, automobiles, medical equipment as well as industrial and telecommunication facilities. The Company participates in several international industrial standard associations. BizLink R&D centers are located in the Silicon Valley, Taiwan, and China. These teams collaborate with front-end vendors and back-end international customers to keep abreast of the latest interconnect technology. High quality connecting harnesses not only support stable electric current and anti-interference signal transmission, but also lay the foundation for high quality electronic products with long life-cycles and excellent operational efficiency.

2. R&D expenses from 2013 to 2017

Unit: NT\$ thousands; %

Item	2013	2014	2015	2016	2017
------	------	------	------	------	------

R&D Expenses	157,014	200,437	230,247	230,928	383,040
Net Sales	7,111,881	7,482,011	8,416,972	9,208,059	15,599,207
% of Net Sales	2.21%	2.68%	2.74%	2.51%	2.46%

3. Successful development

Year	R&D Result	Descriptions/Applications
2017	USB Type-C related docking station and dongles	Extending peripheral functions for IT products
	New-generation Thunderbolt docking station	Extending peripheral functions for IT products
	Electric vehicle charging module and controller	For EV charging
	Wireless charging module	Extending peripheral functions for IT products

(IV) Short to long-term development strategies and plans

1. Short-term development strategies and plans

(1) Information technology: Developing advanced applications

- Exploring further applications in image distribution
- Thunderbolt docking stations
- Applications of wireless transmission and power supply
- Cloud storage: active optical cable (AOC) and direct attach cable

(2) Vehicular products: High current and car electronics

- Electric vehicle supply equipment (EVSE) in target markets Europe, N. America, and Asia
- Co-developing ADAS and auto pilot system
- Car electronics, including automobile HUB, and wireless charging

(3) Smart electronic appliances

- New business model: Cross-industry product development
- IoT with electrical appliances: Bringing about smart home appliances
- IoT will further enable the sharing economy, timeshare leasing, and resource sharing

(4) Production capacity planning to increase market share

- Production expansion: Enlarged the production capacity in Kunshan, China and in Serbia, and added new PVC lines to the Slovakia site

- Production management system: including telecommunications business unit and California production lines
- Continue in strategic investments: upgrading production capabilities to further acquire premium customers

2. Long-term development strategies and plans

- Focus on advanced-technology product development with strategic diversification for new markets.
- Focus on patented technologies, machinery facilities, production techniques, and the enhancement of production efficiency and automation.
- Deepening of technology levels in high frequency and EMI control.
- Further connector product development for electric vehicles, in-vehicle electronics, medical devices, and solar energy.
- Develop storage product for Cloud application-computing
- Continued development and promotion of ultra-high speed optical product lines.
- Provide a total solution for customers by targeting service driven product development plans and technology applications.
- Increase proximity of production line facilities to customer sites.
- Sustainably integrate more products into people's daily lives.

II. Overview of the Market, Production, and Sales

(I) Market analysis

1. Major sales (service) regions

Unit: NT\$ thousands; %

Region	2016		2017	
Asia	3,850,223	41.82%	6,890,093	44.17%
America	3,791,079	41.17%	5,028,928	32.24%
Europe	1,552,602	16.86%	3,668,843	23.52%
Others	14,155	0.15%	10,343	0.07%
Total	9,208,059	100.00%	15,599,207	100.00%

2. Market share

Increasing the market share for individual products is a challenge due to product customization for industry and customer specific requirements as well as connector distribution to branded end-product manufacturers. Through our continuous exploration into new

applications for cable assembly and connector products and the related technologies, as well as global network expansion, we expect our market share will gradually expand.

3. Industry demands, supplies, and growing potentials

Cable docking series is still a growing market with our products establishing themselves as market leaders. The new USB-C interface has increased the need of using adaptors like dongles to interface between different generations, models, and types of electronic devices.

In-line with the growth of clean and renewable energy, our battery management system harnesses for electric vehicles, storage devices, and portable charging devices for electric vehicles have great market potential.

The medical sector will develop around the theme of smart and healthy living for an aging society. Future development trends for biomedical and healthcare will tie closely to the issue of aging, including medical assistive devices, treatment kits for ophthalmology, dentistry and respiratory therapy, as well as smart devices for better treatment and efficient diagnosis, and wearable preventive, mobile and smart devices. We expect the industry to integrate with medical material, software platforms, decision making systems and Cloud and Mega Data to begin another round of new development.

4. Competitive advantages

- (1) Vertical integration: We co-develop with our customers to integrate production procedures from up to down streams to offer a complete series of products and connecting solutions
- (2) Flexible production capacity: Adjust production flexibility based on the customer requirements and shipping deadlines to better cope with high-mix and low-volume orders
- (3) International certifications: All plants have received ISO9000, ISO14001, AS9100, TS16949 and OHSAS18001 certification.
The solar energy products have obtained UL and TUV verification
- (4) Management team: We will continue our established new product development procedures to ensure a long and stable relationship with all of our customers
- (5) Extend our global operation network: We will continue to set up local new operation spots to be close to product markets and customers

5. Positive and negative factors to future development and the addressing plans

① Positive factors

A. Our connection technology covers a vast range of applications, including computers and peripherals, automobiles, digital communications, industrial and solar energy, medical care, and many others

B. Penetration into top global companies

With extensive experience in R&D and co-working with customers for new product development, our product quality and technologies have won deep trust from top-tier international companies

② Negative factors and the addressing plans

A. Growth slowdown in the technology information industry

One method of maintaining revenues is the continued development and adoption of new technologies and products ahead of the consumer curve

Addressing plans

Aggressive expansion of product applications, such as car electronics, medical, industrial, semiconductor manufacturing equipment, aerospace, and solar energy

B. Competitions

Due to fierce competition in the electronic and information technology industries, the cost down pressure is high

Addressing plans

(a) Raise the technological entry barrier. Continue to invest in technology development, product design, automation, and improve production system, production flexibility, and quality control maintain price competitiveness

(b) We will expand our European and US markets through additional marketing efforts and the generation of differentiated, high value added applications

C. Volatile upstream material prices

Copper and plastic prices fluctuate with international trading markets

Reactive plans

(a) Long-term contract with upstream sources to stabilize supplies and production cost

(b) Monitoring markets and utilizing group purchasing in price negotiation

(II) Major applications and production procedures

1. Applications of the major products

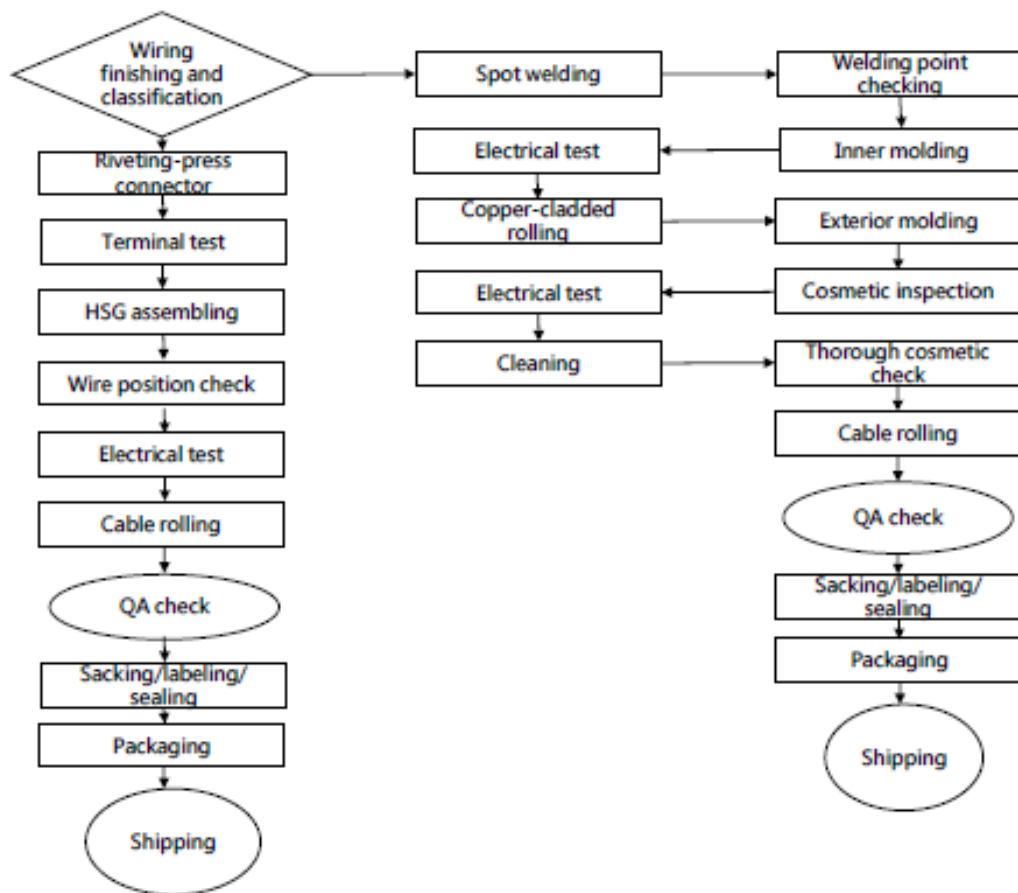
The Group manufactures data cables, power cords, vehicle harnesses, medical cables and harness, connectors/adaptors, bulk cables, and optical components. Applications for these products include computers, home appliances, medical equipment, automobiles, communication gears, solar power equipment, and industrial machineries.

Product categories	Applications
Connectors, harnesses, cable assemblies and solar power junction boxes	Signal transmission: 3C video and audio harnesses, data center high speed cables, vehicle electronics and EV battery management system harnesses, sports vehicle main harnesses, medical equipment, and sensor connecting and distant signal monitoring harnesses. Power transmission: High-voltage solar power harness for solar power, high-voltage cable for electric vehicle charging, and quick charging interface for commercial docking stations.
Passive optical devices	Passive optical devices are the fundamental and core components of optical data transmission systems, also the most critical elements when building fiber-optic communication networks. Optical transmissions transmit data at higher speeds. Applications: telecommunications, broadcasting, and data processing centers.

2. Manufacturing processes

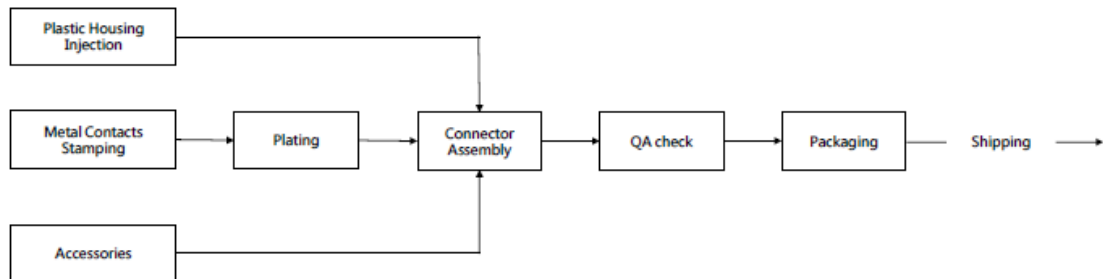
Cable assembly processes, from designs, material assembly, to shipment processes:

① Production procedures of cable assemblies



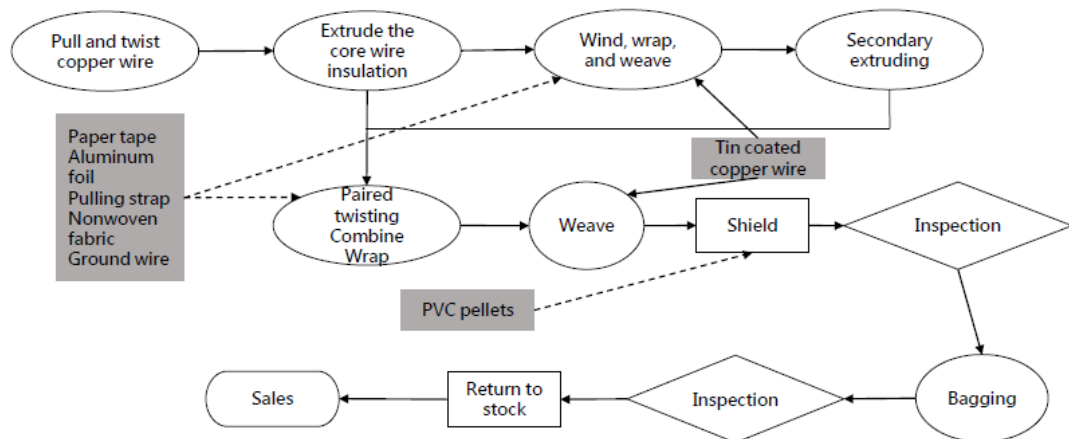
② Production procedures of connectors:

Materials and processes from suppliers are copper tapes, plastics, plating processes. The majority of connectors are sold to system-providers and connector assembly manufacturers.



③ Production procedure for raw wires:

Materials and services from suppliers are copper rods and industrial plastics. Our bulk wire customers typically include name brands, module-suppliers and assembly manufacturers in photovoltaic industry.



(III) Supplies of key materials

Our key materials include wires, connectors, terminals, etc. In order to secure our supplies, the Company mainly sources from quality and long-term vendors who offer high-quality and cost-effective materials in timely manner. The Company controls safety stock levels per customers' orders and MRP calculations.

(IV) Explanations if significant changes on gross profit margin in the last two

years: If changes were over 20%, provide analysis on major causes and their impact on the gross profit margins.

2015		2016		2017	
Gross margin	Fluctuation percentage	Gross margin	Fluctuation percentage	Gross margin	Fluctuation percentage
26.63%	-4.38%	29.80%	11.91%	24.39%	18.15%

Changes of gross margin rates less than 20%

(V) List of major suppliers and customers:

List a customer with amount, percentage, and reasons of changes if, in the last two years, purchases/sales from/to it ever accounted for higher than 10% of the total purchases/revenues. Designated customer codes, instead of real company names, are acceptable if NDA are signed to protect the names of the customers/suppliers.

1. Major suppliers in 2016 and 2017

None of the purchase to 3rd party accounted for more than 10% of the total purchases. Total purchases to top 10 suppliers were 35.84%, 21.18% and 28.60% of total in 2015, 2016 and 2017. Over the last two years, the company has not favored any one particular supplier. Unless stipulated by the client, the company's purchasing policy states that two suppliers must be available for any material. In addition to price comparison purposes, the supplier flexibility is also increased; therefore, there is no risk of over centralized supply.

2 Major customers in 2016 and 2017

Unit: NT\$ thousands; %

Item	2016				2017				As of March 31, 2018			
	Name	Amount	Percentage	Relation	Name	Amount	Percentage	Relation	Name	Amount	Percentage	Relation
1	(Note 2)	(Note 2)	(Note 2)	(Note 2)	AAA	2,470,306	15.84	None	AAA	1,094,492	23.13	None
2	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)
	Net sales	9,208,059	100.00	-	Net sales	9,208,059	100.00	-	Net Sales	4,730,966	100.00	-

Note 1: Changes of suppliers and customers are mainly driven by shifts of market trends and demands

Note 2: None of the income from single supplier accounted for more than 10% of the consolidated revenue.

(VI) Production volume and value in 2016 and 2017

Unit: pcs/ NT\$ thousands

Products (or department)	2016			2017		
	Capacity	Outputs	Value	Capacity	Outputs	Value
Cable assemblies	20,268,049	21,079,162	1,565,998	110,609,336	101,575,602	2,355,693
Harnesses	29,204,920	30,035,193	2,219,715	60,484,703	48,296,512	2,611,125
Power cords	1,475,458	1,944,675	78,113	70,953,644	55,100,617	1,705,511
Adaptors and connectors	1,620,357,822	2,229,270,402	634,838	953,946,585	1,368,664,355	450,007
Bulk cables	44,778,945	45,162,899	303,879	61,719,729	63,163,473	423,123
Passive optical components	412,722	606,212	322,500	495,032	768,916	363,263
Solar	14,207,653	18,950,854	181,429	20,598,323	29,006,722	268,084
Docking	755,304	753,968	1,123,838	1,943,000	2,573,513	3,078,460
Dongle	6,753,977	6,697,694	910,209	6,928,459	8,528,909	884,838
Systems Assembly (Cord winder)	0	0	0	13,998,189	11,219,438	603,291
Other	784,848,397	807,349,654	2,765,999	954,373,966	1,012,492,545	4,842,522
Total	2,523,063,245	3,161,850,714	10,106,518	2,256,050,966	2,701,390,602	17,585,917

Note 1: Capacity is the production volume from existing facility under normal production schedule which factored in necessary suspension and holidays)

Note 2: Capacities, if complementary to each other, will be combined in calculation. Please see footnote.

(VII) Sales volume and value in 2016 and 2017

Unit: pcs/ NT\$ thousands

Sales volume and value Sales volume	Year		2016				2017			
			Domestic sales		International sales		Domestic sales		International sales	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Cable assemblies	0	0	34,346,049	2,221,887	0	0	72,201,655	2,757,389		
Harnesses	0	0	21,626,335	3,261,250	0	0	42,889,254	3,982,361		
Power cords	0	0	1,785,320	125,898	0	0	55,448,705	2,254,724		
Connectors	0	0	15,590,209	122,476	0	0	14,357,945	113,205		
Raw cables	0	0	5,255,165	63,299	0	0	6,043,358	82,648		
Passive optical components	0	0	436,745	420,448	0	0	466,930	460,804		
Solar	0	0	2,473,774	149,748	0	0	3,063,388	189,049		
Dockings	0	0	660,876	1,301,568	0	0	1,401,571	3,171,381		
Dongles	0	0	6,349,058	1,285,355	0	0	6,961,582	1,337,377		
Assembly (Cord winder)	0	0	0	0	0	0	11,163,883	844,886		
Others	0	0	259,986,984	256,130	0	0	277,988,089	405,383		
Total	0	0	348,510,514	9,208,059	0	0	491,986,360	15,599,207		

Notes: All sales are for export.

III. Employees in 2016, 2017, and as of the date of this Annual Report

Year		2016 end		2017 end		End of March, 2018	
Number of employees	Managers	158		249		246	
	Clerical	1,339		1,826		1,883	
	Operators	3,733		6,435		6,747	
	Total	5,230		8,510		8,876	
Average age		33.99		37.21		37.84	
Average service years		4.67		5.77		5.72	
Education	PhD	5	0.10%	9	0.11%	9	0.10%
	Master	83	1.59%	225	2.64%	228	2.57%
	College	941	17.99%	1,369	16.09%	1,405	15.83%

	High school	1,571	30.04%	2,507	29.46%	2,608	29.38%
	Others	2,630	50.28%	4,400	51.70%	4,626	52.12%

IV. Environment Protection Expenditures

- (I) Status if any applications of pollution facilities or waste drainages, if any payments for anti-pollution purposes, or if exclusively personnel setup for environmental issues:

Major production lines are in China.

All factories have Environmental Impact Assessment and the permits on waste water sewage. For recycling and general wastes, the Company has contracts with certified waste management companies

BizLink (Kunshan) Co., Ltd., OptiWorks (Kunshan) Co., Ltd., and Shiang Lien Construction & Development in Kunshan completed sewage infrastructure and received waste water sewage permit from government on 11/28/2011.

BizLink International Electronics (Shenzhen) Co., Ltd. received "Eco-Friendly Certificate" (Shen-Bao-Huan-Sho-Zi: 2010#021) from the Environment Bureau of Baoan District in Shenzhen. There were also "Environmental Impact Report" released by the government environmental committee in Shenzhen on 2013/4/10; #(2013) 601055 from the water district in Shenzhen, and permit from the Environmental Bureau and Tax Bureau of Baoan District in Shenzhen.

BizConn (Shenzhen) International Corp. Shenzhen received "Eco-Friendly Certificate" from the Environment Bureau of Baoan District in Shenzhen

BizConn Certificate of Hazard Management, QC080000: Valid to 2020/1/9

BizConn Certificate of Environment Management, ISO 14001:2004: Valid to 2018/9/14

BizLink Electronics (Xiamen) Co., Ltd. On 05/07/2018, received waste water sewage permit from government, valid for three years.

All waste emission, including waste water, gas and salvaged material, from Tongying Electronics (Shenzhen) have met local regulation standards and received approval on November 25th, 2011, (Shen-Bao-Hen-Shui-Pi: 2011: #604827) from the Environment Bureau of the Baoan District of Shenzhen. In addition, all waste emissions are tested by an independent third party to ensure compliance with government regulations;

- (II) List if any investment on anti-pollution equipment, the applications, and possible ROI:

The productions in our factories do not have high pollution processes. Our anti- production operation mainly focuses on waste management, which is currently handled by certified waste management companies. No investment on the major anti-pollution facility is required.

All solid waste generated during the production is properly classified and recycled by certified waste management companies. Our industrial wastes are managed by disposition stations certified by environmental authority. Our production procedures generate no significant pollutions to the environment.

General sewage per DB4426-2001 Level II standards, and industrial emission were processed before dispersed through pipes to high air per

DB4427-2001 Level II, passed the inspection by certified 3rd party inspectors. Noise elimination control is per GB12348-2008 Level III or $\leq 65\text{dB}$ in the daytime and $\leq 55\text{dB}$ during the night time. There were no radiation sources, radioactive substances nor industrial sewage generated.

The pipes at soldering stations are our primary anti-pollution facilities. They take in the unleaded emission from the production and to release through the roof, keeping any possible damages away from human beings and the environment.

(III) Information about the processes taken by the Company on environmental pollution improvement for 2015, 2016 and up to the date of this Annual Report. If any pollution disputes, list the handling processes: There were no pollution disputes.

(IV) List if any damage or loss (including compensation paid) by the Company on environmental pollution incidents in 2015 and 2016 and up to the date of this Annual Report. The total penalty/fine amount, as well as the preventive actions (including improvement) and possible liabilities (including possible loss if no preventive measures are taken, and the penalties and estimated compensation amount; if a reasonable estimation cannot be made, then reasons): None.

(V) Information about the current pollution management processes and their impacts to profits, competitiveness and capital expenditures of the Company, as well as the projected major environment-related capital expenses to be made for the next two fiscal years:

All products manufactured by the Company are eco-friendly and meet local and international environmental regulations. There are no toxic waste or wastewater byproducts from the production process. The stamping and maintenance steps of equipment and product maintenance generate residual solvent inks and negligible chemical solutions. These substances are now 100% managed by certified waste management companies. Procedures for using, storage, and disposing chemical substances are compliant with the local regulations. Documentation regarding hazard waste in case of emergency is filed at the local environmental authority level. Therefore, we foresee no environment-related capital expenses, or impact to the profits and competitive position of the Company due to environmental issues.

V. Labor Relation

(I) Information regarding employee benefits, continuing education, training, retirement programs, and the status of their implementation, as well as the contracts between the employees and the Company, and all measures aimed at preserving the rights and interests of employees.

1. Employee benefit programs and execution

Talents are the most precious assets of the Company. We strive to incubate, cherish and care for every employee to ensure them a balance development among work, life and leisure. The Company made the salary policy based on profit sharing and performance evaluation to provide sound benefit programs as seen in the following examples (Note: may vary by regions):

- A. Labor insurances per local government's requirements
- B. Social insurances, housing funds, work-related injuries, pension funds, medical insurances, unemployment insurances and maternity insurance, etc.
- C. Gifts in routine birthday parties and traditional holidays
- D. Annual paid time-off per regulations
- E. Various recreational events and employee outings.
- F. Free annual health checkups; free meals and dorm program.
- G. OHSAS18001 occupational safety and health management system.
- H. Regular pay raises and generous annual bonus to the middle managers.

2. Employee education and trainings:

Talented people are the most important and core aspects to BizLink's competitiveness. The Company uses continuous training programs to nurture employees' potential and enhance their knowledge, meanwhile increasing their loyalty to the company. This also provides them with the tools and expertise to improve the Company's operational efficiency to reach business goals. The execution of employee training is as follows:

- A. Accumulated training hours in 2017 was 159,645 hours, or 14.43 hours/employee, with a total expense of NT\$ 2.56 million. The programs covered professional and general education, including skills for middle management, quality assurance, R&D and engineering, production management, human resources & general administrations, sales & marketing, financial management, and material management.
- B. New employee trainings: Dedicated mentors are assigned when new employees come onboard for orientation, covering an introduction to the working environment and helping them acquaint themselves with the company, coworkers, and corporate culture. Departmental training programs are available to new employees to equip them with basic knowledge for their job. These include, but are not limited to, the company background, organizational structure, employee handbook, awareness of environmental protection, quality/environment policy and the Articles of Association, salary & benefits, training programs, performance appraisal, production safety and hygiene, 6S, and knowledge regarding quality controls.
- C. On-the-job trainings: Our human resource department sets up open-class schedules for the following year at year end. The schedules combine both internal sessions from departments and the Company, and external programs. Internal sessions are lead by lectures from either internal instructors or external professionals with professional knowledge and machinery

operation experience. The external programs are done by professional training institutes, such as Ahead International Management Consulting and The Association of Pioneer Quality Control Research for special training projects.

- D. Management trainings: For managers, various trainings were provided according to their level and work nature to create team vision and operating consensus. The Management Training Program is provided to the Company's managers and fully subsidized by the Company to foster individual leadership and management skills.
- E. E-Learning: The Company has established a corporate learning platform online, BizLink eLearning. Employees are free to utilize the programs. The classes are updated regularly and cover management, professional skills, finance, information system, and quality assurance. BizLink eLearning was awarded a Grade A certification in 2007 for its quality in the program of digital learning industry promotion and development from the Industrial Development Bureau, Ministry of Economic Affairs.
- F. Internal instructors: To pass down and circulate organizational and professional knowledge, the Company has formed an instructor team for the classes, and improved the teachers' abilities to develop new training programs and to integrate the materials into practical operations.
- G. Special skill training: For trainings that require sophisticated skills and professionalism, the Company has partnered with 3rd party training institutes to develop special skill programs, such as IPC-620 and English writing and speaking.
- H. Management trainee program: To fulfill the need for talented and higher-quality employees for business development and company recognition, the Company regularly recruits new graduates from universities, and internally promotes employees with outstanding performance to management trainee programs to staff future development.

3. Retirement program and execution

1. After the announcement of the Labor Pension Act on July 4th, 2007, the Company began offering the then employees to either continue the pension program under the Labor Standards Act or to change to the program under the Labor Pension Act. Two people elected to stay with the Labor Standard Act; eight others chose to retain the old system for service years accumulated before 2007 and switch to the new system thereafter.
2. Employees who qualify for the pension program under the Labor Pension Act are defined as the description in the law's Article 53: A worker may apply for voluntary retirement under any of the following conditions: "1. A worker who attains the age of fifty-five and has

worked for fifteen years. 2. A worker who has worked for more than twenty-five years. 3. A worker who attains the age of sixty and has worked for ten years. Or as the description in the law's Article 54: “

1. Where the worker attains the age of sixty-five. 2. Where the worker is unable to perform his/her duties due to mental handicap or physical disability. When a worker retires involuntarily, based on the Law's Article 55, two bases are given to the worker for each full year of his/her service. Those having served over 15 years are given one base for each full year of service and the total number of bases shall be no more than 45. Length of service is calculated as half year when it is less than six months and as one year when it is more than six months. 2. As set forth in sub-paragraph 2 of Paragraph 1 of Article 54, an additional 20% on top of the amount calculated according to the preceding sub-paragraph shall be given to workers forced to retire due to mental disorders or physical disabilities incurred from the execution of their duties.

3. The Company has allocated an amount stipulated by the Labor Department and computed according to Article 56 under Labor Standard Act to employee's individual account to cover pension withdrawals in the future.
4. For employees who joined after July 4th, 2007, the Company will only elect the regulations in Article 14 under Labor Pension Act to contribute an amount equal to 6% of his/her monthly wage to an employee's individual account of labor pension. Once the employee retires, either voluntarily or involuntarily, he or she can withdraw the pension either at once or via a monthly basis.”

4. Contracts between the employees and the Company, and all measures aimed at protecting the rights and interests of employees.

A: Union establishment: Unions are formed per related local regulations, and Union meetings are held regularly based on the related local regulations. Representatives from the employees are invited to facilitate the communication with employees as they can get opinions and requests from the meetings for employees' needs and issues, and invite unions' participation to the benefit program and policy setting. As of today, all union members are willing to dedicate to the related matters to assist the win-win situation for the Company and employees.

B. Suggestions deposits: An appeal and complaint channel for the employees, managed by a dedicated personnel. Employees are encouraged to bring up suggestions, which will be used as references for continuous improvements on company policies.

5. Code of employee conduct and morale

The Company has employee handbooks available as a guideline for daily operation and conduct. The following articles are from Code of employee conduct and morale from the Company:

(1) Honesty and integrity

Employees must abide by the honesty and integrity articles

stipulated by the Company, not to solicit any improper interests, like rebates, commissions, gifts, or entertainments from any trading parties, including partners, customers, material vendors and service providers, regardless the result of the transactions

- (2) No harassments in any form is allowed
Employees have the right to work under harassment-free environment. Harassments targeting cultural backgrounds are prohibited
- (3) Promises and implementation
The Company has declared an honest policy. The board and the management team shall strive to implement the promise and carry out necessary procedures and management within internal and external business activities.
- (4) Honest business activities
The Company shall conduct its business in fair and transparent manners. Before any transactions with agents, suppliers, customers or trading partners, the Company shall ensure its honest business policy is included in the contracts to implement terminations or cancellations of the transactions if the policies are violated
- (5) No bribery
The Company strictly forbids its employees to directly or indirectly offer/promise or to take/receive any kind of improper interests including rebates, commissions, or any payments to or from customers, agents, contractors, suppliers, government officers, or any other interest parties.
- (6) No illegal political contributions
The Company strictly forbids its employees to offer illegal contributions to any political parties or events in exchange for business interests or advantages.
- (7) No illegal charity contributions or sponsorships
The Company strictly forbids its employees to give charity donations or sponsorships per laws and internal policies to avoid de facto bribery.
- (8) No inappropriate gifts, entertainment or interests
The Company strictly forbids its employees to give improper gifts, entertainment, or interests to influence the business transactions or make impact to the legitimate of the deals. Dealings with partners who have records of unethical conduct shall be avoided. Personal direct or indirect donations shall abide by Political Donations Act and company policies.

(II) Information regarding the loss suffered by the Company due to labor disputes occurring in 2016, 2017, and up to the date of this Annual Report, and the estimated amount expected incur for the present and future as well as the preventive measures. If a reasonable estimation cannot be made, reasons should be stated herein:

No major labor disputes in 2017 and up to the date of this Annual Report
Through constant promotion and improvement of various employee benefit measures, the potential risk of major losses incurred due to labor-capital disputes in the future is minimized.

VI. Important contracts

Item	Type of contract	The parties	Valid Period	Major transaction	Covenant clause
1	Licensing	Apple Inc.	Two years starting from 12/3/2007 and automatically renewed thereafter	Technology Licensing	--
2	Licensing	Molex Incorporated	7/30/2007- Patent expiration	License to use patents	--
3	Licensing	VESA	3/11/2008- contract termination with VESA	License to use Trademark Icons	--
4	Licensing	Molex Incorporated	11/7/2011 - Mature date of the right to use the patent.	License to use patents	--
5	Qualify assurance contract	Beijing Xiaomi Technology Co., Ltd	Period is for five years starting from 08/18/2014	Agreement to product liabilities	
6	Logistics	Flextronics International S.R.O	Stating from 8/1/2009 until termination notice from either side	Logistics agreement	--
7	Licensing	Amphenol Corporation	6/23/2016 until licensed patents expire	License to use patents	--
8	Licensing	Molex LLC	5/27/2016 until licensed patents expire	License to use patents	
9	Product Supply Agreement	Microsoft	9/5/2016 until terminated by either party	Product Supply Agreement	
10	Licensing	USB Implementers Forum, Inc	Two years starting from 2017/05/18 and renewable	License to use patents	

Six Financial Highlights

I. Financial Information from 2013 to 2017

(I) Consolidated Condensed Balance Sheets and Statements of Comprehensive Income – Based on IFRS1.

1. Consolidated Condensed Balance Sheets

Unit: NT\$ Thousand

Year Item		Financial Information (Note 1)					Financial Information As of March 31, 2018 (Note 2)
		2013	2014	2015	2016	2017	
Current assets		4,032,436	4,909,171	5,217,194	7,629,676	9,889,891	12,327,435
Property, plant and equipment, net		834,723	1,192,576	1,318,067	1,554,399	2,095,113	2,112,723
Intangible assets		97,182	104,444	94,875	117,869	888,502	900,439
Other assets		76,202	100,219	198,373	226,621	393,207	378,427
Total assets		5,151,974	6,523,935	7,084,812	9,946,432	13,849,053	16,363,974
Current liabilities	Before appropriation	1,618,327	1,913,267	2,243,442	2,303,024	5,774,777	4,468,910
	After appropriation	2,017,311	2,347,612	2,748,447	3,023,739		
Non-current liabilities		78,844	481,808	455,341	2,311,855	485,377	3,169,283
Total liabilities	Before appropriation	1,697,171	2,395,075	2,698,783	4,614,879	6,260,154	7,638,193
	After appropriation	2,096,155	2,829,420	3,203,788	5,335,594	(Note 3)	(Note 3)
Equity attributable to owners of the parent		3,454,803	4,128,860	4,386,029	5,331,553	7,588,899	8,676,103
Paid-in capital		797,967	868,690	918,191	1,029,593	1,155,664	1,185,664
Capital surplus		833,980	1,113,903	1,165,845	2,277,793	4,130,734	4,900,511
Retained earnings	Before appropriation	1,740,306	1,918,208	2,199,647	2,557,845	2,999,479	3,237,484
	After appropriation	1,301,424	1,440,428	1,648,732	1,837,130	(Note 3)	(Note 3)
Other components of equity		82,550	228,059	102,346	(533,678)	(696,978)	(647,556)
Treasury Stock		-	-	-	-	-	-
Non-controlling interest		-	-	-	-	-	49,678
Total equity	Before appropriation	3,454,803	4,128,860	4,386,029	5,331,553	7,588,899	8,725,781
	After appropriation	3,055,819	3,694,515	3,881,024	4,610,838	(Note 3)	(Note 3)

Note 1: Consolidated financial statements of 2013 and 2017 have been audited by independent auditors.

Note 2: Consolidated financial statements for 2018 Q1 have been reviewed by independent auditors.

Note 3: The appropriation amount for the 2017 earnings have not yet been approved in the annual general shareholders' meeting.

2. Consolidated Condensed Statements of Comprehensive Income

Unit: In NT\$ Thousand

Year Item	Financial Information (Note 1)					Financial Information As of March 31, 2018 (Note 2)
	2013	2014	2015	2016	2017	
Revenue	7,111,881	7,482,011	8,416,972	9,208,059	15,599,207	4,730,966
Gross margin	1,957,919	2,083,494	2,241,488	2,743,577	3,805,405	932,604
Operating income (loss)	776,377	778,734	786,373	1,018,079	1,548,218	334,621
Non-operating income (expenses)	(55,810)	38,649	178,827	144,190	(43,174)	(70,741)
Pre-tax net income	720,567	817,383	965,200	1,162,269	1,505,044	263,880
Net income from Continuing operations	563,569	616,934	759,950	909,945	1,162,465	227,554
Losses from discontinued operations	-	-	-	-	-	-
Net profit (loss)	563,569	616,934	759,950	909,945	1,162,465	227,554
Other comprehensive income (loss) (after tax)	165,548	145,359	(126,444)	(407,809)	(300,288)	89,730
Total comprehensive income	729,117	762,293	633,506	502,136	862,177	317,284
Net income attributable to owners of the parent	563,569	616,934	759,950	909,945	1,162,465	225,820
Net income attributable to non-controlling interest	-	-	-	-	-	1,734
Total comprehensive income attributable to owners of the parent	729,117	762,293	633,506	502,136	862,177	315,391
Total comprehensive income attributable to no-controlling interest	-	-	-	-	-	1,893
Earnings per share (NT\$) (Note 3)	6.94	6.93	7.90	9.23	10.68	1.94

Note 1: Consolidated financial statements of 2013 and 2017 have been audited by independent auditors.

Note 2: Consolidated financial statements for 2018 Q1 have been reviewed by independent auditors.

Note 3: Earnings per share are calculated by the released common shares in weighted average method, as the shares in capital increase, are retroactively adjusted.

(II) Auditors' Names and Opinions from 2013 to 2017

1. Auditors' Names and Opinions from 2013 to 2017

Year	Name of CPA	Accounting Firm	Audit opinion
2012	Wei Zhong Rong-Ming Chang	Deloitte & Touche	Unqualified opinion
2013	Wei Zhong Cheng-Quan Yu	Deloitte & Touche	Unqualified opinion
2014	Wei Zhong Cheng-Quan Yu	Deloitte & Touche	Unqualified opinion
2015	Cheng-Quan Yu Angus Chang	Deloitte & Touche	Modified unqualified opinion
2016	Chung-Chen Chen Cheng-Quan Yu	Deloitte & Touche	Unqualified opinion
2017	Chung-Chen Chen Cheng-Quan Yu	Deloitte & Touche	Unqualified opinion

2. For CPA changes, the names of former and succeeding CPA firms and independent accountants from 2013 to 2017 as well as the reasons for the changes, shall be provided: The change was due to the internal rotation within the CPA firm, Deloitte & Touche.

II. Financial Ratio Analysis from 2013 to 2017

(I) Financial Ratio Analysis- Based on IFRS

<div>Year (Note 1)</div> <div>Item (Note 3)</div>		Financial Analysis from 2013 to 2017					Financial Information As of March 31, 2018 (Note 2)
		2013	2014	2015	2016	2017	
Financial structure (%)	Debt to asset ratio	32.94	36.71	38.09	46.40	45.20	46.68
	Long-term fund to Property, plant and equipment ratio	423.33	386.61	367.31	453.52	350.99	511.74
Solvency (%)	Current ratio	249.17	256.59	232.55	331.29	171.26	275.85
	Quick ratio	172.36	166.22	155.76	252.30	111.39	186.83
	Interest coverage ratio	138.64	74.74	61.30	27.16	46.45	24.36
Operations	Account receivables turnover (times)	4.90	4.46	4.67	4.52	4.68	4.32
	Average collection days	74.48	81.83	78.15	80.75	77.99	84.49
	Inventory turnover (times)	4.30	3.64	3.60	3.64	4.48	4.06
	Account payables turnover (times)	5.74	5.11	5.19	5.10	4.99	4.61
	Average days sales	84.88	100.27	101.38	100.27	81.47	89.90
	Fixed assets turnover (times)	8.97	7.38	6.71	6.41	8.55	8.99
	Total assets turnover (times)	1.50	1.28	1.24	1.08	1.31	1.25
Profitability	Return on assets (%)	12.02	10.76	11.40	11.21	10.05	6.32
	Return on equity (%)	18.22	16.27	17.85	18.73	17.99	11.11
	<u>Pre-tax income as a percentage of total paid-in capital (%)</u>	90.30	94.09	105.12	112.89	130.23	89.02
	Profit margin (%)	7.92	8.25	9.03	9.88	7.45	4.77
	Earnings per share	6.94	6.93	7.90	9.23	10.68	1.94
Cash Flows	Cash flow ratio (%)	23.14	40.55	42.66	50.31	2.17	(10.52)
	Cash flow adequacy ratio (%)	59.62	53.27	81.96	94.01	58.16	42.06
	Cash flow reinvestment ratio (%)	2.60	7.24	9.42	7.80	(6.75)	(3.71)
Leverage	Operating leverage	3.23	3.61	3.75	3.34	3.23	4.01
	Financial leverage	1.01	1.01	1.02	1.05	1.02	1.03

Financial ratio variance over 20% in 2017 compared to 2016 :

1. Long-term fund to Property, Plant and Equipment ratio 23% change due to long-term fund increased from the issuance of US\$ 80 million overseas convertible bonds in 2016 and 100% conversion in 2017.
2. 48% ratio adjustment due to the acquisition of LEONI's Electrical Appliance Assemblies Business Group. Inventory and account receivables in current assets increased.
3. Quick ratio 56% adjustment due to the acquisition of LEONI's Electrical Appliance Assemblies Business Group. Inventory and account receivables increased.

Note 1: Consolidated financial statements for 2016 and 2017 had been audited by independent auditors.

Note 2: Consolidated financial statements for 2018 Q1 have been reviewed by independent auditors.

Note 3: Formulas:

1. Financial structure
 - (1) Debt to asset ratio = Total liabilities / Total assets.
 - (2) Long-term fund to Property, plant and equipment ratio = (Shareholders' equity + Noncurrent liability) / Property, plant and facility, net.
2. Solvency (%)
 - (1) Current ratio = Current assets / Current liabilities.
 - (2) Quick ratio = (Current assets - Inventory - Prepaid expenses) / Current liabilities.
 - (3) Interest coverage ratio = Income before interest and taxes / Interest expenses.
3. Operations
 - (1) Account receivables (Including account receivables and notes receivables from operating activities) turnover = Net sales / Average account receivables (Including account receivables and notes receivables from operating activities).
 - (2) Average collection days = 365 / Average account receivables.
 - (3) Inventory turnover = Cost of goods sold / average inventory.
 - (4) Account payables (including account payables and notes payables due to operating activities from each period) turnover = Cost of Sales / Account payables turnover (including account payables and notes payables from operating activities in each period).
 - (5) Average days sales = 365 / Inventory turnover.
 - (6) Fixed assets turnover = Net sales / Average Fixed assets, net
 - (7) Total assets turnover = Net sales / Average total assets.
4. Profitability
 - (1) Returns on assets = [Net income + Interest expense \times (1 - tax rate)] / average total assets
 - (2) Return on equity = Net income / Average shareholders' equity.
 - (3) Profit margin = Net income / net sales.
 - (4) Earnings per share = (Net income attributable to owners of the parent company - preferred dividend) / Weighted, average number of shares outstanding.
5. Cash Flows
 - (1) Cash flow ratio = Net cash provided by operating activities / Current liabilities.
 - (2) Net cash flow adequacy ratio = Five-year sum of net cash from operations / Five-year sum of capital expenditures, inventory additions, and cash dividend.
 - (3) Cash re-investment ratio = (Net cash provided by operating activities - Cash dividends) / (Gross fixed assets + Long-term Investment + Other noncurrent assets + Working capital).
6. Leverage:
 - (1) Operating leverage = (Net Sales - Variable cost) / Income from operations.
 - (2) Financial leverage = Income from operations / (Income from operations - Interest expenses).

III. Audit Committee Report

Audit Committee Report

The Board of Directors of BizLink Holding Inc. has submitted the Company's 2017 business report, financial statements, and earnings appropriation proposal to the Audit Committee. The CPA firm, Deloitte & Touche, was retained to audit the financial statements and has issued an audit report accordingly. The business report, financial statements, and earnings appropriation proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of the Company. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Law, we hereby submit this report.

BizLink Holding Inc.

Independent director,

Ming-Chun Chen

Independent director,

Chun-Yen Chang

Independent director,

Jr-Wen Huang

March 13, 2018

IV. Financial reports in recent years, including CPA audit reports, two comparable balance sheets, statements of comprehensive income, statements of changes in equity, statements of cash flows

Please refer to page 111 through page 123.

V. Audited stand-alone financial statements in recent years, not including detailed list of important items: None.

VI. The Company should disclose the financial impact to the Company if the Company and its affiliates have incurred any financial or cash flow difficulties in recent years or as of the date of this Annual Report: None.

Seven Financial Status, Performance Review, and Risk Analysis

I. Financial Condition Analysis

Unit: NT\$ Thousand; %

Item \ Year	2016	2017	Change	
			Amount	Change percentage%
Current assets	7,629,676	9,889,891	2,260,215	29.62%
Property, plant and equipment	1,554,399	2,095,113	540,714	34.79%
Intangible assets	117,869	888,502	770,633	653.80%
Other assets	226,621	393,207	166,586	73.51%
Total assets	9,946,432	13,849,053	3,902,621	39.24%
Current liabilities	2,303,024	5,774,777	3,471,753	150.75%
Non-current liabilities	2,311,855	485,377	(1,826,478)	(79.00%)
Total liabilities	4,614,879	6,260,154	1,645,275	35.65%
Paid-in capital	1,029,593	1,155,664	126,071	12.24%
Capital surplus	2,277,793	4,130,734	1,852,941	81.35%
Retained earnings	2,557,845	2,999,479	441,634	17.27%
Other components of equity	(533,678)	(696,978)	(163,300)	30.60%
Total shareholders' equity	5,331,553	7,588,899	2,257,346	42.34%
<p>Analysis of significant variance: (variance % over 10% compared with prior period or amount over 1% of total assets of current period).</p> <p>Items in the balance sheet were increased due to the acquisition of LEONI's Electrical Appliance Assemblies Business Group.</p> <ol style="list-style-type: none"> 1. Current assets: account receivables and inventory increased from the new Electrical Appliances Business Unit 2. Property, plant and equipment: acquired property, plant and equipment from the new Electrical Appliances Business Unit 3. Intangible assets: acquired intangible assets and goodwill from the new Electrical Appliances Business Unit 4. Other assets: mainly from the increase of financial assets 5. Current liabilities: account receivables increased due to the acquired Electrical Appliances Business Unit 6. Non-current liabilities: mainly from the issuance of US\$ 80 million overseas convertible bonds in 2016 and 100% conversion in 2017 7. Capital surplus: due to the bond conversion premium, the exercise of employee stock option including employee restricted stock increased 8. Retained earnings: Revenue growth lead to increases of profits. 9. Other components of equity: This was due mainly to the difference of exchange rate on translation of foreign operations financial reports between 2016 and 2017. 				

II. Financial Performance

(I) Operation Analysis

Unit: NT\$ Thousand; %

Item \ Year	2016	2017	Change	
			Amount	Change percentage %
Revenue	9,208,059	15,599,207	6,391,148	69.41%
Operating costs	6,464,482	11,793,802	5,329,320	82.44%
Gross margin	2,743,577	3,805,405	1,061,828	38.70%
Operating expenses	1,725,498	2,257,187	531,689	30.81%
Net operating income	1,018,079	1,548,218	530,139	52.07%
Non-operating income and expenses	144,190	(43,174)	(187,364)	(129.94%)
Pre-tax net income	1,162,269	1,505,044	342,775	29.49%
Less: Income tax expense	252,324	342,579	90,255	35.77%
Net income	909,945	1,162,465	252,520	27.75%
Other comprehensive income (after tax)	(407,809)	(300,288)	107,521	(26.37%)
Total comprehensive income	502,136	862,177	360,041	71.70%
<p>Analysis of significant variance: (variance % over 10% compared with previous period or amount over 1% of total assets in current period).</p> <p>Revenue, operating costs, and operating expenses were increased due to the acquisition of LEONI's Electrical Appliance Assemblies Business Group.</p> <ol style="list-style-type: none"> 1. Revenue: due to the acquired Electrical Appliances Business Unit and revenue growth in IT products 2. Operating costs: due to the acquired Electrical Appliances Business Unit, revenue growth, and operating costs increased 3. Operating expenses: operating costs in absolute terms rose due to the acquired Electrical Appliances Business Unit 4. Non-operating income and expenses: non-operating expenses increased due to foreign currency exchange losses 5. Net income: due to the acquired Electrical Appliances Business Unit, revenue increased 6. Total comprehensive income: Due to the acquired Electrical Appliances Business Unit, revenue increased 				

(II) Revenue Outlook and Key Assumptions

We expect both sales quantity and value in 2018 will continue to grow on a yearly basis due to continuing exploitation in high-end connecting cable, value-added cable

docking, and electric vehicle charging products; and on-going cultivation into new products in automobile fields Docking and Type- C categories. Please refer to the business report for related market research and an analysis of the current and future developments in the industry.

- (III) Potential impacts to the Company's future financial plan and corresponding plans
Our product applications will continue to expand through new technology and innovation. We are currently enjoying a stable growth phase and will continue to offer new products and acquire new markets for better margins, in an effort to sustain the growth trend. We plan to use bank loans to support our operational needs and strengthen the financial structure.

III. Cash Flow

(I) Cash Flows Analysis for 2016 and 2017

Analysis unit: In NT\$ Thousand; %

Year Item	2016	2017	Increase (decrease) amount	Increase (decrease) percentage %
Operating activities	1,158,592	125,436	(1,033,156)	(89.17%)
Investing activities	(1,667,405)	(798,721)	868,684	(52.10%)
Financing activities	2,088,194	(651)	(2,088,845)	(100.03%)
Difference analysis:				
1. Operating activities: Operation cash inflow increased as a result of the newly acquired Electrical Appliances Business Unit, account receivables, and inventory increased.				
2. Investing activities: Net cash outflow in investment activities decreased due to the investments in debt securities with no active market, and production plants and facilities increased.				
3. Financing activities: Increase in cash inflow from financing activities is attributed to newly issued US\$ 80 million convertible bonds.				

(II) Cash Liquidity Analysis and Plans to Improve Liquidity for 2018.

1. 2017 projected cash flows analysis
 - (1) Operating activities: The Company estimates a net cash outflow on regular purchase on inventory, salary payment and other operating expenses.
 - (2) Investing activities: The Company estimates a facility upgrades and investment expenditure.
 - (3) Financing activities: The Company estimates a net cash outflow from debt repayment and cash dividend distribution.
2. Plan for potential negative liquidity: Supported by bank loans.

IV. Major Capital Expenditures and Impact on Finance and Business in 2017

Our acquisition for operation purpose on real estate in 2016 on Jian 1st Road in New Taipei City totaled NT\$339,980 thousand.

V. Investment Policies, Reasons for Gains (Loss), Plans for Improvement, and

Future Investment Plans

(I) Investment Policies

The Company's current investment policy mainly targets on businesses related to connectors. The investment plan is analyzed and evaluated for its potential benefit to the Group and then executed by corresponding departments according to the internal control policies, which included "Investment Cycle", "Administrative Measures on Governing subsidiaries", "Administrative Measures on related party Transactions" and "Procedures on Acquisition or Disposal of Assets". The Measures and Procedures shall be approved by the Board of Directors or the Shareholders' Meeting.

(II) Reasons for Gains or Losses from Long-term Investments in 2017

Our investment strategy is driven by specific needs from our group companies and global expansion; we place an emphasis on main production sites in China with a labor advantage and knowhow repository while expanding our reach through establishing overseas operating sites in the U.S., Ireland, Germany, Belgium, Malaysia, Japan, and India. Under the current global management, business results from our investee companies as a whole remains profitable.

(III) Investment Plans in 2017

The Company's investment plans in 2018 is to establish new business units base on its business need and any investment plans are subjected to the assessment and evaluation from management team of the Group in accordance with related measures and procedures.

VI. Analysis of Risk Items in 2015 and 2016 and Up to the Date of Annual Report

(I) Risks associated with interest and exchange rate fluctuations, inflation, and impact to the Company's Profit and Preventive Actions:

1. Impact of interest rate fluctuations to the Company's profit and preventive actions:

Item / Year	2016	2017
Net interest income (expense)	(13,061)	(15,165)
Net interest income (expense) as a percentage of revenue	(0.14%)	(0.10%)
Net interest income (expense) as a percentage of COGS and expenses	0.16%	0.11%

Net interest expense in 2017 was NT\$ 15,165 thousands, or 0.10% of the revenue or 0.11% of COGS and expenses. Interest rate fluctuations had minimal impact to the Company, as the net interest expense to revenue, COGS and expenses was immaterial

2. Exchange rate fluctuations

Item / Year	2017
Net foreign exchange (loss) gains	(95,974)
Net foreign exchange (loss) gains as a percentage of revenue	(0.62%)
Net foreign exchange (loss) gains as a percentage of COGS and expenses	0.68%

Most of the sales were made to Europe and America regions and were dominated primary in US dollars and few in Euros. Sales in China were dominated in RMB. The Company hedges risk from management team by closely monitoring the market trend and professional opinion from financial institution when the fluctuation is immaterial. When the exchange rate fluctuates intensively, the Company will consider to use risk-free hedging tool, followed by closely monitoring foreign currency position and exchange rate to minimize its impact. Our financial hedge strategy is mainly to avoid fluctuations on fair value and risk of cash flows. As the result of our operation, foreign exchange losses for 2016 and 2017, respectively, was NT\$175,004 thousands and NT\$(95,974) thousands, or 1.90% and (0.62%) to revenue, and had limited impact to the financial status. To minimize the impact of currency fluctuation to the Company's profitability, there are preventive actions to take:

- A. Open foreign currency accounts to manage foreign currency position and dispose foreign currency when time is appropriate; or use foreign currencies received from sales to pay for purchases dominated in foreign currencies to limit the impact of currency fluctuations to Company's profitability.
- B. Finance personnel are required to make judgment to future exchange rate trend to determine the appropriate foreign currency position to reduce the impact of currency fluctuation to the Company's profitability.
- C. To sell or purchase foreign currency forward to hedge risk according to the changes and demands of foreign currency market in order to minimize the impact of currency fluctuations to the Company's profitability.

3. Inflation

According to IMF's World Economic Outlook in January 2018, global economic growth in 2018 was about 3.9%.

The price of our product is mostly affected by the price of copper, one of the key components. Most of time, the price of material can be reflected in our selling price. To prevent possible cost fluctuations due to sharp uprising on copper price, the Company will purchase the material in advance when the price of commodity is surging or adjust purchasing strategy and trading term to reduce the price impact from the commodity. As summarize, no immediate significant impact from the inflation or deflation risks described above.

(II) Investment policy and reasons for gains & losses for high-risk/high-leverage financial products, derivatives, loans to others and guarantees of debts

The Company is committed to maintain steadiness and integrity as its core value of operations. Up to the date of Annual Report, the company was not involved in any high risk or high leverage financial transactions. The Company has established "Procedures on Lending to Others" and "Procedures on Making Endorsement and

Guarantee” to ensure process for the matters. For forwards transaction used to hedge foreign currency risk, the Company has set up “Procedures on Acquisition or Disposal of Assets,(including derivative products)”. Up to the date of Annual Report, no endorsement, guarantee, or loans were made to parties outside of the Group.

(III) Future Research & Development Plans and Estimated expenses:

The Company’s future R&D plans are as follows:

We focus on connecting technologically complex products. Our major R&D projects include:

1. Dual-hosts docking station
2. Conferencing multi-functional docking station
3. Continue developing high-end interconnect cables
4. Charging facilities for compact electric vehicles
5. Wireless docking station

Products	Unit (thousand RMB)	Applications
Dual-hosts docking station	8,500	Consumable materials and testing equipment
Conferencing multi-functional docking station	11,300	Consumable materials and testing equipment
High-end connecting cable	8,000	Consumable materials and testing equipment
Charging facilities for compact electric vehicles	15,000	Consumable materials and testing equipment
Wireless docking station	10,000	Consumable materials and testing equipment

(IV) Impacts to the Company’s Finance l Associated with Major Changes in International and Domestic Policies and Laws, and Preventive Actions: None.

(V) Impacts to the Company’s finance Associated with Changes in Technology and Industry, and Preventive Actions:

Our product portfolio caters to many industries. This product diversity allows us to hedge our risks and mitigate the effects of volatile markets. To maintain industry leadership, we closely monitor changes in technology and continue our R&D efforts.

(VI) Impacts to the Company’s Crisis Management from changes in Corporate Image, and Preventive actions:

Operating under the core values of "Integrity, customer-oriented service, teamwork, and environmental protection" has led us to industry-wide recognition and a positive image. On corporate governance, we are under the supervision of Taiwan Stock Exchange and related authorities to focus on our core businesses, maintaining

a steady financial structure with corporate information transparency, and a positive image listed company.

(VII) Expected benefits and risks from merger and acquisition and preventive actions:
We acquired 100% of LEONI's Electrical Appliance Assemblies Business Group from LEONI AG in May 2017; and the operating results were immediately consolidated in the same month.

1. Expected benefits: Attain production bases and expand product lines.
2. Potential risk: Lower than expected results from our investee companies due to the conditions of the macro economy.
3. Addressing plan: Conduct examination on our investment companies' operations and hold timely reviews when necessary

(VIII) Expected Benefits and Risks from Capacity expansion and Preventive Actions:

Expected benefits	1. Expand current production scale and capabilities 2. Expand production sites according to the growth of orders and demand of customers, as well as leverage the advantage/disadvantage of production cost
Potential risks	1. Negative liquidity impacts due to large investments 2. Capacity is not utilized as expected
Preventive actions	Replace phase-out production equipment gradually or relocate production equipment to utilize capacity in order to minimize investment risks
	Establish competitive overseas production sites to utilize production capacity, and proper control over production cost

(IX) Risks from Purchase or Sales Concentrations and Preventive Actions:

1. Purchase concentration risk

Changes of purchase between 2016 and 2017 were mainly due to changes of the Company's product mix, purchase prices and shipping terms. Moreover, due to ample sources of suppliers available in the market, the Company was able to maintain a diversified vendor base. No key material or goods was accounted for more than 30% of purchase in 2017; thus there was no specific vendor or affiliates has provided more than 70% key material or goods to the Company in 2017. There was no single vendor contributed more than 9% purchase to the Company between 2016 and 2017, which indicated the purchase concentration risk was limited.

2. Sales concentration risk

Sales of the top one customer to total sales was 9.78% and 15.84% in 2016 and 2017, respectively, while the top ten customers made up 58.13% and 49.88% of total sales in 2016 and 2017, respectively, which indicated sales concentration risk is limited. Moreover the Company is striving to develop new products, such as motor wires, medical cable, solar junction box, etc. to diversify the customer base and to minimize such risk.

(X) Impact and Risks from Significant Changes in Shareholdings Directors, Supervisors, or Major Shareholders Who Own 10% or More of the Company's Shares, and Preventive Actions: None.

(XI) Impact and Risks from changes in Management Control and Preventive Actions:
Up to the date of publication, no incidence associated with change of management

control. Moreover, the Company is in the process to strengthen corporate governance, hire independent directors and establish the audit committee to better facilitate shareholders' rights. Also, the existing management team is well supported by the shareholders. If any changes in management control, it will not impact the continuity of advantage of management and operations.

(XII) Litigations or Non-litigious Matters

1. Litigation and non-litigation matters of the Company and its subsidiaries: None.
2. Directors, Supervisors, General Managers, In-charge Personnel, Major shareholders with more than 10% of shareholding and subsidiaries should be disclosed. Lawsuits that may significantly affect the shareholders' equity or the stock price of the Company, the disclosure should include the factual accounts of the case, the underlying amount, the commencement date of judiciary proceeding, involved parties, and the current status of the case as of the date of this annual report: None.

(XIII) Other Significant Risks and the Preventive Actions as of the Date of this Annual Report:

1. For other major operating risks and the remedial actions, please refer to page 78 of this annual report for favorable/unfavorable factors associated with future development and remedial actions and measures.
2. Risks associated with patent violation: As international competition getting fierce under the global economy, pattern infringement lawsuit has become a competing strategy adopted by the industry practice. Moreover, there are increasing amount of patent rolls using all sorts of means to take advantage from companies in the industry. This means our chance to face such charges from either competitors or patent trolls are increasing along the development of the business.
3. Despite a unit specialized on the application and management of our patents and trademarks have been set, there is no guarantee that our intellectual property will not free from trespass from others.
4. Circumstances that may not have sufficient protection: We believe there are risks and hazards that cannot be fully warranted under the current management, including machinery malfunction, damage and abnormality, belated delivery of facility orders, capacity limitation, labor strike, fire accidents, natural disasters from earthquakes, typhoons, climate changes and occupational accidents. These could bring significant adversity to our Group. The Group has purchased insurance to cover our fixed assets and inventories based on the circumstances of the location of the operating sites. However, we are aware of these protections might not be sufficient under extreme incidents and the Group's operation might be affected un-favorably.

VII. Other Material Matters

(I) Assessment Basis for Making Provision on Appraisals of Assets and Liabilities

Item	Assets and liabilities under appraisal	Assessment basis	Assessment foundation
1	Bad debt provision	Impairment loss assessment	When there's objective evidence showing signs of impairment, assessment will be made from future cash flows received. The impairment should be equal to the difference between the carrying amount of the financial assets and the present value of the cash flows discounted at the original effective rate.
2	Allowance for inventory valuation and obsolescence	Lower of cost or net realizable value	Using lower of cost or net realizable value to determine value for inventories under its respective category. Net realizable value is computed from: estimated selling price –additional cost needed to finish the product – cost of selling. Weighted averages method is used to account cost of inventory.
3	Financial assets and liabilities	Fair Value	<p>Financial assets at fair value through profit or loss</p> <ol style="list-style-type: none"> 1. Derivative instruments used for trading: The fair value of the asset is determined through the deduction of observable direct value (the market price) and indirect value (deduced from the market price). 2. Non-derivative instrument used for trading: The fair value is determined through quote price from the active market for the same asset category (un-adjusted). <p>Financial liabilities at fair value through profit or loss</p> <ol style="list-style-type: none"> 1. Derivative instruments used for trading: The fair value of the liability is determined through the deduction of observable direct value (the market price) and indirect value (deduced from the market price). 2. Convertible bond embedded with option: The fair value of the liability is determined through the deduction of observable direct value (the market price) and indirect value (deduced from the market price).

(II) Certificates received via the guidance of supervising authorities

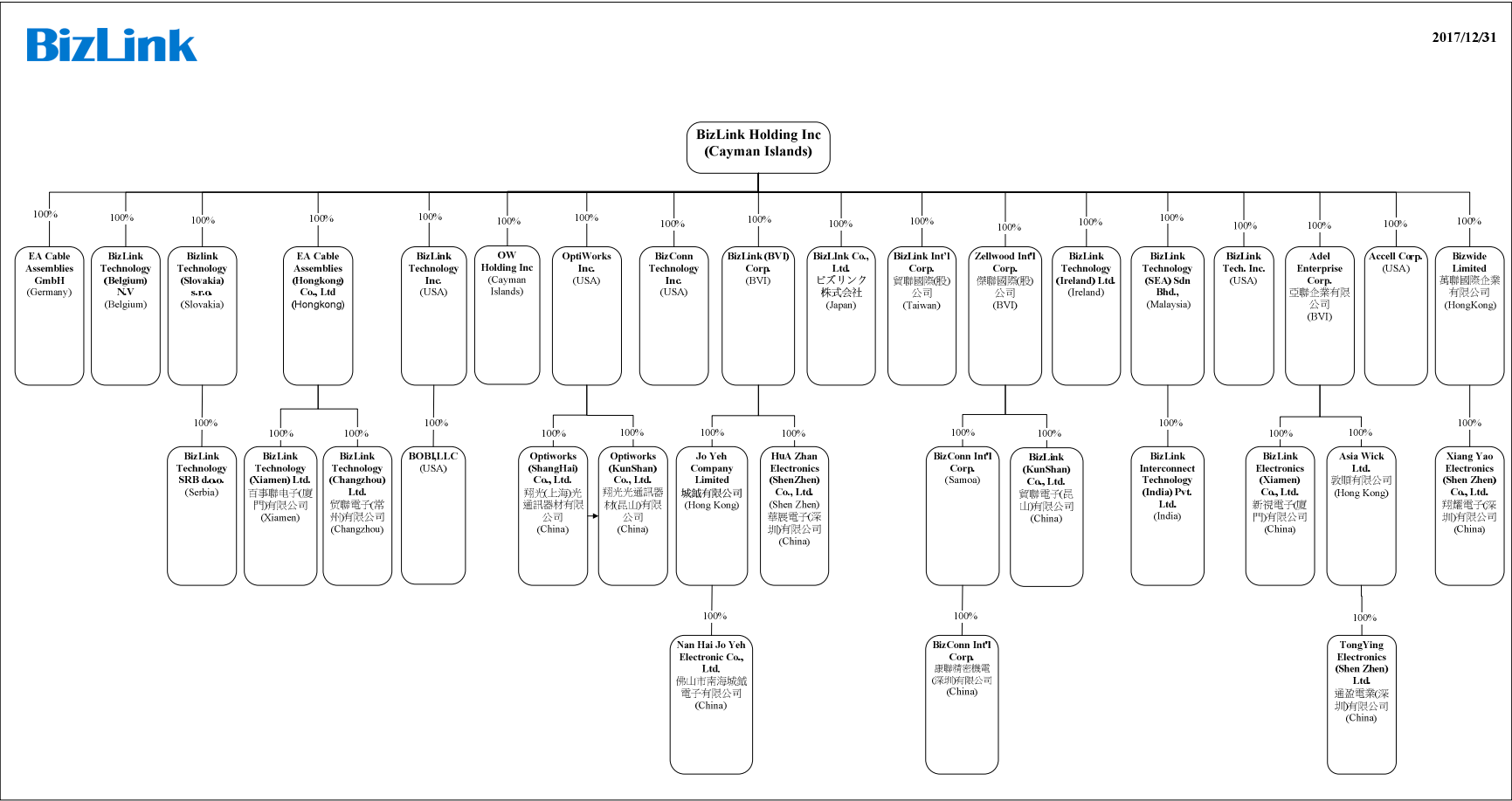
The personnel related to financial transparency of the Company received related certificates via the guidance of supervising authorities are as the following:

1. Certified Internal Auditor (CIA): 2 employees in internal audit dept.
2. Certified Public Accountant (CPA): 1 employee in finance dept.
3. Basic Ability Exams for Enterprise Internal Control: 2 employees in internal audit dept.

Eight Special Notes and Others

I. Affiliates’ Information

(I) Holding Structure



(II) Relationship with the Company

December 31, 2016

Name	Holding %	Shares	Amount (in thousands)	Relationship with the Company	Shares of the Company
BIZLINK TECHNOLOGY INC.	100%	10,000	USD 3,920	Subsidiary	None
OPTIWORKS, INC.	100%	1,400	USD 20,382	Subsidiary	None
BIZLINK (BVI) CORP.	100%	50,000	USD 50	Subsidiary	None
BIZLINK INTERNATIONAL CORP.	100%	70,000	NTD 70,000	Subsidiary	None
ZELLWOOD INTERNATIONAL CORPORATION	100%	2,500,000	USD 2,500	Subsidiary	None
BIZLINK TECHNOLOGY (S.E.A.) SDN. BHD.	100%	1,200,000	MYR 1,200	Subsidiary	None
ADEL ENTERPRISES CORPORATION	100%	1,650,000	USD 1,650	Subsidiary	None
BIZLINK TECH, INC.	100%	60,000	USD 3,050	Subsidiary	None
ACCELL CORPORATION	100%	10,000	-	Subsidiary	None
BIZLINK TECHNOLOGY (IRELAND) LTD.	100%	300,000	USD 300	Subsidiary	None
ビズリンク株式會社	100%	200	JPY 10,000	Subsidiary	None
BIZWIDE LIMITED	100%	10,000	-	Subsidiary	None
BIZCONN TECHNOLOGY INC.	100%	-	-	Subsidiary	None
EA CABLE ASSEMBLIES (HONGKONG) CO., LIMITED	100%	10,000	EUR24,676	Subsidiary	None
EA CABLE ASSEMBLIES GMBH	100%	1	EUR659	Subsidiary	None
BIZLINK TECHNOLOGY (BELGIUM) N.V.	100%	915	EUR12,326	Subsidiary	None
BIZLINK TECHNOLOGY (SLOVAKIA) S.R.O.	100%	Note 1	EUR15,966	Subsidiary	None
OW HOLDING INC.	100%	-	-	Subsidiary	None
BOBI ,LLC	100%	Note 1	USD2,000	Sub- subsidiary	None
JO YEH COMPANY LIMITED	100%	10,000	USD3,915	Sub- subsidiary	None
BIZCONN INTERNATIONAL CORPORATION	100%	1,666,667	USD 1,667	Sub- subsidiary	None
ASIA WICK LTD.	100%	1,000	-	Sub- subsidiary	None
BIZLINK INTERCONNECT TECHNOLOGY (INDIA) PRIVATE (LIMITED)	100%	100,000	INR 1,000	Sub- subsidiary	None
BIZLINK TECHNOLOGY SRB D.O.O.	100%	Note 1	RSD3,357	Sub- subsidiary	None
BIZCONN (SHENZHEN) INTERNATIONAL CORP.	100%	Note 1	CNY 17,600	Third-tier subsidiary	None
TONGYING ELECTRONICS (SHENZHEN) LTD.	100%	Note 1	HKD 29,936	Third-tier subsidiary	None
BIZLINK INTERNATIONAL ELECTRONICS (SHENZHEN) CO., LTD.	Note 2	Note 2	Note 2	Sub- subsidiary	None
OPTIWORKS (SHANGHAI) CO., LTD.	100%	Note 1	USD 6,000	Sub- subsidiary	None
OPTIWORKS (KUNSHAN) CO., LTD.	100%	Note 1	USD 3,000	Sub- subsidiary	None
XIANG YAO ELECTRONICS (SHENZHEN) CO., LTD.	100%	Note 1	USD 1,000	Sub- subsidiary	None

HUA ZHAN ELECTRONICS (SHENZHEN) CO., LTD.	100%	Note 1	HKD 2,500	Sub- subsidiary	None
BIZLINK (KUNSHAN) CO., LTD.	100%	Note 1	USD 10,000	Sub- subsidiary	None
BIZLINK ELECTRONICS (XIAMEN) CO., LTD.	100%	Note 1	USD 560	Sub- subsidiary	None
FOSHAN CITY NANHAI JO YEHE ELECTRONIC CO., LTD.	100%	Note 1	USD2,000	Third-tier subsidiary	None
BIZLINK TECHNOLOGY (CHANGZHOU) LTD.	100%	Note 1	USD5,000	Sub- subsidiary	None
BIZLINK TECHNOLOGY (XIAMEN) LTD.	100%	Note 1	USD 3,296	Sub- subsidiary	None

Note 1: No shares or par value was issued for a limited company

Note 2: The Company was liquidated in September 2017.

II. Private placement securities in 2017 and as of the date of this annual report: None.

III. Shares of the Company acquired, disposed of, and held by subsidiaries in 2017 and as of the date of this annual report: None.

IV. Other Necessary Supplements: None.

V. Occurrence, in 2016 and as of the date of this annual report, of matters that significantly affected the shareholders' equity or the stock price of the Company as described under Article #36-3-2 of the Securities and Exchange Act: None.

VI. Exercising shareholders' rights

Please refer to the Company's Articles of Association

Appendix- 2016 and 2017 Financial Statements

BIZLINK HOLDING INC. AND SUBSIDIARIES CONSOLIDATED FINANCIAL STATEMENTS As of 2016 and 2017

The reader is advised that these financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

Report of Independent Accountant

To BIZLINK HOLDING INC.

Auditor's Opinion

We have audited the accompanying balance sheets of BIZLINK HOLDING INC. (the "Company") as of December 31, 2017 and 2016, and the related statements of Consolidated Income Statement, Statement of Stockholders' Equity and Statements of Cash Flows for the years then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of BIZLINK HOLDING INC. as of December 31, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in conformity with the "Guidelines Regarding the Supervision and Governance of Funds with Juridical Person Status" and accounting principles generally accepted in the Republic of China.

Basis of Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in 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 BIZLINK HOLDING INC. and its subsidiaries (or the Group) in accordance with The Norm of Professional Ethics for Certified Public Accountant 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 consolidated financial statements for the fiscal year of 2017. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Group's consolidated financial statements for the fiscal year of 2017 are stated as follows:

The authenticity of key customer sales

Revenues of BIZLINK HOLDING INC. and its subsidiaries were highly concentrated. Sales from the top-20 customers together with customers who purchased 20% more during the year accounted for 44% of the consolidated operating revenue in 2017. Moreover a higher risk of revenue mis-statements might occur in the Company due to pressure of achieving the sales target from the management team; We, therefore, performed the assessment on recognized sales generated, during the year, from the Company's new customers and customers who purchased 20% more.

The following audit procedures were implemented by us:

1. Understand the internal control system regarding transactions with the key customers and evaluate the effectiveness of its design and implementation.
2. Understand the background of the top 20 customers and customers who purchased 20% more during the year. Evaluate the transaction volume and credit line and their connections to the scale of the customer's business.
3. Perform substantive tests on revenues from the top-20 customers together with customers who purchased 20% more during the year by examining the external evidence such as shipping documents, customer receipts and payment proofs.

Impairments on tangible assets, intangible assets and goodwill from the acquisition of the home appliances division.

BIZLINK HOLDING INC. and its subsidiaries, in 2017, acquired the electrical wiring harness division from Leoni AG group (hereinafter referred to as the BIZLINK Electrical Appliances Business Unit). The associated properties, plants and equipment, intangible assets and goodwill were obtained on the acquisition day with a total value of NT\$ 1,306.48 million. Please refer to Footnote 30 in the consolidated financial statements. As of December 31, 2017, the book values of properties, plants and equipment, intangible assets and goodwill held by the home appliances division totaled to NT\$572,390 million, NT\$388,492 and NT\$373,094, respectively.

On account of the high uncertainty arising from the subjective assumptions made in the cash flow forecast, there might be significant impacts on cash flows and asset impairments at the yearend, we, therefore, include impairment assessment on both tangible and intangible assets and goodwill as a key audit matter.

Please refer to the Footnote 4.11 and 4.13 in the consolidated financial statements for accounting policy regarding impairment of tangible assets, intangible assets and goodwill, and Footnote 5 for the associated estimate and uncertainty on the assumption.

Audit procedures implemented to the key audit matters for 2017 are summarized as follows :

1. Evaluation was made, according to the Company's assessment report obtained, to verify whether the assumptions made on sales growth and interest rates for future cash flows were based on the recent operation results, historical trends, industry nature and necessary updates.
2. Evaluation was made by financial consultants hired by us on the weighted average cost of capital rate, including risk-free investment return, volatility and risk premium, to verify whether the assumptions used were applicable to the status quo and the industry nature of the Electrical Appliances Business Unit. Calculation was made and checked accordingly.

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 (IFRS), International Accounting Standards (IAS) and the associated interpretations from the governing agencies endorsed and issued into effect

by the Financial Supervisory Commission of the Republic of China, 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 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 members of 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in 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 auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain 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 individual entity 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 other matters (including safeguard issues)

From the matters communicated with those charged with governance, we determine those matters that were of most, significance, or the key audit matters, in the audit of the Group's consolidated financial statements for the fiscal year of 2017. 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.

Deloitte & Touche

March 13, 2018

The reader is advised that these financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

BIZLINK HOLDING INC. AND SUBSIDIARIES

Consolidated Balance Sheets

Years Ended December 31, 2017 & 2016

Unit: NT\$ Thousand

Code	Assets	2017/12/31		2016/12/31	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents	\$ 1,684,418	12	\$ 2,417,539	24
1110	Current financial assets at fair value through profit or loss	20,352	-	2,227	-
1147	Current bond investment without active market	36,236	-	1,194,508	12
1150	Notes receivable	178,592	1	3,410	-
1170	Accounts receivable	4,339,752	31	2,101,403	21
1180	Accounts receivable due from related parties	-	-	1,230	-
1200	Other receivables	142,882	1	69,643	1
1220	Current tax assets	8,082	-	19,242	-
130X	Inventories	3,240,166	24	1,674,051	17
1410	Prepayments	217,310	2	144,985	2
1476	Other current financial assets	19,975	-	1,438	-
1479	Other current assets	2,126	-	-	-
11XX	Total current assets	<u>9,889,891</u>	<u>71</u>	<u>7,629,676</u>	<u>77</u>
	Non-current assets				
1543	Non-current financial assets at cost	239,640	2	152,054	2
1550	Investments accounted for using equity method	18,792	-	3,209	-
1600	Property, plant and equipment	2,095,113	15	1,554,399	16
1760	Investment property	205,337	1	130,956	1
1805	Other intangible assets	373,094	3	-	-
1821	Deferred tax assets	515,408	4	117,869	1
1840	Other non-current financial assets	118,571	1	131,648	1
1980	Long-term prepaid rents	210,970	2	76,200	1
1985	Other non-current assets	38,605	-	40,673	-
1990	Total non-current assets	<u>143,632</u>	<u>1</u>	<u>109,748</u>	<u>1</u>
15XX	Non-current assets	<u>3,959,162</u>	<u>29</u>	<u>2,316,756</u>	<u>23</u>
1XX	Total assets	<u>\$ 13,849,053</u>	<u>100</u>	<u>\$ 9,946,432</u>	<u>100</u>
X					
Code	Liabilities and equity				
	Current liabilities				
2100	Short-term borrowings	\$ 905,922	7	\$ 64,500	1
2120	Current financial liabilities at fair value through profit or loss	-	-	5,521	-
2150	Notes payable	186,066	1	10,836	-
2170	Accounts payable	3,248,355	24	1,281,330	13

2200	Other payables	1,152,196	8	805,178	8
2230	Current tax liabilities	133,133	1	86,095	1
2320	Long-term borrowings, current portion	125,944	1	31,721	-
2399	Other current liabilities	<u>23,161</u>	<u>-</u>	<u>17,843</u>	<u>-</u>
21XX	Total current liabilities	<u>5,774,777</u>	<u>42</u>	<u>2,303,024</u>	<u>23</u>
	Non-current liabilities				
2530	Corporate bonds payable	-	-	1,859,265	18
2540	Long-term borrowings	404,297	3	373,982	4
2570	Deferred tax liabilities	48,998	-	69,639	1
2640	Accrued pension liabilities	4,394	-	3,873	-
2670	Other non-current liabilities	<u>27,688</u>	<u>-</u>	<u>5,096</u>	<u>-</u>
25XX	Total non-current liabilities	<u>485,377</u>	<u>3</u>	<u>2,311,855</u>	<u>23</u>
2XX X	Total liabilities	<u>6,260,154</u>	<u>45</u>	<u>4,614,879</u>	<u>46</u>
	Equity attributable to owners of parent				
3110	Share capital	<u>1,155,664</u>	<u>8</u>	<u>1,029,593</u>	<u>10</u>
3200	Capital surplus	<u>4,130,734</u>	<u>30</u>	<u>2,277,793</u>	<u>23</u>
	Retained earnings				
3310	Legal reserve	371,593	3	280,598	3
3320	Special reserve	304,631	2	298,638	3
3350	Unappropriated retained earnings	<u>2,323,255</u>	<u>17</u>	<u>1,978,609</u>	<u>20</u>
3300	Total retained earnings	<u>2,999,479</u>	<u>22</u>	<u>2,557,845</u>	<u>26</u>
3400	Other equity interest	(<u>696,978</u>)	(<u>5</u>)	(<u>533,678</u>)	(<u>5</u>)
3XX X	Total equity	<u>7,588,899</u>	<u>55</u>	<u>5,331,553</u>	<u>54</u>
	Total Liabilities and equity	<u>\$ 13,849,053</u>	<u>100</u>	<u>\$ 9,946,432</u>	<u>100</u>

BIZLINK HOLDING INC. AND SUBSIDIARIES
Consolidated Income Statement
Periods Ended Jan. 1 to December 31, 2017 & 2016

Unit: NT\$ thousand, excepting earnings per share

Code		2017		2016	
		Amount	%	Amount	%
	Operating revenue				
4100	Net sales revenue	\$15,599,207	100	\$ 9,208,059	100
	Operating costs				
5110	Cost of sales	<u>11,793,802</u>	<u>76</u>	<u>6,464,482</u>	<u>70</u>
5900	Gross profit (loss)	<u>3,805,405</u>	<u>24</u>	<u>2,743,577</u>	<u>30</u>
	Operating expenses				
6100	Selling expenses	693,813	4	425,898	5
6200	Administrative expenses	1,180,334	8	1,068,672	12
6300	Research and development expenses	<u>383,040</u>	<u>2</u>	<u>230,928</u>	<u>2</u>
6000	Total operating expenses	<u>2,257,187</u>	<u>14</u>	<u>1,725,498</u>	<u>19</u>
6900	Net operating income	<u>1,548,218</u>	<u>10</u>	<u>1,018,079</u>	<u>11</u>
	Non-operating income and expenses				
7140	Gain from bargain purchase	-	-	14,131	-
7190	Other income	67,378	-	56,996	1
7020	Other gains and losses	(76,555)	-	118,008	1
7050	Finance costs	(33,111)	-	(44,425)	-
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method	(<u>886</u>)	<u>-</u>	(<u>520</u>)	<u>-</u>
7000	Total non-operating income and expenses	(<u>43,174</u>)	<u>-</u>	<u>144,190</u>	<u>2</u>
7900	Profit (loss) from continuing operations before tax	\$ 1,505,044	10	\$ 1,162,269	13
7950	Tax expense	<u>342,579</u>	<u>2</u>	<u>252,324</u>	<u>3</u>
8200	Profit (loss) from continuing operations	<u>1,162,465</u>	<u>8</u>	<u>909,945</u>	<u>10</u>
	Other comprehensive income				

	Items that will not be reclassified subsequently to profit or loss:				
8311	Actuarial gain and loss arising from defined benefit plans	(435)	-	(1,002)	-
8341	Exchange differences arising on translation to the presentation currency	(674,701)	(4)	(122,159)	(2)
8349	Income tax related to components of other comprehensive income	<u>74</u>	<u>-</u>	<u>170</u>	<u>-</u>
8310		(<u>675,062</u>)	(<u>4</u>)	(<u>122,991</u>)	(<u>2</u>)
	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating foreign operations	<u>374,774</u>	<u>2</u>	(<u>284,818</u>)	(<u>3</u>)
8300	Other comprehensive income, net	(<u>300,288</u>)	(<u>2</u>)	(<u>407,809</u>)	(<u>5</u>)
8500	Total comprehensive income	<u>\$ 862,177</u>	<u>6</u>	<u>\$ 502,136</u>	<u>5</u>
	Earnings per share				
9750	Basic earnings per share	<u>\$ 10.68</u>		<u>\$ 9.23</u>	
9850	Diluted earnings per share	<u>\$ 10.20</u>		<u>\$ 8.29</u>	

BIZLINK HOLDING INC. AND SUBSIDIARIES
Statement of Stockholders' Equity
Periods Ended Jan. 1 to December 31, 2017 & 2016

Unit: NT\$ Thousand

Code		Share Capital	Capital Surplus	Retained earnings			Other equity interest		Total Equity
				Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange differences on translation of foreign financial statements	Others	
A1	2016/1/1 Equity Balance	\$ 918,191	\$ 1,165,845	\$ 204,603	\$ 298,638	\$ 1,696,406	\$ 102,346	\$ -	\$ 4,386,029
	2015 earnings allocation and distribution :								
B1	Legal reserve	-	-	75,995	-	(75,995)	-	-	-
B5	Cash dividend	-	-	-	-	(505,005)	-	-	(505,005)
B9	Stock dividend	45,910	-	-	-	(45,910)	-	-	-
C1	Recognize convertible corporate bonds as equity components	-	158,954	-	-	-	-	-	158,954
I1	Corporate bonds converted to common shares	48,627	721,988	-	-	-	-	-	770,615
N1	Common shares issued from execution of employee stock warrants	16,865	231,006	-	-	-	-	(229,047)	18,824
D1	2016 Net earnings	-	-	-	-	909,945	-	-	909,945
D3	2016 Net earnings and other comprehensive income/loss	-	-	-	-	(832)	(406,977)	-	(407,809)
D5	2016 Total comprehensive income/loss	-	-	-	-	909,113	(406,977)	-	502,136
Z1	2016/12/31 Equity balance	1,029,593	2,277,793	280,598	298,638	1,978,609	(304,631)	(229,047)	5,331,553
	2016 earnings allocation and distribution :								
B1	Legal reserve	-	-	90,995	-	(90,995)	-	-	-
B3	Special reserve	-	-	-	5,993	(5,993)	-	-	-
B5	Cash dividend	-	-	-	-	(720,715)	-	-	(720,715)
I1	Corporate bonds converted to common shares	126,421	1,840,154	-	-	-	-	-	1,966,575
N1	Share-based payment transactions	(350)	12,787	-	-	245	-	136,627	149,309
D1	2017 Net earnings	-	-	-	-	1,162,465	-	-	1,162,465
D3	2017 Net earnings and other comprehensive income/loss	-	-	-	-	(361)	(299,927)	-	(300,288)
D5	2017 Total comprehensive income/loss	-	-	-	-	1,162,104	(299,927)	-	862,177
Z1	2017/12/31 Equity balance	<u>\$ 1,155,664</u>	<u>\$ 4,130,734</u>	<u>\$ 371,593</u>	<u>\$ 304,631</u>	<u>\$ 2,323,255</u>	(<u>\$ 604,558</u>)	(<u>\$ 92,420</u>)	<u>\$ 7,588,899</u>

BIZLINK HOLDING INC. AND SUBSIDIARIES
Statements of Cash Flows
Years Ended December 31, 2017 & 2016

Unit: NT\$ thousand

Code		2017	2016
	Cash flows from (used in) operating activities		
A10000	Profit from continuing operations before tax	\$ 1,505,044	\$ 1,162,269
A20010	Adjustments to reconcile profit (loss)		
A20300	Provision (reversal of provision) for bad debt expense	12,871	1,515
A20100	Depreciation expense	274,435	197,819
A20200	Amortization expense	68,565	23,931
A29900	Amortization long-term prepaid rents	1,095	451
A29900	Gain from bargain purchase	-	(14,131)
A20400	Net loss on fair value change of financial assets and liabilities designated as at fair value through profit or loss	(34,777)	22,736
A20900	Financial costs	33,111	44,425
A21200	Interest income	(17,946)	(31,364)
A21900	Share-based payments	149,309	11,703
A22300	Share of Profit of Associates Accounted for Using Equity Method	886	520
A22500	Loss on disposal of property, plant and equipment	6,187	9,679
A22800	Loss on sale of intangible assets	32	-
A23200	Loss on sale of Investments accounted for using equity method	1,517	-
A23500	Impairment loss on financial assets	-	22,696
A23700	Allowance for inventory valuation and obsolescence losses	64,641	16,794
A24100	Net loss on currency exchange	108,444	7,909
A24200	Gain from corporate bonds payable Acquired	-	(42)
A30000	Changes in operating assets and liabilities		
A31110	Financial assets held for trading	9,269	-
A31130	Notes receivable	(172,972)	9,387
A31150	Accounts receivable	(1,316,832)	(181,867)
A31160	Accounts receivable due from related parties	1,161	1,472
A31180	Other receivable	(816)	(43,246)
A31200	Inventories	(1,221,446)	(103,784)
A31230	Prepayments	(57,496)	(7,530)

A31240	Other current assets	(2,175)	45
A32110	Financial liability held for trading	\$ -	(\$ 6,654)
A32130	Notes payable	(59,972)	(10,158)
A32150	Accounts payable	1,245,322	65,793
A32180	Other payable	(172,589)	182,223
A32210	Deferred revenue	17,870	-
A32240	Accrued pension liabilities	86	62
A32230	Other current liabilities	(740)	4,165
A32990	Other operating liabilities	<u>1,462</u>	<u>-</u>
A33000	Cash inflow generated from operations	443,546	1,386,818
A33100	Interest received	17,946	31,364
A33300	Interest paid	(19,322)	(9,425)
A33500	Income taxes paid	(<u>316,734</u>)	(<u>250,165</u>)
AAAA	Net cash flows from operating activities	<u>125,436</u>	<u>1,158,592</u>

Cash flows from (used in) investing activities

B00100	Acquisition of financial asset or financial liability carrying at fair value through profit or loss	(213,894)	-
B00200	Disposition of financial asset or financial liability held at fair value through profit or loss	208,471	-
B00600	Purchase of debt investments with no active market	-	(1,000,193)
B00700	Proceeds on sale of debt investments with no active market	1,090,460	95,638
B01800	Acquisition of long-term equity investment using the equity method	(20,000)	-
B01900	Disposition of long-term equity investment using the equity method	1,457	-
B02200	Acquisition of subsidiaries (cash deducted)	(1,186,566)	(83,842)
B01200	Acquisition of financial assets at cost	(100,978)	-
B02700	Acquisition of property, plant and equipment	(290,529)	(535,975)
B02800	Proceeds from disposal of property, plant and equipment	9,482	6,265
B04500	Acquisition of intangible assets	(20,393)	(30,178)
B03700	Increase in refundable deposits	(5,059)	(15,518)
B03800	Decrease in refundable deposits	2,607	775
B06500	Increase in other financial assets	(184,055)	(63,296)
B06600	Decrease in other financial assets	36,174	-
B06700	Increase in other non-current assets	(33,790)	-
B07100	Increase in prepayments for business facilities	(<u>92,108</u>)	(<u>41,081</u>)
BBBB	Net cash used in financing activities	(<u>798,721</u>)	(<u>1,667,405</u>)

	Cash flows from (used in) financing activities		
C01200	Issuing convertible bonds	\$ -	\$ 2,670,600
C01300	Redemption of corporate bonds	-	(100)
C09900	Paying costs of debt issuance	-	(61,709)
C00100	Increase in short-term loans	573,785	-
C00200	Decrease in short-term loans	-	(129,060)
C01600	Proceeds from long-term debt	153,567	238,030
C01700	Repayments of long-term debt	(11,469)	(133,623)
C03000	Increase in guarantee deposits received	4,181	1,940
C04500	Cash dividends paid	(720,715)	(505,005)
C04800	Exercise of employee share options	<u>-</u>	<u>7,121</u>
CCCC	Net cash used in financing activities	(<u>651</u>)	<u>2,088,194</u>
DDDD	Effect of exchange rate changes on cash and cash equivalents	(<u>59,185</u>)	(<u>355,913</u>)
EEEE	Net decrease in cash and cash equivalents	(733,121)	1,223,468
E00100	Cash and cash equivalents at beginning of period	<u>2,417,539</u>	<u>1,194,071</u>
E00200	Cash and cash equivalents at end of period	<u>\$ 1,684,418</u>	<u>\$ 2,417,539</u>

BizLink