

## 2014 Annual Report

BizLink Holding Inc.



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

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CPA: Mr. Cheng Quan Yu and Mr. Angus, Chang Address: 12F., No.156, Sec. 3, Minsheng E. Rd., Songshan Dist., Taipei City 105, Taiwan  
CPA firm: Deloitte & Touche  
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V. The name of any exchanges where the company's securities are traded offshore, and the way to access information on said offshore securities:  
n.a.

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

VII. Board members:

Title	Name	Selected experience
Chairman	Hwa Tse, Liang	Please refer to page 9~11 in this chapter
Director	Inru, Kuo	
Director	Chien Hua, Teng	
Director	Huong Chang, Chen	
Independent director	Jr Wen, Huang (Nationality R.O.C.)	
Independent director	Ming Chun, Chen (Nationality R.O.C.)	
Independent director	Chun Yen, Chang (Nationality R.O.C.)	

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# One Message to Shareholders

Dear Madam / Sir:

The Company hereby reports its operation results for 2014 and a summary of the 2015 business objectives:

## I. Operation results for 2014

The Company's operating revenue and net income continued to rise in 2014. Total consolidated revenue for the year was US\$ 246.94 million, a growth of 3.1% from the unaudited figures of 2013. Net profit rose from 2013's US\$18,986,000 to US\$20,362,000 in 2014. A 7.25% (US\$18,986,000) year over year growth.

## II. Looking Back at 2014

2014 was a dynamic year for Bizlink. In response to a disrupted global business environment the Company showcased a nimble infrastructure by promptly shifting strategies. Previously, the major markets of the Company's global business environment, U.S., Europe, China and Japan, were predicted to recover. However, the rebound was marked by shaky and unstable footsteps. Despite the reduced commodity prices, weakening currencies (except the U.S. dollar), Chinas' climbing labor costs, U.S. port strikes on the west coast, and solar power prospect disruption, the Company delivered a 3.1% sales growth and 28% gross margin in 2014. In an effort to adapt to the ever-changing market landscape, the Company has formed various task forces to increase market position, expand its' high-value-added product portfolio and improve production technologies. The adjustments have resulted in a strategic plan intended to fulfill local needs; entailing extended global manufacturing capacities through additional production facilities in the U.S. region, specifically, Texas and California. In a parallel effort, the Company upgraded Chinese plants with automated production procedures for the IT products, as well as improved automotive harness line workshop by redesigning layouts, fine-tuning fixtures, and implementing advanced product traceability system.

A significant amount of growth was driven by automobile harness sales in 2014. Accounting for 31% of annual revenue, up from 26% in 2013. This increase is attributed to the Company's timely action in regards to the accelerated sales of sports vehicles; propelled by the vigorous global auto market. This year the Company increased R&D for harnesses of various new vehicle models; resulting in product line expansion and mass production of harnesses for luxury motorcycles and superbikes.

The trend of sustainable global policy has driven increasing sales of low-carbon and energy-saving electric vehicles. As such, the Company has successfully mass produced AC power charging solutions such as the charging coupler and charging station wire harnesses, as well as critical Battery Management System components. Future growth in the electric vehicle segment will be driven by a combination of increases in market share, due to new customer acquisition, and market basket, due to additional business from existing electric vehicle customers.

Signal conversion devices are the core products under the IT product segment. After establishment of in-house EMI verification capability in 2013, the Company immediately launched a series of Docking Station products. The Company also upgraded its' high-frequency technology, and mass produced docking stations that not only integrate multiple signals in a smaller format but also enable 2K4K split screen mode. These innovative products were well

received by industry leading IT players and recognized at the renown Consumer Electronics Show. With this success, the line is predicted to become the leading sales contributor for 2015.

On the contrary, annual shipments of cloud, solar energy and game console cables declined. Fortunately, market decreases were offset by growths in signal conversion devices and automobile harnesses. To encourage segment recovery, the Company will continue R&D efforts regarding solutions for new applications in 2015.

### **III. 2015 Highlights**

2015 Focus and Business Directions:

#### **1. Participation in the Establishment of Industry Standards**

Due to the long-lasting revolution of connector components and sophisticated division of the signal transmission system, component manufacturers are leading the industry; through integration and production of solutions for complex and high-end products. In order to better control the product trends and strengthen competitiveness, the Company will participate in the establishment of industry standards. In support of customer's innovative efforts, new product development will be driven by offering core technologies and expertise for high frequency and IC applications.

#### **2. Deepen Position in the Electric Vehicle Market**

As a segment of new-energy vehicle technology, anti-carbon and anti-pollution product development continues to grow; a side effect of increasing global climate concerns. To address rapid electric vehicle technology changes, the Company collaborates with customers. These intensified partnership efforts have led to increased development of energy saving solutions; specifically charging facility components, power saving technology, and related peripheral products. The recent success of electric vehicles has been driven by technological developments regarding energy-savings, sufficient electrical power and horse power, which will derive even more varieties of transportation vehicles for personal, commercial and construction transportation systems. The Company will continue to pursue industry leadership through end-to-end services and utilization of rich and long-term experience in the industry to develop new electric vehicle applications.

#### **3. Rise of Car Electronics**

In-Vehicle Infotainment System and Driver Assistance Systems are expected to have the highest growth rate. Dictated by the "Internet of Things," new high-frequency signal applications will form as a result of next generation in-vehicle information systems continued smart phone and cloud system integration. Decreasing driving risks has become a top priority for this market, developments in the evolving driver assistance system will precede the advent of autonomous vehicles. Needs of developed countries are key market drivers, and continue to generate global interest in the concept. Safety driven product development will also spawn a new market for external ambient sensors and camera signal wire harnesses.

#### **4. USB Type C: Development of new generation IT inter-face**

Investments in technology of the new-generation transmission inter-face are expected to yield significant results in 2015. The Company predicts that its' technological competency will surpass many competitors capabilities after mass

production begins. Integration of high transmission speed and power charging features in smaller format devices requires enhanced technology suited for higher manufacturing standards and testing barriers. The Company maintains a distinct advantage as one of the first interconnect suppliers of these products. This new technology will drive demand for market upgrades of existing IT goods. Leading to the end of sliding margins brought about by maturing products, while increasing the Company's market position as it taps into the application fields featured in the "Internet of Things."

## **5. Local technology development and product manufacturing**

Revenues in the North America grew significantly due to U.S. leadership in technological innovation; recovery in North America was relatively stronger than others. Moreover, China's weakening manufacturing advantages, accelerating technology cycles, and rise in 3D printing have encouraged the U.S return of high-tech manufacturing. To meet the demands of relocated IT supply chain customers, the Company has started the process of evaluating possible local production line facilities. Local manufacturing will lead to increased customer service, decreased shipping costs, and decreased lead times. The 2014 expansion of our U.S. manufacturing facility marks the first step in this process.

## **IV. 2015 Outlook**

BizLink believes that global advancements in electric vehicles, car electronics, and IT applications are the key market drivers for 2015. Therefore, the Company will continue to grow while maintaining a leading position in electric vehicle solutions, car electronics, high-end multiple-display video transmission solutions, smaller format connecting ports engineered for thin devices, and healthcare applications.

Bizlink will continue to sail across this new blue ocean of applications with long-lasting product innovations. Growth will also be driven by a combination of customer-oriented strategy, expansions in the sustainable energy market, daily-life applications and living infrastructure. The Company will continue to pioneer innovative technologies and strategies to surpass the high expectations of our employees, stockholders, investors and stakeholders.

BIZLINK HOLDING INC.

Chairman Hwa Tse Liang

Chief Executive Officer Chien Hua Teng

Chief Financial Officer Shiou Lin Chen

## Two Company Overview

### I. Establishment Date and Organization Overview

BizLink Holding Inc. was founded on June 1, 2000, in the Cayman Islands. The subsidiaries include BizLink Technology Inc., OptiWorks Inc. in US, BizLink International Corp. in Taiwan, OptiWorks (Shanghai) Co., Ltd., BizLink (Kunshan) Co., Ltd., Xiang Yao Electronics (Shenzhen) Co., Ltd., and BizLink Electronics (Xiamen) Co., Ltd., BizLink Technology (Ireland) Ltd., and subsidiaries in British Virgin Islands, including BizLink (BVI) Corp. and ADEL Enterprises Corporation. All the above subsidiaries are 100% holding.

Business scope of the group, including computer peripheral components, cables and harnesses for consumer electronics, vehicles, and medical equipment, optical communication devices, photovoltaic component products and the development, production and sales of industrial harness, connectors, cable assembly and optical communication products.

### II. Group Overview

Year	Milestones
1996	BizLink was established in Taiwan, registered under the Chinese name “貿聯國際有限公司”
1997	Bizlink Technology was established in the US as its global headquarters, serving customers including Dell, Intel, Gateway, etc.
1998	-BizLink Xiamen was established and received certification for ISO9002 quality management systems. -BizLink Ireland was established in Dublin, serving European customers such as Siemens. -Acquired Excel Products Inc. and obtained customers such as Compaq, Philips, etc. in response to NAFTA.
1999	-BizLink Shenzhen received certification for QS9000 quality management systems and entered the vehicle wiring harness market. -Malaysian office formed, serving Southeast Asian customers such as Flextronics.
2000	-BizLink Holding Inc. was established (hereinafter referred to as “the Company”, and “the Group” with its subsidiaries) and registered in the Cayman Islands. -Manufacturing computer connectors, Bizconn Technology was established as the first step of the Group’s vertical integration plan. -OptiWorks US started business operations, followed by OptiWorks Shanghai, and manufactured its first opto-isolator.
2001	-Bizconn products obtained UL and CSA certification. -Manufacturing industrial rubber, K-Link’s new plant was established in Shenzhen as part of the Group’s vertical integration plan. -New Malaysian plant started operation to expand local services.
2002	-Finalized vertical integration by acquiring Tongying Electronics Co., Ltd. and obtaining wire harness technology. -By establishing Hua Zhan Electronics (Shenzhen) Co., Ltd., BizLink entered China’s medical device market.
2003	-Shenzhen plant received SONY GP certification.

Year	Milestones
	<ul style="list-style-type: none"> <li>-Xiamen plant relocated to Asiaworld in Xinglin town.</li> <li>-Established BizLink (Kunshan) Co., Ltd. to serve customers in the East China region.</li> <li>-OptiWorks (Shanghai) received international certification for TL9000, and was recognized by the Science and Technology Commission of Shanghai Municipality as a high technology enterprise.</li> </ul>
2004	<ul style="list-style-type: none"> <li>-The cadmium testing capacity of lead in the chemical laboratory of the Shenzhen plant received Microsoft certification.</li> <li>-Xiamen plant passed OHSAS18001 certification.</li> <li>-Bizconn started to supply Microsoft XBOX connectors.</li> <li>-The variable fiber optical attenuators manufactured by OptiWorks Shanghai received China patent No. 651375.</li> </ul>
2005	<ul style="list-style-type: none"> <li>-Shenzhen plant received ISO/IEC17025 certification for National Laboratory Accreditation Standards.</li> <li>-Light switch manufactured by OptiWorks Shanghai received China patent No. 719673 and 719836.</li> <li>-BizLink Japan was established, serving Japanese customers such as Sony and NEC.</li> <li>-BizLink group imported Tiptop and ERP systems.</li> </ul>
2006	<ul style="list-style-type: none"> <li>-Tongying plant received ISO14001:2004 certification for environmental management systems.</li> <li>-Bizconn obtained patent certification (China, US) for resilient cards that are used in wire connectors.</li> </ul>
2007	<ul style="list-style-type: none"> <li>-Shenzhen plant set up a business unit of motor vehicle wiring harnesses. Tongying plant received QC080000 certification for Hazardous Substance Process Management.</li> <li>-Established Xiang Yao Electronics (Shenzhen) Co., Ltd..</li> <li>-Bizlink's eLearning system received a grant from Industrial Development and Promotion of e-Learning Project that launched by Industrial Development Bureau, Ministry of Economic Affairs, and obtained Class A certification for service quality.</li> </ul>
2008	<ul style="list-style-type: none"> <li>-By obtaining ISO13485 certification, the Shenzhen plant was able to penetrate deeper into the international medical device market.</li> <li>-By successful development of BFR/PVC Free products, the Xiamen plant marked a leading position in environmental products.</li> <li>-Bizconn obtained 8 patents (US &amp; China) for solar energy products.</li> <li>-The successful development of a solar junction device opened up the door of the solar device market for BizLink.</li> <li>-By establishing an India office, Bizconn aimed to enter the local solar energy and medical device market.</li> </ul>
2009	<ul style="list-style-type: none"> <li>-K-Link plant developed halogen-free materials.</li> <li>The optical components developed by OptiWorks Shanghai obtained 7 China patents.</li> <li>-Bizconn was recognized as a China High Technology Enterprise.</li> <li>-BizLink purchased new group headquarters in the US.</li> <li>-Partial product line of OptiWorks Shanghai was transferred to the Kunshan plant's clean room.</li> <li>-Three independent directors were elected in the extraordinary shareholder meeting dated November 12.</li> </ul>
2010	<ul style="list-style-type: none"> <li>-Set up an audit committee.</li> </ul>

Year	Milestones
	<ul style="list-style-type: none"> <li>-In the forefront of the development of integrated modules and subsystems by OptiWorks Shanghai, the product line was extended to the mid and downstream of optical communications.</li> <li>-With direction heading toward fine, high pressure &amp; high temperature, and high fire proof, the Tongying plant has successfully developed a Teflon line.</li> <li>-The Kunshan plant set up a product line of wire harnesses and connectors, and an All-In-One plan is progressing well.</li> <li>-BizLink India was relocated to Hyderabad India.</li> <li>-BizLink Int'l Electronics (Shenzhen) Co., Ltd. imported a Green House Gas GHG system and obtained temperature &amp; humidity test standards.</li> </ul>
2011	<p>Approved by the Financial Supervisory Commission, Executive Yuan, on January 17 to issue shares under an Initial Public Offering in the Republic of China. Listed on the stock exchange dated April 21.</p> <p>Formed a Remuneration Committee.</p> <p>Converted an ERP system, imported SAP, and enhanced integration into the global system.</p>
2012	<ul style="list-style-type: none"> <li>-By obtaining AS9100 certification, the Malaysian plant entered the product line of the aviation industry.</li> <li>-Imported defibrillator cables and anesthesia monitor cables.</li> <li>-Developed a high-frequency audio signal adapter and thin mobile device adapter.</li> <li>-Developed server cables.</li> <li>-BizLink US signed a contract for the purchase of land for a new plant project in New Mexico in September.</li> <li>-Sunbolts is the BizLink's solar energy brand. It was recognized by PHOTON International (September) as the best brand for the second consecutive year.</li> </ul>
2013	<p>F-BizLink (3665-TW) was elected to the MSCI global mid-small cap indices.</p> <p>Obtained certification for a US regulation electric vehicle charging coupler.</p> <p>Collaborated with the National Taiwan University of Science and Technology to develop a solar energy smart junction box.</p> <p>Obtained certification for a solar energy connector (1500V).</p> <p>Supplied cable and wire harnesses for petroleum/gas exploration equipment.</p> <p>Supplied cable and wire harnesses for sport yacht engines.</p> <p>Set up a simulation device for Fremont Electro-Magnetic Interference (EMI).</p> <p>Enabled the Kunshan EMI laboratory.</p> <p>Set up a high-frequency team for the Taipei R&amp;D center.</p>
2014	<ul style="list-style-type: none"> <li>-Complete 4K2K docking station product line development.</li> <li>- At the 2015 Consumer Electronics Show, the UltraAV Mini DisplayPort 1.2 to 2 DisplayPort Multi-Display MST Hub received the innovation award in the computer accessories category.</li> <li>-Establishing a new wire extrusion plant in El Paso, U.S.A.</li> <li>-Phasing in manufacturing execution system (MES) for product traceability.</li> <li>-Expanded capacity of plants in Kunshan, Malaysia, and Mexico.</li> </ul>

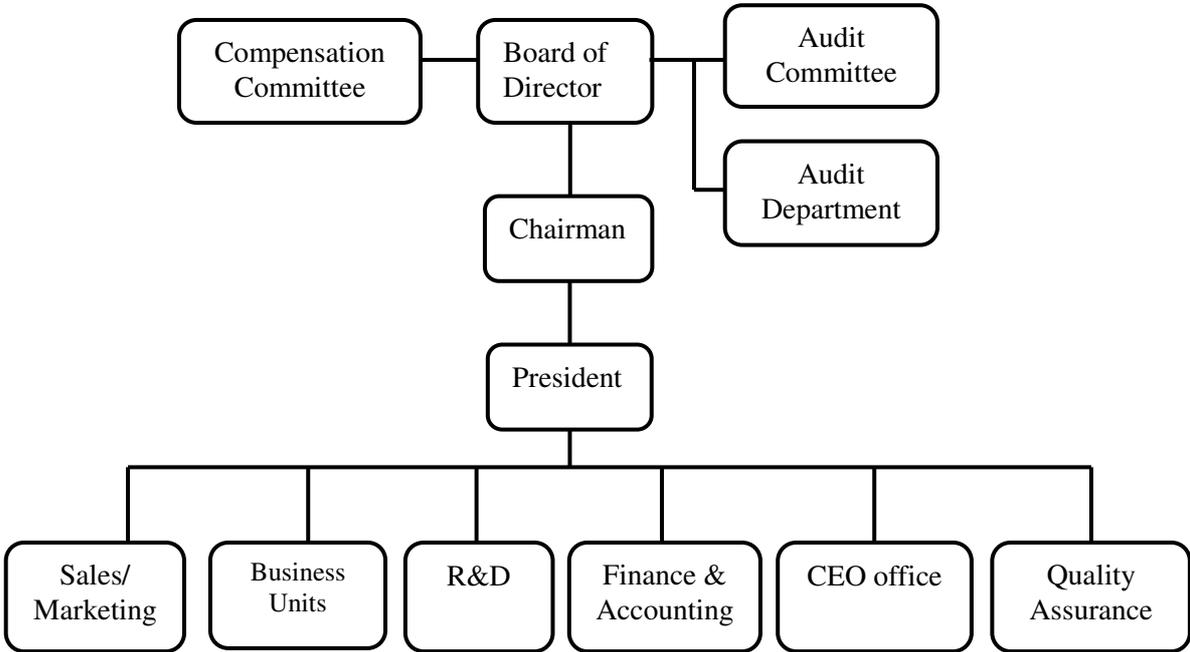
**III. Group Structure:** Please see p.103 of the Company's annual report.

**IV. Risk Management:** Please see p.95~101 of the Company's annual report.

**Three Corporate Governance**

**I. Organizational System**

(I) Organizational Structure



(II) Business operations of the respective departments

Department Name	Responsibility
Chairman	Stipulated policy directives and objective guidelines for the Company’s operations and assigned managers to execute business operations.
President	Implemented the resolution of the “board of directors” and company’s general administration.
Sales/Marketing	Responsible for sales, customer service, and marketing. Responsible for the analysis of industry trends, collection of market information, and survey of competitor information.
Business Units	Responsible for product engineering, procurement, and production so as to meet the Company’s annual production plan and objectives.
R&D	The R&D center is responsible for product development; the Engineering center is responsible for product testing, verification, maintenance, and quality control.
Finance & Accounting	Responsible for treasury management and accounting reporting management.
CEO office	Functions including information, management of human resources, selection of suppliers, and quotations.
Quality Assurance	Quality assurance and customer complaint service.
Audit Department	Responsible for internal auditing.

## II. Biographies of director, supervisor, president and vice president

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

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

04.26.2015

Title	Nationality	Name	Elected date	Term of service	Date of first term	Shares held on election day		Number of shares held		Shares held by spouse and minor children		Shares held under name of another		Selected experience	Services concurrently with other companies	Directors/supervisors, senior executives, who are spouse or 2 <sup>nd</sup> degree of kinship		
						Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Title	Name	Relation
Chairman	U.S.A.	Hwa Tse, Liang	2012/06/12	3 years	2000/6/1	8,524,762	12.80%	7,303,042	8.39%	9,893,208	11.36%	132,101	0.15%	MSEE, Penn State U., NCTU Electronics Engineering CEO, Greatlink USA	BIZLINK TECHNOLOGY INC. Director OPTIWORKS, INC. Director ビズリンク株式会社 Director BIZLINK INT'L CORP. Director/Manager BIZLINK TECHNOLOGY (IRELAND) LTD. Director ORIENTAL ROSE CORPORATION Director BIZLINK TECHNOLOGY (S.E.A.) SDN. BHD. Director BIZLINK TECH, INC. Director ACCELL CORPORATION Director BIZCONN TECHNOLOGY INC. Director BIZWIDE LIMITED Director OPTIWORKS(SHANGHAI) CO., LTD. Legal Person/Executive Director OPTIWORKS (KUNSHAN) CO., LTD. Legal Person/Executive Director OPTIWORK HOLDING INC. Director BIZLINK (KUNSHAN) CO., LTD. Director ASIA WICK LTD. Director	Director	Inru, Kuo	Spouse
Director	U.S.A.	Inru, Kuo	2012/06/12	3years	2000/6/1	7,967,591	11.96%	9,835,962	11.30%	7,360,288	8.45%	0	0	MS Actuarial Georgia State Department of Physics National Kaohsiung Normal University VP. Greatlink USA	BIZLINK TECHNOLOGY INC. Director /General Manager OPTIWORKS, INC. Director ビズリンク株式会社 Director BIZLINK (BVI) CORP. Director BIZLINK INT'L CORP. Chairman ZELLWOOD INTERNATIONAL CORPORATION Director BIZLINK TECHNOLOGY (IRELAND) LTD. Director ORIENTAL ROSE CORPORATION Director BIZLINK TECH, INC. Director ADEL ENTERPRISES CORPORATION Director ACCELL CORPORATION Director BIZCONN TECHNOLOGY INC. Director OPTIWORKS(SHANGHAI) CO., LTD. Supervisor OPTIWORKS(KUNSHAN) CO., LTD. Supervisor OPTIWORK HOLDING INC. Director HUA ZHAN ELECTRONICS (SHENZHEN) CO., LTD. Executive Director BIZCONN INTERNATIONAL CORPORATION Director BIZLINK INT'L ELECTRONICS (SHENZHEN) CO., LTD. Legal Person/Executive Director BIZLINK (KUNSHAN) CO., LTD. Legal Person/Executive Director K-LINK PLASTIC (SHENZHEN) CO., LTD. Legal Person/Executive Director BIZLINK ELECTRONICS (XIAMEN) CO., LTD. Legal Person/Executive Director XIANG YAO ELECTRONICS (SHENZHEN) CO., LET. Legal Person/General Manager/Executive Director BIZCONN INT'L CORP. Legal Person/Executive Director TONGYING ELECTRONICS (SHENZHEN) LTD. Executive Director	Director	Hwa Tse, Liang	Spouse

Title	Nationality	Name	Elected date	Term of service	Date of first term	Shares held on election day		Number of shares held		Shares held by spouse and minor children		Shares held under name of another		Selected experience	Services concurrently with other companies	Directors/supervisors, senior executives, who are spouse or 2 <sup>nd</sup> degree of kinship		
						Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Title	Name	Relation
Director	Republic of China	Chien Hua, Teng	2012/06/12	3years	2000/6/1	1,391,173	2.13%	1,424,000	1.64%	1,211,886	1.52%	0	0	MBA,San Francisco State U., Institute of Electrical and Control Engineering of NCTU Engineering Manager, Greatlink USA	ビズリンク株式会社 Director BIZLINK INT'L CORP. Director BIZCONN TECHNOLOGY INC. Director BIZLINK (KUNSHAN) CO., LTD. General Manager HUA ZHAN ELECTRONICS (SHENZHEN) CO., LTD. Legal Person/General Manager K-LINK PLASTIC (SHENZHEN) CO., LTD. General Manager BIZLINK ELECTRONICS (XIAMEN) CO., LTD. Supervisor ASIA WICK LTD. Director BIZCONN INT'L (SHENZHEN) CORP. Supervisor	-	-	-
Director	Republic of China	Huong Chang, Chen	2012/06/12	3years	2012/06/12	1,612,000	2.47%	2,173,347	2.50%	-	-	-	-	M.S.E.E from University of Massachusetts Instructor of Department of Electronics Engineering, Nan Kai University of Technology Senior electronics engineer in Universal Microelectronics Supervisor of Jenn Feng New Energy Co.,Ltd Supervisor of ACARD Technology Corp. Supervisor of AME, Inc.	-	-	-	
Independent director	Republic of China	Ming Chun, Chen	2012/06/12	3years	2009/11/12	232,054	0.35%	173,863	0.20%	0	0	0	0	Institute of Management Science of NCTU Aurotek Corporation General Manager Elitegroup Computer Systems Co., Ltd	YAMAICHI Electronics Chairman Promaster Technology Corporation Independent director Aurotek Corporation Supervisor	-	-	-
Independent director	Republic of China	Chun Yen, Chang	2012/06/12	3years	2010/10/29	0	0.00%	0	0.00%	0	0	0	0	Ph.D. in Electrical Engineering, NCTU B.S. in Electrical Engineering, NCTU Senior Researcher of Bell Labs, U.S.A. Dean of Electrical and Computer Engineering Dept. NCTU Visiting Professor in Stuttgart U. Germany Academician of Academia Sinica President of NCTU	National Chiao Tung University Lifetime Chair Professor United Microelectronics Corp. UMC Independent director	-	-	-

Title	Nationality	Name	Elected date	Term of service	Date of first term	Shares held on election day		Number of shares held		Shares held by spouse and minor children		Shares held under name of another		Selected experience	Services concurrently with other companies	Directors/supervisors, senior executives, who are spouse or 2 <sup>nd</sup> degree of kinship		
						Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Title	Name	Relation
Independent director	Republic of China	Jr Wen, Huang	2012/06/12	3years	2012/06/12	0	0.00%	0	0.00%	0	0	0	0	Institute of MS-Finance, Saint Louis University(USA) Investment Dept. Supervisor in Waterland Venture Capital Co., Ltd. Investment & Research Dept.in China Development Industrial Bank Sparkle Power Inc.San Jose/Los Angles , USA	Waterland Venture Capital Co., Ltd. Research Manager FSP TECHNOLOGY INC. Supervisor	-	-	-

Note 1.: In addition to 594,310 shares held by Hua Tse, Liang and 3,127,230 shares held by Inru, Kuo, the trust shares included Hwa Tse, Liang and Inru, Kuo Family Trust (8,561,683 shares) that was created on April 15,1999, and the Liang Family Irrevocable Trust (4,855,781 shares).

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

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

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

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

"V" denotes meeting the conditions specified above

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

Criterion 2: Not a director or supervisor of the Company's affiliated companies (unless the person is an independent director of the Company, the Company's parent company or any subsidiary in which the Company holds, directly or indirectly, more than 50 percent of the voting shares)

Criterion 3: Not a shareholder whose total holdings, including that of his/her spouse and minor children, or shares held under others' names reach or exceed 1 percent of the total outstanding shares of the Company or rank among the top 10 individual shareholders

Criterion 4: Not a spouse or relative within second degree by affinity, or within five degrees by consanguinity to any person specified in criteria 1 to 3 Criterion 5: Neither a director, supervisor, or employee of an entity that directly and/or indirectly holds more than 5% of the Company's shares, nor one of the Company's top five shareholders

Criterion 6: Not a director, supervisor, manager, or shareholder owning more than 5% of the outstanding shares of any company that has financial or business relations with the Company

Criterion 7: Not an owner, partner, director, supervisor, manager, or spouse of any of the aforementioned, of any sole proprietorship, partnership, company, or institution that provides commercial, legal, financial and accounting services or consultation to the Company or its affiliates. However, members of the Compensation Committee are not covered by this restriction per Article 7 of the Regulations Governing the Appointment and Exercise of Powers by the Compensation Committee of a Company Whose Stock is Listed on the Stock Exchange or Traded Over the Counter

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

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

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

(II) Biographies of president and vice president

Title	Nationality	Name	Date of assumption of duty	Shareholding held		Shareholding by spouse and minor children		Shares held under name of another		Selected experience	Services concurrently with other companies	Managers who are spouse or 2 <sup>nd</sup> degree of kinship		
				Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Title	Name	Relation
Chief Executive Officer	Republic of China	Chien Hua, Teng	2000/06/01	1,424,000	1.64%	1,201,144	1.38%	0	0	MBA, San Francisco State U., Institute of Electrical and Control Engineering of NCTU Engineering Manager, Greatlink USA	ビズリンク株式会社 Director BIZLINK INT'L CORP. Director BIZCONN TECHNOLOGY INC. Director BIZLINK (KUNSHAN) CO., LTD. General Manager HUA ZHAN ELECTRONICS (SHENZHEN) CO., LTD. Legal Person/General Manager K-LINK PLASTIC (SHENZHEN) CO., LTD. General Manager BIZLINK ELECTRONICS (XIAMEN) CO., LTD. Supervisor ASIA WICK LTD. Director BIZCONN INT'L (SHENZHEN) CORP. Supervisor	-	-	-
Vice President	Republic of China	Yiau Chung, Tsai	2009/03/16	34,666	0.04%	181	0.00%	0	0	EAST TEXAS STATE UNIVERSITY COMPUTER SCIENCE DEGREE GM & Senior VP, Elitegroup Computer System	-	-	-	
Group CFO	Republic of China	Shiou Lin, Chen	2012/02/01	23,717	0.03%	-	-	-	-	Institute of Accounting, NTU Vice CFO of Dimerco Express Corporation Associate Financial General Manager, China Synthetic Rubber Corp.	-	-	-	
Vice President	Republic of China	Chia Cheng, Lin	2010/08/01	0	0%	-	-	-	-	College of Management, NCHU Financial Manager of Necvox	-	-	-	

Title	Nationality	Name	Date of assumption of duty	Shareholding held		Shareholding by spouse and minor children		Shares held under name of another		Selected experience	Services concurrently with other companies	Managers who are spouse or 2 <sup>nd</sup> degree of kinship		
				Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %			Title	Name	Relation
General Manager of Subsidiaries	U.S.A.	Inru, Kuo	2000/06/01	9,835,962	11.30%	7,360,288	8.45%	-	-	MS Actuarial Georgia State Director/General Manager Department of Physics OPTIWORKS, INC. Director National Kaohsiung Normal ビズリンク株式会社 Director University BIZLINK (BVI) CORP. Director VP, Greatlink USA BizLink International Corp. Chairman ZELLWOOD INTERNATIONAL CORPORATION Director BIZLINK TECHNOLOGY (IRELAND) LTD. Director ORIENTAL ROSE CORPORATION Director BIZLINK TECH, INC. Director ADEL ENTERPRISES CORPORATION Director ACCELL CORPORATION Director BIZCONN TECHNOLOGY INC. Director OptiWorks (Shanghai) Co., Ltd. Supervisor OptiWorks (Kunshan) Co., Ltd. Supervisor OPTIWORK HOLDING INC. Director Hua Zhan Electronics (Shenzhen) Co., Ltd. Executive Director BIZCONN INTERNATIONAL CORPORATION Director BizLink International Electronics (Shenzhen) Co., Ltd. Legal Person / Executive Director BizLink (Kunshan) Co., Ltd. Legal Person/ Executive Director K-Link Plastic (Shenzhen) Co., Ltd. Legal Person / Executive Director BizLink Electronics (Xiamen) Co., Ltd. Legal Person / Executive Director Xiang Yao Electronics (Shen Zhen) Co., Ltd. Legal Person /General Manager/ Executive Director BizConn (Shenzhen) International Corp. Legal Person / Executive Director Tongying Electronics (Shen Zhen) Ltd. Executive Director	Financial Vice President of Subsidiaries	Chun Pin, Liang	Relatives within 2nd degree relationship	

Note 1: In addition to 594,310 shares held by Hua Tse, Liang and 3,127,230 shares held by Inru, Kuo, the trust shares included the Hwa Tse, Liang and Inru, Kuo Family Trust (8,561,683 shares) that was created on April 15,1999, and the Liang Family Irrevocable Trust (4,855,781 shares).

(III) Compensation to directors and management executives

1. Compensation to directors

Unit: NT\$ Thousands

Title	Name	Compensation to directors								Percent of A+B+C+D to Net Income		Relevant compensation received by directors who are also employees								Percent of A+B+C+D+E+F+G to Net Income		Compensation paid to directors from an invested company other than the company's subsidiary			
		Compensation (A)		Retirement Pension (B)		Compensation Paid on Earnings Distribution (C)		Expenses for Execution of Business(D)				Salaries, Bonus, and Special Expenditures (E)		Retirement Pension(F)		Employee Bonus in Earnings Distribution(G)		Employee Shares Options (H)					Employee restricted shares (I)		
		The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company	All companies in the financial statement				
Chairman	Hwa Tse, Liang	NT8,879	NT8,879	0	0	0	0	0	1.44%	1.44%	NT7,211	NT21,869	0	0	0	0	0	0	108,000	0	0	0	2.61%	4.98%	-
Director	Chien Hua, Teng																								
Director	Inru, Kuo																								
Director	Huong Chang, Chen																								
Independent director	Ming Chun, Chen																								
Independent director	Chun Yen, Chang																								
Independent director	Jr Wen, Huang																								

Note 1: 2014 Compensation still not paid to the directors was not resolved at shareholders' meeting.

### Range of Compensation

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

2. Compensation to Supervisors: None.

### 3. Compensation to Presidents and vice Presidents

Compensation to Presidents and vice Presidents (information provided in numerical range and disclosure of names) Unit: NT\$ Thousands

Title	Name	Salaries (A)		Retirement Pension (B)		Bonus and Special Expenditures..., etc (C)		Employee Bonus in Earnings Distribution (D)				Percent of A+B+C+D to Net Income		Employee share subscription warrants		Employee restricted shares		Compensation paid to directors from an invested company other than the company's subsidiary
		The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company		All companies in the financial statement		The Company	All companies in the financial statement	The Company	All companies in the financial statement	The Company	All companies in the financial statement	
								Cash dividend	Stock dividend	Cash dividend	Stock dividend							
Chairman	Hwa Tse, Liang	0	NT\$20,332	0	0	NT9,317	NT17,371	0	0	0	0	4.81%	6.11%	226,500	0	0	0	--
Chief Executive Officer	Chien Hua, Teng																	
General Manager of Subsidiaries	Inru, Kuo																	
Vice President	Yiau Chung, Tsai																	
CFO	Shiou Lin, Chen																	
Vice President	Chia Cheng, Lin																	

### Range of Compensation

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

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

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

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

Unit: In thousand NTD; %

Item	2013		2014	
	Amount	%	Amount	%
Directors	8,389	1.49	8,879	1.44
Presidents and vice Presidents	34,793	6.17	37,539	6.08
Consolidated net profit	563,569	100.00	616,934	100.00

Note 1: Shareholders' meeting has not resolved to pay 2014 compensation

2. Policy, standards and combinations, as well as the procedures for deciding compensation and the relations with operation performance and risks.
- (1) In accordance with clause 34.1 of the Company's Articles of Association, before a special reserve is appropriated subject to regulations of public listings and the competent authority, previous losses shall be offset against net profit and 10% of the remaining profit shall be appropriated as a legal reserve until the accumulated legal reserve is equivalent to the Company's capital; compensation to directors shall not exceed 0%~3% of the remaining profit.
- (2) Compensation to presidents and vice presidents is based on position, years of service, performance, and contribution; it has no effect on future risk.

### III. Corporate Governance Practices

(I) Board of Directors Operation:

1. 6 meetings were held by the Board of Directors in the current calendar year, with attendance of directors in Board Meetings as follows:

Title	Name	Frequency of actual attendance	Frequency of proxy-attendance	Actual attendance ratio	Note
Directors	Hwa Tse, Liang	6	0	100%	—
Directors	Chien Hua, Teng	6	0	100%	—
Directors	Inru, Kuo	6	0	100%	—
Directors	Huong Chang, Chen	6	0	100%	—
Independent director	Ming Chun, Chen	6	0	100%	—
Independent director	Chun Yen, Chang	1	5	16.67%	—
Independent director	Jr Wen, Huang	6	0	100%	—

2. Other Notes

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

(II) Audit Committee Operation:

1. 5 meetings were held by the Auditing Committee in the current calendar year, with attendance of independent directors as follows:

Title	Name	Frequency of actual attendance	Frequency of proxy-attendance	Actual attendance ratio	Note
Independent director	Ming Chun, Chen	5		100%	—
Independent director	Chun Yen, Chang	1	4	20%	—
Independent director	Jr Wen, Huang	5		100%	—

2. Other Notes

- (1) In matters specified in Article 14-5 of the Securities and Exchange Act, or approved by 2/3 of the Board of Directors but denied by Audit committee, meeting minutes shall record the date and session of the board meeting, the content of the resolution, and the response of the Company regarding the opinion of the Audit Committee: None.
- (2) So as to avoid any conflict of interest by independent directors, meeting minutes shall record the names of the independent directors, the content of the resolution, the reasons for avoidance of conflict of interest, and the result of voting: None.
- (3) Regular discussions on the audit report are conducted by the Company's internal auditor and audit committee, and the internal audit report is made at the meeting of audit committee on a quarterly basis. The independent auditors are also required to immediately communicate to the Audit Committee any material matters that they have discovered. During 2014, the Company's independent auditors did not report any irregularities. The communication channels between the Audit Committee and the Internal Audit manager functioned well. The Company's independent auditors have presented the findings of their quarterly review or audits on the Company's financial results and other matters required by laws and regulations to Audit Committee. The communication channels between the Audit Committee and independent auditors functioned well.

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

1. Implementation of Corporate Governance Practices:

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Implementation Status	
1. The Company's establishment and disclosure of a Corporate Governance in accordance with "Corporate Governance Best-Practice Principles for TSEC/GTSM Listed Company".	✓		The Company has established and disclosed principles for Corporate Governance practice in accordance with "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Company".	None
2. Shareholding structure and shareholder rights (1) The Company's establishment and implementation of internal operating procedures for matters relating to shareholder suggestion, question, conflict and litigation.  (2) The Company's possession of a list of major shareholders and a list of ultimate owners of these major shareholders.  (3) The Company's establishment and implementation of a risk management mechanism and firewalls between the Company and its affiliates.  (4) The Company's establishment of internal standards to prevent internal personnel trade based on non-public information.	✓		(1) The Company has designated a spokesperson, deputy spokesperson, exclusive personnel, and a phone line for investors along with an e-mail box to handle shareholder suggestions or complaints based on "Corporate Governance Practices".  (2) The Company is able to maintain a list of major shareholders and a list of the end parties in control of these major shareholders to make regular disclosure accordingly. Please see p.51 of the annual report for the list of major shareholders.  (3) The Company has established a risk management mechanism and firewalls based on internal guidelines on supervision of subsidiaries, providing endorsement and guarantee, financing to others, acquisition and disposition of asset, as well as, other related internal regulations. All business activities with affiliates will be handled as with third-parties to avoid irregular transactions.  (4) The Company has established "Procedures of Handling Significant Information & Insider Trading policy" to prevent insider trading.	None
3. Composition and responsibilities of the Board of Directors (1) The Board's establishment and implementation of a guideline for forming a board of diversification.  (2) The Company's establishment of committees other than remuneration and audit committees required by the law.	✓		(1) The Company has adopted various criteria to select ideal board members from the standpoint of overall board performance.  (2) The Company is planning on establishing "Board nomination and corporate governance committee" to review and evaluate the composition of the board, principles of corporate	None

Item	Operation			Deviations from “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Implementation Status	
<p>(3) The Company's establishment of evaluation procedures and methodology to assess Board performance annually.</p> <p>(4) The Company's regular evaluation of external auditors' independence.</p>			<p>governance, as well as provide assistance and suggestions to new board members.</p> <p>(3) The Company is in the process of reviewing the establishment of "Board performance evaluation procedures and methodology".</p> <p>(4) The Company makes regular evaluation of external auditors' independence according to Corporate Governance Practices on the guidance of "Integrity, Objectivity and Independence" under The Bulletin of Norm of Professional Ethics for Certified Public Accountant of the Republic of China No. 10.</p>	
4. The Company's establishment of communication channel with shareholders, a related dedicated website on its company site, and due response for issues regarding social responsibility.	✓		The Company has disclosed related information on its website to implement a sound shareholder communication channel. Information regarding the Company's financials, business and corporate governance status is available on the Market Observation Post System. The Company has designated dedicated personnel to handle the disclosure of information on Market Observation Post System and the Company's website. The Company has designated spokespersons and deputy spokespersons.	None
5. The Company's commission of professional stock affair services to handle matters regarding the shareholders' meeting.	✓		Gfourtnue Stock Agency has been commissioned	None
6. Disclosure of information (1) Establishment of a corporate website to disclose information regarding the Company's financials, business, and corporate governance status.  (2) Other information disclosure channels.	✓		<p>(1) Information regarding the financials, business, and corporate governance status is available on the Company's website, (<a href="http://www.bizlinktech.com">http://www.bizlinktech.com</a>). The Company has designated personnel to handle required disclosure on Market Observation Post System and the Company's website.</p> <p>(2) The Company has designated appropriate personnel to handle the collection and disclosure of information. As required by relevant laws and regulations, the company has assigned a spokesperson and deputy spokesperson. In addition, investor conferences are held on a regular and irregular basis and new press</p>	None

Item	Operation			Deviations from “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Implementation Status	
			containing operation results in Chinese and English are used to enhance the transparency of the Company.	
<p>7. Other important information for facilitating better understanding of the Company's corporate governance practices:</p> <p>(1) Continued Education for Directors and Supervisors</p> <p>(2) Prevention of Conflicts of Interest</p> <p>(3) Insurance for Directors</p> <p>(4) Risk Evaluation and Risk Management Implementation</p>	✓		<p>(1) Status of continued education for directors and supervisors: All board members are equipped with related professional knowledge. To further strengthen the functionality of the Board, the Company has provided information on professional courses. To deepen the understanding of related responsibilities and obligations, the board members have participated in trainings; sponsored by Securities &amp; Futures Institute as well as the Accounting Research and Development Foundation.</p> <p>(2) Status of the prevention of conflicts of interests' involving board directors: Under the articles of shareholders' right in the Company's Articles of Incorporation. The Company has established regulations to limit and avoid conflicts of interests involving board members</p> <p>(3) Status of the company purchased liability insurance for directors: The Company has purchased D&amp;O Insurance for its directors.</p> <p>(4) Implementation of risk management and risk evaluation: During the board meeting, the managerial personnel are required to present a report regarding financial status and the implementation of financial budget. Presenting director will provide feedback regarding professional information and potential risk associated to the Company's operation. The internal auditing department is required to gain board approval and facilitate the execution of an annual auditing plan based on the risks assessed. The Audit committee is required to review the internal audit report of risk control.. The Company's declaration of an internal control system is prepared based on a self-evaluation done by the relative departments.</p>	None

Item	Operation			Deviations from “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Implementation Status	
8. Other information regarding the "Corporate Social Responsibility Report" which are verified by certification authority shall be specified	✓		<p>Based on "Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies" the Company's corporate governance evaluation is conducted and generated internally. All the findings and comments from the supervising authorities are listed as priority matters for improvement. The dedicated taskforce for promoting corporate social responsibility will invite all departments to evaluate the remedial actions together.</p> <p>In 2014, the Company received an "A" rating in the 12th review of corporate information disclosure category from the Securities &amp; Futures Institute. For the same period, we participated the first review of corporate governance implementation in order to present our efforts and enhance the execution level through open comparison.</p>	None

## 2. Continuing education of the directors and independent directors

Title	Name	Date of assumption of duty	Date of the first assumption of duty	Training date		Organizer	Class name	Training hours	Has continuing education complied with laws and regulations? (Note)
				From	To				
Director	Huong Chang, Chen	2012/06/12	2012/06/12	2014/08/28	2014/08/28	TWSE/TPEX	Corporate Ethical Management and Social Responsibility Forums	3	Yes
Director	Chien Hua, Teng	2000/06/01	2000/06/01	2014/08/25	2014/08/25	TWSE/TPEX	Corporate Ethical Management and Social Responsibility Forums	3	Yes
				2013/11/28	2013/11/28	FSC	The 9th Taipei Corporate Governance Forum	3	
Independent director	Chun Yen, Chang	2010/10/29	2010/10/29	2014/09/02	2014/09/02	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulation	3	Yes
				2014/06/16	2014/06/16	Taiwan Corporate Governance Association	Strengthen Corporate Ethical Management and Social Responsibility	3	
				2013/12/18	2013/12/18	Taiwan Corporate Governance Association	Risks of decision making and responsibilities of directors	3	
				2012/08/21	2012/08/21	SFI	The Financial Statement Analysis After the adoption of IFRS	3	
Director	Hwa Tse, Liang	2000/06/01	2000/06/01	2014/08/25	2014/08/25	TWSE/TPEX	Corporate Ethical Management and Social Responsibility Forums	3	Yes
Independent director	Jr Wen, Huang	2012/06/12	2012/06/12	2014/06/19	2014/06/19	Taiwan Corporate Governance Association	International Financial Reporting Standards (IFRS) financial statement	3	Yes
				2013/09/23	2013/09/23	SFI	Corporate Ethical Management and Social Responsibility Forums	3	
				2013/08/08	2013/08/08	SFI	Discussion of business operations and related tax systems	3	
				2012/06/18	2012/06/18	SFI	Development of and opportunities for cross-strait mergers	3	
Directors	Inru, Kuo	2000/06/01	2000/06/01	2013/12/24	2013/12/24	SFI	Impact of and response to the recent amendment to the Company Act and Security and Exchange Act	3	Yes
Independent director	Ming Chun, Chen	2009/11/12	2009/11/12	2013/12/18	2013/12/18	SFI	Equity Transfer by Insiders of Listed Companies and Legal Compliance	3	Yes

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

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

### 1. Member of Compensation Committee

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

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

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

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

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

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

## 2. Compensation Committee meeting status

- (1) The Company has 3 members in the Compensation Committee.
- (2) Term of office: June 12, 2012 to June 11, 2015. Two meetings were convened in the current calendar year, with the qualification and attendance of members as follows:

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

## 2. Other notes

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

(V) The implementation of social responsibility

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Implementation Status	
<p>I. Actualizing the promotion of corporate governance policies</p> <p>1. Condition where the Company sets forth corporate social responsibility policies or regulations and examines performance results from the implementation.</p> <p>2. The Company's promotion of corporate social responsibility by holding regular related trainings.</p> <p>3. The Company's establishment of a dedicated Board authorized task force, to promote corporate social responsibility and present relevant reports to the Board.</p> <p>4. The Company's establishment of a sound salary and compensation policy connecting employee performance evaluations to corporate social responsibility and delineating a clear and effective review system.</p>	✓		<p>1. The Company's establishment of "Corporate Social Responsibility Best Practices" to stipulate employee policy with code of conduct and regulations, ensuring safe and clean environment as well as safekeeping of hazardous materials (regarding energy, production material and waste). The Company will also conduct regular reviews held by the task force and associated departments.</p> <p>2. The Company has designated instructors and arranged routine trainings on corporate social responsibility.</p> <p>3. The HR department is in charge of promoting corporate social responsibility for planning and carrying out the related strategies, projects and cross-departmental communications.</p> <p>4. The Company has established a sound salary and compensation policy connecting employee performance evaluations to corporate social responsibility. Employees will be rewarded when participating in community activities or benefiting others significantly.</p>	None
<p>II. Develop sustainable environments</p> <p>1. Condition where the Company is devoted to enhancing the effective use of all resources and making use of recycled materials that pose the least impact to the environment.</p> <p>2. Condition facilitating the Company establishment of an appropriate environment management system compliant with industry characteristics</p>	✓		<p>1. The Company has established effective waste management procedures that separate waste into three types in accordance with their natures and entrust certified waste management services for disposition and recycling.</p> <p>2. The Company's product line includes connecting wires, connectors, solar junction boxes, wire harnesses and cables, and optical components. The Company is dedicated to establishing the optimal environment management system to fulfill environmental protection responsibilities by insisting on pollution prevention and continuous improvement of green product manufacturing while implementing a quality management system to promote social development</p>	None

Item	Operation			Deviations from “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Implementation Status	
3. The Company's awareness of impacts from climate change to business activities, implementation of greenhouse gas inventory, stipulation of a strategy for energy conservation, as well as carbon and greenhouse gas reduction.			<p>and enhance operational efficiency.  Certifications:</p> <p>(1) ISO 14001:2004 Environment Management System: plants that receive the certificate include Shenzhen plants (Xiang Yao, Bizconn, Tong Ying), Queen Mao, OptiWorks, BizLink Electronics and Malaysia plant for implementation measures on energy saving, environment protection, and waste disposition. This builds a foundation for the continuous improvement of procedures to reduce environmental hazards for long term ecological balance.</p> <p>(2) Microsoft certification laboratory: Laboratory Accreditation for OEM (ISO/IEC 17025) and testing laboratory for lead and hazardous materials</p> <p>(3) Environment protection plant: Certifications for EU RoHS (Restriction of Hazardous Substances Directive) and OHSAS 18001 occupational health and Safety environmental plant</p> <p>3. To ensure that the production and manufacturing processes of our halogen free materials conform with the European RoHS Standards an environment evaluation report and sewage discharge permission were obtained before establishing a halogen free material production plant. In addition, industry waste such as the residue of ink solvent from processing wire harnesses, stamping process, and chemical residue from the maintenance of mold and injection molding machines is relatively low, and has been approved by the QC080000 Hazardous Substance Process Management system. The Company takes corporate social responsibility seriously; and strives to conform with environmental protection standards by reducing its' carbon footprint every step of the way.</p> <p>Greenhouse gas emission for the past two years:</p>	

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons												
	Yes	No	Implementation Status													
			<p style="text-align: center;">Unit: CO2e tons</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Year</th> <th>2013</th> <th>2014</th> </tr> </thead> <tbody> <tr> <td>Direct emission</td> <td>6,808</td> <td>12,238</td> </tr> <tr> <td>Indirect emission</td> <td>8,601</td> <td>73,271</td> </tr> <tr> <td>Total emission</td> <td>15,510</td> <td>85,611</td> </tr> </tbody> </table> <p>Prior to 2014 current inventory checks were conducted in the Kunshan and Xiang Yao plants. As of 2014 current inventory checks are also conducted in the TongYing plant . The procedure will gradually be deployed to other plants in China.</p> <p>In-house R&amp;D procedures executed in order to reduce energy usage and greenhouse emissions:  (1) In-plant energy saving  (2) Production line upgrade  (3) Power management in office buildings and retail locations</p>	Year	2013	2014	Direct emission	6,808	12,238	Indirect emission	8,601	73,271	Total emission	15,510	85,611	
Year	2013	2014														
Direct emission	6,808	12,238														
Indirect emission	8,601	73,271														
Total emission	15,510	85,611														
<p>III. Maintenance of social welfare</p> <p>1. The Company's complies with relevant laws and regulations, and the International Bill of Human Rights to establish related management policies and procedures.</p> <p>2. The Company's establishment of due mechanism and channels handling employee complaints.</p> <p>3. The Company's offers a safe and healthy working environment for its employees and provides safety and health education regularly..</p>	✓		<p>1. To conduct due diligence on human rights issues and stipulate related management policies and procedures the Company has conformed with the International Bill of Human Rights; including the U.N. "Universal Declaration of Human Rights" and "Labor Standard from ILO". The Company has also established the "Business and Human Rights: Protect, Respect and Remedy Framework" and "Guiding Principles" to support this initiative.</p> <p>2. To address this issue, the Company has created "Management Practices for Employee Complaints" located in the employee handbook. In principle, claimants shall appeal via chain of command system. For extraordinary matters, employees are allowed to appeal via channels that he or she finds appropriate.</p> <p>3. The Company aims to provide a secure, healthy and comfortable working environment for the employees. A healthy environment will be achieved by promoting the right mindset, sound bodies and sound minds. In addition to</p>	None												

Item	Operation			Deviations from “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Implementation Status	
<p>4. The Company establishment of an internal communication platform to , notify employees of any significant operational changes.</p> <p>5. The availability of effective career development plans employees.</p> <p>6. The Company's creation of consumer rights policies and communication channels regarding its processes on R&amp;D, procurement, production, operational processing and service.</p> <p>7. The Compliance of relevant laws, regulations and international guidelines when marketing or labeling its' products.</p>			<p>employee health, BizLink conducts safety tests and hygiene education sessions on a regular basis. Regulations and related files regarding worker safety and hygiene are made available for viewing on internal website.</p> <p>4. Diverse channels to communicate with employees and provide business strategy updates:  (1) To facilitate bi-directional communication within managerial layers: all-manager meetings are held every six months.  (2) Each subsidiary maintains a presidential mailbox: employees can send all suggestions directly to the mailbox.  (3) Internal network communication system: the internal network keeps all information for future search and updates timely new release, product information and management policies.</p> <p>5. Personality &amp; aptitude tests will be given to newly-hired college graduates when during the on-boarding process. Guidance regarding career paths will be provided after. A dual promotion system is adopted for existing staff to develop their career in a professional or management field based on personal will and characteristics. Four-month training, including on-job education and rotation, will be required for a new manager to strengthen their management capabilities.</p> <p>6. With a core value of integrity and being customer oriented, the Company considers customers to be partners and aims to create mutual benefits for both parties. The Customer Service department is responsible for customer complaints, and conducts an annual satisfaction survey for continuous improvement.</p> <p>7. The Company has established "Corporate Social Responsibility Best Practice Principles" in addition to following the related regulations and international standards regarding the marketing and labeling of its' services and products.</p>	

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Implementation Status	
<p>8. The Company's verification of records pertaining to its' suppliers' negative impact on the environment and society.</p> <p>9. The Company's capability to terminate contracts with its suppliers any time the supplier has violated such policy or has caused significant negative impact on the environment and society.</p>			<p>8. To encourage supplier corporate social responsibility, suppliers must comply with the "Guarantee for maintaining corporate social responsibility" policy. Before engaging with BizLink, the suppliers must obtain the corresponding environment protection document and ROHS certification. Prior impact on environment and society from the suppliers is evaluated on the below criteria:</p> <ol style="list-style-type: none"> <li>(1) Availability of technology, quality criteria and testing methodology for raw materials</li> <li>(2) Availability of conducting quality system examinations on material vendors</li> <li>(3) Completed records when making orders to qualified vendors</li> <li>(4) Availability of tracking procurement procedures</li> <li>(5) Availability of environment protection labeling on packaging</li> <li>(6) Availability of raw material suppliers' environment protection agreement and social responsibility violation records.</li> </ol> <p>9. The Company has included its corporate social responsibility in supplier contracts. The Company has the right to terminate a contract any time a supplier violates any of the policy stated below or makes significant negative impact to the environment and society. Terms and conditions:</p> <ol style="list-style-type: none"> <li>(1) Based on "Raw Material Procurement Contract", the Company stipulates environmental protection standards, termination clauses and associated damages with the vendor. These require that the supplier conduct business activities with due consideration of labor health and safety, friendly working environment, legal compliance, code of ethics, EICC qualification and ban on using metal from controversial mining areas.</li> <li>(2) According to supplier's "Guarantee for maintaining corporate social</li> </ol>	

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Implementation Status	
			responsibility", vendors shall not apply materials from controversial mining areas. However, vendors shall comply with all related laws and regulations, as well as related standards covering employee management, health and safety, environment and ethics. Vendors will also understand the Company's right to terminate any transaction when violating corporate social responsibility.	
IV. Reinforce information disclosure The Company's disclosure regarding status of corporate social responsibility on its website and Market Observation Post System.	✓		Regular updates on corporate responsibility information will be available on the Company's website ( <a href="http://www.bizlinktech.com/">http://www.bizlinktech.com/</a> ).	None
V. If the company has established its corporate social responsibility code of practice in accordance with the "Corporate Social Responsibility Best Practice Principles for TWSE / GTSM-Listed Companies" please describe the operational status and differences: None. The Company has long upheld integrity as its core value and integrated corporate social responsibility to its daily business activities and management. In February 2014 the Board approved the "Corporate Social Responsibility Best Practices" policy to facilitate our implementation of the concept and fulfill our promise to society.				
VI. Other important information to facilitate better understanding of the Company's implementation of corporate social responsibility (e.g., environmental protection, community participation, social contribution, social services, social welfare, consumer rights, human rights, and safety and health): <ol style="list-style-type: none"> <li>1. Employee rights and employee care: Please refer to labor-management relations in the business operation section of the annual report.</li> <li>2. Rights of the shareholders: There is an open communication channel with banks, employees, consumers and suppliers, whose legitimate rights are respected and maintained. In addition, there is a spokesperson, deputy spokesperson, and litigation and non-litigation agent available for the Company. The Company provides shareholders with honest financial and business records to protect the rights of shareholders. The Company's transactions with subsidiaries follow strictly by "Administrative measures governing related party transactions" and "Procedures governing the monitoring and management of subsidiaries".</li> <li>3. Environmental protection: In addition to following global design and manufacturing trends, responding to the demands of RoHS, HSF (Hazardous Substances Free) of the Company, and customers so as to ensure that the Company's products satisfy international standards and customers' requirements, the Company complies strictly with the Trash Clearance Act, Water Pollution Controls Act and Air Pollution Controls Act to protect environmental quality.</li> <li>4. Community participation, social contribution, social services and social welfare: donations to social groups, participation in educational, welfare and cultural activities and implementation of corporate social responsibilities.</li> <li>5. Consumer rights: Improve the Company's competitiveness by providing aggressive, efficient, and effective services to meet the satisfaction of existing and potential customers.</li> <li>6. Human rights: the Company offers equal opportunity to all genders, religious groups, and political parties, and provides a working environment free of discrimination and harassment.</li> <li>7. Occupational safety and health: The Company provides the best safety and health environment so as to comply with the Labor Safety and Health Act (please refer to Labor safety and health code of practice for details).</li> <li>8. Public organizations: The Company shares its experiences in public organizations and seminars in hopes of enhancing industry competitiveness and contributing to a better society.</li> </ol>				
VII. Other information regarding products or the "Corporate Social Responsibility Report" which are verified by certification authority shall be specified: None.				

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

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Implementation Status	
<p>I. Establishment of corporate ethical conduct policy and implementation measures</p> <p>1. The Company's guidelines on corporate ethical conduct policy are provided in internal policy and disclosed publicly. The Board of Directors and management team demonstrate their commitment to implement the policies.</p> <p>2. The Company sets forth policies to prevent unethical conduct. The implementation of the relevant procedures, guidelines and training mechanism are provided in the policies.</p> <p>3. The Company's protection measures regarding activities that are at a possible higher risk of unethical conduct or described under Article #7.2 under "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies".</p>	✓		<p>1. The Company's operations are based on legal compliance and the principles of "integrity, customer-orientation, cooperation and environmental protection." Moreover, the code of conduct was established to ensure employees actions comply with ethical corporate practice. All related operating policies and implementation by the Board and management are disclosed in annual reports with detail explanation.</p> <p>2. The Company requires that directors and managements sign a "Confidentiality Agreement" or other declaration which sets forth the responsibilities of the directors and shareholders, and stipulates "Involvement with significant information and insider dealings" so as to implement honest and upright operations.</p> <p>3. The Company's "Procedures for Handling Material Inside Information" and "Employee Practices" sets forth restrictions on revealing any material insider information by directors, management, and employees to others, along with restrictionson inquiring about or collecting any material insider information that is not related to his/her scope of responsibility, with any material insider information arising from non-implementation of business not being revealed to others. Bribery, corruption, providing illegal political contributions, improper charitable donations or sponsorship, unreasonable gifts, services or other improper benefits are restricted during business operations. Employees, management and directors shall be aware of "Procedures for Handling Material Insider Information" and "Employee Practices" to avoid unethical conduct.</p>	None
<p>II. Carry out corporate conduct and ethical operation</p> <p>1. Conditions where the Company shall prevent doing business with those who have unethical</p>	✓		<p>1. Any agreements/contracts signed between the Company and an outside party shall include an ethical operation policy, and the</p>	None

Item	Operation			Deviations from “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Implementation Status	
<p>records and include clauses with ethical conduct in the business contract.</p> <p>2. Conditions where the Company sets up full (part) time department to promote the operation of corporate ethical conduct policy and oversee by the Board of Directors.</p> <p>3. Conditions where the Company sets forth policy to prevent conflict of interest and provide appropriate communication channels.</p> <p>4. Conditions where the Company establishes effective accounting system, internal control system and internal auditing for the implementation of ethical conduct.</p> <p>5. Availability of internal and external training programs regarding ethical corporate practice.</p>			<p>Company may at any time terminate or cancel the agreement/contract should there be unethical conduct by the counterparties.</p> <p>2. The Human Resource Department is responsible for the formulation of an ethical operation policy, while the Auditing Department is responsible for monitoring and reporting to the Board of Directors on a regular basis.</p> <p>3. The Board of Directors has approved the revision of “Corporate Social Responsibility Best Practices” to enhance the transparency of information, improve the functions of the Board of Directors, respect the rights of shareholders, and allow directors and management to take the initiative in explaining, through proper communication channels, if there are any potential conflicts of interest.</p> <p>4. Formulate and implement ethical corporate management best practices for management and employees, and internal control systems for related party transactions and insider transactions; All cooperation parties are required to sign a Letter of Undertaking of Integrity, and no kickbacks, commissions, or unethical conduct are allowed. In addition to regular auditing, any verified and confirmed reporting shall immediately be communicated to the Audit Committee and Board of Directors to ensure the efficiency of the system.</p> <p>5. The Company has stipulated in its “Ethical Corporate Management Best Practice Principles” that it will not allow improper benefits including but not limited to the below: offering or acceptance of bribes, illegal political donations, improper charitable donations or sponsorship and offering or acceptance of unreasonable presents or hospitality. The Company will also provide related regulatory announcements to the staff, managers and board members in order to enhance the understanding of integrity and self-discipline. Starting from 2014 a statement of integrity should be signed by all members in the Company and safe kept by the HR department. During new staff</p>	

Item	Operation			Deviations from "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies" and reasons
	Yes	No	Implementation Status	
			orientation the importance of "integrity", a core value will be emphasized by senior management. To establish a standard for daily work and ethical conduct the Company distributed an employee handbook in August 2014. All staffs are required to read the chapter titled "Code of Conduct".	
<p>III. Condition where the Company establishes appropriate punishment and complaint system for reporting of any ethical irregulars.</p> <p>1. The Company's establishment of a complaint and reward system with a convenient reporting functions and dedicated personnel for reported person.</p> <p>2. The Company's establishment of handling procedures and protection mechanisms for reported cases.</p> <p>3. The Company's establishment of measures to protect the whistleblowers from improper treatment.</p>			<p>1. The Company has made mailboxes available for employees and suppliers to send complaints. These mailboxes are disclosed in the employee handbook and the honest supplier contract. The internal audit department will conduct an investigation after receiving complaints and report the findings to the Company. Disciplinary action will be taken when necessary. Under HR policy, the corporate integrity policies have been linked to employee performance evaluations in an effort to establish a clear, rewarding and disciplinary system.</p> <p>2. The Company has established a handling procedure for non-integrity events. After an receiving a complaint, the Company or the group will assign special personnel or a review committee to conduct a private investigation The handling personnel shall not release the identification of the whistleblower to protect his or her safety. If leaked, action will be taken in the same manner as giving out major company classified information.</p> <p>3. The Company's responsibility to handle the whistle-blowing matters:</p> <p>(1) The whistleblower shall take full responsibility of the reported content to prevent fabrication and exaggeration of facts for malicious reasons. If the investigation findings do not agree with the accusation, the Company may apply the heaviest punishment or take litigation action against the whistleblower.</p> <p>(2) The handling personnel shall take full responsibility for the entire procedures and the result. If any unfair treatment</p>	None

Item	Operation			Deviations from “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” and reasons
	Yes	No	Implementation Status	
			<p>or improper disclosure is found, the Company may apply the heaviest punishment to the personnel and his or her supervisor, or take litigation for pursuing legal responsibility.</p> <p>(3) If personnel involved in this investigation are found perjuring or misreporting the Company may apply the heaviest punishment or take litigation action against him/her.</p> <p>(4) Retaliation to the whistleblower is not permitted. The Company may apply the heaviest punishment to or take litigation action against the retaliating party.</p> <p>(5) Parties involved who do not object to the verdict of the arbitration but refuse to perform the resulting tasks may to be forcibly removed by the Company or subject to other disciplinary actions.</p>	
IV. Reinforce information disclosure The Company's disclosure on its Ethical Corporate Management Best Practice Principles and information regarding the status of implementation on its website and Market Observation Post System.	✓		The company maintains a corporate website ( <a href="http://www.bizlinktech.com">http://www.bizlinktech.com</a> ) where relevant information relating to the Company's financials, business, and corporate governance is updated on a regular basis.	None
V. If the company has established ethical corporate management best practices Principles for TWSE/GTSM Listed Companies and Ethics Best Practices Principles please describe any discrepancy between the policies and their implementation: None.				
VI. Other important information to facilitate better understanding of the Company's corporate ethical conduct compliance practice (i.e. Promote and demonstrate the Company's commitment to ethical standard and provide training to its business partners; review the Company's corporate ethical conduct policy. The Company invites its business partners to participate in regular educational training and promotional activities and facilitate their understanding of the Company's commitment, policy, avoidance measures for ethical operations, and the outcome of violations.				

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

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

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

An investor conference is convened for the disclosure of any material information

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

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

1. Statement of Internal Control

Bizlink Holding Inc.

Statement of Internal Control

Date: March 13, 2015

Based on the findings of a self-assessment, the Company stated the following with regard to its internal control system during the fiscal year 2014:

- I. The Company's Board of Directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system. Our internal control is a process designed to provide reasonable assurances concerning the effectiveness and efficiency of our operations (including profitability, performance, and safeguarding of assets), reliability of our financial reporting, and compliance with applicable laws and regulations.
- II. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and the Company takes immediate remedial actions in response to any identified deficiencies.
- III. The Company evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing Establishment of Internal Control Systems by Public Companies (hereinafter referred to as the "Regulations"). The criteria adopted by the Regulations identify five key components of managerial internal control: 1. Control environment, 2. Risk assessment, 3. Control activities, 4. Information and communication, and 5. Monitoring. Each key component includes various criteria. Please refer to "Regulations" for the criteria.
- IV. The Company has evaluated the design and operating effectiveness of its internal control system according to the Regulations.
- V. Based on the findings of such evaluation, the Company believes that, on December 31, 2014, we have maintained, in all material respects, an effective internal control system (that includes the supervision and management of our subsidiaries), so as to provide reasonable assurances concerning our operational effectiveness and efficiency, the reliability of financial reporting, and compliance with applicable laws and regulations.
- VI. This Statement will be an integral part of the Company's Annual Report and Prospectus, and will be made public. Any falsehoods, concealments, or other illegalities in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Law.
- VII. This Statement was passed by the Board of Directors in their meeting held on March 13, 2015, with none of the seven attending directors expressing dissenting opinions, and the remainder all affirming the content of this Statement.

BizLink Holding Inc.

Chairman: Hwa Tse, Liang

Chief Executive Officer: Chien Hua, Teng

(X) **Violation of internal control policy:** None

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

1. Major resolutions of shareholders' meeting

Time	Major subject
06.11.2014 2014 Shareholder meeting	(1) Approved 2013 business report and final accounts. (2) Approved 2013 earnings distribution. (3) Approved the revision of "Procedures for Acquisition or Disposal of Assets". (4) Approved the revision of "Procedures for Endorsement & Guarantee".

2. Major resolutions in the meeting of Board of Directors

Time	Major subject
03.13.2014 2014 First Meeting of Board of Directors	(1) Approved 2013 consolidated financial statement & business report. (2) Approved 2013 "Statement of Internal Control". (3) Approved 2013 earnings distribution. (4) Approved convening of 2013 general meeting of shareholders. (5) Approved 2013 distribution of remuneration for directors and supervisors. (6) Approved 2014 performance bonus plan for managers. (7) Approved 2013 performance bonus distribution for managers. (8) Approved the revision of "Ethical Corporate Management Best Practices". (9) Approved the revision of "Corporate Social Responsibility Best Practices". (10) Approved the revision of "Corporate Governance Practices". (11) Approved the revision of "Involvement with Significant Information and Insider Dealings". (12) Approved guarantee extension for a credit line from E.SUN Bank for BIZLINK (BVI) CORP and BizLink International Corp.. (13) Approved guarantee for the extension of a short term credit line from Taipei Fubon Commercial Bank by BIZLINK (BVI) CORP. (14) Approved inter-subsiary monetary loan and extension. (15) Approved the revision of "Regulations Governing Stock Repurchase". (16) Approved the revision of "Procedures for Acquisition or Disposal of Assets". (17) Approved change of CPA due to job rotation at Deloitte & Touche.

05.08.2014 2014 Second Meeting of Board of Directors	<ul style="list-style-type: none"> <li>(1) Approved 2014 Q1 consolidated financial statement.</li> <li>(2) Approved 2014 issuing new shares for cash capital and the 2nd unsecured domestic convertible bonds.</li> <li>(3) Approved commission of representatives for litigious and non-litigious matters.</li> <li>(4) Approved financing plans and related extension within 100% direct or indirect held subsidiaries.</li> </ul>
06.11.2014 2014 Third Meeting of Board of Directors	<ul style="list-style-type: none"> <li>(1) Approved to resolve related matters of ex-dividend dates.</li> <li>(2) Approved 2014 issuance of new shares for cash capital and the 2nd round of unsecured domestic convertible bonds.</li> <li>(3) Approved commission of representatives for litigious and non-litigious matters.</li> <li>(4) Approved financing plans and related extension within 100% directly or indirectly held subsidiaries.</li> </ul>
07.15.2014 2014 Forth Meeting of Board of Directors	<ul style="list-style-type: none"> <li>(1) Approved the book closure date for new share subscription.</li> </ul>
08.12.2014 2013 Fifth Meeting of Board of Directors	<ul style="list-style-type: none"> <li>(1) Approved 2014 Q2 consolidated financial statement.</li> <li>(2) Approved the replacement of Stock affairs agency.</li> <li>(3) Approved guarantee for the extension of a credit line from HSBC Bank (Taiwan) by BIZLINK (BVI) CORP.</li> <li>(4) Approved guarantee for the extension of a short term credit line from Mega International Commercial Bank Tuchen Branch by BIZLINK (BVI) CORP.</li> <li>(5) Approved guarantee for the extension of a short term credit line from CTBC Bank by BIZLINK (BVI) CORP.</li> <li>(6) Approved guarantee for the extension of a short term credit line from Citibank Taiwan by BIZLINK (BVI) CORP.</li> <li>(7) Approved BizLink Technology Inc. (BAE BAYSIDEI, LLC), a subsidiary to acquire new properties.</li> <li>(8) Approved subscription of new shares issued from TILOPA HOLDING INC.</li> </ul>

<p>11.13.2014 2013 Sixth Meeting of Board of Directors</p>	<ol style="list-style-type: none"> <li>(1) Approved 2014 Q3 consolidated financial statement.</li> <li>(2) Approved 2015 business plan and financial budget.</li> <li>(3) Approved the draft of issuing virtual stocks to selective employees.</li> <li>(4) Approved establishing "Management of Operating of Audit Committee Meetings".</li> <li>(5) Approved establishing "Management of Stock Affairs".</li> <li>(6) Approved establishing "Management of personal information protection".</li> <li>(7) Approval revising "General Principles of Internal Control".</li> <li>(8) Approval revising "System of Internal Auditing".</li> <li>(9) Approved 2015 auditing plan.</li> <li>(10) Approved guarantee extension for a credit line from E.SUN Bank for BIZLINK (BVI) CORP and BizLink International Corp..</li> <li>(11) Approved guarantee for the extension of a short term credit line from Taipei Fubon Commercial Bank for BIZLINK (BVI) CORP..</li> <li>(12) Approved guarantee for a change of short-term credit line from China Trust Bank, U.S.A. for BIZLINK TECHNOLOGY, INC..</li> <li>(13) Approved additional inter-subsiary financing plans.</li> <li>(14) Approved adjustment of scope of work for Vice President of the Company.</li> </ol>
<p>03.13.15 2015 First Meeting of Board of Directors</p>	<ol style="list-style-type: none"> <li>(1) Approved 2014 consolidated financial statement and business report.</li> <li>(2) Approved 2014 "Statement of Internal Control"</li> <li>(3) Approved 2014 distribution of compensation for directors</li> <li>(4) Approved 2014 performance bonus plan for managers.</li> <li>(5) Approved 2014 earnings distribution.</li> <li>(6) Approved the draft of issuing virtual stocks to selective employees.</li> <li>(7) Approved re-election of the Board.</li> <li>(8) Approved cancellation of non-competition clause for new director.</li> <li>(9) Approved revising "The Company's Articles of Association".</li> <li>(10) Approved 2015 convening of general meeting of shareholders.</li> <li>(11) Approved and commissioned independent CPA after evaluation of suitability and independency.</li> <li>(12) Approved the guarantee that amended comprehensive credit line from E.SUN Bank for BIZLINK (BVI) CORP. and BizLink International Corp..</li> <li>(13) Approved inter-subsiary financing plans and related ratification.</li> <li>(14) Approved the additional ratification of the guarantee for BIZLINK (BVI) CORP..</li> </ol>

05.06. 15 2015 Second Meeting of Board of Directors	(1) Approved 2015 Q1 consolidated financial statement. (2) Approved on the Nominated candidates for Independent Directors. (3) Approved financing plans and related extension within 100% direct or indirect held subsidiaries. (4) Approved the issue of souvenir for Year 2015 Shareholders meeting.
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3. Review of resolution implementation from the 2014 general shareholders' meeting
- (1) Approved 2013 business report and final accounts.  
Implementation status: Approved
- (2) Approved 2013 earnings distribution.  
Implementation status: Approved and completed the implementation accordingly.
- (3) Approved changes made to the Company's Articles of Incorporation:
- "Procedures for Handling the Acquisition and Disposal of Assets".
  - "Procedures for Endorsements & Guarantees"
- Implementation status: approved and completed the implementation accordingly.

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

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

#### IV. Information on Accountant's Fee

(I) Numerical range of accountant's fee

Certified Public Accountants	CPA	Auditing period	Note
Deloitte & Touche	Angus, Chang Cheng Chun, Yu	2014.1.1 -2014.12.31	None

Range	Items	102		
		Auditing fee	Non-auditing fee	Total
1	Below \$2,000,000	-	V	-
2	\$2,000,000 (included) ~ \$4,000,000	-	-	-
3	\$4,000,000 (included) ~ \$6,000,000	-	-	-
4	\$6,000,000 (included) ~ \$8,000,000	-	-	-
5	\$8,000,000 (included) ~ \$10,000,000	V	-	V
6	Above \$10,000,000 (included)	-	-	-

## (II) Information on Accountant's Fee

Unit: NT\$ Thousands

Certified Public Accountants	CPA	Auditing fee	Non-auditing fee					Auditing period by CPA	Note
			System design	Business registration	Human resource	Others (Note 2)	Sub-total		
Deloitte & Touche	Angus, Chang	9,800				120	120	2014.01.01-2014.12.31	Opinion to Issuing Corporate Bond
	Cheng Chun, Yu								

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

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

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

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

**V. Change of Accountant: Cooperated with the CPA firm in 2014 to change the auditing CPA due to the firm's internal job rotation.**

**VI. The Company's chairman, president, or any managerial officer in charge of finance or accounting matters has in the most recent calendar year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise: None.**

**VII. In the recent calendar year and up to the date of the publication of the annual report, shareholding transfers and shareholding pledges for share holdings by directors, supervisors, managers exceeded 10%:**

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

Unit: In shares

Title	Name	2014		As of April 26 of this year	
		Increase (Decrease) in shareholding	Increase (Decrease) in share pledge	Increase (Decrease) in shareholding	Increase (Decrease) in share pledge
Chairman	Hwa Tse, Liang (Note 1)	(1,374,214)	0	0	0
Director	Inru, Kuo (Note 1) (Note2)	1,887,022	1,000,000	0	0
Director	Chien Hua, Teng	65,004	0	0	0
Director	Huong Chang, Chen	103,364	677,000	0	0
Independent director	Ming Chun, Chen	(23,832)	0	0	0
Independent director	Chun Yen, Chang	0	0	0	0
Vice president	Yiau Chung, Tsai	(51,374)	0	0	0
Vice President	Chia Cheng, Lin	(22,705)	0	0	0
CFO	Shiou Lin, Chen	23,049	0	0	0

Note 1: Including shares of Hwa Tse, Liang and Inru, Kuo Family Trust, created April 15, 1999 · Liang Family Irrevocable Trust · Inru, Kuo Second Annuity Trust

Note2: Shareholding exceeds 10%

(II) Related party transactions for shareholding transfers: None

(III) Related party transactions for shareholding pledges: None

### VIII. Information on the top 10 shareholders who meet the related party disclosure term:

April 26, 2014

Name	Personnel stockholding		Shareholding by spouse and minor children		Shareholding under another's name		Name and relationship of a related party or spouse or relatives within second degree of kinship with the top 10 shareholders.		Note
	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %	Name	Relation	
Hwa Tse Liang and InRu Kuo Family Trust	8,561,683	9.83%	0	0	0	0	Hwa Tse, Liang Inru, Kuo	Trustee	Note
Liang Family Irrevocable Trust	4,855,781	5.58%	0	0	0	0	Hwa Tse, Liang Inru, Kuo	Trustee	Note
InRu Kuo	3,127,230	3.59%	651,556	0.75%	0	0	Hwa Tse, Liang	Shareholders are of spousal relationship	
Huong Chang, Chen	2,173,347	2.50%	0	0	0	0	0	0	
Chun Pin, Liang	2,091,747	2.40%	71,008	0.09%	357,506	0.45%	Hwa Tse, Liang Inru, Kuo	Relatives within 2nd degree relationship	
Cathay Financial Holdings Co.,Ltd.	1,694,000	1.95%	0	0	0	0	0	0	
Chien Hua, Teng	1,424,000	1.64%	1,130,069	1.30%	0	0	Che Yu, Liu	Shareholders are of spousal relationship	
RCM Choice Growth Fund	1,139,000	1.31%	0	0	0	0	0	0	
Che Yu, Liu	1,130,069	1.30%	1,424,000	1.64%	0	0	Chien Hua, Teng	Shareholders are of spousal relationship	
Ashmore Emerging Markets Smaller Companies Fund	1,121,000	1.29%	0	0	0	0	0	0	

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

**IX. The shareholding of the investment subsidiaries directly or indirectly controlled and managed by directors, supervisors, managers, and the omnibus shareholding ratio.**

12/31/2014 Unit: 1,000 shares; %

Reinvestment business	The Company's investment		Director, supervisor, manager and direct or indirect controlled business that reinvests		Comprehensive investment	
	Shares	Shareholding %	Shares	Shareholding %	Shares	Shareholding %
BIZLINK TECHNOLOGY INC.	10,000	100%	-	-	10,000	100%
OPTIWORKS, INC.	1,400	100%	-	-	1,400	100%
株式会社ビズリンク	200	100%	-	-	200	100%
BIZLINK (BVI) CORP.	50,000	100%	-	-	50,000	100%
BIZLINK INT'L CORP.	70,000	100%	-	-	70,000	100%
ZELLWOOD INTERNATIONAL CORPORATION	2,500,000	100%	-	-	2,500,000	100%
BIZLINK TECHNOLOGY (IRELAND) LTD.	300,000	100%	-	-	300,000	100%
BIZLINK TECHNOLOGY (S.E.A.) SDN. BHD.	1,200,000	100%	-	-	1,200,000	100%
BIZLINK TECH, INC. (The previous EXCEL PRODUCTS, INC.)	60,000	100%	-	-	60,000	100%
ADEL ENTERPRISES CORPORATION	1,650,000	100%	-	-	1,650,000	100%
ACCELL CORPORATION	10,000	100%	-	-	10,000	100%
BIZCONN TECHNOLOGY INC.	-	100%	-	-	-	100%
BIZLINK WIDE LIMITED	10,000	100%	-	-	10,000	100%
OPTIWORKS (SHANGHAI) CO., LTD.	Note	100%	-	-	Note	100%
OPTIWORKS (KUNSHAN) CO., LTD.	Note	100%	-	-	Note	100%
HUA ZHAN ELECTRONICS (SHENZHEN) CO., LTD.	Note	100%	-	-	Note	100%
BIZCONN INTERNATIONAL CORPORATION	1,666,667	100%	-	-	1,666,667	100%
BIZLINK INTERNATIONAL ELECTRONICS (SHENZHEN) CO., LTD	Note	100%	-	-	Note	100%
BIZLINK (KUNSHAN) CO., LTD.	Note	100%	-	-	Note	100%
BIZLINK INTERCONNECT TECHNOLOGY (INDIA) PRIVATE LIMITED	100,000	100%	-	-	100,000	100%
BIZLINK ELECTRONICS (XIAMEN) CO., LTD.	Note	100%	-	-	Note	100%
ASIA WICK LTD.	1,000	100%	-	-	1,000	100%
XIANG YAO ELECTRONICS (SHEN ZHEN) CO., LTD.	Note	100%	-	-	Note	100%
BIZCONN (SHENZHEN) INTERNATIONAL CORP.	Note	100%	-	-	Note	100%
TONGYING ELECTRONICS (SHEN ZHEN) LTD.	Note	100%	-	-	Note	100%
BAE BAYSIDE, LLC.	Note	100%	-	-	Note	100%
BOBI, LLC.	Note	100%	-	-	Note	100%

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

# Four Capitalization

## I Capital and Shares

### (I) Capital

#### 1. Capitalization

Unit: US\$1/share

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

						353,840 shares		
3/2013	26	500,000,000	5,000,000,000	75,844,775	758,447,750	Capitalization through the conversion of first unsecured foreign convertible bonds: 2,453,829 shares	None	Note 7
6/2013	26	500,000,000	5,000,000,000	77,387,076	773,870,760	Capitalization through the conversion of first unsecured foreign convertible bonds: 1,542,301 shares	None	Note 8
9/2013	24.4	500,000,000	5,000,000,000	78,206,739	782,067,390	Capitalization through the conversion of first unsecured foreign convertible bonds: 819,663 shares	None	Note 9
9/2013	47.6	500,000,000	5,000,000,000	79,320,239	793,202,390	Capitalization through the exercise of employee stock options issued in 2010: 1,113,500 shares	None	Note 10
12/2013	47.6	500,000,000	5,000,000,000	79,796,739	797,967,390	Capitalization through the exercise of employee stock options issued in 2010: 476,500 shares	None	Note 11
3/2014	47.6	500,000,000	5,000,000,000	79,834,739	798,347,390	Capitalization through the exercise of employee stock options issued in 2010: 38,000 shares	None	Note 12
6/2014	47.6	500,000,000	5,000,000,000	79,914,739	799,147,390	Capitalization through the exercise of employee stock options issued in 2010: 80,000 shares	None	Note 13
8/2014	10	500,000,000	5,000,000,000	83,904,575	839,045,750	Capitalization of earnings: NT\$ 39,898 thousand	None	Note 14
9/2014	112.2	500,000,000	5,000,000,000	86,404,575	864,045,750	New share issued through cash injection: 2,500,000 shares	None	Note 15
9/2014	43.7	500,000,000	5,000,000,000	86,420,075	864,200,750	Capitalization through the exercise of employee stock options issued in 2010: 15,500 shares	None	Note 16
12/2014	43.7	500,000,000	5,000,000,000	86,869,075	868,690,750	Capitalization through the exercise of employee stock options issued in 2010: 449,000 shares	None	Note 17
3/2015	43.7	500,000,000	5,000,000,000	87,010,075	870,100,750	Capitalization through the exercise of employee stock	None	Note 18

						options issued in 2010: 141,000 shares		
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Note 1: The par value was changed to NT\$ 10 per share on 11/12/2009 with a total common capital of 49,667,637 shares

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

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

Note 4: Tai-Cheng-Shang-Er-Chi#1010068541, 07/24/2012

Note 5: Par value at NT\$ 10 per share with a conversion price at NT\$ 26, Tai-Cheng-Shang-Er-Chi#1010023062, 10/11/2012

Note 6: Par value at NT\$ 10 per share with a conversion price at NT\$ 26, Tai-Cheng-Shang-Er-Chi#1020000761, 01/11/2013.

Note 7: Par value at NT\$ 10 per share with a conversion price at NT\$ 26, Tai-Cheng-Shang-Er-Chi#10200067911, 04/15/2013

Note 8: Par value at NT\$ 10 per share with a conversion price at NT\$ 26, Tai-Cheng-Shang-Er-Chi#1020013539, 07/09/2014.

Note 9: Par value at NT\$ 10 per share with a conversion price at NT\$ 24. 4, Tai-Cheng-Shang-Er-Chi#1020021067, 10/11/2014

Note 10: Par value at NT\$ 10 per share with a conversion price at NT\$ 47. 6, Tai-Cheng-Shang-Er-Chi#1020021067, 10/11/2014.

Note 11: Par value at NT\$ 10 per share with a conversion price at NT\$ 47. 6, Tai-Cheng-Shang-Er-Chi#1030000630, 01/09/2014

Note 12: Par value at NT\$ 10 per share with a conversion price at NT\$ 47. 6, Tai-Cheng-Shang-Er-Chi#1030006544, 04/09/2014

Note 13: Par value at NT\$ 10 per share with a conversion price at NT\$ 47. 6, Tai-Cheng-Shang-Er-Chi#1030013505, 07/08/2014

Note 14: Tai-Cheng-Shang-Er-Chi#10300161361, 08/08/2014

Note 15: Par value at NT\$ 10 per share with a conversion price at NT\$ 112.2, Tai-Cheng-Shang-Er-Chi#1030018927, 09/12/2014

Note 16: Par value at NT\$ 10 per share with a conversion price at NT\$ 43.7, Tai-Cheng-Shang-Er-Chi#1030020552, 10/02/2014

Note 17: Par value at NT\$ 10 per share with a conversion price at NT\$ 43.7, Tai-Cheng-Shang-Er-Chi#1040000181, 01/04/2015

Note 18: Par value at NT\$ 10 per share with a conversion price at NT\$ 43.7, Tai-Cheng-Shang-Er-Chi#10400061791, 01/05/2014

## 2. Share type

3/31/2015

Share type	Registered capital			Note
	Outstanding shares (Note)	Un-issued shares	Total	
Registered common stocks	87,010,075	412,989,925	500,000,000	The interim shareholders' meeting held on 11/12/2009 resolved to adopt an exchange rate of NT\$32.32 to US\$ 1 for conversion

Note: Listed shares

## 3. Information regarding shelf registration: None.

### (II) Shareholder structure

4/26/2015

Unit: one share

Shareholder structure	Government agency	Financial Institution	Institutions of the Mainland Area	Other institutional investor	Individual investor	Foreign institutional and individual investor	Total
Number of shareholders	2	39	1	55	10,256	151	10,503
Shareholding (one share)	1,832,511	7,849,676	13,674	2,238,925	47,133,157	28,016,806	87,071,075
Shareholding percentage (%)	2.11%	9.02%	0.02	2.57%	54.13%	32.15%	100.00%

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

### (III) Distribution of share ownership

#### 1. Common stocks:

4/26/2015

; Unit: one share

Shareholding distribution	Number of shareholders	Shareholding	Shareholding percentage
1 ~ 999	2,275	257,125	0.30%
1,000 ~ 5,000	6,754	11,852,150	13.61%
5,001 ~ 10,000	714	5,153,095	5.92%
10,001 ~ 15,000	242	2,966,174	3.41%
15,001 ~ 20,000	110	1,993,591	2.29%
20,001 ~ 30,000	124	3,020,913	3.47%
30,001 ~ 50,000	96	3,812,955	4.38%

50,001 ~ 100,000	92	6,484,864	7.45%
100,001 ~ 200,000	48	6,734,455	7.73%
200,001 ~ 400,000	23	7,108,800	8.16%
400,001 ~ 600,000	8	4,106,076	4.72%
600,001 ~ 800,000	3	2,143,946	2.46%
800,001 ~ 1,000,000	1	990,000	1.14%
Over 1,000,001	13	30,446,931	34.96%
Total	10,503	87,071,075	100.00%

2. Preferred shares: not applicable.

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

4/26/2015

; Unit: one share

Shareholding	Shareholding	Shareholding percentage
Major shareholders		
Hwa Tse, Liang and Inru, Kuo Family Trust	8,561,683	9.83%
Liang Family Irrevocable Trust	4,855,781	5.58%
Inru, Kuo	3,127,230	3.59%
Huong Chang, Chen	2,173,347	2.50%
Chun Pin, Liang	2,091,747	2.40%
Cathay Life Insurance Co., Ltd.	1,694,000	1.95%
Chien Hua, Teng	1,424,000	1.64%
RCM Choice Growth Fund	1,139,000	1.31%
Che Yu, Liu	1,130,069	1.30%
Ashmore Emerging Markets Smaller Companies Fund	1,121,000	1.29%

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

Unit: NT\$ thousands: one thousand shares

Item	Year	2013	2014	As of 3/31/2015 (Note 8)
	Per share market value (Note 1)	The highest	157.50	194.00
The lowest		33.10	93.70	97.8
Average		82.92	135.36	118.42
Per share book	Before distribution	43.29	47.53	48.13

value (Note 2)	After distribution	38.29	(Note 9)	(Note 9)	
Per share earnings (Note 3)	Weighted Average Shares	77,363	84,728	86,997	
	Per share earnings, before adjustment	7.28	7.28	1.96	
	Per share earnings, after adjustment	6.94	(Note 9)	(Note 9)	
Per share dividend	Per share cash dividend	5.0	(Note 9)	(Note 9)	
	Stock dividend	from Retained Earnings	0.5	(Note 9)	(Note 9)
		From Capital Surplus	-	-	-
	Accumulated unpaid dividend (Note 4)	-	(Note 9)	(Note 9)	
<b>Investment return analysis</b>	PE ratio (Note 5)	11.39	18.59	60.42	
	Dividend ratio (Note 6)	16.58	(Note 9)	(Note 9)	
	Cash dividend yield (Note 7)	6.03%	(Note 9)	(Note 9)	

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

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

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

Note 4: If the issuing terms of the security specify unpaid dividends will be accumulated until paid off, cumulated and unpaid dividends for individual year shall be disclosed as of 2013

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

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

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

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

Note 9: Per share dividend will be based on the appropriation resolution in 2014 shareholders' meeting, which has not held. Thus the information is not available yet.

(VI) Dividend policy and execution

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

As approved at the regular shareholders' meeting on 06/16/2011, the Company has amended Article#34. 1 to allow the earnings appropriation to be proposed by the Board and resolved by the shareholders through ordinary resolution. The Board shall propose the appropriation based on the following guidelines: The Company shall, from the current year's earnings, offset for prior years' deficit and appropriate 10% of the residual earnings as legal reserve until the accumulated legal reserve equal to the Company's capital. Then set aside a special capital reserve, if one is required, in accordance with the Applicable Public Company Rules or as requested by the authorities in charge. (copy original wordings) Finally, no more than 3% and 5% of the balance can be allotted as Board remuneration and employee bonus (as prescribed in employee motivation plan under Article#11. 1), respectively. The Board shall articulate the appropriation percentage for the Board and employees in the earning distribution meeting. The shareholders have the right to amend the proposal before resolution. Board members who are also a member of the Company executive are qualified for both Board remuneration and employee bonus. The residual earnings, which shall not be less than 10% of the net earnings, can be distributed to shareholders as earning appropriation based on the related laws and regulations for public companies, but after the consideration for the financial and business needs of the Company. The distribution, either in new shares or cash, shall be made up of 10% cash or more.

2. 2015 earnings appropriation

(1) The Board, on 03/13/2015, has resolved an earnings appropriation for 2014 including a cash dividend of US\$13,697,425.89 (or NT\$ 434,345,375 to the common shareholders) and a stock dividend worth US\$1,369,742.59 (or NT\$43,434,538). Per share distribution is US\$0.15768 (or NT\$ 5) in cash and US\$ 0.01577 (or NT\$0.5) in new shares. The proposal is pending for approval from shareholders' meeting. The shareholders' meeting will be held on 06/24/2015.

- (2) If the total number of outstanding shares is amended due to exercise of employee stock options and conversion of convertible bonds before the record day, the Board shall be authorized by the shareholders' meeting to adjust the distribution ratio according to the updated floating share number as of the record day.

BIZLINK HOLDING INC. 2014 earnings distribution		
Item	Amount (US\$)	Amount (NT\$)
Beginning unappropriated earnings	25,163,259.77	859,874,098.00
Plus (less): exchange effect	0	0
Effects from TIFRS adoption	0	0
Special reserve appropriation made for the	0	0
Beginning unappropriated earnings after adjustment	25,163,259.77	859,874,098.00
Actuarial gains (loss) included in retained earnings	(4,950.87)	(149,994.0)
Undistributed earnings after adjustment	25,158,308.90	859,724,104.00
Plus: net income	20,361,990.78	616,933,705.00
Accumulative undistributed earnings	45,520,299.68	1,476,657,809.00
Reserve Items		
Less: legal reserve (10%)	2,036,199.08	61,693,371.0
Distributable net profit	43,484,100.60	1,414,964,438.0
Distribution		
Cash dividend – NT\$5 per share	13,697,425.89	434,345,375.0
Stock dividend - NT\$0.5 per share	1,369,742.59	43,434,538.0
Ending undistributed earnings	28,416,932.12	937,184,525.0
Note: appropriated employee bonus: US\$ -		
appropriated board remuneration: US\$ 280,000 (or NT\$ 8,878,800)		
<p>1. The earning appropriation is based on the total outstanding shares as of 12/31/2014 and includes a cash dividend of US\$0.15768 (or NT\$ 5) in cash and a stock dividend of US\$ 0.01577(or NT\$0.5) in new share. 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 <b>US Dollars (US\$)</b>. The NT\$ chart above was converted according to IAS #21 "The Effects of Changes in Foreign Exchange Rates".</p>		

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

Unit: NT\$

Item	Year		2015 (estimated)
Beginning actual paid-in capital (NT\$ thousands)			868,690
2014 earnings distribution	Per share cash dividend		NT\$5 (Note 1)
	Per share stock dividend from earnings recapitalization		NT\$0.5 (Note 1)
	Per share stock dividend from legal reserve recapitalization		-
Change of operating performance	Operating income (NT\$ thousands)		Note 2
	Percentage change in operating income, compared with last year		
	Net income (NT\$ thousands)		
	Percentage change in net income, compared with last year		
Assumptions of EPS and PE ratio	When all stock dividends are distributed in cash	EPS assumption (NT\$)	Note 2
		Assumption of annualized average return	
	If no legal reserve recapitalization	EPS assumption (NT\$)	
		Assumption of annualized average return	
	If stock dividends from legal reserve recapitalization are distributed in cash	EPS assumption (NT\$)	
		Assumption of annualized average return	

Note 1: Estimated dividend distribution in 2014 was based on the Board's appropriation resolution made on 03/13/2015.

Note 2: The Company did not make financial forecast for 2015; therefore, no financial information or assumption for 2015 is required to be disclosed.

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

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

The Company's Articles of Association #34.1, the Company makes earnings distribution according to profit appropriation proposal resolved by the Board and approved by the shareholders. The Board shall propose the appropriation based on the following guidelines: The Company shall, from the current year's earnings, offset for prior years' deficit and appropriate 10% of the residual earnings as legal reserve until the accumulated legal reserve equal to the Company's capital. Then set aside a special capital reserve, if one is required, in accordance with the Applicable Public Company Rules or as requested by the authorities in charge. Finally, no more than 3% and 5% of the balance can be allotted as Board remuneration and employee bonus (as prescribed in employee motivation plan under Article#11.1), respectively. The Board shall articulate the appropriation percentage for the Board and employees in the earning distribution meeting. The shareholders have the right to amend the proposal before resolution. Board members who are also a member of the Company executive are qualified for both Board remuneration and employee bonus.

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

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

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

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

The Board has adopted a proposal for distribution of 2014 profits. Please refer to the profit distribution below:

- (1) No employee bonus will be made.
- (2) Distribution of US\$280,000 (or NT\$ 8,878,800) as remuneration to the directors.
- (3) The proposal amount is the same as the expensed item for the compensation to the directors.
- (4) Per share earnings after deduction of the proposal of remuneration paid to directors and supervisors and bonus distributed to employees: not applicable

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

6. Actual appropriations to employee bonus and remuneration to directors and supervisors: 2014 actual earnings distributions as employee bonus and remuneration to directors and supervisors are as follows:

Unit: US\$

	Actual distribution via the approval of the shareholders' meeting	Proposed distribution made by the Board	Difference	Reason of difference
Distribution	0	0	0	None
Employee cash bonus	0	0	0	None
Employee stock bonus	0	0	0	None
Director remuneration	280,000	280,000	0	None

(IX) Share buyback: none

## II. Corporate Bond

(I) Convertible bonds: the Company's first unsecured foreign convertible bonds have converted to common shares completely.

Types of corporate bond		Second domestic unsecured convertible bond
Issuing Date		7/30/2014
Face value		NT\$100,000
Issuing and listing		Not applicable
Issuing price		Issuing at par
Total amount		NT\$ 200,000,000
Interest		0.00%
Tenor and Maturity Date		Three years, mature on 7/30/2017.
Guarantor		Not applicable
Trustee		CTBC Securities Co., Ltd.
Underwriter		Capital Securities Corp.
Legal Counsel		Jheding Law Office
Independent auditors		Deloitte & Touche
Repayment		Unless the bonds have been previously redeemed, repurchased and canceled, or converted, the Company will redeem the bonds on the maturity date at a redemption price equal to 100% of the outstanding principal amount thereof.
Unpaid principal amount		NT\$ 200,000 thousand
Early redemption or repayment clause		Certain redemption clauses: 1. At any time on or after the 30th day of the issuance and prior to 40th day of the issuance, the bonds may be redeemed at the option of the Company, in whole, provided that the closing common share price at Taiwan exchange for 30 consecutive trading days is at least 30% of the conversion price 2. At any time on or after the 30th day of the issuance and prior to 40th day of the issuance, the bonds may be redeemed at the option of the Company, in whole, provided that the total outstanding bond balance is no more than NT\$20 million (10% of the issuance).
Covenant clause		None
Credit Rating, including name of the agency, rating date and rating result		Not applicable
Other Rights of Bondholders	Amount converted (via exchange or subscription) to common share, GDRs or other securities as of the date of this Annual Report	None
	Issuance and conversion (through swap or subscription)	Please refer "Issuance and conversion" on page 382 in the prospectus
The impact to existing shareholders is a dilution effect on existing shareholders due to share issuance and conversion and rights to exchange or subscribe.		Please refer to page 82 in the prospectus
Custodian institute		None

(II) Convertible bonds details

Types of corporate bonds		Second domestic unsecured convertible bond	
Year		2014	As of 3/31/2015
Item			
Market price of the convertible bond	The highest	121.40	111.5
	The lowest	100.75	104
	Average	109.33	104.26
Conversion price		134.5	134.5
Issuing date and conversion price		07/30/2014 /134.5	
Exercise of conversion		Issuing new shares	

**III. Preferred shares: None.**

**IV: Issuance of Global Depositary Receipts Shares: None.**

## V. Employee stock option:

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

### (I) Unexpired employee stock option

03/31/2015

Types of employee stock options granted	2010 employee stock option
Date of authority approval	Not applicable
Date of issuance	October 15, 2010
Number of issuance	3,922,000 units
Percentage of shares exercisable to total outstanding shares	4.51%
Duration	6 years
Exercise period	One year after the employee stock option granted till the end of the vesting period.
Method of performance	New common shares issued through capital increase
Vesting schedule and ratio	Exercisable up to one year 25%, up to two years exercisable 50%, Up to three years exercisable 75%, up to four years exercisable 100%.
Shares exercised	2,313,500 shares
Value of shares exercised	NT\$ 107,761 thousand
Shares unexercised	357,500 shares
Exercise price of open options	NT\$ 43.7
Number of shares vested to unexercised shares as a percentage of total outstanding shares (%)	0.41%
Dilution effect on existing shareholders	Number of shares issued through exercise of the options as a percentage of total outstanding shares is 0.41% which has limited dilution effect to the existing shareholders.

Note: Based on total outstanding shares of 87,010,075 as of 03/31/2015.

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

2010 employee stock option

03/31/2014

Title	Name	Number of shares vested	Number of shares vested as a percentage of total outstanding shares	Exercised				open			
				Number of shares subscribed	Subscription price	Subscription amount in NT\$	ratio of the number of subscribed shares to total outstanding shares	Number of shares subscribed	Subscription price	Subscription amount in NT\$	ratio of the number of subscribed shares to total outstanding shares
Chief Executive Officer	Chien Hua, Teng	275,000	0.32%	48,500	NT\$43.70	NT\$2,119,450	0.06%	226,500	NT\$43.70	NT\$9,898,050	0.26%
Vice President	Yiau Chung, Tsai										
CFO	Shiou Lin, Chen										
Vice President	Chia Cheng, Lin										

Note: Based on total outstanding shares of 87,010,075 as of 03/31/2015.

(III) Exercise of privately placed employee stock warrant: None.

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

**VII. Mergers& acquisitions, and issuance of new shares due to acquisition of shares of other companies: None.**

**VIII. Capital allocation:**

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

(II) Implementation status: not applicable

## Five Operation Summary

### I. Business Operation

#### (I) Business Scope

##### 1. Main business

The Company specializes in development, production and sales of wire harnesses, connectors, cable assemblies, and optical components for PC peripherals, motor vehicles, medical equipment, communication gears, and solar energy related facilities.

##### 2. Sales mix of major products

Unit: %

Year	2013	2014
Product	Percentage	Percentage
Cable Assemblies	42.88%	44.25%
Wire Harnesses	33.83%	37.77%
Power Cords	2.43%	1.73%
Adaptors and Connectors	5.48%	4.25
Raw Cables	1.36%	1.76%
Passive Optical Components	2.85%	2.23%
Photovoltaic	7.12%	4.61%
Others	4.06%	3.40%
Total	100.00%	100%

##### 3. Product (Service)

Cable Assemblies	<ul style="list-style-type: none"> <li>- Computers and handheld peripherals: Transmission cables for high-frequency audio and video signals, expansion and extension devices and docking stations.</li> <li>- Sports vehicle harnesses, battery management system harnesses for electric cars, TVSH harnesses, charging cords, transport refrigeration unit harnesses.</li> <li>- High-frequency server transmission cables and industrial power cords.</li> <li>- High-frequency transmission cables for consumer electronics and audio cables.</li> <li>- Medical sensor cables, high-end signal wires and optical filters.</li> </ul>
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Wire Harnesses	Automobile harnesses, interior wires for medical equipment, wire harnesses for industrial use, signal and power harnesses for automatic production facilities.
Adaptors and Connectors	High-frequency connectors for information peripherals, customized connectors for use in computers, consumer electronics, automobiles, and electronic appliances.
Photovoltaic	Junction box, solar connectors and High-voltage wiring material for solar energy applications.
Raw Cables	High-frequency cables used in 3C products, for industrial power cords and signal cables, for telecommunication applications; high-grade flame-retardant building cables, Teflon cables, electric vehicle charging cables, and for wearable device cables.
Passive Optical Components	Wavelength Division Multiplexing (WDM) series Fiber optic splitters Micro optics product Optoelectronics product

#### 4. Product development

In addition to continuous effort on halogen-free production, our future development will focus on cables and related products converging high-frequency 3Cs, high-end commercial computers, electronic vehicles, medical equipment and industrial and new energy facilities.

### (II) Industry Overview

#### 1. Industry overview and outlooks

##### ① Active Cable

We think there will be increasing demands for adaptors, dongles, and docking equipment as a result of the trends to minimize interfaces, upgrade to higher-frequencies and resolutions and the prevalence of handheld smart devices. Also, the market for high-resolution multiscreen output is expanding, particularly in the fields of gaming, commercial, graphics and healthcare.

##### ② Cable Assembly & Passive Cable

Production is getting more complicated, specifically in the fields of signal integrity, quality, efficiency, consideration of electromagnetic interference, manufacturing skills and technology,

as well as quality control for all of our product lines. These challenges have been facilitated to accelerated development in the car electronics and electric vehicle industry, diversified demand from medical facilities, and the trend towards lighter weight products. High-quality wiring harnesses are the keys to car safety, with in-vehicle infotainment and driver assistance systems, also with better and faster results for medical devices.

### ③ Connector

USB-Type C is the new interface for lighter and laminar device design. It not only supports faster charging and transmission rates (10Gbps) than USB 3.0 but is also smaller in size (8.4×2.6mm). It is composed of many micro parts through an embedded circuit design. The product requires technology that crosses a high quality barrier. We expect the new interface to start shipment in 2015 and will be the mainstream product.

### ④ Photovoltaic

The cost of power generation from solar energy is going down. Demand from China, Japan and new emerging markets continue to grow. Large scale power plants are gaining market share due to the disproportionate maintenance and roof-top system expenses incurred by smaller plants. Therefore an economic smart monitoring module that integrates monitoring and integration with an alarm system and metering has gained market potential.

## 2. Supply chains

We are players in the cable assembly industry with vertical integration in the production of connectors and wiring material. Besides wires and connectors by the group companies, components are largely procured from external upstream vendors. Our customers are generally EMS players or international brand companies that make or sell the end products.

## 3. Product development trends

Below are the latest interface standards:

### (1) Video interfaces:

We are able to support 4K x 2K resolution, 3D, high-speed transmission, multi-screen displays, additional vehicle interfaces as well as the new generation of small connectors.

- (2) Data transmission between storage devices  
High speed transmission via optical fiber from multi-channel copper lines.
- (3) Regular transmission  
Increased transmission speed of external devices to 10Gbps.
- (4) Solar energy  
High voltage and smart junction boxes with monitoring systems.

#### 4. Competition

To maintain a competitive advantage and stable profitability, we strive to create a range of competitive products by integrating with main upstream industry players in an effort to reduce production cost and enhance high-frequency technology. We also intend to diversify into medical, automobile, and industrial applications, as well as solar energy and the peripheral information market to achieve long-term operation and stable profitability from our specialized segments.

### (III) Technology and R&D

#### 1. Current technologies and R&D development

Our main products include cable assemblies, connectors and fiber optical parts used in PC peripherals, automobiles, medical equipment as well as industrial and telecommunication facilities. We are members of several international industrial standard associations. Our global R&D talents are located in Silicon Valley, Taiwan and China. These teams collaborate with front-end vendors and back-end international customers, to keep abreast of the latest connection technology. High quality connecting harnesses not only support stable electric current and signal transmission, but also lay the foundation for high quality electronic products with long life spans and excellent operation efficiency.

#### 2. R&D expenses from 2010 to 2014

Unit: NT\$ thousands; %

Item	2010	2011	2012	2013	2014
R&D Expenses	64,998	80,739	106,854	157,014	200,437
Net Sales	5,144,591	5,595,837	5,799,455	7,111,881	7,482,011
% of Net Sales	1.26%	1.44%	1.84%	2.21%	2.68%

### 3. Successful development

Year	R&D Result	Descriptions/Applications
2014	Charging station cables	Equipment in charging stations.
	Wiring harnesses for the new-generation of computerized tomography.	Next generation CT technology
	Video displays for medical devices	High-resolution multi-screen outputs for medical devices.
	DockPort application series.	Support 4K2K and multi-screen video output hubs.
	Computer docking systems.	Support 4K2K and multi-screen video output and multiple signals input.
	Smart solar energy junction boxes and Cloud monitoring systems.	Reduces construction costs of solar energy plants as well as monitoring and metering.
	Super-thin high-frequency cables.	High-speed transmission wires used in 3C products.

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

##### 1. Short-term development strategies and plans

- (1) Continue implementing partnership value chains and fulfilling customers' requirements
- (2) Use integrated solutions to enhance our capability of providing full-scale professional services
- (3) Through clear positioning in the market. Closely collaborate with industry leaders. Facilitating shared economies of scale.
- (4) Explore cloud storage business opportunities
- (5) Continue efforts on renewable energy and environment protection
- (6) Continuous upgrade for production procedures

##### 2. Long-term development strategies and plans

- Focus on high-technology product development with strategic diversification for new markets.
- Focus on patented technologies, machinery facilities, production techniques and the enhancement of production efficiency and automation.
- Deepening of technology levels in high frequency and EMI control.
- Further connector product development for electric vehicles, car electronics, medical devices and solar energy.
- Quick actions and innovations to strengthen our position in the fields of Mobility and Cloud computing.

- Tap into ultra-high speed optical product lines.
- Provide a total solution for customers by targeting service driven product development plans and technology applications.
- Increase proximity of production line facilities to customer sites.
- Company's Sustainability integrating more products into people's daily lives.

## II. Overview of the market, production & sales

### (I) Market analysis

#### 1. Major sales (service) regions

Unit: NT\$ thousands; %

Region	2013		2014	
Asia	3,871,850	54.44%	3,637,410	48.62%
America	2,389,372	33.60%	2,804,846	37.49%
Europe	847,229	11.91%	1,037,373	13.86%
Others	3,430	0.05%	2,382	0.03%
Total	7,111,881	100%	7,482,011	100%

#### 2. Market share

Increasing market share for individual products is a challenge due to product customization for industry and customer specific requirements as well as our connector distribution to branded end-product manufacturers. Nonetheless, our continuous R&D efforts to expand our application areas and the related technologies will result in a visible increase of our market share.

#### 3. Industry demands, supplies, and growing potentials

According to a 2015 Gartner report, the total shipment for global electronic devices, including PCs, tablets, light Notebooks (NBs) and smart phones, will grow by 2.8% annually to reach 2.5 billion units. Despite a 2.4% drop in PC-related products (including PCs and light NBs) as well as a 9% decline in traditional PC shipments, high-end light NB shipments will grow at a rate of 45.6%. Regular light-weight NBs and smart phones will continue to grow at a single-digit rate.

Gartner believes the smart phone to be the largest market with good profitability. They expect the sector to inch upwards by 3.5%,

representing a stable but slow growth trend followed by a flattening or sliding average selling price. After years of strong growth, the market for tablets has now become saturated and 2015 growth should continue at a single digit rate; given the intensifying competition from the newer big-screen phones and 2 in 1 devices.

According to the Industrial Technology Research Institute, demand for solar energy products have continued to climb in America and the emerging Asian areas since 2012 in contrast to the downward European trend. Although new global installations continue to accelerate, the overall market value is slipping. This is mainly due to the low-asp product composition of mainstream shipments. Shipment composition is driven by major market demand from the Asia Pacific region and new emerging area markets dominated by large power plants.

In 2015, it is expected that the cost of solar power generation will continue to decrease, but demands from China, Japan and emerging markets will continue to grow and reach a total installation of 50GW for the year, an annual double digit growth. However, momentum will weaken after 2016 due to US credit tax cuts and lower subsidies in Japan, until a recovery from Europe.

The rise of electric vehicles and smart cars has enabled a steady growth for the car electronics market value, becoming the third largest application market after cell phones and PCs. IHS estimates the market will grow by 7.5% in 2015 due to advancements in identification systems, speed and wireless charging, panoramic cameras, collision avoidance, integrated safety and auto driving systems.

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

Mega Data to begin another round of new development.

#### 4. Competitive advantages

① Vertical group integration

Upwards integration to reduce production costs, provide full-line products and ensure material supplies.

② Mass but flexible production capacity

Allocation of production capacity according to customer demand and shipment deadlines to cater to both small-volume orders with a high mix and large-volume orders.

③ Received various international certifications.

All plants have received ISO9000, ISO14001 and OHSAS18001 certification. The solar energy products have obtained UL and TUV verification.

④ Management team

We will continue our established new product development procedures to ensure a long and stable relationship with all of our customers.

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

① Positive factors

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

B. Penetration into top global companies

The Company has earned confidence from top global companies with its knowledge, technologies, and quality.

② Negative factors and the addressing plans

A. Possible slowdown of growth industry-wide

Demands are still impacted to a certain degree by IT industry outlooks

Addressing plans

We will expand our product application in the automobile, medical, industrial and solar energy areas. To accommodate an increase in car cables we will most likely reduce the percentage of IT products.

B. Competitions

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

Addressing plans

- (a) We will continue to invest in development, product design, production automation and production procedure upgrading. At the same time we will generate differentiated and high value added applications to enhance our profitability and lower peer pricing competition.
- (b) We will expand our European and US markets through additional marketing efforts and the generation of differentiated, high value added applications.

C. Volatile upstream material prices

Copper and plastic prices fluctuate with international trading markets

Reactive plans

- (a) Long-term contract with upstream sources to stabilize supplies and production cost
- (b) Monitoring markets and utilizing group purchasing in price negotiation

(II) Major applications and production procedures

1. Applications of the major products

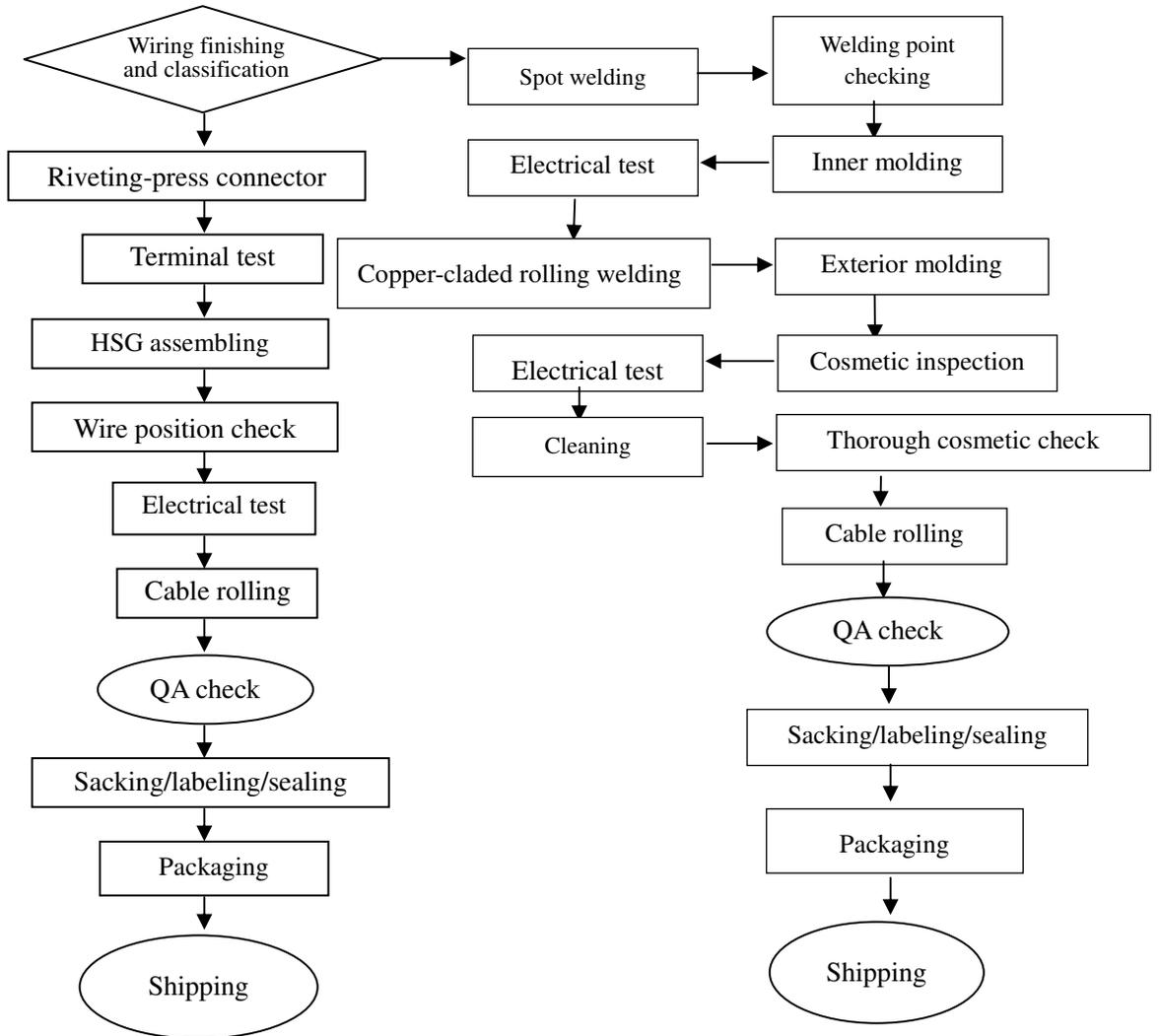
The Group is manufactures data cables, power cords, vehicle harnesses, medical cables and harness, connectors/adaptors, bulk cables, and optical components. Applications for these products include computers, home appliances, medical equipment, automobiles, communication gears, solar power equipment,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

Product categories	Applications
Connectors, harnesses, cable assemblies and solar power junction boxes	Signal transmissions: 3C video and audio, data, vehicle electronics, medical diagnostic results display, highway monitoring systems. Power transmission: solar power and EV charging.
Passive optical devices	Passive optical devices are the fundamental and core components of optical data transmission systems, also the most critical elements when building fiber-optic communication networks. Optical transmissions transmit data at higher speeds. Applications: telecommunications, broadcasting, and data processing centers.

2. Manufacturing processes

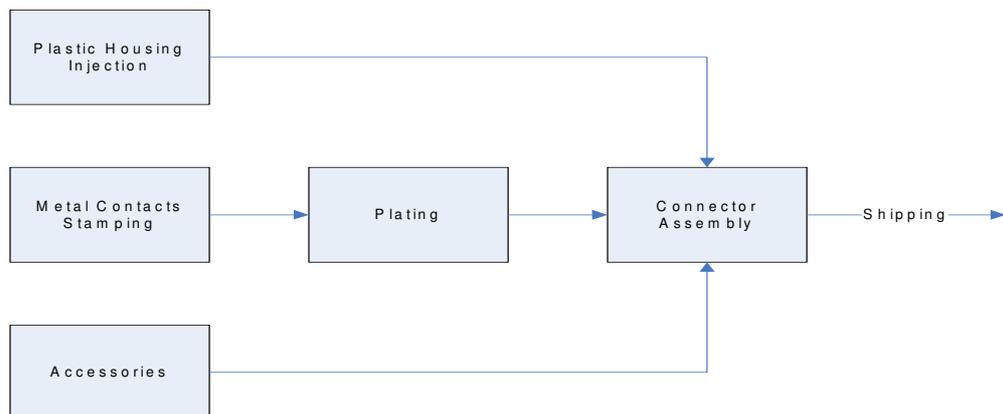
Cable assembly processes, from designs, material assembly, to shipment processes:

① Production procedures of cable assemblies



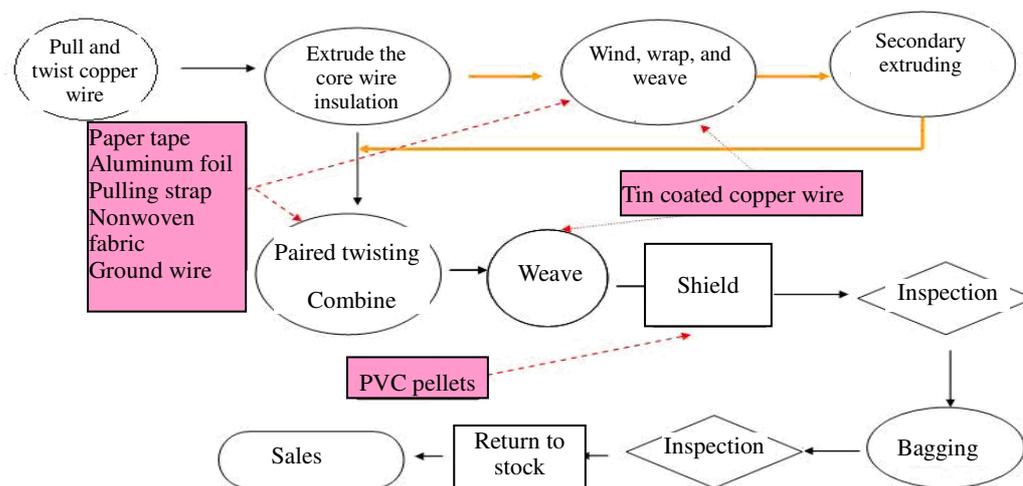
② Production procedures of connectors:

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



③ Production procedures of bulk wires:

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



(III) Supplies of key materials

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

(IV) Explanations if significant changes on gross profit margin in the last two years: If changes were over 20%, provide analysis on major causes and their impact on the gross profit margins.

2012		2013		2014	
Gross margin	Fluctuation percentage	Gross margin	Fluctuation percentage	Gross margin	Fluctuation percentage
25.14%	10.07%	27.53	9.51%	27.85%	1.16%

Changes of gross margin rates less than 20%

(V) List of major suppliers and customers:

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

of the customers/suppliers.

#### 1. Major suppliers in 2013 and 2014

None of the purchase to 3<sup>rd</sup> party accounted for more than 10% of the total purchases. Total purchases to top 10 suppliers were 29.40%, 35.84% and 25.18 % of total in 2012, 2013 and 2014. Over the last two years, the company has not favored any one particular supplier. Unless stipulated by the client, the company's purchasing policy states that two suppliers must be available for any material. In addition to price comparison purposes, the supplier flexibility is also increased; therefore, there is no risk of over centralized supply.

#### 2 Major customers in 2013 and 2014

Unit: NT\$ thousands; %

Item	2013				2014			
	Name	Amount	Percentage	Relation	Name	Amount	Percentage	Relation
1	Customer A	877,719	12.34	None	Customer A	731,735	9.78%	None
2	Customer B	826,386	11.62	None	Customer C	727,679	9.73%	None
	Net sales	7,111,881	100.00	-	Net sales	7,482,011	100.00	-

Note 1: To protect our customer, no actual customer name will be provided.

Note 2: Changes of suppliers and customers are mainly driven by shifts of market trends and demands.

#### (VI) Production volume and value in 2013 and 2014

Unit: pcs/ NT\$ thousands

Products (or department)	2013			2014		
	Capacity	Outputs	Value	Capacity	Outputs	Value
Cable assemblies	32,775,408	35,980,880	2,468,677	37,073,319	37,634,503	2,528,982
Harnesses	77,537,460	84,109,291	2,188,600	31,504,738	32,918,422	1,855,354
Power cords	5,078,452	4,890,589	101,069	1,365,118	1,211,627	61,906
Adaptors and connectors	966,828,535	1,527,585,517	329,881	1,191,657,092	1,829,956,059	777,150
Bulk cables	54,592,598	55,739,174	528,994	64,200,277	63,419,008	485,835
Passive optical components	470,128	629,219	192,139	226,025	306,681	152,020
Solar	32,213,430	50,897,219	511,803	21,392,062	31,414,924	335,926
Other	626,201,258	628,094,950	299,248	710,345,662	706,195,563	1,097,926
Total	1,795,697,269	2,387,926,839	6,620,411	2,057,764,293	2,703,056,787	7,295,099

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

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

## (VII) Sales volume and value in 2013 and 2014

Unit: pcs/ NT\$ thousands

Sales volume and value	Year		2013				2014			
			Domestic sales		International sales		Domestic sales		International sales	
	Volume	Value	Volume	Value	Volume	Value	Volume	Value		
Sales volume										
Cable assemblies	-	-	40,709,650	3,049,664	-	-	48,407,112	3,311,042		
Harnesses	-	-	31,708,653	2,406,063	-	-	40,003,797	2,825,902		
Power cords	-	-	2,257,707	172,514	-	-	1,196,743	129,161		
Adaptors and connectors	-	-	22,878,566	389,554	-	-	33,554,817	318,159		
Bulk cables	-	-	8,399,631	96,518	-	-	8,186,105	131,871		
Passive optical components	-	-	338,977	202,434	-	-	128,953	166,838		
Solar			3,225,559	506,219			4,436,659	344,568		
Others	-	-	264,557,038	288,915	-	-	315,816,442	254,470		
Total	-	-	374,074,781	7,111,881	-	-	451,730,628	7,482,011		

Notes: All sales are international.

More value-added, high unit priced products in 2014 pushed the total revenues up.

## III. Employees in 2013, 2014 and as of the date of this Annual Report

Year		2013 end		2014 end		End of March, 2015	
Number of employees	Managers	124		132		132	
	Clerical	1,155		1,274		1,267	
	Operators	4,286		3,911		4,265	
	Total	5,565		5,317		5,664	
Average age		32.7		33.4		33.8	
Average service years		3.7		4.3		4.1	
Education	PhD	2	0.04%	2	0.04%	2	0.04%
	Master	52	0.93%	66	1.24%	64	1.13%
	College	885	15.90%	879	16.53%	926	16.34%
	High school	1,927	34.63%	1,659	31.20%	1,717	30.31%
	Others	2,699	48.50%	2,711	50.99%	2,955	52.18%

#### IV. Environment protection expenditures

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

Major production lines are in China.

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

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

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

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

BizConn Certificate of Hazard Management, QC080000: Valid to 2017/2/27

BizConn Certificate of Environment Management, ISO 14001:2004: Valid to 2015/11/03

BizLink Electronics (Xiamen) Co., Ltd. On 10/28/2014/, received waste water sewage permit from government, good for three years.

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

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

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

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

General sewage per DB4426-2001 Level II standards, and industrial emission were processed before dispersed through pipes to high air per DB4427-2001 Level II, passed the inspection by certified 3<sup>rd</sup> party inspectors. Noise elimination control is per GB12348-2008 Level III or  $\leq 65$ dB in the

daytime and  $\leq 55$ dB during the night time. There were no radiation sources, radioactive substances nor industrial sewage generated.

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

(III) Information about the processes taken by the Company on environmental pollution improvement for 2013, 2014 and up to the date of this Annual Report. If any pollution disputes, list the handling processes: There were no pollution disputes.

(IV) List if any damage or loss (including compensation paid) by the Company on environmental pollution incidents in 2013, 2014 and up to the date of this Annual Report. The total penalty/fine amount, as well as the preventive actions (including improvement) and possible liabilities (including possible loss if no preventive measures are taken, and the penalties and estimated compensation amount; if a reasonable estimation cannot be made, then reasons): None.

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

All Group products make no significant industrial pollution from the production processes and are eco-friendly and meeting environmental standards by EU. The only possible substances generated worth mentioning are residual solvent inks, chemical solutions during stamping and maintenance of tooling and injection molding machines. These substances are now managed by certified waste management companies. Procedures for using, storage, and disposing chemical substances are compliant with the local regulations. Documentation regarding hazard waste in case of emergency is filed at local environmental authority. Therefore, no environment-related capital expenses, nor any impact to the profits and competitive position of the Company due to environmental issues are in foreseeable future.

## V. Labor Relation

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

### 1. Employee benefit programs and execution

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

#### A. Labor insurances per local government's requirements

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

2. Employee education and trainings:

Talents are the most important and the core of our competitiveness. We use continuous training programs to exploit employees' potentials and enhance their knowledge, as well as to increase their loyalty level to the company and expertise to improve the Company's operation efficiency to reach the business goals. Execution of employee trainings:

- A. Accumulated training hours in 2014 was 151,115 hours, or 12 hours/employee, with a total expense of NT\$ 1.18 million. The programs covered professional and general education, including skills for middle management, quality assurance, R&D and engineering, production management, human resources & general administrations, sales & marketing, financial management and material management, etc.
- B. New employee trainings: Dedicated mentors were assigned when the new employees get onboard to orientate the working environment and help employees' acquaintance of the company and corporate cultures. Departmental training programs are available to new employees to assist them equipped with basic knowledge for the jobs. These include but not limit to the company background, organization structures, the employee handbook, awareness of environment protection, quality/environment policy and Articles of Association, salary & benefit, training programs, performance appraisal, production safety and hygiene, 6S and knowledge regarding quality controls, etc.
- C. On-job trainings: Our human resource department sets up open-class schedules for the following year at yearend. The schedules combine both internal sessions from departments and the Company, and external programs. Internal sessions are lectured by either internal instructors or external professionals for professional knowledge and machinery operation. The external programs are done by professional training institutes, such as Ahead International Management Consulting and The Association of Pioneer Quality Control Research for special

training projects.

D. Management trainings: For managers, various trainings were provided according to their levels and work natures to create the team vision and operating consensus. Management Training Program is provided to the Company's managers and fully subsidized by the Company to foster individual leadership and management skills.

E. E-Learning: We have established a corporate learning platform online, BizLink eLearning. Employees are free to utilize the programs. The classes are updated regularly and cover management, professional skills, finance, information system and quality assurance, etc. BizLink eLearning was awarded Grade A certification in 2007 for its quality in the program of digital learning industry promotion and development from Industrial Development Bureau, Ministry of Economic Affairs.

F. Internal instructors: To pass down and circulate the organizational and professional knowledge, we have strived on building an instructor team for the classes, and improved the teachers' ability to develop new training programs and to integrate the materials into practical operations.

G. Special skill training: For trainings that require sophisticated skills and professionalism, the Company has partnered with 3<sup>rd</sup> party training institutes to develop special skill programs, such as IPC-620 and English writing & speaking, etc.

H. Management trainee program: For our needs of talents and higher-quality employees for business development and company recognition, we recruit regularly new graduates from universities, and employees with outstanding performance to our management trainee programs to staff for the future development.

### 3. Retirement program and execution

The Company's retirement programs are set per local requirements for funds and pensions. For example, starting from July 2005, we have deposited the monthly retirement funds to the individuals' pension accounts according to Pension Labor Act to ensure Taiwanese employee's life protection after retirement.

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

A: Union establishment: Unions are formed per related local regulations, and Union meetings are held regularly based on the related local regulations. Representatives from the employees are invited to facilitate the communication with employees as they can get opinions and requests from the meetings for

employees' needs and issues, and invite unions' participation to the benefit program and policy setting. As of today, all union members are willing to dedicate to the related matters to assist the win-win situation for the Company and employees.

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

#### 5. Code of employee conduct and morale

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

- (1) Honesty and integrity  
Employees must abide by the honesty and integrity articles stipulated by the Company, not to solicit any improper interests, like rebates, commissions, gifts, or entertainments from any trading parties, including partners, customers, material vendors and service providers, regardless the result of the transactions
- (2) No harassments in any form is allowed  
Employees have the right to work under harassment-free environment. Harassments targeting cultural backgrounds are prohibited
- (3) Promises and implementation  
The Company has declared an honest policy. The board and the management team shall strive to implement the promise and carry out necessary procedures and management within internal and external business activities.
- (4) Honest business activities  
The Company shall conduct its business in fair and transparent manners. Before any transactions with agents, suppliers, customers or trading partners, the Company shall ensure its honest business policy is included in the contracts to implement terminations or cancellations of the transactions if the policies are violated
- (5) No bribery  
The Company strictly forbids its employees to directly or indirectly offer/promise or to take/receive any kind of improper interests including rebates, commissions, or any payments to or from customers, agents, contractors, suppliers, government officers, or any other interest parties.
- (6) No illegal political contributions  
The Company strictly forbids its employees to offer illegal contributions to any political parties or events in exchange for business interests or advantages.
- (7) No illegal charity contributions or sponsorships  
The Company strictly forbids its employees to give charity donations or sponsorships per laws and internal policies to avoid de facto bribery.
- (8) No inappropriate gifts, entertainment or interests  
The Company strictly forbids its employees to give improper gifts,

entertainment, or interests to influence the business transactions or make impact to the legitimate of the deals. Dealings with partners who have records of unethical conduct shall be avoided. Personal direct or indirect donations shall abide by Political Donations Act and company policies.

(II) Information regarding the loss suffered by the Company due to labor disputes occurring in 2013, 2014, and up to the date of this Annual Report, and the estimated amount expected incur for the present and future as well as the preventive measures. If a reasonable estimation cannot be made, reasons should be stated herein. Through constant promotion and improvement of various employee benefit measures, the potential risk of major losses incurred due to labor-capital disputes in the future is minimized.

## VI. Important contracts

Item	Type of contract	The parties	Valid Period	Major transaction	Covenant clause
1	Licensing	Apple Inc.	Two years starting from 12/3/2007 and automatically renewed thereafter	Apple Inc. has authorized BizLink Technology Inc. (BizLink, U.S.A. hereafter) to use technologies to make products under the name of BizLink, U.S.A. with a license payment of US\$ 4 for each unit made.	--
2	Licensing	Apple Inc.	12/3/2007-agreement ended as soon as BizLink, U.S.A. stopped providing car devices	Apple Inc. authorized BizLink, U.S.A. to produce connectors for car audio system and Apple devices (a license payment of US\$ 0.5 was made for each adaptor).	--
3	Licensing	Molex Incorporated	7/30/2007- Patent expiration	Molex Incorporated authorize BizLink, U.S.A. to make products	--
4	Licensing	VESA	3/11/2008- contract termination with VESA	Video Electronics Standard Association , U.S.A. authorized BizLink, U.S.A. to use DisplayPort Trademark Icons free of charge.	--
5	Licensing	Molex Incorporated	11/7/2011 - Mature date of the right to use the patent.	Molex authorized BizLink to use the patent for miniSAS series	--
6	Supply	Polaris Industries, Inc.	Began on 2/14/2007 and terminate on any day with a 180-day termination notice from either side.	BizLink, U.S.A. acts as the supplier to produce and sell products based on orders of Polaris Industries, Inc.	--
7	Supply	Dell Products L.P.	Began on 1/28/2003 for one year and automatically renew for unless a 180-day termination notice from either side	BizLink, U.S.A. acts as the supplier to produce and sell products based on orders of Dell Products L.P.	--

Item	Type of contract	The parties	Valid Period	Major transaction	Covenant clause
8	Supply	Quanta Computer Inc	Began on 1/12/2012 for three years and automatically renew for unless a 30-day termination notice from either side	Xiang Yao Electronics acts as the supplier for Quanta Computer Inc to produce based on the orders.	--
9	Supply	Panasonic Hong Kong	From 2014/08/12 until a 90-day early written termination from either side	Regarding trading, product quality, payment terms and intellectual property	--
10	Supply	Intel	04/14/2014	BizLink, US as a product supplier based on specifications from Intel	
11	Supply	Microsoft	12/12/2014~12/12/2015 Microsoft may extend the term for 1 year	Component Purchase Agreement (CPA) Extension	
12	Procurement	TDK (Xiamen) Co., Ltd	Began on 12/15/2011 until the termination notice from either side	Regarding trading terms/warranty and liabilities	--
13	Procurement	VTech Communication Ltd.	Began on 1/30/2008 until the termination notice from either side	Regarding delivery/order cancellation/payment/engineering changes/confidentiality	--
14	Procurement contract	Kodak	From 12/1/ 2014 until a 60-day early termination from either side	Regarding trading terms/guarantee and liabilities/others.	--
15	Quality Assurance	CANNON VIETNAM CO LTD	5/4/2011	Agreements regarding quality assurance of the supplies	--
16	Quality Assurance	Foxconn Group	5/20/2011	Agreements regarding quality assurance of the supplies	--
17	Qualify assurance contract	Beijing Xiaomi Technology Co., Ltd	Period is for five years starting from 08/18/2014	Regarding handling of product liability and deviation in product quality and quantity.	
18	Logistics	Flextronics International S.R.O	Stating from 8/1/2009 until termination notice from either side	Logistics agreement with Flextronics regarding products for HP	--
19	Product Liability Insurance	Zurich Insurance Group (BIZLINK BVI CORP, etc.)	07/03/2013-07/03/2014	Product liability coverage for products sold in non US and Canada areas.	--
20	Employer liability insurance	China Life Property & Casualty Insurance Company, Shenzhen branch. (Eight production plants in China under the BizLink Group)	From 5/9/2014 to /5/10/2015	Liability coverage for employee death or disability caused by work accidents.	

## Six Financial Highlights

### I. Financial Information from 2010 to 2014

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

#### Consolidated Condensed Balance Sheets

Unit: NT\$ Thousand

Year		Financial Information (Note 1)			Financial Information As of March 31, 2015 (Note 2)
		2012	2013	2014	
Current assets		3,358,686	4,032,436	4,909,171	4,803,631
Property, plant and equipment, net		750,338	834,723	1,192,576	1,191,168
Intangible assets		79,764	97,182	104,444	98,976
Other assets		67,102	76,202	100,219	122,720
Total assets		4,315,958	5,151,974	6,523,935	6,433,055
Current liabilities	Before appropriation	1,395,726	1,618,327	1,913,267	1,769,950
	After appropriation	1,666,581	2,017,311	(Note 3)	(Note 3)
Non-current liabilities		190,336	78,844	481,808	475,103
Total liabilities	Before appropriation	1,586,062	1,697,171	2,395,075	2,245,053
	After appropriation	1,856,917	2,096,155	(Note 3)	(Note 3)
Equity attributable to owners of the parent		2,729,896	3,454,803	4,128,860	4,188,002
Paid-in capital		733,909	797,967	868,690	870,100
Capital surplus		631,393	833,980	1,113,903	1,118,655
Retained earnings	Before appropriation	1,448,265	1,740,306	1,918,208	2,088,980
	After appropriation	1,177,410	1,301,424	(Note 3)	(Note 3)
Other components of equity		(83,671)	82,550	228,059	110,267
Treasury Stock		-	-	-	-
Non-controlling interest		-	-	-	-
Total equity	Before appropriation	2,729,896	3,454,803	4,128,860	4,188,002
	After appropriation	2,459,041	3,055,819	(Note 3)	(Note 3)

Note 1: Consolidated financial statements of 2012 and 2014 have been audited by independent auditors.

Note 2: Consolidated financial statements for 2015 Q1 have been reviewed by independent auditors.

Note 3: The appropriation amount for the 2014 earnings have not yet been approved in the annual general shareholders' meeting.

## 2. Consolidated Condensed Statements of Comprehensive Income

Unit: In NT\$ Thousand

Item \ Year	Financial Information (Note 1)			Financial Information Three Months Ended March 31, 2015 (Note 2)
	2012	2013	2014	
Revenue	5,799,455	7,111,881	7,482,011	1,902,215
Gross margin	1,457,694	1,957,919	2,083,494	533,540
Operating income (loss)	402,358	776,377	778,734	173,052
Non-operating income (expenses)	(33,495)	(55,810)	38,649	55,384
Pre-tax net income	368,863	720,567	817,383	228,436
Net income from Continuing operations	287,785	563,569	616,934	170,772
Losses from discontinued operations	-	-	-	-
Net profit (loss)	287,785	563,569	616,934	170,772
Other comprehensive income (loss) (after tax)	(83,331)	165,548	145,359	(117,792)
Total comprehensive income	204,454	729,117	762,293	52,980
Net income attributable to owners of the parent	287,785	563,569	616,934	170,772
Net income attributable to non-controlling interest	-	-	-	-
Total comprehensive income attributable to owners of the parent	204,454	729,117	762,293	52,980
Total comprehensive income attributable to no-controlling interest	-	-	-	-
Earnings per share (NT\$) (Note 3)	4.19	7.28	7.28	1.96

Note 1: Consolidated financial statements of 2012 and 2014 have been audited by independent auditors.

Note 2: Consolidated financial statements for 2015 Q1 have been reviewed by independent auditors.

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

(II) Consolidated Condensed Balance Sheets and Statements of Comprehensive Income – Based on R.O.C. GAAP

1. Consolidated Condensed Balance Sheets

Unit: In NT\$ Thousand

Item		Year	Financial Information (Note 1)		
			2010	2011	2012
Current assets			2,567,770	3,226,501	3,380,031
Funds and Investments			32,770	15,487	10,564
Fixed Assets			617,464	706,902	752,590
Intangible assets			17,446	33,109	92,895
Other assets			75,873	106,136	58,908
Total assets			3,311,323	4,088,135	4,294,988
Current liabilities	Before appropriation		1,310,991	1,523,834	1,351,154
	After appropriation		1,539,582	1,654,458	1,622,009
Long-term liabilities			92,864	94,178	193,520
Other liabilities			39,348	41,393	28,602
Total liabilities	Before appropriation		1,443,203	1,659,405	1,573,276
	After appropriation		1,671,794	1,790,029	1,844,131
Paid-in capital			576,277	653,117	733,909
Capital surplus			126,822	509,976	633,131
Retained earnings	Before appropriation		909,486	859,355	994,949
	After appropriation		680,895	715,669	724,094
Unrealized gain (loss) on financial instruments			-	-	-
Accumulated translation adjustments			255,535	406,282	359,723
Unrealized net loss on pension cost			-	-	-
Total shareholders' equity	Before appropriation		1,868,120	2,428,730	2,721,712
	After appropriation		1,639,529	2,285,044	2,450,857

Note: Consolidated financial statements in recent years have been audited by independent auditors.

## 2. Consolidated Condensed Statements of Comprehensive Income

Unit: In NT\$ Thousand

Year Item	Financial Information (Note 1)		
	2010	2011	2012
Revenue	5,144,591	5,595,837	5,694,854
Gross margin	1,421,383	1,278,625	1,431,403
Operating income	582,299	290,171	398,543
Non-operating income and profit	19,026	12,968	38,292
Non-operating expenses and loss	56,253	92,351	41,834
Pre-tax income from continuing operations	545,072	210,788	395,001
Net income from continuing operations	545,072	210,788	395,001
Income and loss from discontinued operations	-	-	-
Extraordinary Item	-	-	-
Cumulative Effect of Changes in Accounting Principle	-	-	-
Net income	405,364	151,697	308,474
Earnings per share (NT\$) (Note 2)	7.23	2.36	4.49

Note 1: Consolidated financial statements in recent years have been audited by independent auditors.

Note 2: Other than earnings per share, which is in NT\$, all other items are in NT\$ Thousand.

(III) Auditors' Names and Opinions from 2010 to 2014

1. Auditors' Names and Opinions from 2010 to 2014

Year	Name of CPA	Accounting Firm	Audit opinion
2010	Wei, Zhong Rong Ming, Chang	Deloitte & Touche	Modified unqualified opinion
2011	Wei, Zhong Rong Ming, Chang	Deloitte & Touche	Modified unqualified opinion
2012	Wei, Zhong Cheng Quan, Yu	Deloitte & Touche	Unqualified opinion
2013	Wei, Zhong Cheng Quan, Yu	Deloitte & Touche	Unqualified opinion
2014	Cheng Quan, Yu Angus, Chang	Deloitte & Touche	Unqualified opinion

2. For CPA changes, the names of former and succeeding CPA firms and independent accountants from 2010 to 2014, as well as the reasons for the changes, shall be provided: The change was due to the internal rotation within the CPA firm, Deloitte & Touche.

## II. Financial Ratio Analysis from 2012 to 2014

### (I) Financial Ratio Analysis- Based on IFRS

Item (Note 3)		Financial Analysis from 2012 to 2014			Financial Analysis Three months ended March 31, 2015 (Note 2)
		Year (Note 1) 2012	2013	2014	
Financial structure (%)	Debt to asset ratio	36.75	32.94	36.71	34.90
	Long-term fund to Property, plant and equipment ratio	389.19	423.33	386.61	391.47
Solvency (%)	Current ratio	240.64	249.17	256.59	271.40
	Quick ratio	161.47	172.36	166.22	173.38
	Interest coverage ratio	35.86	138.64	74.74	64.28
Operations	Account receivables turnover (times)	4.97	4.90	4.46	4.62
	Average collection days	73.44	74.48	81.83	79.00
	Inventory turnover (times)	3.81	4.30	3.64	3.24
	Account payables turnover (times)	5.28	5.74	5.11	5.13
	Average days sales	95.80	84.88	100.27	112.65
	Fixed assets turnover (times)	7.98	8.97	7.38	6.38
	Total assets turnover (times)	1.38	1.50	1.28	1.17
Profitability	Return on assets (%)	7.09	12.02	10.76	10.77
	Return on equity (%)	11.07	18.22	16.27	16.43
	<u>Pre-tax income as a percentage of total paid-in capital (%)</u>	50.26	90.30	94.09	105.02
	Profit margin (%)	4.96	7.92	8.25	8.98
	Earnings per share	4.19	7.28	7.28	1.96
Cash Flows	Cash flow ratio (%)	29.03	23.14	40.55	(1.69)
	Cash flow adequacy ratio (%)	59.09	59.62	53.27	55.60
	Cash flow reinvestment ratio (%)	8.44	2.60	7.24	(0.57)
Leverage	Operating leverage	4.86	3.23	3.61	4.05
	Financial leverage	1.03	1.01	1.01	1.02
Financial ratio variance over 20% in 2014 compared to 2013 : 1. The interest coverage ratio rose by 46.09% due to higher interest expenses from convertible bonds issued in 2014. 2. Operating cash flow ratio increased by 75.24% due to a lower account receivable balance in 2014 and higher cash inflow from operation activities. 3. Cash reinvestment ratio increased by 178.46% due to higher cash inflow from operation activities in 2014.					

Note 1: Consolidated financial statements for 2013 and 2014 had been audited by independent auditors.

Note 2: Consolidated financial statements for 2015 Q1 have been reviewed by independent auditors.

Note 3: Formulas:

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

(II) Financial Ratio Analysis – Based on R.O.C. GAAP

Item (Note 2)		Year (Note 1)			
		Financial analysis from 2010~2012			
		2010	2011	2012	
Financial structure (%)	Debt to asset ratio	43.58	40.59	36.63	
	Long-term fund to Property, plant and equipment ratio	317.59	356.90	387.36	
Solvency %	Current ratio	195.86	211.74	250.16	
	Quick ratio	119.03	134.62	168.87	
	Interest coverage	72.51	26.01	45.73	
Operations	Account receivables turnover (times)	5.25	5.20	4.86	
	Average collection days	70	70	75	
	Inventory turnover (times)	4.32	4.02	3.75	
	Account payables turnover (times)	5.99	6.04	5.19	
	Average days sales	84	91	97	
	Fixed assets turnover (times)	8.33	7.92	7.57	
	Total asset turnover (times)	1.55	1.37	1.33	
Profitability	Return on assets (%)	12.78	4.33	7.57	
	Return on Equity (%)	24.21	7.06	11.98	
	Percent of paid-in capital	Operating income	101.04	44.43	54.30
		Income before income tax	94.59	32.27	53.82
	Profit margin (%)	7.88	2.71	5.42	
	Earnings per share	7.23	2.36	4.49	
Cash flows	Cash flow ratio (%)	2.66	15.30	29.81	
	Cash flow adequacy ratio (%)	64.81	51.09	58.45	
	Cash flow reinvestment ratio (%)	-	2.65	8.38	
Leverage	Operating leverage	3.08	5.94	4.83	
	Financial leverage	1.01	1.03	1.02	

Note 1: Consolidated financial statements from 2010 to 2012 have been audited by independent auditors.

Note 2: Formulas:

1. Financial structure

(1) Debt to asset ratio = Total liabilities / Total assets.

(2) Long-term fund to Property, plant and equipment ratio = (Shareholders' equity + Noncurrent liability) / Property, plant and facility, net.

(3) Interest coverage ratio = Income before interest and taxes / Interest expenses

2. Solvency (%)

(1) Current ration = Current assets / Current liabilities.

(2) Quick ratio = (Current assets - Inventory - Prepaid expenses) / Current liabilities.

(3) Times interest earned = Earnings before interest and taxes / Current Interest expenses.

3. Operating efficiency
  - (1) Account receivables (Including account receivables and notes receivables from operating activities from each period) turnover= Net sales / Average account receivables (including account receivables and notes receivables from operating activities in each period).
  - (2) Average collection days= 365 / Average account receivables.
  - (3) Inventory turnover = Cost of goods sold / average inventory.
  - (4) Account payables (Including account payables and notes payables from operating activities in each period) turnover= Cost of Sales / Account payables turnover (Including account payables and notes payables from operating activities in each period).
  - (5) Average days sales=365 / Inventory turnover.
  - (6) Fixed assets = Net sales / Average fixed assets, net
  - (7) Total assets turnover = Net sales / Average total assets.
4. Profitability
  - (1) Return on assets = [Net income + Interest expense × (1 - Tax rate)] / Average total assets
  - (2) Return on Equity = Net income / Average net shareholders' equity.
  - (3) Profit margin = Net income / Net sales.
  - (4) Earnings per share= (Income after tax- Preferred dividends) / Weighted, average number of Shares outstanding.
5. Cash flows
  - (1) Cash flow ratio = Net cash provided by operating activities / Current liabilities.
  - (2) Net cash flow adequacy ratio = Five-year sum of net cash from operations / Five-year sum of capital expenditures, inventory additions, and cash dividend.
  - (3) Cash reinvestment ratio = (Net cash provided by operating activities – Cash dividends) / (Gross fixed assets + Long-term investment + Other assets + Working capital).
6. Leverage:
  - (1) Operating leverage = (Net Sales - Variable cost) / Income from operations.
  - (2) Financial leverage = Income from operations / (Income from operations - Interest expenses)

### **III. Audit Committee Report**

#### **Audit Committee Report**

The Board of Directors of Bizlink Holding Inc. has submitted the Company's 2014 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, 2015

- IV. For financial reports in recent years, including CPA audit reports, two comparable balance sheets, statements of comprehensive income, statements of changes in equity, statements of cash flows, please refer to page 118 through page 125.
- V. Audited stand-alone financial statements in recent years, not including detailed list of important items: None
- VI. The Company should disclose the financial impact to the Company if the Company and its affiliates have incurred any financial or cash flow difficulties in recent years or as of the date of this Annual Report: None.

## Seven Review and Analysis of Financial Condition, Performance and Risk Management

### I. Financial Condition Analysis

Unit: NT\$ Thousand; %

Item \ Year	2013	2014	Change	
			Amount	Change percentage%
Current assets	4,032,436	4,909,171	876,735	21.74%
Property, plant and equipment	834,723	1,192,576	357,853	42.87%
Intangible assets	97,182	104,444	7,262	7.47%
Other assets	76,202	100,219	24,017	31.52%
Total assets	5,151,974	6,523,935	1,371,961	26.63%
Current liabilities	1,618,327	1,913,267	294,940	18.22%
Non-current liabilities	78,844	481,808	402,964	511.09%
Total liabilities	1,697,171	2,395,075	697,904	41.12%
Paid-in capital	797,967	868,690	70,723	8.86%
Capital surplus	833,980	1,113,903	279,923	33.56%
Retained earnings	1,740,306	1,918,208	177,902	10.22%
Other components of equity	82,550	228,059	145,509	176.27%
Total shareholders' equity	3,454,803	4,128,860	674,057	19.51%
<p>Analysis of significant variance: (variance % over 10% compared with prior period or amount over 1% of total assets of current period).</p> <ol style="list-style-type: none"> <li>1. Current assets: Primarily due to sales growth as well as an increase in cash and cash equivalent inventory.</li> <li>2. Property, plant and equipment: Business Expansion led to the addition of production plants and facilities for the US operation.</li> <li>3. Current liabilities: This was due mainly to increase on accounts payable and other payables as the operations expanded.</li> <li>4. Long-term liabilities: Attributed to newly issued convertible bonds, NT\$200 million in July 2014, and additional long term borrowing for U.S. production facilities.</li> <li>5. Paid-in capital: Due to increase of additional paid-in capital in 2014.</li> <li>6. Retained earnings: Revenue growth lead to increases of profits.</li> <li>7. Other components of equity: This was due mainly to the difference of exchange rate on translation of foreign operations financial reports between 2013 and 2014.</li> </ol>				

## II. Financial Performance

### (I) Operation Analysis

Unit: NT\$ Thousand; %

Item \ Year	2013	2014	Change	
			Amount	Change percentage %
Revenue	7,111,881	7,482,011	370,130	5.20%
Cost of goods sold	5,153,962	5,398,517	244,555	4.74%
Gross margin	1,957,919	2,083,494	125,575	6.41%
Operating expenses	1,181,542	1,304,760	123,218	10.43%
Net operating income	776,377	778,734	2,357	0.30%
Non-operating expenses	(55,810)	38,649	94,459	(169.25%)
Pre-tax net income	720,567	817,383	96,816	13.44%
Less: Income tax expense	156,998	200,449	43,451	27.68%
Net income	563,569	616,934	53,365	9.47%
Other comprehensive income (after tax)	165,548	145,359	(20,189)	(12.20%)
Total comprehensive income	729,117	762,293	33,176	4.55%
Analysis of significant variance: (variance % over 10% compared with previous period or amount over 1% of total assets in current period).				
1. Revenue: The increase in operating expenses was in line with the growth of current revenue.				
2. Other income and expenses: Due to lower foreign exchange losses and loss on the valuation of financial liability.				

### (II) Revenue Outlook and Key Assumptions

We expect both sales quantity and value in 2015 will continue to grow due to expanded market share of vehicle products, docking stations, as well as the launch of the new USB interface. We believe strong vehicle harness shipments will result from the continuing electric and sports vehicle market expansion. In addition, we have developed a new series of product lines based on the new USB interface platform which will begin accelerated shipping from the second half of 2015. Please refer to the business report for related market research and an analysis of the current and future developments in the industry.

### (III) Potential impacts to the Company's future financial plan and corresponding plans

Our product applications will continue to expand through new technology and innovation. We are currently enjoying a stable growth phase and will continue to offer new products and acquire new markets for better margins, in

an effort to sustain the growth trend. We plan to use bank loans to support our operational needs and strengthen the financial structure.

### III. Cash Flow

#### (I) Cash Flows Analysis for 2013 and 2014

Analysis unit: In NT\$ Thousand; %

Year Item	2013	2014	Increase (decrease) amount	Increase (decrease) percentage %
Operating activities	374,504	775,758	401,254	107.14%
Investing activities	(393,639)	(722,741)	(329,102)	83.61%
Financing activities	(221,381)	291,861	513,242	(231.84%)
Difference analysis:				
1. Operating activities: Operation cash inflow increased as a result of revenue growth and lower accounts receivable balance for the current period.				
2. Investing activities: Growth of net cash outflow in investment activities is attributed to the newly acquired production plants and facilities.				
3. Financing activities: Increase in cash inflow from financing activities is attributed to newly issued convertible bonds, newly issued shares and additional long-term borrowing.				

#### (II) Cash Liquidity Analysis and Plans to Improve Liquidity for 2014.

1. 2015 projected cash flows analysis
  - (1) Operating activities: The Company estimates a net cash outflow on regular purchase on inventory, salary payment and other operating expenses in 2015.
  - (2) Investing activities: The Company estimates a facility upgrades and investment expenditure.
  - (3) Financing activities: The Company estimates a net cash outflow from debt repayment and cash dividend distribution.
2. Plan for potential negative liquidity: Supported by bank loans.

### IV. Major Capital Expenditures and Impact on finance and business in 2014

Our investment on U.S. production plants totaled to NT\$200 million, or 2.84% of net sales, shall not significantly impact our financial status in 2014.

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

### (I) Investment Policies

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

### (II) Reasons for Gains or Losses from Long-term Investments in 2014

Our investment strategy is driven by specific needs from our group companies and global expansion. Under the current global management, business result from our investee companies as a whole remains profitable. We subscribed new shares issued from TILOPA HOLDING INC. in 2014 to strengthen our control in Kunshan plant.

### (III) Investment Plans in 2015

The Company's investment plans in 2015 is to establish new business units base on its business need and any investment plans are subjected to the assessment and evaluation from management team of the Group in accordance with related measures and procedures.

## VI. Analysis of Risk Items in 2013 and 2014 and Up to the Date of Annual Report.

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

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

Item / Year	2013	2014
Net interest income (expense)	1,690	2,747
Net interest income (expense) as a percentage of revenue	0.02%	0.04%
Net interest income (expense) as a percentage of COGS and expenses	(0.03%)	(0.04%)

Net interest expense in 2014 was NT\$ 2,747 thousands, or 0.04% of the revenue or 0.04% of COGS and expenses. Interest rate fluctuations had minimal impact to the Company, as the net interest expense to revenue, COGS and expenses was immaterial

## 2. Exchange rate fluctuations

Item / Year	2014
Net foreign exchange (loss) gains	51,004
Net foreign exchange (loss) gains as a percentage of revenue	0.68%
Net foreign exchange (loss) gains as a percentage of COGS and expenses	(0.76%)

Most of the sales were made to Europe and America regions and were dominated primary in US dollars and few in Euros. Sales in China were dominated in RMB. The Company hedges risk from management team by closely monitoring the market trend and professional opinion from financial institution when the fluctuation is immaterial. When the exchange rate fluctuates intensively, the Company will consider to use risk-free hedging tool, followed by closely monitoring foreign currency position and exchange rate to minimize its impact. Our financial hedge strategy is mainly to avoid fluctuations on fair value and risk of cash flows. As the result of our operation, foreign exchange losses for 2013 and 2014, respectively, was NT\$ 70,095 thousands and NT\$51,004 thousands, or 0.99%% and 0.68% to revenue, and had limited impact to the financial status. To minimize the impact of currency fluctuation to the Company's profitability, there are preventive actions to take:

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

## 3. Inflation

According to IMF's World Economic Outlook in January 2015, global economic growth in 2015 was about 3.5%. 2015 Inflation in major economies will be lower than that in 2014.

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

(II) Investment policy and reasons for gains & losses for high-risk/high-leverage financial products, derivatives, loans to others and guarantees of debts  
 The Company is committed to maintain steadiness and integrity as its core value of operations. Up to the date of Annual Report, the company was not involved in any high risk or high leverage financial transactions. The Company has established “Procedures on Lending to Others” and “Procedures on Making Endorsement and Guarantee” to ensure process for the matters. For forwards transaction used to hedge foreign currency risk, the Company has set up “Procedures on Acquisition or Disposal of Assets,( including derivative products)”. Up to the date of Annual Report, no endorsement, guarantee, or loans were made to parties outside of the Group.

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

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

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

1. Continued expansion on accessory and peripheral development of the USB interface to maintain market leadership.
2. Accelerated development of stable high speed connecting cables mainly used in internal and external connections for servers, data centers and medical devices, as well as data transmission and storage on high capacity and high speed platforms.
3. Electric vehicle charging product line completion and IEC62196 certification.
4. Complete product line expansion for in-vehicle infotainment systems and obtain the certification of iPhone cables.
5. Continued solar junction box development as well as launching a new project for AC port connections and related wiring.
6. Develop cable systems for hematology analyzers, magnetic resonance imaging scanners and other high-end medical devices.

Products	Unit (thousand RMB)	Applications
USB accessories and peripheral devices	7,000	Related R&D facilities
High-speed connecting cables for servers and data centers	2,750	New specifications for high-speed transmission
Solar power sets and peripherals	1,200	Solar power sets and peripherals
Cables for non-magnetic medical equipment	600	Medical
Electric car charging module	700	Development & certification
Motor vehicle cables	350	Infotainment: iPhone

- (IV) Impacts to the Company's Finance | Associated with Major Changes in International and Domestic Policies and Laws, and Preventive Actions:  
None.
- (V) Impacts to the Company's finance Associated with Changes in Technology and Industry, and Preventive Actions:  
Our product portfolio caters to many industries. This product diversity allows us to hedge our risks and mitigate the effects of volatile markets. To maintain industry leadership, we closely monitor changes in technology and continue our R&D efforts.
- (VI) Impacts to the Company's Crisis Management from changes in Corporate Image, and Preventive actions:  
Our corporate policies mirror our values: "honesty, truth, customer-centric service, teamwork, and environmental protection." Operating under these policies has led to industry-wide recognition. Speaking to product quality and innovation, we have received quality awards from our auto customers in 2014; moreover, our mini-DP 1 to 2 hub has received 2015 CES innovation awards in PC peripheral category. With respect to our corporate governance, we are under the supervision of Taiwan Stock Exchange and related authorities. In addition strategies for our core businesses focus on maintaining a steady financial structure with a positive and transparent image.
- (VII) Expected Benefits and Risks from Merger and Acquisition and Preventive Actions:  
The Company had no plans for any merger and acquisition up to the publication date. There is no guarantee of positive impact should the Company involved in future merger and acquisition. Such transaction could distract the Company's core business, change to its corporate culture and lose qualified employees, which could bring adverse consequence to the Company's operations. However, the Company will ensure any future merger & acquisition will be executed with managers' discreet assessment and shareholders' special approval as prescribed in the Company's Articles of Association, in order to minimizing negative impacts.
- (VIII) Expected Benefits and Risks from Capacity expansion and Preventive Actions:

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

	production capacity, and proper control over production cost.
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- (IX) Risks from Purchase or Sales Concentrations and Preventive Actions:
1. Purchase concentration risk  
Changes of purchase between 2013 and 2014 were mainly due to changes of the Company's product mix, purchase prices and shipping terms. Moreover, due to ample sources of suppliers available in the market, the Company was able to maintain a diversified vendor base. No key material or goods was accounted for more than 30% of purchase in 2014; thus there was no specific vendor or affiliates has provided more than 70% key material or goods to the Company in 2014. There was no single vendor contributed more than 7% purchase to the Company between 2013 and 2014, which indicated the purchase concentration risk was limited.
  2. Sales concentration risk  
Sales of the top one customer to total sales was 12.34% and 9.78% in 2013 and 2014, respectively, while the top ten customers made up 50.31% and 52.56% of total sales in 2013 and 2014, respectively, which indicated sales concentration risk is limited. Moreover the Company is striving to develop new products, such as motor wires, medical cable, solar junction box, etc. to diversify the customer base and to minimize such risk.
- (X) Impact and Risks from Significant Changes in Shareholdings Directors, Supervisors, or Major Shareholders Who Own 10% or More of the Company's Shares, and Preventive Actions:  
Up to the date of this annual report, no single director or major shareholders had transferred more than 10% of his/her holdings, therefore, such a risk was limited.
- (XI) Impact and Risks from changes in Management Control and Preventive Actions:  
Up to the date of publication, no incidence associated with change of management control. Moreover, the Company is in the process to strengthen corporate governance, hire independent directors and establish the audit committee to better facilitate shareholders' rights. Also, the existing management team is well supported by the shareholders. If any changes in management control, it will not impact the continuity of advantage of management and operations.
- (XII) Litigations or Non-litigious Matters that Involved Directors, Supervisors, General Managers, In-charge Personnel, Major shareholders with more than 10% of shareholding and subsidiaries should be disclosed. For lawsuits that has verdict or may significantly affect the shareholders' equity or the stock price of the Company, the disclosure should include the factual accounts of the case, the underlying amount, the commencement date of judiciary proceeding, involved parties, and the current status of the case as of the date of this annual report.

1. Litigation and non-litigation matters of the Company and its subsidiaries

Litigation parties	Date of the start of litigation	Fact in contention and subject-matter amounts of money	Current status
<p>Plaintiff: TongYing Electronics (Shenzhen) Co., Ltd.</p> <p>Defendant: Sanfeng Machinery &amp; Electric Co., Ltd.</p>	6/2011	A 3-layer Teflon extruding Machine worth US\$ 202,990 failed to perform normally after purchased from the defendant. No agreement was able to reach after negotiation. The verdict was made in favor of plaintiff after arbitration procedure.	All payment made has recouped in April, 2015.
<p>Plaintiff: K-Link Plastic (Shenzhen) Co., Ltd.</p> <p>Defendant: Dongguan Jintai Electric Wire &amp; Cable Co., Ltd.</p>	11/2011	An overdue payment of RMB 815,744.22 for an order of various electric cable materials, purchased by the defendant from the plaintiff during the period from January, 2011 to June, 2011, was not received after negotiation. The plaintiff filed a law suit.	The court made a verdict in favor of the plaintiff. The machinery sized by the court was badly damaged and had no auction value. The guarantor had filed bankruptcy and was not able to fulfill the guarantor obligation. We have made a bad debt recognized accordingly.

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

- For other major operating risks and the remedial actions, please refer to page 68 to 69 of this annual report for favorable/unfavorable factors associated with future development and remedial actions and measures.
- Risks associated with patent violation: As international competition getting fierce under the global economy, pattern infringement lawsuit has become a competing strategy adopted by the industry practice. Moreover,

there are increasing amount of patent trolls using all sorts of means to take advantage from companies in the industry. This means our chance to face such charges from either competitors or patent trolls are increasing along the development of the business. Despite a unit specialized on the application and management of our patents and trademarks have been set, there is no guarantee that our intellectual property will not free from trespass from others.

3. Circumstances that may not have sufficient protection: We believe there are risks and hazards that cannot be fully warranted under the current management, including machinery malfunction, damage and abnormality, belated delivery of facility orders, capacity limitation, labor strike, fire accidents, natural disasters from earthquakes, typhoons, climate changes and occupational accidents. These could bring significant adversity to our Group. The Group has purchased insurance to cover our fixed assets and inventories based on the circumstances of the location of the operating sites. However, we are aware of these protections might not be sufficient under extreme incidents and the Group's operation might be affected un-favorably.

## VII. Other Material Matters:

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

Item	Assets and liabilities under appraisal	Assessment basis	Assessment foundation
1	Bad debt provision	Impairment loss assessment	When there's objective evidence showing signs of impairment, assessment will be made from future cash flows received. The impairment should be equal to the difference between the carrying amount of the financial assets and the present value of the cash flows discounted at the original effective rate.
2	Allowance for inventory valuation and obsolescence	Lower of cost or net realizable value	Using lower of cost or net realizable value to determine value for inventories under its respective category. Net realizable value is computed from: estimated selling price – additional cost needed to finish the product – cost of selling. Weighted averages method is used to account cost of inventory.
3	Financial assets and liabilities	Fair Value	Financial assets at fair value through profit or loss 1. Derivative instruments used for trading: The fair value of the asset is determined through the deduction of observable direct value (the market price) and indirect value (deduced from the market price). 2. Non-derivative instrument used for trading: The fair value is determined through quote price from the active market for the same asset category (un-adjusted).  Financial liabilities at fair value through profit or loss 1. Derivative instruments used for trading: The fair value of the liability is determined through the deduction of observable direct value (the market price) and indirect value (deduced from the market price). 2. Convertible bond embedded with option: The fair value of the liability is determined through the deduction of observable direct value (the market price) and indirect value (deduced from the market price).

### (II) Certificates received via the guidance of supervising authorities

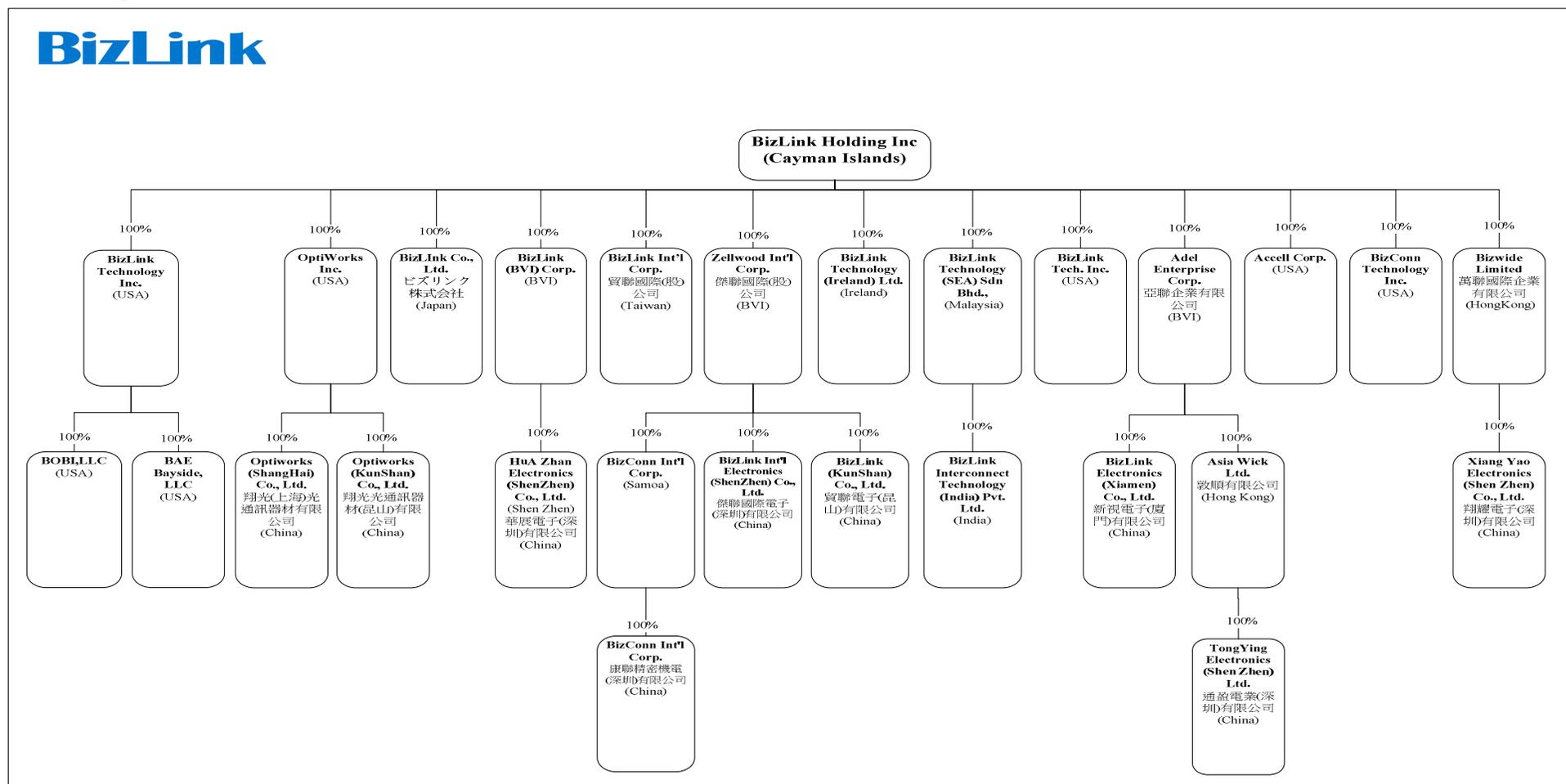
The personnel related to financial transparency of the Company received related certificates via the guidance of supervising authorities are as the following:

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

# Eights. Special Notes and Others

## I. Affiliates Information

### (I) Holding Structure



## (II) Relationship with the Company

December 31, 2014

Name	Holding %	Shares	Amount (in thousands)	Relationship with the Company	Shares of the Company
BIZLINK TECHNOLOGY INC.	100%	10,000	USD 3,920	Subsidiary	None
OPTIWORKS, INC.	100%	1,400	USD 20,382	Subsidiary	None
ビズリンク株式会社	100%	200	JPY 10,000	Subsidiary	None
BIZLINK (BVI) CORP.	100%	50,000	USD 50	Subsidiary	None
BIZLINK INTERNATIONAL CORP.	100%	70,000	NTD 70,000	Subsidiary	None
ZELLWOOD INTERNATIONAL CORPORATION	100%	2,500,000	USD 2,500	Subsidiary	None
BIZLINK TECHNOLOGY (IRELAND) LTD.	100%	300,000	USD 300	Subsidiary	None
BIZLINK TECHNOLOGY (S.E.A.) SDN. BHD.	100%	1,200,000	MYR 1,200	Subsidiary	None
BIZLINK TECH, INC.	100%	60,000	USD 3,050	Subsidiary	None
ADEL ENTERPRISES CORPORATION	100%	1,650,000	USD 1,650	Subsidiary	None
ACCELL CORPORATION	100%	10,000	-	Subsidiary	None
BIZCONN TECHNOLOGY INC.	100%	-	-	Subsidiary	None
BIZWIDE LIMITED	100%	10,000		Subsidiary	None
OPTIWORKS (SHANGHAI) CO., LTD.	100%	Note 1	USD 6,000	Sub- subsidiary	None
OPTIWORKS (KUNSHAN) CO., LTD.	100%	Note 1	USD 3,000	Sub- subsidiary	None
HUA ZHAN ELECTRONICS (SHENZHEN) CO., LTD.	100%	Note 1	HKD 2,500	Sub- subsidiary	None
BIZCONN INTERNATIONAL CORPORATION	100%	1,666,667	USD 1,667	Sub- subsidiary	None
BIZLINK INTERNATIONAL ELECTRONICS (SHENZHEN) CO., LTD.	100%	Note 1	USD 3,000	Sub- subsidiary	None
BIZLINK (KUNSHAN) CO., LTD.	100%	Note 1	USD 10,000	Sub- subsidiary	None
BIZLINK INTERCONNECT TECHNOLOGY (INDIA) PRIVATE (LIMITED)	100%	100,000	INR 1,000	Sub- subsidiary	None
BIZLINK ELECTRONICS (XIAMEN) CO., LTD.	100%	Note 1	USD 560	Sub- subsidiary	None
ASIA WICK LTD.	100%	1,000		Sub- subsidiary	None
XIANG YAO ELECTRONICS (SHENZHEN) CO., LTD.	100%	Note 1	USD 1,000	Sub- subsidiary	None
BIZCONN (SHENZHEN) INTERNATIONAL CORP.	100%	Note 1	CNY 17,600	Third-tier subsidiary	None
TONGYING ELECTRONICS (SHENZHEN) LTD.	100%	Note 1	HKD 29,936	Third-tier subsidiary	None
BAE BAYSIDE ,LLC	100%	Note 1	USD 1,400	Sub- subsidiary	None
BOBI ,LLC	100%	Note 1	USD 400	Sub- subsidiary	None

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

**II. Private placement securities in 2014 and as of the date of this annual report: None.**

**III. Shares of the Company acquired, disposed of, and held by subsidiaries in 2014 and as of the date of this annual report: None.**

**IV. Other Necessary Supplement: None.**

**V. Occurrence, in 2014 and as of the date of this annual report, of matters that significantly affected the shareholders' equity or the stock price of the Company as described under Article #36-3-2 of the Securities and Exchange Act: None.**

**VI. Exercising shareholders right: Differences between the Company's Articles of Association and ROC's Shareholders' Rights**

**Protection Guidelines**

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

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

	<b>Shareholders' Rights Protection Guidelines</b>	<b>Regulations in "Company Act" or "Securities Exchange Act"</b>	<b>Reasons of Deviation</b>
	<p>stated previously, the proposal shall only be carried out with the consent of two-third of the voting rights exercised by the shareholders present at the shareholders' meeting who represent a majority of the outstanding shares of the Company.</p> <ol style="list-style-type: none"> <li>1. The Company entering into, modifying, or terminating any contract for lease of the company's business in whole, or for entrusted business, or for regular joint operation with others; transferring the whole or any essential part of its business or assets; or accepting the transfer of another's whole business or assets, which has great bearing on the business operation of the company.</li> <li>2. Changes of Articles of Association</li> <li>3. Resolution is required from a preferred shareholders' meeting, if the change will put shareholders of preferred shares at a disadvantage</li> <li>4. Issuing new shares as the whole or part of dividend or bonus appropriations</li> <li>5. A resolution for dissolution, consolidation or merger, or split of the Company</li> <li>6. Private equity placement</li> </ol>	<p>Article #277</p> <ol style="list-style-type: none"> <li>5. Company Act, Article #240-1</li> <li>6. Company Act, Article #316</li> <li>7. Securities Exchange Act, Article #43-6</li> </ol>	<p>vote in person or, where proxies are allowed, by proxy at a general meeting of which notice specifying the intention to propose the resolution as special resolution has been duly given (the meeting notice shall indicate the special resolution when proxy is allowed). Cayman Islands legal opinion #3.13 states that "matters that are subject to sanction of a special resolution under the Companies Law, including but not limited to (i) change of the Company's name; (ii) alteration or addition to the memorandum and articles of association of the Company; (iii) alteration or addition to the memorandum with respect to any objects, powers or other matters specified therein (iv) reduction of the Company's share capital and any capital redemption reserve fund; and (v) voluntary winding up for reasons other than its inability to pay its debts when they fall due." Moreover, the Company's Articles of Association #18.1 specifies that "no business shall be transacted at any general meeting unless a quorum is present. Unless otherwise provided in the Articles, Members present in person or by proxy, representing more than one-half of the total outstanding Shares, shall constitute a quorum for any general meeting." That is, attendance of shareholders or their</p>

	Shareholders' Rights Protection Guidelines	Regulations in "Company Act" or "Securities Exchange Act"	Reasons of Deviation
			<p>representatives, representing a majority of outstanding shares, shall constitute the legal requirement of presentation. This means a special resolution will only be adopted with the attendance of shareholders or their representatives who representing a majority of outstanding shares and the consent from two-third of these voting rights.</p> <p>(2) Reason of deviation</p> <p>According to Cayman Islands legal opinion, special resolution is a regulated by Companies Law of Cayman Islands. Also any special-resolution matter shall be adopted by the shareholders in accordance with the Articles of Association of the Company. Any related matters approved with an arrangement short of the legal requirement of Cayman Company Law is deem void. Therefore as to special resolution (Supermajority Resolution) matters listed in both Shareholders' Rights Protection Guidelines and the Cayman Islands Companies Law, the Company follows Cayman Islands Companies Law to retain these matters in the special resolution category, and make an additional chapter for "Supermajority Resolution" under the Company's Articles of Association for those listed in Shareholders' Rights Protection</p>

	Shareholders' Rights Protection Guidelines	Regulations in "Company Act" or "Securities Exchange Act"	Reasons of Deviation
			<p>Guidelines but not in Cayman Islands Companies Law.</p> <p>2. The Company's Articles of Association #14.3  (1) As stipulated under the Company's Articles of Association,  Per the Company's Articles of Association #14.3, Subject to the provisions of the Statute, the provisions of these Articles, and the quorum requirement under the Applicable Public Company Rules, with regard to the dissolution procedures of the Company, the Company shall pass  (a) an Ordinary Resolution, if the Company resolves that it be wound up voluntarily because it is unable to pay its debts as they fall due; or  (b) a Special Resolution, if the Company resolves that it be wound up voluntarily for reasons other than the reason stated in Article 14.3(a) above.</p> <p>This is different from the Shareholders' Rights Protection Guidelines. The Company's Articles of Association prescribes the types of resolution to dissolve to the nature of the triggers. All resolutions to dissolve under the Shareholder Rights Protection Guidelines will only be adopted through "Special Resolution (Supermajority</p>

	Shareholders' Rights Protection Guidelines	Regulations in "Company Act" or "Securities Exchange Act"	Reasons of Deviation
			<p>Resolution).”</p> <p>(2) Reason of deviation:            According to Cayman Islands legal opinion, to dissolve the Company voluntarily the decision should be approved through special resolution when non-insolvency event occurs and through regular resolution when insolvency event occurs. The difference is raised by the specification of Cayman Islands Companies Laws. Although the presenting shareholding is lower than the requirements per the Shareholders' Right Protection Guidelines for volunteer dissolution under an insolvency event, the regulation is raised by the specification of Cayman Islands Companies Laws and only applies on specific circumstance.</p>
4	<p>In case a director has, in the course of performing his/her duties, committed any act resulting in material damages to the company or in serious violation of applicable laws and/or regulations, but not discharged by a resolution of the shareholders' meeting, the shareholders holding 3% or more of the total number of outstanding shares of the company may, within 30 days after that shareholders' meeting, institute a lawsuit in the court for a judgment in respect of such matter and designate Taipei District Court as the first instance to exercise jurisdiction.</p>	<p>Company Act, Article #200</p>	<p>1. As stipulated under the Company's Articles of Association:            According to the Company's Articles of Association #28.2 (i), in the event that he has, in the course of performing his duties, committed any act resulting in material damage to the Company or in serious violation of applicable laws and/or regulations or the Memorandum and the Articles, but has not been removed by the</p>

	Shareholders' Rights Protection Guidelines	Regulations in "Company Act" or "Securities Exchange Act"	Reasons of Deviation
			<p>Company pursuant to a Supermajority Resolution vote, then any Member(s) holding 3% or more of the total number of outstanding Shares shall have the right, within thirty days after that general meeting, to petition any competent court for the removal of such Director, at the Company's expense and such Director shall be removed upon the final judgement by such court. For clarification, if a relevant court has competent jurisdiction to adjudicate all of the foregoing matters in a single or a series of proceedings, then, for the purpose of this paragraph (i), final judgement shall be given by such competent court. This is different from the Shareholders' Rights Protection Guidelines.</p> <p>2. Reasons of deviation:</p> <p>As a Cayman Islands court will not acknowledge a foreign verdict involved a monetary judgment without a substantive examination. Therefore, even if the following Shareholders' Rights Protection Guidelines were included in the Company's Articles of Association and a court with jurisdiction has made such a verdict to a director, the Cayman Islands court may not agree the judgment nor execute the sentence. Therefore, the shareholders shall institute the lawsuit to a court with jurisdiction, as stipulated under the</p>

	<b>Shareholders' Rights Protection Guidelines</b>	<b>Regulations in "Company Act" or "Securities Exchange Act"</b>	<b>Reasons of Deviation</b>
			Company's Articles of Association. The deviation arises from Cayman laws' position toward foreign verdicts. Regardless, shareholders are able to dismiss any director via procedures prescribed in the Company's Articles of Association.
5	<ol style="list-style-type: none"> <li>1. Supervisors of a company shall be elected by the meeting of shareholders, among them at least one supervisor shall have a domicile within the territory of the Republic of China.</li> <li>2. The term of office of supervisors shall not exceed three years, but supervisors eligible for re-election.</li> <li>3. In case all supervisors of a company are discharged, the board of directors shall convene the extraordinary meeting of shareholders for election of supervisors within 60 days.</li> <li>4. Supervisors shall supervise the execution of business operations of the Company, and may at any time or from time to time investigate the business and financial conditions of the company, examine the accounting books and documents, and request the board of directors or managerial personnel to make reports thereon.</li> <li>5. Supervisors shall audit the various statements and records prepared for submission to the shareholders' meeting by the board of directors, and shall make a report of their findings and opinions at the meeting of</li> </ol>	Company Act, Articles #216~#222	According to Article 28-4-2 under Taiwan Stock Exchange Corporation's Rules Governing Review of Securities Listings, a foreign issuer shall implement either an audit committee or supervisors. The Company has established a audit committee formed by independent directors. Therefore, these particular guidelines are not stipulated in the Company's Articles of Association.

	<b>Shareholders' Rights Protection Guidelines</b>	<b>Regulations in "Company Act" or "Securities Exchange Act"</b>	<b>Reasons of Deviation</b>
	<p>shareholders.</p> <p>6. In performing their functional duties under the preceding Paragraph, the supervisors may appoint a certified public accountant to conduct the auditing in their behalf.</p> <p>7. Supervisors of a company may attend the meeting of the board of directors to their opinions. In case the board of directors or any director commits any act, in carrying out the business operations of the company, in a manner in violation of the laws, regulations, the Articles of Incorporation or the resolutions of the shareholders' meeting, the supervisors shall forthwith advise, by a notice, to the board of directors or the director, as the case may be, to cease such act.</p> <p>8. Supervisor may each exercise the supervision power individually.</p> <p>9. A supervisor shall not be concurrently a director, a managerial officer or other staff/employee of the company.</p>		
6	<p>Shareholder who has continuously held 3% or more of the total outstanding shares for over one year may request the Company supervisors in a writing to institute, for the company, an action against a director of the company with Taipei District Court as the first instance to exercise jurisdiction.</p>	<p>Company Act, Articles #200, #214 and #227</p>	<p>According to Article 28-4-2 under Taiwan Stock Exchange Corporation's Rules Governing Review of Securities Listings, a foreign issuer shall implement either an audit committee or supervisors. The Company has established an audit committee formed by independent directors. Therefore, these particular guidelines are not stipulated in the Company's</p>

	<b>Shareholders' Rights Protection Guidelines</b>	<b>Regulations in "Company Act" or "Securities Exchange Act"</b>	<b>Reasons of Deviation</b>
	If the Supervisors do not within thirty days from the date of the deposit of the requisition to institute an action against the directors, the requisitionists may themselves institute an action for the company with Taipei District Court as the first instance to exercise jurisdiction.		Articles of Association.
7	<ol style="list-style-type: none"> <li>1. During his or her term in office, if a director or supervisor of the Company transfers more than half of the total shares owned by such person at the beginning of his term of office, such person shall be automatically removed from his position.</li> <li>2. If any new director or supervisor elect has, before his or her inauguration of the office of director, assigned transfers more than one-half of the total number of shares of the company he or she holds at the time of his or her election, or had transferred more than one-half of the total number of shares he or she held during the book closure period fixed prior to the shareholders' meeting, then his or her election as a director shall be nullified.</li> </ol>	Company Act Article# 197 and #227	<p>The Companies Law of Cayman Islands makes no stipulation on director shareholding (neither before nor after election) in a Cayman Islands company. As such all the related matters and restriction shall be regulated under the Company's Articles of Association.</p> <p>Shareholder right protection issues related to directors listed on the left are the newly added clauses by TWSE on November 10, 2014. The Company will have the amendments at 2015 general shareholders' meeting and list the clauses under Article#28 of the Company's Article of Association.</p> <p>According to Article #28-4-2 in Taiwan Stock Exchange Corporation Rules Governing Review of Securities Listings, "A foreign issuer shall install either an audit committee or supervisors. "The Company has established an audit committee formed by independent directors.</p>

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

	<b>Shareholders' Rights Protection Guidelines</b>	<b>Regulations in "Company Act" or "Securities Exchange Act"</b>	<b>Reasons of Deviation</b>
			committee formed by independent directors. Therefore, the shareholder interest protection matter stated on the left is not stipulated under the Company's Articles of Association.

**BIZLINK HOLDING INC. AND SUBSIDIARIES**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
As of 2013 and 2014

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

## **Report of Independent Accountants**

To BIZLINK HOLDING INC.

We have audited the accompanying balance sheets of BIZLINK HOLDING INC. (the“Company”) as of December 31, 2014 and 2013, and the related statements of Consolidated Income Statement, Statement of Stockholders' Equity and Statements of Cash Flows for the years then ended. These financial statements are the responsibility of the Institute’s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the “Rules Governing the Examination of Financial Statements by Certified Public Accountants” and auditing standards generally accepted in the Republic of China. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

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, 2014 and 2013, 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.

Deloitte & Touche  
Accountant Cheng Chun, Yu

Accountant Angus, Chang

March 13, 2015

**BIZLINK HOLDING INC. AND SUBSIDIARIES**  
**Consolidated Balance Sheets**  
**Years Ended December 31, 2013 & 2014**

Assets	2014/12/31		Unit: NT\$ thousand 2013/12/31	
	Amount	%	Amount	%
Current assets				
Cash and cash equivalents	\$ 1,200,453	18	\$ 878,970	17
Current financial assets at fair value through profit or loss	3,047	-	23,398	-
Current bond investment without active market	311,923	5	160,553	3
Notes receivable	5,972	-	15,394	-
Accounts receivable	1,626,906	25	1,682,400	33
Accounts receivable due from related parties	6,673	-	2,671	-
Other receivables	18,337	-	23,637	1
Current tax assets	5,047	-	406	-
Inventories	1,565,476	24	1,154,092	22
Prepayments	163,480	3	89,051	2
Other current financial assets	1,811	-	1,819	-
Other current assets	<u>46</u>	<u>-</u>	<u>45</u>	<u>-</u>
Total current assets	<u>4,909,171</u>	<u>75</u>	<u>4,032,436</u>	<u>78</u>
Non-current assets				
Non-current financial assets at cost	149,508	3	54,874	1
Investments accounted for using equity method	3,320	-	3,318	-
Property, plant and equipment	1,192,576	18	834,723	16
Other intangible assets	104,444	2	97,182	2
Deferred tax assets	64,697	1	53,239	1
Long-term prepaid rents	13,266	-	13,004	-
Other non-current assets	69,344	1	46,519	1
Other non-current financial assets	<u>17,609</u>	<u>-</u>	<u>16,679</u>	<u>1</u>
Total non-current assets	<u>1,614,764</u>	<u>25</u>	<u>1,119,538</u>	<u>22</u>
Total assets	<u>\$ 6,523,935</u>	<u>100</u>	<u>\$5,151,974</u>	<u>100</u>
Liabilities and equity				
Current liabilities				
Short-term borrowings	\$ 78,829	1	\$ 103,991	2
Current financial liabilities at fair value through profit or loss	33,230	1	121	-
Accounts payable	108	-	-	-
Other payables	1,138,445	17	973,771	19
Current tax liabilities	517,652	8	476,055	9
Long-term borrowings, current portion	95,838	1	50,361	1
Other current liabilities	13,667	-	4,045	-
Total current liabilities	<u>35,498</u>	<u>1</u>	<u>9,983</u>	<u>-</u>
Current liabilities	<u>1,913,267</u>	<u>29</u>	<u>1,618,327</u>	<u>31</u>
Non-current liabilities				
Long-term borrowings	180,836	3	-	-
Deferred tax liabilities	294,539	5	74,825	2
Accrued pension liabilities	2,101	-	1,729	-
Other non-current liabilities	1,899	-	1,707	-
Total non-current liabilities	<u>2,433</u>	<u>-</u>	<u>583</u>	<u>-</u>
Non-current liabilities	<u>481,808</u>	<u>8</u>	<u>78,844</u>	<u>2</u>
Total liabilities	<u>2,395,075</u>	<u>37</u>	<u>1,697,171</u>	<u>33</u>
Equity attributable to owners of parent				

Share capital	<u>868,690</u>	<u>13</u>	<u>797,967</u>	<u>15</u>
Capital surplus	<u>1,113,903</u>	<u>17</u>	<u>833,980</u>	<u>16</u>
Retained earnings				
Legal reserve	142,910	2	86,553	2
Special reserve	298,638	4	298,638	6
Unappropriated retained earnings	<u>1,476,660</u>	<u>23</u>	<u>1,355,115</u>	<u>26</u>
Total retained earnings	<u>1,918,208</u>	<u>29</u>	<u>1,740,306</u>	<u>34</u>
Other equity interest	<u>228,059</u>	<u>4</u>	<u>82,550</u>	<u>2</u>
Total equity	<u>4,128,860</u>	<u>63</u>	<u>3,454,803</u>	<u>67</u>
Total Liabilities and equity	<u>\$ 6,523,935</u>	<u>100</u>	<u>\$ 5,151,974</u>	<u>100</u>

**BIZLINK HOLDING INC. AND SUBSIDIARIES**  
**Consolidated Income Statement**  
**Periods Ended Jan. 1 to December 31, 2013 & 2014**

Accounting Title	Unit: NT\$ thousand			
	2014/12/31	%	2013/12/31	%
Operating revenue				
Net sales revenue	\$ 7,482,011	100	\$ 7,111,881	100
Operating costs				
Cost of sales	<u>5,398,517</u>	<u>72</u>	<u>5,153,962</u>	<u>72</u>
Gross profit (loss)	<u>2,083,494</u>	<u>28</u>	<u>1,957,919</u>	<u>28</u>
Operating expenses				
Selling expenses	405,492	6	401,384	6
Administrative expenses	698,831	9	623,144	9
Research and development expenses	<u>200,437</u>	<u>3</u>	<u>157,014</u>	<u>2</u>
Total operating expenses	<u>1,304,760</u>	<u>18</u>	<u>1,181,542</u>	<u>17</u>
Net operating income	<u>778,734</u>	<u>10</u>	<u>776,377</u>	<u>11</u>
Non-operating income and expenses				
Other income	33,018	1	25,965	-
Other gains and losses	16,899	-	(76,978)	(1)
Finance costs	(11,084)	-	(5,235)	-
Share of profit (loss) of associates and joint ventures accounted for using equity method	<u>(184)</u>	-	<u>438</u>	-
Total non-operating income and expenses	<u>38,649</u>	<u>1</u>	<u>(55,810)</u>	<u>(1)</u>
Profit (loss) from continuing operations before tax	\$ 817,383	11	\$ 720,567	10
Tax expense	<u>(200,449)</u>	<u>(3)</u>	<u>(156,998)</u>	<u>(2)</u>
Profit (loss) from continuing operations	<u>616,934</u>	<u>8</u>	<u>563,569</u>	<u>8</u>
Other comprehensive income				
Exchange differences on translation	145,509	2	166,221	2
Actuarial gains (losses) on defined benefit plans	(811)	-	(811)	-
Income tax related to components of other comprehensive income	<u>31</u>	-	<u>138</u>	-
Other comprehensive income, net	<u>145,359</u>	<u>2</u>	<u>165,548</u>	<u>2</u>
Total comprehensive income	\$ <u>762,293</u>	<u>10</u>	\$ <u>729,117</u>	<u>10</u>
Earning per share				
Basic earnings per share	\$ <u>7.28</u>		\$ <u>6.94</u>	
Diluted earnings per share	\$ <u>7.14</u>		\$ <u>6.86</u>	

**BIZLINK HOLDING INC. AND SUBSIDIARIES**  
**Statement of Stockholders' Equity**  
**Years Ended December 31, 2014**

	Share capital	Capital surplus	Legal reserve	Retained earnings Special reserve	Unappropriated retained earnings	Other equity interest Exchange differences on translation of foreign financial statements	Total equity
2013/1/1 Equity balance	\$ 733,909	\$631,393	\$55,706	\$298,638	\$1,093,921	( \$ 83,671)	\$2,729,896
2012 earnings allocation and distribution:							
Legal reserve	-	-	30,847	-	( 30,847)	-	-
Cash dividend	-	-	-	-	( 270,855)	-	( 270,855)
Share-based payment transaction	-	3,923	-	-	-	-	3,923
Common shares converted from company debt	48,158	138,880	-	-	-	-	187,038
Common shares issued from execution of employee stock warrants	15,900	59,784	-	-	-	-	75,684
2013 Net earnings	-	-	-	-	563,569	-	563,569
2013 Net earnings and other comprehensive income/loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>( 673)</u>	<u>166,221</u>	<u>165,548</u>
2013 Total comprehensive income/loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>562,896</u>	<u>166,221</u>	<u>729,117</u>
Balance as of 12/31/2013	797,967	833,980	86,553	298,638	1,355,115	82,550	3,454,803
New share issue for cash capital	25,000	254,449	-	-	-	-	279,449
2013 Earnings allocation and distribution							
Legal reserve	-	-	56,357	-	( 56,357)	-	-
Cash dividend	-	-	-	-	( 398,984)	-	( 398,984)
Stock dividend	39,898	-	-	-	( 39,898)	-	-
Share-based payment transaction	-	5,384	-	-	-	-	5,384
Common shares issued from execution of employee stock warrants	5,825	20,090	-	-	-	-	25,915
2014 Net earnings	-	-	-	-	616,934	-	616,934
2014 Net earnings and other comprehensive income/loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>( 150)</u>	<u>145,509</u>	<u>145,359</u>
2014 Total comprehensive income/loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>616,784</u>	<u>145,509</u>	<u>762,293</u>
2014/12/31 Equity balance	<u>\$ 868,690</u>	<u>\$1,113,903</u>	<u>\$142,910</u>	<u>\$298,638</u>	<u>\$1,476,660</u>	<u>\$228,059</u>	<u>\$4,128,860</u>

**BIZLINK HOLDING INC. AND SUBSIDIARIES**  
**Statements of Cash Flows**  
**Years Ended December 31, 2013 & 2014**

Unit: NT\$ thousand

Accounting Title	2014	2013
Cash flows from (used in) operating activities		
Profit from continuing operations before tax	\$ 817,383	\$ 720,567
Adjustments to reconcile profit (loss)		
Provision (reversal of provision) for bad debt expense	4,300	2,106
Depreciation expense	145,205	128,563
Amortization expense	16,804	12,394
Amortization long-term prepaid rents	392	483
Share of profit of associates and joint ventures accounted for using equity method	184	( 438)
Net loss on financial assets or liabilities at fair value through profit or loss	735	-
Net loss on financial assets or liabilities at fair value through profit or loss	24,442	4,698
Interest expense	11,084	5,235
Interest income	( 13,831)	(6,925)
Share-based payments	5,384	3,923
Gain on disposal of investments	-	( 15,505)
Loss on disposal of property, plan and equipment	4,609	4,707
Loss on disposal of intangible assets	3	1,599
Impairment loss on non-financial assets	19,705	6,207
Unrealized foreign exchange gain	( 5,038)	( 13,322)
Changes in operating assets and liabilities		
Decrease in financial assets held for trading	11,755	17,784
Decrease in notes receivable	9,422	7,841
Increase in accounts receivable	145,817	( 462,947)
Increase in accounts receivable due from related parties	( 3,675)	( 2,646)
Decrease in other receivable	11,371	518
Increase in inventories	( 344,422)	( 132,883)
Decrease in prepayments	( 66,063)	11,738
Increase in other current assets	3	( 41)
Financial liability held for trading	( 1,265)	-
Accounts payable	108	-
Increase in accounts payable	\$ 108,293	\$ 120,139
Increase in other payable	15,293	102,481
Increase in accrued pension liabilities	192	728
Decrease in other current liabilities	<u>23,822</u>	<u>( 1,169)</u>
Cash inflow generated from operations	942,012	515,835
Interest received	13,831	6,925
Interest paid	( 8,149)	( 3,798)
Income taxes paid	<u>( 171,936)</u>	<u>( 144,458)</u>
Net cash flows from operating activities	<u>775,758</u>	<u>374,504</u>
Cash flows from (used in) investing activities		
Acquisition of bond investments without active market	( 135,670)	( 159,053)
Acquisition of financial assets at cost	( 90,895)	( 49,343)
Proceeds from disposal of financial assets at cost	-	21,433
Acquisition of investments accounted for using equity method	-	( 2,866)
Acquisition of property, plant and equipment	( 449,917)	( 151,299)
Proceeds from disposal of property, plant and equipment	2,583	15,288
Acquisition of intangible assets	( 10,565)	( 26,294)
Disposition of intangible assets	74	-
Increase in refundable deposits	( 2,113)	( 3,867)

Accounting Title	2014	2013
Decrease in refundable deposits	3,738	779
Increase in other financial assets	-	( 16,377)
Increase in prepayments for business facilities	( <u>39,976</u> )	( <u>22,040</u> )
Cash used in financing activities	( <u>722,741</u> )	( <u>393,639</u> )
<b>Cash flows from (used in) financing activities</b>		
Issuing new shares of the Company	280,500	-
Issuing convertible bonds	200,000	-
Paying costs of debt issuance	( 4,872)	-
Paying costs of share issuance	( 1,051)	-
Decrease in short-term loans	( 26,107)	( 22,705)
Proceeds from long-term debt	224,712	82,057
Repayments of long-term debt	( 9,988)	( 84,447)
Increase in guarantee deposits received	1,736	-
Decrease in other non-current liabilities	-	( 1,115)
Cash dividends paid	( 398,984)	( 270,855)
Exercise of employee share options	<u>25,915</u>	<u>75,684</u>
Net cash used in financing activities	<u>291,861</u>	( <u>221,381</u> )
Effect of exchange rate changes on cash and cash equivalents	( <u>\$23,395</u> )	<u>\$105,139</u>
Net decrease in cash and cash equivalents	321,483	( 135,377)
Cash and cash equivalents at beginning of period	<u>878,970</u>	<u>1,014,347</u>
Cash and cash equivalents at end of period	<u>\$ 1,200,453</u>	<u>\$ 878,970</u>

**BizLink**