



BizLink Holding Inc.

2020 Annual Shareholders' Meeting Minutes

Time and Date: 9:00 A.M., June 19th (Fri.), 2020

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

Quorum: The shareholding of present and proxy shareholders was 82,356,845 shares, representing 63.10% of the 130,517,407 total issued shares.

Chairman: Director Chien-Hua Teng

Minutes Taker: Rachel Lin

Attendance of directors: Chairman Hwa-Tse Liang (Attended via video conferencing)

Director Inru Kuo (Attended via video conferencing)

Independent Director Ming-Chun Chen

Independent Director Jr-Wen Huang

Independent Director Chin-Teh Hsu

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 2019 Business Reports.

Explanation: The 2019 Business Report is attached as Attachment I.

No 2: Reviewing the audit committee's review report on the 2019 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 2019.



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

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

Explanation:

1. BizLink's Board approved on the Issuance raising of US\$ 100 million on through the issuance of the second and third Unsecured Overseas Convertible Bonds issuance on September 20, 2017 and on October 1, 2019, respectively, with par value of US\$250 and of US\$200 thousand, respectively, a coupon rate of 0%, and with a 5-year issuance period maturity as granted by the Financial Supervisory Commission on November 28, 2017 and on November 7, 2019, respectively.
2. The Company completed its second issuance of unsecured Euro-Convertible Bond on February 1, 2018, and raised a total amount of US\$100,000 thousand with a par value of US\$ 250 thousand, a zero-coupon rate, and with a five-year maturity. As of March 31, 2020, no shares had been converted from the issuance. The Company bought back US\$ 17,000 thousand of this issuance, and the remaining US\$ 83,000 thousand was redeemed for cash. The last conversion price of this issuance after adjusting for the dividend paid for 2018 earnings was NT\$ 299.4 per share.
3. The Company completed its third issuance of unsecured Euro-Convertible Bond on December 13, 2019. Please refer to Attachment IV for the issuing price and terms along with the proposed investment projects, an explanation how the capital will be utilized, and the projected effects after the completion of these projects as well as the capital drawdown and project progress. The initial conversion price of this issuance is NT\$245.77 per share. As of March 31, 2020, no shares had been converted from the issuance.

No. 5: Status report for the issuance of common shares for our GDR offering.

Explanation:

1. On October 1, 2019, the Board approved the issuance of new common shares and a global depository receipt (GDR) to raise capital with the FSC's permission received on July 11, 2019. The pricing was fixed on December 13, 2019. A total of 12,000 thousand GDR units were issued at a unit price of US\$ 6.7 for a total of US\$ 80,400 thousand.

2. Please refer to Attachment V for the GDR issuing terms with the proposed investment projects, an explanation of how the capital will be utilized, and the projected effects after the completion of these projects as well as the capital drawdown and project progress. As of March 31, 2020, the outstanding units left were 7,000.

No. 6: To report 2019 employees' profit-sharing bonus and directors' compensation.

Explanation:

1. The Board resolved on March 17, 2020 to distribute NT\$ 104,895 thousand as 2019 employee compensation (US\$3,498,832, approximately 4.28% of pre-tax income after distribution to employees and directors) and NT\$ 8,994 thousand (US\$ 300,000, approximately 0.37% of pre-tax income after distribution to employees and directors).
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.

No. 7: Status report on the necessity and reasonableness for the aggregate amount of endorsements/guarantees for the Company and the subsidiaries reaching 100% of net worth.

Explanation:

1. It is important for the Company and our long-established subsidiaries to provide loan guarantees and obtain the best financing terms and lines of credit to our business units that need funds to ensure the Group's long-term competitiveness. There is definite need to increase lines of credit to enhance and sustain the Group's continued growth.
3. The Group's endorsement and guarantee, provisions set by financing institutions, are mainly given by the Company and other subsidiaries to the business units when taking out loans. The purpose of the financing is to expand business and operation scale to contribute to growths of Group's profitability and shareholders' value.

No. 8: Status report on the necessity and reasonableness for the aggregate amount of endorsements/guarantees for the Company and the subsidiaries reaching 100% of net worth.

Explanation:

1. The Board is authorized, according to Articles of Incorporation #34.10, to propose and make resolution on cash distribution for share dividend and bonus and to make such reporting to the shareholders' meeting.
2. We proposed a cash distribution of NT\$ 1,174,656,663 for common shareholders based on the number of outstanding shares as of December 31, 2019 for a cash dividend per share of NT\$ 9.0 (US\$ 0.3002). No stock dividend was proposed. The Board has approved these proposals, and will determine the record, payment dates, and related details for the cash distribution. If the total number of outstanding shares differs from those as of December 31, 2019 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 dividend payout ratio, which was based on the original number of outstanding shares. The final ratio might be adjusted later by the Board if there are any effects to this ratio brought on by changes to the number of outstanding shares.

IV. Proposals

(Proposed by the Board of Directors)

No. 1: Adoption of 2019 Financial Statements. Please proceed for approval.

Explanation:

1. Our 2019 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 Chiang Hsun Chen of Deloitte & Touche in Taiwan and the audited financial report is completed herein for review.
2. 2019 Financial Statements have been approved by the board members and reviewed by the audit committee.
3. Please see Attachment VI for the above statements.

Resolution: Approved as proposed by the Board of Directors through voting. Voting rights for approval totaled 77,903,374 representing 94.59% of the total present shares, voting rights for rejection numbered 6,077 and voting rights for abstention numbered 4,447,394. Total votes numbered 82,356,845.

(Proposed by the Board of Directors)

No. 2: Adoption of the proposal for distribution of 2019 profits. Please proceed for approval.

Explanation:



1. The proposal for the distribution of 2019 profits has been adopted in accordance with the Memorandum and Articles of Association Article #34.1 and #34.2.
2. Please see Attachment VII for 2019 Earnings Distribution.

Resolution: Approved and acknowledged as proposed by the Board of Directors through voting. Voting rights for approval totaled 78,169,355 representing 94.91% of the total present shares, voting rights for rejection numbered 9,077, and voting rights for abstention numbered 4,178,413. Total votes numbered 82,356,845.

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.”

Resolution: Approved and acknowledged as proposed by the Board of Directors through voting. Voting rights for approval totaled 78,164,286 representing 94.90% of the total present shares, voting rights for rejection numbered 8,128, and voting rights for abstention numbered 4,184,428. Total votes numbered 82,356,845.

(Proposed by the Board of Directors)

No. 2: Amendment to the “Procedures for Lending Funds to Other Parties”. Please proceed for approval.

Explanation: Due to the business needs of the Group, we propose to make amendment to the “Procedures for Lending Funds to Other Parties.”

Resolution: Approved and acknowledged as proposed by the Board of Directors through voting. Voting rights for approval totaled 78,160,189 representing 94.90% of the total present shares, voting rights for rejection numbered 12,228, and voting rights for abstention numbered 4,184,428. Total votes numbered 82,356,845.

(Proposed by the Board of Directors)

No. 3: Amendment to the “Procedures for Endorsement and Guarantees”. Please



proceed for approval.

Explanation: Due to the business needs of the Group, we propose to make amendment to the “Procedures for Endorsement and Guarantees.”

Resolution: Approved and acknowledged as proposed by the Board of Directors through voting. Voting rights for approval totaled 53,571,783 representing 65.04% of the total present shares, voting rights for rejection numbered 24,597,634, and voting rights for abstention numbered 4,187,428. Total votes numbered 82,356,845.

(Proposed by the Board of Directors)

No. 4: 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 # 1080023568, issued by the Taiwan Exchange on December 25, 2019 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 XI in the Chinese version of the Handbook for a comparison of the changes for both Chinese and English versions.

3. Please go to the Chinese version of the Handbook 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 78,161,304 representing 94.90% of the total present shares, voting rights for rejection numbered 8,128, and voting rights for abstention numbered 4,187,413. Total votes numbered 82,356,845.

VI. Motions: None

VII. Adjournment

There being no other business and special motion, upon a motion duly made and seconded, the meeting was adjourned at 9:25A.M.

Chairman: Chien-Hua Teng

Recorder: Rachel Lin

2019 Business Report

Dear Madam / Sir:

The Company hereby reports its operating results for 2019 and its 2020 business plan summary:

I. 2019 Business Highlights:

1. Operating Highlights

2019 was a fruitful year. Our sales from operations reached NT\$23,092,145 thousand, a 7.95% increase over 2018, with an income after tax of NT\$1,843,989 thousand and an EPS of NT\$15.54.

2. Financial Analysis

Item	2019	2018
Net cash inflow from operating activities (NT\$ thousand)	3,072,452	856,177
Net cash outflow from investment activities (NT\$ thousand)	(1,209,332)	(618,519)
Net cash inflow from financing activities (NT\$ thousand)	3,878,318	1,672,135
Returns on assets (%)	9.30	9.21
Returns on Equity (%)	17.24	16.81
Pre-tax income as a percentage of total paid-in capital (%)	178.91	156.75
Profit margin (%)	7.96	6.54
EARNINGS PER SHARE (one NTD)	15.54	11.86

2019 net cash inflow from operating activities rose by 259%, compared with 2018, due to a drop in account receivables and inventory levels. Net outflow from investment activities increased over 2019 due to additions in associated company investments and acquisitions of property, plant and equipment as well as right-of-use assets. 2019 net cash inflow from financing activities increased by 132%, compared with 2018, due to the issuance of an



overseas convertible bond and a global depository receipt in December 2019. All profitability ratios improved versus 2018 with pre-tax income rising 26% and with net income rising 32%.

3. Research & Development Progress

Total R&D expenditures for 2019 was NT\$576,147 thousand, a 27% increase from NT\$453,840 thousand in 2018. R&D expenditures accounted for 2.5% and 2.1%, respectively, of sales in 2019 and in 2018. The Company projects to invest 2.5 to 3.5% of its sales each year in R&D projects.

R&D projects will focus on select high-end applications in the product markets we serve. BizLink will continue developing high-speed cables for Cloud Storage to ride the 5G upgrade wave. EV supply equipment (EVSE), power supply accessories, and energy storage wire harnesses for high currents will remain as development focuses for the electrification of vehicles. BizLink has also tapped into advanced applications such as unmanned vehicle harnesses and long-distance wiring for virtual/augmented reality. More effort will be spent on developing Category II cables for medical equipment. BizLink will focus on customized solutions for semiconductor makers and new energy equipment as well as on harnesses for engineering vehicles for industrial equipment.

II. 2020 Business Plan:

1. Operational Highlights

- 1) Product development areas: the Company will further expand our harnessing solutions for copper and fiber optic cables, and high power cables used in Cloud servers. BizLink will also explore smart devices that incorporate acoustics, wireless modules, and system integration.
- 2) The Company will continue to expand its R&D force by adding material and chemical engineering teams as well as add production lines for new product introduction (NPI).
- 3) Increase production automation: BizLink will continue pushing towards the automation of harness assembly and of interconnect production as well as incorporate AI for quality inspection to ensure stable quality at higher production speeds.
- 4) Strategic alliance and investment: The Company will continue to utilize internal and external resources to address ever-evolving technological trends in our product markets



by developing new products and applications to expand the customer and market base, and by offering one-stop shop production services.

- 5) **Global Environment, Safety & Health (ES&H) System:** We have included “sustainability” into our corporate operations policy since 2018. In the past three years, BizLink has achieved considerable progress in moving towards corporate sustainability. As a result, the Company has received the “Asia’s Most Outstanding Company Poll 2019 in Taiwan for Auto” award from Asiamoney Magazine, and was named as one of “America’s Most Responsible Companies 2020” by Newsweek Magazine. In the coming new year, BizLink will take one giant step forward, and establish the Global Sustainability Center to develop, promote, and implement a unified set of environmental, safety, and health standards for all 16 regions we operate in to fulfill the goal of “zero accidents”.

2. Product and Sales & Marketing Highlights

- 1) **Enhancing product visibility:** We will push our products to a wider customer set, including contract manufacturers, top brick & mortar retailers, distributors, and e-commerce platforms.
- 2) **Boosting team performance:** A comprehensive tracking system will be launched for effective operations monitoring, which will be regularly reviewed for each business unit, to ensure that operational goals are followed across all levels of the Company.
- 3) **New application development:** BizLink will focus on high-margin interconnect solutions such as for home appliances, semiconductor capital equipment, automotive electronics, next-generation EV battery management, electric off-road vehicles, heavy-duty motorcycles, industrial equipment, medical-use Balun cables, agricultural equipment, next-generation energy storage, smart devices with Bluetooth, high-current USB modules, and aerospace.
- 4) **Global production network:** We are closely working with our customers to grow together in the long term by boosting the capabilities in our key production regions in China, Malaysia, Mexico, and in Serbia. We have also set a lofty 2020 target to manage and to align the production quality across our manufacturing sites.

III. Long-term Growth Strategy:

1. Strategic Directions

- 1) **Grow through resource integration:** BizLink will closely work with existing customers



to enhance product value, acquire new customers, and develop new products and applications. Our sights are set globally, and we will work as a global team across our businesses and locations to strive for sustainable long-term growth.

2) Complete regional expansion plans: We are pre-emptively preparing to offer production options to diversify supply-chain risk by boosting the capabilities of our facilities in China, Malaysia, Mexico and in Serbia.

3) Enhance production automation and quality management: Continue towards optimizing production to become the partner of choice for global tier-1 customers.

4) Cultivate a global team: Build up a strong workforce with shared business goals and vision to tackle challenges together on the way to becoming a global enterprise.

5) Reinforce corporate governance: Emphasize the importance of operational transparency and shareholder interests by entrusting a sound and effective board of directors and committees to continuously improve corporate governance.

2. The Effect of External Competition, Regulatory Changes, and the Overall Business Environment on Our Business

BizLink's business scope covers a wide range of industries, including IT, electronic appliances, auto, industrial and medical equipment, aerospace, new energy, semiconductor capital equipment, and optical fiber communication. We focus on commercial and industrial applications as well as on auto, and we design and produce interconnect solutions for global tier-1 customers.

Our strategy against competition is to continuously invest in our regional production sites to offer customers options to diversify their supply-chain risk, and to become their top, long-term partner. We are boosting the production capabilities for our four key regions to service global customers locally. Our dedicated teams work around the clock to develop new products according to our customers' plans. BizLink is not only able to keep long-standing win-win relationships with our customers, but is also planning out longer-term strategies for production and product roadmaps.

COVID-19 delayed normal resumption of work post the Chinese New Year holidays at our production sites in China. We have worked closely with our suppliers, our logistics providers, and our customers to minimize the impacts to our production and deliveries to customers. We are committed long-term partners to our customers. We are a global team of professionals that strives to drive long-term sales and profit growth for the company. We will continue to warmly embrace innovation, especially for servers, car applications, electric vehicles,



semiconductor capital equipment, and for the medical industry on our journey towards sustainable growth.

BizLink has built deep and long-lasting relationships with both the domestic and international investment communities since our IPO. We sincerely thank the support from investors and sell-side analysts in our receiving the honor of winning the “Greater China – Best in Sector: Technology” and the “Best in Region: Taiwan” awards from IR Magazine in 2019. We will continue to work towards providing greater value to our customers as well as to our investors. Looking ahead, we remain cautiously optimistic, and will maintain our steady long-term growth trajectory despite near-term challenges to our business.

BIZLINK HOLDING INC.

Chairman Hwa-Tse Liang

Chief Executive Officer Chien-Hua Teng

Chief Financial Officer Yu-Fang Wang

Audit Committee Report

The Board of Directors of Bizlink Holding Inc. has submitted the Company's 2019 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, Jr-Wen Huang

Independent Director, Chin-Teh Hsu

March 17, 2020

**Endorsement and Guarantee Provided
2019/12/31**

Bank	Name of Endorsement/ Guarantee Provider	Name (Guaranteed Party)	Ending Balance
HSBC	BIZLINK HOLDING INC.	BIZLINK (BVI) CORP.	US\$23,500,000
CTBC	BIZLINK HOLDING INC.	BIZLINK (BVI) CORP.	US\$27,000,000
E. SUN	BIZLINK HOLDING INC.	BIZLINK (BVI) CORP.	US\$9,000,000
E. SUN	BIZLINK HOLDING INC.	BIZLINK INTERNATIONAL CORP.	NT\$30,000,000
CATHAY UNITED	BIZLINK HOLDING INC.	BIZLINK (BVI) CORP.	US\$15,000,000
Assurance service	BIZLINK HOLDING INC.	BIZLINK (BVI) CORP.	US\$1,510,000
Assurance service	BIZLINK HOLDING INC.	BIZLINK (BVI) CORP.	US\$2,000,000
CTBC - USA	BIZLINK HOLDING INC.	BIZLINK TECHNOLOGY INC. , BIZLINK TECH, INC.	US\$4,000,000
Assurance service	BIZLINK HOLDING INC.	BIZLINK TECHNOLOGY (SLOVAKIA) S.R.O.	US\$4,000,000
HSBC	BIZLINK HOLDING INC.	BIZLINK TECHNOLOGY (S.E.A.) SDN. BHD.	MYR 1,000,000



HSBC	BIZLINK HOLDING INC.	BIZLINK TECHNOLOGY (XIAMEN) LTD. 、BIZLINK TECHNOLOGY (CHANGZHOU) LTD. 、BIZLINK (KUNSHAN) CO., LTD. 、XIANG YAO ELECTRONICS (SHENZHEN) CO., LTD.	CNY 178,000,000
CITI	BIZLINK HOLDING INC.	BIZLINK (BVI) CORP. 、BIZLINK INTERNATIONAL	US\$10,000,000
CITI	BIZLINK HOLDING INC.	BIZLINK TECHNOLOGY (CHANGZHOU) LTD.	US\$10,000,000
CITI	BIZLINK HOLDING INC.	BIZLINK TECHNOLOGY (SLOVAKIA) S.R.O.	US\$10,000,000
FUBON	BIZLINK HOLDING INC.	BIZLINK (BVI) CORP. 、BIZLINK INTERNATIONAL	US\$25,000,000
Assurance service	BIZLINK TECHNOLOGY INC.	BIZLINK TECH, INC.	US\$2,315,832
Assurance service	BIZLINK TECHNOLOGY INC.	BIZLINK TECHNOLOGY INC.	US\$2,500,000
CITI	BIZLINK INTERNATIONAL CORP.	BIZLINK (BVI) CORP.	US\$10,000,000
CITI	BIZLINK INTERNATIONAL CORP.	BIZLINK TECHNOLOGY (CHANGZHOU) LTD.	US\$10,000,000
CITI	BIZLINK INTERNATIONAL CORP.	BIZLINK TECHNOLOGY (SLOVAKIA) S.R.O.	US\$10,000,000
FUBON	BIZLINK INTERNATIONAL CORP.	BIZLINK (BVI) CORP.	US\$25,000,000
CITI	BIZLINK (BVI) CORP.	BIZLINK INTERNATIONAL CORP.	US\$10,000,000



CITI	BIZLINK (BVI) CORP.	BIZLINK TECHNOLOGY (CHANGZHOU) LTD.	US\$10,000,000
CITI	BIZLINK (BVI) CORP.	BIZLINK TECHNOLOGY (SLOVAKIA) S.R.O.	US\$10,000,000
FUBON	BIZLINK (BVI) CORP.	BIZLINK INTERNATIONAL CORP.	US\$23,000,000
Assurance service	BIZLINK (BVI) COPR.	BIZLINK TECHNOLOGY (SERBIA) D.O.O.	EUR 3,500,000
Assurance service	BIZLINK (BVI) COPR.	BIZLINK TECHNOLOGY (SERBIA) D.O.O.	EUR 613,440
Assurance service	BIZLINK (BVI) COPR.	BIZLINK TECHNOLOGY (SERBIA) D.O.O.	EUR 245,508
Total			US\$253,825,832
			NT\$30,000,000
			MYR 1,000,000
			CNY 178,000,000
			EUR 4,358,948



Financing Provided

2018/12/31

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.	USD 80,000,000	USD 39,000,000	0%	Drawing in process
BIZLINK (BVI) COPR.	BIZLINK HOLDING INC.	USD 35,000,000	USD 0	-	Un-drawn balance
BIZLINK (BVI) COPR.	BIZLINK INTERNATIONAL CORP.	USD 10,000,000	USD 4,950,000	0%	Drawing in process
BIZLINK TECHNOLOGY INC.	OPTIWORKS, INC.	USD 5,000,000	USD 0	3.25%	Debt Repayment
OPTIWORKS (SHANGHAI) CO., LTD.	OPTIWORKS (KUNSHAN) CO., LTD.	CNY 15,000,000	CNY 15,000,000	4.35%	Drawing in process
BIZLINK ELECTRONICS (XIAMEN) CO., LTD.	TERALUX TECHNOLOGY (KUNSHAN) CO LTD.	CNY 15,500,000	CNY 15,500,000	4.35%	Drawing in process
BIZLINK TECHNOLOGY (BELGIUM) NV	BIZLINK TECHNOLOGY (SLOVAKIA) S.R.O.	EUR 5,000,000	EUR 1,000,000	0.678%	Drawing in process
BIZLINK TECHNOLOGY (BELGIUM) NV	BIZLINK TECHNOLOGY (SERBIA) D.O.O.	EUR 2,000,000	EUR 2,000,000	0.598%	Drawing in process
BIZLINK TECHNOLOGY (BELGIUM) NV	BIZLINK TECHNOLOGY (SERBIA) D.O.O.	EUR 2,000,000	EUR 1,250,000	0.598%	Drawing in process
Total		USD 130,000,000	USD 43,950,000		
		CNY 30,500,000	CNY 30,500,000		
		EUR 9,000,000	EUR 4,250,000		

Publication and Issuance Status of the 3rd 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\$ 200,000.
Issue price:	100% of the face value.
Date Of Issuance:	December 13, 2019.
Date Of Maturity:	5 years, from December 13, 2019 to December 13, 2024.
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 December 13, 2024, for 106.43% of the bonds' original face value.
Conversion Price:	The conversion price of the bonds is NT\$ 245.77 per share. (Conversion rate applied was US\$: NT\$ = 1:30.482).
Funding Plans:	Support for repayment of the 3 rd Overseas Convertible Bond
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 9.47 %. 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
			2019
			Q1
Repayment of loans	First quarter of 2020	3,100,000	3,100,000
Projected benefits generated		Repayment of loans: adjust the long term and short-term debt structure and enhance repayment ability. Total projected interest saving per year is NT\$ 80,560 thousand.	

3. Financing Plans and Execution Status

Unit: NT\$ Thousand

Plan(s)	Status of Implementation		As of March 31, 2019	Reasons for Any Deviations from the Planned Schedule and Improvement Action
	Amount drawn	Projection		
Repayment of loans	Amount drawn	Projection	3,100,000	Completed drawn as planned.
		Actual	3,100,000	
	Implementation (%)	Projection	100.00	
		Actual	100.00	

Status on the Issuance of GDR offering

1. Issuance Conditions and Relevant Information

Total Amounts of Issuance:	US\$ 80,400 thousand
Unit price:	US\$ 6.7 per unit.
Total Amounts Offering	GDR 12,000,000 units 12,000,000 Common shares
GDR Source	12,000,000 shares of cash injection
GDR Amount	1 common share per unit
Date Of Issuance:	December 13, 2019.
Funding Plans:	Support for overseas purchases and repayment of the 2 nd Overseas Convertible Bond
Impact on Shareholders' Equity:	The issuance of new common shares and a global depository receipt (GDR) 12,000,000 shares to raise capital, would result in a dilution ratio of original shareholders' equity of around 9.19%. Impact would be limited.
Issuance and Transaction Location:	On the date of issuance, the bonds were listed for trading on the Luxembourg Exchange.

2. Projects, Progress and Expected Benefits

Unit: NT\$ Thousand

Projects	Estimated Planned Completion Date	Total Capital Required	Expansion Plans			
			2020			
			Q1	Q2	Q3	Q4
Repayment of borrowings	First quarter of 2020	78,120	78,120	—	—	—
Overseas purchases	Forth quarter of 2020	3,071,883	767,963	767,963	767,963	767,994
Total		3,150,003	846,083	767,963	767,963	767,994
Projected benefits generated	Repayment of loans: adjust the long term and short-term debt structure and enhance repayment ability. Total projected interest saving per year is NT\$ 2,170 thousand.					

3. Financing Plans and Execution Status

Unit: NT\$ Thousand

Plan(s)	Status of Implementation	As of March 31, 2020	Reasons for Any Deviations from the Planned Schedule and Improvement Action	
Repayment of borrowings	Amount drawn	Projection	78,120	Completed drawn as planned.
		Actual	78,120	
	Implementation (%)	Projection	100.00	
		Actual	100.00	
Overseas purchases	Amount drawn	Projection	767,963	Completed drawn ahead of schedule thanks to the increased purchase expense from shipment demand.
		Actual	1,876,616	
	Implementation (%)	Projection	25.00	
		Actual	61.09	
Total	Amount drawn	Projection	846,083	—
		Actual	1,954,736	
	Implementation (%)	Projection	26.86	
		Actual	62.06	

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, 2019 and 2018, 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 accompanying consolidated financial statements accurately present, in all material respects, the Company's consolidated financial position, its consolidated financial performance, and its consolidated cash flows as of December 31, 2019 and of 2018 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standard (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of 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 2019. 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 2019 are stated as follows:

Occurrence and Authenticity of Revenue from Major Customers

A sizeable portion of the Company's consolidated operating revenue comes from a small number of customers. There was a significant revenue increase from 2018 to

2019. The top 20 revenue-contributing customers whose sales increased by over 20% accounted for 44% of consolidated operating revenue. Therefore, we identified this group of top 20 revenue-contributing customers whose sales rose by more than 20% as a key audit matter.

In response, we performed the following audit procedures:

1. We understood the sales transaction internal controls over the above mentioned customers and assessed the effectiveness of the design and implementation thereof.
2. We examined the Company's background checks performed on the above mentioned customers and evaluated whether the transaction amounts and customer credit limits granted were reasonably compatible with the respective customers' sizes.
3. We performed substantive testing on the transactions with the above mentioned customers by inspecting third-party shipping documents, the customers' receipts of delivery and hub warehouse pull report in order to verify the occurrence of the transactions.
4. We have reviewed if there was significant sales return and allowance after December 31, 2019 from the above mentioned customers in order to verify the authenticity of consolidated operating revenue.

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

During 2017, BizLink acquired Leoni AG Electrical Appliance Assemblies business group ("BizLink Home Appliances Division"). As of the acquisition date, BizLink has obtained property, plant and equipment, intangible assets and goodwill in a total amount of NT\$1,229,022 thousand, as disclosed in Note 32 of the consolidated financial statements. As of December 31, 2019, the book values of property, plant and equipment, intangible assets and goodwill of BizLink Home Appliances Divisions were NT\$541,960 thousand, NT\$191,292 thousand and NT\$373,867 thousand, respectively.

The assumptions made in the forecasts for BizLink Home Appliance Division's future cash flows might be subjective and contain a high degree of uncertainty. This may significantly impact the aforementioned amount of recoverable assets and goodwill, which could then impact their estimated year-end impairment amounts. Therefore, we identified this impairment assessment of the tangible and intangible assets and goodwill from the Company's BizLink Home Appliance Division acquisition as a key audit matter.

Regarding the accounting policies for the impairment of tangible and intangible assets and goodwill, refer to Notes 4 (k) and 4 (m) of the consolidated financial statements. As for the related accounting estimations and uncertainty of assumptions, refer to Note 5 of the consolidated financial statements.

In response, we performed the following audit procedures:

1. We acquired evaluation reports issued by the Company to assess the process and basis of management's forecasted sales growth rate and profit margins for the future operating cash flows and whether they considered the current operating conditions, historical trends, industry-specific situation, etc., and were updated in due course.
2. We appointed a valuation specialist from our firm to assist in evaluating whether the weighted average cost of capital used by management, including the risk-free

interest rates, volatility and risk premiums, is comparable with those of BizLink Home Appliance Division's present and industry-specific situation, and we re-performed and verified the calculation.

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 where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2018 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 24, 2020

Notice to Readers

The accompanying consolidated financial statements are intended only to present the Company's consolidated financial position, financial performance, and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those from other jurisdictions. The standards, procedures, and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the translated English version and the original Chinese version or any difference in the interpretation between the two versions, the Chinese independent auditors' report and consolidated financial statements version shall prevail.

BIZLINK HOLDING INC. AND SUBSIDIARIES
Consolidated Balance Sheets
Years Ended December 31, 2019 & 2018

Unit: NT\$ Thousand

Code	Asset	2019/12/31		2018/12/31	
		Amount	%	Amount	%
Current assets					
1100	Cash and cash equivalents	\$ 9,020,132	38	\$ 3,560,272	20
1110	Current financial assets at fair value through profit or loss	14,382	-	4,675	-
1135	Current derivative financial assets for hedging	4,055	-	-	-
1150	Notes receivable – un-related parties	34,151	-	69,267	-
1170	Accounts receivable – un-related parties	4,836,085	20	5,069,223	29
1200	Other receivables	114,355	1	104,967	1
1220	Current tax assets	67,646	-	17,720	-
130X	Inventories	4,077,127	17	4,457,156	25
1410	Prepayments	220,202	1	178,345	1
1476	Other current financial assets	10,976	-	21,128	-
1479	Other current assets	2,686	-	1,944	-
11XX	Total current assets	<u>18,401,797</u>	<u>77</u>	<u>13,484,697</u>	<u>76</u>
Non-current assets					
1517	Financial assets at fair value through other comprehensive income - non-current	468,220	2	382,626	2
1550	Investments accounted for using equity method	97,316	-	12,584	-
1600	Property, plant and equipment	2,505,708	10	2,221,686	13
1755	Right-of-use asset	1,028,822	4	-	-
1760	Investment property	198,845	1	205,387	1
1805	Goodwill	373,867	2	393,855	2
1821	Other intangible assets	337,376	1	528,113	3
1840	Deferred tax assets	176,291	1	156,067	1
1980	Other non-current financial assets	177,274	1	183,252	1
1985	Long-term prepaid rents	-	-	36,728	-
1990	Other non-current assets	247,592	1	131,107	1
15XX	Total non-current assets	<u>5,611,311</u>	<u>23</u>	<u>4,251,405</u>	<u>24</u>
1XXX	Total assets	<u>\$ 24,013,108</u>	<u>100</u>	<u>\$ 17,736,102</u>	<u>100</u>
Liabilities and Equity					
Current liabilities					
2100	Short-term borrowings	\$ 64,500	-	\$ 64,500	-
2120	Current financial liabilities at fair value through profit or loss	8,394	-	6,450	-
2125	Derivative financial liability for hedging - current	-	-	3,473	-
2130	Contract liability – current	20,202	-	-	-
2150	Notes payable	308,767	1	133,522	1
2170	Accounts payable	3,371,163	14	3,831,669	22
2280	Current lease liabilities	253,578	1	-	-
2200	Other payables	1,243,287	5	1,096,270	6
2230	Current tax liabilities	71,638	1	161,464	1
2320	Long-term borrowings, current portion	2,391,131	10	37,713	-
2399	Other current liabilities	2,646	-	2,292	-
21XX	Total current liabilities	<u>7,735,306</u>	<u>32</u>	<u>5,359,860</u>	<u>30</u>
Non-current liabilities					
2580	Non-current lease liabilities	606,049	3	-	-
2530	Corporate bonds payable	2,824,912	12	2,891,598	16
2540	Long-term borrowings	451,012	2	341,348	2
2570	Deferred tax liabilities	106,907	-	56,887	1
2640	Accrued pension liabilities	10,336	-	4,341	-
2670	Other non-current liabilities	22,160	-	21,317	-
25XX	Total non-current liabilities	<u>4,021,376</u>	<u>17</u>	<u>3,315,491</u>	<u>19</u>
2XXX	Total liabilities	<u>11,756,682</u>	<u>49</u>	<u>8,675,351</u>	<u>49</u>
Equity attributable to owners of parent					
3110	Share capital	1,305,174	5	1,185,174	7
3200	Capital surplus	7,320,086	31	4,893,638	28
Retained earnings					
3310	Legal reserve	627,070	2	487,839	3
3320	Special reserve	646,210	3	604,558	3
3350	Unappropriated retained earnings	3,276,915	14	2,506,543	14
3300	Total retained earnings	4,550,195	19	3,598,940	20
3400	Other equity	(967,925)	(4)	(671,797)	(4)
31XX	Total equity attributable to owners of the BizLink	<u>12,207,530</u>	<u>51</u>	<u>9,005,955</u>	<u>51</u>
36XX	Non-controlling interests	48,896	-	54,796	-
3XXX	Total equity	<u>12,256,426</u>	<u>51</u>	<u>9,060,751</u>	<u>51</u>
Total Liabilities and equity					
		<u>\$ 24,013,108</u>	<u>100</u>	<u>\$ 17,736,102</u>	<u>100</u>



BIZLINK HOLDING INC. AND SUBSIDIARIES
Consolidated Income Statement
Periods Ended Jan. 1 to December 31, 2019 & 2018

Unit: NT\$ thousand, excepting earnings per share

Code		2019		2018	
		Amount	%	Amount	%
	Operating revenue				
4100	Net sales revenue	\$ 23,092,145	100	\$ 21,392,398	100
	Operating expenses				
5110	Selling expenses	<u>17,466,558</u>	<u>76</u>	<u>16,802,531</u>	<u>78</u>
5900	Gross profit (loss)	<u>5,625,587</u>	<u>24</u>	<u>4,589,867</u>	<u>22</u>
	Operating expenses				
6100	Selling expenses	1,010,221	4	883,145	4
6200	Administrative expenses	1,632,404	7	1,469,819	7
6300	Research and development expenses	576,147	3	453,840	2
6450	Expected credit loss reversed	(<u>3,210</u>)	<u>-</u>	(<u>5,765</u>)	<u>-</u>
6000	Total operating expenses	<u>3,215,562</u>	<u>14</u>	<u>2,801,039</u>	<u>13</u>
6900	Net operating income	<u>2,410,025</u>	<u>10</u>	<u>1,788,828</u>	<u>9</u>
	Non-operating income and expenses				
7010	Other income	134,244	1	124,782	-
7020	Other gains and losses	(93,382)	-	(640)	-
7050	Finance costs	(103,037)	(1)	(51,999)	-
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method	(<u>\$ 12,822</u>)	<u>-</u>	(<u>\$ 3,257</u>)	<u>-</u>
7000	Total non-operating income and expenses	<u>74,997</u>	<u>-</u>	<u>68,886</u>	<u>-</u>
7900	Profit (loss) from continuing operations before tax	2,335,028	10	1,857,714	9
7950	Tax expense	<u>497,388</u>	<u>2</u>	<u>458,125</u>	<u>2</u>
8200	Profit (loss) from continuing operations	<u>1,837,640</u>	<u>8</u>	<u>1,399,589</u>	<u>7</u>
	Other comprehensive income				

BizLink

	Items that will not be reclassified subsequently to profit or loss:				
8311	Actuarial gain and loss arising from defined benefit plans	(2,571)	-	164	-
8316	Unrealized gain on investments in equity instruments	78,598	-	87,182	-
8317	Gain on hedging instruments subject to basis adjustments	7,705	-	(3,429)	-
8341	Exchange differences on translation to the presentation currency	541,840	(2)	244,619	1
8349	Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>(1,631)</u>	<u>-</u>	<u>824</u>	<u>-</u>
8310		<u>(459,739)</u>	<u>(2)</u>	<u>329,360</u>	<u>1</u>
	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating foreign operations	<u>\$ 134,117</u>	<u>1</u>	<u>(\$ 310,089)</u>	<u>1</u>
8300	Other comprehensive income, net	<u>(325,622)</u>	<u>(1)</u>	<u>19,271</u>	<u>-</u>
8500	Total comprehensive income	<u>\$ 1,512,018</u>	<u>7</u>	<u>\$ 1,418,860</u>	<u>7</u>
	Net profit attributable to:				
8610	Owners of BizLink	\$ 1,843,989	8	\$ 1,392,311	7
8620	Non-controlling interests	<u>6,349</u>	<u>-</u>	<u>7,278</u>	<u>-</u>
8600		<u>\$ 1,837,640</u>	<u>8</u>	<u>\$ 1,399,589</u>	<u>7</u>
	Total comprehensive income attributable to :				
8710	Owners of BizLink	\$ 1,519,997	7	\$ 1,411,347	7
8720	Non-controlling interests	<u>(7,979)</u>	<u>-</u>	<u>7,513</u>	<u>-</u>
8700		<u>\$ 1,512,018</u>	<u>7</u>	<u>\$ 1,418,860</u>	<u>7</u>

BizLink

Earnings per share			
9750	Basic earnings per share	<u>\$ 15.54</u>	<u>\$ 11.86</u>
9850	Diluted earnings per share	<u>\$ 14.72</u>	<u>\$ 11.35</u>

BIZLINK HOLDING INC. AND SUBSIDIARIES
Statement of Stockholders' Equity
Periods Ended Jan. 1 to December 31, 2019 & 2018

Unit: NT\$ Thousand

		Equity Attributable to Owners of the BizLink					Other equity interest						
代 碼		Capital		Retained earnings			Exchange Differences on Translating Foreign Operations	Gain or Loss on Effective Cash Flow Hedging Instruments	Unrealized Gain (Loss) on Financial Assets	Others	Total Equity	Non-controlling interests	T o t a l E q u i t y
		Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings							
A1	2018/1/1 Equity Balance	\$ 1,155,664	\$ 4,130,734	\$ 371,593	\$ 304,631	\$ 2,350,261	(\$ 617,080)	\$ -	(\$ 44,333)	(\$ 92,420)	\$ 7,559,050	\$ -	\$ 7,559,050
	2017 earnings allocation and distribution :												
B1	Legal Reserve	-	-	116,246	-	(116,246)	-	-	-	-	-	-	-
B3	Special Reserve	-	-	-	299,927	(299,927)	-	-	-	-	-	-	-
B5	Cash dividend	-	-	-	-	(809,210)	-	-	-	-	(809,210)	-	(809,210)
M7	Change in percentage of ownership interests in subsidiaries	-	502	-	-	-	-	-	-	-	502	(502)	-
C1	Equity component of convertible bonds	-	169,777	-	-	-	-	-	-	-	169,777	-	169,777
E1	Issuance of common stock for cash	30,000	600,000	-	-	-	-	-	-	-	630,000	-	630,000
Q1	Disposal of investments in equity instruments	-	-	-	-	3,701	-	-	(3,701)	-	-	-	-
O1	Changes in non-controlling interests	-	-	-	-	(14,821)	-	-	-	-	(14,821)	47,785	32,964
N1	Stock-based payment arrangements	(490)	(7,375)	-	-	343	-	-	-	66,832	59,310	-	59,310
D1	2018 Net earnings	-	-	-	-	1,392,311	-	-	-	-	1,392,311	7,278	1,399,589
D3	2018 Net earnings and other comprehensive income/loss	-	-	-	-	131	(65,705)	(2,572)	87,182	-	19,036	235	19,271
D5	2018 Total comprehensive income/loss	-	-	-	-	1,392,442	(65,705)	(2,572)	87,182	-	1,411,347	7,513	1,418,860
Z1	2018/12/31 Equity balance	\$ 1,185,174	\$ 4,893,638	\$ 487,839	\$ 604,558	\$ 2,506,543	(\$ 682,785)	(\$ 2,572)	\$ 39,148	(\$ 25,588)	\$ 9,005,955	\$ 54,796	\$ 9,060,751
	2018 Earnings allocation and distribution :												
B1	Legal Reserve	-	-	139,231	-	(139,231)	-	-	-	-	-	-	-
B3	Special Reserve	-	-	-	41,652	(41,652)	-	-	-	-	-	-	-
B5	Cash dividend	-	-	-	-	(888,881)	-	-	-	-	(888,881)	-	(888,881)
M7	Change in percentage of ownership interests in subsidiaries	-	(502)	-	-	(1,577)	-	-	-	-	(2,079)	2,079	-
C1	Equity component of convertible bonds	-	140,307	-	-	-	-	-	-	-	140,307	-	140,307
C17	Repurchase of convertible bonds	-	(17,056)	-	-	-	-	-	-	-	(17,056)	-	(17,056)
E1	Issuance of common stock for cash	120,000	2,303,699	-	-	-	-	-	-	-	2,423,699	-	2,423,699
N1	Stock-based payment arrangements	-	-	-	-	-	-	-	-	25,588	25,588	-	25,588
D1	2018 Net earnings	-	-	-	-	1,843,989	-	-	-	-	1,843,989	(6,349)	1,837,640
D3	2018 Net earnings and other comprehensive income/loss	-	-	-	-	(2,276)	(406,093)	(5,779)	78,598	-	(323,992)	(1,630)	(325,622)
D5	2018 Total comprehensive income/loss	-	-	-	-	1,841,713	(406,093)	(5,779)	78,598	-	1,519,997	(7,979)	1,512,018
Z1	2018/12/31 Equity balance	\$ 1,305,174	\$ 7,320,086	\$ 627,070	\$ 646,210	\$ 3,276,915	(\$ 1,088,878)	(\$ 3,207)	\$ 117,746	(\$ -)	\$ 12,207,530	\$ 48,896	\$ 12,256,426



BIZLINK HOLDING INC. AND SUBSIDIARIES
Statements of Cash Flows
Years Ended December 31, 2019 & 2018

Unit: NT\$ thousand

代 碼	2019	2018
	Cash flows from (used in) operating activities	
A10000	\$ 2,335,028	\$ 1,857,714
A20010	Adjustments to reconcile profit (loss)	
A20100	657,532	334,078
A20200	116,578	100,536
A20300	(3,210)	(5,765)
A29900	-	1,108
A20400	(7,549)	65,725
A20900	103,037	51,999
A21200	(48,224)	(39,755)
A21900	25,588	59,310
A22300	12,822	3,257
A22500	8,755	9,253
A22800	236	152
A23500	-	3,351
A23700	178,512	96,988
A24100	10,527	(33,269)
A24200	20,364	
A30000	Changes in operating assets and liabilities	
A31115	43,309	50,157
A31130	34,497	112,928
A31150	101,255	(568,960)
A31180	(12,270)	41,579
A31200	210,468	(1,169,775)
A31230	(48,891)	51,408
A31240	(814)	\$ 247
A32110	(55,625)	(104,871)
A32125	(1,821)	(36,738)
A32130	183,981	(57,432)
A32150	(379,421)	463,887

BizLink

A32180	Other payable	186,506	19,063
A32210	Deferred revenue	884	(7,369)
A32240	Accrued pension liabilities	3,559	111
A32230	Other current liabilities	420	(13)
A32990	Other operating liabilities	<u>66</u>	<u>1,626</u>
A33000	Cash inflow generated from operations	3,676,054	1,300,530
A33100	Interest received	48,224	39,755
A33300	Interest paid	(56,043)	(13,802)
A33500	Income taxes paid	(<u>607,732</u>)	(<u>470,306</u>)
AAAA	Net cash flows from operating activities	<u>3,060,503</u>	<u>856,177</u>

Cash flows from (used in) investing activities

B00100	Acquisition of financial asset or financial liability carrying at fair value through profit or loss	(17,500)	(51,490)
B00020	Proceeds from sale of financial assets	-	3,701
B01800	Acquisition of long-term equity investment using the equity method	(100,201)	-
B02200	Acquisition of subsidiaries (cash deducted)	(7,783)	(104,199)
B05350	Acquisition of right-of-use asset	(174,446)	-
B02700	Acquisition of property, plant and equipment	(710,585)	(439,789)
B02800	Proceeds from disposal of property, plant and equipment	29,848	39,017
B04500	Acquisition of intangible assets	(45,036)	(71,834)
B03700	Increase in refundable deposits	(25,035)	(6,416)
B03800	Decrease in refundable deposits	2,246	3,889
B06500	Increase in other financial assets	(923)	(9,873)
B06600	Decrease in other financial assets	12,090	\$ 77,211
B07100	Increase in prepayments for business facilities	(<u>172,007</u>)	(<u>58,736</u>)
BBBB	Net cash used in financing activities	(<u>1,209,332</u>)	(<u>618,519</u>)

Cash flows from (used in) financing activities

C01200	Issuing convertible bonds	3,031,000	2,919,500
C09900	Paying costs of debt issuance	(26,558)	(27,221)
C01300	Repurchase of convertible bonds	(526,412)	
C04600	Proceeds from issuance of common stock for cash	2,423,699	630,000
C00200	Decrease in short-term loans	-	(852,359)
C01600	Proceeds from long-term debt	92,173	-
C01700	Repayments of long-term debt	-	(187,193)
C03000	Increase in guarantee deposits received	447	-
C03100	Decrease in guarantee deposits received	-	(1,382)

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C04020	Repayment of lease liabilities capital	(<u>227,674</u>)	
C04500	Cash dividends paid	(<u>888,881</u>)	(<u>809,210</u>)
CCCC	Net cash used in financing activities	<u>3,877,794</u>	<u>1,672,135</u>
DDDD	Effect of exchange rate changes on cash and cash equivalents	(<u>269,105</u>)	(<u>33,939</u>)
EEEE	Net decrease in cash and cash equivalents	5,459,860	1,875,854
E00100	Cash and cash equivalents at beginning of period	<u>3,560,272</u>	<u>1,684,418</u>
E00200	Cash and cash equivalents at end of period	<u>\$ 9,020,132</u>	<u>\$ 3,560,272</u>

BIZLINK HOLDING INC. 2019 Earnings Distribution	
Item	Amount (NT\$)
Beginning unappropriated earnings	1,436,777,869
Retrospective application of new accounting policies without restating prior financials	-
Adjustment of undistributed surplus at the beginning of the period	1,436,777,869
Adjustment of retained earnings due to investment in equity method	(1,577,090)
Remeasurements of defined benefit plans in retained earnings	(2,275,684)
Unappropriated earnings after adjustment	1,432,925,095
Plus: net income	1,843,989,253
Accumulative unappropriated earnings	3,276,914,348
Reserve Items	
Less: legal reserve (10%)	184,398,925
Less: Special reserves	321,716,902
Distributable net profit	2,770,798,521
Distribution	
Cash dividend – NT\$7.5 per share	1,174,656,663
Ending unappropriated earnings	1,596,141,858
<p>1. The earning appropriation is based on the total 130,517,407 outstanding shares as of 12/31/2019 and includes a cash dividend of NT\$ 9.0 (or US\$ 0.3002) 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 Yu-Fang Wang

The numbers of shares held by the directors as recorded in the shareholders' registry as of the book closure date for the current general shareholders' meeting.

Date: April 23, 2019

Title	Name	Elected date	Term of service	Current holdings	
				Shares	%
Director	Hwa-Tse Liang	2018/06/21	3years	770,155	0.59%
Director	Inru, Kuo	2018/06/21	3years	2,404,629	1.84%
Director	Chien-Hua Teng	2018/06/21	3years	1,412,654	1.08%
Independent Director	Yifen Investment Co., Ltd Representative of Juristic Person : Jui-Hsiung Yen	2018/06/21	3years	148,497	0.11%
Independent Director	Ming-Chun Chen	2018/06/21	3years	5,121	0.00%
Independent Director	Jr-Wen Huang	2018/06/21	3years	0	0.00%
Independent Director	Chin-Teh Hsu	2019/06/12	2years	0	0.00%
Total numbers of shares held by all directors (excluding independent directors)				4,741,056	3.62%

- I. As of the book closure date for the current general shareholders' meeting, April 14, 2020, the Company had a total paid in capital of NT\$ 1,305,174,070 with 130,517,407 shares issued.
- II. In accordance with Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the minimum number of shares held by all directors of the Company shall be 8,000,000 shares.
- III. The shares held by all directors plus shares under trust with discretion reserved are 13,761,672 shares and in compliance with legal percentage.