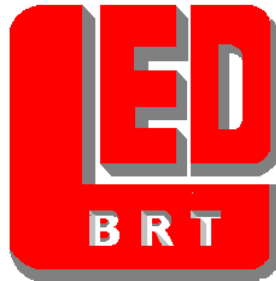


Stock Code :
3031



佰鴻工業股份有限公司

BRIGHT LED ELECTRONICS CORP.

2020 Annual Shareholders' Meeting

Meeting Agenda
(Translation)

Date : June 10, 2020

Address : 1F, No.15, Heping Rd., Banqiao Dist., New Taipei City

Notice to readers:

In case of any discrepancy between the English version and the Chinese version or any difference in the interpretation of the two versions, the Chinese version shall prevail.

Table of Contents

1.	Call Meeting to Order	1
2.	Meeting Agenda	2
	(1) Report Items	3
	(2) Proposed Resolutions	4
	(3) Election Matter	5
	(4) Discussed Items	6
	(5) Questions and Motions	8
	(6) Adjournment	8
3.	Attachment	
	(1) Annual Business Report 2019	9
	(2) Supervisors' Review Report 2019	11
	(3) Independent Auditors' Report and 2019 Consolidated Financial Statements	12
	(4) Earnings Distribution Proposal	29
	(5) List of Supervisor Candidates for a by-election	30
	(6) Comparison Table for the Articles of Incorporation Before and After Revision	32
4.	Appendix	
	1. Articles of Incorporation	50
	2. Rules and Procedures of Shareholders' Meeting	54
	3. Rules for Election of Directors and Supervisor	58
	4. Shareholdings of all Directors	60

BRIGHT LED ELECTRONICS CORP.

2020 Shareholders' Meeting Procedure

1. Call Meeting to Order
2. Chairman's address
3. Reported Items
4. Proposed Resolutions
5. Election Matter
6. Discussed Items
7. Questions and Motions
8. Meeting Adjourned

BRIGHT LED ELECTRONICS CORP.
2020 Annual Shareholders' Meeting Agenda
(Translation)

1. Time : 9:00 a.m., June 10, 2020
2. Place : 1F, No.15, Heping Rd., Banqiao Dist., New Taipei City, Taiwan
3. Attendants : All Shareholders or their proxy holders
4. Chairman : Mr. Tsun-Jen Liaw, Chairman of the Board of Directors
5. Chairman's address :
6. Reported Items :
 - (1) To report 2019 Business Report
 - (2) To report 2019 Supervisors' Review Report
 - (3) To report 2019 employees' profit sharing bonus and directors' compensation
 - (4) To report 2019 earnings distribution and cash dividend
 - (5) To report implementation of the company's share repurchases
7. Proposed Resolutions :
 - (1) To accept 2019 Business Report and Financial Statements
 - (2) To approve the proposal for distribution of 2019 earnings
8. Directors Election : To by-elect one seat of Supervisor
9. Discussed Items :
 - (1) To revise the Articles of Incorporation
10. Questions and Motions
11. Meeting Adjourned

Reported Items

1. To report 2019 Business Report

Explanatory Notes : Please refer to page 9.

2. To report 2019 Supervisors' Review Report

Explanatory Notes : Please refer to page 11.

3. To report 2019 employees' profit sharing bonus and directors' compensation

Explanation Notes : The 2018 income before tax is NT\$279,680,111 and no accumulated deficits need to be covered. Proposing 8% of the income before tax in cash, which is NT\$22,374,409, to be employees' total profit sharing bonus and 2% of the income before tax in cash, which is NT\$5,593,602 as directors' compensation.

4. To report 2019 earnings distribution and cash dividend

Explanation Notes : The shareholders' dividend distribution is in total of NT\$141,339,379 with NT\$0.8 per share. Cash dividends are calculated according to the proportion of shareholders holding shares recorded in the register of shareholders on the dividend reference date.

Allotment of cash up to NT\$1 (less than NT\$1 is discarded) and those abnormal amount will be booked as the company's other revenues. The chairman is authorized to decide the dividend distribution base date and the payment date. If the number of shares in circulation is changed due to the company's share repurchase or the transfer of treasury shares, etc., resulting in the change of allotted amount per share, the chairman is authorized to adjust afterwards.

5. To report implementation of the company's share repurchase

Explanation Notes : Implementation of the company's share repurchase is explained in below.

Items	First	Second
Purpose of share repurchase	Maintain the company credit and shareholders' rights	Transfer to employees
Type of share repurchase	Common	Common
Quantity of share repurchase	10,000,000 shares	10,000,000 shares

Reservation of repurchase period	2016/11/11~2017/1/10	2019/8/12~2019/10/11
Price range of repurchase	NT\$9~NT\$15	NT\$10.5~ NT\$17.5
Actual quantity of share repurchase	10,000,000 shares	10,000,000 shares
Actual repurchase period	2016/11/15~2017/1/10	2019/8/13~2019/10/9
Total amount of actual repurchase	NT\$117,437,515	NT\$149,507,225
Average price of actual repurchase	NT\$11.74	NT\$14.95
Cancellation of shares	10,000,000 shares	0
Accumulated shares of the company	0 share	10,000,000 shares
Accumulated shares held by the company accounted for the total number of issued shares	-	5.36%

Proposed Resolutions

1. To accept 2019 Business Report and Financial Statements

Explanatory Notes :

- (1) To review 2019 Business report, please refer to page 9.
- (2) 2019 Financial Statements, including the balance sheet, income statement, statement of Changes in shareholders' equity, and statement of cash flows, were audited by independent auditors, Ms. Hsin-I Kuo and Ms. Tzu Hui Li of KPMG. For details, please refer from page 12 to page 28.
- (3) This has been approved by the board of Directors and examined by the Supervisors.

Resolution :

2. To approve the proposal for distribution of 2019 earnings.

Explanatory Notes :

- (1) The 2019 earnings available for distribution is NT\$230,459,805. The proposed legal reserve is NT \$ 23,035,803 and the proposed conversion of special reserve is NT\$82,968,252 and shareholder dividend is NT\$141,339,379.

(2) For detailed earnings distribution proposal, please refer to page 29.

Resolution :

Election Matter

To by-elect one seat of Supervisors

Explanatory Notes :

- (1) The current supervisor of the company has resigned on March 20, 109. According to the provisions of the company's articles of incorporation, the company proposed to by-elect a supervisor in 2020 Annual Shareholders' Meeting. The term of the newly by-elected supervisor will be the same as other current directors and supervisors of the company.
- (2) To by-elect a supervisor, the company adopts the candidate nomination system and the candidate has been reviewed and approved by the board of directors. Please refer to page 30 for the list of candidates.

Election Result :

Discussed Items

1. To revise the Articles of Incorporation

Explanatory Notes : In response to business needs, the company has added new line of business "Restrained Telecom Radio Frequency Equipment and Materials Import" and obtained relevant business license from the National Communications Commission. For relevant revise of the Articles of Incorporation, please refer to page 32.

Resolution :

Questions and Motions

Meeting adjourned

【Attachment I】

Business Report

Compared with 2018, although the overall LED industry has slowly recovered under the continued influence of the U.S.-china trade war in 2019, the pressure of price competition in LED industry still exists. In order to fight against such unfavorable conditions under macroeconomics, Bright LED Electronics Corp. has actively adjusted the company's strategies over the years and operated with lean management. Fortunately, the company achieved favorable result this year due to costs reduction, resources optimization and increasing proportion of high value-added products. It is expected that the company could continue to make profits in this strange and changing situation in the future.

In 2019, the company's overall profitability was fair on the basis of steady gross margins. However, for the future, the company still needs to work hard to develop diversified application products, to increase existing and future products' added values, to cooperate in multiple industries for market expansion, and to provide customers with more one-stop services and customized products.

2019 Result

In 2019, our consolidated revenue totaled NT\$1,763,659 thousand dollars, an increase of 6.84 percent over NT\$1,650,740 thousand dollars in 2018. Consolidated net income totaled NT\$233,879 thousand dollars, an increase of 169.10 percent over NT\$86,910 thousand dollars in 2018. Net income attributed to the parent company totaled NT\$234,486 thousand dollars, an increase of 115.08 percent over NT\$109,022 thousand dollars in 2018.

Financial Performance (based on consolidated Financial Statements)

		2019	2018
Financial structure	Debt ratio (%)	19.43	17.00
	Long term capital ratio (%)	416.70	446.93
Profitability	ROA (%)	6.91	2.57
	ROE (%)	8.31	3.08
	EBIT over paid-in capital (%)	13.90	5.96
	Profit margin (%)	13.26	5.26
	EPS (NT\$ dollar)	1.28	0.58

Technological Developments

In 2019, for the product development of LED components, the ambient light sensors (ALS)'s project has been completed for now and been recognized by several customers. Its main ad-

vantage is to measure the amount of light around the environment, perceive the light intensity with the response characteristics of human eyes, and then automatically adjust brightness. The existing products of LED components such as photo coupler and IR LED, which used in security monitoring, medical, smart meter and other applications, have also been improved and developed and continually promoted. This year, their sales volumes could be expected to be relatively upward trended. Meanwhile, the development result of our new product, photo rely, in current phase of its development schedule achieved in good performance and it is expected to be completed on time under the planned development schedule. Compared to electromagnetic relay, photo relay has longer life time, lower current drive and faster response and so it's one of the indispensable components in smart manufacturing industry. Finally, the development of UVC LED component products used in the field of environmental sterilization and health care has reached relatively significant results. Its product-related specifications and samples have been launched one after another and continue to be optimized for product quality and manufacturing process to meet customer needs for customization and differentiation. The miniaturization of UVC LED components brings many application advantages, which can be used in conjunction with many types of application products, such as surface sterilization: medical appliances, maternal and child products, smart toilets, refrigerators, tableware cabinets, fresh boxes, smart trash cans, thermos, escalator handrails and buttons on ticket vending machines; and still water sterilization: water tank, humidifier, ice machine; and flowing water sterilization: flowing water sterilization module, direct drinking water machine; and air sterilization: air purifier, air conditioning. Many of these applications are not able to conjunct with UVC using traditional mercury lamps. In addition, UVC LEDs have other advantages such as fast startup, more allowable switching times, and available battery power.

In view of the rampant COVID-19 virus that occurred at the beginning of 2020 and caused a severe impact on the world, the company expects to accelerate schedule of mass production for UVC LEDs this year and hopefully drive more incentives for more commodities to conjunct with UVC LEDs and its popularization in the future.

Summary, corporate development, and outlook affected by external competition, regulatory environment and overall operation strategy

To outlook the company's business plan for year 2020, other than continuously promoting and optimizing the qualities and functions of the existing mass-produced LED products, which used in various application fields including consumer electronics, home appliances, security and safety controls, aviation and transportation electronics, computer-related applications, sensing applications, and lighting applications, the company also expects to provide new solutions to customers to meet their needs and so to achieve the company's strategy of products' customization and differentiation. For newly emerging LED technologies, especially UVC LED and photo relay, the company continues to accelerate their development schedules with expectation to expand 5G market, environmental sterilization market and health care and medical market. With the injection of new

products, the company expects to obtain more new business opportunities and increase revenue and profits. From the beginning of 2020 to the present, the COVID-19 virus has caused severe impact on the world. It can be expected that the macroeconomics will decline rapidly in this year. Although the company's performance in early 2020 was unavoidably influenced by this world crisis, the company will continue to strengthen risk management, improve internal management and reinforce our adaptability to changes. In view of external factors, such as world environment and unpredictable risks of international policies, the company continues to adopt lean management, while at the same time promoting smart production and accelerating the improvement of our internal processes and operating model in order to diversify risks and reinforce adaptability to changes. Eventually, Bright LED Electronics Corp. will be able to sustainably operate and develop its business under such turbulent and uncertain era.

Chairman : Tsung-Jen Liaw

CEO : Tsung-Jen Liaw

Accounting Manager : Mei-Lien Lin

【Attachment II】

Supervisors' Review Report

The Board of Directors has prepared the Company's 2019 Business Report, Financial Statements, and proposal for allocation of earnings. The independent auditors, Ms. Tzu-Hui Li and Ms. Hsin-I Kuo from the CPA firm of KPMG was retained to audit Bright LED's Financial Statements and has issued an audit report relating to the Financial Statements. The Business Report, Financial Statements, and earnings allocation proposal have been reviewed and determined to be correct and accurate by the Supervisors of Bright LED Electronics Corp. According to relevant requirements of the Securities and Exchange Act and the Company Law, we hereby submit this report.

Bright LED Electronics Corp.

Supervisors : Ju-Ching Liao

Chin-Lung Huang

March 20, 2020

【Attachment III】

INDEPENDENT AUDITORS' REPORT (Parent Company Only Financial Statements)

The Board of Directors and Shareholders
Bright LED Electronics Corp.

Opinion

We have audited the accompanying parent company only financial statements of Bright LED Electronics Corp. (the “Company”), which comprise the parent company only balance sheets as of December 31, 2019 and 2018, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2019 and 2018, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for 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 parent company only Financial Statements section of our report. We are independent of the Company 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 parent company only financial statements for the year ended December 31, 2019. These matters were addressed in the context of our audit of the parent company only 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 Company's parent company only financial statements for the year ended December 31, 2019 are stated as follows:

Inventory valuation

For details of accounting policies, accounting estimates and assumptions, and related disclosures of inventory valuation, please refer to Notes 4 (7), 5 (2) and 6 (5) of the Company's parent company only financial statements.

The description of key audit matter:

The Company's amount of inventories is shown as the lower of cost and net realizable value. Because determining the slow moving inventory loss involves subjective judgment on individual assessment of each category of inventory and its idle days, inventory valuation is one of the key audit matters that we conducted.

Corresponding audit procedure included the following:

1. Obtained year-end inventory falling price losses and inventory aging report
2. Compared the difference between the actual selling prices and its book values
3. Evaluated managers' judgment on allowance percentage of inventory aging report whether is reasonable or not, which included the following procedures as well:
 1. Executed audit sampling procedure
 2. Tested the accuracy of the inventory aging report
 3. Compared the difference between last year's allowance and actual write-off
 4. Evaluated the appropriateness of the policy of allowance to reduce inventory and loss from idle inventories.

Revenue Recognition

For details of accounting policies and related disclosures of revenue recognition, please refer to Notes 4 (13) and 6 (17) of the Company's parent company only financial statements.

The description of key audit matter:

The sources of the major operating revenue of the Company are research and development, productions, and sales of light-emitting diodes indicators and display...etc and contracts of LED display, LED lighting and related operating applications/systems' constructions. Where the Company's revenues generated from is the concerned factor for this report users or recipients. Furthermore, IFRS 15 was first adopted by the republic of China in 2018; hence, revenue recognition is considered as one of the key audit matters.

Corresponding audit procedure included the following:

1. Evaluated appropriateness of accounting policies according to the understanding of the Company's operation and the characteristics of the industry both acquired by the new IFRS.
2. Tested the design of internal control system and effectiveness of execution.
3. Analyzed and evaluated if there is any major irregularity by inspecting revenues generated from main customers and new customers.
4. Evaluated accuracy during the period of revenue recognition by inspecting new major contract added in this period and testing sales samples in accordance with its contract terms during a period of time, which is before and after the year end.

Account Receivables Valuation

For details of accounting policies of account receivables valuation, please refer to Notes 4 (6) financial instruments of the Company's parent company only financial statements; for details of accounting estimates and accounting assumption of uncertainty of account receivables valuation, please refer to Notes 5 (1) of the Company's parent company only financial statements; for details of explanation on account receivables valuation, please refer to 6 (4) of the Company's parent company only financial statements.

The description of key audit matter:

Account receivables of Bright LED Electronics Corp. are distributed among customers. The account receivables valuation allowance is calculated according to the expected percentage of credit losses which takes each time interval of overdues of account receivables and adjustments on prospective factors into consideration when estimating expected credit losses of account receivables. The management will, according to the report date, re-update new expected losses within each time interval of overdues and perform individual assessments on major overdues and payment disputes; hence, it involves subjective judgment from the managers and it is considered as one of the key audit matters.

Corresponding audit procedure included the following:

1. Evaluated reasonableness of the percentage of expected credit losses
2. Determined whether there is a major irregularity by comparing the turnover rate and turnover days of accounts receivables with the company's credit policy and other related information.
3. Obtained the aging schedule.
4. Verified total amount from the aging schedule with general ledger
5. Confirmed integrity and accuracy of the aging schedule.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRS, IAS, IFRIC, and SIC 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 parent company only financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the Supervisors) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 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 parent company only 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 parent company only 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 Company'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 Company'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 parent company only financial statements; if such disclosures are inadequate, we are responsible 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 Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only 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 entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2019 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Ms. Hsin-I Kuo and Ms. Tzu-Hui Li.

KPMG TAIWAN
Republic of China

March 20, 2020

Notice to Readers

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

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

Bright LED Electronics Corp.
Parent Company Only Balance Sheets
December 31, 2019 and 2018
(In Thousands of New Taiwan Dollars)

		Dec 31, 2019		Dec 31, 2018				Dec 31, 2019		Dec 31, 2018	
		Amount	%	Amount	%			Amount	%	Amount	%
ASSETS											
CURRENT ASSETS :											
1100	Cash and cash equivalents (Note 6 (1))	\$	460,339	10	355,121	8	2170	Accounts and notes payable	\$	19,848	1
1110	Financial assets at fair value through profit or loss — current (Note 6 (2))		-	-	100,585	2	2180	Accounts payable — due to related parties (Note 7)		1,669,115	37
1140	Contract assets — current(Note 6 (17))		172,295	4	169,578	4	2200	Other current liabilities (Note 6(13))		52,799	1
1170	Accounts and notes receivable, net (Note 6(4))		293,539	6	290,229	7	2230	Current tax liabilities		1,178	-
1180	Accounts receivable — due from related parties, net (Note 6(4)&7)		50,033	1	76,687	2	2280	Lease liabilities- current (Note 6(12))		2,674	-
1210	Other receivables — from related parties (Note 7)		50,000	1	21,200	-	2322	Long-term borrowings, current portion (Note 6(10))		8,176	-
1310	Inventories (Note 6(5))		12,801	-	15,556	-	Total current liabilities				
1470	Other current assets		850	-	779	-	NONCURRENT LIABILITIES :				
1476	Other financial assets — current (Note 6(9)&8)		92,239	3	83,378	3	2540	Long-term borrowings (Note 6(10))		-	-
Total current assets			1,132,096	25	1,113,113	26	2570	Deferred tax liabilities (Note 6(14))		1,903	-
NONCURRENT ASSETS :											
1517	Financial assets at fair value through profit or loss — noncurrent (Note 6(3))		645,807	15	483,229	11	2580	Lease liabilities- noncurrent (Note 6(12))		4,240	-
1550	Investments accounted for using equity method (Note 6(6))		2,660,403	59	2,594,013	61	2640	Defined benefit liabilities — noncurrent (Note 6(13))		24,125	1
1600	Property, plant and equipment (Note 6(7))		50,917	1	52,343	1	2645	Other noncurrent liabilities		8,190	-
1755	Right of use assets (Note 6(8))		6,770	-	-	-	Total noncurrent liabilities				
1840	Deferred tax assets (Note 6(15))		16,938	-	22,628	1	Total liabilities				
1920	Guarantee deposits paid		1,854	-	1,478	-	EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT				
1900	Other noncurrent assets		8,897	-	530	-	(Note 6(15)) :				
Total noncurrent assets			3,391,586	75	3,154,221	74	3100	Capital stock		1,866,742	41
							3200	Capital surplus		441,683	10
							3300	Retained earnings		573,929	13
							3400	Other equity interests		(1,413)	-
							3500	Treasury stock		(149,507)	(4)
							Total equity				
TOTAL		\$	4,523,682	100	4,267,334	100	TOTAL		\$	4,523,682	100
										4,267,334	100

Chairman : Tsung-Jen Liaw

CEO : Tsung-Jen Liaw

Accounting Manager : Mei-Lien Lin

Bright LED Electronics Corp.
Parent Company Only Statements of Comprehensive Income
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

		2019		2018	
		Amount	%	Amount	%
4000	Operating revenues (Note 6(17)&7)	\$ 1,126,907	100	1,183,219	100
5000	Operating costs (Note 6(5)&7)	978,310	87	1,005,270	85
5900	Gross profit from operations	148,597	13	177,949	15
6000	Operating expenses (Note 6(4)(7)(8)(13)&12) :				
6100	Marketing	33,681	3	34,905	3
6200	Management	77,275	7	69,464	6
6300	Research & development	7,081	-	6,660	-
6450	Expected credit impairment loss (or gain)	(1,037)	-	(304)	-
	Total operating expenses	117,000	10	110,725	9
6900	Operating income	31,597	3	67,224	6
7000	Non-operating income & expenses (Note 6(6)(19)) :				
7010	Other revenues	30,302	3	34,161	3
7020	Other gains & losses	25,426	2	4,994	-
7050	Finance costs	(373)	-	(476)	-
7070	Share of profit (loss) of associates using equity method	164,760	15	25,626	2
	Total non-operating income & expenses	220,115	20	64,305	5
7900	Profit before tax	251,712	23	131,529	11
7950	Deduct : income tax expenses (Note 6(14))	17,226	2	22,507	2
	Net income	234,486	21	109,022	9
8300	Other comprehensive income (Note 6(14)(15)) :				
8310	Items that will not be reclassified subsequently to profit or loss:				
8311	Re-measurement of defined benefit plans	710	-	212	-
8316	Unrealized gain or loss on financial instrument at fair value through other comprehensive income using equity method	173,177	15	(274)	-
8349	Income tax related to items that will not be reclassified subsequently	142	-	300	-
	Total of Items that will not be reclassified subsequently to profit or loss	173,745	15	(362)	-
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences arising on translation of foreign operations	(89,357)	(8)	(4,662)	
8399	Income tax expense related to items that may be reclassified subsequently	-	-	-	-

	Total of Items that may be reclassified subsequently to profit or loss	(89,357)	(8)	(4,662)	-
8300	Other comprehensive loss for the year, net of income tax	84,388	7	(5,024)	-
	Total comprehensive income for the year	\$ 318,874	28	103,998	9
	Earnings per share (Note 6(16))				
9750	Basic earnings per share (NT\$)	\$ 1.28			0.58
9850	Diluted earnings per share (NT\$)	\$ 1.27			0.56

Chairman : Tsung-Jen Liaw CEO : Tsung-Jen Liaw Accounting Manager: Mei-Lien Lin

Bright LED Electronics Corp.
Parent Company Only Statements of Changes in Equity
From January 1 to December 31, 2018 and 2019
(In Thousands of New Taiwan Dollars, Except Dividends Per Share)

	Capital stock	Capital surplus	Retained earnings			Total	Exchange differ-ences on translations	Others Unrealized gain/loss on assets at fair value through other comprehensive income	Unrealized gain/loss on availa-ble-for-sale financial assets	Total	Treasury stock	Total equity
			Legal reserve	Special reserve	Unappropriated earnings							
Balance, January 1, 2018	1,866,742	441,559	226,163	48,407	215,947	490,517	(84,970)	-	5,388	(79,582)	-	2,719,236
Adjustment adopting new accounting bulletin	-	-	-	-	-	-	-	5,388	(5,388)	-	-	-
Adjusted Balance, January 1, 2018	1,866,742	441,559	226,163	48,407	215,947	490,517	(84,970)	5,388	-	(79,582)	-	2,719,236
Net income	-	-	-	-	109,022	109,022	-	-	-	-	-	109,022
Other comprehensive income	-	-	-	-	(88)	(88)	(4,662)	(274)	-	(4,936)	-	(5,024)
Total comprehensive income	-	-	-	-	108,934	108,934	(4,662)	(274)	26,492	(4,936)	-	103,998
Legal reserve	-	-	21,595	-	(21,595)	-	-	-	-	-	-	-
Special reserve	-	-	-	31,175	(31,175)	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	(158,673)	(158,673)	-	-	-	-	-	(158,673)
Overdue dividend		49										49
Unrealized gains (loss) from equity investment instruments measured at fair value through other comprehensive income	-	-	-	-	(136)	(136)	-	136	-	136		-
Balance, December 31, 2018	1,866,742	441,608	247,785	79,582	113,302	440,642	(89,632)	5,250	-	(84,382)	-	2,664,610
Effects of retrospective application and retrospective restatement	-	-	-	-	(5,547)	(5,547)	-	-	-	-	-	(5,547)
Adjusted Balance, December 31, 2018	1,866,742	441,608	247,758	79,582	107,755	435,095	(89,632)	5,250	-	(84,382)	-	2,659,063
Net income	-	-	-	-	234,486	234,486	-	-	-	-	-	234,486
Other comprehensive income	-	-	-	-	568	568	(89,357)	173,177	-	83,820	-	84,388
Total comprehensive income	-	-	-	-	235,054	235,054	(89,357)	173,177	-	83,820	-	318,874
Legal reserve	-	-	11,330	-	(11,330)	-	-	-	-	-	-	-
Special reserve	-	-	-	4,799	(4,799)	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	(97,071)	(97,071)	-	-	-	-	-	(97,071)
Treasury stock buyback	-	-	-	-	-	-	-	-	-	-	(149,507)	(149,507)
Gain/loss on sales of equity instruments at fair value through other comprehensive income	-	-	-	-	851	851	-	(851)	-	(851)	-	-
Overdue dividend	-	75	-	-	-	-	-	-	-	-	-	75
Balance, December 31, 2019	\$1,866,742	441,683	259,088	84,381	230,460	573,929	(178,989)	177,576	-	(1,413)	(149,507)	2,731,434

Chairman : Tsung-Jen Liaw

CEO : Tsung-Jen Liaw

Accounting Manager : Mei-Lien Lin

Bright LED Electronics Corp.
Parent Company Only Statements of Cash flows
From January 1 to December 31, 2018 and 2019
(In Thousands of New Taiwan Dollars)

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES :		
Income before tax	\$ 251,712	131,529
Adjustments :		
Depreciation expenses		1,883
Amortization expenses	287	728
Benefits from expected credit losses/ income reclassified from bad debt expenses	(1,037)	(304)
Nets on financial assets at fair value through profit or loss	(388)	(247)
Interest expenses	373	476
Interest income	(3,610)	(1,154)
Dividend income		(29,451)
Share of profit/loss of associates accounted for using equity method	(164,760)	
Total of adjustments	(184,524)	(53,695)
Changes in operating assets and liabilities:		
Decrease in contract assets	(2,717)	36,729
Decrease (increase) in accounts and notes receivable	24,380	33,503
Decrease (increase) in other receivables	19,332	(6,091)
Decrease (increase) in inventories	2,755	(973)
Decrease in other current assets	(70)	4,459
Total of changes in operating assets	43,680	67,627
Increase in accounts and notes payable (including related parties)	196,243	64,973
Decrease in other accounts payable and other current liabilities	13,492	(17,242)
Decrease in net defined benefit liabilities	239	(7,173)
Total of changes in operating liabilities	209,974	40,558
Total of Changes in operating assets and liabilities, net	253,654	108,185
Total	69,130	54,549
Cash generated from operations	320,842	186,019
Interest received	3,610	1,082
Interest paid	(373)	(476)
Income tax paid	(20,514)	
Net cash generated by operating activities	303,565	169,724
CASH FLOWS FROM INVESTING ACTIVITIES :		
Acquisition of financial assets at fair value through other comprehensive income	-	
Proceeds from disposal of financial assets at fair value through other comprehensive income	10,599	9,448
Acquisition of financial assets at fair value through profit or loss	-	(30,000)
Proceeds from disposal of financial assets at fair value through profit or loss	80,724	30,000
Acquisition of property, plant and equipment	(127)	(94)
Increase in other receivables- related parties	-	(21,200)
Decrease in other current financial assets	(36,746)	14,710
Decrease in other noncurrent assets	(9,028)	1,941
Dividends received	22,649	32,545
Net cash used in investing activities	68,071	23,359
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of long-term borrowings	(14,015)	(14,015)
Principal repayment of lease liabilities	(2,638)	-
Increase in other noncurrent liabilities	(3,586)	124
Cash dividends paid	(97,071)	(158,673)
Costs of treasury stock buyback	(149,507)	-
Net cash used in financing activities	(266,817)	(172,564)
Exchange rate	399	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	105,218	20,519
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	355,121	334,602
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 460,339	\$ 355,121

Chairman : Tsung-Jen Liaw

CEO : Tsung-Jen Liaw

Accounting Manager : Mei-Lien Lin

Representation Letter

The entities that are required to be included in the combined financial statements of Bright LED Electronics Corp. as of and for the year ended December 31, 2019 (from January 1, 2019 to December 31, 2019), under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with the International Financial Reporting Standard 10, "Consolidated Financial Statements.", which is recognized by Financial Supervisory Commission. In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Bright LED Electronics Corp. and Subsidiaries do not prepare a separate set of combined financial statements.

Yours Sincerely,

Bright LED Electronics Corp.
by

Tsung-Jen Liaw
Chairman

March 20, 2020

INDEPENDENT AUDITORS' REPORT

(Consolidated Financial Statements)

The Board of Directors and Shareholders
Bright LED Electronics Corp.

Opinion

We have audited the accompanying consolidated financial statements of Bright LED Electronics Corp and subsidiaries. (the “Company”), which comprise the consolidated balance sheets as of December 31, 2019 and 2018, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2019 and 2018, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for 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 the Company 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 consolidated financial statements for the year ended December 31, 2019. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the Company’s consolidated financial statements for the year ended December 31, 2019 are stated as follows:

Inventory valuation

For details of accounting policies, accounting estimations and assumptions, and related disclosures of inventory valuation, please refer to Notes 4 (8), 5 (2) and 6 (5) of the Company's consolidated financial statements.

The description of key audit matter:

The Company's amount of inventories is shown as the lower of cost and net realizable value. Because determining the slow moving inventory loss involves subjective judgment on individual assessment of each category of inventory and its idle days, inventory valuation is one of the key audit matters that we conducted.

Corresponding audit procedure included the following:

1. Obtained year-end inventory falling price losses and inventory aging report
2. Compared the difference between the actual selling prices and its book values
3. Evaluated managers' judgment on allowance percentage of inventory aging report whether is reasonable or not, which included the following procedures as well:
 1. Executed audit sampling procedure
 2. Tested the accuracy of the inventory aging report
 3. Compared the difference between last year's allowance and actual write-off
 4. Evaluated the appropriateness of the policy of allowance to reduce inventory and loss from idle inventories.

Revenue Recognition

For details of accounting policies and related disclosures of revenue recognition, please refer to Notes 4 (13) and 6 (20) of the Company's consolidated financial statements.

The description of key audit matter:

The sources of the major operating revenue of the Company are research and development, productions, and sales of light-emitting diodes indicators and display...etc and contracts of LED display, LED lighting and related operating applications/systems' constructions. Where the Company's revenues generated from is the concerned factor for this report users or recipients. Furthermore, IFRS 15 was first adopted by the republic of China in 2018; hence, revenue recognition is considered as one of the key audit matters.

Corresponding audit procedure included the following:

1. Evaluated appropriateness of accounting policies according to the understanding of the Company's operation and the characteristics of the industry both acquired by the new IFRS.
2. Tested the design of internal control system and effectiveness of execution.
3. Analyzed and evaluated if there is any major irregularity by inspecting revenues generated from main customers and new customers.
4. Evaluated accuracy during the period of revenue recognition by inspecting new major contract added in this period and testing sales samples in accordance with its contract terms during a period of time, which is before and after the year end.

Account Receivables Valuation

For details of accounting policies of account receivables valuation, please refer to Notes 4 (7) financial instruments of the Company's consolidated financial statements; for details of accounting estimates and accounting assumption of uncertainty of account receivables valuation, please refer to Notes 5 (1) of the Company's consolidated financial statements; for details of explanation on account receivables valuation, please refer to 6 (4) of the Company's consolidated financial statements.

The description of key audit matter:

Account receivables of Bright LED Electronics Corp. are distributed among customers. The account receivables valuation allowance is calculated according to the expected percentage of credit losses which takes each time interval of overdues of account receivables and adjustments on prospective factors into consideration when estimating expected credit losses of account receivables. The management will, according to the report date, re-update new expected losses within each time interval of overdues and perform individual assessments on major overdues and payment disputes; hence, it involves subjective judgment from the managers and it is considered as one of the key audit matters.

Corresponding audit procedure included the following:

1. Evaluated reasonableness of the percentage of expected credit losses
2. Determined whether there is a major irregularity by comparing the turnover rate and turnover days of accounts receivables with the company's credit policy and other related information.
3. Obtained the aging schedule.
4. Verified total amount from the aging schedule with general ledger
5. Confirmed integrity and accuracy of the aging schedule.

Other Matter

We have also audited the parent company only financial statements of Bright LED Electronics Corp. as of and for the years ended December 31, 2019 and 2018 on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only 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 IFRS, IAS, IFRIC, and SIC 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the Supervisors) are responsible for overseeing the Company'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 that includes our opinion. 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 Company'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 Company'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; if such disclosures are inadequate, we are responsible 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 Company 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 entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2019 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Ms. Hsin-I Kuo and Ms. Tzu-Hui Li.

KPMG TAIWAN
Republic of China

March 20, 2020

Notice to Readers

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

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

Bright LED Electronics Corp. and Subsidiaries

Consolidated Balance Sheets

December 31, 2018 and 2019

(In Thousands of New Taiwan Dollars)

		Dec 31, 2019		Dec 31, 2018				Dec 31, 2019		Dec 31, 2018									
		Amount	%	Amount	%			Amount	%	Amount	%								
ASSETS																			
CURRENT ASSETS :																			
1100	Cash and cash equivalents (Note 6 (1))	\$	783,088	22	\$	771,126	23												
1110	Financial assets at fair value through profit or loss— current (Note 6 (2))		-	-		100,585	3	2100	Short-term loans (Note 6(11))	\$	50,000	2	\$	50,000	1				
1140	Contract assets— current(Note 6 (20))		271,917	8		170,034	5	2170	Accounts and notes payable		275,534	8		240,458	7				
1170	Accounts and notes receivable, net (Note 6(6))		411,395	12		418,941	13	2180	Accounts payable— due to related parties (Note 7)			-		19,536	1				
1180	Accounts receivable— due from related parties, net (Note 6(6)&7)		50,071	1		76,726	2	2200	Other payables and other current liabilities (Note 6(13))		167,271	5		174,278	5				
1220	Tax assets		-	-		5	-	2230	Income tax liabilities		2,954	-		13,354	-				
130X	Inventories (Note 6(5))		219,348	6		233,456	7	2280	Lease liabilities- current (Note 6(14))		39,462	1		-	-				
1470	Other current assets		96,582	3		113,673	3	2320	Long-term borrowings, current portion (Note 6(12))		9,784	-		18,815	1				
1476	Other financial assets— current (Note 6(10)&8)		185,894	5		143,349	4		Total current liabilities		556,064	16		516,441	15				
	Total current assets		2,018,295	57		2,027,895	60		NONCURRENT LIABILITIES :										
NONCURRENT ASSETS :												2540	Long-term borrowings (Note 6(12))		-	-		9,784	-
1517	Financial assets at fair value through other comprehensive income— noncurrent (Note 6(3))		645,807	18		483,229	14	2570	Deferred tax liabilities (Note 6(17))		1,903	-		1,811	-				
1550	Investments accounted for using equity method (Note 6(6))		114,728	3		116,422	4	2580	Lease liabilities- noncurrent (Note 6(14))		90,822	2		-	-				
1600	Property, plant and equipment (Note 6(8)&8)		537,937	15		634,949	19	2640	Defined benefit liabilities— noncurrent (Note 6(16))		24,125	1		24,596	1				
1755	Right of use assets (Note 6(9))		176,617	5				2600	Other noncurrent liabilities		13,661	1		17,459	1				
1840	Deferred tax assets (Note 6(17))		16,938	1		22,628	1		Total noncurrent liabilities		130,511	4		53,650	2				
1900	Other noncurrent assets		8,930	-		54,176	2		Total liabilities		686,575	20		570,091	17				
1920	Refundable deposits (Note 8)		14,335			14,947	-	EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT (Note 6(18))											
	Total noncurrent assets		1,515,292	43		1,326,351	40	3100	Capital stock		1,866,742	53		1,866,742	56				
								3200	Capital surplus		441,608	12		441,608	13				
								3300	Retained earnings		573,929	16		440,642	13				
								3400	Other equity interests		(1,413)	-		(84,382)	(3)				
								3500	Treasury stock		(149,507)	(4)			-				
									Total equity attributable to shareholders of the parent		2,731,434	77		2,664,610	79				
								36XX	Noncontrolling interests		115,578	3		119,545	4				
									Total equity		2,847,012	80		2,784,155	83				
TOTAL		\$	3,533,587	100	\$	3,354,246	100	TOTAL		\$	3,533,587	100	\$	3,354,246	100				

Chairman : Tsung-Jen Liaw

CEO : Tsung-Jen Liaw

Accounting Manager : 林美蓮
Accounting Manager : Mei-Lien Lin

Bright LED Electronics Corp. and Subsidiaries
Consolidated Statements of Changes in Equity
From January 1 to December 31, 2019 and 2018
(In Thousands of New Taiwan Dollars, Except Dividends Per Share)

	Equity Attributable to Shareholders of the Parent										Treasury Stock	Total attributable to shareholders of the parent	Noncontrolling interests	Total equity
	Capital Stock	Capital Surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Others							
							Exchange Differences on translations	Unrealized gain/loss on assets at fair value through other comprehensive in- come	Unrealized gain/loss on available-for-sale financial assets	Total				
Balance, January 1, 2018	1,866,742	441,559	226,163	48,407	215,947	490,517	(84,970)	-	5,388	(79,582)	-	2,719,236	1,866,742	441,559
Adjustment adopting new accounting bulletin	-	-	-	-	-	-	-	5,388	(5,388)	-	-	-	-	-
Adjusted Balance, January 1, 2018	1,866,742	441,559	226,163	48,407	215,947	490,517	(84,970)	5,388	-	(79,582)	-	2,719,236	1,866,742	441,559
Net income	-	-	-	-	109,022	109,022	-	-	-	-	-	109,022	-	-
Other comprehensive income	-	-	-	-	(88)	(88)	(4,662)	(274)	-	(4,936)	-	(5,024)	-	-
Total comprehensive income	-	-	-	-	108,934	108,934	(4,662)	(274)	26,492	(4,936)	-	103,998	-	-
Legal reserve	-	-	21,595	-	(21,595)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	31,175	(31,175)	-	-	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	(158,673)	(158,673)	-	-	-	-	-	(158,673)	-	-
Overdue dividend		49										49		49
Unrealized gains (loss) from equity investment instruments measured at fair value through other comprehensive income	-	-	-	-	(136)	(136)	-	136	-	136		-	-	-
Balance, December 31, 2018	1,866,742	441,608	247,785	79,582	113,302	440,642	(89,632)	5,250	-	(84,382)	-	2,664,610	1,866,742	441,608
Effects of retrospective application and retrospective restatement	-	-	-	-	(5,547)	(5,547)	-	-	-	-	-	(5,547)	-	-
Adjusted Balance, December 31, 2018	1,866,742	441,608	247,758	79,582	107,755	435,095	(89,632)	5,250	-	(84,382)	-	2,659,063	1,866,742	441,608
Net income	-	-	-	-	234,486	234,486	-	-	-	-	-	234,486	-	-
Other comprehensive income	-	-	-	-	568	568	(89,357)	173,177	-	83,820	-	84,388	-	-
Total comprehensive income	-	-	-	-	235,054	235,054	(89,357)	173,177	-	83,820	-	318,874	-	-
Legal reserve	-	-	11,330	-	(11,330)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	4,799	(4,799)	-	-	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	(97,071)	(97,071)	-	-	-	-	-	(97,071)	-	-
Treasury stock buyback	-	-	-	-	-	-	-	-	-	-	(149,507)	(149,507)	-	
Gain/loss on sales of equity instruments at fair value through other comprehensive income	-	-	-	-	851	851	-	(851)	-	(851)	-	-		
Overdue dividend	-	75	-	-	-	-	-	-	-	-	-	75		
Balance, December 31, 2019	\$1,866,742	441,683	259,088	84,381	230,460	573,929	(178,989)	177,576	-	(1,413)	(149,507)	2,731,434	115,578	2,847,012

Bright LED Electronics Corp. and Subsidiaries

Consolidated Statements of Cash Flows

From January 1 to December 31, 2019 and 2018

(In Thousands of New Taiwan Dollars)

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES :		
Income before tax	\$ 259,547	\$ 111,261
Adjustments :		
Depreciation and amortization expenses	120,540	96,421
Benefits from expected credit losses/ income reclassified from bad debt expenses	(44)	(2,149)
Nets on financial assets at fair value through profit or loss	(388)	(247)
Interest expenses	5,093	1,732
Interest income	(6,696)	(4,787)
Dividend income	(19,592)	(29,451)
Share of profit/loss of associates accounted for using equity method	(9,121)	(3,919)
Loss on disposal or retirement of property, plant and equipment (profit)	(722)	20,793
Loss on sale of investments	(7,621)	-
Loss on modification of lease	(2,263)	-
Total adjustments	79,186	78,393
Changes in operating assets and liabilities:		
Decrease in contract assets	(101,883)	36,273
Decrease in notes and accounts receivable (including related parties), net		74,602
Increase in other receivables	(22,156)	-
Decrease (increase) in inventories	14,108	90,972
Increase in other current assets	17,091	(8,768)
Decrease in notes and accounts payable (including related parties)	26,599	(34,278)
Decrease in other payables and other current liabilities	(6,932)	(26,168)
Decrease in defined benefit liabilities, net	239	(7,173)
Total	40,497	203,853
Cash generated from operations	300,044	315,114
Interest received	6,696	4,697
Interest paid	(5,093)	(1,732)
Income tax paid	(30,286)	(19,447)
Net cash generated by operating activities	271,361	298,632
CASH FLOWS FROM INVESTING ACTIVITIES :		
Acquisition of financial assets at fair value through other comprehensive income	-	(13,991)
Proceeds from disposal of financial assets at fair value through other comprehensive income	10,599	9,448
Acquisition of financial assets at fair value through profit or loss	-	(30,000)
Proceeds from disposal of financial assets at fair value through profit or loss	80,724	30,000
Proceeds from disposal of subsidiary	29,122	-
Acquisition of property, plant and equipment	(11,824)	(34,070)
Proceeds from disposal of property, plant and equipment	724	926
Decrease in refundable deposits	612	1,236
Decrease in other financial assets — current	(135)	50,717
Increase in other assets — noncurrent		(2,238)
Dividends received	22,649	32,545
Net cash used in investing activities	124,554	44,573
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of long-term borrowings	(18,815)	(18,815)
Principal repayment of lease	(42,666)	-
Increase (decrease) in other noncurrent liabilities	(3,798)	(519)
Cash dividends paid	(97,071)	(158,673)
Costs of treasury stock buyback	(149,507)	-
Effect of losing control	(6,379)	-
Changes in noncontrolling interests	(170)	-
Net cash used in financing activities	(318,406)	(178,007)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND EQUIVALENTS	(65,547)	(34,38)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	11,962	161,760
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	771,126	609,366
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 783,088	\$ 771,126

Chairman : Tsung-Jen Liaw

CEO : Tsung-Jen Liaw

Accounting Manager : Mei-Lien Lin

Bright LED Electronics Corp. and Subsidiaries
Consolidated Statements of Comprehensive Income
From January 1 to December 31, 2019 and 2018
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

		2019		2018	
		Amount	%	Amount	%
4000	Operating revenues (Note 6(20)(21)&7)	\$ 1,763,659	100	\$ 1,650,740	100
5000	Operating costs (Note 6(5)(8)(9)(16)(21)&7)	1,339,117	76	1,303,626	79
5900	Gross profit from operations	424,542	24	347,114	21
6000	Operating expenses (Note 6(4)(8)(9)(16)(22)&7) :				
6100	Marketing	47,044	2	48,442	3
6200	Management	223,688	13	260,577	16
6300	Research & development	14,122	1	15,973	1
6450	Expected credit impairment loss (or gain)	(43)	-	(2,149)	-
	Total operating expenses	284,811	16	322,843	20
6900	Operating income	139,731	8	24,271	1
7000	Non-operating income & expenses (Note 6(23)) :				
7010	Other revenues	68,116	4	97,703	6
7020	Other gains & losses	47,672	2	(12,900)	(1)
7050	Finance costs	(5,093)	-	(1,732)	-
7370	Share of profit (loss) of associates using equity method (Note 6(6))	9,121		3,919	-
	Total non-operating income & expenses	119,816	7	86,990	5
7900	Profit before tax	259,547	15	111,261	6
7950	Deduct : income tax expenses (Note 6(17))	25,668	2	24,351	1
8200	Net income	233,879	13	86,910	5
8300	Other comprehensive income :				
8310	Items that will not be reclassified subsequently to profit or loss:				
8311	Re-measurement of defined benefit plans	710	-	212	-
8316	Unrealized gain or loss on financial instrument at fair value through other comprehensive income	173,117	10	(274)	-
8349	Income tax related to items that will not be reclassified subsequently	142	-	(300)	-
	Total of Items that will not be reclassified subsequently to profit or loss	173,745	10	(362)	-
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences arising on translation of foreign operations	(91,563)	(5)	(6,501)	-
8399	Income tax related to items that may be reclassified subsequently	-	-	-	-
	Total of Items that may be reclassified subsequently to profit or loss	(91,563)	(5)	(6,501)	-
8300	Other comprehensive loss for the year, net of income tax	82,182	5	(6,863)	-
8500	Total comprehensive income for the year	\$ 316,061	18	\$ 80,047	5
	Net income attributable to :				
8610	Shareholders of the parent	\$ 234,486	13	\$ 109,022	6
8620	Noncontrolling interests	(607)	-	(22,112)	(1)
		\$ 233,879	13	\$ 86,910	5
	Total comprehensive income attributable to :				
8710	Shareholders of the parent	\$ 318,874	18	\$ 103,998	6
8720	Noncontrolling interests	(2,813)	-	(23,951)	(1)
		\$ 316,061	18	\$ 80,047	5
	Earnings per share (Note 6(19))				
9750	Basic earnings per share (NT\$)	\$ 1.28		\$ 0.58	
9850	Diluted earnings per share (NT\$)	\$ 1.27		\$ 0.56	

Chairman : Tsung-Jen Liaw

CEO : Tsung-Jen Liaw

Accounting Manager : Mei-Lien Lin

【Attachment IV】

Bright LED Electronics Corp.
2019 Earnings Distribution Proposal
(In Thousands of New Taiwan Dollars)

Items	Amount
Unappropriated retained earnings as of December 31, 2018	101,711
Add (deduct) :	
Actuarial gain of 2019	234,485,558
Net adjustment adopting new accounting bulletin	(5,546,366)
Profit (loss) on disposal of financial assets	851,045
Unappropriated retained earnings - Adjusted	230,459,805
Add (deduct) :	
Allocation of legal reserve	(23,035,803)
Turnover of special reserve	82,968,252
Cash dividends (NT \$0.8/ share)	(141,339,379)
Balance of unappropriated retained earnings	149,052,875

Chairman : Tsung-Jen Liaw CEO : Tsung-Jen Liaw Accounting Manager : Mei-Lien Lin

【Attachment V】

Bright LED Electronics Corp.
2020 Annual Shareholders' Meeting
List of Supervisor Candidates for By-selection

Title	Name	Education	Experience	Current Positions	Shareholdings (Shares)
Supervisor	Hung-Change Lin	• Master degree in Finance, The George Washington University, USA. • EMBA, National Taiwan University, Taiwan.	• CFO, M subgroup of Foxconn Technology Group • Supervisor, Bright LED Electronics Corp.	• Independent Director, Taiwan Fertilizer Co., Ltd..	0

【Attachment VI】

**Comparison Table for the Articles of Incorporation
Before and After Revision**

June 10, 2020

After the version	Before the version	Explanation
Article 2 The scope of business of the Corporation shall be as follows: 21. F401021. Restrained Telecom Radio Frequency Equipments and Materials Import 22. ZZ99999. In addition to permitted business, may operate businesses that are not prohibited by laws or regulations.	Article 2 The scope of business of the Corporation shall be as follows: 21. ZZ99999. In addition to permitted business, may operate businesses that are not prohibited by laws or regulations.	Added new line of business
Article 22 These Articles of Incorporation are agreed to and signed on March 28, 1981 by all The thirty-three amendment on June 12, 2019 and the thirty-four amendment on June 10, 2020.	Article 22 These Articles of Incorporation are agreed to and signed on March 28, 1981 by all The thirty-two amendment on June 8, 2018 and the thirty-three amendment on June 12, 2019.	Added new amendment date

【Appendix I】

Articles of Incorporation
of
Bright LED Electronics Corp.

C h a p t e r I - G e n e r a l P r o v i s i o n

Article 1 : The Corporation shall be incorporated, as a company limited by shares, under the Company Law of the Republic of China, and its name shall be 佰鴻工業股份有限公司 in the Chinese language, and BRIGHT LED ELECTRONICS CORP. in the English language.

Article 2 : The scope of business of the Corporation shall be as follows:

1. CC01040 Lighting Facilities Manufacturing
2. CC01080 Electronic Parts and Components Manufacturing
3. CC01110 Computers and Computing Peripheral Equipment Manufacturing
4. CE01040 Watches and Clocks Manufacturing
5. CH01040 Toys Manufacturing
6. E601020 Electric Appliance Installation
7. E603050 Cybernation Equipment Construction
8. E603080 Traffic Signals Construction
9. E605010 Computing Equipment Installation Construction
10. F113020 Wholesale of Household Appliance
11. F401010 International Trade
12. F113070 Wholesale of Telecom Instruments
13. F213090 Retail Sale of Traffic Signal Equipment and Materials
14. I501010 Product Designing
15. I301010 Software Design Services
16. I301020 Data Processing Services
17. E601010 Electric Appliance Construction
18. EZ06010 Traffic Labels Construction
19. E603090 Illumination Equipment Construction
20. IG03010 Energy Technical Services
21. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1 : The total amount of the Company's reinvestment shall not be subject to the restriction of not more than forty percent of the Company's paid-up capital as provided in Article 13 of the Company Act. Any matters regarding the reinvestment shall be resolved in

accordance with the resolutions of the Board of Directors.

Article 3 : The Company shall have its registered head office in New Taipei, Taiwan, Republic of China and shall, where necessary and with a resolution to do so by the Board of Directors (“Board”), set up branch offices either within or outside the territory of the Republic of China.

Article 4 : (Deleted)

C h a p t e r I I - C a p i t a l S t o c k

Article 5 : The total registered capital stock of the Company shall be three and the half Billion New Taiwan Dollars (NT\$3,500,000,000), divided into three hundred and fifty Million (350,000,000) shares with a par value of Ten New Taiwan Dollars (NT\$10) per share. Any unissued shares shall be issued, where necessary, upon the approval of the Board. Twenty million shares of the above total capital stock of the Company with a par value of Ten New Taiwan Dollars (NT\$10) per share shall be retained for the issuance of employee stock options, which may be issued from time to time upon the approval of the Board.

Article 6 : (Deleted)

Article 7 : The Company may issue shares without printing share certificate(s), but shall be registered at Centralized securities depository enterprises.

Article 7-1 : The Company’s stock matters shall comply with relevant provisions of the Company Act and Regulations Governing the Administration of Shareholder Services of Public Companies of the Republic of China.

Article 8 : Registration of share transfers shall be suspended for a 60–day period immediately prior to a general meeting of the shareholders; for a 30–day period immediately prior to an extraordinary meeting of the shareholders; and for a 5–day period immediately prior to the record date for distribution of dividend, bonuses or other benefits.

C h a p t e r I I I - S h a r e h o l d e r s ’ M e e t i n g s

Article 9 : There are two types of shareholders’ meetings, the general meetings and the extraordinary meetings. General meetings shall be held once a year and held within 6 months of the end of each fiscal year and convened by the Board by no less than 30 days’ prior notice to the shareholders. Extraordinary meetings shall be convened in accordance with the relevant laws, by no less than 15 days’ prior notice to the shareholders.

Article 9-1 : The shareholders’ meeting shall be presided over by the Chairman of the Board of Directors of the Company. In his absence, the Chairman shall designate one of the Directors to preside. If failing to designate, the Directors present at the meetings shall elect from among themselves.

Article 10 : If a shareholder is unable to attend a meeting, he/she may appoint a proxy to attend and

vote on behalf of the shareholder at a shareholders' meeting by completing and submitting to the Company a form prescribed by the Company stating the scope of authorization. If the agent in the preceding paragraph acts as the proxy for two or more shareholders at the same time and the voting rights he or she represents exceed 3% of the voting rights of all the issued shares, the excess voting rights will not be exercised. The procedure of shareholders' proxy assignment shall comply with the Company Act and Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies.

Article 10-1: Shareholders may exercise their voting rights in written or electronic forms at the shareholders' meetings. A shareholder who exercises his/her/its voting power at a shareholders meeting in writing or by way of electronic transmission shall be deemed to have attended the shareholders' meeting in person, but shall be deemed to have waived his/her/its voting power in respect of any extemporary motion(s) and/or the amendment(s) to the contents of the original proposal(s) at the shareholders' meeting which complied with Article 177-2 of the Company Act.

Article 11 : Each share of stock shall be entitled to one vote.

Article 12 : Unless otherwise provided by the Company Act, all resolutions from a shareholders meeting of the Company shall be passed, at a meeting attended by shareholders holding at least 50% of the issued capital stock, by more than 50% of the shareholders attending the meeting.

Article 12-1 : Resolutions at a shareholders' meeting shall be recorded in a meeting minute signed by or affixed with the personal seal of the chairman. The meeting minute shall be distributed to all the shareholders of the Company by public announcement within 20 days after the shareholders' meeting. The meeting minute shall contain information such as the time and venue of the meeting, name of the chairman of the meeting, manner in which resolutions are passed, and a summary and outcome of all proceedings of the meeting. The minutes shall be kept persistently throughout the life of the company. The attendance list bearing the signatures of shareholders present at the meeting and the powers of attorney of the proxies shall be kept by the company for a minimum period of at least one year. However, if a lawsuit has been instituted by any shareholder in accordance with the provisions of Article 189 hereof, the minutes of the shareholders' meeting involved shall be kept by the company until the legal proceedings of the foregoing lawsuit have been concluded.

C h a p t e r V I - D i r e c t o r s a n d S u p e r v i s o r s

Article 13 : There shall be 5 to 7 Directors and 3 Supervisors of the Company. The tenure of the offices of the Directors shall be 3 years and the Directors shall be eligible for re-elections. The minimum percentage of shareholding of directors and supervisors shall comply with the

provisions of the securities authority. Among the directors, there shall be not less than 2 independent directors and not less than one-fifth of the total number of directors.

The election of Directors is adopted by candidate nomination system. The shareholders shall elect the directors from among the nominees listed in the roster of director and Supervisor candidates at the shareholders' meeting. This shall comply with relevant regulations.

Article 13-1 : The board of directors shall have the following powers and authorities:

1. Reviewing and supervising annual business plan
2. Reviewing budget and deliberating final account
3. Proposing earning distribution or deficit make-up
4. Proposing capital addition/reduction plan
5. Reviewing and supervising major capital expenditure plan
6. Concluding branches (except offices) establishment or cancellation
7. Proposing new article or amendment of the article of incorporation
8. Examining important foreign contracts or other major matters
9. Examining and approving reinvestment on other businesses or factoring of reinvestment's shares
10. Reviewing and supervising significant transactions between the Company and the interested party (including affiliated companies)
11. Appointing or dismissing the general manager, deputy general manager and associated managers
12. Examining and approving purchase or disposal of significant assets and significant rules and procedures
13. Other powers and authorities given by other laws and regulations and by the shareholders' meetings

Article 13-2 : Supervisors shall have the following powers and authorities:

1. Reviewing and supervising the Company's business and relevant details
2. Auditing accounting books, relevant documents and financial situation
3. Other powers and authorities given by the Company Act and the shareholders' meetings

Article 14 : The Board comprises directors. The chairperson of the Board shall be elected from among the directors with consent of a majority of the directors present at a meeting attended by more than two thirds of the directors. The chairperson of the Board shall be the representative of the Company and implement all matters of the company in accordance with the laws and regulations, the company's articles of association, the resolutions of the shareholders' meeting and the board of directors.

Article 15 : In the chairman's absence, the deputy designated from the Directors shall be acting for him according to Article 208 of the Company Act.

Article 15-1 : Matters related to the resolutions of a shareholders meeting shall be recorded in the

meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and the minute taker. A copy of the meeting minutes shall be distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes shall be retained for the duration of the existence of the Company. Items which shall be included in the meeting minutes shall comply with the Company Act and Regulations Governing Procedure for Board of Directors Meetings of Public Companies. The meeting minutes may be produced and distributed in electronic form.

Article 15-2 : (Deleted)

Article 15-3 : Each director shall attend the meeting of the board of directors in person. In case a director appoints another director to attend a meeting of the board of directors in his/her behalf, he/she shall, in each time, issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting. A director may accept the appointment to act as the proxy referred to in the preceding paragraph of one other director only.

Article 15-4 : When convening a meeting of the board of directors, a notice with the subjects written shall be given to each director and supervisor no later than 7 days prior to the scheduled meeting date. In the case of emergency, a meeting of the board of directors may be convened at any time. The notice may be effected in written or by means of electronic transmission (E-mail, fax or etc).

Article 16 : The Company's Directors and Supervisors' attendance fees shall be comparable to peer's level regardless of the Company's operating profits or losses.

C h a p t e r V - M a n a g e m e n t

Article 17 : The Company has one general manager and several vice general managers and associated managers. Appointment and discharge and the remuneration of the managerial personnel shall comply with the Article 29 of the Company Act.

C h a p t e r V I - F i n a n c i a l R e p o r t s

Article 18 : After the close of each fiscal year, the following reports shall be prepared by the Board of Directors, audited by the Supervisors and submitted no later than thirty days prior to the regular shareholders' meeting date for acceptance:

1. Business Report;
2. Financial Statements;
3. Proposal Concerning Appropriation of Earnings or Covering of Losses.

Article 19 : (Deleted)

Article 20 : Before paying dividends or bonuses to shareholders, the Company shall set aside not

more than 2% of its annual profits as compensation to its directors and not less than 8% as profit sharing bonuses to its employees; provided, however, that the Company shall have reserved a sufficient amount to offset its accumulated losses. Employees' profit sharing bonuses and compensations to directors and supervisors are resolved by a majority vote at a Board of Directors' meeting attended by two-thirds of the total number of directors and shall be reported to the shareholders' meeting. Qualification requirements of employees entitled to receive shares or cash set for in the above paragraph shall be applied to the employees of subsidiaries who meet certain requirements, which set by the Board of Directors or by the person duly authorized by the Board of Directors.

Article 20-1 : In the event that the Company, according to the final settlement, earns profits in a fiscal year, such profits shall first be set aside to pay the applicable taxes, offset losses, and then set aside for legal reserve 10% pursuant to laws and regulations, unless the legal reserve has reached the Company's total paid-up capital. The remaining profits shall be set aside for special reserve in accordance with the laws, regulations, or the business requirements. Any further remaining profits plus unappropriated earnings shall be distributed in accordance with the proposal submitted by the Board for approval at a shareholders' meeting.

Earnings of the Company may be distributed by way of cash dividend and/or stock dividend. However, the ratio for cash dividend shall not less than 10% of total distribution. The balance left over can also be allocated by issuing new shares per resolution of the shareholders' meeting. According to the Company Act, the Corporation authorizes the distributable dividends and bonuses in whole or in part or according to the Company Act 241, to be distributed as legal reserve and the following capital reserve or in whole or in part to be paid in cash after a resolution has been adopted by a majority vote at the board of directors' meeting attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

C h a p t e r V I I - S u p p l e m e n t a r y P r o v i s i o n

Article 21 : Matters not specifically provided for in these Articles of Incorporation shall be governed by the Company Act and any other relevant laws.

Article 22 : The Articles of Incorporation were agreed to and signed on March 28, 1981.

The first amendment was made on May 19, 1981.

The second amendment was made on June 27, 1984.

The third amendment was made on October 20, 1984.

The fourth amendment was made on December 24, 1984.

The fifth amendment was made on July 14, 1986.

The sixth amendment was made on February 27, 1987.
The seventh amendment was made on May 18, 1991.
The eighth amendment was made on June 10, 1991.
The ninth amendment was made on November 20, 1993.
The tenth amendment was made on June 07, 1995.
The eleventh amendment was made on July 07, 1997.
The twelfth amendment was made on August 07, 1997.
The thirteenth amendment was made on June 08, 1998.
The fourteenth amendment was made on June 22, 1999.
The fifteenth amendment was made on June 09, 2000.
The sixteenth amendment was made on June 08, 2001.
The seventeenth amendment was made on June 12, 2002.
The eighteenth amendment was made on June 12, 2003.
The nineteenth amendment was made on May 31, 2004.
The twentieth amendment was made on June 10, 2005.
The twenty-first amendment was made on June 14, 2006.
The twenty-second amendment was made on June 08, 2007.
The twenty- third amendment was made on June 13, 2008.
The twenty- fourth amendment was made on June 10, 2009.
The twenty- fifth amendment was made on March 04, 2010.
The twenty- sixth amendment was made on June 14, 2010.
The twenty- seventh amendment was made on June 09, 2011.
The twenty- eighth amendment was made on June 06, 2012.
The twenty- ninth amendment was made on June 11, 2013.
The thirtieth amendment was made on June 12, 2015.
The thirty- first amendment was made on June 08, 2016.
The thirty- second amendment was made on June 08, 2018.
And the thirty-three amendment was made on June 12, 2019.

【Appendix II】

Bright LED Electronics Corp. Rules and Procedures of Shareholders' Meeting

- Article 1. Shareholders' Meeting of the Company (the "Meeting") shall be conducted in accordance with these Rules and Procedures. Any matter not provided in these Rules and Procedures shall be handled in accordance with relevant laws and regulations.
- Article 2. Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.
- The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also make the shareholders meeting agenda and supplemental meeting materials available for review by shareholders at any time. The meeting agenda and supplemental materials shall be displayed at the Company and at the professional shareholder services agency designated thereby as well as being distributed on-site at the meeting place.
- The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.
- Election or dismissal of directors or supervisors, amendments to the articles of incorporation, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.
- Shareholder(s) holding one percent (1%) or more of the total number of out-

standing shares of the Company may propose to the Company a proposal for discussion at the Meeting, but only one matter shall be allowed in each single proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda. The board of directors shall not include a proposal into the agenda if the proposal falls under any clause set forth in Company Act Article 172-1, Paragraph 4. Prior to the date on which share transfer registration is suspended before the convention of the Meeting, the Company shall give a public notice announcing the place and the period for shareholders to submit proposals for discussions at the Meeting; and the period for accepting such proposals shall not be less than ten(10) days. The number of words of a proposal to be submitted by a shareholder shall be limited to no more than three hundred (300) words, and any proposal containing more than 300 words shall not be included in the agenda of the Meeting. The shareholder who has submitted a proposal shall attend, in person or by a proxy, the Meeting where his proposal is to be discussed and shall take part in the discussion of such proposal. The Company shall, prior to preparing and delivering the Meeting notice, inform the proposal submitting shareholders of the results of the proposal, and shall list in the Meeting notice the proposals conforming to the requirements set out in this rule. With regard to the proposals submitted by shareholders but not included in the agenda of the Meeting, the cause for exclusion of such proposals and explanation shall be made by the board of directors at the Meeting.

- Article 3. For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.
- A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.
- After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before 2 days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

- Article 4. The Meeting shall be held at the head office of the Company or at any other appro-

priate place that is convenient for the shareholders to attend. The time to start the Meeting shall not be earlier than 9:00 a.m. or later than 3:00 p.m. Independent Directors' opinions on where to convene the Meeting shall take into account as well.

- Article 5. The Company shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.
- The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.
- Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.
- The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.
- The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.
- When the government or a corporate is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a corporate is appointed to attend as proxy, it may designate only one person to represent it in the meeting.
- If the Meeting is called by the board of directors, the chairman shall preside at the Meeting. In case the chairman is on leave of absence, or cannot exercise his powers and authority, the vice chairman shall act in lieu of him. If the vice chairman is also on leave of absence, or cannot exercise his powers and authority, the chairman shall designate a director to act in lieu of him. If the chairman does not designate a director, the directors shall elect one from among themselves to act in lieu of the chairman. The preceding chairman presiding by one of the board of directors shall at least be that position for more than 6 months and shall know the Company's financial and business

conditions well. Same applies to the corporate director who is elected by others.

The Meeting, which is called by the board of directors, shall have more than half of the board of directors attended.

If the Meeting is called by any other person than the board of directors, who has the right to call the Meeting, the said person shall preside at that Meeting. If there are more than two said persons calling the Meeting, one of the two persons shall be chairing the Meeting.

The Company may appoint designated counsel, CPA or other related persons to attend the Meeting.

Article 6. The process of the Meeting shall be taperecorded or videotaped and these tapes shall be preserved for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 7. Shareholders attending the Meeting shall submit the attendance card for the purpose of signing in. The number of shares represented by shareholders attending the Meeting shall be calculated based on the submitted attendance cards plus the number of shares whose voting powers are exercised in writing or by way of electronic transmission.

Chairman shall call the Meeting to order at the time scheduled for the Meeting. If the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the chairman may postpone the time for the Meeting. The postponements shall be limited to two times at the most and Meeting shall not be postponed for longer than one hour in the aggregate.

If after two postponements, no quorum can yet be constituted and the shareholders present at the Meeting represent less than one - third of the total outstanding shares, the chairman may announce adjournment.

If after two postponements, no quorum can yet be constituted but the shareholders present at the Meeting represent more than one - third of the total outstanding shares, tentative resolutions may be made in accordance with Section 1 of Article 175 of the Company Act. The aforesaid tentative resolutions shall be notified by all shareholders and the Company shall convene the Meeting again within one month.

If during the process of the Meeting, the number of outstanding shares represented by the shareholders present becomes sufficient to constitute the quorum, the chairman may submit the tentative resolutions to the Meeting for approval in accordance with

Article 174 of the Company Act.

- Article 8. If the Meeting is convened by the board of directors, the agenda of the Meeting shall be set by the board of directors. Unless otherwise resolved at the Meeting, the Meeting shall proceed in accordance with the scheduled agenda.
- If the Meeting is convened by any person other than the board of directors, the provision set forth in the preceding paragraph shall be applicable *mutatis mutandis*.
- Unless otherwise resolved at the Meeting, the chairman shall not adjourn the Meeting until the discussion items (including extraordinary motions), listed on the agenda, have been resolved. After the Meeting is adjourned, the shareholders shall not appoint another chairman to continue the Meeting at the same place or at a new location unless the chairman has violated the Rules and Procedures for the Meeting in adjourning the Meeting.
- The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.
- Article 9. When a shareholder present at the Meeting wishes to speak, a Speech Note should be filled out with summary of the speech, the shareholder's number (or the number of Attendance Card) and the name of the shareholder. The sequence of speeches by shareholders should be decided by the chairman.
- If any shareholder present at the Meeting submits a Speech Note but does not speak, no speech should be deemed to have been made by such shareholder. In case the contents of the speech of a shareholder are inconsistent with the contents of the Speech Note, the contents of actual speech shall prevail.
- Unless otherwise permitted by the chairman, each shareholder shall not, for each discussion item, speak more than two times (each time not exceeding 5 minutes). In case the speech of any shareholder violates the above provision or exceeds the scope of the discussion item, the chairman may stop the speech of such shareholder.
- Unless otherwise permitted by the chairman and the shareholder in speaking, no shareholder shall interrupt the speeches of the other shareholders; otherwise the chairman shall stop such interruption.
- If a corporate shareholder designates two or more representatives to attend the Meeting, only one representative can speak for each discussion item. After the speech of a shareholder, the chairman may respond himself/herself or appoint an appropriate person to respond.

Article 10. Voting at a shareholders meeting shall be calculated based the number of shares. With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 11. A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed to reject, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has

been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

Article 12. The election of directors or supervisors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected.

The ballots for the election refer to the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 13. Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the duration of the existence of the Company.

Article 14. On the day of a shareholders meeting, the Company shall compile, in the prescribed format, a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or GreTai Securities Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

- Article 15. Persons handling affairs of the Meeting shall wear identification cards or badges. The chairman may conduct the disciplinary officers or the security guard to assist in keeping order of the Meeting place. Such disciplinary officers or security guards shall wear badges marked "Disciplinary Officers" for identification purpose. The chairman or the disciplinary (or security) personnel may expel anyone who disturbs the order of the Meeting.
- The Company prepares loudspeaker at the Meeting place. The chairman may stop anyone who speaks without using the loudspeaker that the Company prepares.
- Article 16. During the Meeting, the chairman may, at his discretion, set time for intermission. In case of incident of force majeure, the chairman may decide to temporarily suspend the Meeting and announce, depending on the situation, when the Meeting will resume or, by resolution of the shareholders present at the Meeting, the chairman may resume the Meeting within five days without further notice or public announcement according to the regulation of the Company Act Article 182.
- Article 17. These Rules and Procedures shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.
- Article 18. Officially resolved in the Founders Meeting held on June 08, 1998.
- First amendment was approved by the Shareholders' meeting on June 12, 2002.
- Second amendment was approved by the Shareholders' meeting on June 11, 2013.
- Third amendment was approved by the Shareholders' meeting on June 08, 2018.

【Appendix III】

Bright LED Electronics Corp. Rules for Election of Directors

Article 1. Otherwise provided by law and regulation or by the Company's articles of incorporation, elections of directors and supervisors shall be conducted in accordance with these Procedures.

Article 2. Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:

1. The ability to make judgments about operations.
2. Accounting and financial analysis ability.
3. Business management ability.
4. Crisis management ability.
5. Knowledge of the industry.
6. An international market perspective.
7. Leadership ability.
8. Decision-making ability.

More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

The election of independent directors of the Company shall comply with the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 3. Supervisors of the Company shall meet the following qualifications:

1. Integrity and a practical attitude.
2. Impartial judgment.
3. Professional knowledge.
4. Broad experience.
5. Ability to read financial statements.

In addition to the requirements of the preceding paragraph, at least one among the supervisors of the Company must be an accounting or finance professional. Appointments of supervisors shall be made with reference to the provisions on independence contained in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, in order to select appropriate supervisors to help strengthen the corporation's risk management and control of finance and operations.

At least one supervisor position must be held by a person having neither a spousal relationship nor a relationship within the second degree of kinship with any other supervisor or with any director.

A supervisor may not serve concurrently as the director, managerial officer, or any other employee of the Company and at least one of the supervisors must be domiciled in the Republic of China to be able to promptly fulfill the functions of supervisor.

Article 4. Elections of both directors and supervisors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 and Article 216-1 of the Company Act.

When the number of directors falls below five due to the dismissal of a director for any reason, the Company shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in the Company's articles of incorporation, the Company shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

When the number of Supervisors falls below that prescribed in the Company's articles of incorporation due to the dismissal of a Supervisor for any reason, a by-election to fill the vacancy should be held at the next shareholders meeting ideally. When the Supervisors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

Article 5. The cumulative voting method shall be used for election of the Directors and Supervisors at the Company. Each share will have voting rights in number equal to the Directors or Supervisors to be elected, and may be cast for a single candidate or split among multiple candidates. The election of independent Directors and non-independent Directors shall be held together, elected positions shall be calculated separately.

Article 6. The board of directors shall prepare separate ballots for Directors and Supervisors in numbers corresponding to the Directors or Supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 7. The number of Directors and Supervisors will be as specified in the Company's articles of incorporation, with voting rights separately calculated for independent and

non-independent Director Positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

Article 8. Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

Article 9. If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or corporate shareholder, the name of the governmental organization or corporate shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or corporate shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.

Article 10. A ballot is invalid under any of the following circumstances:

1. The ballot was not prepared by the board of directors.
2. A blank ballot is placed in the ballot box.
3. The writing is unclear and indecipherable or has been altered.
4. The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match.
5. Other words or marks are entered in addition to the candidate's account name or shareholder account number (or identity card number) and the number of voting rights allotted.
6. The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual.

Article 11. The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as Directors or Supervi-

sors and the numbers of votes with which they were elected, shall be announced by the chair on the site.

Article 12. The board of Directors of the Company shall issue notifications to the persons elected as Directors or Supervisors.

Article 13. These procedures and any amendments hereto shall be implemented after approval by a shareholders meeting.

Article 14. The rules were officially resolved in the Founders Meeting held on June 08, 1998.
First amendment was approved by the Shareholders' meeting on June 12, 2002.
Second amendment was approved by the Shareholders' meeting on June 11, 2013.
Third amendment was approved by the Shareholders' meeting on June 08, 2016
Fourth amendment was approved by the Shareholders' meeting on June 08, 2018.

【Appendix IV】

Shareholdings of All Directors and Supervisors

Bright LED Electronics Corp.

Register of Directors and Supervisors

Record Date: April 12, 2020

Title	Name	Date	Shareholdings at the time of last election			Current shareholdings (Shares)			Note
			Type	Shares	%	Type	Shares	%	
Chairman	Tsung-Jen Liaw	June 12 2019	Common	20,323,417	10.89%	Common	20,938,417	11.22%	
Director	Shu-June Wang	June 12 2019	Common	5,766,547	3.09%	Common	5,766,547	3.09%	
Director	Chi-Chia Hsieh	June 12 2019	Common	0	0.00%	Common	0	0.00%	
Director	Representative of Wan-Hsu Investment Co., Ltd.: Po-Yuan Lin	June 12 2019	Common	25,880,397	13.86%	Common	26,355,397	14.12%	
Director	Hsin-Pei Liao	June 12 2019	Common	3,292,333	1.76%	Common	3,292,333	1.76%	
Independent Director	Ming-Chang Huang	June 12 2019	Common	0	0.00%	Common	0	0.00%	
Independent Director	Chwen-Shell Ho	June 12 2019	Common	0	0.00%	Common	0	0.00%	
Supervisor	Ju-Ching Liao	June 12 2019	Common	2,240,541	1.20%	Common	2,240,541	1.20%	
Supervisor	Chin-Lung Huang	June 12 2019	Common	0	0.00%	Common	0	0.00%	
TOTAL				57,503,235	30.08%		58,593,235	31.39%	

Total shares issued as of 6/12/2019: 186,674,224 shares

Total shares issued as of 4/12/2020: 186,674,224 shares

Notes : Under the relevant regulations, Bright LED Electronics Corp.'s Directors are required to hold in the aggregate not less than 11,200,453 shares. As of 4/12/2020, the total of shareholdings that the Directors held is 56,352,694 shares.

Under the relevant regulations, Bright LED Electronics Corp.'s Supervisors are required to hold in the aggregate not less than 1,120,045 shares. As of 4/12/2020, the total of shareholdings that the Supervisors held is 2,240,541 shares.