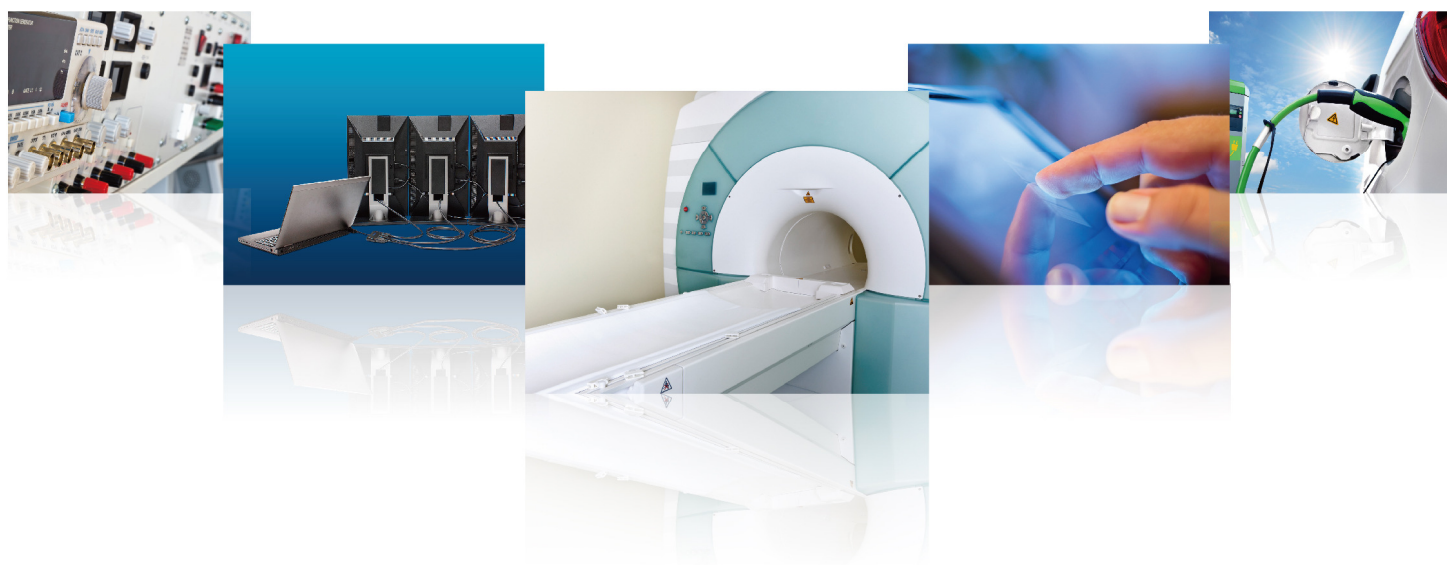


2016 Annual Report

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

Name : BIZLINK HOLDING INC. Address : 3th Floor, Barbour Centre, P.O. Box 613, George Town, Grand Cayman, Cayman Islands, British West Indies
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 : No 102, Astra Heights, 8-2-602/41/A, Zehra Nagar, Banjara Hills, Road No. 10, Hyderabad – 500034, 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, China
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, P.O. Box 3152, 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
Name : BIZLINK INTERNATIONAL CORP.	Address : 3F, No.186, Jian 1 st Road, Chungho District, New Taipei City, Taiwan
Website : http://www.BizLinktech.com	Tel : (886)2-8226-1000
Name : ZELLWOOD INTERNATIONAL CORPORATION	Address : OMC Chambers, P.O. Box 3152, Road Town, Tortola, British Virgin Islands
Website : http://www.BizLinktech.com	Tel : (886)2-8226-1000
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, P.O. Box 3152, 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 : ACCCELL 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
Website : http://www.BizLinktech.com	Tel : (886)2-8226-1000
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 : BAE BAYSIDE ,LLC	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 : Unit 3, 12/F., Wah Shing Centre, 11-13 Shing Yip Street, Kwun Tong, Kowloon, HK
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

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

Name: Fubon Securities, Stock Affair Agency Address: 3F., No.51, Sec. 1, Minsheng E. Rd., Zhongshan Dist., Taipei City 104, Taiwan
Website: <http://www.gfortune.com.tw> Tel: (886) 2-2562-1658

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 Address: 12F., No.156, Sec. 3, Minsheng E. Rd., Songshan Dist., Taipei City 105, Taiwan
CPA firm: Deloitte & Touche
Website: <http://www.deloitte.com.tw> 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	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.)	
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.)	

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One Message to Shareholders

Dear Madam / Sir:

The Company hereby reports its operating results for 2016 and a summary of the 2017 business objectives:

I. 2016 Operating Results

The Company's business revenues and net income grew steadily during the year of 2016. The cumulative consolidated revenues for the year was NT\$ 9,208.06 million, a growth of 9.4% YoY from last year. Net income for the same period grew by 19.74% with an EPS of NT\$ 9.23 per share. The operating margin was 11.06%.

II. Looking back at 2016

We not only continued the revenue growth but also actively deployed our strategic plans during the year.

Business Highlights

The overall revenue growth was achieved through higher product sales, particularly in information cable docking series and cable harness for electric vehicles. Meanwhile, increased needs from the global medical equipment also propelled a strong demand for wiring in this field. After conducting careful studies on the product market along with the customers, we believe growth will continue to be healthy in connecting devices for multi-commercial display, Cloud computing storage, electric vehicle and automobile electronics and optical communication facilities.

Achieve long-term growth through strategic investment

To bring about our long-term blueprint, including setting up new operating locations, decentralizing market weighting geographically and obtaining the critical technologies, we will need ample operation capital as our backing. Therefore, even during a time of turbulence in the global capital markets, in February 2016 we issued an ECB of US\$ 80 million with five-year maturity. Our issuing success has indicated great confidence from our worldwide investors in our vision and teamwork. Every member of the Company is more than grateful for the trust. After the funding, we have acquired a harness plant in Foshan, China last October and its automobile customers, which will be helpful for our penetration into the auto supply chain in Asia. Also, to enhance our R&D ability, we took over the production capacity from SPI in California during the middle of the year to meet the development needs for our automotive, semiconductor and medical customers in North America.

A constituent under the “Corporate Governance 100 Index”

BizLink was chosen, in July 2016, by the Taiwan Exchange Corporation as one of constituent stocks under “TWSE Corporate Governance 100 Index”. The key qualification to be selected as one of the one hundred constituent companies under the “TWSE Corporate Governance 100 Index” is to be ranked among the top 20% listed companies under an evaluation system for corporate governance practice, followed by factors including stock liquidity, net income, revenue growth and other financial indicators. This honorary title not only recognized the Company's long-term efforts in corporate governance, financial management and operational

results but also gave distinction to our excellence in regulation compliance, execution of corporate responsibilities, and ability to protect the rights and benefits of shareholders and all interested parties.

Charity and public welfare support

In addition to its core business, BizLink has been an active participant in charitable causes. In Taiwan, we sponsored students and teachers from Tongluo Elementary School in Miaoli County to participate in the “Shen Nong Project” hosted by Lovely Taiwan Foundation to cultivate a lot of organic farms 100 m² in size on campus. Moreover, BizLink is heavily invested in helping disadvantaged children worldwide. The Company has been making donations to related aid organizations such as UNICEF (United Nations Children's Fund), World Vision, Doctor without Borders, and institutes in U.S.A. such as FCSN (Friends of Children with Special Needs), Children Oakland Hospital, SVEF (Silicon Valley Education Foundation), and Smile Train (aid for children born with cleft palate).

III. 2017 Development highlights

Our focus this year will be placed on integrating both inside and outside resources, introducing new products, expanding global reach, growing our European market and initiating long-term development projects for sustainable operation.

A growth momentum driven by Automobile harnesses

- Accelerating market growth in electric vehicles: global manufacturers are introducing affordable models with the aim of expanding market share. Concurrently, our battery management harness, super charging station, energy storage equipment harness and peripheral products related to the clean-energy concept will be in high demand.
- Application in high-voltage connectors: Developing portable vehicle charging coupler based on major industry standards from China, EU, and the U.S.A. Supplying harnesses for energy storage inverter and high-voltage equipment.
- Automotive electronics harnesses: Applications include anti-lock braking system, and surrounding sensors for advanced driver assistance systems (ADAS).

Resource integration and continuous innovation

- Developing next generation docking stations with upgraded fast-charging specifications and Thunderbolt 3 interface.
- Developing and commercializing customized cables with applications in high-speed signal transmissions for new-generation servers, active optical cable (AOC), multi-party video conference, and virtual reality equipment.
- Medical wiring: Developing optical production procedures for medical and industrial transmission. Exploring industrial robot wiring, RF wiring for medical purposes, passive optical components for telecommunication and special industrial materials to meet customers' needs.

Expanding production capacity and improving manufacturing procedures

To accommodate our customers' growth, the Company will continue expanding its production facilities. This will include adding a third automated production line in Texas to supply cables. We will also expand our Malaysia capacity to meet customer demand from the aerospace and industrial industries. In addition, we have planned expansions in our China (Kunshan) and Mexico capacities to cater to increased orders. Plant automation and new production management systems will be phased in gradually to all locations to enhance production quality and consistency and balance labor usage. The aforementioned plans will allow BizLink to further lay down infrastructure for sustainable, sustained, and stellar future growth.

Continuing strategic investment

We will strategically invest in carefully selected targets to achieve the following goals: acquire key customers and critical technologies, expand portfolio of customers to include more geographies and industries, and set up new operation locations to support major markets and customers.

IV. 2017 Outlook

2017 is BizLink's 20th anniversary. When the business was set up in 1997, we were just operating in two locations, in U.S.A. and Taiwan along with some small assembly lines in China for a customer base concentrating in PC and related fields. We had never imagined becoming a public listed company or penetrating into other markets, such as the automobile, medical, industrial facility, and photovoltaic industries like we have today. We are both honored and proud and understand that we wouldn't have been able to reach the milestone today without the support from our customers, shareholders, and business partners, in addition to the hard work from every member of the team.

It has been a long but interesting journey to have founded the Company and grow with it step by step. We would like to take the opportunity to thank our customers, suppliers, supportive shareholders and employees to be part of our 20 years of memory. The Company is now standing on a solid foundation with its highly efficient teams. We will maintain our growing momentum to ensure that we can continue on this extraordinary journey into the future with you.

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 (Ireland) Ltd., and subsidiaries in the British Virgin Islands, including BizLink (BVI) Corp. and ADEL Enterprises Corporation. 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 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	<ul style="list-style-type: none">▪ 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	<ul style="list-style-type: none">▪ 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	<ul style="list-style-type: none">▪ 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	<ul style="list-style-type: none">▪ 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	<ul style="list-style-type: none">▪ 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	<ul style="list-style-type: none">▪ Finalized vertical integration by acquiring Tongying Electronics Co., Ltd. and obtaining wire harness technology.▪ By establishing Hua Zhan Electronics (Shenzhen) Co., Ltd., BizLink entered China’s medical device market.

Year	Milestones
2003	<ul style="list-style-type: none"> ▪ 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	<ul style="list-style-type: none"> ▪ 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	<ul style="list-style-type: none"> ▪ 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	<ul style="list-style-type: none"> ▪ 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	<ul style="list-style-type: none"> ▪ 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	<ul style="list-style-type: none"> ▪ 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	<ul style="list-style-type: none"> ▪ 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. ▪ Three independent directors were elected in the extraordinary

Year	Milestones
	shareholder meeting dated November 12.
2010	<ul style="list-style-type: none"> ▪ Set up an audit committee. ▪ 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. ▪ With direction heading toward fine, high pressure, & high temperature, and high fire proof, the Tongying plant has successfully developed a Teflon line. ▪ The Kunshan plant set up a product line of wire harnesses and connectors, and an All-In-One plan is progressing well. ▪ BizLink India was relocated to Hyderabad India. ▪ BizLink Int'l Electronics (Shenzhen) Co., Ltd. imported a Green House Gas GHG system and obtained temperature & humidity test standards.
2011	<ul style="list-style-type: none"> ▪ 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. ▪ Formed a Remuneration Committee. ▪ Converted an ERP system, imported SAP, and enhanced integration into the global system.
2012	<ul style="list-style-type: none"> ▪ By obtaining AS9100 certification, the Malaysian plant entered the product line of the aviation industry. ▪ Imported defibrillator cables and anesthesia monitor cables. ▪ Developed a high-frequency audio signal adapter and thin mobile device adapter. ▪ Developed server cables. ▪ BizLink US signed a contract for the purchase of land for a new plant project in New Mexico in September. ▪ Sunbolts is the BizLink's solar energy brand. It was recognized by PHOTON International (September) as the best brand for the second consecutive year.
2013	<ul style="list-style-type: none"> ▪ F-BizLink (3665-TW) was elected to the MSCI global mid-small cap indices. ▪ Obtained certification for a US regulation electric vehicle charging coupler. ▪ Collaborated with the National Taiwan University of Science and Technology to develop a solar energy smart junction box. ▪ Obtained certification for a solar energy connector (1500V). ▪ Supplied cable and wire harnesses for petroleum/gas exploration equipment. ▪ Supplied cable and wire harnesses for sport yacht engines. ▪ Set up a simulation device for Fremont Electro-Magnetic Interference (EMI). ▪ Enabled the Kunshan EMI laboratory. ▪ Set up a high-frequency team for the Taipei R&D center.
2014	<ul style="list-style-type: none"> ▪ Completed 4K2K docking station product line development. ▪ 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. ▪ Establishing a new wire extrusion plant in El Paso, U.S.A.

Year	Milestones
	<ul style="list-style-type: none"> ▪ Phasing in manufacturing execution system (MES) for product traceability. ▪ Expanded capacity of plants in Kunshan, Malaysia, and Mexico.
2015	<ul style="list-style-type: none"> ▪ 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	<ul style="list-style-type: none"> ▪ 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

III. Group Structure

Please see p.103 of the Company’s Annual Report.

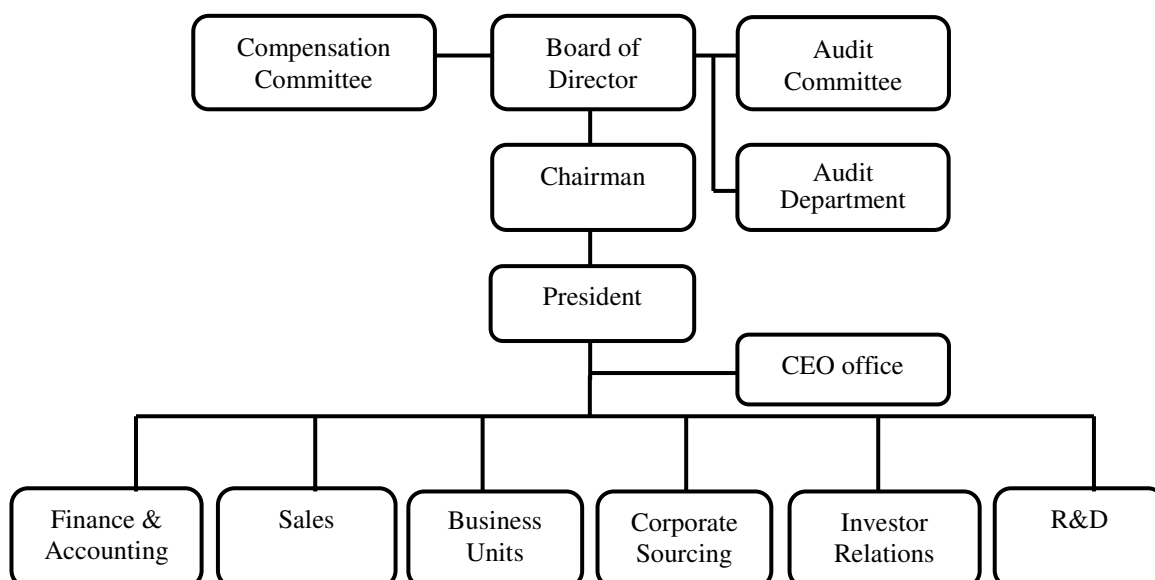
IV. Risk Management

Please see p.95~106 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

04.17.2017

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%	7,885,212	7.42%	9,585,836	9.02%	145,477	0.14%	MSEE, Penn State U., NCTU Electronics Engineering CEO, Greatlink USA	BIZLINK TECHNOLOGY INC. Director OPTIWORKS, INC. Director ビズリンク株式会社 Director BIZLINK INT'L CORP. Director/Manager BIZLINK TECHNOLOGY (IRELAND) LTD. Director BIZLINK TECHNOLOGY (S.E.A.) SDN. BHD. Director BIZLINK TECH, INC. Director ACCELL CORPORATION Director BIZCONN TECHNOLOGY INC. Director BIZWIDE LIMITED Director OPTIWORKS(SHANGHAI) CO., LTD. Legal Person/Executive Director OPTIWORKS (KUNSHAN) CO., LTD. Legal Person/Executive Director BIZLINK (KUNSHAN) CO., LTD. Director ASIA WICK LTD. Director	Director	Inru Kuo	Spouse
Director	U.S.A.	Inru Kuo	2015/06/24	3years	2000/6/1	9,736,962	11.18%	9,522,795	8.96%	7,948,254	7.48%	0	0	MS Actuarial Georgia State 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 INT'L 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 HUA ZHAN ELECTRONICS (SHENZHEN) CO., LTD. Executive Director BIZCONN INTERNATIONAL CORPORATION Director BIZLINK INT'L 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 (SHENZHEN) CO., LET. Legal Person/General Manager/Executive Director BIZCONN INT'L CORP. Legal Person/Executive Director TONGYING ELECTRONICS (SHENZHEN) LTD. Executive Director	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%	1,548,263	1.46%	78,271	0.07%	0	0	MBA,San Francisco State U. , Institute of Electrical and Control Engineering of NCTU Engineering Manager, Greatlink USA	ビズリンク株式会社 Director BIZLINK INT'L CORP. Director BIZCONN TECHNOLOGY INC. Director BIZLINK (KUNSHAN) CO., LTD. General Manager HUA ZHAN ELECTRONICS (SHENZHEN) CO., LTD. Legal Person/General Manager BIZLINK ELECTRONICS (XIAMEN) CO., LTD. Supervisor ASIA WICK LTD. Director BIZCONN INT'L (SHENZHEN) CORP. Supervisor JO YEH COMPANY LIMITED Director NANHAI JO YEH ELECTRONIC CO., LTD. Director	-	-	-
Director	Republic of China	Huong-Chang Chen	2015/06/24	3years	2012/06/12	1,430,000	2.50%	1,430,000	1.35%	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%	30,977	0.03%	0	0	0	0	Institute of Management Science of NCTU Aurotek Corporation Elitegroup Computer Systems Co., Ltd General Manager Aurotek (Shang Hai) Inc. Chairman YAMAICHI Electronics Chairman Promaster Technology Corporation Director	Aurotek Corporation Director Taiwan OILES Corporation Supervisor Aurotek (Shang Hai) Inc. Chairman YAMAICHI Electronics Chairman Acrored Technologies, Inc. Director Promaster Technology Corporation Independent director	-	-	-

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	National Chiao Tung University Lifetime Chair Professor United Microelectronics Corp. UMC Independent director	-	-	-
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	Waterland Venture Capital Co., Ltd. Research Manager FSP TECHNOLOGY INC. Supervisor	-	-	-

Note 1.: In addition to 654,492 shares held by Hua Tse, Liang and 2,292,075 shares held by Inru Kuo, the trust shares included Hwa-Tse Liang and Inru Kuo Family Trust (9,428,679 shares) that was created on April 15,1999, and the Liang Family Irrevocable Trust (5,032,760 shares).

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

"V" denotes meeting the conditions specified above

Criterion 1: Not an employee of the Company or its affiliated companies

Criterion 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)

Criterion 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

Criterion 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 Criterion 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

Criterion 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

Criterion 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

Criterion 8: Not a spouse or relative within second degree by affinity to other directors

Criterion 9: Not in contravention of Article 30 of the Company Act

Criterion 10: Not an institutional shareholder or its representative pursuant to Article 27 of the Company Act

(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	1,548,263	1.46%	78,271	0.07%	0	0	MBA, San Francisco State U., Institute of Electrical and Control Engineering of NCTU Engineering Manager, Greatlink USA	ビズリンク株式会社 Director BIZLINK INT'L CORP. Director BIZCONN TECHNOLOGY INC. Director BIZLINK (KUNSHAN) CO., LTD. General Manager HUA ZHAN ELECTRONICS (SHENZHEN) CO., LTD. Legal Person/General Manager BIZLINK ELECTRONICS (XIAMEN) CO., LTD. Supervisor ASIA WICK LTD. Director BIZCONN INT'L (SHENZHEN) CORP. Supervisor JO YEH COMPANY LIMITED Director NANHAI JO YEH ELECTRONIC CO., LTD. Director	-	-	-
Group CFO	Republic of China	Shiou-Lin Chen	2012/02/01	23,717	0.03%	0	0	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	0	0%	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	9,522,795	8.96%	7,948,254	7.48%	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 654,492 shares held by Hua-Tse Liang and 2,292,075 shares held by Inru Kuo, the trust shares included the Hwa-Tse Liang and Inru Kuo Family Trust (9,428,679 shares) that was created on April 15,1999, and the Liang Family Irrevocable Trust (5,032,760 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	
Chairman	Hwa-Tse Liang	0	NT\$10,163	0	0	0	0	0	0	0	1.12%	0	NT\$22,495	0	0	0	0	0	0	0	2.47%	-
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																					

Note 1: 2016 Compensation still not paid to the directors was not resolved at shareholders' meeting.

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 Ming-Chun Chen Chien-Hua Teng Inru Kuo Chun-Yen Chang Huong-Chang Chen Jr-Wen Huang	Hwa-Tse Liang Ming-Chun Chen Chien-Hua Teng Inru Kuo Chun-Yen Chang Huong-Chang Chen Jr-Wen Huang	Hwa-Tse Liang Ming-Chun Chen Chien-Hua Teng Inru Kuo Chun-Yen Chang Huong-Chang Chen 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 Inru Kuo
\$10,000,000 (included) ~ \$15,000,000 (not included)	-	-	-	Chien-Hua Teng
\$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

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\$22,528	0	0	NT\$5,773	NT\$6,828	0	0	0	0	0.63%	3.23%	-
Chief Executive Officer	Chien-Hua Teng													
General Manager of Subsidiaries	Inru Kuo													
Vice President	Yiau Chung, Tsai													
CFO	Shiou Lin, Chen													
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
\$10,000,000 (included) ~ \$15,000,000 (not included)	-	Hwa-Tse Liang
\$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	2015		2016	
	Amount	%	Amount	%
Directors	8,887	1.17	10,163	1.12
Presidents and Vice Presidents	25,984	3.42	29,356	3.23
Consolidated net profit	759,950	100.00	909,945	100.00

Note 1: Shareholders' meeting has not resolved to pay 2015 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:

1. 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	5	0	100%	—
Directors	Chien-Hua Teng	5	0	100%	—
Directors	Inru Kuo	5	0	100%	—
Directors	Huong-Chang Chen	5	0	100%	—
Independent director	Ming-Chun Chen	5	0	100%	—
Independent director	Chun-Yen Chang	3	2	60%	—
Independent director	Jr-Wen Huang	5	0	100%	—

2. Other Notes

- (1) 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.
- (2) 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.
- (3) 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:

1. 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	4	0	100%	—
Independent director	Chun-Yen Chang	3	1	75%	—
Independent director	Jr-Wen Huang	4	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 2016, 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
2016/3/15	Audit Committee	Internal Audit Supervisor	Revise "Procedures for asset acquisition and disposition"	Will further discuss in the board meeting
2016/3/15	Board of Directors	Internal Audit Supervisor	4Q2015 Internal audit implementation and reporting	Acknowledged by all attending members
2016/5/12	Board of Directors	Internal Audit Supervisor	1Q2016 Internal audit implementation and reporting	Acknowledged by all attending members
2016/8/12	Board of Directors	Internal Audit Supervisor	2Q2016 Internal audit implementation and reporting	Acknowledged by all attending members
2016/11/10	Audit Committee	Internal Audit Supervisor	Proposal of the internal audit plan for 2017	Will further discuss in the board meeting
2016/11/10	Board of Directors	Internal Audit Supervisor	3Q2016 Internal audit implementation and reporting	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	✓		(1) The Company has designated a spokesperson, deputy spokesperson, exclusive personnel, and a phone line for investors along with an e-mail box	None

Item	Operation			Deviations from “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Implementation Status	
<p>suggestion, question, conflict and litigation.</p> <p>(2) The Company’s possession of a list of major shareholders and a list of ultimate owners of these major shareholders.</p> <p>(3) The Company's establishment and implementation of a risk management mechanism and firewalls between the Company and its affiliates.</p> <p>(4) The Company's establishment of internal standards to prevent internal personnel trade based on non-public information.</p>			<p>to handle shareholder suggestions or complaints based on "Corporate Governance Practices".</p> <p>(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.50 of the annual report for the list of major shareholders.</p> <p>(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.</p> <p>(4) The Company has established "Procedures of Handling Significant Information & Insider Trading policy" to prevent insider trading.</p>	
<p>3. Composition and responsibilities of the Board of Directors</p> <p>(1) The Board's establishment and implementation of a guideline for forming a board of diversification.</p> <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>(1) The Company has adopted various criteria to select ideal board members from the standpoint of overall board performance.</p> <p>(2) The Company is planning on establishing "Board nomination and corporate governance committee" to review and evaluate the composition of the board, principles of corporate governance, as well as provide assistance and suggestions to new board members.</p> <p>(3) The Company is in the process of reviewing the establishment of "Board performance evaluation procedures and methodology".</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>	None

Item	Operation			Deviations from “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Implementation Status	
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 (http://zh.bizlinktech.com/Investor .)	None
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	✓		(1) Employee Rights: Please see Labor Relations under Section Five-	None

Item	Operation			Deviations from “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Implementation Status	
of the Company's corporate governance practices:			<p>Operating Summary on page 84 to 88.”</p> <p>(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.</p> <p>(3) Status of continued education for directors and supervisors: All Board members and relevant supervisors participated in financial, business, and professional refresher courses. Please see page 26 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>	
<p>9. The improvement status for the result of Corporate Governance Evaluation announced by Taiwan Stock Exchange</p> <p>(1) Improvement status: communication among the independent directors, internal auditing management and independent auditors will be regularly released to the website.</p> <p>(2) Prioritized enforcements and measures: a “Procedures for ethical management and guidelines for conduct” is scheduled to be set up to handle the reporting system regarding illegal and unethical practices from both internal and external parties.</p>				

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	2012/06/12	2012/06/12	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	2000/06/01	2000/06/01	2016/04/15	2016/04/15	SFI	Securities and Futures Institute Directors and Supervisors' Legal Risk and Response in Major Corporate Scandals	3	Yes
				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	
				2014/08/25	2014/08/25	TWSE/TPEX	Corporate Ethical Management and Social Responsibility Forums	3	
				2013/11/28	2013/11/28	FSC	The 9th Taipei Corporate Governance Forum	3	
				2013/12/24	2013/12/24	SFI	Impact of and response to the recent amendment to the Company Act and Security and Exchange Act	3	
Directors	Inru Kuo	2000/06/01	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	2000/06/01	2000/06/01	2014/08/25	2014/08/25	TWSE/TPEX	Corporate Ethical Management and Social Responsibility Forums	3	Yes
				2013/12/18	2013/12/18	SFI	Equity Transfer by Insiders of Listed Companies and Legal Compliance	3	Yes
Independent director	Ming-Chun Chen	2009/11/12	2009/11/12	2016/11/03	2016/11/03	Taiwan Corporate Governance Association	Supervising the company's Risk Management and Strengthening Corporate Governance	3	Yes

Independent director	Jr-Wen Huang	2012/06/12	2012/06/12	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	Yes
				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	
				2014/06/19	2014/06/19	Taiwan Corporate Governance Association	Successful Negotiations in M & A	3	
				2013/09/23	2013/09/23	SFI	Corporate Ethical Management and Social Responsibility Forums	3	
				2013/08/08	2013/08/08	SFI	Discussion of business operations and related tax systems	3	
				2012/06/18	2012/06/18	SFI	Development of and opportunities for cross-strait mergers	3	
Independent director	Chun-Yen Chang	2010/10/29	2010/10/29	2016/11/8	2016/11/8	Taiwan Corporate Governance Association	The obligation and responsible for Supervisors in Securities and Exchange Act	3	Yes
				2016/05/05	2016/05/05	Taiwan Corporate Governance Association	CSR and Sustainable Operation	3	
				2015/12/16	2015/12/16	SFI	Essential Risk Management of Corporate Operations	3	
				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	
				2013/12/18	2013/12/18	Taiwan Corporate Governance Association	Risks of decision making and responsibilities of directors	3	
				2012/08/21	2012/08/21	SFI	The Financial Statement Analysis After the adoption of IFRS	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. The Company has set up a Task Force to establish and monitor the integrity management policies and the related preventive measures, provide reporting ESG mailbox to receive related complaints, report to the Board regularly to ensure the establishment of a corporate culture with integrity management and a sound management system under the concept.</p> <p>The task force is made up of divisional managers or designated representatives that are in charge of subject matter planning, data collection, target setting etc.</p> <p>Work planning and job description Taking charge of establishing and monitoring the integrity management policies and the related preventive measures, listing all related issues to be followed up under the internal control and reporting to the Board regularly.</p> <p>Providing reporting ESG mailbox to take in complaints. All complaints will be reviewed, put on official records and entered into investigation procedures after received</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>2015</th><th>2016</th></tr><tr><td>Direct emission</td><td>1,432.38</td><td>1,293.09</td></tr><tr><td>Indirect emission</td><td>12,667.88</td><td>13,878.23</td></tr><tr><td>Total emission</td><td>14,100.26</td><td>15,171.32</td></tr></table> <p>The current inventory checks were conducted in the Kunshan, TongYing, Bizzcon, and OptiWorks plants.</p> <p>In-house R&D procedures executed in order to reduce energy usage and greenhouse emissions with the goal of reducing water and electricity consumption in the next year by 10%: (1) Improve the treatment and recycling of hazardous waste: Establishment of <hazardous waste recycling and disposal> management indicators to reduce emissions into the environment with the goal of a waste disposal facility that is able to treat or recycle 100% of the</p>	Year	2015	2016	Direct emission	1,432.38	1,293.09	Indirect emission	12,667.88	13,878.23	Total emission	14,100.26	15,171.32	
Year	2015	2016														
Direct emission	1,432.38	1,293.09														
Indirect emission	12,667.88	13,878.23														
Total emission	14,100.26	15,171.32														

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Implementation Status	
			<p>waste. All requests from the environmental agencies will be enforced strictly. In production we apply standardized safety management and SOP strictly, make sure reasonable use of materials for minimal waste and use KPIs that are carefully planned to control each procedure.</p> <p>(2) Improving production lines: The upgrade and improved management of production and equipment to minimize material waste</p> <p>(3) Plant energy saving measures: The TongYing plant introduced potable water systems in 2015, reducing the number of existing water fountains by 66% to achieving energy and water savings</p>	
<p>III. Maintenance of social welfare</p> <p>1. The Company's complies with 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>1. To conduct due diligence on human 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</p>	None

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Implementation Status	
4. The Company establishment of an internal communication platform to , notify employees of any significant operational changes.			internal website.	
5. The availability of effective career development plans employees.			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.	
6. The Company's creation of consumer rights policies and communication channels regarding its processes on R&D, procurement, production, operational processing and service.			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.	
7. The Compliance of relevant laws, regulations and international guidelines when marketing or labeling its' products.			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.	
8. The Company's verification of records pertaining to its' suppliers' negative impact on the environment and			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. To encourage supplier corporate social responsibility, suppliers must comply with the "Guarantee for maintaining	

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Implementation Status	
<p>society.</p> <p>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>			<p>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:</p> <ol style="list-style-type: none"> (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 protection labeling on packaging (6) Availability of signing eco-friendly agreement with raw material suppliers'. (7) Records of violating environmental protection and social responsibility. <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> <ol style="list-style-type: none"> (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. (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 	

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Implementation Status	
			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.	
IV. Reinforce information disclosure The Company's disclosure regarding status of corporate social responsibility on its website and Market Observation Post System.	✓		Regular updates on corporate responsibility information are available on the Company's website (http://www.BizLinktech.com/).	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. 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): 1. Employee rights and employee care: Please refer to labor-management relations in the business operation section of the annual report. 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". 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. 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: (1) Together with nine other Taiwanese companies, we started, in 2015, to sponsor a three-year project, "Organic Maioli, Shen Nong Project" with the purpose of sponsoring 11 elementary schools in the county, helping them build an interdisciplinary learning model that covers topics of organic diet, land education and homeland identity. Adoptee school made by the Company: BizLink adopted the Tongluo Elementary School with a donation of NT\$0.8 million. (2) Total donations made during 2016 was US\$ 51,000 which covered ten children and medical charitable organizations that included World Vision, Doctors without Borders, UNICEF (United Nations Children's Fund), FCSN Friends of Children with Special Needs, St. Jude Children's Hospital, Susan G. Komen Foundation, Children's Hospital Oakland 5. Consumer rights: Improve the Company's competitiveness by providing aggressive, efficient, and effective services to meet the satisfaction of existing and potential customers. 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. 7. Occupational safety and health: The Company provides the best safety and health environment so as to comply				

Item	Operation			Deviations from “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Implementation Status	
with the Labor Safety and Health Act (please refer to Labor safety and health code of practice for details).				
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.				
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. The Company's operations are based on legal compliance and the principles of "integrity, customer-orientation, cooperation and environmental protection." Moreover, the code of conduct was established to ensure employees actions comply with ethical corporate practice. All related operating policies and implementation by the Board and management are disclosed in annual reports with detail explanation.</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
<p>II. Carry out corporate conduct and ethical operation</p> <p>1. Conditions where the Company shall prevent doing business with those who have unethical</p>	✓		<p>1. Any agreements/contracts signed between the Company and an outside party shall include an ethical operation policy, and the</p>	None

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Implementation Status	
<p>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>Company may at any time terminate or cancel the agreement/contract should there be unethical conduct by the counterparties.</p> <p>2. The Company and the Board has set-up an "ESG Integrity Management Team" to oversee corporate ethical conduct that reports periodically directly to the Board.</p> <p>3. The Board of Directors has approved the revision of "Corporate Social Responsibility Best Practices" to enhance the transparency of information, improve the functions of the Board of Directors, respect the rights of shareholders, and allow directors and management to take the initiative in explaining, through proper communication channels, if there are any potential conflicts of interest.</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. The Company has stipulated in its "Ethical Corporate Management Best Practice Principles" that it will not allow improper benefits including but not limited to the below: offering or acceptance of bribes, illegal political donations, improper charitable donations or sponsorship and offering or acceptance of unreasonable presents or hospitality. The Company will also provide related regulatory announcements to the staff, managers and board members in order to enhance the understanding of integrity and self-discipline. Starting from 2014 a statement of integrity should be signed by all members in the Company and safe kept by the HR department. During new staff orientation the importance of "integrity", a core value will be emphasized by senior</p>	

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and reasons
	Yes	No	Implementation Status	
			management. To establish a standard for daily work and ethical conduct the Company distributes an employee handbook. All staffs are required to read the chapter titled "Code of Conduct".	
<p>III. Condition where the Company establishes appropriate punishment and complaint system for reporting of any ethical irregulars.</p> <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</p>	None

Item	Operation			Deviations from “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Implementation Status	
			<p>punishment to the personnel and his or her supervisor, or take litigation for pursuing legal responsibility.</p> <p>(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> <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 8, 2017

Based on the findings of a self-assessment, the Company stated the following with regard to its internal control system during the fiscal year 2016:

- 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, 2016, 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, 2016, with none of the seven 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
06.15.2016 2016 Shareholder meeting	(1) Approved 2015 earnings distribution. (2) Approved amendments to the Company's "Articles of Incorporation" (3) Approved 2015 business report and final accounts. (4) Approved issuance of Employee Restricted Stock (5) Approved the revision of "Procedures for the Acquisition or Disposal of Assets".

2. Major resolutions in the meeting of Board of Directors

Time	Major subject
03.15.2016 First Meeting of Board of Directors	(1) Approved amendments to the Company's "Articles of Incorporation". (2) Approved Year 2015 Compensation Distribution Proposal for Directors. (3) Approved Year 2015 Compensation Distribution Proposal for Employees. (4) Approved issuance of Employee Restricted Stock (5) Approved 2015 consolidated financial statement & business report. (6) Approved 2015 "Statement of Internal Control". (7) Approved the revision of "Procedures for the Acquisition or Disposal of Assets". (8) Approved 2015 earnings distribution. (9) Approved the date of 2016 Annual General Shareholders Meeting. (10) Approved the yearly evaluation of "Independence of the auditing and certifying accountants" and the related appointment. (11) Approved the extension of Endorsements/Guarantees, granted by E. Sun Bank, for subsidiary -"BIZLINK (BVI) CORP" and" BIZLINK INTERNATIONAL CORP". (12) Approved the short-term comprehensive credit of Endorsements/Guarantees, granted by Fubon Bank, for subsidiary -"BIZLINK (BVI) CORP". (13) Approved the Extension of Loaning of Funds between Subsidiaries. (14) Raised Loan Limits between Subsidiaries wholly owned by the Company. (15) Extended Loan Terms between Subsidiaries wholly owned by the Company.

05.12.2016 Second Meeting of Board of Directors	(1) Approved 2016 Q1 consolidated financial statement.
06.15.2016 Third Meeting of Board of Directors	(1) Resolution on the record date for distribution of dividends.
08.12.2016 Fourth Meeting of Board of Directors	<p>(1) Approved 2016 Q2 consolidated financial statement.</p> <p>(2) Approved on the amendments of Employee Restricted Stock issuance regulation</p> <p>(3) Approved the comprehensive credit of Endorsements/Guarantees, granted by HSBC, for subsidiary -"BIZLINK (BVI) CORP".</p> <p>(4) Approved the short-term comprehensive credit of Endorsements/Guarantees, granted by Mega Bank, for subsidiary -"BIZLINK (BVI) CORP".</p> <p>(5) Raised Loan Limits between Subsidiaries wholly owned by the Company.</p>
11.10.2016 Fifth Meeting of Board of Directors	<p>(1) Approved 2016 Q3 consolidated financial statement.</p> <p>(2) Approved 2017 Audit Plan.</p> <p>(3) Approved the 2017 Distribution Proposal of "Phantom Stock Plan for Selected Employees".</p> <p>(4) Approved year 2016 issuance of Employee Restricted Stock</p> <p>(5) Approved the appointment of independent expert for issuing the reasonableness of the price calculation of the public tender offer consideration in M & A.</p> <p>(6) Approved the amendments of "Improvement of the Capability in Preparation of Consolidated Financial Report"</p> <p>(7) Approved the amendments of "Procedures for halt and resumption applications"</p> <p>(8) Approved the extension of Endorsements/Guarantees for making of general credit limit, granted by China Trust Commercial Bank, for subsidiary – "BIZLINK (BVI) CORP".</p> <p>(9) Approved Comprehensive Credit-Extension for "BIZLINK (BVI) CORP" and "BIZLINK INTERNATIONAL CORP" guaranteed by "E.SUN COMMERCIAL BANK, LTD.</p> <p>(10) Approved the extension of Loaning of Funds between Subsidiaries.</p> <p>(11) Approved the extension of Endorsements/Guarantees, granted by China Trust Commercial Bank (USA), for subsidiary – "BIZLINK TECHNOLOGY INC.".</p> <p>(12) Approved the credit authorization of Endorsements/Guarantees, granted by HSBC, for subsidiary -" BIZLINK TECHNOLOGY (S.E.A.) SDN. BHD."</p>

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 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 “BIZLINK (BVI) CORP)” guaranteed by “TAIPEI FUBON COMMERCIAL BANK CO., LTD.” (15) Extended loan Terms between Subsidiaries wholly owned by the Company. (16) Approved Comprehensive Credit Extension between Subsidiaries.

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>

3. Review of resolution implementation from the 2016 general shareholders' meeting
2016 Annual General Meeting was held on June 15th, 2016, 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 2015 earnings distribution	<ul style="list-style-type: none"> Total profit sharing made for 2015 operation included NT\$8,887 thousand distributed as director remuneration, NT\$ 45,068 thousand distributed as employee bonus and NT\$ 505,005 thousand as cash dividends and NT\$ 45,910 thousand as stock dividends to the shareholders. Setting August 4, 2016 as the base date for profit distribution date. The cash dividend was distributed on September 8, 2016.
(2) Approved amendments to the Company's "Articles of Incorporation"	Executed as resolved.
(3) Approved 2015 business report and final accounts.	For the year of 2015, the Company made an annual sales of NT\$ 8,417 thousand and a net income of NT\$ 759,950 thousand with an EPS of NT\$7.9 per share.

(4) Approved issuance of Employee Restricted Stock	Executed as resolved.
(5) Approved the revision of “Procedures for the Acquisition or Disposal of Assets”.	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:

Title	Name	Date of Assumption of Duty	Date of Dismissal	Reasons for Resignation or Dismissal
Deloitte & Touche	Yiau-Chung Tsai	2009/3/16	2016/6/30	Retirement

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	2016.1.1 -2016.12.31	None

Range \ Items		2016		
		Auditing fee	Non-auditing fee	Total
1	Below \$2,000,000	-	-	-
2	\$2,000,000 (included) ~ \$4,000,000	-	V	-
3	\$4,000,000 (included) ~ \$6,000,000	-	-	-
4	\$6,000,000 (included) ~ \$8,000,000	-	-	-
5	\$8,000,000 (included) ~ \$10,000,000	V	-	-
6	Above \$10,000,000 (included)	-	-	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	8,800				3,981	3,981	2016.01.01-2016.12.31	Advisory 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	2016		As of April 17 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)	130,652	0	(100,000)	0
Director	Inru Kuo (Note 1)	207,347	0	(100,000)	0
Director	Chien-Hua Teng	260,296	0	(120,000)	0
Director	Huong-Chang Chen	(281,336)	(654,000)	(520,000)	(1,627,000)
Independent director	Ming-Chun Chen	(85,990)	0	(6,000)	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	(20,000)	0
Vice President	Chen-Shen Chou	30,000		(30,000)	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: Chen-Shen Chou is appointed on 2016/06/30.

(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 17, 2017

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	9,428,679	8.87%	0	0	0	0	Hwa-Tse Liang Inru Kuo	Trustee	Note
Liang Family Irrevocable Trust	5,032,760	4.74%	0	0	0	0	Hwa-Tse Liang Inru Kuo	Trustee	Note
Cathay Financial Holdings Co.,Ltd.	4,210,000	3.96%	0	0	0	0	Not applicable	Not applicable	-
Fidelity Series Emerging Markets Fund	2,627,277	2.47%	0	0	0	0	Not applicable	Not applicable	-
InRu Kuo	2,292,075	2.16%	654,492	0.62%	0	0	Not applicable	Not applicable	-
Chun-Pin Liang	2,219,636	2.09%	80,122	0.09%	403,396	0.43%	Hwa-Tse Liang Inru Kuo	Relatives within 2nd degree relationship	-
Wellington Global Opportunities Equity Fund	1,651,631	1.55%	0	0	0	0	Not applicable	Not applicable	-
Chien-Hua Teng	1,548,263	1.46%	78,271	0.07%	0	0	Not applicable	Not applicable	
Huong-Chang Chen	1,430,000	1.35%	0	0	0	0	Not applicable	Not applicable	
BizLink Holding Inc.	1,380,000	1.30%	0	0	0	0	Not applicable	Not applicable	

Note: 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**

12/31/2016 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%
株式會社ビズリンク	200	100%	0	0%	200	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 (IRELAND) LTD.	300,000	100%	0	0%	300,000	100%
BIZLINK TECHNOLOGY (S.E.A.) SDN. BHD.	1,200,000	100%	0	0%	1,200,000	100%
BIZLINK TECH, INC. (The previous EXCEL PRODUCTS, INC.)	60,000	100%	0	0%	60,000	100%
ADEL ENTERPRISES CORPORATION	1,650,000	100%	0	0%	1,650,000	100%
ACCELL CORPORATION	10,000	100%	0	0%	10,000	100%
BIZCONN TECHNOLOGY INC.	0	100%	0	0%	0	100%
BIZLINK WIDE LIMITED	10,000	100%	0	0%	10,000	100%
OPTIWORKS (SHANGHAI) CO., LTD.	Note	100%	0	0%	Note	100%
OPTIWORKS (KUNSHAN) CO., LTD.	Note	100%	0	0%	Note	100%
HUA ZHAN ELECTRONICS (SHENZHEN) CO., LTD.	Note	100%	0	0%	Note	100%
BIZCONN INTERNATIONAL CORPORATION	1,666,667	100%	0	0%	1,666,667	100%
BIZLINK INTERNATIONAL ELECTRONICS (SHENZHEN) CO., LTD	Note	100%	0	0%	Note	100%
BIZLINK (KUNSHAN) CO., LTD.	Note	100%	0	0%	Note	100%
BIZLINK INTERCONNECT TECHNOLOGY (INDIA) PRIVATE LIMITED	100,000	100%	0	0%	100,000	100%
BIZLINK ELECTRONICS (XIAMEN) CO., LTD.	Note	100%	0	0%	Note	100%
ASIA WICK LTD.	1,000	100%	0	0%	1,000	100%
XIANG YAO ELECTRONICS (SHEN ZHEN) CO., LTD.	Note	100%	0	0%	Note	100%
BIZCONN (SHENZHEN) INTERNATIONAL CORP.	Note	100%	0	0%	Note	100%
TONGYING ELECTRONICS (SHEN ZHEN) LTD.	Note	100%	0	0%	Note	100%
BAE BAYSIDE, LLC.	Note	100%	0	0%	Note	100%
BOBI, LLC.	Note	100%	0	0%	Note	100%
JO YEH COMPANY LIMITED	10,000	100%	0	0%	10,000	100%
FOSHAN CITY NANHAI JO YEH ELECTRONIC CO., LTD.	Note	100%	0	0%	Note	100%

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

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
						conversion of unsecured convertible bonds: 3,383,521 shares	
	37.5					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

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

4/17/2017

Share type	Registered capital			Note
	Outstanding shares (Note)	Un-issued shares	Total	
Registered common stocks	106,299,077	393,700,923	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

4/17/2017

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	3	66	0	63	9,070	238	9,440
Shareholding (one share)	2,540,392	12,663,872	0	2,844,624	40,452,608	47,797,581	106,299,077
Shareholding percentage (%)	2.39	11.91	0	2.68	38.06	44.96	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:

4/17/2017

Unit: one share

Shareholding distribution	Number of shareholders	Shareholding	Shareholding percentage
1 ~ 999	3,297	400,617	0.38%
1,000 ~ 5,000	4,952	8,467,942	7.97%
5,001 ~ 10,000	487	3,588,137	3.38%
10,001 ~ 15,000	171	2,115,625	1.99%
15,001 ~ 20,000	101	1,833,443	1.73%
20,001 ~ 30,000	95	2,390,485	2.25%
30,001 ~ 40,000	59	2,071,741	1.95%
40,001 ~ 50,000	44	2,024,091	1.90%
50,001 ~ 100,000	82	5,870,555	5.52%
100,001 ~ 200,000	63	8,951,509	8.42%
200,001 ~ 400,000	43	11,871,898	11.16%
400,001 ~ 600,000	17	8,036,254	7.56%
600,001 ~ 800,000	9	6,475,670	6.09%
800,001 ~ 1,000,000	3	2,764,442	2.60%
Over 1,000,001	17	39,436,668	37.10%
Total	9,440	106,299,077	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

4/17/2017

Unit: one share

Shareholding	Shareholding	Shareholding percentage
Major shareholders		
Hwa-Tse Liang and Inru Kuo Family Trust	9,428,679	8.87%
Liang Family Irrevocable Trust	5,032,760	4.74%
Cathay Financial Holdings Co., Ltd.	4,210,000	3.96%
Fidelity Series Emerging Markets Fund	2,627,277	2.47%
InRu Kuo	2,292,075	2.16%
Chun-Pin Liang	2,219,636	2.09%
Wellington Global Opportunities Equity Fund	1,651,631	1.55%
Chien-Hua Teng	1,548,263	1.46%
Huong-Chang Chen	1,430,000	1.35%
BizLink Holding Inc.	1,380,000	1.30%

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

Unit: NT\$ thousands; one thousand shares

Year		2015	2016	As of 03/31/2017 (Note 8)
Item				
Per share market value (Note 1)	The highest	194.00	227.00	195.00
	The lowest	97.80	131.00	163.00
	Average	137.55	171.71	175.10
Per share book value (Note 2)	Before distribution	47.77	51.80	54.10
	After distribution	42.27	(Note 9)	(Note 9)
Per share earnings (Note 3)	Weighted Average Shares	96,152	98,626	102,262
	Per share earnings, before adjustment	8.30	9.23	1.92
	Per share earnings, after adjustment	7.90	(Note 9)	(Note 9)
Per share dividend	Per share cash dividend	5.5	(Note 9)	(Note 9)
	Stock dividend	0.5	(Note 9)	(Note 9)
		-	-	-
	Accumulated unpaid dividend (Note 4)	-	(Note 9)	(Note 9)
Investment return	PE ratio (Note 5)	16.57	18.60	86.73

analysis	Dividend ratio (Note 6)	25.01	(Note 9)	(Note 9)
	Cash dividend yield (Note 7)	4.00%	(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 2013

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 2017 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 2016 totaled NTD 43,566 thousand, while Director and Management remuneration totaled an estimated NTD 10,163 thousand. The ex officio remunerations, before tax and interest, were budgeted at 3.58% and 0.84% respectively. On March 8 2017, 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. 2016 earnings appropriation

- (1) The Board, on 03/08/2017, has resolved an earnings appropriation for 2016 including a cash dividend of US\$22,337,444.56 (or NT\$ 720,715,415 to the common shareholders). Per share distribution is US\$0.216954 (or NT\$ 7.0) in cash. The proposal is pending for approval from shareholders' meeting. The shareholders' meeting will be held on 06/15/2017.
- (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. 2016 Earnings Distribution		
Item	Amount (US\$)	Amount (NT\$)
Beginning unappropriated earnings	32,585,712.58	1,069,494,341.0
Actuarial gains (loss) included in retained earnings	(25,784.00)	(831,905.0)
Unappropriated earnings after adjustment	32,559,928.58	1,068,662,436.0
Plus: net income	28,202,338.27	909,945,624.0
Accumulative unappropriated earnings	60,762,266.85	1,978,608,060.0
Reserve Items		
Less: legal reserve (10%)	2,820,233.83	90,994,562.0
Less: Special reserves	185,756.50	5,993,415.0
Distributable net profit	57,756,276.5	1,881,620,083.0
Distribution		
Cash dividend – NT\$ 7.0 per share	22,337,444.56	720,715,415.0
Stock dividend - NT\$ 0.0 per share	-	-
Ending unappropriated earnings	35,418,831.96	1,160,904,668.0
<p>1. The earning appropriation is based on the total outstanding shares (102,959,345 shares) as of 12/31/2016 and includes a cash dividend of US\$ 0.216954 (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	2017 (estimated)
Beginning actual paid-in capital (NT\$ thousands)			1,014,593
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 2017 was based on the Board's appropriation resolution made on 03/08/2017.

Note 2: The Company did not make financial forecast for 2017; therefore, no financial information or assumption for 2017 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 2016 profits. Please refer to the profit distribution below:
 - (1) Employee bonus of US\$1,350,247.
 - (2) Distribution of US\$315,000 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 (2017).
 - (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	1,200,000	1,200,000	0	None
Employee stock bonus	0	0	0	None
Director remuneration	280,000	280,000	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		02/03/2016
Face value		US\$250,000
Issuing and listing		Singapore Exchange Limited
Issuing price		Issuing at par
Total amount		US\$ 80,000,000
Interest		0.00%
Tenor and Maturity Date		Five years, mature on 02/03/2021.
Guarantor		Not applicable
Trustee		The Bank of New York Mellon, London Branch
Underwriter		Domestic: MasterLink Securities Corporation Overseas: J.P. Morgan Securities plc
Legal Counsel		Domestic: Jheding Law Office Overseas: Linklaters, Hong Kong, Jones Day, Taiwan, Maples and Calder, Hong Kong, Junhe, Shenzhen
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\$ 47,750 thousand
Early redemption or repayment clause		The Company is obligated to redeem the bonds under the following circumstances: 1. 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. 2. 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	As of 03/31/2017, US\$ 34,250 thousand (6,909,965 shares) is converted to common share.
	Issuance and conversion (through swap or subscription)	Please refer to page 57~90 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 10.9% which has limited dilution effect to the existing shareholders.

Custodian institute	None
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(II) Convertible bonds details

1. Second Domestic Unsecured Foreign Convertible Bond

Types of corporate bonds		Second domestic unsecured convertible bond	
Item	Year	2015	2016
Market price of the convertible bond	The highest	143.45	180
	The lowest	101	115
	Average	119.85	144.47
Conversion price		124.1	124.1
Issuing date and conversion price		07/30/2014 /134.5 As of 07/2016, the bonds have converted to common shares or redeemed completely	
Exercise of conversion		Issuing new shares	

2. First Overseas Unsecured Foreign Convertible Bond

Types of corporate bonds		Second domestic unsecured convertible bond	
Item	Year	2016	As of 03/21/2016
Market price of the convertible bond	The highest	130.75	125.24
	The lowest	97.94	110.48
	Average	111.64	116.80
Conversion price		179.4	166.1
Issuing date and conversion price		02/03/2016 /179.4	
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

As of 10/15/2016, the employee stock option issued on year 2010 has converted 2,671,000 shares to common shares and expired on 10/15/2016.

(II) Employee restricted stock granted to management team and the top 10 employees as of the date of this annual report:

The employee stock option issued on year 2010 expired on 10/15/2016.

(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

Types of employee stock options granted	2016 employee stock option
Date of authority approval	07/28/2016
Date of issuance	12/0928/2016
Number of issuance	1,500,000 shares
Issue price	NT\$ 15,000,000
Percentage of shares exercisable to total outstanding shares	1.41%
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</p>

	<p>stock option.</p> <p>D. No shares will be vested when either vesting condition, (a) or (b), is not met, even if the employee has been on the job for three full years or longer.</p>
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	<p>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.</p>
Measures to be taken when vesting conditions are not met	<p>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.</p>
Redeemed or repurchased share(s)	0 share
Vested to exercised share(s)	0 share
Vested to unexercised shares(S)	1,500,000 shares
Number of shares vested to unexercised shares as a percentage of total outstanding shares (%)	1.41%

Note: Based on total outstanding shares of 106,299,077 as of 04/17/2017.

(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%	0 shares	NT\$ 0	NT\$0	0%	890,000 shares	NT\$ 0	NT\$0	0.84%
	CFO	Shiou-Lin Chen										
	Vice President	Chia-Cheng Lin										
	Vice President	Yiau-Chung Tsai										
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, sale, and support of interconnect solutions including connecting cables, connectors, wires, and devices in the form of modules and systems. The Company serves the information technology (“IT”), data communications, medical equipment, consumer electronics, motor vehicle, photovoltaic, home appliance, fiber optics, and industrial equipment industries.

2. Sales mix of major products

Unit: %

Year	2015	2016
Product	Percentage	Percentage
Cable Assemblies (Note)	36.20%	24.13%
Wire Harnesses	35.74%	35.41%
Docking Stations (Note)	10.05%	14.14%
Adaptors and Connectors (Note)	5.96%	13.96%
Others	12.05%	12.36%
Total	100.00%	100.00%

Note: Product re-organized

3. Product (Service)

Cable Assemblies	<ul style="list-style-type: none"> - Computers and handheld peripherals: Transmission cables for high-frequency audio and video signals, expansion and extension devices and docking stations. - Sports vehicle harnesses, battery management system harnesses for electric cars, TVSH harnesses, charging cords, transport refrigeration unit harnesses, and harnesses for energy storage devices. - High-frequency server transmission cables and industrial power cords. - High-frequency transmission cables for consumer electronics and audio cables.
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	- Medical sensor cables, high-end signal wires, and optical filters.
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, data transmission for servers, industrial power cords, signal cables, and telecommunication applications. Includes high-grade flame-retardant building cables, Teflon cables, electric vehicle charging cables, and wearable device cables.
Passive Optical Components	Wavelength Division Multiplexing (WDM) series Fiber optic splitters Micro optics product Optoelectronics product

4. Product development

In addition to continuous effort on halogen-free production, our future development will focus on cables and related products converging high-frequency 3Cs, high-end commercial computers, electric vehicles, medical equipment, high voltage products, industrial, and renewable energy 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 and workstations in gaming, business, design, 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 smartphones 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:

Support 4K x 2K resolution, 3D, high-speed transmission, multi-screen displays, additional vehicle interfaces, and new generation of small connectors.

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

(3) Regular transmission: Increased transmission speed of external devices to a maximum of to 10 Gbps.

(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 2012 to 2016

Unit: NT\$ thousands; %

Item	2012	2013	2014	2015	2016
R&D Expenses	106,854	157,014	200,437	230,247	230,928
Net Sales	5,799,455	7,111,881	7,482,011	8,416,972	9,208,059
% of Net Sales	1.84%	2.21%	2.68%	2.74%	2.51%

3. Successful development

Year	R&D Result	Descriptions/Applications
2016	USB Type C display ports and cable docking	Extending peripheral functions for IT products
	Thunderbolt docking station	Extending peripheral functions for IT products
	Electric vehicle charging module and controller	For charging electric vehicles

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

1. Short-term development strategies and plans

(1) Expand Geographic Reach and Coverage

Short-term development strategies and plans

Accelerating market growth in electric vehicles: global manufacturers are introducing affordable models with the aim of expanding market share. Concurrently, our battery management harness, super charging station, energy storage equipment harness and peripheral products related to the clean-energy concept will be in high demand.

-Application in high-voltage connectors: We develop portable vehicle charging coupler based on major industry standards from China, EU, and the U.S.A. Supply harnesses for energy storage inverter and high-voltage equipment.

- Automotive electronics harnesses: Applications include anti-lock braking system and surrounding sensors for advanced driver assistance systems (ADAS).

(2) Resource integration and continuous innovation

- Developing next generation docking stations with upgraded fast-charging specifications and Thunderbolt 3 interface.
- Developing and commercializing customized cables with

applications in high-speed signal transmissions for new-generation servers, active optical cable (AOC), multi-party video conference, and virtual reality equipment.

- Medical wiring: Developing optical production procedures for medical and industrial transmission. Exploring industrial robot wiring, RF wiring for medical purposes, passive optical components for telecommunication and special industrial materials to meet customers' needs.

(3) Expanding production capacity and improving manufacturing procedures

To accommodate our customers' growth, the Company will continue expanding its production facilities. This will include adding a third automated production line in Texas to supply cables. We will also expand our Malaysia capacity to meet customer demand from the aerospace and industrial industries. In addition, we have planned expansions in our China (Kunshan) and Mexico capacities to cater to increased orders. Plant automation and new production management systems will be phased in gradually to all locations to enhance production quality and consistency and balance labor usage. The aforementioned plans will allow BizLink to further lay down infrastructure for sustainable, sustained, and stellar future growth.

(4) Continuous strategic investment

We will employ strategic investments to achieve the goals bellows: acquiring key customers and critical technologies, geographically decentralizing customer weighting and setting up new operation locations to the major markets and 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	2015		2016	
Asia	3,722,903	44.23%	3,850,223	41.82%
America	3,389,347	40.27%	3,791,079	41.17%
Europe	1,287,610	15.30%	1,552,602	16.86%
Others	17,112	0.20%	14,155	0.15%
Total	8,416,972	100.00%	9,208,059	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.

With the continued trend of clean energy, our battery management system harnesses for electric vehicles and energy storage devices 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 medicare 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: Allocation of production capacity according to customer demand and shipment deadlines to cater to both small-volume orders with a high mix and large-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. Possible slowdown of growth industry-wide

As the growing pace for IT related products is slowing down, we will continue to introduce new products to maintain our competitive advantages and market share.

Addressing plans

We will expand our product application in the automobile, medical, industrial and solar energy areas.

B. Competitions

The decreasing gross profit of the electronics and IT industry has led to significant competitive pricing pressure.

Addressing plans

- (a) We will continue to invest in development, product design, production automation and production procedure upgrading. At the same time we will generate differentiated and high value added applications to enhance our profitability and lower peer pricing competition.
- (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 is 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.

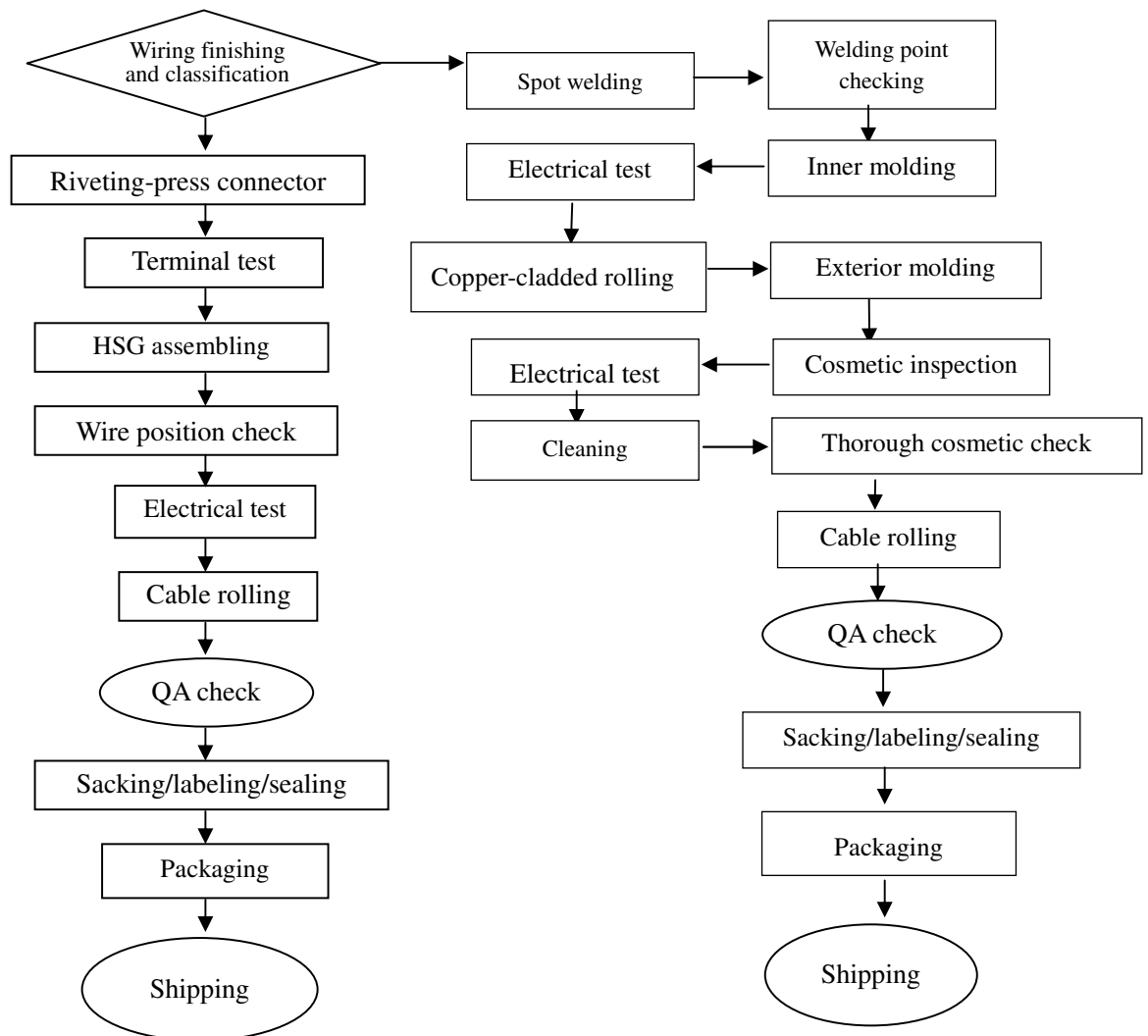
Product categories	Applications
Connectors, harnesses, cable assemblies and	Signal transmission: 3C video and audio harnesses, data center high speed cables, vehicle electronics and EV battery management system harnesses, sports vehicle main harnesses,

solar power junction boxes	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

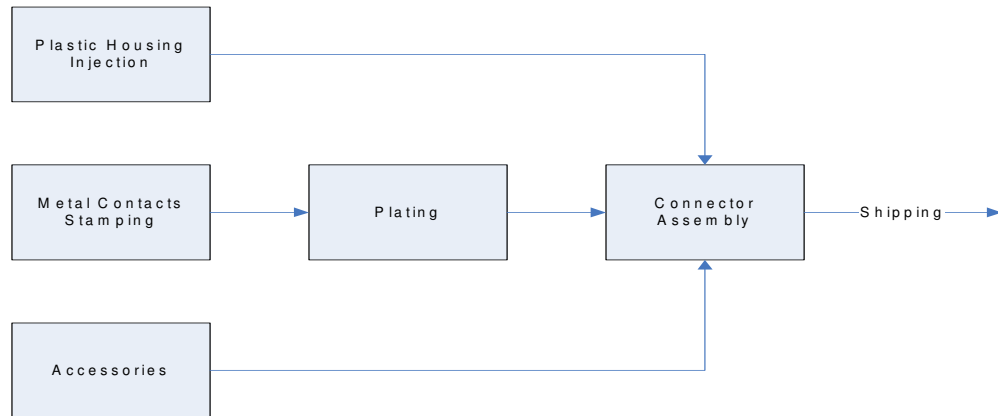
Cable assembly processes, from designs, material assembly, to shipment processes:

① Production procedures of cable assemblies



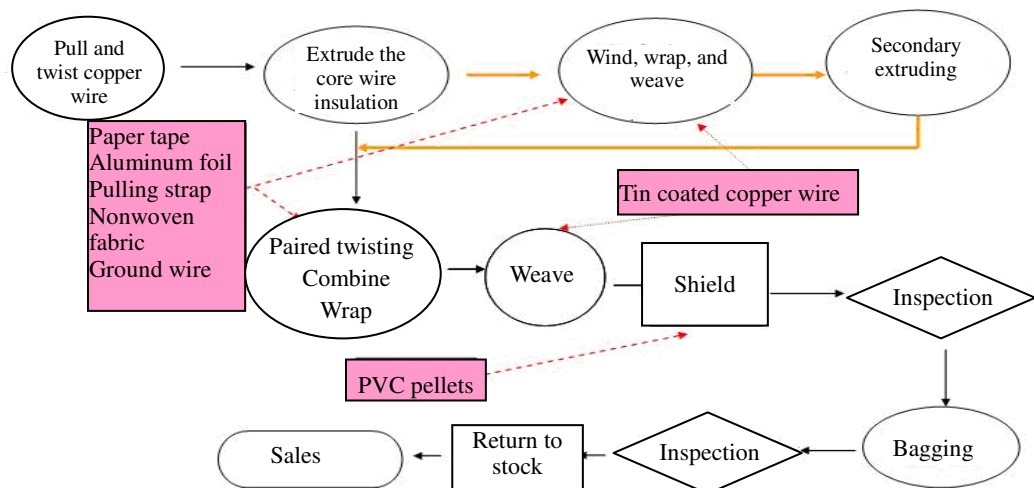
② Production procedures of connectors:

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 procedures of bulk 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.

2014		2015		2016	
Gross margin	Fluctuation percentage	Gross margin	Fluctuation percentage	Gross margin	Fluctuation percentage
27.85%	1.16%	26.63%	-4.38%	29.80%	11.91%

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 2015 and 2016

None of the purchase to 3rd party accounted for more than 10% of the total purchases. Total purchases to top 10 suppliers were 20.73%, 35.84% and 25.18% of total in 2014, 2015 and 2016. 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 2015 and 2016

Unit: NT\$ thousands; %

Item	2015				2016			
	Name	Amount	Percentage	Relation	Name	Amount	Percentage	Relation
1	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)
2	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)	(Note 2)
	Net sales	8,416,972	100.00	-	Net sales	9,208,059	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 2015 and 2016

Unit: pcs/ NT\$ thousands

Products (or department)	2015			2016		
	Capacity	Outputs	Value	Capacity	Outputs	Value
Cable assemblies	22,152,055	21,738,229	1,544,073	20,268,049	21,079,162	1,565,998
Harnesses	28,131,968	29,184,786	2,026,495	29,204,920	30,035,193	2,219,715
Power cords	1,187,239	1,359,523	65,991	1,475,458	1,944,675	78,113
Adaptors and connectors	1,658,670,253	2,261,246,244	696,044	1,620,357,822	2,229,270,402	634,838
Bulk cables	48,333,642	45,959,619	312,590	44,778,945	45,162,899	303,879
Passive optical components	267,899	422,148	41,278	412,722	606,212	322,500
Solar	18,414,419	22,969,600	185,893	14,207,653	18,950,854	181,429
Other	740,195	611,545	803,059	755,304	753,968	1,123,838
Total	8,127,428	6,785,905	987,242	6,753,977	6,697,694	910,209

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 2015 and 2016

Unit: pcs/ NT\$ thousands

Sales volume and value Sales volume	Year		2015				2016			
			Domestic sales		International sales		Domestic sales		International sales	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value
Cable assemblies	0	0	32,937,535	3,047,013	0	0	34,346,049	2,221,887		
Harnesses	0	0	20,635,775	3,007,972	0	0	21,626,335	3,261,250		
Power cords	0	0	1,144,491	109,735	0	0	1,785,320	125,898		
Connectors	0	0	20,709,254	193,279	0	0	15,590,209	122,476		
Raw cables	0	0	8,992,607	63,510	0	0	5,255,165	63,299		
Passive optical components	0	0	265,860	296,237	0	0	436,745	420,448		
Solar	0	0	2,676,088	138,105	0	0	2,473,774	149,748		
Cable dockings	0	0	426,572	845,910	0	0	660,876	1,301,568		
Adaptors	0	0	2,526,087	501,541	0	0	6,349,058	1,285,355		
Others	0	0	258,385,046	213,670	0	0	259,986,984	256,130		
Total	0	0	348,699,315	8,416,972	0	0	348,510,514	9,208,059		

Notes: All sales are for export.

III. Employees in 2015, 2016, and as of the date of this Annual Report

Year		2015 end		2016 end		End of March, 2017	
Number of employees	Managers	148		158		154	
	Clerical	1,295		1,339		1,320	
	Operators	3,657		3,733		4,428	
	Total	5,100		5,230		5,902	
Average age		33.8		33.99		33.62	
Average service years		4.1		4.67		4.54	
Education	PhD	2	0.04%	5	0.10%	4	0.07%
	Master	70	1.37%	83	1.59%	80	1.36%
	College	927	18.18%	941	17.99%	945	16.01%
	High school	1,560	30.59%	1,571	30.04%	1,896	32.12%
	Others	2,541	49.82%	2,630	50.28%	2,977	50.44%

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 10/28/2014/, 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 2016 was 153,872 hours, or 14.16 hours/employee, with a total expense of NT\$ 1.105 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 2015, 2016, 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 2016 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	

Six Financial Highlights

I. Financial Information from 2010 to 2014

(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, 2017 (Note 2)
		101 年	102 年	103 年	104 年	105 年	
Current assets		3,358,686	4,032,436	4,909,171	5,217,194	7,629,676	7,373,336
Property, plant and equipment, net		750,338	834,723	1,192,576	1,318,067	1,554,399	1,421,493
Intangible assets		79,764	97,182	104,444	94,875	117,869	118,164
Other assets		67,102	76,202	100,219	198,373	226,621	208,732
Total assets		4,315,958	5,151,974	6,523,935	7,084,812	9,946,432	9,594,161
Current liabilities	Before appropriation	1,395,726	1,618,327	1,913,267	2,243,442	2,303,024	3,410,686
	After appropriation	1,666,581	2,017,311	2,347,612	2,748,447	(Note 3)	(Note 3)
Non-current liabilities		190,336	78,844	481,808	455,341	2,311,855	432,737
Total liabilities	Before appropriation	1,586,062	1,697,171	2,395,075	2,698,783	4,614,879	3,843,423
	After appropriation	1,856,917	2,096,155	2,829,420	3,203,788	(Note 3)	(Note 3)
Equity attributable to owners of the parent		2,729,896	3,454,803	4,128,860	4,386,029	5,331,553	5,750,738
Paid-in capital		733,909	797,967	868,690	918,191	1,029,593	1,062,990
Capital surplus		631,393	833,980	1,113,903	1,165,845	2,277,793	2,763,183
Retained earnings	Before appropriation	1,448,265	1,740,306	1,918,208	2,199,647	2,557,845	2,754,260
	After appropriation	1,177,410	1,301,424	1,440,428	1,648,732	(Note 3)	(Note 3)
Other components of equity		(83,671)	82,550	228,059	102,346	(533,678)	(829,695)

Treasury Stock		-	-	-	-	-	-
Non-controlling interest		-	-	-	-	-	-
Total equity	Before appropriation	2,729,896	3,454,803	4,128,860	4,386,029	5,331,553	5,750,738
	After appropriation	2,459,041	3,055,819	3,694,515	3,881,024	(Note 3)	(Note 3)

Note 1: Consolidated financial statements of 2012 and 2016 have been audited by independent auditors.

Note 2: Consolidated financial statements for 2017 Q1 have been reviewed by independent auditors.

Note 3: The appropriation amount for the 2016 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, 2017 (Note 2)
	2012	2013	2014	2015	2016	
Revenue	5,799,455	7,111,881	7,482,011	8,416,972	9,208,059	2,339,175
Gross margin	1,457,694	1,957,919	2,083,494	2,241,488	2,743,577	728,173
Operating income (loss)	402,358	776,377	778,734	786,373	1,018,079	266,317
Non-operating income (expenses)	(33,495)	(55,810)	38,649	178,827	144,190	(11,799)
Pre-tax net income	368,863	720,567	817,383	965,200	1,162,269	254,518
Net income from Continuing operations	287,785	563,569	616,934	759,950	909,945	196,415
Losses from discontinued operations	-	-	-	-	-	-
Net profit (loss)	287,785	563,569	616,934	759,950	909,945	196,415
Other comprehensive income (loss) (after tax)	(83,331)	165,548	145,359	(126,444)	(407,809)	(332,548)
Total comprehensive income	204,454	729,117	762,293	633,506	502,136	(136,133)
Net income attributable to owners of the parent	287,785	563,569	616,934	759,950	909,945	196,415
Net income attributable to non-controlling interest	-	-	-	-	-	-
Total comprehensive income attributable to owners of the parent	204,454	729,117	762,293	633,506	502,136	(136,133)
Total comprehensive income attributable to no-controlling interest	-	-	-	-	-	-
Earnings per share (NT\$) (Note 3)	4.19	6.94	6.93	7.90	9.23	1.92

Note 1: Consolidated financial statements of 2012 and 2016 have been audited by independent auditors.

Note 2: Consolidated financial statements for 2017 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 2012 to 2016

1. Auditors' Names and Opinions from 2012 to 2016

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

2. For CPA changes, the names of former and succeeding CPA firms and independent accountants from 2012 to 2016 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 2012 to 2016

(I) Financial Ratio Analysis- Based on IFRS

<div> <div>Year (Note1)</div> <div>Item (Note 3)</div> </div>		Financial Analysis from 2012 to 2016					Financial Information As of March 31, 2017 (Note 2)
		2012	2013	2014	2015	2016	
Financial structure (%)	Debt to asset ratio	36.75	32.94	36.71	38.09	46.40	40.06
	Long-term fund to Property, plant and equipment ratio	389.19	423.33	386.61	367.31	453.52	378.99
Solvency (%)	Current ratio	240.64	249.17	256.59	232.55	331.29	216.18
	Quick ratio	161.47	172.36	166.22	155.76	252.30	164.41
	Interest coverage ratio	35.86	138.64	74.74	61.30	27.16	26.77
Operations	Account receivables turnover (times)	4.97	4.90	4.46	4.67	4.52	4.62
	Average collection days	73.44	74.48	81.83	78.15	80.75	79.00
	Inventory turnover (times)	3.81	4.30	3.64	3.60	3.64	3.56
	Account payables turnover (times)	5.28	5.74	5.11	5.19	5.10	5.12
	Average days sales	95.80	84.88	100.27	101.38	100.27	102.52
	Fixed assets turnover (times)	7.98	8.97	7.38	6.71	6.41	6.29
	Total assets turnover (times)	1.38	1.50	1.28	1.24	1.08	0.96
Profitability	Return on assets (%)	7.09	12.02	10.76	11.40	11.21	8.45
	Return on equity (%)	11.07	18.22	16.27	17.85	18.73	14.18
	<u>Pre-tax income as a percentage of total paid-in capital (%)</u>	50.26	90.30	94.09	105.12	112.89	95.77
	Profit margin (%)	4.96	7.92	8.25	9.03	9.88	8.40
	Earnings per share	4.19	6.94	6.93	7.90	9.23	1.92
Cash Flows	Cash flow ratio (%)	29.03	23.14	40.55	42.66	50.31	9.49
	Cash flow adequacy ratio (%)	59.09	59.62	53.27	81.96	94.01	84.72
	Cash flow reinvestment ratio (%)	8.44	2.60	7.24	9.42	7.80	4.68

Leverage	Operating leverage	4.86	3.23	3.61	3.75	3.34	3.28
	Financial leverage	1.03	1.01	1.01	1.02	1.05	1.04

Financial ratio variance over 20% in 2016 compared to 2015 :

1. Debt to asset ratio showed 22% variation due to the issuance of US\$ 80 million overseas convertible bonds.
2. Long-term fund to Property, plant and equipment ratio showed 24% variation due to long-term fund increased from the issuance of overseas convertible bonds.
3. Current ratio showed 42% variation due to the issuance of overseas convertible bonds. Cash and cash equivalents, investments in debt securities with no active market increased.
4. Quick ratio showed 62% variation due to the issuance of overseas convertible bonds. Cash and cash equivalents, investments in debt securities with no active market increased.
5. Interest coverage ratio showed 56% variation due to higher interest expenses from the issuance of overseas convertible bonds.

Note 1: Consolidated financial statements for 2015 and 2016 had been audited by independent auditors.

Note 2: Consolidated financial statements for 2017 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 ration = 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× (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 2016 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
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Independent director,	Chun-Yen Chang
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Independent director,	Jr-Wen Huang
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March 8, 2017

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 123 through page 132.

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	2015	2016	Change	
			Amount	Change percentage%
Current assets	5,217,194	7,629,676	2,412,482	46.24%
Property, plant and equipment	1,318,067	1,554,399	236,332	17.93%
Intangible assets	94,875	117,869	22,994	24.24%
Other assets	198,373	226,621	28,248	14.24%
Total assets	7,084,812	9,946,432	2,861,620	40.39%
Current liabilities	2,243,442	2,303,024	59,582	2.66%
Non-current liabilities	455,341	2,311,855	1,856,514	407.72%
Total liabilities	2,698,783	4,614,879	1,916,096	71.00%
Paid-in capital	918,191	1,029,593	111,402	12.13%
Capital surplus	1,165,845	2,277,793	1,111,948	95.38%
Retained earnings	2,199,647	2,557,845	358,198	16.28%
Other components of equity	102,346	(533,678)	(636,024)	(621.44%)
Total shareholders' equity	4,386,029	5,331,553	945,524	21.56%
<p>Analysis of significant variance: (variance % over 10% compared with prior period or amount over 1% of total assets of current period).</p> <ol style="list-style-type: none"> 1. Current assets: This was due to the issuance of overseas convertible bonds. Cash and cash equivalents, investments in debt securities with no active market increased. 2. Property, plant and equipment: Business Expansion led to more purchases of Taipei production plant, office decoration, and production line equipment. 3. Non-current liabilities: This was due the issuance of US\$ 80 million overseas convertible bonds. 4. Paid-in capital: Due to increase of capitalization of retained earnings, the exercise of employee stock option, and convertible bond. 5. Retained earnings: Revenue growth lead to increases of profits. 6. Other components of equity: This was due mainly to the difference of exchange rate on translation of foreign operations financial reports between 2015 and 2016. 				

II. Financial Performance

(I) Operation Analysis

Unit: NT\$ Thousand; %

Item \ Year	2015	2016	Change	
			Amount	Change percentage %
Revenue	8,416,972	9,208,059	791,087	9.40%
Operating costs	6,175,484	6,464,482	288,998	4.68%
Gross margin	2,241,488	2,743,577	502,089	22.40%
Operating expenses	1,455,115	1,725,498	270,383	18.58%
Net operating income	786,373	1,018,079	231,706	29.47%
Non-operating income and expenses	178,827	144,190	(34,637)	(19.37%)
Pre-tax net income	965,200	1,162,269	197,069	20.42%
Less: Income tax expense	205,250	252,324	47,074	22.93%
Net income	759,950	909,945	149,995	19.74%
Other comprehensive income (after tax)	(126,444)	(407,809)	(281,365)	222.52%
Total comprehensive income	633,506	502,136	(131,370)	(20.74%)
Analysis of significant variance: (variance % over 10% compared with previous period or amount over 1% of total assets in current period). <ol style="list-style-type: none"> Gross margin: The increase was from revenue growth of vehicular and IT products. Operating expenses: Due to revenue growth, related operating expenses increased. Non-operating income and expenses: Non-operating income decreased due to lower foreign exchange gains and interest expense of convertible bond increase. Other income and expenses: Due to lower foreign exchange losses and loss on the valuation of financial liability. 				

(II) Revenue Outlook and Key Assumptions

We expect both sales quantity and value in 2017 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 2015 and 2016

Analysis unit: In NT\$ Thousand; %

Year Item	2015	2016	Increase (decrease) amount	Increase (decrease) percentage %
Operating activities	957,154	1,158,592	201,438	21.05%
Investing activities	(408,910)	(1,667,405)	(1,258,495)	307.77%
Financing activities	(321,371)	2,088,194	2,409,565	(749.78%)
Difference analysis: 1. Operating activities: Operation cash inflow increased as a result of revenue growth and lower accounts receivable balance for the current period. 2. Investing activities: Growth of net cash outflow in investment activities is attributed to the investments in debt securities with no active market, newly acquired production plants and facilities. 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 2017.

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 2016

Our acquisition for operation purpose on real estate 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 corresponsive

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 2016

Our investment strategy is driven by specific needs from our group companies and global expansion. Under the current global management, business result from our investee companies as a whole remains profitable.

(III) Investment Plans in 2017

The Company’s investment plans in 2017 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	2015	2016
Net interest income (expense)	(4,307)	(13,061)
Net interest income (expense) as a percentage of revenue	(0.05%)	(0.14%)
Net interest income (expense) as a percentage of COGS and expenses	0.06%	0.16%

Net interest expense in 2016 was NT\$ 13,061 thousands, or 0.14% of the revenue or 0.16% of COGS and expenses. Interest rate fluctuations had minimal impact to the Company, as the net interest expense to revenue, COGSO and expenses was immaterial

2. Exchange rate fluctuations

Item / Year	2016
Net foreign exchange (loss) gains	175,004
Net foreign exchange (loss) gains as a percentage of revenue	1.90%
Net foreign exchange (loss) gains as a percentage of COGS and expenses	(2.14%)

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 2015 and 2016, respectively, was NT\$193,790 thousands and NT\$175,004 thousands, or 2.30% and 1.90% 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 2017, global economic growth in 2017 was about 3.4%.

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. Further development of USB -C interface related accessories and equipment
2. The development of high-speed and highly reliable connecting cables
3. Strengthen, develop, and expand electric vehicle product portfolio
4. Continued investment in R&D of photovoltaic equipment, components, and cables

Products	Unit (thousand RMB)	Applications
Value-added cable dockings	11,363	Consumable materials and testing equipment
Thunderbolt product lines	2,040	Consumable materials and testing equipment
High-end connecting cables	6,000	Consumable materials and testing equipment
Charging devices related to electric vehicles	900	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:

In October 2016, we obtained 100% equity of Jo Yeh Co Ltd in Hong Kong through our wholly-owned affiliated, BizLink (BVI) Corp.

(I) Expected benefits: attain production base and expand product lines.

(II) Potential risk: lower than expected results from our investee companies due to condition of macro economy.

(III) Addressing plan: conduct examination on our investment companies' operation and hold timely reviews when necessary.

(VII) Expected Benefits and Risks from Merger and Acquisition and Preventive Actions:

The Company had no plans for any merger and acquisition up to the publication date. There is no guarantee of positive impact should the Company involved in future merger and acquisition. Such transaction could distract the Company's core business, change to its corporate culture and lose qualified employees, which could bring adverse consequence to the Company's operations. However, the Company will ensure any future merger & acquisition will be executed with managers' discreet assessment and shareholders' special approval as prescribed in the Company's Articles of Association, in order to minimizing negative impacts.

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

Expected benefits	1. Expand current production scale. 2. Expand production sites according to the growth of orders and demand of customers, as well as advantage/disadvantage of production cost.
Potential risks	1. Negative liquidity impact due to huge amount on investment. 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 2015 and 2016 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 2016; thus there was no specific vendor or affiliates has provided more than 70% key material or goods to the Company in 2016. There was no single vendor contributed more than 7% purchase to the Company between 2015 and 2016, which indicated the purchase concentration risk was limited.

2. Sales concentration risk

Sales of the top one customer to total sales was 9.17% and 9.78% in 2015 and 2016, respectively, while the top ten customers made up 57.06% and 58.13% of total sales in 2015 and 2016, 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 76 to 77 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 trolls 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. 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.
3. 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:

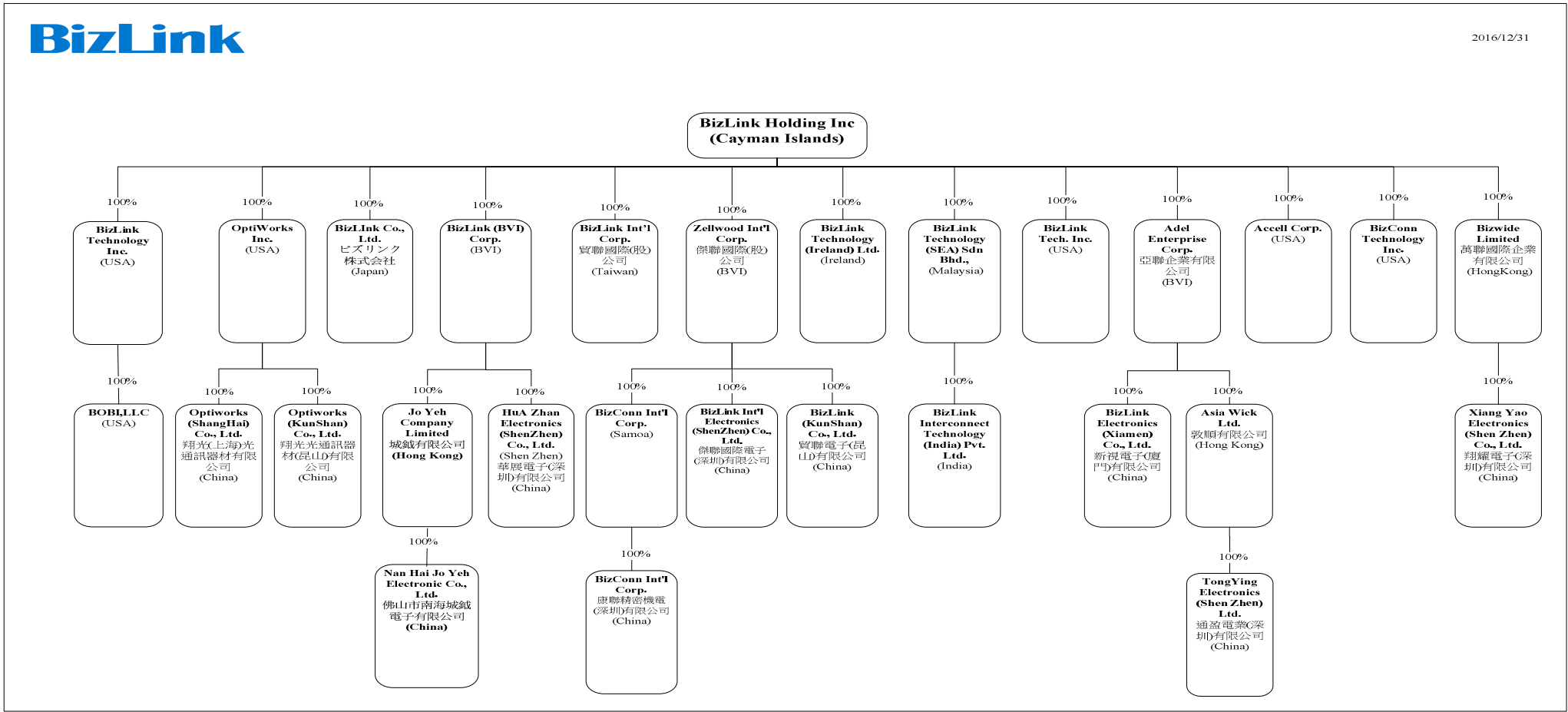
1. Certified Internal Auditor (CIA): 2 employees in internal audit dept.
2. Certified Public Accountant (CPA): 1 employee in finance dept.

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
ビズリンク株式会社	100%	200	JPY 10,000	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 (IRELAND) LTD.	100%	300,000	USD 300	Subsidiary	None
BIZLINK TECHNOLOGY (S.E.A.) SDN. BHD.	100%	1,200,000	MYR 1,200	Subsidiary	None
BIZLINK TECH, INC.	100%	60,000	USD 3,050	Subsidiary	None
ADEL ENTERPRISES CORPORATION	100%	1,650,000	USD 1,650	Subsidiary	None
ACCELL CORPORATION	100%	10,000	-	Subsidiary	None
BIZCONN TECHNOLOGY INC.	100%	-	-	Subsidiary	None
BIZWIDE LIMITED	100%	10,000	-	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
HUA ZHAN ELECTRONICS (SHENZHEN) CO., LTD.	100%	Note 1	HKD 2,500	Sub- subsidiary	None
BIZCONN INTERNATIONAL CORPORATION	100%	1,666,667	USD 1,667	Sub- subsidiary	None
BIZLINK INTERNATIONAL ELECTRONICS (SHENZHEN) CO., LTD.	100%	Note 1	USD 3,000	Sub- subsidiary	None
BIZLINK (KUNSHAN) CO., LTD.	100%	Note 1	USD 10,000	Sub- subsidiary	None
BIZLINK INTERCONNECT TECHNOLOGY (INDIA) PRIVATE (LIMITED)	100%	100,000	INR 1,000	Sub- subsidiary	None
BIZLINK ELECTRONICS (XIAMEN) CO., LTD.	100%	Note 1	USD 560	Sub- subsidiary	None
ASIA WICK LTD.	100%	1,000	-	Sub- subsidiary	None
XIANG YAO ELECTRONICS (SHENZHEN) CO., LTD.	100%	Note 1	USD 1,000	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
BOBI, LLC	100%	Note 1	USD 400	Sub- subsidiary	None
JO YEH COMPANY LIMITED	100%	10,000	USD3,915	Sub- subsidiary	None
FOSHAN CITY NANHAI JO YEH ELECTRONIC CO., LTD.	100%	Note 1	USD2,000	Third-tier subsidiary	None

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

II. Private placement securities in 2016 and as of the date of this annual report: None.

III. Shares of the Company acquired, disposed of, and held by subsidiaries in 2015 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

Differences between the Company's Articles of Association and ROC's Shareholders' Rights Protection Guidelines:

	Shareholders' Rights Protection Guidelines	Regulations in "Company Act" or "Securities Exchange Act"	Reasons of Deviation
1	<p>Shareholder who has continuously held 3% or more of the total outstanding shares for over one year may request the Directors, in a written proposal with discussion topics and the reasons, to convene an extraordinary general meeting.</p> <p>If the Directors do not within fifteen days from the date of the deposit of the requisition dispatch the notice of an extraordinary general meeting, the requisitionists may themselves convene an extraordinary general meeting with the approval from government.</p>	Company Act, Article #173-1 and #173-2	<p>Per item 2-3 in letter #0991701319 issued by Taiwan Stock Exchange on April 13, 2010, a foreign issuer shall stipulate on its Articles of Association the right of minority shareholders to convene an extraordinary general meeting without clauses of government approvals, if no conflicts to the laws of registration countries.</p> <p>Thus, the Company's Articles of Association #16.8 states that "If the Directors do not within fifteen days from the date of the deposit of the requisition dispatch the notice of an extraordinary general meeting, the requisitionists may themselves convene an extraordinary general meeting in accordance with the Applicable Public Company Rules."</p>
2	In case the procedure for convening a general meeting or the method of adopting resolutions is against the law or the company's Articles of Association, shareholders may enter a petition in a court for annulment of such resolution and designate The Taipei District Court as the first instance to exercise jurisdiction.	Company Act, Article #189	The Company's Articles of Association #18.7 states "Nothing in the Articles shall prevent any Member from issuing proceedings in a court of competent jurisdiction for an appropriate remedy in connection with the improper convening of any general meeting or the improper passage of any resolution. The Taipei District Court, R.O.C., shall be the court of the first instance for adjudicating any disputes arising out of the foregoing."

	Shareholders' Rights Protection Guidelines	Regulations in "Company Act" or "Securities Exchange Act"	Reasons of Deviation
			This deviates slightly from what is listed in Shareholders' Rights Protection Guidelines. What listed there is shareholder's annulment right de jure, which is not achievable under our Articles of Association without enforcement of the law. Although slightly different, the Company's Articles of Association #18.7 does not restrict a shareholder to seek for remedy via court actions. And the court (any court with jurisdiction, could be a Taiwan or Cayman court) shall decide whether it will annul the conveying procedure or the method of adopting resolutions or determine any violation of regulation or of shareholder resolution under the Articles of Association, based on the applicable laws. The deviation stemmed from the nature of shareholders' right to annul. The Company's Articles of Association does not restrict a shareholder to seek for remedy via court actions.
3	The following proposals concerning great interest of the shareholders, shall only be carried out with the consent of a majority of the shareholders present who represent two-thirds or more of the total number of its outstanding shares. In the event the total number of shares represented by the shareholders present at a shareholders' meeting is less than the percentage of the total shareholdings required stated previously, the proposal shall only be carried out with the consent of two-third of the voting rights exercised by the shareholders present at the shareholders' meeting	<ol style="list-style-type: none"> 1. Company Act, Article #185 2. Company Act, Article #209 3. Company Act, Article #227 4. Company Act, Article #277 5. Company Act, Article #240-1 	<ol style="list-style-type: none"> 1. The Company's Articles of Association #1.1 (1) As stipulated under the Company's Articles of Association, Per the Company's Articles of Association #1.1, a special resolution means a resolution passed by a majority of not less than two thirds of votes cast by such Members as, being entitled so to do, vote in person or, where proxies are allowed, by proxy at a general meeting of which notice specifying the intention to propose the resolution as special

	Shareholders' Rights Protection Guidelines	Regulations in "Company Act" or "Securities Exchange Act"	Reasons of Deviation
	<p>who represent a majority of the outstanding shares of the Company.</p> <ol style="list-style-type: none"> 1. The Company entering into, modifying, or terminating any contract for lease of the company's business in whole, or for entrusted business, or for regular joint operation with others; transferring the whole or any essential part of its business or assets; or accepting the transfer of another's whole business or assets, which has great bearing on the business operation of the company. 2. Changes of Articles of Association 3. Resolution is required from a preferred shareholders' meeting, if the change will put shareholders of preferred shares at a disadvantage 4. Issuing new shares as the whole or part of dividend or bonus appropriations 5. A resolution for dissolution, consolidation or merger, or split of the Company 6. Private equity placement 	<ol style="list-style-type: none"> 6. Company Act, Article #316 7. Securities Exchange Act, Article #43-6 	<p>resolution has been duly given (the meeting notice shall indicate the special resolution when proxy is allowed). Cayman Islands legal opinion #3.13 states that "matters that are subject to sanction of a special resolution under the Companies Law, including but not limited to (i) change of the Company's name; (ii) alteration or addition to the memorandum and articles of association of the Company; (iii) alteration or addition to the memorandum with respect to any objects, powers or other matters specified therein (iv) reduction of the Company's share capital and any capital redemption reserve fund; and (v) voluntary winding up for reasons other than its inability to pay its debts when they fall due." Moreover, the Company's Articles of Association #18.1 specifies that "no business shall be transacted at any general meeting unless a quorum is present. Unless otherwise provided in the Articles, Members present in person or by proxy, representing more than one-half of the total outstanding Shares, shall constitute a quorum for any general meeting." That is, attendance of shareholders or their representatives, representing a majority of outstanding shares, shall constitute the legal requirement of presentation. This means a special resolution will only be adopted with the attendance of shareholders or their representatives who representing a majority of outstanding shares and the consent from</p>

	Shareholders' Rights Protection Guidelines	Regulations in "Company Act" or "Securities Exchange Act"	Reasons of Deviation
			<p>two-third of these voting rights.</p> <p>(2) Reason of deviation</p> <p>According to Cayman Islands legal opinion, special resolution is a regulated by Companies Law of Cayman Islands. Also any special-resolution matter shall be adopted by the shareholders in accordance with the Articles of Association of the Company. Any related matters approved with an arrangement short of the legal requirement of Cayman Company Law is deem void. Therefore as to special resolution (Supermajority Resolution) matters listed in both Shareholders' Rights Protection Guidelines and the Cayman Islands Companies Law, the Company follows Cayman Islands Companies Law to retain these matters in the special resolution category, and make an additional chapter for "Supermajority Resolution" under the Company's Articles of Association for those listed in Shareholders' Rights Protection Guidelines but not in Cayman Islands Companies Law.</p> <p>2. The Company's Articles of Association #14.3</p> <p>(1) As stipulated under the Company's Articles of Association,</p> <p>Per the Company's Articles of Association #14.3, Subject to the provisions of the Statute, the provisions of these Articles, and the quorum</p>

	Shareholders' Rights Protection Guidelines	Regulations in "Company Act" or "Securities Exchange Act"	Reasons of Deviation
			<p>requirement under the Applicable Public Company Rules, with regard to the dissolution procedures of the Company, the Company shall pass (a) an Ordinary Resolution, if the Company resolves that it be wound up voluntarily because it is unable to pay its debts as they fall due; or (b) a Special Resolution, if the Company resolves that it be wound up voluntarily for reasons other than the reason stated in Article 14.3(a) above. This is different from the Shareholders' Rights Protection Guidelines. The Company's Articles of Association prescribes the types of resolution to dissolve to the nature of the triggers. All resolutions to dissolve under the Shareholder Rights Protection Guidelines will only be adopted through "Special Resolution (Supermajority Resolution)."</p> <p>(2) Reason of deviation:</p> <p>According to Cayman Islands legal opinion, to dissolve the Company voluntarily the decision should be approved through special resolution when non-insolvency event occurs and through regular resolution when insolvency event occurs. The difference is raised by the specification of Cayman Islands Companies Laws. Although the presenting shareholding is lower than the requirements per the Shareholders' Right Protection Guidelines for volunteer dissolution under an insolvency event, the</p>

	Shareholders' Rights Protection Guidelines	Regulations in "Company Act" or "Securities Exchange Act"	Reasons of Deviation
			regulation is raised by the specification of Cayman Islands Companies Laws and only applies on specific circumstance.
4	In case a director has, in the course of performing his/her duties, committed any act resulting in material damages to the company or in serious violation of applicable laws and/or regulations, but not discharged by a resolution of the shareholders' meeting, the shareholders holding 3% or more of the total number of outstanding shares of the company may, within 30 days after that shareholders' meeting, institute a lawsuit in the court for a judgment in respect of such matter and designate Taipei District Court as the first instance to exercise jurisdiction.	Company Act, Article #200	<p>1. As stipulated under the Company's Articles of Association:</p> <p>According to the Company's Articles of Association #28.2 (i), in the event that he has, in the course of performing his duties, committed any act resulting in material damage to the Company or in serious violation of applicable laws and/or regulations or the Memorandum and the Articles, but has not been removed by the Company pursuant to a Supermajority Resolution vote, then any Member(s) holding 3% or more of the total number of outstanding Shares shall have the right, within thirty days after that general meeting, to petition any competent court for the removal of such Director, at the Company's expense and such Director shall be removed upon the final judgement by such court. For clarification, if a relevant court has competent jurisdiction to adjudicate all of the foregoing matters in a single or a series of proceedings, then, for the purpose of this paragraph (i), final judgement shall be given by such competent court. This is different from the Shareholders' Rights</p>

	Shareholders' Rights Protection Guidelines	Regulations in "Company Act" or "Securities Exchange Act"	Reasons of Deviation
			<p>Protection Guidelines.</p> <p>2. Reasons of deviation:</p> <p>As a Cayman Islands court will not acknowledge a foreign verdict involved a monetary judgment without a substantive examination. Therefore, even if the following Shareholders' Rights Protection Guidelines were included in the Company's Articles of Association and a court with jurisdiction has made such a verdict to a director, the Cayman Islands court may not agree the judgment nor execute the sentence. Therefore, the shareholders shall institute the lawsuit to a court with jurisdiction, as stipulated under the Company's Articles of Association. The deviation arises from Cayman laws' position toward foreign verdicts. Regardless, shareholders are able to dismiss any director via procedures prescribed in the Company's Articles of Association.</p>
5	<ol style="list-style-type: none"> Supervisors of a company shall be elected by the meeting of shareholders, among them at least one supervisor shall have a domicile within the territory of the Republic of China. The term of office of supervisors shall not exceed three years, but supervisors eligible for re-election. In case all supervisors of a company are discharged, the board of directors shall convene the extraordinary meeting of shareholders for election of supervisors 	Company Act, Articles #216~#222	<p>According to Article 28-4-2 under Taiwan Stock Exchange Corporation's Rules Governing Review of Securities Listings, a foreign issuer shall implement either an audit committee or supervisors. The Company has established a audit committee formed by independent directors. Therefore, these particular guidelines are not stipulated in the Company's Articles of Association.</p>

	Shareholders' Rights Protection Guidelines	Regulations in "Company Act" or "Securities Exchange Act"	Reasons of Deviation
	<p>within 60 days.</p> <p>4. Supervisors shall supervise the execution of business operations of the Company, and may at any time or from time to time investigate the business and financial conditions of the company, examine the accounting books and documents, and request the board of directors or managerial personnel to make reports thereon.</p> <p>5. Supervisors shall audit the various statements and records prepared for submission to the shareholders' meeting by the board of directors, and shall make a report of their findings and opinions at the meeting of shareholders.</p> <p>6. In performing their functional duties under the preceding Paragraph, the supervisors may appoint a certified public accountant to conduct the auditing in their behalf.</p> <p>7. Supervisors of a company may attend the meeting of the board of directors to their opinions. In case the board of directors or any director commits any act, in carrying out the business operations of the company, in a manner in violation of the laws, regulations, the Articles of Incorporation or the resolutions of the shareholders' meeting, the supervisors shall forthwith advise, by a notice, to the board of directors or the director, as the case may be, to cease such act.</p> <p>8. Supervisor may each exercise the supervision power</p>		

	Shareholders' Rights Protection Guidelines	Regulations in "Company Act" or "Securities Exchange Act"	Reasons of Deviation
	<p>individually.</p> <p>9. A supervisor shall not be concurrently a director, a managerial officer or other staff/employee of the company.</p>		
6	<p>Shareholder who has continuously held 3% or more of the total outstanding shares for over one year may request the Company supervisors in a writing to institute, for the company, an action against a director of the company with Taipei District Court as the first instance to exercise jurisdiction.</p> <p>If the Supervisors do not within thirty days from the date of the deposit of the requisition to institute an action against the directors, the requisitionists may themselves institute an action for the company with Taipei District Court as the first instance to exercise jurisdiction.</p>	Company Act, Articles #200, #214 and #227	According to Article 28-4-2 under Taiwan Stock Exchange Corporation's Rules Governing Review of Securities Listings, a foreign issuer shall implement either an audit committee or supervisors. The Company has established an audit committee formed by independent directors. Therefore, these particular guidelines are not stipulated in the Company's Articles of Association.
7	<p>1. During his or her term in office, if a director or supervisor of the Company transfers more than half of the total shares owned by such person at the beginning of his term of office, such person shall be automatically removed from his position.</p> <p>2. If any new director or supervisor elect has, before his or her inauguration of the office of director, assigned transfers more than one-half of the total number of shares of the company he or she holds at the time of his or her election, or had transferred more than one-half of the total number of shares he or she held during the book closure period fixed prior to the</p>	Company Act Article# 197 and #227	<p>The Companies Law of Cayman Islands makes no stipulation on director shareholding (neither before nor after election) in a Cayman Islands company. As such all the related matters and restriction shall be regulated under the Company's Articles of Association.</p> <p>Shareholder right protection issues related to directors listed on the left are the newly added clauses by TWSE on November 10, 2014. The Company will have the amendments at 2015 general shareholders' meeting and</p>

	Shareholders' Rights Protection Guidelines	Regulations in "Company Act" or "Securities Exchange Act"	Reasons of Deviation
	shareholders' meeting, then his or her election as a director shall be nullified.		<p>list the clauses under Article#28 of the Company's Article of Association.</p> <p>According to Article #28-4-2 in Taiwan Stock Exchange Corporation Rules Governing Review of Securities Listings, "A foreign issuer shall install either an audit committee or supervisors. "The Company has established an audit committee formed by independent directors. Therefore, the shareholder interest protection matter on supervisor stated on the left is not stipulated under the Company's Articles of Association.</p> <p>The BVI Business Companies Act makes no stipulation regarding director shareholding (neither before nor after election) in a BVI company. As such all the related matters and restriction shall be regulated under the Company's Articles of Association.</p> <p>Shareholder right protection issues related to directors listed on the left are the newly added clauses from Taiwan Exchange on November 10, 2014. The Company will approve the amendments in 2015 general shareholders' meeting and list the clauses under Article#28 of the Company's Article of Association.</p> <p>According to Article 28-4-2 under Taiwan Stock</p>

	Shareholders' Rights Protection Guidelines	Regulations in "Company Act" or "Securities Exchange Act"	Reasons of Deviation
			Exchange Corporation Rules Governing Review of Securities Listings, "A foreign issuer shall install either an audit committee or supervisors. "The Company has established a audit committee formed by independent directors. Therefore, the shareholder interest protection matter stated on the left is not stipulated under the Company's Articles of Association.

Nine Appendix- 2015 and 2016 Financial Statements

BIZLINK HOLDING INC. AND SUBSIDIARIES CONSOLIDATED FINANCIAL STATEMENTS As of 2015 and 2016

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 Accountants

To BIZLINK HOLDING INC.

Auditor's Opinion

We have audited the accompanying balance sheets of BIZLINK HOLDING INC. (the "Company") as of December 31, 2016 and 2015, 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, 2016 and 2015, 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 2016. 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 2016 are stated as follows:

Key Audit Matter 1.

Sales of the Group are rather concentrated in a number of customers. The top 20 customers accounted for 78.86% consolidated sales for the Group in 2016. As the management has the pressure to achieve the financial target, which could result in higher risk involving sales fraud, our accessibility of the sales relies on whether the transactions from the new key accounts have existed and occurred. We, therefore, identified the issue as a key audit matter.

Our key audit procedures performed in respect of the above area included the following:

1. Assess the background information of the top 20 customers and the reasonableness of the transaction value and the credit line granted in relation to the scale of customers' business.
2. Perform substantive tests on sales made from top 20 customers by reviewing external forwarders' documents, cargo receipts and invoices from customers to authenticate the transactions

Key Audit Matter 2.

The Group engages in the business of making and distributing a wide range of connectors and wiring, among which applications for computer and 3C products are at the mature stage of the industry cycle. In our opinion, such products are produced with highly standardized procedures and exposed to relatively high price risk. The inventory

value of these finished goods and manufacturing materials have a high probability to of plunging when the applications are obsolescing. Products for applications in other fields have a higher production barrier to enter but face stricter quality requirements from the customers and, therefore, might not sell as expected and become deadstock. Evaluating the net realizable inventory value involves significant accounting judgments; our assessment risk for the inventory lies on whether the policy and computation to record the inventory allowance are reasonable and accurate. We, therefore, identified the issue as a key audit matter.

Our key audit procedures performed in respect of the above area included the following:

1. Assess the reasonableness of the accounting policy used in estimating allowances for inventory
2. Obtain inventory aging report and verify the accuracy of the inventory classification by sample testing
3. Perform inventory book value testing by sampling sales invoices to verify if the goods sold were measured at the lower of cost and net realizable value and recalculate the allowance for inventory to verify the accuracy of the figure.

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 2016. 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 8, 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.

BIZLINK HOLDING INC. AND SUBSIDIARIES
Consolidated Balance Sheets

Years Ended December 31, 2016 & 2015

Unit: NT\$ thousand

Assets	2016/12/31 Amount	%	2015/12/31 Amount	%
Current assets				
Cash and cash equivalents	\$ 2,417,539	24	\$ 1,194,071	17
Current financial assets at fair value through profit or loss	2,227	-	2,079	-
Current bond investment without active market	1,194,508	12	312,943	5
Notes receivable	3,410	-	13,035	-
Accounts receivable	2,101,403	21	1,921,161	27
Accounts receivable due from related parties	1,230	-	2,753	-
Other receivables	69,643	1	25,240	-
Current tax assets	19,242	-	21,480	-
Inventories	1,674,051	17	1,585,429	23
Prepayments	144,985	2	137,425	2
Other current financial assets	1,438	-	1,532	-
Other current assets	-	-	46	-
Total current assets	<u>7,629,676</u>	<u>77</u>	5,217,194	74
Non-current assets				
Non-current financial assets at cost	152,054		168,072	2
Investments accounted for using equity method	3,209		3,799	-
Property, plant and equipment	1,554,399		1,318,067	19
Investment property	130,956		-	-
Other intangible assets	117,869		94,875	1
Deferred tax assets	131,648		84,432	1
Other non-current financial assets	76,200		17,036	-
Long-term prepaid rents	40,673		12,516	-
Other non-current assets	109,748		168,821	3
Total non-current assets	<u>2,316,756</u>		1,867,618	26
Total assets	<u>\$ 9,946,432</u>		\$ 7,084,812	100
Liabilities and equity				
Current liabilities				
Short-term borrowings	\$ 64,500	1	\$ 195,872	3
Current financial liabilities at fair value through profit or loss	5,521	-	41,600	1
Notes payable	10,836	-	21,386	-
Accounts payable	1,281,330	13	1,219,143	17
Other payables	805,178	8	637,666	9
Current tax liabilities	86,095	1	101,297	2
Long-term borrowings, current portion	31,721	-	14,163	-
Other current liabilities	17,843	-	12,315	-
Total current liabilities	<u>2,303,024</u>	<u>23</u>	2,243,442	32
Non-current liabilities				
Corporate bonds payable	1,859,265	18	150,904	2
Long-term borrowings	373,982	4	291,058	4
Deferred tax liabilities	69,639	1	7,353	-
Accrued pension liabilities	3,873	-	2,809	-
Other non-current liabilities	5,096	-	3,217	-
Total non-current liabilities	<u>2,311,855</u>	<u>23</u>	455,341	6
Total liabilities	<u>4,614,879</u>	<u>46</u>	2,698,783	38
Equity attributable to owners of parent				
Share capital	1,029,593	10	918,191	13
Capital surplus	2,277,793	23	1,165,845	17
Retained earnings				
Legal reserve	280,598	3	204,603	3
Special reserve	298,638	3	298,638	4
Unappropriated retained earnings	1,978,609	20	1,696,406	24
Total retained earnings	<u>2,557,845</u>	<u>26</u>	2,199,647	31
Other equity interest	(533,678)	(5)	102,346	1
Total equity	<u>5,331,553</u>	<u>54</u>	4,386,029	62
Total Liabilities and equity	<u>\$ 9,946,432</u>	<u>100</u>	\$ 7,084,812	

BIZLINK HOLDING INC. AND SUBSIDIARIES
Consolidated Income Statement
Periods Ended Jan. 1 to December 31, 2015 & 2016

	Unit: NT\$ thousand, excepting earnings per share			
	2016		2015	
	Amount	%	Amount	%
Operating revenue				
Net sales revenue	\$ 9,208,059	100	\$ 8,416,972	100
Operating costs				
Cost of sales	<u>6,464,482</u>	<u>70</u>	<u>6,175,484</u>	<u>74</u>
Gross profit (loss)	<u>2,743,577</u>	<u>30</u>	<u>2,241,488</u>	<u>26</u>
Operating expenses				
Selling expenses	425,898	5	427,450	5
Administrative expenses	1,068,672	12	797,418	9
Research and development expenses	<u>230,928</u>	<u>2</u>	<u>230,247</u>	<u>3</u>
Total operating expenses	<u>1,725,498</u>	<u>19</u>	<u>1,455,115</u>	<u>17</u>
Net operating income		<u>11</u>	<u>786,373</u>	<u>9</u>
Non-operating income and expenses				
Gain from bargain purchase	14,131			
Other income	56,996		52,615	-
Other gains and losses	118,008		141,871	2
Finance costs	(44,425)		(16,006)	-
Share of profit (loss) of associates and joint ventures accounted for using equity method	(<u>520</u>)		<u>347</u>	<u>-</u>
Total non-operating income and expenses	(<u>144,190</u>)		<u>178,827</u>	<u>2</u>
Profit (loss) from continuing operations before tax	\$ 1,162,269	13	965,200	11
Tax expense	<u>252,324</u>	<u>3</u>	205,250	2
Profit (loss) from continuing operations	<u>909,945</u>	<u>10</u>	<u>759,950</u>	<u>9</u>
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss:				
Actuarial gain and loss arising from defined benefit plans	(1,002)	-	(880)	-
Exchange differences arising on translation to the presentation currency	(122,159)	(2)	152,777	2

Income tax related to components of other comprehensive income (Note 25)	<u>170</u> (<u>122,991</u>)	<u>-</u> (<u>2</u>)	<u>149</u> <u>152,046</u>	<u>-</u> <u>2</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	(<u>284,818</u>)	(<u>3</u>)	(<u>278,490</u>)	(<u>3</u>)
Other comprehensive income, net	(<u>407,809</u>)	(<u>5</u>)	(<u>126,444</u>)	(<u>1</u>)
Total comprehensive income	<u>\$ 502,136</u>	<u>5</u>	<u>\$ 633,506</u>	<u>8</u>
Earning per share				
Basic earnings per share	<u>\$ 9.23</u>		<u>\$ 7.90</u>	
Diluted earnings per share	<u>\$ 8.29</u>		<u>\$ 7.87</u>	

BIZLINK HOLDING INC. AND SUBSIDIARIES
Statement of Stockholders' Equity
Periods Ended Jan. 1 to December 31, 2016 & 2015

Unit: NT\$ Thousand

						Other equity interest		
			Retained earnings			Exchange differences on translation of foreign financial statements		
	Share Capital	Capital Surplus	Legal Reserve	Exchange differences on translation of foreign financial statements	Unappropriated Retained Earnings		Others	Total equity
2015/1/1 Equity Balance	\$ 868,690	\$ 1,113,903	\$ 142,910	\$ 298,638	\$ 1,476,660	\$ 228,05	\$	\$ 4,128,860
2014 earnings allocation and distribution :								
Legal reserve	-	-	61,693	-	(61,693			-
Cash dividend	-	-	-	-	(434,345			(434,345)
Stock dividend	43,435	-	-	-	(43,435			-
Corporate bonds converted to common shares	2,946	41,620	-	-	-			44,566
Common shares issued from execution of employee stock warrants	3,120	10,322	-	-	-			13,442
2015 Net earnings	-	-	-	-	759,950			759,950
2015 Net earnings and other comprehensive income/loss	-	-	-	-	(731	(125,71		(126,444)
2015 Total comprehensive income/loss	-	-	-	-	759,219	(125,71		633,506
Balance as of 12/31/2015	918,191	1,165,845	204,603	298,638	1,696,406	102,34		4,386,029
2015 Earnings allocation and distribution								
Legal reserve	-	-	75,995	-	(75,995			-
Cash dividend	-	-	-	-	(505,005			(505,005)
Stock dividend	45,910	-	-	-	(45,910			-
Equity components of recognized convertible bonds	-	158,954	-	-	-			158,954
Corporate bonds converted to common shares	48,627	721,988	-	-	-			770,615
Common shares issued from execution of employee stock warrants	16,865	231,006	-	-	-		(229,0	18,824
2016 Net earnings	-	-	-	-	909,945			909,945
2016 Net earnings and other comprehensive income/loss	-	-	-	-	(832	(406,97		(407,809)
2016 Total comprehensive income/loss	-	-	-	-	909,113	(406,97		502,136
2016/12/31 Equity balance	\$ 1,029,593	\$ 2,277,793	\$ 280,598	\$ 298,638	\$ 1,978,609	(\$ 304,63	(\$ 229,0	\$ 5,331,553

BIZLINK HOLDING INC. AND SUBSIDIARIES
Statements of Cash Flows
Years Ended December 31, 2016 & 2015

Unit: NT\$ thousand

	2016	2015
Cash flows from (used in) operating activities		
Profit from continuing operations before tax	\$ 1,162,269	\$ 965,200
Adjustments to reconcile profit (loss)		
Provision (reversal of provision) for bad debt expense	1,515	984
Depreciation expense	197,819	171,949
Amortization expense	23,931	18,459
Amortization long-term prepaid rents	451	321
Gain from bargain purchase	(14,131)	-
Share of Profit of Associates Accounted for Using Equity	520	(347)
Net loss on on fair value change of financial assets and liabilities designated as at fair value through profit or loss	22,736	18,866
Interest expense	44,425	16,006
Interest income	(31,364)	(11,699)
Share-based payments	11,703	-
Loss on disposal of property, plan and equipment	9,679	9,396
Impairment loss on financial assets	22,696	19,043
Impairment loss on non-financial assets	16,794	38,937
Unrealized foreign exchange gain	7,909	32,410
Gain from corporate bonds payable Acquired	(42)	-
Changes in operating assets and liabilities		
Financial assets held for trading	-	12,345
Notes receivable	9,387	(7,051)
Accounts receivable	(181,867)	(226,393)
Accounts receivable due from related parties	1,472	4,021
Other receivable	(43,246)	(6,025)
Inventories	(103,784)	(19,954)
Prepayments	(7,530)	31,762
Other current assets	45	2
Financial liability held for trading	(6,654)	(14,923)
Notes payable	(10,158)	20,553
Accounts payable	65,793	37,676
Other payable	\$ 182,223	97,841
Accrued pension liabilities	62	30
Other current liabilities	4,165	(23,633)
Cash inflow generated from operations	1,386,818	1,185,776
Interest received	31,364	11,699
Interest paid	(9,425)	(9,495)
Income taxes paid	(250,165)	(230,826)

Net cash flows from operating activities	<u>1,158,592</u>	<u>957,154</u>
Cash flows from (used in) investing activities		
Purchase of debt investments with no active market	(1,000,193)	-
Proceeds on sale of debt investments with no active market	95,638	9,942
Acquisition of financial assets at cost	-	(31,738)
Acquisition of subsidiaries (cash deducted)	(83,842)	-
Acquisition of property, plant and equipment	(535,975)	(251,531)
Proceeds from disposal of property, plant and equipment	6,265	3,805
Acquisition of intangible assets	(30,178)	(10,910)
Disposition of intangible assets	(15,518)	(2,910)
Increase in refundable deposits	775	1,587
Decrease in refundable deposits	(63,296)	
Increase in other financial assets	-	(9,521)
Increase in prepayments for business facilities	(41,081)	(117,634)
Net cash used in financing activities	(1,667,405)	(408,910)
Cash flows from (used in) financing activities		
Issuing convertible bonds	2,670,600	-
Paying costs of debt issuance	(61,709)	-
Paying costs of share issuance	-	-
Increase in short-term loans	-	112,539
Decrease in short-term loans	(129,060)	-
Repayments of bonds	(100)	-
Proceeds from long-term debt	238,030	-
Repayments of long-term debt	(133,623)	(13,679)
Increase in guarantee deposits received	1,940	672
Cash dividends paid	(505,005)	(434,345)
Exercise of employee share options	<u>7,121</u>	<u>13,442</u>
Net cash used in financing activities	<u>2,088,194</u>	<u>(321,371)</u>
Effect of exchange rate changes on cash and cash equivalents	(355,913)	(233,255)
Net decrease in cash and cash equivalents	\$ 1,223,468	(\$ 6,382)
Cash and cash equivalents at beginning of period	<u>1,194,071</u>	<u>1,200,453</u>
Cash and cash equivalents at end of period	<u>\$ 2,417,539</u>	<u>\$ 1,194,071</u>

BizLink