

BizLink Holding Inc.

2018 Annual Shareholders' Meeting Minutes

Time and Date: 9:00 A.M., June 21th (Thr.), 2018

Place: B2 Meeting Room, Building A, No.726, Zhongzheng Rd., Zhonghe Dist., New Taipei City.

Quorum: The shareholding of present and proxy shareholders was 95,634,507 shares, representing 80.65% of the 118,566,407 total issued shares.

Chairman: Hwa Tse Liang, the chairman of the Board of Directors

Recorder: Rachel Lin

Attendance of directors: Director Inru Kuo 、 Director Chien Hua Teng 、 Director 、 Independent Director Jr Wen Huang

I. Commencement

The aggregate shareholding of the shareholders and proxies present constituted a quorum. The Chairman called the meeting to order.

II. Opening speech of the Chairman (Omitted)

III. Company Reports

No. 1: Reviewing 2017 Business Reports.

Explanation: The 2017 Business Report is attached as Attachment I.

No 2: Reviewing the audit committee's review report on the 2017 financial statements.

Explanation: Audit committee's review report on the financial statements is attached as Attachment II .

No. 3: Reviewing endorsements and guarantees provided by the Company and its subsidiaries in 2017.

Explanation: The status of the endorsements and guarantees provided is attached as Attachment III.

No. 4: To report the second unsecured overseas convertible bonds issuance

Explanation:

1. BizLink's Board approved on the Issuance of US\$ 100 million Unsecured Overseas Convertible Bonds on September 20, 2017, par value US\$250 thousand, coupon rate 0% with 5-year issuance period and granted by the Financial Supervisory Commission on November 28, 2017.
2. Please go to Attachment IV for the issue price, conditions and related details of the Issuance approved on February 1st, 2018
3. 0 share was transferred to common shares as of March 31, 2018

No. 5: To report 2017 employees' profit sharing bonus and directors' compensation.

Explanation:

1. The Board of Directors resolved on March 13, 2018 that 2017 employees' profit sharing bonus of NTD 52,187,820 (US\$ 1,714,400) and directors' compensation of NTD 9,132,480 (US\$ 300,000) are to be distributed in cash.
2. The Board's proposed profit allocation to the employees and compensation to the Board do not differ from the estimated amount expended under the income statement. Any actual discrepancy incurred after the actual distribution will be recorded as changes in accounting estimates and adjusted in the income statement next year (2018).

IV. Proposals

(Proposed by the Board of Directors)

No. 1: Adoption of 2017 Financial Statements. Please proceed for approval.

Explanation:

1. Our 2017 consolidated financial statements (including balance sheet, statement of income, statement of changes in equity, cash flow statement) were audited by independent CPAs Mr. Jung-Cheng Chen, and Cheng-Chuan Yu of Deloitte & Touche in Taiwan and the audited financial report is completed herein for review.
2. 2017 Financial Statements have been approved by the board members and reviewed by the audit committee.
3. Please see Attachment V for the above statements.

Resolution: Approved and acknowledged as proposed by the Board of Directors through voting. Voting rights for approval totaled 82,567,497 representing 86.33% of the total present shares, voting rights for rejection numbered 1,075 and voting rights for abstention numbered 13,063,340. Total votes numbered 95,631,912.

(Proposed by the Board of Directors)

No. 2: Adoption of the proposal for distribution of 2017 profits. Please proceed for approval.

Explanation:

1. The proposal for the distribution of 2017 profits has been adopted in accordance with the Memorandum and Articles of Association Article #34.1 and #34.2.
2. We propose a cash distribution of NT\$ 809,209,849 for common share holders. According to the number of floating shares as of end 2017, the cash dividend per share is US\$ 0.235215 (or NT\$ 7.0). Cash dividend less than NT\$ 1 shall be accumulated and recorded as other income for the Company. If the total number of floating shares differs from those as of end 2017 owing to the execution of employee warrants or conversion of convertible bonds, we will ask the Board, through the authority of the shareholders' meeting, to adjust the distribution ratio based on the originally proposed figures.
3. Please see Attachment VI for 2017 Earnings Distribution.

Resolution: Approved and acknowledged as proposed by the Board of Directors through voting. Voting rights for approval totaled 82,592,078 representing 86.36% of the total present shares, voting rights for rejection numbered 1,075, and voting rights for abstention numbered 13,038,759. Total votes numbered 95,631,912.

V. Discussion

(Proposed by the Board of Directors)

No. 1: Amendment to the "Procedures for Acquisition or Disposal of Assets". Please proceed for approval.

Explanation: Due to the business needs of the Group, we propose to make amendment to the "Procedures for Acquisition or Disposal of Assets." Please find Attachment VII for reference.

Resolution: Approved and acknowledged as proposed by the Board of Directors through voting. Voting rights for approval totaled 82,592,078 representing 86.36% of the total present shares, voting rights for rejection numbered 1,075, and voting rights for abstention numbered 13,038,759. Total votes numbered 95,631,912.

(Proposed by the Board of Directors)

No. 2: Amendment to the Company's Memorandum and Articles of Association. Please proceed for approval.

Explanation: 1. We propose to amend the Company's Memorandum and Articles of Association to comply with the letter, Taiwan Security Shang Erh Tzu # 1061703251, issued by the Taiwan Exchange on September 19, 2017 regarding the "Check list of

protection of rights of shareholders in foreign issuer's country of registration” and “Legal check list for foreign issuer who applies for a primary exchange listing for its stock”.

2. Please go to Attachment VIII in the Chinese version of the Handbook for a comparison of the changes for both Chinese and English versions (please see p.38~45).
3. Please go to Appendix III in the Chinese version of the Handbook (p.81~145) for the Memorandum and Articles of Association before the amendment.

Resolution: Approved and acknowledged as proposed by the Board of Directors through voting. Voting rights for approval totaled 82,592,078 representing 86.36% of the total present shares, voting rights for rejection numbered 1,075, and voting rights for abstention numbered 13,038,759. Total votes numbered 95,631,912.

(Proposed by the Board of Directors)

No. 3: Issuance of new common shares for cash and/or issue new common shares for cash to sponsor the GDRs Offering. Please vote.

Explanation: To cover the needs for production expansion, investment capital, running capital, overseas materials purchase, bank repayments, future development and competitiveness upgrade, it is proposed to authorize the Board of Director to conduct a capital increase by issuing no more than 20 million shares of common stocks in the domestic market or via depositary receipt offerings. The offer can be issued together, separately or through different tranches based on the market condition. Please refer below for the issue details:

I. Domestic issue of new common shares for a cash capital increase:

It is proposed to authorize the Board of Director by the Shareholders’ Meeting to proceed by adopting book building or by public subscription in accordance with Article 28-1 under the Securities and Exchange Act.

- (I) When adopting book building: To comply with Article 267 under the Company Act, there shall be 10% to 15% of such new shares reserved for subscription by employees of the Company. For the remaining portion (85% to 90%), as prescribed in Article 28-1 under the Securities and Exchange Act, the original shareholders shall first surrender the rights to priority subscription via shareholder resolution and agree to place the issue by adopting book building for public offerings. In case of an employee under-subscription, the Chairman will be authorized to place the shortage portion to the specific parties based on the issuing price and handle the matter according to the guidelines under “Taiwan Securities Association Rules Governing Underwriting and Resale of Securities by Securities Firms”.

The issuing price shall not be less than 90 percent of the simple average closing

price of the Company's common on a chosen day from one, three, or five business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends (or capital reduction) at the time of filing to the Financial Supervisory Commission and registering the book-building agreement and underwriting contract to the Taiwan Securities Association, as described under "Self-Regulating Rule for Underwriter to Counsel the Offering and Issuance of Convertible Bonds by the Issuer, Promulgated by the Taipei Securities Dealers Association" ("Self-Regulating Rule" hereafter). It is proposed to authorize the Chairman by the Board to determine the actual issue price with the underwriter's suggestion based on the results of book building and market conditions after the book building period.

(II) In case of a public subscription:

Other than 10% to 15% allocation for employee subscription as prescribed in Article 267 under the Company Act, 10% of the new shares issued will be publicly underwritten as prescribed in Article 28-1 under Securities and Exchange Act, and the remaining portion (75%~80%) will be allocated proportionally to the original shareholders based on the percentage holding shown on the record on the subscription date. In case of an under-subscription, the Chairman will be authorized to place the shortage to the specific parties based on the issuing price. The price will be determined in accordance with the "Self-Regulating Rule" and shall be no less than 70 percent of the simple average closing price (after adjustment for any distribution of stock dividends) of the common shares of the Company on a chosen day from one, three, or five business days before filing to Financial Supervisory Commission and five trading days prior to the Ex-Rights Date.

II. Explanatory Note for issue new commons shares for cash capital through DR offering:

(I) Other than the 10% to 15% allocation for employee subscription as prescribed in Article 267 under the Company Act. For the remaining 85% to 90%, as prescribed in Article 28-1 under the Securities and Exchange Act, the rights to priority subscription of the original shareholders shall be first surrendered via a shareholder resolution, and the portion will be issued through DR offering. In case of an employee under-subscription, the Chairman shall be authorized to place the shortage portion to the specific parties based on the issuing price or to place the portion through the underlying DR offering and handle the matter according to the guidelines under the "Taiwan Securities Association Rules Governing Underwriting and Resale of Securities by Securities Firms".

(II) The issuing price for the new common shares for cash capital through DR offering shall be determined based on the international practice under the

premise that it will not affect the rights of original shareholders. It is proposed to authorize the Board to determine the final issuing price with the underwriter. The means to determine the final price shall be in compliance with all related regulations:

1. The price will be determined in accordance with the “Self-Regulating Rule” and shall not be less than 90 percent of either the closing price of the Company’s common shares from Taipei Exchange on the day of price determination or the simple average closing price on a chosen day from one, three or five business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends (or capital reduction). All regulations shall be followed when adjusting the means for determining the price, even when there’s a change of laws. Under the consideration for short-term share price fluctuations, it is proposed to authorize the Chairman to make the final decision for the issuing price, within the range described above, based on international practice and after taking into account global capital market conditions, share price in the domestic market, the results of book building, together with suggestions from the underwriter.
 2. We believe the issuance should not cause material impact to the rights of original shareholders. The maximum equity dilution will reach 14.43% if the limit of 20 million shares is fully issued through overseas DR offerings. All shareholders shall be rewarded as soon as the projected benefits from the capital increase are realized. Moreover, the price of DR is determined based on a fair market price closely linked to the common share price of the Company from the Taiwan Exchange. Any shareholder can purchase shares from the Taiwan stock market with a price close to the DR issuing price without bearing the currency or liquidity risks.
- III. Should any revision to major matters regarding DR offering, such as the issuing terms and conditions, the issuing price, the issuing shares, the issuing dollar amount, the use of fund, the project progress and the expected efficacy, be made due to a competent authority or a change of laws or the objective circumstance, it shall be fully authorized for the Board of Directors to deal with.
- IV. If the limit of 20 million shares mentioned above is fully issued, it will account for 14.43% of total outstanding shares. As the capital raised through this offering will be used to replenish the operating capital, purchase overseas materials, repay loans, acquire machinery facilities and investment or prepare for future operations expansion, we expect it will eventually add value to our equity and cause a limited dilution effect to the current shareholders.
- V. Rights and obligations of common stocks through this issued are generally the

same as common stocks issued previously by the Company.

Resolution: Approved and acknowledged as proposed by the Board of Directors through voting. Voting rights for approval totaled 76,761,610 representing 80.26% of the total present shares, voting rights for rejection numbered 5,829,175, and voting rights for abstention numbered 13,041,127. Total votes numbered 95,631,912.

(Proposed by the Board of Directors)

No. 4: Issuance of new common shares for cash through private placement.

Explanation: To expand the business scale and engage with strategic investors, the Company proposed to issue new common stock through private placement under the principles and details stated as follows:

- I. To expand the business scale and engage with strategic investors, the Company proposed to issue new common stock through private placement
- II. Principle of conducting the private placement of common shares for cash:
 - (I) Funding source of the private placement: Specific parties as prescribed in Article 43-6 under Securities and Exchange Act:
 - (II) Shares issued through private placement: Equal to or less than 10 million shares.
 - (III) Par Value for each issue under private placement: NT\$ 10
 - (IV) Total funds raised through private placement: Equal to or less than NT\$ 1 billion.
 - (V) The pricing basis of private placement and its reasonableness:

The private placement price of the Company shall be no less than 80% of the higher of the following two calculation bases prior to the price determination date:

 - (1) The price of private placement shall not be lower than either of the following two calculations: (a) The simple average closing price of the common stock of either the one, three or five consecutive business day period immediately before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction. (b) The simple average closing price of the common stock of the thirty consecutive business day period immediately before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction.
 - (2) The final price determination date and the price shall be within the scope and range as specified in the resolution from the Annual General Shareholders' Meeting. Such matters will be authorized to the Board of

Directors for the final decision based on the needs of specific parties. The determination of the price is to be reasonable, and have no significant influence on the value of shareholders' equities.

- (VI) Specific parties selection for private placement: The specific investor shall be mainly defined in compliance with Article 43-6 of the Securities and Exchange Act and related letter (Tai Tsai Cheng Yi#0910003455 on June 13, 2002 (91)) by the Financial Supervisory Commission, and shall only be strategic investors for this placement, who are able to bring in critical technologies for the products, better product mixes and structure or offer selling channels to increase the Company's market share.
- (VII) The purpose, need, expected efficiency for specific parties and the method to determine the parties:
 - (1) The purpose to select the placees: The Company anticipates the placees for this private placement have the capabilities to assist the Company in developing new products and customers.
 - (2) The need: The private placement is necessary for the Company, as the purpose of it is to introduce strategic capital to help the Company expand market for its products to enhance the overall competitiveness and market share.
 - (3) The anticipated benefits: The Company expects the private placement will strengthen the shareholder's structure and make connection to new resources and networks, and thus will further consolidate the existing business and penetrate to new markets to achieve better operation results and increase overall competitiveness.
- (VIII) Rights and obligations of the new private placement shares: Rights and obligations of common stocks through this private placement are generally the same as common stocks issued by the Company. However, pursuant to Article 43-8 of the Securities and Exchange Act, with the exception of specific transferees and circumstances, privately placed common stocks may not be freely transferred within three full years starting from the delivery date. The Company plans to, in accordance with the related laws and regulations, apply for the public offering and listing of the issuance through this private placement three full years after the issuance.
- (IX) The necessity of private placement:
 - (1) Reasons for conducting non-public offerings: Considering the Company's purposes to solicit strategic investors, strengthen and broaden product market for better competitiveness, the private placement shall result in better rewards, in terms of timeliness. Moreover, due to trading restriction of privately placed shares, it is better to maintain a long-term relationship

with strategic partners. As such, the Company proposed to raise capital through private placement, rather than public offering.

- (2) The amount of shares issued and the capital usage plan and projected benefits of private placement: The issuance shall be within the limit of 10,000,000 common shares and conducted within a year starting from the date of the shareholder's meeting resolution. Where necessary, it is proposed to authorize the Board of Directors by the shareholders' meeting to conduct the private placement through separated issuances, but not more than three times within the same period above. The capital raised through each private placement shall be used to replenish operation capital, strengthen financial structure, and funding to business expansion plans after the strategic investors are in place. The Company expects, through each private placement, it shall be able to replenish operation capital, make access to new resources and networks, solidify existing customer base and markets, and further improve the operation efficiency and the general competitiveness.
- (X) Impact on the management rights from the private placement: The private placement will be conducted under the premise that no management rights will be affected. If the proposed shares of 10 million are fully and successfully issued, it will account for 7.78%. Moreover, each investor will be carefully evaluated before the offering.
- (XI) Excluding the price determination ration, it is proposed to authorize the Company's Board of Directors to determine actual issue shares and price, placee selection, record date, issue terms and conditions, project items, capital usage and progress, projected benefits, and any other items related to the issuance plan, based on market conditions. It is also proposed to authorize the Board to revise the issuance plan due to change of laws, instructions from government authorities, or operation environment changes from either objective or subjective points of views.
- (XII) It is proposed to authorize Chairman to represent the Company to sign, negotiate and modify any contract and document with regard to this private placement plan and handle any issues regarding this matter.

Resolution: Approved and acknowledged as proposed by the Board of Directors through voting. Voting rights for approval totaled 64,368,427 representing 67.30% of the total present shares, voting rights for rejection numbered 18,221,958, and voting rights for abstention numbered 13,041,527. Total votes numbered 95,631,912.

VI. Elections

(Proposed by the Board of Directors)

No. 1: Complete re-election of the Company board. Please proceed for election.

- Explanation:
1. As the term of the current board will end on June 23, 2018, we propose to re-elect 7 directors (including 3 independent members) according to the Memorandum and Articles of Association Article #25.1 in the 2018 general shareholders' meeting. For the election of the independent director, we will adopt the candidate nomination system in accordance with the Memorandum and Articles of Association Article #27.3. The current board will be discharged after the completion of the election. The tenure for the new board is three years, starting from June 21, 2018 to June 20, 2021.
 2. Please go to Attachment VIII for the director candidates' information.
 3. Reasons for nominating independent director candidates served for three consecutive terms or more:
 - (1) Taking into consideration enterprise management expertise, familiarity with the relevant laws and corporate governance expertise, which are evidently helpful to the Company, we continue to nominate Mr. Ming-Chun Chen, who has already served for three consecutive terms, as an independent board member in the next term to contribute his area of competence for supervising and advising the Company.
 - (2) Taking into consideration electronic industry expertise, familiarity with the relevant laws and corporate governance expertise, which are evidently helpful to the Company, we continue to nominate Mr. Chun-Yen Chang, who has already served for three consecutive terms, as an independent board member in the next term to contribute his area of competence for supervising and advising the Company.

Election Results:

The list of the newly elected directors with votes received follows:

Title	Name	Votes Received
Director	Hwa-Tse Liang	68,697,584
Director	Inru Kuo	63,081,942
Director	Chien-Hua Teng	61,817,387
Director	Yifen Investment Co., Ltd Representative of juristic person : Jui-Hsiung Yen	60,979,510
Independent Director	Chun-Yen Chang	59,073,330
Independent Director	Ming-Chun Chen	57,443,528
Independent Director	Jr-Wen Huang	56,261,060

VII. Other Discussions

(Proposed by the Board of Directors)

No. 1: Proposal for the cancellation of the prohibition on directors or their representatives from participation in competing businesses. Please proceed for discussion.

Explanation: 1. According to the Memorandum and Articles of Association Article #30.4 “A director who does anything for himself on behalf of another person that is within the scope of the Company's business, shall reveal to the shareholders' meeting the essence of such practice and receive special approval”.

2. Please go to Attachment IX for the details of concurrent positions held by Director (Including Independent Director) candidates and representatives of the juristic person. We propose to cancel the prohibition on new directors or their representatives who invest or operate any business that is within the scope of the Company's business or serves as a director or manager for such a business, provided no interests of the Company would be compromised.

Resolution: Approved and acknowledged as proposed by the Board of Directors through voting. Voting rights for approval totaled 77,765,840 representing 81.31% of the total present shares, voting rights for rejection numbered 5,428, and voting rights for abstention numbered 17,860,644. Total votes numbered 95,631,912.

VIII. Motions: None

IX. Adjournment

There being no other business and special motion, upon a motion duly made and seconded, the meeting was adjourned at 9:24A.M.

Chairman: Hwa Tse Liang

Recorder: Rachel Lin

2017 Business Report

Dear Madam/ Sir:

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

Financial Performance

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

Company Development

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

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

Of course, we also faced various challenges. The first was the integration of two entities, including sales, operations, human resources, MID and financial departments, which was no easy task. We, however, under a very tight time frame, coordinated among each counterpart located in different time zones to undertake various projects and completed the merger procedures as scheduled. Secondly, we took a series of actions to cope with the sudden needs in additional production

capacity and R&D, an intense schedule for project kickoffs, and shortage in supporting resources due to a surge in orders. This involved collaborating with our supply chain to meet the urgent orders, drafting future capacity plans, dividing R&D tasks into different specializations, utilizing existing resource with greater flexibility, focusing on the target markets, launching new projects, as well as actively recruiting talents to strengthen the core team and create organizational agility.

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

Public welfare sponsorship

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

Development Highlights in 2018

Resources integration for better efficiencies.

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

Product Development

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

Business Model

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

Production site planning

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

More strategic investments

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

Future Prospective

Refine our team and manufacturing process

The Company has established a global team of diverse cultures. The team is not only expanding but polishing itself to better master the growing international business. For management, we have built BizLink 4.0 platform to assist in routine management and prevent exposure to operating risks. For

manufacturing, we have set up a standardized quality control system, from North America through all our global production sites, to align the quality and service standards. For production, while expanding for the business growth, we never stop pushing production line automation, augmenting the automation execution team to fully utilize automated manufacturing and applying the collected data to improve quality and reduce reliance on manpower. Our excellent teams and advanced manufacturing capabilities are the cornerstone of our success.

Commitment to Investors

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

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

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

BIZLINK HOLDING INC.

Chairman Hwa-Tse Liang

Chief Executive Officer Chien-Hua Teng

Chief Financial Officer Shiou-Lin Chen

Audit Committee Report

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

BizLink Holding Inc.

Independent director, Ming Chun, Chen

Independent director, Chun Yen, Chang

Independent director, Jr Wen, Huang

March 13, 2018

Endorsement and Guarantee Provided

2017/12/31

Bank	Name of Endorsement/ Guarantee Provider	Name (Guaranteed Party)	Ending Balance
HSBC	BIZLINK HOLDING INC.	BIZLINK (BVI) CORP.	US\$14,000,000.00
CTBC	BIZLINK HOLDING INC.	BIZLINK (BVI) CORP.	US\$12,500,000.00
MEGA	BIZLINK HOLDING INC.	BIZLINK (BVI) CORP.	US\$1,500,000.00
E.SUN	BIZLINK HOLDING INC.	BIZLINK (BVI) CORP. and BIZLINK INTERNATIONAL CORP.	US\$8,000,000.00
CTBC -USA	BIZLINK HOLDING INC.	BIZLINK TECHNOLOGY INC.	US\$5,000,000.00
HSBC	BIZLINK HOLDING INC.	BIZLINK TECHNOLOGY (S.E.A.) SDN. BHD	MYR\$1,000,000.00
HSBC	BIZLINK HOLDING INC.	BIZLINK TECHNOLOGY (XIAMEN) LTD. 、 BIZLINK TECHNOLOGY (CHANGZHOU) LTD.	CNY195,800,000.00
FIRST BANK	BIZLINK HOLDING INC.	BIZLINK (BVI) CORP.	US\$17,600,000.00
CATHAY UNITED	BIZLINK HOLDING INC.	BIZLINK (BVI) CORP.	US\$13,000,000.00
YUANTA	BIZLINK HOLDING INC.	BIZLINK (BVI) CORP.	US\$15,000,000.00
CTBC -USA	BIZLINK TECHNOLOGY INC.	BIZLINK TECH, INC.	US\$2,000,000.00
CITIBANK	BIZLINK HOLDING INC. 、 BIZLINK INTERNATIONAL CORP.	BIZLINK (BVI) CORP.	US\$5,500,000.00
FUBON TAIPEI	BIZLINK INTERNATIONAL CORP. 、 BIZLINK HOLDING INC.	BIZLINK (BVI) CORP.	US\$15,000,000.00
Note 1	BIZLINK TECHNOLOGY INC.	BIZLINK (BVI) CORP.	US\$500,000.00
Note 2	BIZLINK HOLDING INC.	BIZLINK (BVI) CORP.	US\$1,510,000.00

Note 3	BIZLINK TECHNOLOGY (IRELAND) LTD.	BIZLINK TECHNOLOGY (SERBIA) D.O.O.	EUR350,000.00
Note 4	BIZLINK (BVI) CORP.	BIZLINK TECHNOLOGY (SERBIA) D.O.O.	EUR3,500,000.00
Note 5	BIZLINK (BVI) CORP.	BIZLINK TECHNOLOGY (SERBIA) D.O.O.	EUR133,177.82
Total			US\$111,110,000.00
			MYR1,000,000.00
			CNY195,800,000.00
			EUR3,983,177.82

Note 1 : Service Assurance

Financing Provided

2017/12/31

Financing Company	Counter party	Financing Limit Resolved by the Board	Actual Financing Limit Provided	Interest Rate	Financing Amount Drawn
BIZLINK HOLDING INC.	BIZLINK (BVI) COPR.	US\$50,000,000	US\$0	0%	Un-drawn balance
BIZLINK HOLDING INC.	BIZLINK TECHNOLOGY (SLOVAKIA) S.R.O.	EUR13,500,000	EUR9,388,175	0.671%	Drawing in process
BIZLINK (BVI) COPR.	BIZLINK INTERNATIONAL CORP.	US\$10,000,000	US\$2,500,000	0%	Drawing in process
BIZLINK (BVI) COPR.	BIZLINK HOLDING INC.	US\$35,000,000	US\$30,443,000	0%	Drawing in process
BIZLINK (BVI) COPR.	BIZLINK TECHNOLOGY (SLOVAKIA) S.R.O.	EUR5,000,000	EUR0		Un-drawn balance
OPTIWORKS (SHANGHAI) CO., LTD.	OPTIWORKS (KUNSHAN) CO., LTD.	CNY8,000,000	CNY8,000,000	4.35%	Drawing in process
OPTIWORKS (SHANGHAI) CO., LTD.	OPTIWORKS (KUNSHAN) CO., LTD.	CNY15,000,000	CNY15,000,000	4.35%	Drawing in process
BIZLINK (KUNSHAN) CO.	BIZLINK TECHNOLOGY (CHANGZHOU) LTD.	CNY10,500,000	CNY10,500,000	4.35%	Drawing in process
BIZLINK (KUNSHAN) CO.	BIZLINK TECHNOLOGY (CHANGZHOU) LTD.	CNY12,000,000	CNY12,000,000	4.35%	Drawing in process
BIZLINK ELECTRONICS (XIAMEN) CO., LTD.	BIZLINK TECHNOLOGY (CHANGZHOU) LTD.	CNY10,700,000	CNY10,700,000	4.35%	Drawing in process
BIZLINK ELECTRONICS (XIAMEN) CO., LTD.	BIZLINK TECHNOLOGY (CHANGZHOU) LTD.	CNY10,000,000	CNY10,000,000	4.35%	Drawing in process
HUA ZHAN ELECTRONICS (SHENZHEN) CO., LTD.	BIZLINK TECHNOLOGY (CHANGZHOU) LTD.	CNY27,500,000	CNY27,500,000	4.35%	Drawing in process
BIZLINK TECHNOLOGY (BELGIUM) NV	BIZLINK TECHNOLOGY (SLOVAKIA) S.R.O.	EUR5,000,000	EUR2,000,000	0.671%	Drawing in process
BIZLINK TECHNOLOGY (XIAMEN) LTD.	BIZLINK TECHNOLOGY (CHANGZHOU) LTD.	CNY25,000,000	CNY25,000,000	4.35%	Drawing in process
Total		US\$95,000,000	US\$32,943,000		
		CNY118,700,000	CNY118,700,000		
		EUR23,500,000	EUR11,388,175		

Publication and Issuance Status of the 2nd Overseas Convertible Bond

1. Issuance Conditions and Relevant Information

Total Amounts Of Issuance:	US\$ 100,000 thousand
Bonds Categorization, per Denomination:	Unsecured Convertible Bonds, US\$ 250,000.
Issue price:	100% of the face value.
Date Of Issuance:	February 1, 2018.
Date Of Maturity:	5 years, from February 1, 2018 to February 1, 2023.
Raised Bonds Interest Rates:	Annual rates of 0%.
Raised Bonds Repayment Methods and Deadlines:	In addition to early redemption, buy back and cancellation, and exercising conversion rights, purchasers will have the option of redeeming the Company's bonds on their maturity date February 1, 2023, for 102.52% of the bonds' original face value.
Conversion Price:	The conversion price of the bonds is NT\$ 320.00 per share. (Conversion rate applied was US\$: NT\$ = 1:29.075).
Funding Plans:	Support for overseas purchases and repayment of borrowings in foreign currency
Impact on Shareholders' Equity:	Conversion of the Overseas Convertible Bonds to ordinary shares at the time of issuance, if all converted, would result in a dilution ratio of original shareholders' equity of around 7.12%. Impact would be limited.
Issuance and Transaction Location:	On the date of issuance, the bonds were listed for trading on the Singapore Exchange.

2. Projects, Progress and Expected Benefits

Unit: NT\$ Thousand

Projects	Estimated Planned Completion Date	Total Capital Required	Expansion Plans				
			2018				2019
			Q1	Q2	Q3	Q4	Q1
Overseas purchases	First quarter of 2019	2,430,000	—	607,500	607,500	607,500	607,500
Repayment of borrowings in foreign currency	First quarter of 2018	570,000	570,000	—	—	—	—

Total	3,000,000	570,000	607,500	607,500	607,500	607,500
Projected benefits generated	Repayment of foreign currency loans: adjust the long term and short term debt structure and enhance repayment ability. Total projected interest saving per year is NT\$ 9,900~11,730 thousand.					

3. Financing Plans and Execution Status

Unit: NT\$ Thousand

Plan(s)	Status of Implementation		As of March 31, 2018	Reasons for Any Deviations from the Planned Schedule and Improvement Action
Overseas purchases	Amount drawn	Projection	0	An early drawdown of US\$ 13,053 thousand was made. The rest of the capital will be drawn as planned.
		Actual	13,053	
	Implementation (%)	Projection	0	
		Actual	16.11	
Repayment of borrowings in foreign currency	Amount drawn	Projection	19,000	Completed drawn as planned.
		Actual	19,000	
	Implementation (%)	Projection	100.00	
		Actual	100.00	
Total	Amount drawn	Projection	19,000	—
		Actual	32,053	
	Implementation (%)	Projection	19.00	
		Actual	32.05	

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, 2017 and 2016, and the related statements of Consolidated Income Statement, Statement of Stockholders' Equity and Statements of Cash Flows for the years then ended.

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

Basis of Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of BIZLINK HOLDING INC. and its subsidiaries (or the Group) in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's consolidated financial statements for the fiscal year of 2017. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

The authenticity of key customer sales

Revenues of BIZLINK HOLDING INC. and its subsidiaries were highly concentrated. Sales from the top-20 customers together with customers who purchased 20% more during the year accounted for 44% of the consolidated operating revenue in 2017.

Moreover a higher risk of revenue mis-statements might occur in the Company due to pressure of achieving the sales target from the management team; We, therefore, performed the assessment on recognized sales generated, during the year, from the Company's new customers and customers who purchased 20% more.

The following audit procedures were implemented by us:

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

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

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

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

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

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

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

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and the associated interpretations from the governing agencies endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including members of the Audit Committee) are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material

uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements (including the disclosures) and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the individual entity within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and other matters (including safeguard issues)

From the matters communicated with those charged with governance, we determine those matters that were of most, significance, or the key audit matters, in the audit of the Group's consolidated financial statements for the fiscal year of 2017. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte & Touche

March 13, 2018

<p>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.</p>
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BIZLINK HOLDING INC. AND SUBSIDIARIES
Consolidated Balance Sheets
Years Ended December 31, 2017 & 2016

Unit: NT\$ Thousand

Code	Assets	2017/12/31		2016/12/31	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents	\$ 1,684,418	12	\$ 2,417,539	24
1110	Current financial assets at fair value through profit or loss	20,352	-	2,227	-
1147	Current bond investment without active market	36,236	-	1,194,508	12
1150	Notes receivable	178,592	1	3,410	-
1170	Accounts receivable	4,339,752	31	2,101,403	21
1180	Accounts receivable due from related parties	-	-	1,230	-
1200	Other receivables	142,882	1	69,643	1
1220	Current tax assets	8,082	-	19,242	-
130X	Inventories	3,240,166	24	1,674,051	17
1410	Prepayments	217,310	2	144,985	2
1476	Other current financial assets	19,975	-	1,438	-
1479	Other current assets	<u>2,126</u>	<u>-</u>	<u>-</u>	<u>-</u>
11XX	Total current assets	<u>9,889,891</u>	<u>71</u>	<u>7,629,676</u>	<u>77</u>
	Non-current assets				
1543	Non-current financial assets at cost	239,640	2	152,054	2
1550	Investments accounted for using equity method	18,792	-	3,209	-
1600	Property, plant and equipment	2,095,113	15	1,554,399	16
1760	Investment property	205,337	1	130,956	1
1805	Other intangible assets	373,094	3	-	-
1821	Deferred tax assets	515,408	4	117,869	1
1840	Other non-current financial assets	118,571	1	131,648	1
1980	Long-term prepaid rents	210,970	2	76,200	1
1985	Other non-current assets	38,605	-	40,673	-
1990	Total non-current assets	<u>143,632</u>	<u>1</u>	<u>109,748</u>	<u>1</u>
15XX	Non-current assets	<u>3,959,162</u>	<u>29</u>	<u>2,316,756</u>	<u>23</u>
1XXX	Total assets	<u>\$ 13,849,053</u>	<u>100</u>	<u>\$ 9,946,432</u>	<u>100</u>
	Liabilities and equity				
	Current liabilities				
2100	Short-term borrowings	\$ 905,922	7	\$ 64,500	1
2120	Current financial liabilities at fair value through profit or loss	-	-	5,521	-
2150	Notes payable	186,066	1	10,836	-
2170	Accounts payable	3,248,355	24	1,281,330	13
2200	Other payables	1,152,196	8	805,178	8
2230	Current tax liabilities	133,133	1	86,095	1
2320	Long-term borrowings, current portion	125,944	1	31,721	-
2399	Other current liabilities	<u>23,161</u>	<u>-</u>	<u>17,843</u>	<u>-</u>
21XX	Total current liabilities	<u>5,774,777</u>	<u>42</u>	<u>2,303,024</u>	<u>23</u>
	Non-current liabilities				
2530	Corporate bonds payable	-	-	1,859,265	18
2540	Long-term borrowings	404,297	3	373,982	4
2570	Deferred tax liabilities	48,998	-	69,639	1
2640	Accrued pension liabilities	4,394	-	3,873	-
2670	Other non-current liabilities	<u>27,688</u>	<u>-</u>	<u>5,096</u>	<u>-</u>
25XX	Total non-current liabilities	<u>485,377</u>	<u>3</u>	<u>2,311,855</u>	<u>23</u>
2XXX	Total liabilities	<u>6,260,154</u>	<u>45</u>	<u>4,614,879</u>	<u>46</u>
	Equity attributable to owners of parent				
3110	Share capital	<u>1,155,664</u>	<u>8</u>	<u>1,029,593</u>	<u>10</u>
3200	Capital surplus	<u>4,130,734</u>	<u>30</u>	<u>2,277,793</u>	<u>23</u>
	Retained earnings				
3310	Legal reserve	371,593	3	280,598	3
3320	Special reserve	304,631	2	298,638	3
3350	Unappropriated retained earnings	<u>2,323,255</u>	<u>17</u>	<u>1,978,609</u>	<u>20</u>
3300	Total retained earnings	<u>2,999,479</u>	<u>22</u>	<u>2,557,845</u>	<u>26</u>
3400	Other equity interest	(<u>696,978</u>)	(<u>5</u>)	(<u>533,678</u>)	(<u>5</u>)
3XXX	Total equity	<u>7,588,899</u>	<u>55</u>	<u>5,331,553</u>	<u>54</u>
	Total Liabilities and equity	<u>\$ 13,849,053</u>	<u>100</u>	<u>\$ 9,946,432</u>	<u>100</u>

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

Unit: NT\$ thousand, excepting earnings per share

Code		2017		2016	
		Amount	%	Amount	%
	Operating revenue				
4100	Net sales revenue	\$15,599,207	100	\$ 9,208,059	100
	Operating costs				
5110	Cost of sales	<u>11,793,802</u>	<u>76</u>	<u>6,464,482</u>	<u>70</u>
5900	Gross profit (loss)	<u>3,805,405</u>	<u>24</u>	<u>2,743,577</u>	<u>30</u>
	Operating expenses				
6100	Selling expenses	693,813	4	425,898	5
6200	Administrative expenses	1,180,334	8	1,068,672	12
6300	Research and development expenses	<u>383,040</u>	<u>2</u>	<u>230,928</u>	<u>2</u>
6000	Total operating expenses	<u>2,257,187</u>	<u>14</u>	<u>1,725,498</u>	<u>19</u>
6900	Net operating income	<u>1,548,218</u>	<u>10</u>	<u>1,018,079</u>	<u>11</u>
	Non-operating income and expenses				
7140	Gain from bargain purchase	-	-	14,131	-
7190	Other income	67,378	-	56,996	1
7020	Other gains and losses	(76,555)	-	118,008	1
7050	Finance costs	(33,111)	-	(44,425)	-
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method	(<u>886</u>)	<u>-</u>	(<u>520</u>)	<u>-</u>
7000	Total non-operating income and expenses	(<u>43,174</u>)	<u>-</u>	<u>144,190</u>	<u>2</u>
7900	Profit (loss) from continuing operations before tax	\$ 1,505,044	10	\$ 1,162,269	13
7950	Tax expense	<u>342,579</u>	<u>2</u>	<u>252,324</u>	<u>3</u>
8200	Profit (loss) from continuing operations	<u>1,162,465</u>	<u>8</u>	<u>909,945</u>	<u>10</u>
	Other comprehensive income				
	Items that will not be reclassified subsequently to profit or loss:				

8311	Actuarial gain and loss arising from defined benefit plans	(435)	-	(1,002)	-
8341	Exchange differences arising on translation to the presentation currency	(674,701)	(4)	(122,159)	(2)
8349	Income tax related to components of other comprehensive income	<u>74</u>	<u>-</u>	<u>170</u>	<u>-</u>
8310	Items that may be reclassified subsequently to profit or loss:	(<u>675,062</u>)	(<u>4</u>)	(<u>122,991</u>)	(<u>2</u>)
8361	Exchange differences on translating foreign operations	<u>374,774</u>	<u>2</u>	(<u>284,818</u>)	(<u>3</u>)
8300	Other comprehensive income, net	(<u>300,288</u>)	(<u>2</u>)	(<u>407,809</u>)	(<u>5</u>)
8500	Total comprehensive income	<u>\$ 862,177</u>	<u>6</u>	<u>\$ 502,136</u>	<u>5</u>
	Earnings per share				
9750	Basic earnings per share	<u>\$ 10.68</u>		<u>\$ 9.23</u>	
9850	Diluted earnings per share	<u>\$ 10.20</u>		<u>\$ 8.29</u>	

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

Unit: NT\$ Thousand

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

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

Unit: NT\$ thousand

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

A31230	Prepayments	(57,496)	(7,530)
A31240	Other current assets	(2,175)	45
A32110	Financial liability held for trading	\$ -	(\$ 6,654)
A32130	Notes payable	(59,972)	(10,158)
A32150	Accounts payable	1,245,322	65,793
A32180	Other payable	(172,589)	182,223
A32210	Deferred revenue	17,870	-
A32240	Accrued pension liabilities	86	62
A32230	Other current liabilities	(740)	4,165
A32990	Other operating liabilities	<u>1,462</u>	<u>-</u>
A33000	Cash inflow generated from operations	443,546	1,386,818
A33100	Interest received	17,946	31,364
A33300	Interest paid	(19,322)	(9,425)
A33500	Income taxes paid	(316,734)	(250,165)
AAAA	Net cash flows from operating activities	<u>125,436</u>	<u>1,158,592</u>

Cash flows from (used in) investing activities

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

BBBB	Net cash used in financing activities	(<u>798,721</u>)	(<u>1,667,405</u>)
	Cash flows from (used in) financing activities		
C01200	Issuing convertible bonds	\$ -	\$ 2,670,600
C01300	Redemption of corporate bonds	-	(100)
C09900	Paying costs of debt issuance	-	(61,709)
C00100	Increase in short-term loans	573,785	-
C00200	Decrease in short-term loans	-	(129,060)
C01600	Proceeds from long-term debt	153,567	238,030
C01700	Repayments of long-term debt	(11,469)	(133,623)
C03000	Increase in guarantee deposits received	4,181	1,940
C04500	Cash dividends paid	(720,715)	(505,005)
C04800	Exercise of employee share options	<u>-</u>	<u>7,121</u>
CCCC	Net cash used in financing activities	(<u>651</u>)	<u>2,088,194</u>
DDDD	Effect of exchange rate changes on cash and cash equivalents	(<u>59,185</u>)	(<u>355,913</u>)
EEEE	Net decrease in cash and cash equivalents	(733,121)	1,223,468
E00100	Cash and cash equivalents at beginning of period	<u>2,417,539</u>	<u>1,194,071</u>
E00200	Cash and cash equivalents at end of period	<u>\$ 1,684,418</u>	<u>\$ 2,417,539</u>

BIZLINK HOLDING INC. 2017 Earnings Distribution	
Item	Amount (NT\$)
Beginning unappropriated earnings	1,160,904,668
Actuarial gains (loss) included in retained earnings	(361,094)
Retain earning adjustment for cancellation of restricted employee stock rights	245,000
Unappropriated earnings after adjustment	1,160,788,574
Plus: net income	1,162,464,214
Accumulative unappropriated earnings	2,323,252,788
Reserve Items	
Less: legal reserve (10%)	116,246,421
Less: Special reserves	299,926,864
Distributable net profit	1,907,079,503
Distribution	
Cash dividend – NT\$5.5 per share	809,209,849
Stock dividend - NT\$0. 0 per share	0
Ending unappropriated earnings	1,097,869,654
<p>1. The earning appropriation is based on the total outstanding shares (115,601,407 shares) as of 12/31/2017 and includes a cash dividend of US\$ 0.235215 (or NT\$ 7.0) in cash and no stock dividend. 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>	

Chairman Hwa-Tse Liang

Chief Executive Officer Chien-Hua Teng

Chief Financial Officer Shiou-Lin Chen

「 BizLink Holding Inc. Procedures for the Acquisition or Disposal of Assets 」
Amended Articles

After the revision	Before the revision	Note
12. Procedures for acquisition or <u>disposal</u> of financial derivatives products	12. Procedures for acquisition or disposal of financial derivative products	Wording modification
12.1.1.1 Financial derivatives products traded by the Company referred to herein are broadly defined as instruments that derive their value from the performance of underlying assets, interest rates, foreign exchange rates, indexes, or others. Such instruments include forwards, options, futures, interest or currency swaps and various combinations thereof. <u>Forwards referred to herein exclude insurance, Performance contract, post-sales service, long-term lease and long-term sales/procurement contracts.</u>	12.1.1.1 Financial derivative products traded by the Company referred to herein are broadly defined as instruments that derive their value from the performance of underlying assets, interest, foreign exchange rates, indexes, or other (such instruments include forwards, options, futures, interests, foreign exchange rates, swaps and various combinations thereof).	Revised to comply with the regulations
12.1.2. Operating and hedging strategy Financial derivative products traded by the Company are mainly used for hedging purposes. Instruments are chosen to limit the Company's risk exposures under <u>interests, foreign exchange rates and products arising from the core business. The chosen instruments shall limit the Company's net exposure after internal netting of income against expense and asset against liability in terms of timing, amount and currency type.</u>	12.1.2. Operating (hedging) strategy Financial derivative products traded by the Company are mainly used for hedging purposes. The types of derivatives which the Company trades shall be mainly for the avoidance of risks arising from the Company's business operations. <u>The types of foreign currencies held by the Company shall be consistent with the Company's actual demands for the foreign currencies which the Company uses in the import/export transactions and shall be at the position from which the Company may internally square itself (the incomes and the outgoings in foreign currencies). This is to lower the Company's overall foreign exchange risks and to reduce the operating costs in foreign currency trading. Other specific deals shall be reported to the Board for approval after prudent reviews.</u>	Added to product and derivative instrument risks according to the Company's operating strategy

After the revision	Before the revision	Note																														
<p>12.1.3 Authorization / Delegation</p> <p>12.1.3.1 Personnel in charge of trading and confirmation for derivative transactions shall be appointed by the Board. The functions of trading, confirmation and settlement should be performed by different personnel. The counterparty needs to be informed of the trading and confirmation personnel being assigned or discharged before the effective date.</p> <p>12.1.3.2 Authorized transaction limit</p> <p>12.1.3.2.1 Authorized transaction limit and level of delegation/authorization:</p> <table border="1" data-bbox="199 739 606 1041"> <thead> <tr> <th>Authorized amount for single transaction</th> <th colspan="2">Daily total amount limit</th> </tr> </thead> <tbody> <tr> <td>CEO</td> <td>US\$ 10 million</td> <td>US\$ 30 million</td> </tr> <tr> <td>Direct supervisor of the finance manager</td> <td>US\$ 5 million</td> <td>US\$ 10 million</td> </tr> <tr> <td>Finance manager</td> <td>US\$ 3 million</td> <td>US\$ 6 million</td> </tr> </tbody> </table> <p>12.1.3.2.2. Based on the limit below, internal written confirmations shall be ratified after each transaction is completed.</p> <table border="1" data-bbox="199 1209 606 1355"> <thead> <tr> <th>Limit per transaction</th> <th></th> </tr> </thead> <tbody> <tr> <td>CEO and direct supervisor of the finance manager</td> <td>US\$ 10 million</td> </tr> <tr> <td>Direct supervisor of the finance manager and the finance manager</td> <td>US\$ 5 million</td> </tr> </tbody> </table> <p>12.1.3.2.3 In order to manage and control The Company’s derivative transactions, the counterparties need to be informed in writing of the delegation systems herein.</p> <p>12.1.3.2.4 When trading for specific purposes, a strategy should be drawn up based on the market forecast for Chairman’s approval before trading.</p>	Authorized amount for single transaction	Daily total amount limit		CEO	US\$ 10 million	US\$ 30 million	Direct supervisor of the finance manager	US\$ 5 million	US\$ 10 million	Finance manager	US\$ 3 million	US\$ 6 million	Limit per transaction		CEO and direct supervisor of the finance manager	US\$ 10 million	Direct supervisor of the finance manager and the finance manager	US\$ 5 million	<p>12.1.3 Authorization / Delegation</p> <p>12.1.3.1 Finance Department</p> <p>12.1.3.1.1 Dealing Personnel</p> <p>12.1.3.1.1.1 In charge of formulating trading strategies for the financial derivative instruments of the Company.</p> <p>12.1.3.1.1.2 The dealing personnel shall, on a bi-weekly basis, assess the positions, collect market position to make judgments on the trend and risk exposure to formulate an execution strategy as the guideline for future trading after the approval.</p> <p>12.1.3.1.1.3 Trade execution based on delegated authorization and formulated execution strategies.</p> <p>12.1.3.1.1.4The dealing personnel shall readjust the trading strategy for execution, after approval from the Chairman, when the existing one is not applied to the financial market after due judgment.</p> <p>12.1.3.1.2 Accounting personnel</p> <p>12.1.3.1.2.1 Trade execution confirmation</p> <p>12.1.3.1.2.2 Review the transactions to ensure their compliance with the delegation level and trading strategies.</p> <p>12.1.3.1.2.3 Present the monthly assessment report to the Chairman for ratification</p> <p>12.1.3.1.2.4 Accounting treatments</p> <p>12.1.3.1.2.5 Reporting and making public announcement in accordance with relevant regulations under FSC.</p> <p>12.1.3.1.3 Settlement personnel: performing transaction settlements.</p> <p>12.1.3.1.4 Approval of derivative instrument</p> <p>12.1.3.1.4.1 Approval of hedging transaction</p> <table border="1" data-bbox="646 1489 1133 1892"> <thead> <tr> <th>Approval personnel</th> <th>Daily transaction limit</th> <th>Cumulative net position limit</th> </tr> </thead> <tbody> <tr> <td>Finance and accounting manager</td> <td>≤ US\$0.5M</td> <td>≤ US\$1.5M</td> </tr> <tr> <td>General manager</td> <td>US\$0.5M~2M</td> <td>≤ US\$5M</td> </tr> <tr> <td>Chairman</td> <td>≥ US\$2M</td> <td>≤ US\$10M</td> </tr> </tbody> </table> <p>12.1.3.1.4.2 Trading for specific purposes shall obtain the Chairman’s approval before execution.</p>	Approval personnel	Daily transaction limit	Cumulative net position limit	Finance and accounting manager	≤ US\$0.5M	≤ US\$1.5M	General manager	US\$0.5M~2M	≤ US\$5M	Chairman	≥ US\$2M	≤ US\$10M	<p>In response to the growth of the company, it is necessary to strengthen the risk control and actual operation requirements, and standardize the rights and responsibilities of derivative products.</p>
Authorized amount for single transaction	Daily total amount limit																															
CEO	US\$ 10 million	US\$ 30 million																														
Direct supervisor of the finance manager	US\$ 5 million	US\$ 10 million																														
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Chairman	≥ US\$2M	≤ US\$10M																														

After the revision	Before the revision	Note
<p>12.1.3.2.5 Transaction involving major derivatives shall be approved by more than half of all audit committee members and submitted to the board of directors for a resolution.</p>	<p>12.1.3.1.4.3 All assets acquired or disposed of by the Company in accordance with the stipulated procedures or other related laws shall obtain the approval from the Board. Board dissents, if any, with a record or written statement shall be sent to the Audit Committee.</p> <p>Where the position of an independent director has been created in accordance with the provisions of the law, when the procedures for the acquisition and disposal of assets are submitted for discussion pursuant to the preceding paragraph, each independent director's opinions shall be taken into full consideration. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p> <p>Where an audit committee has been established in accordance with the provisions of the law, any transaction involving major assets or derivatives shall be approved by more than half of all audit committee members and submitted to the board of directors for a resolution</p>	<p>Revised according to the regulations</p>
<p>Delete</p>	<p>12.1.3.2 Audit department Ensure the suitability of internal controls on derivatives and conduct a monthly audit on consistency between actual trading procedures and the required procedures, and prepare an audit report accordingly. If any material violation is discovered, the Audit Committee shall be notified in writing.</p>	<p>See 12.3.2 for details</p>
<p>12.1.3.3 <u>Performance</u> evaluation 12.1.3.3.1 Hedging 12.1.3.3.1.1 Performance is evaluated according to the difference between the <u>accounting</u> exchange rates and profit/loss derived from the derivative transactions. 12.1.3.3.1.2 To give full and fair presentation, the Company adopt monthly valuation to reveal the transaction exposure. °</p>	<p>12.1.3.3 Performance evaluation 12.1.3.3.1 Hedging 12.1.3.3.1.1 Performance is evaluated according to the difference between the book exchange rates and profit/loss derived from the derivative transactions. 12.1.3.3.1.2 To give full and fair presentation, the Company adopts monthly valuation to reveal the transaction exposure.</p>	<p>Wording modification and modification for regulating the performance evaluation.</p>
<p>Delete</p>	<p>12.1.3.3.1.3 Finance Department shall give the internal assessment on the foreign currency holding with relevant market analysis for the Chairman's review.</p>	<p>Irrelevant to performance evaluation</p>

After the revision	Before the revision	Note
<p>12.1.3.4 Setting transaction and stop loss limits</p> <p>12.1.3.4.1 Transaction limit</p> <p>12.1.3.4.1.1 Hedging limit</p> <p>The hedging position shall be kept within the entire net position of the Company. For larger transactions, approval from Chairman shall be received first.</p> <p>12.1.3.4.1.2 Trading for specific purposes</p> <p>The transaction amount shall not be, based on the actual amount, larger than the total of capital expenditure, corporate bonds, and long term investments of the Company.</p> <p>12.1.3.4.2 Stop loss limit</p> <p>12.1.3.4.2.1 According to the transaction limit approved shown on the authorization, a 10% stop loss with specified currency interest rates shall be set after building the position and submitted for further approval. During the holding period, the market shall be watched closely to make stop-loss transaction once the related rate hit the triggering level.</p> <p>12.1.3.4.2.2 No transaction contract shall be terminated before expiration for hitting the triggering rates if there is counter-hedging positions.</p>	<p>12.1.3.4 Limit setting for total contract and stop loss</p> <p>12.1.3.4.1 Total contract limit</p> <p>12.1.3.4.1.1 Hedging limit</p> <p>The Finance Department shall keep a close watch of the entire position held by the Company to avoid trading risks. The position held for hedging purpose shall not exceed two third of the net position. For a larger holding, approval from Chairman shall be received first.</p> <p>12.1.3.4.1.2 Trading for specific purposes</p> <p>The Finance Department shall formulate a strategy based on the market forecast for the Chairman's approval for execution. Total cumulative contract for specific purpose is limited to US\$90 million. For a larger holding, approval from the Chairman shall be received first and the policy guidance shall be followed for execution.</p> <p>12.1.3.4.2 Stop loss limit</p> <p>12.1.3.4.2.1 The hedging purpose is to avoid risks. A stop loss shall be set to prevent extraordinary loss after the position is built. Stop loss setting: (1) for a single contract: no more than 15% of the contract size; (2) for all contracts: no more than 15% of the total contract size. A report shall be made to the Chairman and the Board for counter measures, when the loss exceeds 15% of the contract size.</p> <p>12.1.3.4.2.2 A stop loss shall be set to prevent extraordinary losses after the position is built for special-purpose trading. A stop loss shall be set at $\leq 10\%$ of contract size. Report shall be made to the Chairman and the Board for necessary actions, when the loss exceeds the level.</p> <p>12.1.3.4.2.3 Stop - loss for a single contract shall be the lower of US\$20,000 or 5% of the contract size.</p> <p>The maximum stop-loss limit each year is US\$300,000.</p>	<p>Revised to reflect the future growth of the Company and to ameliorate the trading and risk control procedures.</p>

After the revision	Before the revision	Note
<p>12.2 Risk management</p> <p>12.2.1 Credit risk management Restrict the counterparties that the Company deals with to those who either have banking relationships with the Company or are internationally renowned or can provide sufficient information.</p> <p>12.2.2 Market risk management Market risk arising from the fluctuations of interest rates and foreign exchange rates or from other factors shall be closely monitored and controlled.</p> <p>12.2.3 Liquidity Risk Management Restrict counterparties to those who have sufficient information and trading capability to enter into transactions in any markets around the world.</p> <p>12.2.4 Cash flow management To ensure stability of operating capital, close attention shall be paid to flows of foreign currency to maintain an adequate level of quick assets to satisfy the cash settlement.</p> <p>12.2.5 Operating risk management The delegated trading limit and operating procedures set forth here shall be accurately followed and employed to control operating risk.</p> <p>12.2.6 product risk management The internal trading personnel should possess complete and correct professional knowledge of financial derivatives, and require the banks to fully reveal relevant risks to avoid losses from misemployment.</p> <p>12.2.7 Legal risk management Any legal documents contracted with financial institutions shall first be reviewed by in-house and/or outside legal counsels before being executed to control legal risks.</p>	<p>12.2 Risk management</p> <p>12.2.1 Credit risk management: The principles below shall be followed to avoid operating risks from financial instruments, which are susceptible to various market factors:</p> <p>12.2.1.1 Counterparties: limited to renowned financial institutions</p> <p>12.2.1.2 Financial Instruments: limited to products offered by renowned financial institutions</p> <p>12.2.1.3 Transaction amount: the open position with each counterparty shall not be greater than the authorized amount, unless special approval from the Chairman.</p> <p>12.2.2 Market risk management: Only deal with open currency market provided by banks; no futures trading for the time being.</p> <p>12.2.3 Liquidity risk management: Only trade in derivative markets with high liquidity (which can be covered immediately) with financial institutions that have sufficient information and trading capability to enter into transactions in any markets around the world.</p> <p>12.2.4 Cash flow management To ensure stability of operating capital, capital used for derivative trading will only come from self-generated capital with the consideration of projected net cash flow in the following three months.</p> <p>12.2.5 Operating risk management</p> <p>12.2.5.1 The delegated trading limit and operating procedures set forth here shall be accurately followed, employed and incorporated into the internal audit procedure to control operating risk.</p> <p>12.2.5.2 Personnel engaged in derivatives trading may not serve concurrently in other operations such as confirmation and settlement.</p> <p>12.2.5.3 Risk measurement, monitoring, and control personnel shall be assigned to a different department from the trade personnel mentioned above and shall report to the board of directors or senior management personnel with no responsibility for trading or position decision-making</p> <p>12.2.5.4 Derivatives trading positions held shall be evaluated at least once per week; however, positions for hedging required by business shall be evaluated at least twice per month. Evaluation reports shall be submitted to senior management authorized by the board of directors.</p> <p>12.2.6 product risk management The internal trading personnel should possess complete and correct professional knowledge of financial derivatives, and require the banks to fully reveal relevant risks so as to avoid losses from misemployment.</p> <p>12.2.7 Legal risk management: Any legal documents contracted with financial institutions shall first be reviewed by in-house and/or outside legal counsel before being executed to control legal risk.</p>	<p>Strengthen risk control in accordance with current business and future growth.</p>

After the revision	Before the revision	Note
<p>12.3.2 The internal audit personnel shall file, within the first two month in the following, the audit report together the audit condition to the <u>regulating authorities</u>. The report for corrections of any defects and irregularities shall be filed in the ensuing three months.</p>	<p>12.3.2 The internal audit personnel shall file, within the first two month in the following, the audit report together the audit condition to <u>Securities & Futures Institute (SFI)</u>. The report for corrections of any defects and irregularities shall be filed in the ensuing three months.</p>	<p>Wording modification</p>
<p>12.4 Regular evaluation 12.4.1 The Board shall appoint senior management to conduct evaluation and supervision on derivative trading to ensure the transaction procedure are duly followed and the borne risks are within the tolerable level. If there were unusual performances identified in the evaluation (such as the position has reached <u>stop-loss level</u>), a report shall be made to the Board immediately and necessary corrective actions shall be taken.</p>	<p>12.4 Regular evaluation 12.4.1 The Board shall appoint senior management to conduct evaluation and supervision on derivative trading to ensure that the transaction procedures are duly followed and the borne risks are within the tolerable levels. If there were unusual performances identified in the evaluation (such as the position has reached stop-loss level), a report shall be made to the Board immediately and necessary corrective actions shall be taken.</p>	<p>Wording modification</p>

2018 Directors (including Independent Directors) Candidates List		
Name	Shares	Education/ Experiences/Current Position
Director Hwa-Tse Liang	700,155	Education : Master's degree of Electrical Engineering, Pennsylvania State University Bachelor's degree in Electronic Engineering, National Chiao Tung University. Experience: CEO, Greatlink USA Current Position : Director/ Supervisor/ General Manager of BizLink Group
Director Inru Kuo	2,881,629	Education : Master Degree of Actuarial Science, Georgia State University Bachelor's degree in Physics, National Kaohsiung Normal University Experience: VP, Greatlink USA Current Position : Director/ Supervisor/ General Manager of BizLink Group
Director Chien-Hua Teng	1,472,654	Education : MBA degree from San Francisco State University Bachelor's degree in Control Engineering, National Chiao Tung University Experience: Engineering Manager, Greatlink USA Current Position : Director/ Supervisor/ General Manager of BizLink Group
Director Yifen Investment Co., Ltd Representative of juristic person : Jui-Hsiung Yen	148,497	Education : Bachelor's degree in Department of Mechanical Engineering at National Cheng Kung University Experience: General Manager of Tongtai Machine & Tool Co., Ltd. Chairman of Precision Machinery Research & Development Center Vice Chairman of Taiwan Machine Tool & Accessory Builders' Association Current Position :

2018 Directors (including Independent Directors) Candidates List		
Name	Shares	Education/ Experiences/Current Position
		Director of Cyber Laser Taiwan Co., Ltd. Chairman of Tongtai Machine & Tool Co., Ltd. Chairman of Control Technology Co., Ltd. Chairman of Taiwan Machine Tool & Accessory Builders' Association Director of Taiwan Aerospace Industry Association
Chun-Yen Chang	0	Education: PhD and Master's degrees from the Institute of Electronics Engineering of National Chiao Tung University, Taiwan Bachelor's degree in Department of Electrical Engineering, National Chengkung University, Taiwan Experience: Independent director of United Microelectronics Corporation Professor and Dean of the School of Electrical Engineering and Computer Science, National Chiao Tung University, Taiwan President of the National Chiao Tung University, Taiwan Founder and research manager of National Nano Device Laboratories Senior researcher of Bell Labs Visiting professor at the University of Stuttgart, Germany Academician of Academia Sinica Academician of the National Academy of Engineering Current position: Lifetime Chair Professor of National Chiao Tung University Independent director of United Microelectronics Corporation
Ming-Chun Chen	5,121	Education: Master's degree from the School of Management Science, National Chiao Tung University, Taiwan Experience: Chairman of Aurotek Corporation General Manager of Elitegroup Computer Systems Chairman of Aurotek (Shanghai) Inc. Director of AcroRed Technologies Inc. Current position: Chairman of 3e Yamaichi Electronics Co., Ltd. Independent director of Promaster Technology Corp.

2018 Directors (including Independent Directors) Candidates List		
Name	Shares	Education/ Experiences/Current Position
		Supervisor of Aurotek (Shanghai) Inc.
Jr-Wen Huang	0	<p>Education: MS-Finance from the School of Financial Management, Saint Louis University (U.S.A)</p> <p>Experience: Research manager of Waterland Venture Capital Co., Ltd. Investment and Research Department of China Development Industrial Bank Co., Ltd Sparkle Power Inc. San Jose/Los Angles, USA</p> <p>Current position: Research manager of Waterland Venture Capital Co., Ltd. Director of FSP TECHNOLOGY INC. Supervisor of Touch Cloud Inc.</p>

**Details of Concurrent Positions Held by Director (Including Independent Director)
Candidates and Representatives of the Juristic Person**

Director (Including Independent Director) Candidates and Representatives of the Legal Entity	Concurrent Positions
Hwa-Tse Liang	Direct of BIZLINK TECHNOLOGY INC.、Direct of OPTIWORKS, INC.、Direct of ビズリンク株式会社、Direct/Manager of BIZLINK INT'L CORP.、Direct of BIZLINK TECHNOLOGY (IRELAND) LTD.、Direct of BIZLINK TECHNOLOGY (S.E.A.) SDN. BHD.、Direct of BIZLINK TECH, INC.、Direct of ACCELL CORPORATION、Direct of BIZCONN TECHNOLOGY INC.、Direct of BIZWIDE LIMITED、Legal Person/Executive Director of OPTIWORKS (SHANGHAI) CO., LTD.、Legal Person/ Executive Director of OPTIWORKS (KUNSHAN) CO., LTD.、Director of ASIA WICK LTD.
Inru Kuo	Director/ General Manager of BIZLINK TECHNOLOGY INC.、Direct of OPTIWORKS, INC.、Direct of ビズリンク株式会社、Direct of BIZLINK (BVI) CORP.、Chairman of BIZLINK INT'L CORP.、Direct of ZELLWOOD INTERNATIONAL CORPORATION、Direct of BIZLINK TECHNOLOGY (IRELAND) LTD.、Direct of BIZLINK TECH, INC.、Direct of ADEL ENTERPRISES CORPORATION、Direct of ACCELL CORPORATION、Direct of BIZCONN TECHNOLOGY INC.、Direct of BIZCONN TECHNOLOGY INC.、Direct of BIZWIDE LIMITED、Executive Director of HUA ZHAN ELECTRONICS (SHENZHEN) CO., LTD.、Direct of BIZCONN INTERNATIONAL CORPORATION、Legal Person/Executive Director of BIZLINK INT'L ELECTRONICS (SHENZHEN)CO., LTD.、Legal Person/Executive Director of BIZLINK (KUNSHAN) CO., LTD.、Legal Person/Executive Director of BIZLINK ELECTRONICS (XIAMEN) CO., LTD.、Legal Person/General Manager/Executive Director of XIANG YAO ELECTRONICS (SHENZHEN) CO., LTD.、Legal Person/Executive Director of BIZCONN INT'L CORP.、Executive Director of TONGYING ELECTRONICS (SHENZHEN) LTD.

Chien-Hua Teng	Direct of ビズリンク株式会社、 Direct of BIZLINK INT'L CORP.、 Direct of BIZCONN TECHNOLOGY INC.、 General Manager of BIZLINK (KUNSHAN) CO., LTD.、 Legal Person/Manager HUA ZHAN ELECTRONICS (SHENZHEN) CO., LTD.、 Director of ASIA WICK LTD.、 Director of JO YEH COMPANY LIMITED、 Director of NANHAI JO YEH ELECTRONIC CO., LTD.
Jui-Hsiung Yen	Cyber Laser Taiwan Co., Ltd. Director Tongtai Machine & Tool Co., Ltd. Chairman Control Technology Co., Ltd. Chairman
Chun-Yen Chang	GlobalWafers Co., Ltd. Independent director
Ming-Chun Chen	3e YAMAICHI Electronics Co., Ltd. Chairman Promaster Technology Corporation Independent director
Jr-Wen Huang	Waterland Venture Capital Co., Ltd. Research Manager FSP Technology Inc. Director