

# **BizLink Holding Inc.**

## **2017 Annual Shareholders' Meeting Minutes**

Time and Date: 9:00 A.M., June 15th (Thr.), 2017

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

Quorum: The shareholding of present and proxy shareholders was 77,192,366 shares, representing 72.61% of the 106,299,277 total issued shares.

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

Recorder: Rachel Lin

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

### **I. Commencement**

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

### **II. Opening speech of the Chairman (Omitted)**

### **III. Company Reports**

1. Reviewing 2016 Business Reports.

Explanatory Notes: The 2016 Business Report is attached as Attachment I.

2. Reviewing the audit committee's review report on the 2016 financial statements.

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

3. Reviewing endorsements and guarantees provided by the Company and its subsidiaries in 2016.

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

4. To report the first unsecured overseas convertible bonds issuance

Explanatory Notes: (1) BizLink's Board approved on the Issuance of US\$ 80 million Unsecured Overseas Convertible Bonds on November 6, 2015 and granted by the Central Bank of the Republic of China (Taiwan) on December 2, 2015 and Financial Supervisory Commission on December 23, 2015.

(2) The Company has determined the price for the issuance on January 27, 2016. Total corporate bond offered was US\$ 80 million, including the projected issuance of US\$ 60 million plus an allocation capped at US\$ 20 million in case of an over-subscription. The debenture will be issued with a par value of US\$ 250 thousand and 0% coupon rate for a maturity of five years. As of March 31, 2017, a total of 6,909,965 shares (or US\$ 34,250,000 worth of convertible bond) were converted.

5. To report 2016 employees' profit sharing bonus and directors' compensation.

Explanatory Notes: (1) The Board of Directors resolved on March 8, 2017 that 2016 employees' profit sharing bonus of NT\$ 43,565,600 (US\$ 1,200,000) and directors' compensation of NT\$ 10,163,443 (US\$ 315,000) are to be distributed in cash.

(2) The Board's proposed profit allocation to the employees and compensation to the Board do not differ from the estimated amount expended under the income statement. Any actual discrepancy incurred after the actual distribution will be recorded as changes in accounting estimates and adjusted in the income statement next year (2017).

#### **IV. Proposals**

(Proposed by the Board of Directors)

1. Adoption of 2016 Financial Statements. Please proceed for approval.

Explanatory Notes: (1) Our 2016 consolidated financial statements (including balance sheet, statement of income, statement of changes in equity, cash flow statement) were audited by independent CPAs Mr. Cheng-Chuan Yu and Mr. Jung-Cheng Chen of Deloitte & Touche in Taiwan and the audited financial report is completed herein for review.

(2) 2016 Financial Statements have been approved by the board members and reviewed by the audit committee.

(3) Please see Attachment IV for the above statements.

Resolution: Approved and acknowledged as proposed by the Board of Directors through voting. Voting rights for approval totaled 70,838,422 representing 92.14% of the total present shares, voting rights for rejection numbered 2,210, and voting rights for abstention numbered 6,038,408. Total votes numbered 76,879,040.

(Proposed by the Board of Directors)

2. Adoption of 2016 proposal for the distribution of 2016 profits. Please proceed for approval.

Explanatory Notes: (1) The proposal for the distribution of 2016 profits has been adopted in accordance with the Memorandum and Articles of Association Article #34.1.

(2) We propose a cash distribution of US\$ 22,337,444.56 (or NT\$ 720,715,415) for common share holders. According to the number of floating shares as of end 2016, the cash dividend per share is US\$ 0.216954 (or NT\$ 7.0). Cash dividend less than NT\$ 1 shall be accumulated and recorded as other income for the Company. If the total number of floating shares differs from those as of end 2016 owing to the execution of employee warrants or conversion of convertible bonds, we will ask the Board, through the authority of the shareholders' meeting, to adjust the distribution ratio based on the originally proposed figures.

(3) Please see Attachment V for the Earnings Distribution.

Resolution: Approved and acknowledged as proposed by the Board of Directors through voting. Voting rights for approval totaled 70,866,422 representing 92.17% of the total present shares, voting rights for rejection numbered 2,210, and voting rights for abstention numbered 6,010,408. Total votes numbered 76,879,040.

## **V. Discussion**

(Proposed by the Board of Directors)

1. Amendment to the “Procedures for Acquisition or Disposal of Assets”. Please proceed for approval.

Explanatory Notes: Due to the business needs of the Group, we propose to make amendment to the “Procedures for Acquisition or Disposal of Assets.”

Please find Attachment VI

Resolution: Approved and acknowledged as proposed by the Board of Directors through voting. Voting rights for approval totaled 70,866,422 representing 92.17% of the total present shares, voting rights for rejection numbered 2,210, and voting rights for abstention numbered 6,010,408. Total votes numbered 76,879,040.

(Proposed by the Board of Directors)

2. Issuance of new common shares for cash and/or issue new common shares for cash to sponsor the GDRs Offering. Please proceed for approval.

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

I. Domestic issue of new common shares for a cash capital increase:  
It is proposed to authorize the Board of Director by the Shareholders' Meeting to proceed by adopting book building or by public subscription in accordance with Article 28-1 under the Securities and Exchange Act.

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

The issuing price shall not be less than 90 percent of the simple average closing price of the Company's common on a chosen day

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

(II) In case of a public subscription:

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

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

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

DR offering and handle the matter according to the guidelines under the “Taiwan Securities Association Rules Governing Underwriting and Resale of Securities by Securities Firms”.

(II) The issuing price for the new common shares for cash capital through DR offering shall be determined based on the international practice under the premise that it will not affect the rights of original shareholders. It is proposed to authorize the Board to determine the final issuing price with the underwriter. The means to determine the final price shall be in compliance with all related regulations:

1. The price will be determined in accordance with the “Self-Regulating Rule” and shall not be less than 90 percent of either the closing price of the Company’s common shares from Taipei Exchange on the day of price determination or the simple average closing price on a chosen day from one, three or five business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends (or capital reduction). All regulations shall be followed when adjusting the means for determining the price, even when there’s a change of laws. Under the consideration for short-term share price fluctuations, it is proposed to authorize the Chairman to make the final decision for the issuing price, within the range described above, based on international practice and after taking into account global capital market conditions, share price in the domestic market, the results of book building, together with suggestions from the underwriter.
  2. We believe the issuance should not cause material impact to the rights of original shareholders. The maximum equity dilution will reach 16.27% if the limit of 20 million shares is fully issued through overseas DR offerings. All shareholders shall be rewarded as soon as the projected benefits from the capital increase are realized. Moreover, the price of DR is determined based on a fair market price closely linked to the common share price of the Company from the Taiwan Exchange. Any shareholder can purchase shares from the Taiwan stock market with a price close to the DR issuing price without bearing the currency or liquidity risks.
- III. Should any revision to major matters regarding DR offering, such as the issuing terms and conditions, the issuing price, the issuing shares, the issuing dollar amount, the use of fund, the project progress and the expected efficacy, be made due to a competent

authority or a change of laws or the objective circumstance, it shall be fully authorized for the Board of Directors to deal with.

- IV. If the limit of 20 million shares mentioned above is fully issued, it will account for 16.27% of total outstanding shares. As the capital raised through this offering will be used to replenish the operating capital, purchase overseas materials, repay loans, acquire machinery facilities and investment or prepare for future operations expansion, we expect it will eventually add value to our equity and cause a limited dilution effect to the current shareholders.
- V. Rights and obligations of common stocks through this issued are generally the same as common stocks issued previously by the Company.

Resolution: Approved and acknowledged as proposed by the Board of Directors through voting. Voting rights for approval totaled 65,429,581 representing 85.1% of the total present shares, voting rights for rejection numbered 5,438,051, and voting rights for abstention numbered 6,011,408. Total votes numbered 76,879,040.

3. Issuance of new common shares for cash through private placement.

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

- I. To expand the business scale and engage with strategic investors, the Company proposed to issue new common stock through private placement
- II. Principle of conducting the private placement of common shares for cash:
  - (I) Funding source of the private placement: Specific parties as prescribed in Article 43-6 under Securities and Exchange Act:
  - (II) Shares issued through private placement: Equal to or less than 10 million shares.
  - (III) Par Value for each issue under private placement: NT\$ 10
  - (IV) Total funds raised through private placement: Equal to or less than NT\$ 1 billion.
  - (V) The pricing basis of private placement and its reasonableness: The private placement price of the Company shall be no less than 80% of the higher of the following two calculation bases prior to the price determination date:
    - (1) The price of private placement shall not be lower than

either of the following two calculations: (a) The simple average closing price of the common stock of either the one, three or five consecutive business day period immediately before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction. (b) The simple average closing price of the common stock of the thirty consecutive business day period immediately before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction.

(2) The final price determination date and the price shall be within the scope and range as specified in the resolution from the Annual General Shareholders' Meeting. Such matters will be authorized to the Board of Directors for the final decision based on the needs of specific parties. The determination of the price is to be reasonable, and have no significant influence on the value of shareholders' equities.

(VI) Specific parties selection for private placement: The specific investor shall be mainly defined in compliance with Article 43-6 of the Securities and Exchange Act and related letter (Tai Tsai Cheng Yi#0910003455 on June 13, 2002 (91) ) by the Financial Supervisory Commission, and shall only be strategic investors for this placement, who are able to bring in critical technologies for the products, better product mixes and structure or offer selling channels to increase the Company's market share.

(VII) The purpose, need, expected efficiency for specific parties and the method to determine the parties:

(1) The purpose to select the placees: The Company anticipates the placees for this private placement have the capabilities to assist the Company in developing new products and customers.

(2) The need: The private placement is necessary for the Company, as the purpose of it is to introduce strategic capital to help the Company expand market for its products to enhance the overall competitiveness and market share.

(3) The anticipated benefits: The Company expects the private placement will strengthen the shareholder's structure and make connection to new resources and networks, and thus will further consolidate the existing business and penetrate to new markets to achieve better operation results and



increase overall competitiveness.

(VIII) Rights and obligations of the new private placement shares:

Rights and obligations of common stocks through this private placement are generally the same as common stocks issued by the Company. However, pursuant to Article 43-8 of the Securities and Exchange Act, with the exception of specific transferees and circumstances, privately placed common stocks may not be freely transferred within three full years starting from the delivery date. The Company plans to, in accordance with the related laws and regulations, apply for the public offering and listing of the issuance through this private placement three full years after the issuance.

(IX) The necessity of private placement:

(1) Reasons for conducting non-public offerings: Considering the Company's purposes to solicit strategic investors, strengthen and broaden product market for better competitiveness, the private placement shall result in better rewards, in terms of timeliness. Moreover, due to trading restriction of privately placed shares, it is better to maintain a long-term relationship with strategic partners. As such, the Company proposed to raise capital through private placement, rather than public offering.

(2) The amount of shares issued and the capital usage plan and projected benefits of private placement: The issuance shall be within the limit of 10,000,000 common shares and conducted within a year starting from the date of the shareholder's meeting resolution. Where necessary, it is proposed to authorize the Board of Directors by the shareholders' meeting to conduct the private placement through separated issuances, but not more than three times within the same period above. The capital raised through each private placement shall be used to replenish operation capital, strengthen financial structure, provide funding to business expansion plans after the strategic investors are in place. The Company expects, through each private placement, it shall be able to replenish operation capital, make access to new resources and networks, solidify existing customer base and markets, and further improve the operation efficiency and the general competitiveness.

- (X) Impact on the management rights from the private placement:  
The private placement will be conducted under the premise that no management rights will be affected. If the proposed shares of 10 million are fully and successfully issued, it will account for 9.71%. Moreover, each investor will be carefully evaluated before the offering.
- (XI) Excluding the price determination ration, it is proposed to authorize the Company's Board of Directors to determine actual issue shares and price, placee selection, record date, issue terms and conditions, project items, capital usage and progress, projected benefits, and any other items related to the issuance plan, based on market conditions. It is also proposed to authorize the Board to revise the issuance plan due to change of laws, instructions from government authorities, or operation environment changes from either objective or subjective points of views.
- (XII) It is proposed to authorize Chairman to represent the Company to sign, negotiate and modify any contract and document with regard to this private placement plan and handle any issues regarding this matter.

Resolution: Approved and acknowledged as proposed by the Board of Directors through voting. Voting rights for approval totaled 65,241,965 representing 84.86% of the total present shares, voting rights for rejection numbered 5,617,469, and voting rights for abstention numbered 6,019,606. Total votes numbered 76,879,040.

**VI. Motions: None**

**VII. Adjournment**

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

Chairman: Hwa Tse Liang

Recorder: Rachel Lin

## 2016 Business Report

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

### I. 2016 Operating Results

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

### II. Looking back at 2016

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

#### Business Highlights

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

#### Achieve long-term growth through strategic investment

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

middle of the year to meet the development needs for our automotive, semiconductor and medical customers in North America.

### **A constituent under the “Corporate Governance 100 Index”**

BizLink was chosen, in July 2016, by the Taiwan Exchange Corporation as one of constituent stocks under “TWSE Corporate Governance 100 Index”. The key qualification to be selected as one of the one hundred constituent companies under the “TWSE Corporate Governance 100 Index” is to be ranked among the top 20% listed companies under an evaluation system for corporate governance practice, followed by factors including stock liquidity, net income, revenue growth and other financial indicators. This honorary title not only recognized the Company’s long-term efforts in corporate governance, financial management and operational results but also gave distinction to our excellence in regulation compliance, execution of corporate responsibilities, and ability to protect the rights and benefits of shareholders and all interested parties.

### **Charity and public welfare support**

In addition to its core business, BizLink has been an active participant in charitable causes. In Taiwan, we sponsored students and teachers from Tongluo Elementary School in Miaoli County to participate in the “Shen Nong Project” hosted by Lovely Taiwan Foundation to cultivate a lot of organic farms 100 m<sup>2</sup> in size on campus. Moreover, BizLink is heavily invested in helping disadvantaged children worldwide. The Company has been making donations to related aid organizations such as UNICEF (United Nations Children's Fund), World Vision, Doctor without Borders, and institutes in U.S.A. such as FCSN (Friends of Children with Special Needs), Children Oakland Hospital, SVEF (Silicon Valley Education Foundation), and Smile Train (aid for children born with cleft palate).

### **III. 2017 Development highlights**

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

#### **A growth momentum driven by Automobile harnesses**

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

- Application in high-voltage connectors: Developing portable vehicle charging coupler based on major industry standards from China, EU, and U.S.A. Supplying harnesses for energy storage inverter and high-voltage equipment.
- Automotive electronics harnesses: Applications include anti-lock braking system, surrounding sensor for advanced driver assistance systems (ADAS).

### **Resource integration and continuous innovation**

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

### **Expanding production capacity and improving manufacturing procedures**

To accommodate our customers' growth, the Company will continue its production expansion in the future. This will include adding a third production line in Texas to supply cables with automated facilities. We will also expand our Malaysia capacity to meet customer demand from aerospace and industry fields. In addition, we have planned expansions in our China Kunshan and Mexico capacities to cater to the needs of new orders. We will phase in plant automation to enhance production quality and balance labor usage and also upgrade the production management system. As such, Company is actively executing plans for future growth.

### **Continuing strategic investment**

We will employ strategic investments to achieve the following goals: acquiring key customers and critical technologies, decentralized the geographic composition of our customers and set up new operation locations to support major markets and customers.

## **IV. 2017 Outlook**

2017 is BizLink's 20<sup>th</sup> anniversary. When the business was set up in 1997, we were just

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

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

BIZLINK HOLDING INC.

Chairman Hwa-Tse Liang

Chief Executive Officer Chien-Hua Teng

Chief Financial Officer Shiou-Lin Chen

## Audit Committee Report

The Board of Directors of Bizlink Holding Inc. has submitted the Company's 2016 business report, financial statements, and earnings appropriation proposal to the Audit Committee. The CPA firm, Deloitte & Touche, was retained to audit the financial statements and has issued an audit report accordingly. The business report, financial statements, and earnings appropriation proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of the Company. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Law, we hereby submit this report.

BizLink Holding Inc.

Independent director, Ming Chun, Chen

Independent director, Chun Yen, Chang

Independent director, Jr Wen, Huang

March 8, 2017

## Endorsement and Guarantee Provided

2016/12/31

<b>Bank</b>	<b>Name of Endorsement/ Guarantee Provider</b>	<b>Name (Guaranteed Party)</b>	<b>Ending Balance</b>
HSBC	BIZLINK HOLDING INC.	BIZLINK (BVI) CORP.	US\$6,000,000
CTBC	BIZLINK HOLDING INC.	BIZLINK (BVI) CORP.	US\$10,500,000
E.SUN	BIZLINK HOLDING INC.	BIZLINK (BVI) CORP. and BIZLINK INTERNATIONAL CORP.	US\$4,000,000
MEGA	BIZLINK HOLDING INC.	BIZLINK (BVI) CORP.	US\$1,500,000
CTBC -USA	BIZLINK HOLDING INC.	BIZLINK TECHNOLOGY INC.	US\$5,000,000
HSBC	BIZLINK HOLDING INC.	BIZLINK TECHNOLOGY (S.E.A.) SDN. BHD	MYR\$1,000,000
CTBC -USA	BIZLINK TECHNOLOGY INC.	BizLink Tech. Inc	US\$2,000,000
CITIBANK	BIZLINK HOLDING INC. 、 BIZLINK INTERNATIONAL CORP.	BIZLINK (BVI) CORP.	US\$3,800,000
Fubon Taipei	BIZLINK INTERNATIONAL CORP. 、 BIZLINK HOLDING INC.	BIZLINK (BVI) CORP.	US\$12,000,000
Note 1	BIZLINK TECHNOLOGY INC.	BIZLINK (BVI) CORP.	US\$500,000
<b>Total</b>			<b>US\$45,300,000</b>
			<b>MYR\$1,000,000</b>

Note 1 : Service Assurance



## Financing Provided

2016/12/31

Financing Company	Counter party	Financing Limit Resolved by the Board	Actual Financing Limit Provided	Interest Rate	Financing Amount Drawn
BIZLINK HOLDING INC.	BIZLINK (BVI) COPR.	US\$50,000,000	US\$50,000,000	0%	Drawing in process
BIZLINK (BVI) COPR.	BIZLINK HOLDING INC.	US\$10,000,000	US\$0		Un-drawn balance
BIZLINK (BVI) COPR.	BIZLINK TECHNOLOGY INC.	US\$10,000,000	US\$0		Un-drawn balance
BIZLINK (BVI) COPR.	OPTIWORKS, INC.	US\$10,000,000	US\$0		Un-drawn balance
BIZLINK (BVI) COPR.	BIZLINK (KUNSHAN) CO., LTD.	US\$10,000,000	US\$0		Un-drawn balance
BIZLINK (BVI) COPR.	BIZLINK INTERNATIONAL ELECTRONICS (SHENZHEN) CO., LTD.	US\$5,000,000	US\$0		Un-drawn balance
BIZLINK (BVI) COPR.	XIANG YAO ELECTRONICS (SHENZHEN) CO., LTD.	US\$5,000,000	US\$0		Un-drawn balance
BIZLINK (BVI) COPR.	OPTIWORKS (SHANGHAI) CO., LTD.	US\$5,000,000	US\$0		Un-drawn balance
BIZLINK (BVI) COPR.	BIZLINK INTERNATIONAL CORP.	US\$10,000,000	US\$0		Un-drawn balance
OPTIWORKS (SHANGHAI) CO., LTD.	OPTIWORKS (KUNSHAN) CO., LTD.	CNY8,000,000	CNY8,000,000	4.35%	Drawing in process
OPTIWORKS (SHANGHAI) CO., LTD.	OPTIWORKS (KUNSHAN) CO., LTD.	CNY15,000,000	CNY15,000,000	4.35%	Drawing in process
BIZLINK (KUNSHAN) CO.	XIANG YAO ELECTRONICS (SHENZHEN) CO., LTD.	CNY12,550,000	CNY12,550,000	4.35%	Drawing in process
BIZLINK ELECTRONICS (XIAMEN) CO., LTD.	XIANG YAO ELECTRONICS (SHENZHEN) CO., LTD.	CNY5,700,000	CNY5,700,000	4.35%	Drawing in process
<b>Total</b>		<b>US\$115,000,000</b>	<b>US\$50,000,000</b>		
		<b>CNY41,250,000</b>	<b>CNY41,250,000</b>		

## Report of Independent Accountants

To BIZLINK HOLDING INC.

### Auditor's Opinion

We have audited the accompanying balance sheets of BIZLINK HOLDING INC. (the "Company") as of December 31, 2016 and 2015, and the related statements of Consolidated Income Statement, Statement of Stockholders' Equity and Statements of Cash Flows for the years then ended.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of BIZLINK HOLDING INC. as of December 31, 2016 and 2015, and the results of its operations and its cash flows for the years then ended in conformity with the "Guidelines Regarding the Supervision and Governance of Funds with Juridical Person Status" and accounting principles generally accepted in the Republic of China.

### Basis of Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's consolidated financial statements for the fiscal year of 2016. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Group's consolidated financial statements for the fiscal year of 2016 are stated as follows:

#### Key Audit Matter 1.

Sales of the Group are rather concentrated in a number of customers. The top 20 customers accounted for 78.86% consolidated sales for the Group in 2016. As the management has the pressure to achieve the financial target, which could result in

higher risk involving sales fraud, our accessibility of the sales relies on whether the transactions from the new key accounts have existed and occurred. We, therefore, identified the issue as a key audit matter.

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

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

#### Key Audit Matter 2.

The Group engages in the business of making and distributing a wide range of connectors and wiring, among which applications for computer and 3C products are at the mature stage of the industry cycle. In our opinion, such products are produced with highly standardized procedures and exposed to relatively high price risk. The inventory value of these finished goods and manufacturing materials have a high probability to of plunging when the applications are obsolescing. Products for applications in other fields have a higher production barrier to enter but face stricter quality requirements from the customers and, therefore, might not sell as expected and become deadstock. Evaluating the net realizable inventory value involves significant accounting judgments; our assessment risk for the inventory lies on whether the policy and computation to record the inventory allowance are reasonable and accurate. We, therefore, identified the issue as a key audit matter.

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

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing matters related to going concern and using the going concern basis of accounting unless

management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements (including the disclosures) and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the individual entity within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings

(including any significant deficiencies in internal control that we identify during our audit).

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

From the matters communicated with those charged with governance, we determine those matters that were of most, significance, or the key audit matters, in the audit of the Group's consolidated financial statements for the fiscal year of 2016. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte & Touche

March 8, 2017

<p>The reader is advised that these financial statements have been prepared originally in Chinese. In the event of a conflict between these financial statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.</p>
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**BIZLINK HOLDING INC. AND SUBSIDIARIES**  
**Consolidated Balance Sheets**  
**Years Ended December 31, 2016 & 2015**

Unit: NT\$ Thousand

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

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

Unit: NT\$ thousand, excepting earnings per share

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

Exchange differences arising on translation to the presentation currency	( 122,159)	( 2)	152,777	2
Income tax related to components of other comprehensive income (Note 25)	<u>170</u>	<u>-</u>	<u>149</u>	<u>-</u>
	( <u>122,991</u> )	( <u>2</u> )	<u>152,046</u>	<u>2</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	( <u>284,818</u> )	( <u>3</u> )	( <u>278,490</u> )	( <u>3</u> )
Other comprehensive income, net	( <u>407,809</u> )	( <u>5</u> )	( <u>126,444</u> )	( <u>1</u> )
Total comprehensive income	<u>\$ 502,136</u>	<u>5</u>	<u>\$ 633,506</u>	<u>8</u>
Earning per share				
Basic earnings per share	<u>\$ 9.23</u>		<u>\$ 7.90</u>	
Diluted earnings per share	<u>\$ 8.29</u>		<u>\$ 7.87</u>	



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

Unit: NT\$ Thousand

	<u>Retained earnings</u>					<u>Other equity interest</u>		<u>Total equity</u>
	<u>Share Capital</u>	<u>Capital Surplus</u>	<u>Legal Reserve</u>	<u>Exchange differences on translation of foreign financial statements</u>	<u>Unappropriated Retained Earnings</u>	<u>Exchange differences on translation of foreign financial statements</u>	<u>Others</u>	
2015/1/1 Equity Balance	\$ 868,690	\$ 1,113,903	\$ 142,910	\$ 298,638	\$ 1,476,660	\$ 228,059	\$ -	\$ 4,128,860
2014 earnings allocation and distribution :								
Legal reserve	-	-	61,693	-	( 61,693 )	-	-	-
Cash dividend	-	-	-	-	( 434,345 )	-	-	( 434,345 )
Stock dividend	43,435	-	-	-	( 43,435 )	-	-	-
Corporate bonds converted to common shares	2,946	41,620	-	-	-	-	-	44,566
Common shares issued from execution of employee stock warrants	3,120	10,322	-	-	-	-	-	13,442
2015 Net earnings	-	-	-	-	759,950	-	-	759,950
2015 Net earnings and other comprehensive income/loss	-	-	-	-	( 731 )	( 125,713 )	-	( 126,444 )
2015 Total comprehensive income/loss	-	-	-	-	759,219	( 125,713 )	-	633,506
Balance as of 12/31/2015	918,191	1,165,845	204,603	298,638	1,696,406	102,346	-	4,386,029
2015 Earnings allocation and distribution								
Legal reserve	-	-	75,995	-	( 75,995 )	-	-	-
Cash dividend	-	-	-	-	( 505,005 )	-	-	( 505,005 )
Stock dividend	45,910	-	-	-	( 45,910 )	-	-	-
Equity components of recognized convertible bonds	-	158,954	-	-	-	-	-	158,954
Corporate bonds converted to common shares	48,627	721,988	-	-	-	-	-	770,615
Common shares issued from execution of employee stock warrants	16,865	231,006	-	-	-	-	( 229,047 )	18,824
2016 Net earnings	-	-	-	-	909,945	-	-	909,945
2016 Net earnings and other comprehensive income/loss	-	-	-	-	( 832 )	( 406,977 )	-	( 407,809 )
2016 Total comprehensive income/loss	-	-	-	-	909,113	( 406,977 )	-	502,136
2016/12/31 Equity balance	<u>\$ 1,029,593</u>	<u>\$ 2,277,793</u>	<u>\$ 280,598</u>	<u>\$ 298,638</u>	<u>\$ 1,978,609</u>	<u>( \$ 304,631 )</u>	<u>( \$ 229,047 )</u>	<u>\$ 5,331,553</u>

**BIZLINK HOLDING INC. AND SUBSIDIARIES**

Statements of Cash Flows  
Years Ended December 31, 2016 & 2015

Unit: NT\$ thousand

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

Income taxes paid	( <u>250,165</u> )	( <u>230,826</u> )
Net cash flows from operating activities	<u>1,158,592</u>	<u>957,154</u>
Cash flows from (used in) investing activities		
Purchase of debt investments with no active market	(1,000,193)	-
Proceeds on sale of debt investments with no active market	95,638	9,942
Acquisition of financial assets at cost	-	( 31,738)
Acquisition of subsidiaries (cash deducted)	( 83,842)	-
Acquisition of property, plant and equipment	( 535,975)	( 251,531)
Proceeds from disposal of property, plant and equipment	6,265	3,805
Acquisition of intangible assets	( 30,178)	( 10,910)
Disposition of intangible assets	( 15,518)	( 2,910)
Increase in refundable deposits	775	1,587
Decrease in refundable deposits	( 63,296)	-
Increase in other financial assets	-	( 9,521)
Increase in prepayments for business facilities	( <u>41,081</u> )	( <u>117,634</u> )
Net cash used in financing activities	( <u>1,667,405</u> )	( <u>408,910</u> )
Cash flows from (used in) financing activities		
Issuing convertible bonds	2,670,600	-
Paying costs of debt issuance	( 61,709)	-
Paying costs of share issuance	-	-
Increase in short-term loans	-	112,539
Decrease in short-term loans	( 129,060)	-
Repayments of bonds	(100)	-
Proceeds from long-term debt	238,030	-
Repayments of long-term debt	( 133,623)	( 13,679)
Increase in guarantee deposits received	1,940	672
Cash dividends paid	( 505,005)	( 434,345)
Exercise of employee share options	<u>7,121</u>	<u>13,442</u>
Net cash used in financing activities	<u>2,088,194</u>	( <u>321,371</u> )
Effect of exchange rate changes on cash and cash equivalents		
	(355,913)	( <u>233,255</u> )
Net decrease in cash and cash equivalents	\$ 1,223,468	(\$ 6,382)
Cash and cash equivalents at beginning of period		
	<u>1,194,071</u>	<u>1,200,453</u>
Cash and cash equivalents at end of period	<u>\$ 2,417,539</u>	<u>\$ 1,194,071</u>

BIZLINK HOLDING INC. 2016 Earnings Distribution		
Item	Amount (US\$)	Amount (NT\$)
Beginning unappropriated earnings	32,585,712.58	1,069,464,341.0
Actuarial gains (loss) included in retained earnings	(25,784.00)	(831,905.0)
Unappropriated earnings after adjustment	32,559,928.58	1,098,662,436.0
Plus: net income	28,202,338.27	909,945,624.0
Accumulative unappropriated earnings	60,762,266.85	1,978,608,060.0
Reserve Items		
Less: legal reserve (10%)	2,820,233.83	90,994,562.0
Less: Special reserves	185,756.50	5,993,415.0
Distributable net profit	57,756,276.5	1,881,620,083.0
Distribution		
Cash dividend – NT\$5.5 per share	22,337,444.56	720,715,415.0
Stock dividend - NT\$0.0 per share	-	-
Ending unappropriated earnings	35,418,831.96	1,160,904,668.0
<p>1. The earning appropriation is based on the total outstanding shares as of 12/31/2016 and includes a cash dividend of US\$ 0.216954 (or NT\$ 7.0) in cash and no stock dividend. Upon the approval of the general shareholders meeting, it is proposed that the Board of Directors be authorized to resolve the ex-dividend date and ex-right date, and other relevant issues. If the total number of outstanding shares is amended due to exercise of employee stock options and convertible bonds are executed before the record day, the Board shall be authorized by the shareholders' meeting to adjust the distribution ratio according to the updated floating share number as of the record day.</p> <p>2. The functional currency of the Company is <b>US Dollars (US\$)</b>. The NT\$ chart above was converted according to IAS #21 "The Effects of Changes in Foreign Exchange Rates".</p>		

Chairman Hwa Tse Liang

Chief Executive Officer Chien-Hua Teng

Chief Financial Officer Shiou Lin Chen

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

After Amendment	Before Amendments	Reasons for Amendments
<p>7. The Company shall comply with the following guidelines with regard to the acquisition or disposal of real property and other fixed assets:</p> <p>7.1~7.3 (Omitted)</p> <p>7.4 Appraisal report for real property and other fixed assets</p> <p>When acquiring or disposing real property or equipment, if the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, except for transacting with a <u>government</u> agency, engaging others to build on its own land, engaging others to build on leased land, or acquiring equipment for operating use, the Company shall, prior to the date of occurrence of the event, obtain an appraisal report from a professional appraiser and shall further comply with the following provisions:</p> <p>(omitted for simplicity)</p>	<p>7. The Company shall comply with the following guidelines with regard to the acquisition or disposal of real property and other fixed assets:</p> <p>7.1~7.3 (Omitted)</p> <p>7.4 Appraisal report for real property and other fixed assets</p> <p>When acquiring or disposing real property or equipment, if the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, except for transacting with a <u>governmental</u> agency, engaging others to build on its own land, engaging others to build on leased land, or acquiring equipment for operating use, the Company shall, prior to the date of occurrence of the event, obtain an appraisal report from a professional appraiser and shall further comply with the following provisions:</p> <p>(omitted for simplicity)</p>	<p>Conform to the amendments to related regulations</p>
<p>9. Procedures governing transactions with a related party are as follows:</p> <p>9.1 (Omitted)</p> <p>9.2 Appraisal and operating procedures:</p> <p>Where the Company acquires or disposes of real property from or to a related party, or acquires or disposes of assets other than real property from or to a related party where the transaction amount reaches 20% of the Company's paid-in capital, 10%</p>	<p>9. Procedures governing transactions with a related party are as follows:</p> <p>9.1 (Omitted)</p> <p>9.2 Appraisal and operating procedures:</p> <p>Where the Company acquires or disposes of real property from or to a related party, or acquires or disposes of assets other than real property from or to a related party where the transaction amount reaches 20% of the Company's paid-in capital, 10%</p>	<p>Conform to the amendments to related regulations.</p>

After Amendment	Before Amendments	Reasons for Amendments
<p>of the Company's total assets, or NT\$300 million, <u>except for trading of government bonds or bonds under repurchase and resale agreements, or subscription or repurchase of domestic money market funds issued by securities investment trust enterprises</u>, the Company may proceed to enter into a transaction contract and make only after submitting the following information to the Audit Committee and obtaining approval and, after submitting the same to the Board of Directors, obtaining approval from the Board of Directors:</p> <p>(Omitted for simplicity)</p>	<p>of the Company's total assets, or NT\$300 million, the Company may proceed to enter into a transaction contract and make only after submitting the following information to the Audit Committee and obtaining approval and, after submitting the same to the Board of Directors, obtaining approval from the Board of Directors:</p> <p>(Omitted for simplicity)</p>	
<p>10. The Company shall comply with the following guidelines with regard to the acquisition or disposal of membership certificates or intangible assets:</p> <p>10.1~10.4.2 (Omitted)</p> <p>10.4.3 When the Company acquires or disposes of membership certificates or intangible assets and the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, except for transacting with a <u>government</u> agency, the Company shall, prior to the date of occurrence of the event, appoint an accountant to render an opinion on the reasonableness of the transaction price. The accountant so appointed shall act in accordance with Statement of General Auditing Procedures No. 20 published by the ARDF accordingly.</p>	<p>The Company shall comply with the following guidelines with regard to the acquisition or disposal of membership certificates or intangible assets:</p> <p>10.1~10.4.2 (Omitted)</p> <p>10.4.3 When the Company acquires or disposes of membership certificates or intangible assets and the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, except for transacting with a <u>governmental</u> agency, the Company shall, prior to the date of occurrence of the event, appoint an accountant to render an opinion on the reasonableness of the transaction price. The accountant so appointed shall act in accordance with Statement of General Auditing Procedures No. 20 published by the ARDF accordingly.</p>	<p>Conform to the amendments to related regulations</p>

After Amendment	Before Amendments	Reasons for Amendments
<p>13. Procedures governing mergers or consolidations, splits, acquisitions, or assignment of shares are as follows:</p> <p>13.1.Appraisal and operating procedures</p> <p>13.1.1 When the Company wishes to conduct a merger or consolidation, split, acquisition, or assignment of shares, it may engage an accountant, lawyer, and underwriter to jointly review statutory procedures and proposed timetable; the Company shall also form a project execution team to implement the transaction in accordance with statutory procedures. The Company should, prior to convening a meeting of the Board of Directors to decide on the matter, further engage an accountant, lawyer, or underwriter to render opinions regarding the reasonableness of the share swap ratio, acquisition price, or distribution of cash or other property to shareholders, and shall submit the same to the Board of Directors for discussion and approval. <u>In the event the Company merges with its wholly owned subsidiary (ies), or the merger occurs between or among the Company's wholly owned subsidiaries, the abovementioned appraisal report from a professional appraiser may be exempted.</u></p>	<p>13. Procedures governing mergers or consolidations, splits, acquisitions, or assignment of shares are as follows:</p> <p>13.1.Appraisal and operating procedures</p> <p>13.1.1 When the Company wishes to conduct a merger or consolidation, split, acquisition, or assignment of shares, it may engage an accountant, lawyer, and underwriter to jointly review statutory procedures and proposed timetable; the Company shall also form a project execution team to implement the transaction in accordance with statutory procedures. The Company should, prior to convening a meeting of the Board of Directors to decide on the matter, further engage an accountant, lawyer, or underwriter to render opinions regarding the reasonableness of the share swap ratio, acquisition price, or distribution of cash or other property to shareholders, and shall submit the same to the Board of Directors for discussion and approval.</p>	<p>Considering the mergers between the Company and its wholly owned subsidiary or subsidiaries and mergers between or among the Company's wholly owned subsidiaries under Enterprises Mergers and Acquisitions Act are recognized as the organizational restructuring in the group and not involved in an exchange ratio stipulation, distribution of cash or other property to shareholders, such mergers may be exempted from engaging a professional appraiser to give an opinion on the reasonableness of the share exchange ratio.</p>
<p>14. Operating procedure for public disclosure of information</p> <p>14.1 Under any of the following circumstances, the Company or</p>	<p>14. Operating procedure for public disclosure of information</p> <p>14.1 Under any of the following circumstances, the Company or</p>	<p>Conform to the amendments to related regulations.</p>

After Amendment	Before Amendments	Reasons for Amendments
<p>the Subsidiary shall publicly announce and report the relevant information on the Competent Authority's designated website in the appropriate format as prescribed by regulations within two days from day of occurrence of the event:</p> <p>14.1.1 The acquisition or disposal of real property from a related party, or acquisition or disposal of any assets other than a real property from a related party and the transaction amount is 20 percent of the Company's paid-in capital, 10 percent of the Company's total assets, or NT\$300 million or more; provided that this shall not apply to trading of government bonds or bonds under repurchase and resale agreements or subscription or <u>repurchase of domestic money market funds issued by the Securities Investment Trust Enterprises.</u></p> <p>14.1.2~14.1.4. (Omitted)</p> <p>14.1.4.1 Buying or selling government bonds.</p> <p>14.1.4.2 Securities trading by investment professionals on foreign or domestic securities exchanges or over-the-counter markets, <u>or subscription of securities by a securities firm, or subscription of domestic corporate bonds or financial bonds without consideration of equity value issued in either in primary market</u> or in accordance with relevant regulations.</p>	<p>the Subsidiary shall publicly announce and report the relevant information on the Competent Authority's designated website in the appropriate format as prescribed by regulations within two days from day of occurrence of the event:</p> <p>14.1.1 The acquisition or disposal of real property from a related party, or acquisition or disposal of any assets other than a real property from a related party and the transaction amount is 20 percent of the Company's paid-in capital, 10 percent of the Company's total assets, or NT\$300 million or more; provided that this shall not apply to trading of government bonds or bonds under repurchase and resale agreements or <u>subscription or redemption of domestic money market funds.</u></p> <p>14.1.2~14.1.4. (Omitted)</p> <p>14.1.4.1 Buying or selling government bonds.</p> <p>14.1.4.2 Securities trading by investment professionals on foreign or domestic securities exchanges or over-the-counter markets, or subscription of securities by a securities firm in either in primary market or in accordance with relevant regulations.</p> <p>14.1.4.3. Buying or selling bonds under repurchase/resale agreements, or subscription or redemption of domestic money market funds.</p>	



<b>After Amendment</b>	<b>Before Amendments</b>	<b>Reasons for Amendments</b>
14.1.4.3. Buying or selling bonds under repurchase/resale agreements, or subscription or <u>repurchase of domestic money market funds issued by domestic securities investment trusts.</u>		