Stock Code：3031

佰鴻工業股份有限公司

BRIGHT LED ELECTRONICS CORP.

2021 Annual Shareholders' Meeting

Meeting Agenda

(Translation)

Date：June 07, 2021

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.

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BRIGHT LED ELECTRONICS CORP.

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BRIGHT LED ELECTRONICS CORP.

2021 Annual Shareholders' Meeting Agenda

(Translation)

1. Time：9:00 a.m., June 07, 2021
2. Place：1F, No.15, Heping Rd., Banqiao Dist., New Taipei City, Taiwan
3. Attendants：All Shareholders or their proxy holders
4. Chairman：Mr. Tsung-Jen Liaw, Chairman of the Board of Directors
5. Chairman's address：
6. Reported Items：
   (1) To report 2020 Business Report
   (2) To report 2020 Supervisors' Review Report
   (3) To report 2020 employees' profit sharing bonus and directors' compensation
   (4) To report 2020 earnings distribution and cash dividend
7. Proposed Resolutions：
   (1) To accept 2020 Business Report and Financial Statements
   (2) To approve the proposal for distribution of 2020 earnings
8. Discussed Items：
   (1) To revise the Articles of Incorporation
   (2) To revise the Rules and Procedures of Shareholders' Meeting
9. Questions and Motions
10. Meeting Adjourned

Reported Items

1. To report 2020 Business Report

   Explanatory Notes：Please refer to page 6~8.

2. To report 2020 Supervisors' Review Report

   Explanatory Notes：Please refer to page 9.

3. To report 2020 employees' profit sharing bonus and directors' compensation

   Explanation Notes：The 2020 income before tax is NT$194,893,682 and no accumulated deficits need to be covered. Proposing 8% of the income before tax in cash, which is NT$15,591,495, to be employees' total profit sharing bonus and 2% of the income before tax in cash, which is NT$3,897,874 as directors' compensation.

4. To report 2020 earnings distribution and cash dividend

   Explanation Notes：The shareholders' dividend distribution is in total of NT$137,339,379 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.

Proposed Resolutions

1. To accept 2020 Business Report and Financial Statements

   Explanatory Notes：

   (1) To review 2020 Business report, please refer to page 6~8.

   (2) 2020 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 11 to page 27.

   (3) This has been approved by the board of Directors and examined by the Supervisors.

Resolution：

2. To approve the proposal for distribution of 2020 earnings.

   Explanatory Notes：

   (1) The 2020 earnings available for distribution is NT$137,339,379. The proposed legal reserve is 10% and the proposed shareholder dividend is NT$0.8 per share, which has approved by the board of directors and reviewed by the supervisors through the legal process.

   (2) For detailed earnings distribution proposal, please refer to page 33.

Resolution：

Discussed Items

1. To revise the Articles of Incorporation

Explanatory Notes：In response to the need to increase the number of independent directors during the election of next term in 2022, it is proposed to adjust the number of directors in the company's articles of association from 5 to 7 to 5 to 9. For detailed revision, please refer to page 34.

Resolution：

2. To revise the Rules and Procedures of Shareholders' Meeting

Explanatory Notes：According to Taiwan Stock Exchange's official proclamation, to comply with the latest revision of the Company Act, to improve corporate governance and to protect shareholders' equity, the company amends some of the provisions of the "Rules of Procedures of Shareholders' Meetings". For detailed revision, please refer to page 35~36.

Resolution：

Questions and Motions

Meeting adjourned

【Attachment I】

Business Report

Compared with 2019, under the influence of COVID-19, severe and special infectious pneumonia, the overall LED industry was impacted a lot in 2020. Moreover, due to exchange rate fluctuations, sales profits also declined slightly. In order to fight against unfavorable situations related to these impacts, Bright LED electronics corp., which has actively adjusted the company's fundamentals and operated under lean management over the past few years, remained profitable this year. Due to the company policies of ongoing cost reduction and sales increase in proportion of high value-added products and intelligence manufacturing plan, we are hoping that in the future, we can remain profitable in this fickle, unpredictable situation. In year of 2020, the company's overall profitability was fair with stable gross profit margin. In the future, the company will continuously work hard on developing various products applicable in various industries, increasing product's added values, expanding markets or business opportunities with cross-industry alliance, and providing customers with more one-stop services and customized products.

2020 Result

In 2020, our consolidated revenue totaled NT$1,375,687 thousand dollars, a decrease of 22 percent over NT$1,763,659 thousand dollars in 2019. Consolidated net income totaled NT$133,115 thousand dollars, a decrease of 43 percent over NT$233,879 thousand dollars in 2019. Net income attributed to the parent company totaled NT$128,125 thousand dollars, an increase of 45 percent over NT$234,486 thousand dollars in 2019.

Financial Performance (based on consolidated Financial Statements)

		2020	2019
Financial structure	Debt ratio (%)	18.98	19.43
	Long term capital ratio (%)	601.15	416.70
Profitability	ROA (%)	3.87	6.91
	ROE (%)	4.70	8.31
	EBIT over paid-in capital (%)	10.02	13.90
	Profit margin (%)	9.68	13.26
	EPS (NT$ dollar)	0.74	1.28

Technological Developments

In 2020, we continued to work on LED projects with special specifications, multiple chips and multiple wavelengths, which are mainly used in medical, automotive and aerospace fields. In addition, the previous development's phased results of photo relay have achieved in good performance, and it is currently in the sample delivery stage and continues to be carried out on schedule. Compared with mechanical relays, photo relays have longer life span, low current drive and fast response. They are one of the indispensable components in the field of intelligence manufacturing and mechanical manufacturing.

The relevant specifications and samples of UVC LED components used in the fields of environmental sterilization and health care have been launched. We continue to optimize product quality and manufacturing process to meet the customization and differentiation. The miniaturization of UVC LED components brings many applications advantages and can be used in conjunction with multiple types of application products. In addition, UVC LED also has many advantages itself such as fast start-up, more switching frequency, and battery-powered availability. In view of the severe and special infectious pneumonia raging due to COVID-19 in early 2020, the company expects to accelerate the schedule this year to promote the popularization of UVC products in the future.

Finally, with regard to smart city concept, due to the popularity of street lamps in Taiwan, besides lighting, there are many additional applications can be attached. Smart street lighting are mainly designed and installed with controllers, sensors and other components so that the street lighting can have more functions services attached, at the same time reducing the original costs of building a base for these functions. For example, with wireless transmission attached, when the lamp fails, the controller can directly detect and report to the control center and call for maintenance. Various types of environmental monitoring can be attached using multiple sensors, which to detect harmful gases, noise, PM2.5, wind speed, wind direction, temperature, humidity, and etc., to report back to the control center and to alert the public. The lamp itself can also use the lighting sensors to detect ambient lights periodically and automatically adjust lamp's brightness to meet comfort for vision without wasting power. In addition to the above intelligent functions, street lighting may support connections between 4G/5G transmitters as miniature base stations in the future or can possibly support and cooperate with other fields like vehicle charging, and etc. There are unlimited possibilities could be accomplished in the future.

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

Looking forward to business plan of 2021, in addition to the existing mass-produced application products' qualities and functions, including smart home applications, security and surveillance control, aviation and transportation electronic applications, computer-related applications, sensing applications, lighting applications, and etc., which will continue to be improved, Bright LED Electronics also urges to provide customers with new solutions to meet the needs of customization and differentiation, and to increase the added value of products and to continuously accelerate the progress of cases with special specifications in order to expand more special application markets, such as environmental sterilization and health care and medical markets. With the injection of new products, the company will obtain new business opportunities and ultimately lead to increase company’s revenues and profits. Since January, 2021, the severe and special infectious pneumonia of COVID-19 has slowed down. If there is no other new issues emerge, it is expected that the overall world economy will slowly rebound after. The company's performance at the beginning of 2021 has already rebounded slightly compared to last year. The company will continue to strengthen risk control, improve internal management and strengthen the company's response ability. In view of external factors such as health environment and unpredictable risks of international policies, the company's business model continues to move towards lean management, while implementing intelligent manufacturing and accelerating the improvement of production processes and operating models to diversify risks and accelerate the company's response and adaptation capability which we believe will lead Bright LED Electronics corp. to sustainably develop and survive in this turbulent and uncertain generation.

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 2020 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

Hong-Chang Lin

March 18, 2021

【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, 2020 and 2019, 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, 2020 and 2019, 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, 2020. 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, 2020 are stated as follows:

Revenue Recognition

For details of accounting policies and related disclosures of revenue recognition, please refer to Notes 4 (13) and 6 (16) 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; 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 (3) 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 18, 2021

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, 2020 and 2019
(In Thousands of New Taiwan Dollars)

		Dec 31, 2020		Dec 31, 2019	
	ASSETS	**Amount**	**%**	**Amount**	**%**
	CURRENT ASSETS：				
1100	Cash and cash equivalents (Note 6 (1))	$ 468,690	11	460,339	10
1140	Contract assets－current(Note 6 (16))	100,209	2	172,2 95	4
1170	Accounts and notes receivable, net (Note 6(3))	283,159	6	293,539	6
1180	Accounts receivable－due from related parties, net (Note 6(3)&7)	40,033	1	50,033	1
1210	Other receivables－from related parties (Note 7)	78,500	2	50,000	1
1310	Inventories (Note 6(4))	14,980	-	12,801	-
1470	Other current assets	256	-	850	-
1476	Other financial assets－current (Note 6(8)&8)	94,238	2	92,239	3
	Total current assets	1,080,065	24	1,132,096	25
	NONCURRENT ASSETS：				
1517	Financial assets at fair value through profit or loss －noncurrent (Note 6(3))	710,995	16	645,807	15
1550	Investments accounted for using equity method (Note 6(6))	2,602,266	58	2,660,403	59
1600	Property, plant and equipment (Note 6(7))	58,726	1	50,917	1
1755	Right of use assets (Note 6(8))	3,853	-	6,770	-
1840	Deferred tax assets (Note 6(15))	20,969	1	16,938	-
1920	Guarantee deposits paid	1,760	-	1,854	-
1900	Other noncurrent assets	47	-	8,897	-
	Total noncurrent assets	3,398,616	76	3,391,586	75
	TOTAL	**$ 4,478,681**	**100**	**4,523,682**	**100**

		Dec 31, 2020		Dec 31, 2019	
	LIABILITIES & EQUITY	**Amount**	**%**	**Amount**	**%**
	CURRENT LIABILITIES：				
2170	Accounts and notes payable	$ 22,763	1	$ 19,848	1
2180	Accounts payable－ due to related parties (Note 7)	1,619,192	36	1,669,115	37
2200	Other current liabilities (Note 6(10))	55,248	1	52,799	1
2230	Current tax liabilities	28,302	1	1,178	-
2280	Lease liabilities- current (Note 6(11))	2,211	-	2,674	-
2322	Long-term borrowings, current portion (Note 6(9))	-	-	8,176	-
	Total current liabilities	1,727,716	39	1,753,790	39
	NONCURRENT LIABILITIES：				
2570	Deferred tax liabilities (Note 6(13))	21,558	-	1,903	-
2580	Lease liabilities- noncurrent (Note 6(11))	1,777	-	4,240	-
2640	Defined benefit liabilities－noncurrent (Note 6(12))	25,355	1	24,125	1
2645	Other noncurrent liabilities	3,019	-	8,190	-
	Total noncurrent liabilities	51,709	1	38,458	1
	Total liabilities	1,779,425	40	1,792,248	40
	EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT (Note 6(15))：				
3100	Capital stock	1,816,742	41	1,866,742	41
3200	Capital surplus	421,959	9	441,683	10
3300	Retained earnings	558,413	12	573,929	13
3400	Other equity interests	51,649	1	(1,413)	-
3500	Treasury stock	(149,507)	(3)	(149,507)	(4)
	Total equity	2,699,256	60	2,731,434	60
	TOTAL	**$ 4,478,681**	**100**	**4,523,682**	**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)

		2020		2019	
		Amount	%	Amount	%
4000	**Operating revenues (Note 6(16)&7)**	$ 885,128	100	$ 1,126,907	100
5000	**Operating costs (Note 6(4)&7)**	660,158	75	978,310	87
5900	**Gross profit from operations**	224,970	25	148,597	13
6000	**Operating expenses (Note 6(3)(6)(7)(12)&12)：**				
6100	Marketing	33,406	4	33,681	3
6200	Management	70,314	8	77,275	7
6300	Research & development	9,571	1	7,081	-
6450	Expected credit impairment loss (or gain)	281	-	(1,037)	-
	Total operating expenses	113,572	13	117,000	10
6900	**Operating income**	111,398	12	31,597	3
7000	**Non-operating income & expenses (Note 6(5)(18))：**				
7100	Interest income	3,738	-	3,610	-
7010	Other revenues	25,197	3	26,692	3
7020	Other gains & losses	59,109	7	25,426	2
7050	Finance costs	(124)	-	(373)	-
7070	Share of profit (loss) of associates using equity method	(23,913)	(3)	164,760	15
	Total non-operating income & expenses	64,007	7	220,115	20
7900	**Profit before tax**	175,405	19	251,712	23
7950	**Deduct：income tax expenses (Note 6(14))**	47,280	5	17,226	2
	Net income	128,125	14	234,486	21
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	(2,805)	-	710	-
8316	Unrealized gain or loss on financial instrument at fair value through other comprehensive income using equity method	68,818	8	173,177	15
8349	Income tax related to items that will not be reclassified subsequently	(561)	-	142	-
	Total of Items that will not be reclassified subsequently to profit or loss	66,574	8	173,745	15
8360	**Items that may be reclassified subsequently to profit or loss:**				
8361	Exchange differences arising on translation of foreign operations	(15,813)	(2)	(89,357)	(8)
8399	Income tax expense related to items that	-	-	-	-

	may be reclassified subsequently					
	Total of Items that may be reclassified subsequently to profit or loss		(15,813)	(2)	(89,357)	(8)
8300	**Other comprehensive loss for the year, net of income tax**		50,761	6	84,388	7
	Total comprehensive income for the year	**$**	**178,886**	**20**	**318,874**	**28**
	Earnings per share (Note 6(16))					
9750	Basic earnings per share (NT$)	**$**	**0.74**			**1.28**
9850	Diluted earnings per share (NT$)	**$**	**0.74**			**1.27**

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, 2019 and 2020

(In Thousands of New Taiwan Dollars, Except Dividends Per Share)

			Retained earnings				Others					
	Capital stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Exchange differences on translations	Unrealized gain/loss on assets at fair value through other comprehensive income	Unrealized gain/loss on available-for-sale financial assets	Total	Treasury stock	Total equity
Balance, January 1, 2019	1,866,742	441,608	247,758	79,582	113,302	440,642	(89,632)	5,250	-	(84,382)	-	2,664,610
Adjustment adopting new accounting bulletin	-	-	-	-	(5,547)	(5,547)	-	-	-	-	-	(5,547)
Adjusted Balance, January 1, 2019	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)	
Overdue dividend		75										75
Unrealized gains (loss) from equity investment instruments measured at fair value through other comprehensive income	-	-	-	-	851	851	-	(851)	-	(851)		-
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
Net income	-	-	-	-	128,125	128,125	-	-	-	-	-	128,125
Other comprehensive income	-	-	-	-	(2,244)	(2,244)	(15,813)	68,818	-	53,005	-	50,761
Total comprehensive income	-	-	-	-	125,881	125,881	(15,813)	68,818	-	53,005	-	178,886
Legal reserve	-	-	23,305	-	(23,305)	-	-	-	-	-	-	-
Reversal on Special reserve	-	-	-	(82,968)	82,968	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	(141,340)	(141,340)	-	-	-	-	-	(141,340)
Changes in the net value of the equity of affiliated companies recognized using the equity method	-	343	-	-	-	-	-	-	-	-	-	343
Changes in affiliated companies recognized using the equity method	-	836										836
Treasury stock buyback											(70,903)	(70,903)
Treasury stock retirement	(50,000)	(20,930)	-	-	-	-	-	-	-	-	70,930	
Unrealized gains (loss) from equity investment instruments measured at fair value through other comprehensive income					(57)	(57)		57		57		
Balance, December 31, 2020	**$1,816,742**	**421,959**	**282,123**	**1,413**	**274,877**	**558,413**	**(194,802)**	**246,451**	**-**	**51,649**	**(149,507)**	**2,699,256**

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, 2019 and 2020

(In Thousands of New Taiwan Dollars)

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES：		
Income before tax	$ 175,405	$ 251,712
Adjustments：		
Depreciation expenses	5,318	4,203
Amortization expenses	259	287
Benefits from expected credit losses/ income reclassified from bad debt expenses	281	(1,037)
Nets on financial assets at fair value through profit or loss	-	(388)
Interest expenses	124	373
Interest income	(3,738)	(3,610)
Dividend income		
Share of profit/loss of associates accounted for using equity method	23,930	(164,760)
Lease contract- modification loss	13	
Total of adjustments	22,336	(184,524)
Changes in operating assets and liabilities:		
Decrease in contract assets	72,086	(2,717)
Decrease (increase) in accounts and notes receivable	20,099	24,380
Decrease (increase) in other receivables	2,051	19,332
Decrease (increase) in inventories	(2,179)	2,755
Decrease in other current assets	594	(70)
Total of changes in operating assets	92,651	43,680
Increase in accounts and notes payable (including related parties)	(47,008)	196,243
Decrease in other accounts payable and other current liabilities	2,449	13,492
Decrease in net defined benefit liabilities	(1,575)	239
Total of changes in operating liabilities	(46,134)	209,974
Total of Changes in operating assets and liabilities, net	46,517	253,654
Total	68,853	69,130
Cash generated from operations	244,258	320,842
Interest received	3,738	3,610
Interest paid	(124)	(373)
Income tax paid	(3,971)	(20,514)
Net cash generated by operating activities	243,901	303,565
CASH FLOWS FROM INVESTING ACTIVITIES：		
Acquisition of financial assets at fair value through other comprehensive income	(470)	-
Proceeds from disposal of financial assets at fair value through other comprehensive income	4,100	10,599
Acquisition of financial assets at fair value through profit or loss	-	-
Proceeds from disposal of financial assets at fair value through profit or loss	-	80,724
Acquisition of property, plant and equipment	(1,184)	(127)
Disposal of property, plant and equipment	143	
Increase in other receivables- related parties	13,101	-
Decrease in other current financial assets	(45,651)	(36,746)
Decrease in other noncurrent assets	(951)	(9,028)
Dividends received	8,774	22,649
Net cash used in investing activities	(21,533)	68,071
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of long-term borrowings	(8,176)	(14,015)
Principal repayment of lease liabilities	(2,423)	(2,638)
Increase in other noncurrent liabilities	(5,077)	(3,586)
Cash dividends paid	(141,340)	(97,071)
Costs of treasury stock buyback	(70,903)	(149,507)
Net cash used in financing activities	(227,919)	(266,817)
Exchange rate	13,902	399
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	8,351	105,218
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	460,339	355,121
CASH AND CASH EQUIVALENTS AT END OF YEAR	**$ 468,690**	**$ 460,339**

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, 2020 (from January 1, 2020 to December 31, 2020), 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 18, 2021

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, 2020 and 2019, 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, 2020 and 2019, 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, 2020. 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, 2020 are stated as follows:

<u>Inventory valuation</u>

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 (4) 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.

<u>Revenue Recognition</u>

For details of accounting policies and related disclosures of revenue recognition, please refer to Notes 4 (13) and 6 (18) 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. 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 tested sales samples in accordance with its contract terms during a period of time, which is before and after the year end.
5. Checked whether the proportion of project revenue recognized according to the degree of completion of contract obligations is reasonable or not.

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 (3) 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.
6. Ascertained whether the bills and accounts receivables in dispute or involved in litigation have been properly handled.
7. Checked whether the customers' receivables dues more than three months have been properly evaluated and check whether there is a risk of transferring other receivables.

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, 2020 and 2019 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 18, 2021

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, 2019 and 2020
(In Thousands of New Taiwan Dollars)

Code	ASSETS	Dec 31, 2020 Amount	%	Dec 31, 2019 Amount	%
	CURRENT ASSETS：				
1100	Cash and cash equivalents (Note 6 (1))	$ 857,309	25	$ 783,088	22
1140	Contract assets－current(Note 6 (18))	107,420	3	271,917	8
1170	Accounts and notes receivable, net (Note 6(3))	546,444	16	411,395	12
1180	Accounts receivable－due from related parties, net (Note 6(3)&7)	40,071	1	50,071	1
130X	Inventories (Note 6(4))	215,374	6	219,348	6
1470	Other current assets	89,554	3	96,582	3
1476	Other financial assets－current (Note 6(9)&8)	151,156	4	185,894	5
	Total current assets	2,007,328	58	2,018,295	57
	NONCURRENT ASSETS：				
1517	Financial assets at fair value through other comprehensive income－noncurrent (Note 6(2))	710,995	21	645,807	18
1550	Investments accounted for using equity method (Note 6(5))	119,988	3	114,728	3
1600	Property, plant and equipment (Note 6(7)&8)	488,697	14	537,937	15
1755	Right of use assets (Note 6(8))	120,277	3	176,617	5
1840	Deferred tax assets (Note 6(15))	20,969	1	16,938	1
1900	Other noncurrent assets	97	-	8,930	-
1920	Refundable deposits	11,713	-	14,335	
	Total noncurrent assets	1,472,736	42	1,515,292	43
	TOTAL	$ 3,480,064	100	$ 3,533,587	100

Code	LIABILITIES	Dec 31, 2020 Amount	%	Dec 31, 2019 Amount	%
	CURRENT LIABILITIES：				
2100	Short-term loans (Note 6(10))	$ 60,000	2	$ 50,000	2
2170	Accounts and notes payable	298,610	9	275,534	8
2180	Accounts payable-related party (Note 7)	16,715	1	11,059	-
2200	Other payables and other current liabilities (Note 6(12))	121,716	3	167,271	5
2230	Income tax liabilities	30,781	1	2,954	-
2280	Lease liabilities- current (Note 6(13))	14,432	-	39,462	1
2320	Long-term borrowings, current portion (Note 6(11))	-	-	9,784	-
	Total current liabilities	542,254	16	556,064	16
	NONCURRENT LIABILITIES：				
2570	Deferred tax liabilities (Note 6(15))	21,558	-	1,903	-
2580	Lease liabilities- noncurrent (Note 6(13))	57,128	2	90,822	2
2640	Defined benefit liabilities－noncurrent (Note 6(14))	25,355	1	24,125	1
2600	Other noncurrent liabilities	14,205	-	13,661	1
	Total noncurrent liabilities	118,246	3	130,511	4
	Total liabilities	660,500	19	686,575	20
	EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT (Note 6(18))				
3100	Capital stock	1,816,742	52	1,866,742	53
3200	Capital surplus	421,959	12	441,608	12
3300	Retained earnings	558,413	16	573,929	16
3400	Other equity interests	51,649	2	(1,413)	-
3500	Treasury stock	(149,507)	(4)	(149,507)	(4)
	Total equity attributable to shareholders of the parent	2,699,256	78	2,731,434	77
36XX	Noncontrolling interests	120,308	3	115,578	3
	Total equity	2,819,564	81	2,847,012	80
	TOTAL	**$ 3,480,064**	**100**	**$ 3,533,587**	**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, 2020 and 2019

(In Thousands of New Taiwan Dollars, Except Dividends Per Share)

	Equity Attributable to Shareholders of the Parent													
							Others							
	Capital Stock	Capital Surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Exchange Differences on translations	Unrealized gain/loss on assets at fair value through other comprehensive income	Unrealized gain/loss on available-for-sale financial assets	Total	Treasury Stock	Total attributable to shareholders of the parent	Noncontrolling interests	Total equity
Balance, January 1, 2019	$1,866,742	441,608	247,758	79,582	113,302	440,642	(89,632)	5,250		(84,382)	-	2,664,610	119,545	2,784,155
Adjustment adopting new accounting bulletin	-	-	-	-	(5,547)	(5,547)	-	-	-	-	-	-	-	-
Adjusted Balance, January 1, 2019	1,866,742	441,608	247,758	79,582	107,755	435,095	(89,632)	5,250	-	(84,382)	-	2,659,063	118,561	2,777,624
Net income	-	-	-	-	234,486	234,486	-	-	-	-	-	234,486	(607)	233,879
Other comprehensive income	-	-	-	-	568	568	(89,357)	173,177	-	83,820	-	84,388	(2,206)	82,182
Total comprehensive income	-	-	-	-	235,054	235,054	(89,357)	173,177	-	83,820	-	318,874	(2,813)	316,061
Legal reserve	-	-	11,330	-	(11,330)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	4,799	(4,799)	-	-	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	(97,071)	(97,071)	-	-	-		-	(97,071)	-	(97,701)
Treasury stock buyback	-	-	-		-					-	(149,507)	(149,507)		(149,507)
Dispose of equity instruments measured at fair value through other comprehensive gains and losses	-	-	-		851	851		(851)	-	(851)				-
Overdue dividend	-	75	-	-	-	-	-	-	-	-	-	75	-	75
Unrealized gains (loss) from equity investment instruments measured at fair value through other comprehensive income	-	-	-	-	-		-			-	-	-	- (170)	- (170)
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
Net income	-	-	-	-	128,125	128,125	-	-	-	-	-	128,125	4,990	133,115
Other comprehensive income	-	-	-	-	(2,244)	(2,244)	(15,813)	68,818	-	53,005	-	50,761	(260)	50,501
Total comprehensive income	-	-	-	-	125,881	125,881	(15,813)	68,818	-	53,005	-	178,886	4,730	183,616
Legal reserve	-	-	23,035	-	(23,035)	-	-	-	-	-	-	-	-	-
Special reserve	-	-	-	(82,968)	82,968	-	-	-	-	-	-	-	-	-
Cash dividend	-	-	-	-	(141,340)	(141,340)	-	-	-	-	-	(141,340)	-	(141,340)
Changes in the equity of affiliated companies recognized using the equity method	-	-	-		-	-	-	-	-	-		343		343
Changes in affiliated companies recognized using the equity method	-	343	-		-	-	-	-	-	-		836		836
Treasury stock buyback	-	836	-	-	-	-	-	-	-	-	(70.903)	(70,903)	-	(70,903)
Treasury stock retirement	(50,000)	(20,903)	-	-	-	-	-	-	-	-	70,903	-	-	-
Gain/loss on sales of equity instruments at fair value through other comprehensive income	-	-	-	-	(57)	(57)	-	57	-	57	-	-	-	-
Balance, December 31, 2020	**$1,816,742**	**421,959**	**259,088**	**1,413**	**274,877**	**558,413**	**(194,802)**	**246,451**	**-**	**(51,649)**	**(149,507)**	**2,699,256**	**120,308**	**2,819,564**

Bright LED Electronics Corp. and Subsidiaries

Consolidated Statements of Cash Flows

From January 1 to December 31, 2020 and 2019

(In Thousands of New Taiwan Dollars)

	2020	2019
Income before tax	$ 182,089	$ 259,547
Adjustments：		
Depreciation and amortization expenses	108,836	120,540
Benefits from expected credit losses/ income reclassified from bad debt expenses	682	(44)
Nets on financial assets at fair value through profit or loss	-	(388)
Interest expenses	3,233	5,093
Interest income	(11,918)	(6,696)
Dividend income	(3,691)	(19,592)
Share of profit/loss of associates accounted for using equity method	(21,858)	(9,121)
Loss on disposal or retirement of property, plant and equipment (profit)	(1,385)	(722)
Loss on sale of investments	-	(7,621)
Loss on modification of lease	2,689	(2,263)
Total adjustments	76,588	79,186
Changes in operating assets and liabilities:		
Decrease in contract assets	164,497	(101,883)
Decrease in notes and accounts receivable (including related parties), net	(125,731)	34,245
Increase in other receivables	8,504	(22,156)
Decrease (increase) in inventories	3,974	14,108
Increase in other current assets	7,028	17,091
Decrease in notes and accounts payable (including related parties)	28,732	26,599
Decrease in other payables and other current liabilities	(45,555)	(6,932)
Decrease in defined benefit liabilities, net	(1,575)	239
Total	116,462	40,497
Cash generated from operations	298,551	300,044
Interest received	11,918	6,696
Interest paid	(3,233)	(5,093)
Income tax paid	(5,335)	(30,286)
Net cash generated by operating activities	301,901	271,361
CASH FLOWS FROM INVESTING ACTIVITIES：		
Acquisition of financial assets at fair value through other comprehensive income	(470)	-
Proceeds from disposal of financial assets at fair value through other comprehensive income	4,100	10,599
Acquisition of financial assets at fair value through profit or loss	-	-
Proceeds from disposal of financial assets at fair value through profit or loss	605	80,724
Proceeds from disposal of subsidiary	-	29,122
Acquisition of property, plant and equipment	(8,488)	(11,824)
Proceeds from disposal of property, plant and equipment	1,385	724
Decrease in refundable deposits	2,622	612
Decrease in other receivables	13,101	
Decrease in other financial assets－current	13,133	(135)
Increase in other assets－noncurrent	(1,053)	(7,917)
Dividends received	8,774	22,649
Net cash used in investing activities	33,709	124,554
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase in short-term borrowings	10,000	-
Repayment of long-term borrowings	(9,784)	(18,815)
Principal repayment of lease	(37,656)	(42,666)
Increase (decrease) in other noncurrent liabilities	544	(3,798)
Cash dividends paid	(141,340)	(97,071)
Costs of treasury stock buyback	(70,903)	(149,507)
Effect of losing control		(6,379)
Changes in noncontrolling interests	-	(170)
Net cash used in financing activities	(249,139)	(318,406)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND EQUIVALENTS	(12,250)	(65,547)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	74,221	11,962
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	783,088	771,126
CASH AND CASH EQUIVALENTS AT END OF YEAR	**$ 857,309**	**$ 783,088**

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, 2020 and 2019

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

		2020		2019	
		Amount	%	Amount	%
4000	Operating revenues (Note 6(18)&7)	$ 1,375,687	100	$ 1,763,659	100
5000	Operating costs (Note 6(4)(6)(8)(14)(19)&7)	998,201	72	1,339,117	76
5900	**Gross profit from operations**	377,486	28	424,542	24
6000	Operating expenses (Note 6(3)(6)(8)(14)(19)&7)：				
6100	Marketing	48,538	4	47,044	2
6200	Management	206,748	15	223,688	13
6300	Research & development	13,778	1	14,122	1
6450	Expected credit impairment loss (or gain)	682	-	(43)	-
	Total operating expenses	269,746	20	284,811	16
6900	Operating income	107,740	8	139,731	8
7000	Non-operating income & expenses (Note 6(5)(13)(21))：				
7100	Interest income	11,918	1	6,696	1
7010	Other revenues	52,819	3	61,420	3
7020	Other gains & losses	(9,013)	(1)	47,672	2
7050	Finance costs	(3,233)	-	(5,093)	-
7370	Share of profit (loss) of associates using equity method (Note 6(6))	21,858	2	9,121	1
	Total non-operating income & expenses	74,349	5	119,816	7
7900	Profit before tax	182,089	13	259,547	15
7950	Deduct：income tax expenses (Note 6(17))	48,974	4	25,668	2
8200	**Net income**	133,115	9	233,879	13
8300	**Other comprehensive income：**				
8310	**Items that will not be reclassified subsequently to profit or loss:**				
8311	Re-measurement of defined benefit plans	(2,805)	-	710	-
8316	Unrealized gain or loss on financial instrument at fair value through other comprehensive income	68,818	5	173,117	10
8349	Income tax related to items that will not be reclassified subsequently	(561)	-	142	-
	Total of Items that will not be reclassified subsequently to profit or loss	66,574	5	173,745	10
8360	**Items that may be reclassified subsequently to profit or loss:**				
8361	Exchange differences arising on translation of foreign operations	(16,073)	(1)	(91,563)	(5)
8399	Income tax related to items that may be reclassified subsequently	-	-	-	-
	Total of Items that may be reclassified subsequently to profit or loss	(16,073)	(1)	(91,563)	(5)
8300	**Other comprehensive loss for the year, net of income tax**	50,501	4	82,182	5
8500	**Total comprehensive income for the year**	**$ 183,616**	**13**	**$ 316,061**	**18**
	Net income attributable to：				
8610	Shareholders of the parent	$ 128,125	9	$ 234,486	13
8620	Noncontrolling interests	4,990	-	(607)	-
		$ 133,115	**9**	**$ 233,879**	**13**
	Total comprehensive income attributable to：				
8710	Shareholders of the parent	$ 178,886	13	$ 318,874	18
8720	Noncontrolling interests	4,730	-	(2,813)	-
		$ 183,616	**13**	**$ 316,061**	**18**
	Earnings per share (Note 6(19))				
9750	Basic earnings per share (NT$)	**$ 0.74**		**$ 1.28**	
9850	Diluted earnings per share (NT$)	**$ 0.74**		**$ 1.27**	

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

【Attachment IV】

Bright LED Electronics Corp.
2020 Earnings Distribution Proposal

(In Thousands of New Taiwan Dollars)

Items	Amount
Unappropriated retained earnings as of December 31, 2019	149,052,875
Add (deduct)：	
Actuarial profit and loss changes	(2,244,159)
Profit (loss) on disposal of financial assets	(56,396)
Allocation of legal reserve	(12,582,392)
Turnover of special reserve	1,412,832
Distributable retained earnings	263,707,232
Distribution items: (Total number of shares outstanding: 171,674,224 shares)	
Cash dividends (NT $0.8/ share)	137,339,379
Balance of unappropriated retained earnings	**126,367,853**

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

【Attachment V】

Bright LED Electronics Corp.
Comparison Table for the Articles of Incorporation
Before and After Revision

June 07, 2020

After the version	Before the version	Explanation
Article 13 There shall be 5 to 9 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. (Omitted)	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. (Omitted)	Increased seats of directors
Article 22 These Articles of Incorporation are agreed to and signed on March 28, 1981 by all ………… The thirty-fourth amendment on June 10, 2020 and the thirty-fifth amendment on June 07, 2021.	Article 22 These Articles of Incorporation are agreed to and signed on March 28, 1981 by all ………… The thirty-third amendment on June 12, 2019 and the thirty-fourth amendment on June 10, 2020.	Added new amendment date

【Attachment VI】

Bright LED Electronics Corp.
Comparison Table for the Rules and Procedures of Shareholders' Meeting
Before and After Revision

June 07, 2020

After the version	Before the version	Explanation
Article 2 (Omitted) Election or dismissal of directors or supervisors, amendments to the articles of incorporation, capital reduction, application for suspension of public offerings, directors' non-compete clause permission, capital increase from retained earnings, capital increase from public reserves, 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 and its contents 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 outstanding 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. Shareholders may submit proposals with regards to promotion of the public interest or fulfillment of its social responsibilities. The procedures shall be limited to one matter in accordance with the relevant provisions of Article 172 of the Company Act. If there is more than one matter in a proposal, such proposal shall not be included in the agenda.	Article 2 (Omitted) 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 outstanding 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. (Omitted)	Amended according to Company Act.

(Omitted)		
Article 7 (Omitted) Chairman shall call the Meeting to order at the time scheduled for the Meeting and shall, at the same time, announce relevant information such as the number of non-voting rights and the number of shares present. 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. (Omitted)	Article 7 (Omitted) 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. (Omitted)	Improved corporate governance and protected shareholders' equity.
Article 19 The rules were officially resolved in the Founders Meeting held on June 08, 1998…….. Fourth amendment was approved by the Shareholders' meeting on June 07, 2021.	Article 19 These Rules and Procedures of Shareholders' Meeting are agreed to and signed on June 8, 1998 by all ………… Third amendment was approved by the Shareholders' meeting on June 08, 2018.	Added new amendment date

【Appendix I】

Articles of Incorporation of Bright LED Electronics Corp.

Chapter I-General Provision

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)

Chapter II-Capital Stock

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.

Chapter III-Shareholders’ Meetings

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 respective 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.

Chapter VI-Directors and Supervisors

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.

Chapter V - Management

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.

Chapter VI - Financial Reports

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.

Chapter VII-Supplementary Provision

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.
The thirty-third amendment was made on June 12, 2019
And the thirty-fourth amendment was made on June 10, 2020.

【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 outstanding 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 appropriate 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 tape-recorded 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; otheriwse 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**】

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	21,028,417	11.57%	
Director	Shu-June Wang	June 12 2019	Common	5,766,547	3.09%	Common	5,766,547	3.17%	
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	27,378,397	15.07%	
Director	Hsin-Pei Liao	June 12 2019	Common	3,292,333	1.76%	Common	3,292,333	1.81%	
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	1.23%	
Supervisor	Chin-Lung Huang	June 12 2019	Common	0	0.00%	Common	0	0.00%	
Supervisor	Hong-Change Lin	June 10 2020	Common	0	0.00%	Common	0	0.00%	
TOTAL				57,503,235	30.08%		59,706,235	32.86%	

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

Total shares issued as of 6/10/2020： 186,674,224 shares

Total shares issued as of 4/09/2021： 181,674,224 shares

Notes： Under the relevant regulations, Bright LED Electronics Corp.'s Directors are required to hold in the aggregate not less than 10,900,453 shares. As of 4/09/2021, the total of shareholdings that the Directors held is 57,465,694 shares.

Under the relevant regulations, Bright LED Electronics Corp.'s Supervisors are required to hold in the aggregate not less than 1,090,045 shares. As of 4/09/2021, the total of shareholdings that the Supervisors held is 2,240,541 shares.