

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

Interlink Electronics, Inc.

A Nevada Corporation

31248 Oak Crest Drive, Suite 110
Westlake Village, CA 91361

(805) 484-8855

www.interlinkelectronics.com

ir@iefsr.com

SIC Code: 3676

Annual Report

For the Period Ending: March 31, 2019
(the "Reporting Period")

As of May 8, 2019, the number of shares outstanding of our Common Stock was:

6,522,784

As of December 31, 2018, the number of shares outstanding of our Common Stock was:

6,482,784

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: ☐

No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐

No: ☒

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

Yes: ☐

No: ☒

¹ "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

1) Name of the issuer and its predecessors (if any)

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

Interlink Electronics, Inc.

Date and state (or jurisdiction) of incorporation (also describe any changes to incorporation since inception, if applicable)
Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

Issuer was incorporated in California on February 27, 1985. On July 10, 1996, we re-incorporated into a Delaware corporation and, on July 20, 2012, the company again changed its domicile from Delaware to Nevada by completing a merger with a newly formed Nevada corporation named Interlink Electronics, Inc. The issuer is in "active" status in Nevada.

Has the issuer or any of its predecessors ever been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☐ No: ☒

2) Security Information

Trading symbol:	LINK
Exact title and class of securities outstanding:	Common Stock, \$0.001 par value
CUSIP:	458751302
Par or stated value:	\$0.001 par value

Total shares authorized:	30,000,000	as of date:	March 31, 2019
Total shares outstanding:	6,522,784	as of date:	March 31, 2019
Number of shares in the Public Float ² :	1,016,029	as of date:	March 31, 2019
Total number of shareholders of record:	24	as of date:	March 31, 2019

Additional class of securities (if any):

Trading symbol:
Exact title and class of securities outstanding:
CUSIP:
Par or stated value:
Total shares authorized:
Total shares outstanding:

Transfer Agent

Name: Computershare
Phone: (303) 262-0672
Email: Michael.Dromgoole@computershare.com

Is the Transfer Agent registered under the Exchange Act?³ Yes: ☒ No: ☐

² "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

³ To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors:

NONE

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

NONE

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period**.

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

Number of Shares outstanding as of January 1, 2017		Opening Balance: Common: 7,328,055 Preferred: N/A		*Right-click the rows below and select "Insert" to add rows as needed.					
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
04/24/2017	New issuance	1,250	Common	\$8.08	Yes - Options	Monica Valencia	Employee compensation	Unrestricted	S-8 employee benefit plan
04/25/2017	New issuance	1,500	Common	\$8.08	Yes - Options	Declan Flannery	Employee compensation	Unrestricted	S-8 employee benefit plan
04/27/2017	New issuance	500	Common	\$7.70	Yes - Options	Luis Garcia	Employee compensation	Unrestricted	S-8 employee benefit plan
05/03/2017	New issuance	3,500	Common	\$7.20	Yes - Options	Declan Flannery	Employee compensation	Unrestricted	S-8 employee benefit plan
07/17/2017	New issuance	561	Common	\$8.91	No	Mark Bailey	Non-employee director compensation	Unrestricted	S-8 employee benefit plan
07/17/2017	New issuance	561	Common	\$8.91	No	Frank Levinson	Non-employee director compensation	Unrestricted	S-8 employee benefit plan
08/03/2017	New issuance	561	Common	\$8.91	No	Angela Blatteis	Non-employee director compensation	Unrestricted	S-8 employee benefit plan

01/22/2018	Shares returned to treasury	-34,010	Common						
02/20/2018	New issuance	40,000	Common	\$5.25	No – RSU vesting	Albert Lu	Employee compensation	Unrestricted	S-8 employee benefit plan
04/19/2018	New issuance	3,000	Common	\$5.60	Yes - Options	Declan Flannery	Employee compensation	Unrestricted	S-8 employee benefit plan
04/20/2018	New issuance	1,000	Common	\$5.60	Yes - Options	Monica Valencia	Employee compensation	Unrestricted	S-8 employee benefit plan
06/28/2018	Shares returned to treasury	-867,681	Common						
07/16/2018	New issuance	1,329	Common	\$3.76	No	Mark Bailey	Non-employee director compensation	Unrestricted	S-8 employee benefit plan
07/16/2018	New issuance	1,329	Common	\$3.76	No	Frank Levinson	Non-employee director compensation	Unrestricted	S-8 employee benefit plan
07/25/2018	New issuance	1,329	Common	\$3.76	No	Angela Blatteis	Non-employee director compensation	Unrestricted	S-8 employee benefit plan
02/13/2019	New issuance	40,000	Common		No – RSU vesting	Albert Lu	Employee compensation	Unrestricted	S-8 employee benefit plan
Shares Outstanding on March 31, 2019	<u>Ending Balance:</u> Common: 6,522,784 Preferred: N/A								

Example: A company with a fiscal year end of December 31st, in addressing this item for its quarter ended September 30, 2018, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2016 through September 30, 2018 pursuant to the tabular format above.

Use the space below to provide any additional details, including footnotes to the table above:

B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe any issuance of promissory notes, convertible notes or convertible debentures **in the past two completed fiscal years and any subsequent interim period.**

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☒

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder	Reason for Issuance (e.g. Loan, Services, etc.)

Use the space below to provide any additional details, including footnotes to the table above:

4) Financial Statements

A. The following financial statements were prepared in accordance with:

- ☒ U.S. GAAP
☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual)⁴:

Name: Steven N. Bronson
Title: Chairman, CEO and CFO
Relationship to Issuer: Officer

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- C. Balance sheet;
D. Statement of income;
E. Statement of cash flows;
F. Financial notes; and
G. Audit letter, if audited

You may either (i) attach/append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below.

Q1 2019 financial statements (including a balance sheet, income statement, statement of cash flows, and notes to financial statements) were posted to OTCIQ on May xx, 2019 and are incorporated by reference.

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

5) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Interlink Electronics, Inc. designs, develops, manufactures and sells a range of force-sensing technologies that incorporate our proprietary materials technology, firmware and software into a portfolio of standard sensor based products and custom sensor system solutions. These include sensor components, subassemblies, modules and products that support effective, efficient cursor control and novel three-dimensional user inputs.

⁴ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

- B. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of their business contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference

Interlink Electronics operates through a primary legal entity, *Interlink Electronics, Inc.* (Nevada, USA) and three wholly-owned subsidiaries, *Interlink Electronics Asia Pacific Limited* (Hong Kong); *Interlink Electronics (China) Company Limited* (China); and *Interlink Electronics Singapore Private Limited* (Singapore).

Steven N. Bronson, Interlink's Chairman of the Board, President, Chief Executive Officer and Chief Financial Officer, is also the Chairman of the Board, Chief Executive Officer and majority shareholder of *BKF Capital Group, Inc.* One of BKF Capital Group's wholly owned subsidiaries, *BKF Asset Holdings, Inc.* holds 889,713 shares, or 13.6%, of Interlink's Common Stock. BKF Capital Group is a holding company that provides capital primarily in the form of share ownership.

The business contact information for each of the companies is: c/o Interlink Electronics, Inc., 31248 Oak Crest Drive, Suite 110, Westlake Village, CA 91361, Attention: Steven N. Bronson.

- C. Describe the issuers' principal products or services, and their markets

Our Human Machine Interface ("HMI") technology platforms are deployed in a wide range of markets including consumer electronics, automotive, industrial, and medical. The application of our HMI technology platforms includes vehicle entry, vehicle multi-media control interface, rugged touch controls, presence detection, collision detection, speed and torque controls, biological monitoring and others.

6) Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

The principal office, totaling approximately 3,000 square feet, is in Westlake Village, California, under a lease that expires in 2020. Additional leased spaces exist in several locations, including production facilities in Simi Valley, California and Shenzhen, China, an R&D center in Singapore, and regional offices in Hong Kong and Tokyo. In total, Interlink leases approximately 26,600 square feet, and does not own any real estate.

7) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

Using the tabular format below, please provide information regarding any person or entity owning 5% or more of the issuer, as well as any officer, and any director of the company, regardless of the number of shares they own. **If any listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information of an individual representing the corporation or entity in the note section.**

We have based percentage ownership of our common stock on 6,522,784 shares of our common stock outstanding as of May xx, 2019. In computing the number of shares of common stock beneficially owned by a person and the percentage ownership of such person, we deemed to be outstanding all shares of common stock subject to options held by the person that are currently exercisable or exercisable within 60 days of May xx, 2019,

as well as all shares of common stock issuable pursuant to restricted stock units held by the person that are subject to vesting conditions expected to occur within 60 days of May xx, 2019. However, we did not deem such shares outstanding for the purpose of computing the percentage ownership of any other person.

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
Steven N. Bronson	Chairman, CEO, CFO, President and Secretary	Thousand Oaks, CA	5,303,103	Common	80.8%	Consists of (i) 4,171,140 shares of common stock held by Mr. Bronson individually and jointly with his spouse, (ii) 889,713 shares of common stock held by BKF Asset Holdings, Inc., (iii) 204,750 shares of common stock held by Mr. Bronson's spouse, and (iv) 37,500 shares from a restricted stock grant that will vest in May 2019.
BKF Asset Holdings, Inc.	Owner of more than 5%	Westlake Village, CA	889,713	Common	13.6%	BKF Asset Holdings is controlled by Steven N. Bronson, Chairman and CEO.
Albert Lu	Chief Technology Officer	Singapore	80,000	Common	1.2%	.
Frank Levinson	Director	Belvedere Tiburon, CA	129,763	Common	2.0%	
Angela Blatteis	Director	Beverly Hills, CA	28,601	Common	<1.0%	

8) Legal/Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

NONE

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

NONE

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of

federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

NONE

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

NONE

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

NONE

9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

Securities Counsel

Name: John McIlvery
Firm: Stubbs Alderton & Markiles, LLP
Address 1: 15260 Ventura Blvd, 20th Floor
Address 2: Sherman Oaks, CA 91403
Phone: (818) 444-4502
Email: jmcilvery@stubbsalderton.com

Accountant or Auditor

Name:
Firm:
Address 1:
Address 2:
Phone:
Email:

Investor Relations Consultant

Name:
Firm:
Address 1:
Address 2:
Phone:
Email:

Other Service Providers

Provide the name of any other service provider(s), including, counsel, advisor(s) or consultant(s) **that assisted, advised, prepared or provided information with respect to this disclosure statement**, or provided assistance or services to the issuer during the reporting period.

Name: David S. Burnett
Firm: Accounting Bullpen, LLC

Nature of Services: Consulting (CPA)
Address 1: 1965 Omni Blvd
Address 2: Mount Pleasant, SC 29466
Phone: (843) 727-3772
Email: dburnett@accountingbullpen.com

Name:
Firm:
Nature of Services:
Address 1:
Address 2:
Phone:
Email:

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities).

The certifications shall follow the format below:

I, Steven N. Bronson, certify that:

1. I have reviewed this annual disclosure statement of Interlink Electronics, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

May 8, 2019

/s/ Steven N. Bronson

Principal Financial Officer:

I, Steven N. Bronson, certify that:

1. I have reviewed this this annual disclosure statement of Interlink Electronics, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

May 8, 2019

/s/ Steven N. Bronson