



Stock Code: 3027

Billion Electric Co. Ltd. 2025 Annual Shareholders' Meeting Meeting Handbook

Meeting form: Physical shareholders' meeting

Meeting time: 9:00 A.M. Thursday, May 22, 2025

Meeting place: Floor 4, No. 192 Section 2, Zhongxing Road,

Xindian District, New Taipei City

(Training Classroom on the 4th floor of the head office)

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Billion Electric Co., Ltd.

2025 Annual Shareholders Meeting

Procedure

- I. Commencement of meeting
- II. Chairperson Remarks
- III. Management Presentation
- IV. Proposals
- V. V. Discussions
- VI. Election
- VII. Other Proposals
- VIII. Extempore Motions
- IX. Adjournment

【Meeting Agenda】

Billion Electric Co., Ltd. 2025 Annual Shareholders' Meeting Agenda

Meeting Date: 22 May 2025 (Thursday) 9:00 AM

Meeting Location: 4th Floor, No. 192, Section 2, Zhongxing Road, Xindian District,
New Taipei City (4F Exhibition Center)

Meeting Procedures:

I. Announce the meeting

II. Chairman's Speech

III. Report Items

- (I) 2024 Annual Business Report
- (II) The Audit Committee reviews the financial statements report for the year (III) 2024.
- (IV) Report on the Buyback of Treasury Shares
- (V) 2024 Annual Report on Directors' Remuneration
- (VI) Report on the Revision of Certain Provisions of the "Integrity Management Operating Procedures and Code of Conduct"
Report on Amendments to the "Code of Conduct for Honest Business"

IV. Approval Matters

- (I) 2024 Annual Business Report and Financial Statements
- (II) 2024 Annual Loss Compensation Plan

V. Discussion Items

- (I) Amendments to Certain Provisions of the Company' s "Articles of Association"
- (II) Association"
- (III) Amendments to Certain Provisions of the Company' s "Endorsement Guarantee Operating Procedures"
Amendment to Certain Provisions of the Company' s "Procedures for Lending Funds to Others"

VI. Election Matters

- (I) Board By-election Proposal

VII. Other Proposals

- (I) Proposal to Lift the Non-Competition Restrictions on the Newly Appointed Director

VIII. Temporary Motion

IX. Adjourned

【Management Presentation】

Case 1

Proposal: 2024 Annual Business Report

Remarks: The company's 2024 annual business report can be found in Appendix 1 on pages 8-10 of this manual.

Case 2

Proposal: The Audit Committee reviews the financial statements report for the year 2024.

Remarks: I. The financial statements of the company for the year 2024 have been approved by the Board of Directors and reviewed by the Audit Committee, which has issued a review report.
II. The review was completed by accountants Kou Huizhi and Guo Xinyi from Anhou Jianye Certified Public Accountants. The Audit Committee is requested to read the review report. Please refer to Appendix 2 on page 11 of this manual.

Case 3

Proposal: Report on the Buyback of Treasury Shares

Remarks: The repurchase of treasury shares is as follows.

| Buy Back Period | 2020/12/29-2021/02/01 | 2021/6/22-2021/8/9 | 2022/08/10-2022/09/28 |
|---|-----------------------|--------------------|-----------------------|
| 1. Number of shares repurchased: | 1,200,000 shares | 800,000 shares | 168,000 shares |
| 2. Total amount repurchased: | NTD 22,822,074 | NTD 18,492,041 | NTD 3,181,498 |
| 3. Average repurchase price per share: | NTD 19.02 | NTD 23.12 | NTD 18.94 |
| 4. Cumulative shares held in the company: | 1,200,000 shares | 2,000,000 shares | 1,191,000 shares |
| 5. The accumulated treasury shares held account for the company's shares: | 1.21% | 2.02% | 1.202% |

| 6. Purpose of Buyback: | Transfer to employees | Transfer to employees | Transfer to employees |
|---------------------------|---|---|---|
| 7. Implementation Status: | (1) 30 September 2021 transferred 962,000 shares to employees (2) 22 September 2022 transferred 15,000 shares to employees (3) 17 March 2023 transferred 25,000 shares to employees (4) 8 December 2023 transfer of 20,000 shares to employees (5) 19 March 2025 transfer of 20,000 shares to employees | Not yet transferred | Not yet transferred |
| | Remaining Shares 158,000 shares | Cumulative Remaining Shares 958,000 shares | Cumulative Remaining Shares 1,126,000 shares |

Case 4

Proposal: 2024 Annual Report on Directors' Remuneration

Remarks: 1.The directors' remuneration for the company for the year 2024 is NTD 0.
2.For information regarding the remuneration received by directors, including the remuneration policy, individual remuneration details, and amounts, please refer to Appendix 3 on page 12 of this manual.

Case 5

Proposal: Report on the Revision of Certain Provisions of the "Integrity Management Operating Procedures and Code of Conduct"

Remarks: For the revised provisions of the "Integrity Management Operating Procedures and Code of Conduct," please refer to Appendix 6 on pages 34-38 of this manual.

Case 6

Proposal: Report on Amendments to the "Code of Conduct for Honest Business"

Remarks: For the comparison table of the amendments to the "Code of Conduct for Integrity Management," please refer to Appendix 7 on pages 39-48 of this manual.

【Approval Matters】

Case 1 (Board Proposal)

Proposal: The Company's 2024 Business Report and Financial Statements are hereby proposed.

Remarks: I. The 2024 annual business report and financial statements (including consolidated financial statements) have been approved by the Board of Directors and reviewed by the Audit Committee, which has issued a review report. The financial statements have also been audited and certified by

II. accountants Kou Huizhi and Guo Xinyi from Anhou Jianye Certified Public Accountants, and only require acknowledgment.

Please refer to the auditor's report, financial statements, and business report mentioned above in Appendix 1 on pages 8-10 and Appendix 4 on pages 14-32 of this manual.

Resolution

Case 2 (Board Proposal)

Proposal: 2024 Annual Loss Compensation Plan

Remarks: I. At the beginning of the period, the company's unallocated retained earnings amounted to NTD 70,176,410. For the fiscal year 2024, the actuarial gains and losses of the confirmed benefit plan credited to retained earnings are NTD 2,492,158, and the equity method investment adjustments debited to retained earnings are NTD 2,382,323. After adjustments, the beginning unallocated retained earnings

II. stand at NTD 70,286,245. The net loss after tax for the fiscal year 2024 is NTD 24,753,129, along with a reversal of special surplus reserves amounting to NTD 2,086,651. The total distributable amount for this year is NTD 47,619,767, which is proposed to be retained for future distribution.

For the 2024 fiscal year loss compensation statement, please refer to Appendix 5 on page 33 of this manual.

【Discussion Items】

Case 1 (Board Proposal)

Proposal: Amendments to Certain Provisions of the Company's "Articles of Association"

Remarks: I. For the comparison table of the amendments to the "Articles of Association", please refer to Appendix 8 on page 49 of this manual.
II. Propose a public resolution.

Resolution

Case 2 (Board Proposal)

Proposal: Amendments to Certain Provisions of the Company's "Endorsement Guarantee Operating Procedures"

Remarks: I. For the "Endorsement Guarantee Operating Procedures" amendment comparison table, please refer to Appendix 9 on pages 50-58 of this manual.
II. Propose a public resolution.

Resolution

Case 3 (Board Proposal)

Proposal: Amendment to Certain Provisions of the Company's "Procedures for Lending Funds to Others"

Remarks: I. For the "Procedures for Lending Funds to Others" amendment comparison table, please refer to Appendix 10 on pages 59-67 of this manual.
II. Propose a public resolution.

【Election Matters】

Case 1 (Board Proposal)

Proposal: Board By-election Proposal

Remarks: I. There are 2 vacancies for directors in this term, and it is proposed to elect 2 directors.

II. The election of directors adopts a candidate nomination system, and shareholders shall appoint from the list of candidates for directors, from the date of appointment on 22 May 2025 to 28 May 2027. There are a total of 2 candidates for the board of directors, which have been approved by the company's board meetings on 27 February 2025 and 27 March 2025. Please refer to Appendix 11 on page 68 of this manual for the list of candidates.

III. Request for election.

Election Results:

【Other Proposals】

Case 1 (Board Proposal)

Proposal: Proposal to Lift the Non-Competition Restrictions on the Newly Appointed Director

Remarks: I. According to the provisions of Article 209 of the Companies Ordinance, the directors of the company and their representatives shall explain the important content of their

II. actions to the shareholders' meeting and obtain their approval when acting for themselves or others in matters within the scope of the company's business.

To leverage the professional capabilities and relevant

III. experience of the elected directors of our company, it is proposed to seek the approval of the shareholders' meeting to lift the restrictions on competition for the newly appointed directors and their representatives. Please refer to Appendix 12 on page 69 for details regarding the lifting of the competition restrictions for directors.

Propose a public resolution.

Resolution

【Temporary Motion】

【Disband Meeting】

BILLION ELECTRIC CO., LTD.

2024 Annual Business Report

First, I would like to thank all shareholders for their support and encouragement of the company over the past year. Here, I would like to report the operating results for the year 2024 and the future development strategies of the company to all shareholders as follows:

1.2024 Operating Performance

The company's consolidated operating revenue for the year 2024 is NTD 2,023,935 thousand, with a gross profit margin of 20%, and the after-tax net loss per share is NTD 0.22.

The company's consolidated revenue for the year 2024 increased compared to the year 2023 by NTD 195,184 thousand (an increase of 10.76%), primarily due to the increase in revenue from the renewable energy product line, which rose by NTD 209,911 thousand compared to the year 2023, with a growth rate of 14.78%. In the fiscal year 2024, the renewable energy product line is the driving force behind the company's operational growth, accounting for 80.52% of revenue.

The company continues the global net zero and carbon neutrality trends in 2024, along with the key strategy of the "2050 Net Zero Emission Path" released by the Taiwan government. By integrating power electronics and network communication technologies, it is committed to developing ICT solutions and actively advancing green energy business. The company's own brand, Billion, offers a diverse range of green energy products, including photovoltaic inverters, energy storage systems, and electric vehicle charging stations. Specific business results, including:

- 1.The introduction and sales of MIT solar inverters have been established.
- 2.The supply contract for the 99 MW solar inverter equipment at the agricultural, fishery, and livestock photovoltaic project has been successfully signed.
- 3.The development and sales case of the integrated energy storage cabinet by the Industrial and Commercial Bank has been completed.
- 4.The Taichung energy storage battery module factory and the Yilan energy storage cabinet assembly factory have obtained original factory certification.
- 5.The domestic industrial energy storage, business model, and technology have gained market recognition. In 2024, 10 orders have been received, and in 2025, the construction will be completed successively while expanding orders.
- 6.The first large-scale energy storage project (64MW/262MWh) in the Yunji area has been successfully completed, with the front-of-the-meter energy storage E-dReg expected to go online in the first quarter of 2025. It can support the electricity demand of 25,000 households for an entire day, fully demonstrating the group's energy storage technology upgrades and transmission level application capabilities.
- 7.Achieving the performance of overseas regional microgrids, successfully completing the integration of solar energy storage in Palau, Marshall Islands, and Tuvalu, using Billion brand equipment to create microgrid solar storage sites, providing sustainable energy solutions for Pacific island nations, demonstrating the group's technological

- strength and influence in the global green energy market.
8. The independently developed AC charging pile has obtained VPC certification and provides a single site with 98 charging piles for electric vehicle operators.
 9. The telecommunications business has successfully secured an order from the Utility Index-type power plant in the United States, promoting the construction of smart grid automation.
 - (X) Continuously focus on niche customized power products, with power revenue growing by 20% compared to last year, and overall gross margin also improving.

II. 114 Year Business Plan

The domestic government continues to promote energy transformation. In addition to the target for renewable energy installed capacity, as the proportion of renewable energy generation increases, the challenges of grid dispatch also rise. The government is actively promoting the establishment of energy storage facilities at the generation side, grid side, and user side. At the same time, with the increase in electricity prices, industrial and commercial users are accelerating the adoption of behind-the-meter energy storage to engage in time-of-use price arbitrage and real-time backup. In the field of power and energy management, as the demand for energy efficiency continues to increase, power supplies will continue to develop towards higher efficiency and greater energy savings. All of the above has led to significant changes and opportunities in the domestic energy and power market.

In addition, looking at the rapid growth of global demand for 5G high-speed transmission and the ongoing development of 5G infrastructure in various countries, high-speed wireless broadband coverage and applications are gradually expanding; apart from the general public network's universal level, the services provided by local 5G are becoming increasingly mature. At the same time, due to the aging infrastructure in the United States, the automation of smart grid construction in utility plants will bring more business opportunities.

2025 Business Outlook:

1. In the power and energy management sector, as the demand for energy efficiency continues to increase, power supplies will continue to develop towards higher efficiency and greater energy savings. Including improvements in conversion efficiency, reducing standby power consumption, and adopting advanced energy management technologies. The application of digital control technology in power supplies is continuously expanding. Sengda continues to focus on niche customized power products, providing more flexible and adjustable power management solutions to meet the needs of different applications, while seeking strategic alliance partners to enhance the diversity of power products.
2. As the electric vehicle market expands, the increasing demand for charging infrastructure will drive the growth of power supplies. Sengda fully utilizes its design and production capabilities for energy storage battery modules in Taichung, as well as localized production lines and assembly factories in Xindian and Yilan. The plan is to produce solar inverters, charging piles, energy storage battery modules, and integrated energy storage cabinets that meet market demand, expanding the assembly and OEM of energy storage containers, commercial energy storage, and household energy storage products.
3. In the green energy sector, Shengqi Green Energy, as the core subsidiary of the group, possesses professional system integration capabilities and years of market experience, providing one-stop renewable energy services, including solar and energy storage

technology solutions, engineering construction, and operation and maintenance management. Focusing on the development of efficient light charging storage solutions and actively expanding containerized energy storage systems, emphasizing optimal safety and flexibility, to provide tailored energy storage solutions for the global market. In addition, Sheng Yi Jin focuses on smart charging and energy management for green energy communities, providing integrated parking operation solutions for charging pile operators (CPO) to promote the electrification of vehicles and low-carbon transformation.

4. The self-owned brand Billion under the Shengda Group offers a diverse range of green energy products, including photovoltaic inverters, energy storage systems, and electric vehicle charging piles. Among them, the industrial and commercial energy storage integrated machine features a modular design, facilitating flexible expansion of multiple parallel capacities, installation, and operation. It combines advanced energy management technology, making it an ideal choice for enterprises to cope with high electricity prices and market fluctuations. The Shengda Group has cumulatively established over 150 MW of energy storage systems in the domestic market, covering front-of-the-meter, behind-the-meter, and solar storage solutions, successfully consolidating its market leadership position. The company actively participates in the Taiwan Power Company's auxiliary service trading platform, promoting the layout of frequency regulation reserves and immediate reserves. To meet the government's bidding requirements and the demand for large-scale solar power plants, the Shengda Giga series solar inverters, combined with Shengqi's independently developed Pixel View smart cloud monitoring system, have exceeded a shipment volume of 500 megawatts, showcasing the technological advantages in the field of information and communication technology and power system integration.
5. Looking at overseas achievements and plans, Shengda Group has completed the construction of a 495 kWp solar photovoltaic system and a 1,997 kWh energy storage system in Palau, the Marshall Islands, and Tuvalu, using Billion brand equipment to successfully create a microgrid solar storage project. In addition, the group is simultaneously expanding into the markets of Japan, Australia, and North America, actively promoting the application and development of grid-connected energy storage and solar storage projects.

As the government actively promotes the development of renewable energy and mandates the installation of related equipment through regulations, coupled with the return of manufacturing and the booming AI industry, energy demand has significantly increased and continues to grow. In addition, the intensification of global climate change, the implementation of carbon trading mechanisms, and the promotion of international regulations such as the EU CBAM (Carbon Border Adjustment Mechanism) and the global supply chain RE100 further drive the demand for energy equipment and system integration in various countries, including Taiwan.

In response to the market's urgent demand for high-quality products and professional services, the current stage is a critical opportunity for enterprises to actively invest in the renewable energy sector. Shengda will seize this opportunity to fully develop and invest in renewable energy technologies and applications, actively establish its own brand, expand into international markets, gain a competitive edge, and contribute more innovations and value to the global green energy transition.

Chairman:

Manager:

Accounting

Supervisor:

BILLION ELECTRIC CO., LTD.

Audit Committee Review Report

The Board of Directors has submitted the Company's 2024 Annual Business Report, Financial Statements (including Consolidated Financial Statements), and the proposal for loss compensation, among others; the Financial Statements (including Consolidated Financial Statements) have been audited by Deloitte Touche Tohmatsu Certified Public Accountants, which issued an audit report.

The aforementioned business report, financial statements (including consolidated financial statements), and profit distribution proposal have been reviewed by our audit committee and found to be compliant. Therefore, in accordance with Article 14-4 of the Securities and Futures Ordinance and Article 219 of the Companies Ordinance, a report has been prepared for approval.

Sincerely

The company's 114th Annual General Meeting of Shareholders

BILLION ELECTRIC CO., LTD.

Chairman of the Audit
Committee:

2 7 F e b r u a r y 2 0 2 5

2024 Directors' Remuneration

Unit: NTD ONE THOUSAND; %

| Job Title | Name | Director's Remuneration | | | | | | The total amount of items A, B, C, and D accounts for a proportion of the net profit after tax. | | Part-time employees receive relevant remuneration. | | | | | | The total amount of items A, B, C, D, E, F, and G accounts for a proportion of the net profit after tax. | | Is there any remuneration received from investments in businesses outside of subsidiaries? | | |
|----------------------|--|---------------------------|---------------------------------------|------------------------|---------------------------------------|--------------------------------------|---------------------------------------|---|---------------------------------------|---|---------------------------------------|------------------------|---------------------------------------|---------------------------|---------------------------------------|--|---------------------------------------|--|--------|---|
| | | Compensation (A) (Note 2) | | Retirement Pension (B) | | Director's Remuneration (C) (Note 3) | | Business Execution Expenses (D) (Note 4) | | Salary, bonus, and special support expenses, etc. (E) | | Retirement Pension (F) | | Employee Compensation (G) | | | | | | |
| | | This Public Company | All companies in the financial report | This Public Company | All companies in the financial report | This Public Company | All companies in the financial report | This Public Company | All companies in the financial report | This Public Company | All companies in the financial report | This Public Company | All companies in the financial report | This Public Company | All companies in the financial report | This Public Company | All companies in the financial report | | | |
| | | | | | | | | | | | | | | | | | | | | |
| Chairman | Chen Zhongting | 120 | 120 | 0 | 0 | 0 | 80 | 0 | 0 | -0.48 | -0.81 | 2,235 | 2,235 | 39 | 39 | 0 | 0 | -9.67 | -10.32 | 0 |
| Director | Representative of China-U.S. Silicon Products Co., Ltd.: Chen Zhenqian | 120 | 120 | 0 | 0 | 0 | 0 | 25 | 25 | -0.59 | -0.59 | 0 | 0 | 0 | 0 | 0 | 0 | -0.59 | -0.59 | 0 |
| Director | Zhang Shumei | 71 | 71 | 0 | 0 | 0 | 0 | 0 | 0 | -0.29 | -0.29 | 3,439 | 3,439 | 63 | 63 | 0 | 0 | -14.44 | -14.67 | 0 |
| Director | Weng Shengxian | 71 | 71 | 0 | 0 | 0 | 0 | 70 | 70 | -0.57 | -0.57 | 0 | 0 | 0 | 0 | 0 | 0 | -0.57 | -0.57 | 0 |
| Director | Ke Yi-shan | 71 | 71 | 0 | 0 | 0 | 0 | 15 | 15 | -0.35 | -0.35 | 0 | 0 | 0 | 0 | 0 | 0 | -0.35 | -0.35 | 0 |
| Director | Hong Yuchang | 71 | 71 | 0 | 0 | 0 | 0 | 15 | 15 | -0.35 | -0.35 | 0 | 0 | 0 | 0 | 0 | 0 | -0.35 | -0.35 | 0 |
| Independent Director | Chen Yongyan | 360 | 360 | 0 | 0 | 0 | 0 | 30 | 30 | -1.58 | -1.58 | 0 | 0 | 0 | 0 | 0 | 0 | -1.58 | -1.58 | 0 |
| Independent Director | Zheng Zhengyuan | 213 | 213 | 0 | 0 | 0 | 0 | 15 | 15 | -0.92 | -0.92 | 0 | 0 | 0 | 0 | 0 | 0 | -0.92 | -0.92 | 0 |
| Independent Director | CHEN, SHI-JIE | 213 | 213 | 0 | 0 | 0 | 0 | 30 | 30 | -0.98 | -0.98 | 0 | 0 | 0 | 0 | 0 | 0 | -0.98 | -0.98 | 0 |

| | |
|---|--|
| <p>Note 1: The company's remuneration payment policies, systems, standards, and structures, as well as the relationship between the remuneration amount and factors such as responsibilities, risks, and time invested, are outlined.</p> | <p>1. According to the provisions of the company's articles of association, the remuneration of the directors of the company shall be determined by the board of directors, based on their level of participation in the company's operations, the value of their contributions, and with reference to industry standards both domestically and internationally.</p> |
| <p>Note 2:</p> | <p>2. The company's articles of association also stipulate that the directors' remuneration shall not exceed 3% of the annual profit. According to the provisions of the Company's Remuneration Committee's organizational charter, the payment of directors' remuneration</p> |
| <p>Note 3:</p> | <p>3. shall be handled in accordance with the "Directors' Remuneration Payment Guidelines."</p> |
| <p>Note 4:</p> | <p>4. Since all independent directors serve as members of the Audit Committee, the Remuneration Committee, and the Nomination Committee, they are required to undertake the responsibilities of participating in discussions and resolutions of the committee meetings; therefore, their remuneration is higher than that of general directors.</p> |
| | <p>Due to losses in the fiscal year 2024, no director's remuneration will be distributed.</p> |
| | <p>Considering that external directors must allocate time to attend company meetings, the chairman and directors who also serve as managers will not receive attendance fees.</p> |

Independent Auditors' Report

To: Board of Directors of Billion Electric Co., Ltd.,

Audit Opinions

The Parent Company Only Balance Sheets of Billion Electric Co., Ltd. as of December 31, 2024 and 2023, and the Parent Company Only Statement of comprehensive income, Parent Company Only Statement of Changes in Equity, Parent Company Only Cash Flow Statement, and the Notes to the Parent Company Only Financial Statements (including the Summary of significant accounting policies) for the period from January 1 to December 31, 2024 and 2023 have been completely audited by the Certified Public Accountant.

In our opinion, based on our audits and the reports of other auditors as described in the Other Matter section of our report, the Parent Company Only Financial Statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers in all material respects, which are sufficient to present the parent company only financial position of Billion Electric Co., Ltd. as at December 31, 2024 and 2023 and the parent company only financial results and parent company only cash flows for the periods from January 1 to December 31, 2024 and 2023.

Basis for Opinions

We conducted our audits in accordance with the Regulations Governing the Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards. Our responsibilities under the aforementioned standards are further described in the Auditors' Responsibilities Section of this audited financial statements and reports. The personnel from our Certified Public Accountant Firm who are subject to the independence norms have maintained their superior independence from Billion Electric Co., Ltd. in accordance with the ethical norms of the profession of Certified Public Accountant and have fulfilled the other responsibilities under the norms. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Other Matters

Included in Billion Electric Co., Ltd.'s investments using the equity method, the relevant financial reports using the equity method are not audited by us, but by other auditors. Therefore, in our opinions on the above-mentioned parent company only financial reports, the amounts listed in the financial reports of these investments using the equity method are based on the audit reports of other accountants. The investment accounted for using equity method amounted to NT\$27,199 thousand as of December 31, 2023, accounting for 1.12% of total assets; the share of income of subsidiaries and associates recognized under the equity method amounted to NT\$172 thousand for the year ended December 31, 2023, accounting for 0.27% of the net profit before tax.

Key Audit Matters

The key audit matters refer to the most important matters regarding the audit of the Parent Company Only Financial Statements of Billion Electric Co., Ltd. for the year of 2024 according to our professional judgment. These matters have been addressed in the context of our audit of the Parent Company Only Financial Statements as a whole, and in forming our audit opinion. As such, we do not express a separate opinion on these matters. The key audit matters of the Parent Company Only Financial Statements of the Billion Electric Co., Ltd. for the year of 2024 are as follows:

Income from sales and income from sales of subsidiaries accounted for using the equity method

For the accounting policy regarding the recognition of sales revenue, please refer to Note 4(16) Income Recognition of the Parent Company Only Financial Statements; for disclosure of relevant information about sales revenue, please refer to Note 6(25) Revenue from Contracts with Customers of the Parent Company Only Financial Statements.

Explanation of Key Audit Matters:

The principal source of income of Billion Electric Co., Ltd. and its subsidiaries accounted for using the equity method is income from sales of products, construction contract revenue and service revenue. A portion of the income is derived from primary customers added in the current year, which has a significant impact on the overall financial statement and its main risk is whether the income actually occurs. Thus, we prioritize sales revenue in the audit of the financial statements.

How the matter was addressed in our audit:

1. Understand the aforementioned internal control of sales revenue for sales customers and evaluate and test the effectiveness of its design and execution.
2. Obtain the aforementioned list of sales customers and assess whether the relevant background, transaction amount and credit limit are reasonable for the size of the company.
3. Take a copy of sales invoice of the above sales customer as reference and select an appropriate sample, verify the external shipping documents, investigate the recipient, receivable condition and transaction condition, whether there are no significant abnormalities, to ensure the authenticity of the sales revenue.
4. The details of the income after the accounting period shall be checked for significant depreciation to confirm whether there are any significant abnormalities in revenue recognition.

Responsibilities of Management and Governing Body for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the accounting reports in accordance with “Regulations of Financial Treatment of Industrial and Commercial Groups” promulgated by Ministry of the Interior and Enterprise Accounting Standards and its interpretations,

and for maintenance of necessary internal control in the preparation of the Parent Company Only Financial Statements, so as to ensure that the Parent Company Only Financial Statements are free from material misstatements, whether due to fraud or error.

In preparing the accounting reports, management is responsible for assessing Billion Electric Co., Ltd.'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 Billion Electric Co., Ltd. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including the audit committee) of Billion Electric Co., Ltd. are responsible for supervising the financial reporting process.

Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements

The purpose of our audit on the Parent Company Only Financial Statements is to obtain reasonable assurance as to whether the Parent Company Only Financial Statements as a whole contain material misstatement due to fraud or error, and to provide an audit report. Reasonable assurance is high level of assurance, but is not a guarantee that an audit conducted in accordance will always detect a material misstatement when it exists. Misstatements could arise from fraud or error. The misstated amounts are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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 have also executed the following tasks:

1. Identify and evaluate the risk of material misstatements due to fraud or error in the Parent Company Only Financial Statements; design and perform appropriate responses to the assessed risks; and obtain sufficient and appropriate audit evidence as 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 the necessary understanding of the internal controls involved in the audit to design an appropriate audit procedure under the circumstances, except that the purpose is not to express an opinion on the effectiveness of the internal controls of Billion Electric Co., Ltd.
3. Evaluate the appropriateness of accounting policies adopted and the reasonableness of accounting estimates and related disclosures made by management.
4. On the basis of the verification evidence obtained, it is concluded whether there is significant uncertainty about the appropriateness of the continuing operations accounting basis adopted by the management and the events or circumstances that may cause significant doubt about the ability of Billion Electric Co., Ltd. to continue its operations. If we reckon that material uncertainties exist in the events or conditions, we are obliged to include in our audit report a reminder that draws the attention of users of the Parent Company Only Financial Statements

to relevant disclosures contained therein, or to modify our audit opinion when such disclosures are considered inappropriate. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or circumstances may cause Billion Electric Co., Ltd. to no longer be able to continue operating.

5. Evaluated the overall presentation, structure and content of the Parent Company Only Financial Statements (including relevant notes), and whether it adequately represents the underlying transactions and events.
6. Obtain sufficient and appropriate verification evidence of the financial information of investee companies using the equity method to express an opinion on the Parent Company Only Financial Statements. We are responsible for directing, overseeing, and executing the audit of and forming the audit opinion on Billion Electric Co., Ltd.

We communicate with the governing body 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 identified during our audit).

We also provide the governing body 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 of Billion Electric Co., Ltd. for the year 2024. We describe these matters in our auditor's 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.

KPMG Certified Public Accountants Firm

February 27, 2025

Billion Electric Co., Ltd.
Balance Sheets
December 31, 2024 and 2023

Unit: NT\$ Thousand

| | | December 31, 2024 | | December 31, 2023 | | | | | | | | | |
|-----------------|---|------------------------|--------------|-------------------|-----------|--------|------|---|----|--------------|-----|-----------|-----|
| | | Amount | % | Amount | % | Amount | % | | | | | | |
| Assets | | Liabilities and Equity | | | | | | | | | | | |
| Current assets: | | Current Liabilities: | | | | | | | | | | | |
| 1100 | Cash and cash equivalents (Notes 6(1) and (28)) | \$ | 271,918 | 11 | 496,054 | 20 | 2100 | Short-term borrowings (Notes 6(16) and (28)) | \$ | 140,000 | 6 | 1,000 | - |
| 1110 | Financial assets at fair value through profit or loss - current (Notes 6(2) and (28)) | | - | - | 24,761 | 1 | 2130 | Contract liabilities - current (Note 6(25)) | | 25,419 | 1 | 4,198 | - |
| 1136 | Financial assets at amortized cost - current (Notes 6(4) and (28)) | | 41,892 | 2 | 36,995 | 2 | 2170 | Accounts payable (Notes 6(28)) | | 10,329 | 1 | 30,777 | 1 |
| 1151 | Notes receivable (Notes 6(5), (25) and (28)) | | 107 | - | 47 | - | 2181 | Accounts payable - related parties (Notes 6(28)) | | 6,727 | - | - | - |
| 1170 | Net accounts receivable (Notes 6(5), (25) and (28)) | | 37,128 | 1 | 38,233 | 2 | 2200 | Other payable (Note 6(28)) | | 27,531 | 1 | 43,178 | 2 |
| 1180 | Net accounts receivable – related parties (Notes 6(5),(25),(28) and 7) | | | | | | 2220 | Other payable - related parties (Notes 6(28) and 7) | | 81,166 | 3 | 6,574 | - |
| 1200 | Other receivables (Notes 6(5), (6) and (28)) | | 18,291 | 1 | 29,680 | 1 | 2230 | Income tax liabilities for the current period (Note 6(21)) | | - | - | 715 | - |
| 1210 | Other receivables - related parties (Notes 6(6),(28) and 7) | | 8,075 | - | 15,153 | - | 2250 | Provision for liabilities - current (Note 6(19)) | | - | - | 9,394 | 1 |
| 1220 | Income tax assets in the current period | | 11,186 | - | 29,925 | 1 | 2280 | Lease liabilities - current (Note 6(18)) | | 6,542 | - | 6,175 | - |
| 1300 | Net inventories (Note 6(7)) | | 2,613 | - | - | - | 2320 | Long-term borrowings due within one year (Note 6(17) and (28)) | | 13,437 | 1 | 25,817 | 1 |
| 1470 | Other current assets (Note 6(15)) | | 75,468 | 3 | 74,448 | 3 | 2300 | Other current liabilities | | 6,994 | - | 9,636 | 1 |
| 1482 | Contract performance costs - current (Note 6(25)) | | 23,240 | 1 | 21,134 | 1 | | Total Current Liabilities | | 318,145 | 13 | 137,464 | 6 |
| | Total Current Assets | | 503,332 | 20 | 781,275 | 32 | | Non-Current Liabilities: | | | | | |
| 1517 | Financial assets at fair value through other comprehensive income - non-current (Notes 6(3) and (28)) | | 60,401 | 2 | 69,327 | 3 | 2540 | Long-term borrowings (Notes 6(17) and (28)) | | - | - | 30,823 | 1 |
| 1535 | Financial assets at amortized cost - non-current (Notes 6(4) and (28)) | | 389,119 | 15 | 370,283 | 15 | 2570 | Deferred income tax assets (Note 6(21)) | | 30,500 | 1 | 25,988 | 1 |
| 1550 | Investments using the equity method (Notes 6(8), (9), (10) and (11)) | | | | | | 2580 | Lease liabilities - non-current (Note 6(18) and (28)) | | 35,811 | 1 | 40,179 | 2 |
| 1600 | Property, plant and equipment (Note 6(12)) | | 825,371 | 33 | 636,681 | 26 | 2640 | Net defined benefit liabilities - non-current (Note 6(20)) | | 9,377 | - | 16,168 | 1 |
| 1755 | Right-of-use assets (Note 6(13)) | | 552,113 | 22 | 428,918 | 18 | 2645 | Guarantee deposits received | | 2,374 | - | 1,472 | - |
| 1760 | Investment property (Note 6(14)) | | 41,232 | 2 | 45,825 | 3 | | Total Non-Current Liabilities | | 78,062 | 2 | 114,630 | 5 |
| 1780 | Intangible assets | | 73,316 | 3 | 60,231 | 3 | | Total Liabilities | | 396,207 | 15 | 252,094 | 11 |
| 1840 | Deferred income tax liabilities (Note 6(21)) | | 581 | - | 717 | - | | Equity (Note 6(22)): | | | | | |
| 1900 | Other non-current assets (Note 6(15)) | | 15,742 | 1 | 15,158 | 1 | 3110 | Capital Stock - Common Shares | | 1,155,328 | 46 | 1,154,191 | 48 |
| | Total Non-Current Assets | | 46,514 | 2 | 15,044 | - | 3140 | Advance receipts for ordinary shares | | 4,713 | - | 297 | - |
| | | | 2,004,389 | 80 | 1,642,184 | 68 | 3200 | Capital surplus | | 1,160,041 | 46 | 1,154,488 | 48 |
| | | | | | | | | Retained earnings: | | 692,146 | 28 | 692,696 | 28 |
| | | | | | | | 3310 | Legal reserve | | 227,462 | 9 | 220,288 | 9 |
| | | | | | | | 3320 | Special reserve | | 40,765 | 2 | 56,874 | 2 |
| | | | | | | | 3350 | Unappropriated earnings | | 45,533 | 3 | 103,539 | 4 |
| | | | | | | | | Other equity: | | 313,760 | 13 | 380,701 | 15 |
| | | | | | | | 3410 | Exchange differences on translating the financial statements of foreign operations | | 5,240 | - | (6,106) | - |
| | | | | | | | 3420 | Unrealized gain or loss on financial assets measured at fair value through other comprehensive income | | (34,616) | (1) | (25,357) | (1) |
| | | | | | | | 3500 | Treasury shares | | (25,057) | (1) | (25,057) | (1) |
| | | | | | | | | Total Equity | | 2,111,514 | 85 | 2,171,365 | 89 |
| | Total Assets | | \$ 2,507,721 | 100 | 2,423,459 | 100 | | Total Liabilities and Equity | | \$ 2,507,721 | 100 | 2,423,459 | 100 |

(Please refer to the notes attached to the Parent Company Only Financial Statement.)

Billion Electric Co., Ltd.
Comprehensive Income Statements
January 1 to December 31, 2024 and 2023

Unit: NT\$ Thousand

| | | 2024 | % | 2023 | % |
|------|--|--------------------|------------|---------------|-----------|
| 4000 | Operating Income (Notes 6(25) and 7) | \$ 348,962 | 100 | 476,773 | 100 |
| 5000 | Operating Cost (Notes 6(7), (12), (13), (20) and 7) | 270,005 | 77 | 380,861 | 80 |
| | Operating Gross Profit | 78,957 | 23 | 95,912 | 20 |
| 5910 | Less: Unrealized Profit on Sales | 10,435 | 3 | 12,832 | 2 |
| 5920 | Add: Realized Profit on Sales | 12,933 | 3 | 25,251 | 5 |
| | Realized Operating Gross Profit | 81,455 | 23 | 108,331 | 23 |
| | Operating Expenses (Notes 6(5), (12), (13), (18), (20), (23) and (26)): | | | | |
| 6100 | Sales expenses | 37,173 | 11 | 50,673 | 11 |
| 6200 | Administrative expenses | 60,516 | 17 | 57,193 | 12 |
| 6300 | Research and development expenses | 55,397 | 16 | 82,843 | 17 |
| 6450 | Expected credit losses | 142 | - | - | - |
| | Total Operating Expenses | 153,228 | 44 | 190,709 | 40 |
| | Net Operating Loss | (71,773) | (21) | (82,378) | (17) |
| | Non-Operating Income and Expenses (Notes 6(14), (27) and 7): | | | | |
| 7100 | Interest income | 27,592 | 8 | 25,473 | 5 |
| 7010 | Other income | 17,866 | 5 | 35,290 | 8 |
| 7020 | Other gains and losses | 41,455 | 12 | 75,838 | 16 |
| 7050 | Financial costs | (6,193) | (2) | (4,663) | (1) |
| 7060 | Share of profit or loss of subsidiaries and associates recognized under equity method | (33,034) | (9) | 15,327 | 3 |
| | Total Non-Operating Income and Expenses | 47,686 | 14 | 147,265 | 31 |
| 7900 | Net Profit (Loss) Before Tax | (24,087) | (7) | 64,887 | 14 |
| 7951 | Less: Income Tax Expenses (Benefits) (Note 6(21)) | 666 | - | (6,261) | (1) |
| 8200 | Net Profit (Loss) for the Period | (24,753) | (7) | 71,148 | 15 |
| 8300 | Other Comprehensive Income (Notes 6(21) and (22)): | | | | |
| 8310 | Items That Will not Be Reclassified to Profit or Loss | | | | |
| 8311 | Re-measurement of defined benefit plan | 3,115 | 1 | 741 | - |
| 8316 | Unrealized gains (losses) from investment in equity instrument measured at fair value through other comprehensive income | (8,926) | (3) | 16,135 | 3 |
| 8330 | Unrealized valuation gain or loss on equity instrument investments measured at fair value through other comprehensive income of subsidiaries accounted for using the equity method | (333) | - | - | - |
| 8349 | Less: Income tax related to items that may not be reclassified | 623 | - | 148 | - |
| | Total of Items That Will not Be Reclassified to Profit or Loss | (6,767) | (2) | 16,728 | 3 |
| 8360 | Items That May Be Subsequently Reclassified to Profit or Loss | | | | |
| 8361 | Exchange differences on translating the financial statements of foreign operations | 14,182 | 4 | (32) | - |
| 8399 | Less: Income tax related to items that may be reclassified to profit or loss | 2,836 | 1 | (6) | - |
| | Total of Items That May Be Subsequently Reclassified to Profit or Loss | 11,346 | 3 | (26) | - |
| 8300 | Other Comprehensive Income for the Year | 4,579 | 1 | 16,702 | 3 |
| 8500 | Total Comprehensive Income for the Year | \$ (20,174) | (6) | 87,850 | 18 |
| | Earnings (Loss) per Share (NTD) (Note 6(24)) | | | | |
| 9750 | Basic Earnings (Loss) per Share | \$ (0.22) | | 0.64 | |
| 9850 | Diluted Earnings (Loss) per Share | \$ (0.22) | | 0.64 | |

(Please refer to the notes attached to the Parent Company Only Financial Statement.)

Billion Electric Co., Ltd.
Statements of Changes in Equity
January 1 to December 31, 2024 and 2023

Unit: NT\$ Thousand

| | Retained Earnings | | | | | | Other Equity Items | | | | | | |
|---|-------------------------------|--------------------------------------|-----------------|---------------|-----------------|-------------------------|--------------------|------------------------------------|--|--|-------|-----------------|--------------|
| | Capital Stock - Common Shares | Advance Receipts for Ordinary Shares | Capital Surplus | Legal Reserve | Special Reserve | Unappropriated Earnings | Total | Statements of Financial Operations | Exchange Differences on Translating the Financial Statements of Foreign Operations | Unrealized Gain (Loss) on Financial Assets Measured at Fair Value Through Other Comprehensive Income | Total | Treasury Shares | Total Equity |
| | | | | | | | | | | | | | |
| Balance as of January 1, 2023 | | | | | | | | | | | | | |
| Net profit for the period | | | | | | | | | | | | | |
| Other comprehensive income for the year | | | | | | | | | | | | | |
| Total comprehensive income for the year | | | | | | | | | | | | | |
| Earnings appropriation and distribution: | | | | | | | | | | | | | |
| Provision of legal reserve | | | | | | | | | | | | | |
| Cash dividends - common shares | | | | | | | | | | | | | |
| Reversed special reserve | | | | | | | | | | | | | |
| Cash capital increase | | | | | | | | | | | | | |
| Difference between actual acquisition or disposal of equity interest in a subsidiary and its carrying value | | | | | | | | | | | | | |
| Share-based payment transactions | | | | | | | | | | | | | |
| Advance receipts for ordinary shares turned share capital | | | | | | | | | | | | | |
| Balance as of December 31, 2023 | | | | | | | | | | | | | |
| Net loss for the period | | | | | | | | | | | | | |
| Other comprehensive income for the year | | | | | | | | | | | | | |
| Total comprehensive income for the year | | | | | | | | | | | | | |
| Earnings appropriation and distribution: | | | | | | | | | | | | | |
| Provision of legal reserve | | | | | | | | | | | | | |
| Cash dividends - common shares | | | | | | | | | | | | | |
| Reversed special reserve | | | | | | | | | | | | | |
| Difference between actual acquisition or disposal of equity interest in a subsidiary and its carrying value | | | | | | | | | | | | | |
| Share-based payment transactions | | | | | | | | | | | | | |
| Advance receipts for ordinary shares turned share capital | | | | | | | | | | | | | |
| Balance as of December 31, 2024 | | | | | | | | | | | | | |

(Please refer to the notes attached to the Parent Company Only Financial Statement.)

Billion Electric Co., Ltd.
Statements of Cash Flows
January 1 to December 31, 2024 and 2023

Unit: NT\$ Thousand

| | 2024 | 2023 |
|---|---------------|-------------|
| Cash Flows From Operating Activities: | | |
| Net Profit (Loss) Before tax for the Year | (\$ 24,087) | 64,887 |
| Adjustments: | | |
| Adjustments to reconcile profit and loss | | |
| Depreciation expenses | 30,899 | 29,431 |
| Amortization expense | 391 | 650 |
| Expected credit losses | 142 | - |
| Net gain on financial assets and liabilities measured at fair value through profit and loss | (20) | (663) |
| Interest expenses | 6,193 | 4,663 |
| Interest income | (27,592) | (25,473) |
| Dividend income | - | (154) |
| Remuneration cost for share-based payment | (323) | 1,257 |
| Share of loss (profit) of subsidiaries and associates recognized under equity method | 33,034 | (15,327) |
| Gains from disposal of property, plant and equipment | (329) | - |
| Disposal of investment income using the equity method | - | (76,587) |
| Unrealized Profit on Sales | 10,435 | 12,832 |
| Realized Profit on Sales | (12,933) | (25,251) |
| Unrealized foreign exchange (gains) losses | (34,834) | 6,303 |
| Total adjustments to reconcile profit and loss | 5,063 | (88,319) |
| Net changes related to operating assets/liabilities: | | |
| Financial assets at fair value through profit or loss | 24,781 | 1,547 |
| Notes receivable | (60) | 908 |
| Accounts receivable | 2,643 | (7,269) |
| Accounts receivable - related parties | 12,456 | (12,690) |
| Other receivables | 6,540 | (1,311) |
| Other receivables from related parties | 18,853 | (9,930) |
| Inventories | (1,020) | 65,359 |
| Other current assets | (2,486) | 3,478 |
| Contract performance costs | 1,431 | 40,859 |
| Contract liabilities - current | 21,221 | (19,415) |
| Accounts payable | (21,019) | (1,017) |
| Accounts payable from related parties | 6,727 | - |
| Other payable | (15,724) | 11,737 |
| Other payable to related parties | (5,472) | 5,336 |
| Provisions for liabilities | (9,318) | - |
| Other current liabilities | (2,642) | (1,035) |
| Net defined benefit liabilities | (4,299) | 121 |
| Adjustments | 37,675 | (11,641) |

(Please refer to the notes attached to the Parent Company Only Financial Statement.)

Billion Electric Co., Ltd.
Statements of Cash Flows (Continued)
January 1 to December 31, 2024 and 2023

Unit: NT\$ Thousand

| | 2024 | 2023 |
|---|--------------------|-------------------|
| Cash inflow from operating activities | \$ 13,588 | 53,246 |
| Interests received | 28,249 | 23,639 |
| Interests paid | (6,199) | (4,740) |
| Income tax returned (paid) | (2,902) | 331 |
| Net Cash Inflow From Operating Activities | 32,736 | 72,476 |
| Cash Flows From Investing Activities: | | |
| Acquisition of financial assets at fair value through other comprehensive income | - | (30,000) |
| Acquisition of financial assets at amortized cost | (23,733) | - |
| Disposal of financial assets measured at amortized cost | - | 19,935 |
| Acquisition of investments using the equity method | (265,596) | (127,000) |
| Disposal of investments accounted for using equity method | - | 162,798 |
| Refund of capital from an investee accounted for using the equity method due to capital reduction | 71,495 | - |
| Acquisition of properties, plant and equipment | (129,652) | (83,266) |
| Disposal of properties, plant and equipment | 6,077 | - |
| Acquisition of intangible assets | (287) | (832) |
| Disposal of intangible assets | 32 | - |
| Acquisition of investment property | (34,076) | - |
| Decrease (increase) in other non-current assets | (33,545) | 7,253 |
| Dividends received | 16,975 | 11,326 |
| Net Cash Outflow From Investing Activities | (392,310) | (39,786) |
| Cash Flows From Financing Activities: | | |
| Increase (decrease) in short-term loans | 139,000 | (216,000) |
| Repayment of long-term borrowings | (43,203) | (23,484) |
| Increase in guarantee deposits received | 902 | 989 |
| Increase other payable - related parties | 80,000 | - |
| Repayment of the lease principal amount | (6,509) | (5,979) |
| Issuance of cash dividends | (42,298) | (29,387) |
| Cash capital increase | - | 529,800 |
| Employee stock options exercised | 7,442 | 8,784 |
| Treasury shares acquired by employees | - | 856 |
| Acquisition of equity of subsidiaries | (34,768) | (19,115) |
| Disposal of equity of subsidiaries (no loss of control over the subsidiaries) | 2,400 | 2,080 |
| Net Cash Inflow From Financing Activities | 102,966 | 248,544 |
| Effect of Exchange Rate Changes on Cash and Cash Equivalents | 32,472 | (5,690) |
| (Decrease) Increase in Cash and Cash Equivalents for the Current Period | (224,136) | 275,544 |
| Cash and Cash Equivalents at the Beginning of the Year | 496,054 | 220,510 |
| Cash and Cash Equivalents at the End of the Year | \$ 271,918 | 496,054 |

(Please refer to the notes attached to the parent company only financial statement.)

Independent Auditors' Report

To: Board of Directors of Billion Electric Co., Ltd.,

Opinions

The Consolidated Balance Sheets of Billion Electric Co., Ltd. and Its Subsidiaries (the Group) as of December 31, 2024 and 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated cash flow statement, and the notes to the consolidated financial statements (including the Summary of significant accounting policies) for the period from January 1 to December 31, 2024 and 2023 have been completely audited by the Certified Public Accountant.

In our opinion, the consolidated financial statements were prepared in all material aspects in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS) and the International Accounting Standards (IAS), Interpretation and Standing Interpretations, approved and ratified by the Financial Supervisory Commission (FSC), which are sufficient to present the consolidated financial position of the Group as at December 31, 2024 and 2023 and the consolidated financial results and consolidated cash flows for the periods from January 1 to December 31, 2024 and 2023.

Basis for Opinions

We conducted our audits in accordance with the Regulations Governing the Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards. Our responsibilities under the aforementioned standards are further described in the Auditors' Responsibilities Section of this Audited Consolidated Financial Statements and Reports. The personnel from our Certified Public Accountant Firm who are subject to the independence norms have maintained their superior independence from the Group in accordance with the ethical norms of the profession of Certified Public Accountant and have fulfilled the other responsibilities under the norms. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

The key audit matters refer to the most important matters regarding the audit of the consolidated financial statements of the Group for the year of 2024 according to our professional judgment. These matters have been addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion. As such, we do not express a separate opinion on these matters. The key audit matters of the consolidated financial statements of the Group are as follows:

I. Authenticity of recognition of operating revenue from top ten new customers.

For the accounting policy regarding the recognition of operating revenue, please refer to Note 4(17)—Recognition of revenues of the consolidated financial statements; for disclosure of relevant information about operating revenue, please refer to Note 6(27)—Revenue from Contracts with Customers of the consolidated financial statements.

Explanation of key audit matters:

The principal source of income of the Group and its subsidiaries accounted for using the equity method are the sales revenue of products, construction contract revenue and service revenue. A portion of the income is derived from primary customers added in the current year, which has a significant impact on the overall financial statement and its main risk is whether the income actually occurs. Thus, we prioritize operating revenue in the audit of the financial statements.

How the matter was addressed in our audit:

1. Understand the aforementioned internal control of operating revenue for sales customers and evaluate and test the effectiveness of its design and execution.
2. Obtain the aforementioned list of sales customers and assess whether the relevant background, transaction amount and credit limit are reasonable for the size of the company.
3. Take a copy of income invoice of the above sales customer as reference and select an appropriate sample, verify the external shipping documents, investigate the recipient, receivable condition and transaction condition, whether there are no significant abnormalities, to ensure the authenticity of the operating revenue.
4. The details of the income after the accounting period shall be checked for significant depreciation to confirm whether there are any significant abnormalities in revenue recognition.

II. Recognition of Profit or Loss from Construction Contracts

For the accounting policy on revenue recognition of construction contracts, please refer to Note 4(17) "Revenue recognition" of the consolidated financial statements. For accounting estimates and uncertainties in assumptions related to the recognition of construction contract revenue, please refer to Note 5(1) of the consolidated financial statements. For the details of contract revenue, please refer to note 6(27) "Revenue from customer contracts" of the consolidated financial statements.

Explanation of key audit matters:

A portion of the Group's business is derived from construction contracts signed with customers. The recognition of revenue from such contracts involves significant estimates and judgments, such as total contract costs, the percentage of completion, and additional revenue from contract modifications related to cost considerations. Management's subjective judgments may result in changes to multiple estimates, which could impact the profit or loss recognized in the consolidated financial statements of the Group. Therefore, the profit or loss from construction contracts is a key area of focus in our audit of the consolidated financial statements.

How the matter was addressed in our audit:

1. Performed tests on the effectiveness of internal controls related to the recognition of construction contract revenue and costs.
2. Selected samples of significant contracts and conducted interviews with management to understand specific contract terms and associated risks.
3. Examined management's approval process and supporting documents related to the estimation of total contract costs and the percentage of completion. Additionally, assessed the ratio of actual costs incurred to the estimated total contract costs.
4. For completed projects, selected samples and reviewed external supporting documents to evaluate the recognition and settlement of revenue and costs.

Other Matters

Billion Electric Co., Ltd. has prepared its parent company only financial statements as of and for the year ended December 31, 2024, on which we have issued an unqualified opinion.

In addition, Billion Electric Co., Ltd. has prepared its parent company only financial statements as of and for the year ended December 31, 2023, on which we have issued an unqualified opinion with an emphasis of matter paragraph by our auditor for reference.

Responsibility of the Management and the Governing Body for the Consolidated Financial Statements

The responsibility of management is to prepare the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS) and the International Accounting Standards (IAS),

Interpretation and Standing Interpretations, approved and ratified by the Financial Supervisory Commission (FSC), and to maintain necessary internal control in connection with the preparation of the consolidated financial statements, to ensure that the consolidated financial statements are free from material misrepresentation due to fraud or error.

During the preparation of the consolidated financial statements, the management has the responsibilities to assess the ability of the Group to continue operation, disclosing relevant matters and adopting a going concern basis of accounting, unless the Management intends to liquidate the Group or cease operations, or there is no practicable alternative save for liquidation or cease operation.

The governance bodies (including the Audit Committee) of the Group are responsible in overseeing the process of the financial reporting.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

The purpose of our audit of the consolidated financial statements is to obtain reasonable assurance as to whether the consolidated financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an audit report. Reasonable assurance is a high level of assurance but does not guarantee that an audit conducted in accordance with auditing standards will always detect a material misstatement when it exists. Misstatements may result from fraud or error. An amount is considered material if, individually or in the aggregate, it could reasonably be expected to influence the economic decisions of users 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 have also executed the following tasks:

1. Identify and evaluate the risk of material misstatements due to fraud or error in the consolidated financial statements; design and carry out appropriate countermeasures for the evaluated risks; obtain sufficient and appropriate audit evidence to provide a basis for our audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain the necessary understanding of the internal controls relevant to the audit to design appropriate audit procedures under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the Group.
3. Evaluate the appropriateness of accounting policies adopted and the reasonableness of accounting estimates and related disclosures made by management.
4. On the basis of the verified evidence obtained, it is concluded whether there is significant uncertainty as to the appropriateness of adopting a continuing operating accounting basis for management and the events or circumstances that may cause material doubt as to the ability of the Group to continue operating. If we reckon that material uncertainties exist in the events or conditions, we are obliged to include in our audit report, a reminder that draws the attention of users of the consolidated financial statements to relevant disclosures contained therein, or to

modify our audit opinion when such disclosures are considered inappropriate. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or circumstances may cause Group to no longer be able to continue operating.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements (including relevant notes), and its fair representation of the underlying transactions and events.
6. Obtain sufficient and appropriate verification evidence of the financial information of the Group's constituent entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit and the preparation of an audit opinion on the Group.

We communicate with the governing body 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 identified during our audit).

We also provide the governing body 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 of the Group for the year 2024. We describe these matters in our auditor's 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.

KPMG

CPAs:

February 27, 2025

Unit: NT\$ Thousand

(Please refer to the notes attached to the consolidated financial statements.)

Billion Electric Co., Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
January 1 to December 31, 2024 and 2023

Unit: NT\$ Thousand

| | | 2024 | | 2023 | |
|------|--|---------------|----------|---------------|----------|
| | | Amount | % | Amount | % |
| 4000 | Operating Revenue (Note 6(27), 7 and 14) | \$ 2,023,935 | 100 | 1,828,751 | 100 |
| 5000 | Operating Costs (Note 6(7), (12), (13), (22) and 12) | 1,609,740 | 80 | 1,429,142 | 78 |
| | Operating Gross Profit | 414,195 | 20 | 399,609 | 22 |
| | Operating Expenses (Notes 6(5), (12), (13), (20), (22), (25), (28) and 12): | | | | |
| 6100 | Sales expenses | 142,828 | 7 | 142,146 | 8 |
| 6200 | Administrative expenses | 194,297 | 9 | 159,452 | 9 |
| 6300 | Research and development expenses | 93,534 | 5 | 99,140 | 5 |
| 6450 | Expected credit impairment losses | 3,211 | - | 1,214 | - |
| | Total Operating Expenses | 433,870 | 21 | 401,952 | 22 |
| | Net Operating Loss | (19,675) | (1) | (2,343) | - |
| | Non-operating Revenue and Expenses (Notes 6(11), (14) and (29)): | | | | |
| 7100 | Interest income | 35,773 | 1 | 31,526 | 2 |
| 7010 | Other income | 21,580 | 1 | 32,870 | 2 |
| 7020 | Other gains and losses | 22,377 | 1 | 84,239 | 4 |
| 7050 | Financial costs | (12,673) | - | (12,106) | (1) |
| 7060 | Share of profit or loss of associates recognized under equity method | (2,729) | - | 172 | - |
| | Total Non-operating Income and Expenses | 64,328 | 3 | 136,701 | 7 |
| 7900 | Net Profit Before tax | 44,653 | 2 | 134,358 | 7 |
| 7950 | Less: Income tax Expense (Note 6(23)) | 27,745 | 1 | 22,105 | 1 |
| 8200 | Net Profit for the Year | 16,908 | 1 | 112,253 | 6 |
| 8300 | Other Comprehensive Income (Notes 6(23), (24) and (30)): | | | | |
| 8310 | Items That Will not Be Reclassified Subsequently to Profit or Loss | | | | |
| 8311 | Re-measurement of defined benefit plan | 3,115 | - | 741 | - |
| 8316 | Unrealized gains (losses) from investment in equity instrument measured at fair value through other comprehensive income | (9,593) | - | 16,135 | 1 |
| 8349 | Less: Income tax related to non-reclassified items | 623 | - | 148 | - |
| | Total of Items That Will not Be Reclassified to Profit or Loss | (7,101) | - | 16,728 | 1 |
| 8360 | Items That May Be Subsequently Reclassified Subsequently to Profit or Loss | | | | |
| 8361 | Exchange differences on translating the financial statements of foreign operations | 15,646 | - | (38) | - |
| 8399 | Less: Income tax related to items that may be reclassified to profit or loss | 2,836 | - | (6) | - |
| | Total of Items That May Be Subsequently Reclassified to Profit or Loss | 12,810 | - | (32) | - |
| 8300 | Other Comprehensive Income for the Year | 5,709 | - | 16,696 | 1 |
| 8500 | Total Comprehensive Income for the Year | \$ 22,617 | 1 | 128,949 | 7 |
| | Net Profit (Loss) Attributable to: | | | | |
| | Owners of the parent company | (\$ 24,753) | (1) | 71,148 | 4 |
| | Non-controlling interests | 41,661 | 2 | 41,105 | 2 |
| | | \$ 16,908 | 1 | 112,253 | 6 |
| | Total Comprehensive Income Attributable to: | | | | |
| | Owners of the parent company | (\$ 20,174) | (1) | 87,850 | 5 |
| | Non-controlling interests | 42,791 | 2 | 41,099 | 2 |
| | | \$ 22,617 | 1 | 128,949 | 7 |
| | Earnings (Loss) per Share (NT\$) (Note 6(26)) | | | | |
| 9750 | Basic Earnings (Loss) per Share | \$ (0.22) | | 0.64 | |
| 9850 | Diluted Earnings (Loss) per Share | \$ (0.22) | | 0.64 | |

(Please refer to the notes attached to the consolidated financial statements.)

Billion Electric Co., Ltd. and Subsidiaries
Consolidated Statements of Changes in Equity
January 1 to December 31, 2024 and 2023

Unit: NTS Thousand

Equity Attributable to Owners of the Parent Company

| | Share Capital | | Retained Earnings | | | | Other Equity Items | | | | | | |
|---|-------------------------------|--------------------------------------|-------------------|---------------|-----------------|-------------------------|--------------------|--|--|-----------------|--|---------------------------|--------------|
| | Capital Stock - Common Shares | Advance Receipts for Ordinary Shares | Capital Surplus | Legal Reserve | Special Reserve | Unappropriated Earnings | Total | Exchange Differences on Translating the Financial Statements of Foreign Operations | Unrealized Gain (Loss) on Financial Assets Measured at Fair Value Through Other Comprehensive Income | Treasury Shares | Total Equity Attributable to Owners of the Company | Non-Controlling Interests | Total Equity |
| Balance as of January 1, 2023 | \$ 996,973 | 1,205 | 308,439 | 215,979 | 75,152 | 47,216 | 338,347 | (6,080) | (41,492) | (25,913) | 1,571,479 | 152,403 | 1,723,882 |
| Net profit for the period | - | - | - | - | - | 71,148 | 71,148 | - | - | - | 71,148 | 41,105 | 112,253 |
| Other comprehensive income for the year | - | - | - | - | - | 593 | 593 | (26) | 16,135 | - | 16,702 | (6) | 16,696 |
| Total comprehensive income for the year | - | - | - | - | - | 71,741 | 71,741 | (26) | 16,135 | - | 87,850 | 41,099 | 128,949 |
| Earnings appropriation and distribution: | | | | | | | | | | | | | |
| Provision of legal reserve | - | - | - | 4,309 | - | (4,309) | - | - | - | - | - | - | - |
| Cash dividends - common shares | - | - | - | - | - | (29,387) | (29,387) | - | - | - | (29,387) | - | (29,387) |
| Reversed special reserve | - | - | - | - | (18,278) | 18,278 | - | - | - | - | - | - | - |
| Cash capital increase | 150,000 | - | 379,800 | - | - | - | - | - | - | - | 529,800 | - | 529,800 |
| Difference between actual acquisition or disposal of equity interest in a subsidiary and its carrying value | - | - | 702 | - | - | - | - | - | - | - | 702 | 1,263 | 1,965 |
| Share-based payment transactions | 6,013 | 297 | 3,755 | - | - | - | - | - | - | 856 | 10,921 | 63 | 10,984 |
| Advance receipts for ordinary shares turned share capital | 1,205 | (1,205) | - | - | - | - | - | - | - | - | - | (195) | (195) |
| Balance as of December 31, 2023 | 1,154,191 | 297 | 692,696 | 220,288 | 56,874 | 103,539 | 380,701 | (6,106) | (25,357) | (25,057) | 2,171,365 | 194,633 | 2,365,998 |
| Net profit (Loss) for the period | - | - | - | - | - | (24,753) | (24,753) | - | - | - | (24,753) | 41,661 | 16,908 |
| Other comprehensive income for the year | - | - | - | - | - | 2,492 | 2,492 | 11,346 | (9,259) | - | 4,579 | 1,130 | 5,709 |
| Total comprehensive income for the year | - | - | - | - | - | (22,261) | (22,261) | 11,346 | (9,259) | - | (20,174) | 42,791 | 22,617 |
| Earnings appropriation and distribution: | | | | | | | | | | | | | |
| Provision of legal reserve | - | - | - | 7,174 | - | (7,174) | - | - | - | - | - | - | - |
| Cash dividends - common shares | - | - | - | - | - | (42,298) | (42,298) | - | - | - | (42,298) | - | (42,298) |
| Reversed special reserve | - | - | - | - | (16,109) | 16,109 | - | - | - | - | - | - | - |
| Difference between actual acquisition or disposal of equity interest in a subsidiary and its carrying value | - | (2,672) | - | - | - | (2,382) | (2,382) | - | - | - | (5,054) | (27,312) | (32,366) |
| Share-based payment transactions | 840 | 4,713 | 2,122 | - | - | - | - | - | - | - | 7,675 | 79 | 7,754 |
| Advance receipts for ordinary shares turned share capital | 297 | (297) | - | - | - | - | - | - | - | - | - | - | - |
| Non-controlling interests | - | - | - | - | - | - | - | - | - | - | - | 157,792 | 157,792 |
| Balance as of December 31, 2024 | \$ 1,155,328 | 4,713 | 692,146 | 227,462 | 40,765 | 45,533 | 313,760 | 5,240 | (34,616) | (25,057) | 2,111,514 | 367,920 | 2,479,434 |

(Please refer to the notes attached to the consolidated financial statements.)

Billion Electric Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
January 1 to December 31, 2024 and 2023

Unit: NT\$ Thousand

| | 2024 | 2023 |
|---|-------------|-------------|
| Cash Flows From Operating Activities: | | |
| Net Profit Before Tax for the Year | \$ 44,653 | 134,358 |
| Adjustments: | | |
| Adjustments to reconcile profit and loss | | |
| Depreciation expenses | 58,834 | 67,644 |
| Amortization expense | 7,604 | 2,589 |
| Expected credit impairment loss | 3,211 | 1,214 |
| Net gain on financial assets measured at fair value through profit and loss | (2,075) | (2,751) |
| Interest expenses | 12,673 | 12,106 |
| Interest income | (35,773) | (31,526) |
| Dividend income | (27) | (163) |
| Remuneration cost for share-based payment | 1,063 | 1,308 |
| Share of loss (profit) of associates recognized under equity method | 2,729 | (172) |
| Profit from disposal of subsidiary | - | (79,867) |
| Unrealized foreign exchange (gain) loss | (33,734) | 6,303 |
| Gain from modification of lease contracts | (14) | - |
| Impairment loss on non-financial assets | 27,892 | - |
| Total adjustments to reconcile profit and loss | 42,383 | (23,315) |
| Net changes related to operating assets/liabilities: | | |
| Financial assets at fair value through profit or loss | 32,779 | 1,686 |
| Contract assets | (123,173) | (61,400) |
| Notes receivable | 6,946 | (9,379) |
| Accounts receivable | (7,440) | 19,040 |
| Other receivables | 3,137 | (3,749) |
| Inventories | 50,674 | (7,093) |
| Other current assets | 14,529 | (1,862) |
| Contract performance costs | (28,914) | (436,416) |
| Contract liabilities - current | 100,122 | 43,900 |
| Notes payable | (1,782) | (537) |
| Accounts payables | (81,285) | 99,580 |
| Other payables | (6,662) | 32,251 |
| Provision for liabilities | (9,318) | - |
| Other current liabilities | (3,623) | 4,320 |
| Net defined benefit liabilities | (4,299) | 121 |
| Adjustments: | (15,926) | (342,853) |
| Cash inflow (outflow) from operating activities | 28,727 | (208,495) |
| Interests received | 36,372 | 30,146 |
| Interests paid | (12,775) | (12,127) |
| Income tax paid | (39,890) | (17,292) |
| Net Cash Inflow (Outflow) From Operating Activities | 12,454 | (207,768) |

(Please refer to the notes attached to the consolidated financial statements.)

Billion Electric Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows (Continued)
January 1 to December 31, 2024 and 2023

Unit: NTS Thousand

| | 2024 | 2023 |
|--|--------------------|------------------|
| Cash Flows From Investing Activities: | | |
| Acquisition of financial assets at fair value through other comprehensive income | \$ - | (30,000) |
| Acquisition of financial assets at amortized cost | (62,472) | (5,449) |
| Disposal of subsidiaries | - | 160,602 |
| Acquisition of properties, plant and equipment | (164,628) | (97,323) |
| Acquisition of intangible assets | (2,886) | (2,320) |
| Cash inflow from merger | 27,615 | - |
| Acquisition of investment properties | (10,884) | - |
| Increase in other non-current assets | (40,867) | (11,845) |
| Dividends received | 182 | 177 |
| Net Cash (Outflow) Inflow From Investing Activities | (253,940) | 13,842 |
| Cash Flows From Financing Activities: | | |
| Increase (Decrease) in short-term loans | 99,155 | (106,579) |
| Increase in short-term promissory notes payable | 50,016 | 31,722 |
| Proceeds from long-term borrowings | 7,900 | 10,000 |
| Repayment of long-term borrowings | (46,535) | (33,502) |
| Increase in guarantee deposits received | 4,393 | 1,383 |
| Repayment of the lease principal amount | (14,734) | (16,093) |
| Issuance of cash dividends | (42,298) | (49,579) |
| Cash capital increase | - | 529,800 |
| Employee stock options exercised | 7,442 | 8,784 |
| Treasury shares acquired by employees | - | 856 |
| Acquisition of equity of subsidiaries | (34,767) | (115) |
| Disposal of equity of subsidiaries (no loss of control over the subsidiaries) | 2,400 | 2,080 |
| Changes in non-controlling interests | (11,940) | 19,997 |
| Net Cash Inflow From Financing Activities | 21,032 | 398,754 |
| Effect of Exchange Rate Changes on Cash and Cash Equivalents | 30,830 | (5,305) |
| (Decrease) Increase in Cash and Cash Equivalents for the Period | (189,624) | 199,523 |
| Cash and Cash Equivalents at the Beginning of the Year | 849,660 | 650,137 |
| Cash and Cash Equivalents at the End of the Year | \$ 660,036 | 849,660 |

(Please refer to the notes attached to the consolidated financial statements.)

BILLION ELECTRIC CO., LTD.
2024 Annual Loss Compensation Statement

Unit: New Taiwan Dollar

| Item | Amount |
|--|--------------|
| Accumulated distributable surplus at the beginning of the period | 70,176,410 |
| Add: Confirm the recognition of the remeasured actuarial benefits in retained earnings. | 2,492,158 |
| Less: Adjustment of retained earnings due to investments accounted for using the equity method | (2,382,323) |
| Adjusted accumulated distributable surplus after the period | 70,286,245 |
| Add: Net profit after tax for the year 2024 | (24,753,129) |
| Subtotal | 45,533,116 |
| Add: Special Reserve for Reversal (Note 1) | 2,086,651 |
| Accumulated distributable surplus at the end of the period | 47,619,767 |
| Allocation Items: | |
| Shareholder Dividend (Cash per Share) (Note 2-3) | |
| Retained earnings at the end of the period | 47,619,767 |

(Note)

1. According to the regulations set forth in the letter numbered 1010012865 issued by the Securities and Futures Commission, as of 31 December 2024, the exchange differences arising from the translation of the financial statements of foreign operating entities amount to NTD 5,239,790 and the unrealized gains and losses on financial assets measured at fair value through other comprehensive income amount to NTD 34,616,207, totaling NTD 29,376,417, which must be allocated as special surplus. As of 31 December 2023, the company has allocated a total of NTD 31,463,068 as special surplus reserves; therefore, the company has over-allocated special surplus reserves amounting to NTD 2,086,651.
2. The treasury shares held by the company shall not enjoy shareholder rights in accordance with the law. However, if there are changes in the number of treasury shares before the distribution reference date, the amount distributed per share shall be adjusted based on the shareholding ratio of shareholders as recorded in the shareholder register on the distribution reference date, provided that the total amount of dividends distributed to shareholders remains unchanged.
3. This allocation table is calculated based on the number of shares outstanding of 114,386,811 as of 10 February 2025.

Chairman:

Manager:

Accounting
Supervisor:

BILLION ELECTRIC CO., LTD.
**"Comparison Table of Amendments to the Integrity Management
Operating Guidelines and Code of Conduct"**

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
|-----------------|--|--|---|
| First Article | Article One: <u>Establishing the purpose and scope of use</u> | Article One: | New clause subject for better readability. |
| Second Article | Second Article: <u>Applicable parties</u> | Second Article: | New clause subject for better readability. |
| Article Three | Article 3: <u>Untrustworthy behavior</u> | Article 3: | New clause subject for better readability. |
| Fourth Article | Article 4: <u>Profit Patterns</u> | Fourth Article: | New clause subject for better readability. |
| Article 5 | Article 5: <u>Dedicated Units and Responsibilities</u> | Article 5: | New clause topic for better readability and understanding. |
| Article 6 | Article 6: <u>Prohibition on providing or receiving improper benefits</u> | Article 6: | New clause topic for better readability and understanding. |
| Seventh Article | Article 7: <u>Procedures for Handling Improper Benefits</u> | Article 7: | New clause topic for better readability and understanding. |
| Article 8 | Article 8: <u>Prohibition of clearing fees and processing procedures</u> | Article 8: | New clause topic for better readability and understanding. |
| Article 9 | Article 9: <u>Procedures for Handling Political Donations</u> The company maintains a politically neutral stance and does not engage in political donations. Company personnel are prohibited from discussing politics or engaging in political activities during work hours and in the workplace, and they are also not allowed to post political campaign posters, promotional materials, or speeches. | Article 9: The company and its subsidiaries uphold a position of political neutrality and do not engage in political donations. Company personnel are prohibited from discussing politics or engaging in political activities during working hours and in the workplace, and they must not post political campaign posters, promotional materials, or speeches. | 1. New clause topics for better readability and understanding. 2. This guideline applies to subsidiaries, and therefore there is no need to add the term "subsidiaries" to avoid misunderstandings regarding inconsistencies in the scope of application with other provisions, hence it is deleted. |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
|--------------------------|---|---|---|
| Article Ten | <p>Article 10: <u>Procedures for Handling Charitable Donations or Sponsorships</u> The company provides charitable donations or sponsorships, which should be handled in accordance with the following matters. Approval must be obtained from the authorized supervisor and notified to the company's dedicated unit. If the amount reaches NTD ONE MILLION, it must be submitted for approval by the company's board of directors before proceeding. I. It should comply with the regulations of the place of operation. II. Decisions should be documented in writing.</p> | <p>Article 10: The company and its subsidiaries shall provide charitable donations or sponsorships in accordance with the following matters, which must be approved by the authorized supervisor and notified to the company's dedicated unit. If the amount reaches NTD ONE MILLION, it must be reported to the company's board of directors for approval before proceeding. I. It should comply with the regulations of the place of operation. II. Decisions should be documented in writing.</p> | <p>1. New clause topics for better readability and understanding. 2. This guideline applies to subsidiaries, and therefore there is no need to add the term "subsidiaries" to avoid misunderstandings regarding inconsistencies in the scope of application with other provisions, hence it is deleted.</p> |
| | <p>III. The recipients of charitable donations should be charitable organizations and must not be a guise for bribery. IV. Due to the clarity and reasonableness of the feedback obtained from sponsorship, individuals who are either business counterparts of this company or have a vested interest with personnel of this company are not permitted. V. After charitable donations or sponsorships, the purpose of the funds should be confirmed to align with the donation objectives.</p> | <p>III. The recipients of charitable donations should be charitable organizations and must not be a guise for bribery. IV. Due to the clarity and reasonableness of the feedback obtained from sponsorship, individuals who are either business counterparts of this company or have a vested interest with personnel of this company are not permitted. V. After charitable donations or sponsorships, the purpose of the funds should be confirmed to align with the donation objectives.</p> | |
| Article 11 First item | <p>Article 11: Conflict of Interest The directors, supervisors, managers, and other stakeholders attending or present at the board meeting who have a vested interest in the matters discussed at the board meeting, along with their respective entities, shall explain the significant content of their vested interests during the board meeting. If there is a risk of harming the interests of the company, they shall not participate in discussions or voting, and they must recuse themselves during discussions and voting, and shall not delegate other directors to exercise their voting rights. Directors should also exercise self-discipline and must not inappropriately support each other.</p> | <p>Article 11: The directors, managers, and other stakeholders present or attending the board meeting who have a vested interest in the matters discussed at the board meeting, either personally or on behalf of their corporation, shall disclose the important details of their vested interest at that board meeting. If there is a risk of harm to the interests of the company, they shall not participate in the discussion or voting, and they must recuse themselves during the discussion and voting process, and shall not delegate their voting rights to other directors. Directors should also exercise self-discipline and must not inappropriately support each other.</p> | <p>1. New clause topics for better readability and understanding. 2. Although SemaTech Electric Holdings Limited has appointed independent directors to act as supervisors, the code applies to subsidiaries, and there are still supervisors within the subsidiaries; therefore, a section on additional supervisors should still be added.</p> |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
|----------------|---|--------------------------------------|--|
| Article Twelve | Article 12: <u>Organization and Responsibilities of Confidentiality Mechanisms</u> | Article 12: | New clause topics for better readability. |
| Article 13 | Article 13: <u>Prohibition of Engaging in Unfair Competition</u> | Article 13: | New clause topics for better readability. |
| Article 14 | <p><u>Article 14: Preventing Damage to Stakeholders from Products or Services</u></p> <p><u>The company shall collect and understand the relevant regulations and international standards that should be followed for the products and services provided, and summarize the matters that should be noted for announcement, to ensure that the company's personnel in the research and development, procurement, manufacturing, provision, or sales process of products and services ensure the transparency and safety of information regarding products and services.</u></p> <p><u>The company has established and publicly disclosed on its website a policy for the protection of the rights and interests of consumers or other stakeholders, in order to prevent products or services from directly or indirectly harming the rights, health, and safety of consumers or other stakeholders.</u></p> <p><u>In the event that media reports or factual evidence substantiate that the company's products or services pose a risk to the safety and health of consumers or other stakeholders, the company shall promptly recall the affected batch of products or suspend its services, investigate the facts to determine their veracity, and propose a review and improvement plan.</u></p> <p><u>The company's dedicated unit should report the aforementioned circumstances, the handling methods, and subsequent review and improvement measures to the board of directors.</u></p> | none | Revise the content to comply with the "Financial Supervisory Commission Letter No. 1080341134 (19 February 2020)" regulations. |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
|---------------------|---|--------------------------------------|--|
| Article 15 | Article 15: <u>Prohibition of insider trading and confidentiality agreements</u> | Article 14: | 1. The original Article 14 has been amended to Article 15 due to the addition of the content of Article 14. 2. New clause topics have been added to facilitate reading comprehension. |
| Article 16 | Article 16: <u>Follow and Declare the Integrity Management Policy</u> | Article 15: | 1. The original Article 15 has been revised to Article 16 due to the addition of the content of Article 14. 2. New clause topics have been added to facilitate reading comprehension. |
| Seventeenth Article | Article 17: <u>Integrity Management Assessment Before Establishing Business Relationships</u> | Article 16: | 1. The original Article 16 has been corrected and amended to Article 17 due to the addition of the content of Article 14. 2. New clause topics have been added to facilitate reading comprehension. |
| Eighteenth Article | Article 18: <u>Explain the integrity management policy to business partners.</u> | Article 17: | 1. The original Article 17 has been revised to Article 18 due to the addition of the content of Article 14. 2. New clause topics have been added to facilitate reading comprehension. |
| Article 19 | Article 19: <u>Avoid trading with dishonest operators.</u> | Article 18: | 1. The original Article 18 has been corrected and amended to Article 19 due to the addition of the content of Article 14. 2. New clause topics have been added to facilitate reading comprehension. |
| Article 20 | Article 20: <u>The contract explicitly stipulates integrity in business operations.</u> | Article 19: | 1. The original Article 19 has been amended to Article 20 due to the addition of the content in Article 14. 2. New clause topics for better readability and understanding. |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
|-------------------------|---|--------------------------------------|---|
| Article 21, Paragraph 1 | <p><u>Article 21:</u> <u>Handling of Employee Involvement in Dishonest Conduct</u></p> <p>The company encourages both internal and external personnel to report dishonest or improper conduct, and rewards will be granted based on the severity of the reported circumstances. Internal personnel who falsely report or maliciously accuse others will face disciplinary action, and those with serious offenses will be dismissed.</p> | Article 20: | <p>1. The original Article 20 has been corrected and amended to Article 21 due to the addition of the content of Article 14.</p> <p>2. New clause topics for better readability and understanding.</p> <p>3. Revise the content to comply with the "Financial Supervisory Commission Letter No. 1080341134 (19 February 2020)" regulations. A reward may be granted in the form of commendation, merit recognition, or bonus.</p> |
| Article 22 | <p><u>Article 22:</u> <u>Handling of Unethical Conduct by Others Towards the Company</u></p> | Article 21: | <p>1. The original Article 21 has been amended to Article 22 due to the addition of the content of Article 14.</p> <p>2. New clause topics for better readability and understanding.</p> |
| Article 23 | <p><u>Article 23:</u> <u>Internal advocacy, establishment of reward and punishment systems, complaint procedures, and disciplinary actions.</u></p> | Article 22: | <p>1. The original Article 22 has been amended to Article 23 due to the addition of the content of Article 14.</p> <p>2. New clause topics for better readability and understanding.</p> |
| Article 24 | <p><u>Article 24:</u> <u>Implementation and Revision</u></p> | Article 23: | <p>1. The original Article 22 has been amended to Article 23 due to the addition of the content of Article 14.</p> <p>2. New clause topics for better readability and understanding.</p> |

BILLION ELECTRIC CO., LTD.

"Comparison Table of Amendments to the Code of Integrity Management"

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
|---|---|---|--|
| Article 2, Section 1 (Prohibition of Dishonest Principles) | The directors, supervisors, managers, employees, appointees, or those with substantial control of the Company (hereinafter referred to as substantial controllers) shall not directly or indirectly provide, promise, request, or receive any improper benefits, or engage in other acts of dishonesty that violate integrity, are unlawful, or breach fiduciary duties during the course of conducting business activities, in order to obtain or maintain benefits (hereinafter referred to as acts of dishonesty). | The directors, managers, employees, or individuals with substantial control of the company (hereinafter referred to as "substantial controllers") shall not, during the course of engaging in business activities, directly or indirectly provide, promise, request, or receive any improper benefits, or engage in other acts of dishonesty that violate integrity, are unlawful, or breach fiduciary duties, in order to obtain or maintain benefits (hereinafter referred to as "dishonest acts"). | 1. Amend the content to comply with the current "Code of Conduct for Integrity Management of Listed and Over-the-Counter Companies (23 May 2019)" regulations. 2. Although SemaTech Electric Holdings Limited has appointed independent directors to act as supervisors, the code applies to subsidiaries, and there are still supervisors within the subsidiaries; therefore, a section on additional supervisors should still be added. |
| Article 5 (Policy) | This company, based on the principles of integrity, transparency, and responsibility in management, has established policies grounded in honesty, approved by the Board of Directors, and has created a sound corporate governance and risk management mechanism to foster a sustainable development operating environment. | The company, based on the principles of integrity, transparency, and accountability, has established policies grounded in honesty and built a robust corporate governance and risk management mechanism to create a sustainable operating environment. | Revise the content to comply with the current "Code of Conduct for Listed and Over-the-Counter Companies (23 May 2019)" regulations. |
| Article 7, Section 2 (Scope of the Preventive Measures) | <u>When formulating preventive measures, the company may refer to commonly used standards or guidelines both domestically and internationally, and should at least cover preventive measures for the following behaviors:</u> I. Bribery and corruption. II. Provide illegal political donations. III. Improper charitable donations or sponsorships. IV. Provide or accept unreasonable gifts, hospitality, or other improper benefits. <u>5. Infringement of trade secrets,</u> | The company has established preventive measures, which should cover the following behaviors: I. Bribery and corruption. II. Provide illegal political donations. III. Improper charitable donations or sponsorships. IV. Provide or accept unreasonable gifts, hospitality, or other improper benefits. | 1. Amend the content to comply with the current "Code of Conduct for Integrity Management of Listed and Over-the-Counter Companies (23 May 2019)" regulations. 2. The preventive measures of the second preventive scheme have added items five to seven related to intellectual |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| | <u>trademark rights, patent rights, copyright, and other intellectual property rights.</u> <u>VI. Engaging in unfair competition.</u> <u>VII. Products and services directly or indirectly harm the rights, health, and safety of consumers or other stakeholders during research and development, procurement, manufacturing, provision, or sale.</u> | | property rights, unfair competition, and consumer protection. |
| Article 8 (Commitment and Execution) | <u>The directors and senior management of the company shall issue a declaration to comply with the integrity management policy and require employees to adhere to the integrity management policy as a condition of employment.</u> The company and its group enterprises and organizations shall explicitly state the policy of operating with integrity in their regulations and external documents. The board of directors and management should commit to actively implementing this policy and ensure its effective execution in internal management and external business activities. <u>The company shall produce documented information regarding the first and second integrity management policies, declarations, commitments, and implementations, and shall properly preserve such information.</u> | The company and its group enterprises and organizations shall explicitly state the policy of operating with integrity in their regulations and external documents. The board of directors and management should commit to actively implementing this policy and ensure its effective execution in internal management and external business activities. | 1. Amend the content to comply with the current "Code of Conduct for Integrity Management of Listed and Over-the-Counter Companies (23 May 2019)" regulations. 2. The first item added is that directors and senior management should provide a declaration. 3. The addition of the third item should clearly specify the relevant policies, statements, commitments, and execution, with documentation standards and preservation. |
| Article Ten (Prohibition of Bribery and Acceptance of Bribes) | The company and its directors, supervisors, managers, employees, appointees, and substantial controllers shall not directly or indirectly offer, promise, request, or receive any form of improper benefit, including kickbacks, commissions, facilitation payments, or any other means of providing or receiving improper benefits to or from clients, agents, contractors, suppliers, public officials, or other stakeholders while conducting business. | The Company and its directors, managers, employees, and substantial controllers shall not directly or indirectly provide, promise, request, or receive any form of improper benefits, including kickbacks, commissions, facilitation payments, or improper benefits through other means to customers, agents, contractors, suppliers, public officials, or other stakeholders while conducting business. However, those who comply with the laws of the operating location are not subject to this limitation. | 1. Amend the content to comply with the current "Code of Conduct for Integrity Management of Listed and Over-the-Counter Companies (23 May 2019)" regulations. 2. Although SemaTech Electric Holdings Limited has appointed independent directors to act as supervisors, the code applies to subsidiaries, and there are still supervisors within the subsidiaries; therefore, a section on |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| | | | additional supervisors should still be added. 3. If the content of the third item complies with local laws and regulations, it will not be considered as "improper benefits." Therefore, the first part will not constitute a requirement for the subsequent clause to exclude restrictions, and thus it should be deleted. |
| Article 11 (Prohibition of Illegal Political Donations) | The company and its directors, supervisors, managers, employees, appointees, and substantial controllers shall ensure that any direct or indirect contributions to political parties or organizations or individuals participating in political activities comply with the Political Donations Law and the relevant internal procedures of the company, and shall not be used to seek commercial benefits or trading advantages. | The company and its directors, managers, employees, and substantial controllers shall ensure that any direct or indirect contributions to political parties or organizations or individuals involved in political activities comply with the Political Contributions Act and the company's internal procedures. Such contributions must not be used to seek commercial benefits or transaction advantages. | 1. Amend the content to comply with the current "Code of Conduct for Integrity Management of Listed and Over-the-Counter Companies (23 May 2019)" regulations. 2. Although SemaTech Electric Holdings Limited has appointed independent directors to act as supervisors, the code applies to subsidiaries, and there are still supervisors within the subsidiaries; therefore, a section on additional supervisors should still be added. |
| Article Twelve (Prohibition of Improper Charitable Donations or Sponsorships) | The company and its directors, supervisors, managers, employees, appointees, and substantial controllers shall not directly or indirectly provide or accept any unreasonable gifts, hospitality, or other improper benefits in order to establish business relationships or influence business transactions. | The company and its directors, managers, employees, and substantial controllers shall ensure that any direct or indirect contributions to political parties or organizations or individuals involved in political activities comply with the Political Donations Act and the relevant internal operating procedures of the company, and shall not be used to seek commercial benefits or trading advantages. | 1. Amend the content to comply with the current "Code of Conduct for Integrity Management of Listed and Over-the-Counter Companies (23 May 2019)" regulations. 2. Although SemaTech Electric Holdings Limited has appointed independent directors to act as supervisors, |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| | | | the code applies to subsidiaries, and there are still supervisors within the subsidiaries; therefore, a section on additional supervisors should still be added. |
| Article 13 (Prohibition of unreasonable gifts, hospitality, or other improper benefits) | The company and its directors, supervisors, managers, employees, appointees, and substantial controllers shall not directly or indirectly provide or accept any unreasonable gifts, hospitality, or other improper benefits in order to establish business relationships or influence business transactions. | The company and its directors, managers, employees, and substantial controllers shall ensure that any direct or indirect contributions to political parties or organizations or individuals involved in political activities comply with the Political Donations Act and the relevant internal operating procedures of the company, and shall not be used to seek commercial benefits or trading advantages. | 1. Amend the content to comply with the current "Code of Conduct for Integrity Management of Listed and Over-the-Counter Companies (23 May 2019)" regulations. 2. Although SemaTech Electric Holdings Limited has appointed independent directors to act as supervisors, the code applies to subsidiaries, and there are still supervisors within the subsidiaries; therefore, a section on additional supervisors should still be added. |
| <u>Article 14</u> <u>(Prohibition of Intellectual Property Infringement)</u> | <u>The company and its directors, supervisors, managers, employees, appointees, and substantial controllers shall comply with the relevant regulations on intellectual property rights, internal operating procedures of the company, and contractual provisions; without the consent of the intellectual property rights owner, they shall not use, disclose, dispose of, implement, damage, or engage in any other acts that infringe upon intellectual property rights.</u> | none | Revise the content to comply with the current "Code of Conduct for Listed and Over-the-Counter Companies (23 May 2019)" regulations. |
| <u>Article 15</u> <u>(Prohibition of Engaging in Unfair Competition Practices)</u> | <u>The company shall engage in business activities in accordance with relevant competition laws and shall not fix prices, manipulate bids, restrict output and quotas, or share or divide the market through methods such as allocating customers, suppliers, operational areas, or types of business.</u> | none | Revise the content to comply with the current "Code of Conduct for Listed and Over-the-Counter Companies (23 May 2019)" regulations. |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| <u>Article 16</u> <u>(Prevent damage to stakeholders from products or services)</u> | <u>The company and its directors, supervisors, managers, employees, appointees, and substantial controllers shall comply with relevant regulations and international standards during the research and development, procurement, manufacturing, provision, or sale of products and services. They must ensure the transparency and safety of information regarding products and services, establish and publicly disclose policies for the protection of consumer or other stakeholders' rights and interests, and implement these policies in operational activities to prevent direct or indirect harm to the rights, health, and safety of consumers or other stakeholders. If there is sufficient evidence to recognize that the products or services pose a risk to the safety and health of consumers or other stakeholders, the relevant batch of products should, in principle, be recalled or the services should be suspended immediately.</u> | none | Revise the content to comply with the current "Code of Conduct for Listed and Over-the-Counter Companies (23 May 2019)" regulations. |
| Seventeenth Article (Organization and Responsibility) | <p>Organization and Responsibility</p> <p>The directors, supervisors, managers, employees, appointees, and substantial controllers of the company shall fulfill their duty of care as good managers, urging the company to prevent dishonest conduct, and shall regularly review the effectiveness of its implementation and continuously improve to ensure the enforcement of integrity management policies.</p> <p>This company is committed to sound management of integrity in operations, with the Integrity Management Working Group responsible for the formulation and supervision of integrity management policies and preventive measures. It primarily oversees the following matters and reports to the Board of Directors regularly (at least once a year).</p> <p><u>1. Assist in integrating integrity and ethical values into the company's business strategy, and collaborate with legal systems to establish relevant</u></p> | <p>Article 14: Organization and Responsibilities</p> <p>The board of directors of the company shall exercise the duty of care of a good manager, supervise the company to prevent dishonest behavior, and regularly review its implementation effectiveness and continuously improve to ensure the enforcement of the integrity management policy.</p> <p>The Company is committed to sound management of integrity, with the Integrity Management Task Force responsible for the formulation and supervision of integrity management policies and preventive measures, and regularly reporting to the Board of Directors.</p> | <p>1. Article 14 has been revised to Article 17 due to the addition of Articles 14 to 16.</p> <p>2. Amend the content to comply with the current "Code of Conduct for Listed and Over-the-Counter Companies (23 May 2019)" regulations.</p> <p>3. The "Promoting Integrity Management Working Group" is responsible for the matters listed under the second item, totaling six items to be addressed.</p> |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| | <p><u>anti-corruption measures to ensure integrity in operations.</u></p> <p><u>II. Regularly analyze and assess the risks of dishonest behavior within the scope of operations, and based on this, establish preventive measures against dishonest behavior, as well as set relevant standard operating procedures and behavioral guidelines for each measure.</u></p> <p><u>III. Plan the internal organization, structure, and responsibilities, and establish a mutual supervision and checks and balances mechanism for business activities with higher risks of dishonesty within the scope of operations.</u></p> <p><u>IV. Promotion and coordination of integrity policy training.</u></p> <p><u>V. Establish a reporting system to ensure effective implementation.</u></p> | | |
| | <p><u>VI. Assist the Board of Directors and management in reviewing and assessing the effectiveness of the preventive measures established for implementing integrity in operations, and regularly evaluate compliance with relevant business processes, preparing reports.</u></p> | | |
| <p>Eighteenth Article</p> <p>(Compliance with Business Execution Regulations)</p> | <p>Article 18: Compliance with Laws and Regulations in Business Execution</p> <p>The directors, supervisors, managers, employees, appointees, and substantial controllers of the company shall comply with legal regulations and preventive measures while conducting business.</p> | <p>Article 15: Compliance with Laws and Regulations in Business Execution</p> <p>The directors, managers, employees, and substantial controllers of the company shall comply with legal regulations and preventive measures when conducting business.</p> | <p>1. The original Article 15 has been amended to Article 18 due to the addition of the content of Articles 14 to 16.</p> <p>2. Amend the content to comply with the current "Code of Conduct for Listed and Over-the-Counter Companies (23 May 2019)" regulations.</p> <p>3. Although Shengda Electric (Group) has independent directors acting as supervisors, the scope of the code applies to subsidiaries, and there are still supervisors in each</p> |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| | | | subsidiary; therefore, a section for additional supervisors should still be added. |
| Article 19 (Conflict of Interest) | Article 19: Conflict of Interest The company should establish a policy to prevent conflicts of interest, which will identify, supervise, and manage the risks of dishonest conduct that may arise from conflicts of interest. It should also provide appropriate channels for directors, supervisors, managers, and other stakeholders present or attending board meetings to proactively disclose any potential conflicts of interest with the company. (See the company's "Code of Ethical Conduct") | Article 16: Directors and Managers' Conflict of Interest The company has established a policy to prevent conflicts of interest and provides appropriate channels for directors and managers to proactively disclose any potential conflicts of interest with the company. (For details, please refer to the company's "Code of Ethics.") | 1. Article 16 has been revised to Article 19 due to the addition of the content of Articles 14 to 16. 2. Amend the content to comply with the current "Code of Conduct for Listed and Over-the-Counter Companies (23 May 2019)" regulations. 3. Although Shengda Electric (Group) has independent directors acting as supervisors, the scope of the code applies to subsidiaries, and there are still supervisors in each subsidiary; therefore, a section for additional supervisors should still be added. 4. Consideration should be given to the fact that all directors, supervisors, employees, and individuals entrusted with handling the company's business must adhere to the principle of avoiding conflicts of interest. Therefore, the wording related to "directors and managers" in the title of the clause should be removed, and the clause should include regulated personnel, including supervisors, managers, and other stakeholders, appointees, and substantial controllers who attend or are present at the board meetings. |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| Article 20 (Accounting and Internal Control) | <p>Article 20: Accounting and Internal Control</p> <p>The company establishes effective and compliant accounting systems and internal control systems for business activities with a higher risk of dishonest conduct. There shall be no external accounts or secret accounts, and these systems shall be reviewed regularly to ensure that their design and execution remain effective.</p> <p><u>The internal audit personnel of the company shall formulate relevant audit plans based on the assessment results of the risks associated with dishonest behavior. If necessary, they may engage professionals for assistance and prepare an audit report to submit to the board of directors.</u></p> | <p>Article 17: Accounting and Internal Control</p> <p>The company establishes effective and compliant accounting systems and internal control systems for business activities with a higher risk of dishonest conduct. There shall be no external accounts or secret accounts, and these systems shall be reviewed regularly to ensure that their design and execution remain effective.</p> <p>The internal audit personnel of the company shall prepare an audit report for submission to the board of directors.</p> | <p>1. Article 17 has been revised to Article 20 due to the addition of the content of Articles 14 to 16.</p> <p>2. Amend the content to comply with the current "Code of Conduct for Listed and Over-the-Counter Companies (23 May 2019)" regulations.</p> <p>3. Supplement the content of the second clause and adjust it into the second and third items, making the execution details, audit and reporting targets, and processes clearer, which is beneficial for implementation.</p> |
| Article 21 (Operational Procedures and Conduct Guidelines) | <p>Article 21: Operating Procedures and Code of Conduct</p> <p>This company establishes operating procedures and conduct guidelines in accordance with Article 6, specifically regulating the matters that directors, managers, supervisors, employees, appointees, and substantial controllers should pay attention to when conducting business. The content should at least cover the following matters:</p> <p>I. Criteria for determining the provision or acceptance of improper benefits.</p> <p>II. Provide the procedures for handling legal political donations.</p> <p>III. Provide procedures and standards for legitimate charitable donations or sponsorships.</p> <p>IV. Regulations to avoid conflicts of interest related to duties, and their declaration and handling procedures.</p> <p>V. Confidentiality provisions regarding confidential and commercially sensitive information obtained in business.</p> <p>VI. Regulations and procedures for suppliers, customers, and business partners involved in dishonest conduct.</p> <p>VII. Procedures for handling violations of the corporate integrity</p> | <p>Article 18: Operating Procedures and Code of Conduct</p> <p>This company establishes operating procedures and conduct guidelines in accordance with Article 6, specifically regulating the matters that directors, managers, employees, and substantial controllers should pay attention to when conducting business. The content should at least cover the following matters:</p> <p>I. Criteria for determining the provision or acceptance of improper benefits.</p> <p>II. Provide the procedures for handling legal political donations.</p> <p>III. Provide procedures and standards for legitimate charitable donations or sponsorships.</p> <p>IV. Regulations to avoid conflicts of interest related to duties, and their declaration and handling procedures.</p> <p>V. Confidentiality provisions regarding confidential and commercially sensitive information obtained in business.</p> <p>VI. Regulations and procedures for suppliers, customers, and business partners involved in dishonest conduct.</p> <p>VII. Procedures for handling violations of the corporate integrity management code.</p> | <p>1. The original Article 18 has been amended to Article 21 due to the addition of the content of Articles 14 to 16.</p> <p>2. Amend the content to comply with the current "Code of Conduct for Listed and Over-the-Counter Companies (23 May 2019)" regulations.</p> <p>3. Although Shengda Electric (Group) has independent directors acting as supervisors, the scope of the code applies to subsidiaries, and there are still supervisors in each subsidiary; therefore, a section for additional supervisors should still be added.</p> |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| | management code. VIII. Disciplinary actions taken against violators. IX. Code of Ethical Conduct. | VIII. Disciplinary actions taken against violators. IX. Code of Ethical Conduct. | |
| Article 22, Paragraph 1 (Education, Training and Assessment) | Article 22: Education, Training, and Assessment The company shall regularly conduct educational training and advocacy for directors, supervisors, managers, employees, appointees, and substantial controllers, and invite counterparties engaged in business activities with the company to participate, so that they fully understand the company's commitment to integrity in operations, policies, preventive measures, and the consequences of violating dishonest conduct. | Article 19: Education, Training, and Assessment The company shall regularly conduct educational training and advocacy for directors, managers, employees, and substantial controllers, and invite counterparties engaged in business activities with the company to participate, so that they fully understand the company's determination for integrity in operations, policies, preventive measures, and the consequences of violating dishonest behavior. | 1. The original Article 19 has been amended to Article 22 due to the addition of the content of Articles 14 to 16. 2. Amend the content to comply with the current "Code of Conduct for Listed and Over-the-Counter Companies (23 May 2019)" regulations. 3. Although Shengda Electric (Group) has independent directors acting as supervisors, the scope of the code applies to subsidiaries, and there are still supervisors in each subsidiary; therefore, a section for additional supervisors should still be added. |
| Article 23 (Reporting and Sanctions) | Article 23: Reporting and Sanctions | Article 20: Reporting and Disciplinary Actions | The original Article 20 has been amended and revised to Article 23 due to the addition of the contents of Articles 14 to 16. The original Article 20 has been amended and revised to Article 23 due to the addition of the contents of Articles 14 to 16. |
| Article 24 (Information Disclosure) | Article 24: Information Disclosure | Article 21: Information Disclosure | Article 21 has been revised to Article 24 due to the addition of the content in Articles 14 to 16. |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| Article 25 (Review and Revision of the Code of Conduct for Honest Business Practices) | Article 25: Review and Revision of the Code of Conduct for Honest Business Operations | Article 22: Review and Revision of the Code of Conduct for Honest Business Practices | Article 22 has been revised to Article 25 due to the addition of the content in Articles 14 to 16. |
| Article 26 (Implementation) | Article 26: Implementation | Article 23: Implementation | The original Article 23 has been corrected and amended to Article 26 due to the addition of the contents of Articles 14 to 16. |

BILLION ELECTRIC CO., LTD.

Comparison Table of Amendments to the Articles of Association

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
|------------|--|---|---|
| Article 29 | <p>If the annual financial results of the company show a profit, employee compensation and director remuneration should be allocated as follows. However, if the company still has accumulated losses, it should first retain an amount from the profit to cover the losses. The aforementioned profit refers to the pre-tax net profit before deducting employee compensation and director remuneration.</p> <p><u>1. Employee compensation shall not be less than two percent. Of the aforementioned employee compensation amount, not less than sixty percent of that amount shall be allocated for the distribution of compensation to frontline employees, with the definition of frontline employees authorized by the board of directors.</u> The board of directors has resolved to distribute the issuance in the form of shares or cash, with the recipients including employees of subsidiary companies who meet certain conditions.</p> <p>II. The directors' remuneration shall not exceed 3 percent. The distribution of employee compensation and director remuneration should be reported to the shareholders' meeting.</p> | <p>If the company has profits for the year, it shall allocate no less than two percent for employee remuneration, which shall be distributed in stock or cash as resolved by the board of directors. The recipients of this distribution include employees of subsidiaries that meet certain conditions. The company has resolved to allocate no more than three percent of the aforementioned profit amount as directors' remuneration, as decided by the board of directors. The distribution of employee compensation and director remuneration should be reported to the shareholders' meeting.</p> <p>However, when the company still has accumulated losses, it should reserve the amount for compensation in advance, and then allocate employee remuneration and director remuneration according to the aforementioned ratio.</p> | <p>According to the order number 1130385442 issued by the Securities and Futures Commission on 7 August 2024, as stipulated in Article 14, Section 6 of the Securities and Futures Ordinance, the company shall specify in its articles of association a certain percentage of annual profits to be allocated for adjusting salaries or distributing remuneration to grassroots employees.</p> <p>Adjust the order of the text.</p> |
| Article 32 | <p>This constitution was established on 28 February 1973, first amended on 4 August 1976, ………, thirty-fourth amendment on 9 June 2022, and thirty-fifth amendment on 22 May 2025.</p> | <p>This constitution was established on 28 February 1973, first amended on 4 August 1976, ………, and the thirty-fourth amendment was made on 9 June 2022.</p> | <p>Add the date of this amendment to the articles of association.</p> |

BILLION ELECTRIC CO., LTD.
**Revised Provisions Comparison Table for "Endorsement
Guarantee Operating Procedures"**

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| First Article | <u>To enhance the management of the company's endorsements or guarantees for others and to reduce operational risks, this procedure (hereinafter referred to as this procedure) is established in accordance with Article 36-1 of the Securities and Futures Ordinance.</u> This program shall be handled in accordance with the relevant laws and regulations for any matters not covered herein. | In order to ensure that the company's external endorsement guarantee matters are adhered to, this procedure is specifically established and should be handled according to the specified operating procedures. Any matters not covered by this procedure shall be handled in accordance with the relevant legal provisions. | In line with the actual operational needs of the company, modifications are required. |
| Second Article | The endorsements and guarantees referred to in this program include: 1. Financing endorsement guarantees refer to the discount financing of tickets, which is an endorsement or guarantee made for the purpose of financing another company, and for the purpose of financing our company, it involves issuing notes and providing guarantees to non-financial enterprises. II. The customs endorsement guarantee refers to the endorsement or guarantee made by our company or other companies regarding customs matters. III. Other endorsements and guarantees refer to endorsements or guarantees that cannot be classified under the previous two items. IV. The Company shall also handle the establishment of a pledge or mortgage on movable or immovable property as collateral for loans from other companies in accordance with the provisions of this procedure. | The endorsements and guarantees referred to in this program include: 1. Financing endorsement guarantees refer to the discount financing of tickets, which is an endorsement or guarantee made for the purpose of financing another company, and for the purpose of financing our company, it involves issuing notes and providing guarantees to non-financial enterprises. II. The customs endorsement guarantee refers to the endorsement or guarantee made by our company or other companies regarding customs matters. III. Other endorsements and guarantees refer to endorsements or guarantees that cannot be classified under the previous two items. IV. Companies providing movable or immovable property as collateral for their loans shall also comply with the provisions of this procedure. | In line with the actual operational needs of the company, modifications are required. |
| Article Three | I. Companies that have business relationships with our company. II. The company directly and indirectly holds more than fifty percent of the voting shares of the company. III. Companies directly or indirectly holding more than fifty percent of the voting shares of our company. The Company may provide | I. Companies that have business relationships with our company. II. Companies directly and indirectly holding more than fifty percent of the voting shares. III. Companies holding more than fifty percent of the voting shares directly and indirectly. The Company may provide | Amendment in accordance with the provisions of Article 22 of the "Guidelines for the Handling of Loans and |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| | <p>endorsements and guarantees between companies in which it directly and indirectly holds more than ninety percent of the voting shares, and the amount shall not exceed ten percent of the Company's net worth. However, endorsements and guarantees between companies in which the Company directly and indirectly holds one hundred percent of the voting shares shall not be subject to the aforementioned regulations.</p> <p>The joint investment relationship is guaranteed by all contributing shareholders in proportion to their shareholding ratio for the invested company, and is not subject to the aforementioned regulations, and may provide guarantees.</p> <p>The term "capital contribution" as referred to in the preceding paragraph means the direct capital contribution by the Company or the capital contribution made through a company that holds one hundred percent of the voting shares.</p> | <p>endorsements and guarantees between companies in which it directly or indirectly holds more than ninety percent of the voting shares, and the amount shall not exceed ten percent of the Company's net asset value. However, endorsements and guarantees between companies in which the Company directly or indirectly holds one hundred percent of the voting shares are not subject to this limitation.</p> <p>Based on the mutual guarantee among peers or joint contractors required for the contracted project, or due to the joint investment relationship, all contributing shareholders may provide endorsement guarantees for the invested company in accordance with their shareholding ratios.</p> <p>The capital referred to in the preceding paragraph means the direct investment made by a publicly listed company or the investment made through a company that holds one hundred percent of the voting shares.</p> <p>The terms "subsidiary" and "parent company" as used in this program are defined in accordance with the regulations of the Financial Reporting Standards for Securities Issuers.</p> | Endorsements by Public Companies". |
| | | The financial reports of publicly listed companies are prepared in accordance with International Financial Reporting Standards. The net worth referred to in the guidelines for the handling of funding loans and endorsement guarantees for publicly listed companies refers to the equity attributable to the owners of the parent company as stipulated in the financial reporting standards for securities issuers. | |
| Fourth Article | <p>1. The total amount guaranteed by the company for external endorsement shall not exceed the net value for the current period.</p> <p>II. The endorsement guarantee limit for a single company shall not exceed fifty percent of the company's net worth.</p> <p>III. Endorsement guarantees made due to business relationships, aside</p> | <p>1. The total amount guaranteed by the company for external endorsement shall not exceed the net value for the current period.</p> <p>II. The endorsement guarantee limit for a single enterprise shall not exceed fifty percent of the current net value.</p> <p>III.If the endorsement guarantee amount is engaged due to business relations, it shall not exceed the total</p> | Amendment in accordance with the provisions of Article 22 of the "Guidelines for the Handling of Loans and Endorsements by Public |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| | <p>from the regulations specified in the previous clause, shall not exceed the total amount of transactions with the company in the most recent fiscal year (whichever is higher between the purchase or sales amounts between both parties).</p> <p>IV. The total amount guaranteed by the company and its subsidiaries shall not exceed the net value of the company for the current period.</p> <p><u>The aforementioned net worth is based on the most recent financial statements audited or reviewed by accountants.</u></p> | <p>amount of transactions with this company in the most recent fiscal year (whichever is higher between the purchase or sales amount between both parties), and must comply with the provisions of the preceding clauses. The net asset value shall be based on the most recent financial statements audited or reviewed by accountants, as stated in the endorsement guarantee.</p> <p>IV. The total amount guaranteed by the company and its subsidiaries shall not exceed the company's net value for the current period.</p> | Companies". |
| Article 5 | <p>The endorsement guarantee matters of this company shall be submitted to the board of directors for resolution only after being approved by more than half of all members of the audit committee. Unless more than half of the members of the Audit Committee have agreed, it may be approved by more than two-thirds of the Board of Directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board meeting. However, to meet the timeliness requirement, the chairman must be authorized by the board of directors to proceed with the endorsement guarantee when the accumulated balance does not exceed thirty percent of the current net value, and subsequently report to the next board meeting for ratification.</p> <p>Before the subsidiaries directly and indirectly holding more than ninety percent of the voting shares endorse and guarantee in accordance with Article 3, they must submit a resolution from the Board of Directors of the Company. However, the company holds a 100% voting share endorsement guarantee from affiliated companies, without limitation.</p> <p>When the company has appointed independent directors, it should fully consider the opinions of each independent director when endorsing guarantees for others, and include their explicit opinions of agreement or disagreement, along with the reasons for</p> | <p>The endorsement guarantee matters of this company shall be submitted to the board of directors for resolution only after being approved by more than half of all members of the audit committee. Unless more than half of the members of the Audit Committee have agreed, it may be approved by more than two-thirds of the Board of Directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board meeting. However, to meet the timeliness requirement, the chairman must be authorized by the board of directors to proceed with the endorsement guarantee when the accumulated balance does not exceed thirty percent of the current net value, and subsequently report to the next board meeting for ratification.</p> <p>Before the company endorses a guarantee for subsidiaries that directly or indirectly hold more than ninety percent of the voting shares, it must submit a resolution to the board of directors. However, the company holds a 100% voting share endorsement guarantee from affiliated companies, without limitation.</p> <p>When the company has appointed independent directors, it should fully consider the opinions of each independent director when endorsing guarantees for others, and include their explicit opinions of agreement or disagreement, along with the reasons for</p> | In line with the actual operational needs of the company, modifications are required. |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| | disagreement, in the board meeting records. | records. | |
| Article 6 | <p><u>I. When the company handles endorsement guarantee matters, the endorsed guarantee company shall submit an application to the company's finance and accounting department. The finance and accounting department shall conduct a credit investigation on the endorsed guarantee company, assess its risk, and maintain assessment records. After passing the review, it shall be submitted to the general manager and chairman for approval. If necessary, collateral should be obtained.</u></p> <p>II. The Finance and Accounting Department should establish a register for endorsement guarantees, detailing the endorsement guarantee objects, amounts, dates approved by the board of directors or executed by the chairman, endorsement guarantee dates, matters that should be prudently assessed according to these procedures, contents of the collateral and their assessed values, as well as the conditions and dates for releasing the endorsement guarantee responsibilities.</p> <p><u>III. When the endorsement guarantee related to documents or notes is released from the company's guarantee obligations due to debt repayment or renewal, the endorsing guarantee company shall prepare a document to return the original endorsement guarantee related documents and notes to the company's finance and accounting department after affixing the release seal or completing the cancellation procedure. The correspondence should be retained for reference. The finance department should record the cancellation case in the "Endorsement Guarantee and Cancellation Register" for cancellation, in order to reduce the</u></p> | <p>I. When an endorsed guaranteed enterprise needs to use the endorsed guarantee amount within the quota, it should provide basic information and financial data, and fill out an application form to submit to the finance and accounting department of our company for application. The finance and accounting department should conduct a detailed assessment and carry out credit investigation work. The assessment items include their necessity and reasonableness, the endorsement guarantee due to business relationships, whether the amount of the endorsement guarantee is comparable to the amount of business transactions, the impact on the company's operational risks, financial condition, and shareholder equity, as well as whether collateral should be obtained and the valuation of such collateral.</p> <p>II. The endorsement guarantee register established by the Finance and Accounting Department shall detail the endorsement guarantee subject, amount, date approved by the board of directors or decided by the chairman, endorsement guarantee date, matters that should be prudently assessed according to these regulations, content of the collateral and its assessed value, as well as the conditions and dates for releasing the endorsement guarantee liability.</p> <p>III. When a company is guaranteed repayment by endorsement, it should notify our company of the repayment details in order to relieve our company of its guarantee responsibilities, and this should be recorded in the endorsement guarantee register.</p> <p>IV. The finance and accounting department should disclose</p> | Amendment in accordance with the provisions of Article 22 of the "Guidelines for the Handling of Loans and Endorsements by Public Companies". |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| | <p><u>accumulated endorsement guarantee amount.</u></p> <p>IV. The finance and accounting department should assess or recognize contingent losses related to endorsements and appropriately disclose endorsement guarantee information in the financial reports. Additionally, they should provide relevant information to the auditor to carry out necessary audit procedures, in order to issue an appropriate audit report.</p> | <p>information regarding guarantees that are assessed or recognized as contingent losses in the financial reports, and provide relevant data to the certified public accountant, so that the accountant can carry out necessary audit procedures and issue an appropriate audit report.</p> <p>Article 165-1 of the Securities and Futures Ordinance stipulates that foreign companies (hereinafter referred to as foreign companies) that engage in lending funds to others, endorsing for others, or providing guarantees shall handle such activities in accordance with the guidelines for public companies regarding fund lending and endorsement guarantees. Foreign companies without a seal may not be subject to the provisions of Article 12, Paragraph 1, Item 7 and Article 17, Paragraph 4 of the Securities and Exchange Act. The net worth calculated according to the guidelines for the lending and endorsement guarantee of funds by publicly listed companies refers to the equity attributable to the owners of the parent company as stated in the balance sheet.</p> | |
| Seventh Article | <p>1. The special seal for endorsement guarantees must be the company seal registered with the Ministry of Economic Affairs. This seal should be entrusted to a designated person approved by the board of directors for safekeeping. Any appointment or change of the seal custodian must be reported to the board of directors; when handling endorsement guarantees, the seal and issuance of notes must comply with the provisions of this procedure.</p> <p>II. When the company provides a guarantee for foreign companies, the guarantee letter shall be signed by the chairman authorized by the</p> | <p>1. The special seal for endorsement guarantees is the company seal registered with the Ministry of Economic Affairs. This seal should be entrusted to a designated person approved by the board of directors for safekeeping, and the same applies during changes; when handling endorsement guarantees, the procedures stipulated by the company must be followed to ensure the proper use of the seal and the issuance of notes.</p> <p>II. When the company provides a guarantee for foreign companies, the guarantee letter issued by the company shall be signed by a person authorized by the board of</p> | In line with the actual operational needs of the company, modifications are required. |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| | board of directors. | directors. | |
| Article 8 | <p>I. The internal audit personnel of the Company shall audit the endorsement guarantee operation procedures and their execution at least once every quarter, and prepare written records. If any significant violations are discovered, they shall promptly notify the Audit Committee in writing.</p> <p>II. If the company changes circumstances, resulting in the endorsement guarantee object not complying with the provisions of this procedure or exceeding the amount limit, an improvement plan should be formulated and submitted to the audit committee, and improvements should be completed according to the schedule of the plan.</p> <p>III. If the object of the endorsement guarantee is a subsidiary with net assets less than half of the paid-in capital, additional subsequent control measures should be established and reported to the audit committee and the board of directors. The explicit opinions of each independent director regarding their agreement or disagreement, along with the reasons for any opposition, should be included in the board meeting minutes. The subsidiary's shares shall have no par value or a par value not exceeding NTD ten. The actual paid-in capital shall be the sum of the share capital plus the capital reserve - issuance premium.</p> | <p>I. The internal audit personnel of the Company shall audit the endorsement guarantee operation procedures and their execution at least once every quarter, and prepare written records. If any significant violations are discovered, they shall promptly notify the Audit Committee in writing.</p> <p>II. If the company changes circumstances that cause the endorsed guarantee object to originally comply with the provisions of Article 3 of this procedure but subsequently no longer complies, or if the amount of the endorsed guarantee exceeds the limit set forth in Article 4 of these regulations due to changes in the basis for calculating the limit, the auditing unit shall urge the finance department to eliminate the amount of the endorsed guarantee or the excess portion for that object by the expiration of the contract or within a specified period, and submit the improvement plan to the audit committee, completing the improvements according to the planned schedule and reporting to the board of directors.</p> <p>III. In the case where the object of the endorsement guarantee is a subsidiary with net assets less than half of the paid-in capital, the subsequent relevant control measures require the necessary acquisition of collateral and the value of the collateral, and shall be processed after being submitted to and approved by the board of directors. The explicit opinions of each independent director regarding their agreement or disagreement, along with the reasons for any opposition, should be included in the board meeting minutes. The referred paid-up capital mentioned above refers to the paid-up capital of the</p> | In line with the actual operational needs of the company, modifications are required. |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| | | guaranteed company (subsidiary). | |
| Article 9 | <p>I. The Company shall input the endorsement guarantee balance of the Company and its subsidiaries for the previous month into the Public Information Observation Station by the tenth day of each month.</p> <p>II. If the company endorses a guarantee balance that meets one of the following standards, it shall input the information into the public information observation station within two days from the date of occurrence:</p> <p>(I)The Company and its subsidiaries endorse a guarantee balance that exceeds fifty percent of the net asset value in the Company's most recent financial statements.</p> <p>(II)The company and its subsidiaries have endorsed guarantees for a single company amounting to more than twenty percent of the latest net asset value as per the company's financial statements.</p> <p>(III)The Company and its subsidiaries have endorsement guarantees for a single company exceeding NTD ten million, and the total amount of endorsement guarantees, long-term investments accounted for using the equity method, and loan balances reaches thirty percent of the latest net asset value in the Company's financial statements.</p> <p>(IV)The Company and its subsidiaries have added endorsement guarantee amounts exceeding NTD thirty million and exceeding five percent of the Company's most recent financial statements' net worth.</p> <p>III. For subsidiaries of the Company</p> | <p>I. The Company shall input the endorsement guarantee balance of the Company and its subsidiaries for the previous month into the Public Information Observation Station by the tenth day of each month.</p> <p>II. If the company endorses a guarantee balance that meets one of the following standards, it shall input the information into the public information observation station within two days from the date of occurrence:</p> <p>(I)The Company and its subsidiaries endorse a guarantee balance that exceeds fifty percent of the net asset value in the Company's most recent financial statements.</p> <p>(II)The company and its subsidiaries have guaranteed the endorsement balance for a single enterprise, which exceeds twenty percent of the latest net asset value reported in the company's financial statements.</p> <p>(III)The Company and its subsidiaries have endorsement guarantee balances exceeding NTD ten million for a single enterprise, and the total amount of their endorsement guarantees, long-term investments accounted for using the equity method, and loan balances reaches thirty percent of the net asset value in the Company's most recent financial statements.</p> <p>(IV)The Company and its subsidiaries have added endorsement guarantee amounts exceeding NTD thirty million and exceeding five percent of the Company's most recent financial statements' net worth.</p> | In line with the actual operational needs of the company, modifications are required. |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| | that are not domestic publicly listed companies, the matters specified in the preceding paragraph, item 4, that should be entered into the public information observation station shall be handled by the Company. The calculation of the proportion of the subsidiary's endorsement guarantee balance to net value is based on the proportion of the subsidiary's endorsement guarantee balance to the company's net value. | <p>III. For subsidiaries of the Company that are not domestic publicly listed companies, the matters specified in the preceding paragraph, item 4, that should be entered into the public information observation station shall be handled by the Company. The calculation of the proportion of the endorsement guarantee balance of the subsidiary to the net value is based on the proportion of the endorsement guarantee balance of the subsidiary to the net value of the company.</p> <p>IV. The company shall assess or recognize contingent losses from endorsement guarantees in the financial reports, appropriately disclosing relevant information and providing necessary data to the auditor to carry out required audit procedures.</p> <p>The term "date of occurrence" refers to the earlier of the signing date, payment date, board resolution date, or any other date that sufficiently confirms the endorsed guarantee subject and amount.</p> | |
| Article Ten | <p>I. If a subsidiary of the company intends to act as a guarantor for others, it shall establish endorsement guarantee operating procedures according to this procedure and shall handle matters in accordance with the established operating procedures.</p> <p>II. Subsidiaries shall prepare a detailed list of endorsements and guarantees for the previous month by the fifth day of each month and submit it for review to the company.</p> <p>III. If a subsidiary is a publicly listed company, internal auditors should audit the endorsement guarantee operating procedures and their execution at least quarterly, and create written records. If significant violations are discovered, they should immediately notify the company's audit unit in writing, and the company's audit unit should</p> | <p>I. If the subsidiaries of the company intend to provide endorsements or guarantees for others, they shall establish the endorsement and guarantee operating procedures in accordance with regulations and shall handle matters in accordance with the established operating procedures.</p> <p>II. Subsidiaries shall prepare a detailed list of endorsements and guarantees for the previous month by the 10th of each month (exclusive) and submit it for review to the company.</p> <p>III. The internal audit personnel of the subsidiaries should conduct audits of the endorsement guarantee operating procedures and their implementation at least quarterly, and create written records. If significant violations are discovered, they should immediately notify the company's audit unit in writing, and the</p> | In line with the actual operational needs of the company, modifications are required. |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| | <p>submit the written materials to the audit committee.</p> <p>IV. The company's auditors shall regularly conduct audits of each subsidiary according to the annual audit plan, and should also understand the execution of the endorsement guarantee procedures for others by the subsidiaries. If any deficiencies are found, they should continuously track the improvement situation and prepare a follow-up report to be submitted to the Chairman.</p> | <p>company's audit unit should submit the written materials to the audit committee.</p> <p>IV. When the company's auditors conduct audits at subsidiaries according to the annual audit plan, they should also understand the execution status of the endorsement guarantee operating procedures for others by the subsidiaries. If any deficiencies are found, they should continue to track the improvement status and prepare a follow-up report to be submitted to the chairman or general manager.</p> | |
| Article 11 | <p>This program shall be implemented after being approved by more than half of the members of the Audit Committee, and after being submitted to the Board of Directors for resolution, and subsequently submitted to the shareholders' meeting for approval. If any director expresses dissent with a record or written statement, the company shall submit their dissent to the shareholders' meeting for discussion, and the same applies when making amendments.</p> <p>If the preceding item is not approved by more than half of the members of the audit committee, it may be approved by more than two-thirds of the board of directors, and the resolution of the audit committee shall be recorded in the minutes of the board meeting.</p> <p>◦</p> <p>The term "audit committee" refers to all members and the term "board of directors" refers to those currently in office.</p> <p>◦</p> | <p>This program shall be implemented after being approved by more than half of the members of the Audit Committee, and after being submitted to the Board of Directors for resolution, and then reported to the shareholders' meeting for approval. If any director expresses dissent with a record or written statement, the Company shall forward their dissent to the Audit Committee and report it to the shareholders' meeting for discussion, and the same applies when amendments are made.</p> <p>If the preceding item is not approved by more than half of the members of the audit committee, it may be approved by more than two-thirds of the board of directors, and the resolution of the audit committee shall be recorded in the minutes of the board meeting.</p> <p>◦</p> <p>The term "audit committee" refers to all members and the term "board of directors" refers to those currently in office.</p> <p>◦</p> | In line with the actual operational needs of the company, modifications are required. |
| Article Twelve | (Delete) | This program shall be handled in accordance with the relevant laws and regulations for any matters not covered herein. | |

BILLION ELECTRIC CO., LTD.
Revised Provisions Comparison Table for "Loaning Funds to Others"

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| First Article | <u>To enhance the management of the company's funds lent to others and to reduce operational risks, this operational procedure (hereinafter referred to as this procedure) is established in accordance with Article 36-1 of the Securities and Futures Ordinance. This program shall be handled in accordance with the relevant laws and regulations for any matters not covered herein.</u> | According to the provisions of Article 36-1 of the Securities and Futures Ordinance (hereinafter referred to as "this Ordinance"), these procedures are established to ensure that the fund lending operations of this company are conducted in accordance with established guidelines. | In line with the actual operational needs of the company, modifications are required. |
| Second Article | <p><u>The funds of the company shall not be lent to shareholders or any other parties, except in the following circumstances.</u></p> <p>(I) has business dealings with our company.</p> <p>(II) There is a need for short-term financing between the company and the relevant parties. The financing amount shall not exceed forty percent of the company's net worth.</p> <p>The term "short term" mentioned in the previous section refers to one year. However, for companies with a business cycle longer than one year, the business cycle shall prevail.</p> <p>The financing amount referred to in the preceding paragraph refers to the cumulative balance of the company's short-term financing funds. When the person in charge of the company violates the provisions of the first item and the preceding proviso, they shall be jointly liable for the return with the borrower; if the company suffers any damage, they shall also be liable for compensation for the damage.</p> | <p>Lending Object:</p> <p>(I) has business dealings with our company.</p> <p>(II) There is a need for short-term financing between the company and the relevant parties. The financing amount must not exceed forty percent of the net worth of the borrowing enterprise.</p> <p>The term "short term" mentioned in the previous section refers to one year. However, for companies with a business cycle longer than one year, the business cycle shall prevail.</p> <p>The referred financing amount refers to the cumulative balance of the company's short-term financing funds.</p> <p>The Company directly and indirectly holds one hundred percent of the voting shares of foreign companies engaged in financing lending, or the Company directly and indirectly holds one hundred percent of the voting shares of foreign companies that engage in financing lending, without being subject to the restrictions of the first and second paragraphs. However, it shall still be subject to the limits set for the total amount of financing lending and individual recipients, and the financing lending period must be clearly specified.</p> | In line with the actual operational needs of the company, modifications are required. |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| | | When the company's responsible person violates the provisions of the first item and the preceding clause, they shall bear joint liability for the return with the borrower; if the company suffers any damage, they shall also be liable for compensation for the damage. | |
| Article Three | <p>Total amount of funding loans and individual limits for counterparties</p> <p>1. The total amount of loans granted by the Company shall not exceed forty percent of the Company's net worth; however, due to the necessity of short-term fund transfers between companies or between institutions, the total amount of funds lent to others shall not exceed twenty percent of the Company's net worth.</p> <p>II. The individual loan amount to companies or institutions that have business dealings with our company shall not exceed the amount of business transactions between both parties. The term "business transactions" refers to the higher amount of purchases or sales between both parties in the most recent fiscal year.</p> | <p>Total amount of funding loans and individual limits for counterparties</p> <p>1. The total amount of loans granted by the Company shall not exceed thirty percent of the Company's net worth; however, due to the necessity of short-term fund transfers between companies or with financial institutions, the total amount of funds lent to others shall not exceed twenty percent of the Company's net worth.</p> <p>II. The individual loan amount to companies or institutions that have business dealings with our company shall not exceed the amount of business transactions between both parties. The term "business transactions" refers to the higher amount of purchases or sales between both parties in the most recent fiscal year.</p> | In line with the actual operational needs of the company, modifications are required. |
| | <p>III. Companies or institutions that require short-term financing may borrow an amount not exceeding five percent of the company's net worth. However, if the borrowing party is a foreign subsidiary in which the company holds one hundred percent of the voting shares directly or indirectly, or a foreign company in which the company holds one hundred percent of the voting shares directly and indirectly that engages in financing with the company, the total amount borrowed shall not exceed eighty percent of the lending company's net worth, and the borrowing period shall not exceed five years.</p> | <p>III. Companies or institutions that require short-term financing may borrow an amount not exceeding five percent of the company's net worth. However, if the borrowing entity is a foreign subsidiary in which the company holds one hundred percent of the voting rights, the total amount borrowed shall not exceed eighty percent of the lending company's net worth, and the lending period shall not exceed five years.</p> | |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| Fourth Article | <p>I. Credit Investigation</p> <p>The company shall handle matters related to financing loans, and the borrower must first submit the necessary company information and financial data to the company in writing to apply for the financing amount.</p> <p>After the application is processed by the company, the Finance Department should investigate and evaluate the borrower's business operations, financial condition, debt repayment ability and creditworthiness, profitability, and the purpose of the loan, and prepare a report.</p> <p>The Finance and Accounting Department conducts a detailed assessment and review of the borrower, and the evaluation items should include at least:</p> <p>(I) The necessity and reasonableness of lending funds to others.</p> <p>(II) Assess whether the loan amount must be determined based on the borrower's financial condition.</p> <p>(III) Whether the accumulated capital loan amount is still within the limit.</p> <p>(IV) The impact on the company's operational risks, financial condition, and shareholders' interests.</p> <p>(V) Should collateral and the assessed value of the collateral be obtained.</p> <p>(6) Attached is the borrower's credit and risk assessment record.</p> <p>II. Security</p> <p><u>When the company handles loan matters, it should request the borrower to provide equivalent promissory notes or collateral when necessary. The</u></p> | <p>I. Credit Investigation</p> <p>The company shall handle matters related to financing loans, and the borrower must first submit the necessary company information and financial data to the company in writing to apply for the financing amount.</p> <p>After receiving the application, the company shall have the Finance Department investigate and evaluate the business operations, financial condition, debt repayment ability and creditworthiness, profitability, and purpose of the loan for the borrowing entity, and prepare a report.</p> <p>The Finance and Accounting Department conducts a detailed assessment and review of the lending targets, and the evaluation matters should include at least:</p> <p>(I) The necessity and reasonableness of lending funds to others.</p> <p>(II) Evaluate the financial condition of the borrowing entity to determine whether the loan amount is necessary.</p> <p>(III) Whether the accumulated capital loan amount is still within the limit.</p> <p>(IV) The impact on the company's operational risks, financial condition, and shareholders' interests.</p> <p>(V) Should collateral and the assessed value of the collateral be obtained.</p> <p>(6) Attached are the records of the credit and risk assessment for the funding loan recipients.</p> <p>II. Security</p> <p>When handling financing loan matters, the company shall obtain a corresponding guarantee promissory note and,</p> | <p>Amendment in accordance with the provisions of Article 22 of the "Guidelines for the Handling of Loans and Endorsements by Public Companies".</p> |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| | <p><u>collateral must be pledged or mortgaged.</u> The preceding item of debt security, if the debtor provides a person or company with sufficient resources and credit as a guarantee, in lieu of providing collateral, the board of directors may consult the finance department.</p> | <p>if necessary, arrange for the mortgage of movable or immovable property. The guarantee for the preceding debt claim, if the debtor provides a person or company with sufficient resources and credit as a guarantee instead of providing collateral, the board of directors may consider the credit assessment from the finance department.</p> | |
| | <p>The credit report handling; as the company serves as the guarantor, attention should be paid to whether its articles of association stipulate the terms of the guarantee.</p> <p>III. Scope of Authorization</p> <p><u>The company manages financing and lending matters. After the credit assessment by the finance and accounting department, the evaluation data should be recorded and submitted for approval by more than half of the members of the audit committee before being reported to the board of directors for resolution. Unless more than half of the members of the Audit Committee have agreed, it may be approved by more than two-thirds of the Board of Directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board meeting.</u></p> <p>The company shall submit a board resolution regarding the financing loans between subsidiaries or among subsidiaries in accordance with the provisions of the preceding paragraph, and may authorize the chairman to allocate loans in installments or to utilize them on a revolving basis for the same borrower within a specified amount determined by the board resolution and for</p> | <p>Report handling; as the company is the guarantor, attention should be paid to whether its articles of association stipulate the terms of guarantee.</p> <p>III. Scope of Authorization</p> <p>The company handles financing loan matters, which are processed after being reviewed by the finance department and approved by the general manager, and subsequently submitted for resolution by the board of directors. No other person is authorized to make decisions.</p> <p>The company's subsidiaries or inter-subsidiary financing loans shall be submitted for board resolution in accordance with the provisions of the preceding paragraph, and the chairman may be authorized to disburse loans in installments or on a revolving basis to the same borrower within a certain amount determined by the board resolution and for a period not exceeding one year.</p> <p>The fixed amount referred to in the preceding paragraph, except for those that comply with the provisions of Article 2, Paragraph 4, shall not exceed ten percent of the net value of the most recent financial statements of the Company for the authorization of fund lending to a single enterprise by</p> | |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| | <p>a period not exceeding one year.</p> <p>The so-called fixed amount, except for those that comply with regulations, the authorized amount for fund lending between the company and its subsidiaries or among subsidiaries shall not exceed ten percent of the net asset value as stated in the company's most recent financial statements.</p> <p>The granting of funds should fully consider the opinions of each independent director, and their explicit views and reasons for agreement or disagreement should be recorded in the minutes of the board meeting.</p> | <p>the Company or its subsidiaries.</p> <p>The provision of funds should take into account the views of each independent director, and their explicit opinions or objections, along with the reasons for such objections, should be recorded in the minutes of the board meeting.</p> | |
| Article 6 | <p>I. After the loan disbursement, it is essential to regularly monitor the financial status, business operations, and related credit conditions of the borrower and guarantor. If collateral has been provided, attention should also be given to any changes in its collateral value. In the event of significant changes, the chairman should be notified immediately, and appropriate actions should be taken as per instructions.</p> <p>II. When the borrower repays the loan at maturity or before maturity, they must first calculate the interest payable, and after settling it together with the principal, may then cancel the promissory note loan and return it to the borrower or handle the cancelation of the mortgage.</p> <p>III. The borrower shall repay the principal and interest in full upon the maturity of the loan. If repayment cannot be made upon maturity and an extension is required, a request must be submitted in advance and approved by the Board of Directors. Each extension for</p> | <p>I. After the loan disbursement, it is essential to regularly monitor the financial, business, and related credit conditions of the borrower and guarantor. If collateral has been provided, attention should also be paid to any changes in its collateral value. In the event of significant changes, immediate notification should be made to the Chairman, and appropriate actions should be taken as per instructions.</p> <p>II. Upon the maturity of the loan or its early repayment by the borrower, the interest payable shall be calculated first, and after settling both the interest and the principal, the promissory note loan may then be canceled and returned to the borrower or the mortgage may be discharged.</p> <p>III. The borrower shall repay the principal and interest in full upon the maturity of the loan. If repayment cannot be made upon maturity and an extension is required, a request must be submitted in advance and approved by the Board of Directors. Each extension for</p> | In line with the actual operational needs of the company, modifications are required. |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
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| | repayment shall not exceed three months and shall be limited to one time only. In the event of violation, the company may dispose of and pursue compensation from the collateral or guarantor provided in accordance with the law. | repayment shall not exceed three months and shall be limited to one time only. In the event of violation, the company may dispose of and pursue compensation from the collateral or guarantor provided in accordance with the law. | |
| Seventh Article | <p>I. The company shall establish a record book for the management of financial lending matters, detailing the objects of financial lending, amounts, board approval dates, financial disbursement dates, and matters that should be prudently assessed as required.</p> <p>II. The internal audit personnel of the company shall audit the procedures for lending funds to others at least quarterly and record the execution conditions in writing. If any significant violations are discovered, they shall promptly notify the audit committee in writing. If significant violations are discovered, the responsible persons and the organizers should be penalized according to the nature of the violation.</p> <p>III. Due to changes in circumstances, if the lending counterpart does not comply with the provisions of this procedure or if the balance exceeds the limit, the company shall establish an improvement plan and submit the relevant improvement plan to the audit committee, completing the improvements according to the plan schedule to strengthen the company's internal controls.</p> | <p>I. The company shall establish a record book for the management of financial lending matters, detailing the objects of financial lending, amounts, board approval dates, financial disbursement dates, and matters that should be prudently assessed as required.</p> <p>II. The internal audit personnel of the company shall audit the procedures for lending funds to others at least quarterly and record the execution conditions in writing. If any significant violations are discovered, they shall promptly notify the audit committee in writing. If significant violations are discovered, the responsible persons and the organizers should be penalized according to the nature of the violation.</p> <p>III. Due to the increasing number of circumstances, when the lending balance exceeds the limit, the company shall formulate an improvement plan and submit the relevant improvement plan to the audit committee, completing the improvements according to the schedule in order to strengthen the company's internal controls.</p> | In line with the actual operational needs of the company, modifications are required. |
| Article 8 | <p>I. The Company shall announce the declaration of the fund lending balances of the Company and its subsidiaries for the previous month by the tenth day of each month.</p> <p>II. If the company's loan balance meets one of the following standards, it shall be announced and reported within two days from the date of occurrence. (I)The balance of loans made by the Company and its</p> | <p>I. The Company shall announce the declaration of the fund lending balances of the Company and its subsidiaries for the previous month by the tenth day of each month.</p> <p>II. If the company's loan balance meets one of the following standards, it shall be announced and reported within two days from the date of occurrence. (I)The balance of loans made by the Company and its</p> | In line with the actual operational needs of the company, modifications are required. |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
|-----------|--|---|---|
| | <p>subsidiaries to others exceeds twenty percent of the net asset value as per the Company's most recent financial statements.</p> <p>(II)The company and its subsidiaries have a loan balance to a single enterprise that exceeds ten percent of the company's latest financial statement net worth.</p> <p>(III)The company and its subsidiaries have added new capital loans amounting to NTD ten million or more, which is more than two percent of the company's most recent financial statement net worth.</p> <p>For subsidiaries of this company that are not domestic publicly listed companies, any matters that should be disclosed as stipulated in the preceding paragraph, item three, shall be handled by this company.</p> | <p>subsidiaries to others exceeds twenty percent of the net asset value as per the Company's most recent financial statements.</p> <p>(II)The company and its subsidiaries have a loan balance to a single enterprise that exceeds ten percent of the company's latest financial statement net worth.</p> <p>(III)The company and its subsidiaries have added new capital loans amounting to NTD ten million or more, which is more than two percent of the company's most recent financial statement net worth.</p> <p>For subsidiaries of this company that are not domestic publicly listed companies, any matters that should be disclosed as stipulated in the preceding paragraph, item three, shall be handled by this company.</p> <p>The so called date of occurrence refers to the earlier of the signing date, payment date, board resolution date, or any other date that sufficiently determines the borrowing party and the amount of funds.</p> | |
| Article 9 | <p>1. If the subsidiaries of the Company intend to lend funds to others, they shall establish a procedure for lending funds to others in accordance with this procedure and shall handle it according to the established operating procedures.</p> <p><u>II. Subsidiaries shall prepare a detailed statement of funds lent to others for the previous month by the fifth day of each month and submit it for review to the company.</u></p> <p><u>III. If the subsidiary is a publicly listed company, the internal audit personnel should audit the procedures for lending funds to others and their execution at least quarterly, and create written records. If any significant violations are discovered, they should</u></p> | <p>1. If the subsidiaries of the company intend to lend funds to others, they should establish the operating procedures for lending funds to others in accordance with regulations, and should handle matters according to the established operating procedures.</p> <p>II. The company shall assess the capital lending situation and make appropriate provisions for bad debts, and disclose relevant information in the financial report, providing necessary data to the auditor to carry out the required audit procedures.</p> <p>III. Any matters not covered in this procedure shall be handled in accordance with relevant laws and regulations and the company's related rules.</p> | In line with the actual operational needs of the company, modifications are required. |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
|-------------|---|---|---|
| | <p><u>immediately notify the company's audit unit in writing. The company's audit unit should submit the written materials to the audit committee.</u></p> <p><u>IV. The company's auditors regularly audit the operational procedures of each subsidiary's fund lending to others according to the annual audit plan. If any deficiencies are found, they should continuously track the improvement situation and prepare a follow-up report for the chairman.</u></p> | | |
| Article Ten | <p><u>This program shall be implemented after being approved by more than half of the members of the Audit Committee, and after being submitted to the Board of Directors for resolution, and subsequently submitted to the shareholders' meeting for approval. If any director expresses dissent with a record or written statement, the company shall submit their dissent to the shareholders' meeting for discussion, and the same applies when making amendments.</u></p> <p>If the preceding item is not approved by more than half of the members of the audit committee, it may be carried out with the consent of more than two-thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board meeting.</p> <p>The term "audit committee" refers to all members and the term "board of directors" refers to all directors calculated based on those currently in office.</p> | <p>The company establishes procedures for lending funds to others, which, after being approved by the Board of Directors, shall be submitted to the Audit Committee and reported to the shareholders for consent. If any director expresses dissent and has a record or written statement, the company shall submit the dissent to the Audit Committee and report it to the shareholders' meeting for discussion, and the same applies when amendments are made.</p> <p>When submitting the procedures for lending funds to others in accordance with the preceding provisions for discussion by the board of directors, the opinions of each independent director should be fully considered. If any independent director expresses dissenting opinions or reservations, these should be recorded in the minutes of the board meeting.</p> <p>The company that has established an audit committee shall set or amend the procedures for lending funds to others, which must be approved by more than half of all members of the audit committee and submitted to the board of directors for resolution. The provisions of the second paragraph shall not apply.</p> <p>If the preceding item is not approved by more than half of the members of the audit committee, it may be carried out with the consent of more than two-thirds of all directors, and the resolution of the audit committee shall be recorded in the</p> | In line with the actual operational needs of the company, modifications are required. |

| Article | Revised provisions | Amendment of the previous provisions | Revision Basis or reason |
|---------|--------------------|--|--------------------------|
| | | <p>minutes of the board meeting. The term "audit committee" refers to all members and the term "board of directors" refers to all directors calculated based on those currently in office.</p> <p>If a company establishes an audit committee, the provisions regarding the supervisors shall apply mutatis mutandis to the audit committee.</p> | |

**BILLION ELECTRIC CO., LTD.
List of Candidates for Directors**

| Job Title Category | Name | Education | Experience | Current Position | The name of the government or legal entity represented. | Reasons for the nomination of independent directors for a term of three consecutive terms. |
|--------------------|---|--|--|--|---|--|
| Director | Representative of Yang Ting Holdings Limited: Chen Junyi | National University of Singapore Master of Business Administration Tel Aviv University, Israel | The General Manager of Sheng Chi Green Energy Holdings Limited | The General Manager of Sheng Chi Green Energy Holdings Limited | - | - |
| Director | Jianming Hui | Master's Degree in Business Administration from National Taiwan University | Manager of the Business Management Department of RBS International Commercial Bank, Financial Manager of Xuhong Global Optoelectronics Co., Ltd. | GlobalWafers Co., Ltd. Chief Financial Officer | - | - |

BILLION ELECTRIC CO., LTD.
Details of Proposed Removal of Restrictions on Directors'
Competing Activities

| Name | Currently holding positions in other companies. |
|---|---|
| <p style="text-align: center;">Representative of Yang Ting Holdings Limited: Chen Junyi</p> | <p>The General Manager of Sheng Chi Green Energy Holdings Limited Director of Shengwei Energy Storage Technology Co., Ltd. Chairman of Smart Tech Holdings Limited Chairman of Smart Energy Holdings Limited Director of Shengrui Technology Co., Ltd. Billion Electric Company Limited Board of Directors Billion Energy Corporation Board of Directors Billion Watts Australia PTY LTD Director BILLION AU HOLDING PTY LTD Director Director of Xiaking Holdings Limited</p> |
| <p style="text-align: center;">Jianming Hui</p> | <p>Representative of the Corporate Supervisor of Xuren Energy Holdings Limited Representative of the legal director of Hsiung Hsing (Holdings) Company Representative of the Corporate Director of Renewable Energy (Holdings) Limited Ainier Electric Power Company Limited Legal Representative of the Board of Directors The representative of the corporate director of Xui Ai Energy (Holdings) Limited. Chairman of Xuxin Electric Power (Holdings) Limited Hong Kong Investment (Holdings) Company Limited Corporate Director Representative GlobiTech Incorporated Director GlobalWafers Japan Co., Ltd. Director Kunshan Zhongchen Silicon Co., Ltd. Supervisor Topsil GlobalWafers A/S Board of Directors MEMC Electronic Materials S.p.A. Director MEMC Electronic Materials Sdn. Bhd. Director GlobalWafers GmbH Director Zhaoyuan Technology Co., Ltd. Legal Representative of the Board of Directors Director of Shanghai Zhao Ye Shen Kai Electronic Materials Co., Ltd.</p> |

BILLION ELECTRIC CO., LTD.

Rules of Procedure for Shareholders' Meetings

The shareholders' meeting of Zhonghua approved on 20 August 2021.

- Article One: To establish a sound governance system for the company's shareholders' meetings, enhance supervisory functions, and strengthen management capabilities, these rules are formulated in accordance with the provisions of Article 5 of the Corporate Governance Practice Code for Listed and Over-the-Counter Companies for compliance.
- Article Two: The rules of procedure for the shareholders' meeting of this company shall be governed by these rules, unless otherwise provided by law or the articles of association.
- Third Article: The company's shareholders' meeting shall be convened by the board of directors unless otherwise provided by law.
The company shall send the notice of the shareholders' meeting, proxy form, relevant approval items, discussion items, and explanations of various proposals such as the appointment or dismissal of directors in electronic format to the Public Information Observation Station thirty days prior to the annual general meeting of shareholders or fifteen days prior to the extraordinary general meeting of shareholders. And at least 21 days before the annual general meeting of shareholders or 15 days before the extraordinary general meeting of shareholders, the meeting handbook and supplementary materials shall be prepared in electronic format and sent to the Public Information Observatory. Fifteen days prior to the shareholders' meeting, the meeting handbook and supplementary materials for that shareholders' meeting should be prepared for shareholders to access at any time. These materials should be displayed at the company and at the professional share registration agency appointed by the company, and they should also be distributed on-site at the shareholders' meeting.
Notices and announcements should specify the reasons for the convening; if the notice is agreed upon by the other party, it may be made electronically.
The appointment or removal of directors, amendments to the articles of association, dissolution of the company, mergers, divisions, or matters under Article 185, Paragraph 1 of the Companies Ordinance, Article 26-1 and Article 43-6 of the Securities and Futures Ordinance, as well as Article 26-1 and Article 43-6 of the Securities and Futures Ordinance, and Article 56-1 and Article 60-2 of the Guidelines for the Handling of Issuers' Fundraising and Issuance of Securities shall be listed in the agenda for the meeting and shall not be raised as an ad hoc motion; the main content may be placed on the website designated by the securities regulatory authority or the company, and its URL shall be specified in the notice.
Shareholders holding more than one percent of the total issued shares may submit proposals for the shareholders' general meeting in writing to the Company. However, only one proposal is allowed; proposals

exceeding one will not be included in the agenda. The proposal put forward by another shareholder falls under one of the circumstances specified in Section 172(1)(4) of the Companies Ordinance, and the board of directors may choose not to include it as a resolution.

Shareholders may submit proposals to urge the company to enhance public interest or fulfill social responsibilities. The procedure shall comply with the relevant provisions of Article 172-1 of the Company Law, limited to one proposal. Proposals exceeding one shall not be included in the agenda. The company shall announce the acceptance of shareholder proposals, the place of acceptance, and the acceptance period before the date of suspension of stock transfer prior to the convening of the shareholders' annual meeting; the acceptance period shall not be less than 10 days.

The proposal put forward by shareholders is limited to three hundred words; proposals exceeding three hundred words will not be included. Shareholder proposers must attend the general meeting of shareholders in person or appoint others to attend and participate in the discussion of the proposal.

The company shall notify the proposing shareholders of the handling results prior to the notice date of the shareholders' meeting, and include the proposals that comply with these regulations in the meeting notice. For shareholder proposals not included in the agenda, the board of directors shall explain the reasons for their exclusion at the shareholders' meeting.

- Article Four: Shareholders must present the proxy form issued by the company at each shareholders' meeting, specifying the scope of authorization and the appointed proxy to attend the shareholders' meeting.
- A shareholder shall deliver a power of attorney, limited to the appointment of one person, to the company five days prior to the shareholders' meeting. In the case of multiple powers of attorney, the one that is received first shall prevail. However, the revocation of the previous mandate does not apply to the principal.
- After the delivery of the power of attorney to the company, shareholders who wish to attend the shareholders' meeting in person or wish to exercise their voting rights in writing or electronically must notify the company in writing of the revocation of the power of attorney at least two days prior to the shareholders' meeting; if the revocation is made after this deadline, the voting rights exercised by the proxy will be deemed valid.

- Article Five: The location for the shareholders' meeting should be at the company's registered office or at a venue convenient for shareholders to attend and suitable for holding the meeting. The start time of the meeting must not be earlier than 9:00 AM or later than 3:00 PM. The location and time of the meeting should fully consider the opinions of independent directors.

- Article Six: The company shall specify in the meeting notice the time for shareholders to register, the location for registration, and other matters

that should be noted.

The registration time for shareholders mentioned in the previous section should be conducted at least thirty minutes before the start of the meeting; the registration area should be clearly marked, and adequately qualified personnel should be assigned to handle it. Shareholders, or their appointed agents (hereinafter referred to as "shareholders"), must attend the shareholders' meeting with attendance certificates, attendance sign-in cards, or other attendance documents. The company shall not arbitrarily impose additional requirements for other proof documents based on the proof documents relied upon by shareholders for attendance; those soliciting proxies must also carry identification documents for verification.

The company shall provide a signature book for attending shareholders to sign in, or attending shareholders may submit a sign-in card as a substitute for signing in. The company shall deliver the meeting handbook, annual report, attendance certificate, speaking notes, voting ballots, and other meeting materials to the shareholders attending the general meeting; if there is an election of directors, a ballot for the election should be attached. When the government or a corporation is a shareholder, the representative attending the shareholders' meeting is not limited to one person. When a corporation is entrusted to attend a shareholders' meeting, it may only appoint one person to represent it.

Article Seven: If the shareholders' meeting is convened by the board of directors, the chairman shall preside over it. In the event that the chairman is on leave or unable to exercise his powers for any reason, the vice chairman shall act in his stead. If there is no vice chairman or if the vice chairman is also on leave or unable to exercise his powers for any reason, a managing director designated by the chairman shall act in his stead. If no managing director has been appointed, a director shall be designated to act in his stead. If the chairman has not designated an agent, a managing director or a director shall mutually recommend one person to act in his stead.

The previous chairman shall be appointed by the executive director or a director acting on their behalf, who has served for more than six months and understands the financial and business conditions of the company. The same applies if the chairman is the representative of a corporate director.

The shareholders' meeting convened by the Board of Directors should be personally presided over by the Chairman, and there should be at least half of the directors of the Board present, as well as at least one representative from each functional committee, with the attendance recorded in the minutes of the shareholders' meeting.

If the shareholders' meeting is convened by someone other than the board of directors, the chairperson shall be the convenor. If there are two or more convenors, they shall mutually elect one person to serve as chairperson.

The company shall appoint the designated lawyers, accountants, or

relevant personnel to attend the shareholders' meeting.

Article Eight: The company shall continuously record audio and video of the entire process of shareholder registration, the meeting proceedings, and the voting and counting process from the time of accepting shareholder registration.

The audiovisual materials mentioned in the previous section should be retained for at least one year. However, if a lawsuit is filed by the shareholders in accordance with Article 189 of the Companies Ordinance, it should be preserved until the conclusion of the litigation.

Article Nine: The attendance at the shareholders' meeting shall be calculated based on the number of shares. The number of shares present shall be calculated based on the attendance register or the signed attendance card, including the shares for which voting rights are exercised in writing or electronically.

The meeting time has arrived, and the chairman should announce the commencement of the meeting. However, if no representatives of shareholders holding more than half of the total issued shares are present, the chairman may announce a postponement of the meeting. The number of postponements is limited to two, and the total postponement time must not exceed one hour. If the second postponement still does not have shareholders representing more than one-third of the total number of issued shares present, the chairman shall declare the meeting adjourned.

If the previous item is postponed twice and still insufficient, and shareholders representing more than one-third of the total number of issued shares are present, a provisional resolution may be made in accordance with the provisions of Article 175, Paragraph 1 of the Companies Ordinance, and the provisional resolution shall be notified to all shareholders to reconvene the shareholders' meeting within one month.

Before the conclusion of the meeting, if the number of shares represented by the attending shareholders reaches more than half of the total issued shares, the chairman may submit the proposed resolution again for a vote at the shareholders' meeting in accordance with Article 174 of the Companies Ordinance.

Article Ten: If the shareholders' meeting is convened by the board of directors, the agenda shall be determined by the board of directors, and the meeting shall proceed according to the scheduled agenda, which may not be changed without a resolution of the shareholders' meeting.

If the shareholders' meeting is convened by someone other than the board of directors who has the right to convene, the provisions of the preceding paragraph shall apply accordingly. Before the agenda of the first two items is concluded (including any motions), the Chairman shall not unilaterally announce the adjournment of the meeting without a resolution. If the Chairman violates the rules of procedure and announces the adjournment, the other members of the Board shall promptly assist in convening the shareholders in accordance with legal

procedures, to elect one person to serve as Chairman with the consent of a majority of the voting rights of the attending shareholders, and continue the meeting.

The Chairman shall provide sufficient explanation and discussion opportunities regarding the proposals and amendments or motions raised by shareholders. When it is deemed that the matter has reached a level suitable for voting, the Chairman may announce the cessation of discussion and proceed to a vote.

- Article 11: Before attending the shareholders' speech, it is necessary to fill out a speech form stating the main points of the speech, the shareholder account number (or attendance certificate number), and the account name, with the order of speeches determined by the chairman. Shareholders who only submitted speaking notes but did not speak will be regarded as having not spoken. The content of the speech shall prevail over the notes of the speech if there is any discrepancy. Each shareholder may speak on the same motion no more than twice without the consent of the chairman, and each speech shall not exceed five minutes. However, if a shareholder's speech violates the regulations or exceeds the scope of the agenda, the chairman may terminate their speech.
- When attending the shareholders' speech, other shareholders must not speak or interfere without the consent of the chairman and the speaking shareholder; those who violate this should be stopped by the chairman. When a corporate shareholder appoints more than one representative to attend the shareholders' meeting, only one person may speak on the same proposal.
- After the shareholders' speech, the chairman must personally respond or designate relevant personnel to reply.

- Article 12: The voting at the shareholders' meeting shall be based on the number of shares.
- The resolution of the shareholders' meeting states that the number of shares held by non-voting shareholders shall not be included in the total number of issued shares.
- Shareholders who have a personal interest in matters discussed at the meeting that may harm the interests of the company shall not participate in the voting and shall not act as proxies for other shareholders to exercise their voting rights.
- The number of shares that cannot be voted on shall not be counted towards the voting rights of the shareholders present.
- Except for trust businesses or stock agency institutions approved by the securities regulatory authority, when one person is entrusted by two or more shareholders, the voting rights they represent shall not exceed three percent of the total voting rights of the issued shares. Any voting rights exceeding this limit shall not be counted.

- Article 13: Each shareholder has one vote per share; however, those with restricted voting rights or those listed in Article 179(2) of the Companies Ordinance are not subject to this limitation.

When the company convenes a shareholders' meeting, it may exercise its voting rights in writing or electronically (according to the proviso of Article 177-1, Paragraph 1 of the Company Act, companies that should adopt electronic voting: when the company convenes a shareholders' meeting, it should adopt electronic means and may also exercise its voting rights in writing); the method of exercising voting rights in writing or electronically should be specified in the notice of the shareholders' meeting. Shareholders who exercise their voting rights in writing or electronically shall be deemed to be present in person at the shareholders' meeting. However, regarding the extraordinary motion and the amendment of the original proposal at the shareholders' meeting, it is considered an abstention. Therefore, our company should avoid proposing extraordinary motions and amendments to the original proposal.

Shareholders exercising their voting rights in writing or electronically must deliver their expressions of intent to the company two days prior to the shareholders' meeting. In the case of multiple expressions of intent, the one received first shall prevail. However, the declarant of the revocation is not limited to this.

After shareholders exercise their voting rights in writing or electronically, if they wish to attend the shareholders' meeting in person, they must revoke their previous expression of voting rights in the same manner at least two days prior to the meeting. If the revocation is late, the voting rights exercised in writing or electronically will prevail. If voting rights are exercised in writing or electronically and a proxy is appointed to attend the shareholders' meeting, the voting rights exercised by the proxy will prevail.

The resolution shall be passed with the consent of more than half of the voting rights of the attending shareholders, unless otherwise stipulated by the Companies Ordinance or the Articles of Association of the Company. During the voting process, the chairman or their designated personnel should announce the total number of voting rights of the attending shareholders case by case. The shareholders shall then vote on each case, and on the same day as the shareholders' meeting, the results of the shareholders' approvals, disapprovals, and abstentions shall be entered into the public information observation station.

When the same proposal has amendments or alternatives, the chairman shall determine the order of voting together with the original proposal. If one of the proposals has been approved, the other proposals shall be deemed rejected and no further voting is necessary.

The personnel for monitoring and counting votes for the proposal shall be appointed by the chairman; however, the monitoring personnel must have shareholder status.

The counting of votes for resolutions or elections at the shareholders' meeting shall be conducted publicly within the venue of the shareholders' meeting, and the results of the voting, including the statistics of the voting rights, shall be announced on the spot after the counting is completed and recorded.

- Article 14: When the shareholders' meeting holds elections for directors, it shall be conducted in accordance with the relevant appointment regulations established by the company, and the election results, including the list of elected directors and their voting powers, shall be announced on the spot.
The election ballots for the aforementioned election matters shall be sealed and signed by the polling officer, properly stored, and retained for at least one year. However, if a lawsuit is filed by the shareholders in accordance with Article 189 of the Companies Ordinance, it should be preserved until the conclusion of the litigation.
- Article 15: The resolutions of the shareholders' meeting shall be recorded in the minutes, signed or sealed by the chairman, and distributed to all shareholders within twenty days after the meeting. The production and distribution of the minutes may be done electronically. The distribution of the minutes of the previous item may be conducted by the Company through the announcement method inputted into the Public Information Observation Station.
The minutes of the meeting should accurately record the year, month, day, location, name of the chairman, method of resolution, key points of the proceedings, and their results. They should be permanently preserved during the existence of the company.
- Article 16: The number of shares acquired by the recruiter and the number of shares represented by the proxy shall be clearly disclosed in a statistical table prepared in the prescribed format by the company on the day of the shareholders' meeting.
The resolutions of the shareholders' meeting, if there are any significant information stipulated by laws or regulations of competent authorities, shall be transmitted to the Public Information Observation Station within the prescribed time.
- Article 17: The personnel handling the shareholders' meeting should wear identification badges or armbands.
The chairman must direct the inspectors or security personnel to assist in maintaining order at the venue. When the inspectors or security personnel are present to assist in maintaining order, they should wear an armband or identification badge with the words "Inspector".
If the venue is equipped with amplification equipment, the chairman may stop shareholders from speaking using equipment not provided by the company.
If a shareholder violates the rules of procedure and does not comply with the chairman's correction, obstructing the progress of the meeting, the chairman may instruct the inspectors or security personnel to remove the individual from the venue.
- Article 18: During the meeting, the chairman may announce a break at his discretion. In the event of an irresistible situation, the chairman may decide to temporarily suspend the meeting and announce the time to resume the meeting based on the circumstances.

The agenda set by the shareholders' meeting may, before the conclusion of the proceedings (including any ad hoc motions), be resolved by the shareholders' meeting to seek another venue for the continuation of the meeting if the current venue is no longer available. The shareholders' meeting shall, in accordance with the provisions of Article 182 of the Companies Ordinance, resolve to postpone or continue the meeting within five days.

Article 19: These rules of procedure shall be implemented after approval by the shareholders' meeting, and the same shall apply when amended.

**BILLION ELECTRIC CO., LTD.
Election Procedures for Directors**

The shareholders' meeting of Zhonghua approved on 20 August 2021

- First Article: To ensure the fair, just, and open selection of directors, these regulations are established in accordance with Article 21 and Article 41 of the "Corporate Governance Code for Listed and Over-the-Counter Companies."
- Second Article: The appointment of the directors of the company shall be conducted in accordance with these procedures, unless otherwise stipulated by law or the company's articles of association.
- Article 3: The appointment of directors of the company should consider the overall composition of the board of directors. The composition of the board of directors should consider diversity and formulate appropriate diversity policies based on its own operations, operational models, and development needs, which should include but not be limited to the following two major aspects.
1. Basic conditions and values: gender, age, nationality, and culture, etc.
 - II. Professional Knowledge and Skills: Professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience, etc.
- Members of the Board of Directors should generally possess the knowledge, skills, and qualities necessary to perform their duties, and their overall capabilities should include the following:
- I. Operational judgment ability.
 - II. Accounting and financial analysis capabilities.
 - III. Management Capability.
 - IV. Crisis Management Capability.
 - V. Industry knowledge.
 - VI. International Market Outlook.
 - VII. Leadership skills.
 - VIII. Decision-making ability.
- More than half of the seats among the directors must not have a spousal or relative relationship within the second degree of kinship.
- Article 4: The qualifications of the independent directors of the company shall comply with the provisions of Articles 2, 3, and 4 of the "Regulations Governing the Establishment of Independent Directors in Publicly Issued Companies."
- The appointment of independent directors of the company shall comply with the provisions of Articles 5, 6, 7, 8, and 9 of the "Regulations Governing the Establishment of Independent Directors and Compliance Matters for Publicly Issued Companies" and shall be handled in accordance with the provisions of Article 24 of the "Corporate Governance Best Practice Principles for Listed Companies."
- Article 5: The election of directors of the company shall be conducted in accordance with the candidate nomination system procedures stipulated in Article 192-1 of the Companies Ordinance.
- If the number of directors is less than five due to resignation, the company shall hold a supplementary election at the next shareholders' meeting. However, if the number of vacancies on the board reaches one-third of the seats stipulated in the articles of association, the

company shall convene an extraordinary general meeting of shareholders for re-election within sixty days from the date the fact occurs.

If the number of independent directors is insufficient as stipulated in the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, a supplementary election shall be held at the most recent shareholders' meeting; when all independent directors are dismissed, an extraordinary shareholders' meeting shall be convened within sixty days from the date of the occurrence of the fact to conduct a supplementary election.

- Article 6: The election of directors of the company shall adopt a cumulative voting system, where each share has voting rights equal to the number of directors to be elected, which may be concentrated to elect one person or distributed to elect multiple persons.
- Article 7: The board of directors shall prepare election ballots equal to the number of directors to be elected, and fill in their respective weights, distributing them to the shareholders present at the shareholders' meeting. The names of the voters may be represented by the attendance certificate numbers printed on the ballots.
- Article 8: The directors of the company shall calculate the voting rights for the election of independent directors and non-independent directors according to the quotas specified in the company's articles of association. Those who receive a greater number of votes shall be elected in order. In the event that two or more candidates receive the same number of votes exceeding the stipulated quota, a draw shall be conducted among those with the same number of votes, with the chairman drawing on behalf of those who are absent.
- Article 9: Before the election begins, the chairman should appoint a number of scrutineers and ballot counters who are shareholders to perform various related duties. The ballot box is prepared by the board of directors and is publicly opened and verified by the election supervisor before voting.
- Article 10: Election ballots are invalid under any of the following circumstances:
I. No need for ballots prepared by the convener.
II. Those who cast blank ballots into the ballot box.
III. Illegible handwriting or altered text.
IV. The list of candidates and directors filled in does not match after verification.
V. Except for filling in the allocation of voting rights, those who write other text.
- Article 11: After the voting is completed, the votes will be counted on-site, and the results should be announced by the chairman, including the list of elected directors and their respective voting powers.
The election ballots for the aforementioned election matters shall be sealed and signed by the polling officer, properly stored, and retained for at least one year.
However, if a lawsuit is filed by the shareholders in accordance with Article 189 of the Companies Ordinance, it should be preserved until the conclusion of the litigation.
- Article 12: This measure shall come into effect after being approved by the shareholders' meeting, and the same applies to any amendments.

BILLION ELECTRIC CO., LTD.
Integrity Management Operating Procedures and Code of Conduct
(Before Revision)

The shareholders' meeting of China approved on 5 June 2020.

- Article One:** This company engages in business activities based on the principles of fairness, honesty, integrity, and transparency. To implement the integrity management policy and actively prevent dishonest behavior, this operational procedure and code of conduct have been established in accordance with the "Code of Integrity Management for Listed and Over-the-Counter Companies" and relevant laws and regulations of the locations where the company and its group enterprises operate. This specifically stipulates the matters that company personnel should pay attention to when conducting business.
- This operational procedure and code of conduct apply to the subsidiaries of our company, as well as to foundations and other entities or organizations that have substantial control and have received direct or indirect donations exceeding fifty percent.
- Article Two:** The personnel referred to in this operational procedure and code of conduct are those individuals who are directors, managers, employees, appointees, and individuals with substantial control within the company and its group enterprises and organizations.
- Any improper benefits provided, promised, requested, or received by third parties are presumed to be actions of the personnel of this company.
- Third Article:** The term "dishonest conduct" as referred to in this operational procedure and code of conduct refers to the actions of personnel of this company during the execution of business processes, aimed at obtaining or maintaining benefits, directly or indirectly providing, receiving, promising, or demanding any improper benefits, or engaging in other acts that violate integrity, are unlawful, or breach fiduciary duties.
- The subjects of the preceding actions include public officials, candidates for public office, political parties or party officials, as well as any public or private enterprises or institutions and their directors, supervisors, managers, employees, individuals with substantial control, or other stakeholders.
- Article Four:** The term "benefits" referred to in this operating procedure and code of conduct means any form or name of money, gifts, commissions, positions, services, privileges, rebates, facilitation fees, hospitality, entertainment, and other valuable items.
- Article Five:** The company designates the Audit Department as the dedicated unit (hereinafter referred to as the dedicated unit of the company), which is subordinate to the Board of Directors. It is equipped with sufficient resources and qualified personnel to handle the revision, execution, interpretation, consultation services, and registration of reporting content related to this operational procedure and code of conduct, as well as supervising execution. Its main responsibilities include the following matters, and it shall report to the Board of Directors regularly (at least once a year):

- I. Assist in integrating integrity and ethical values into the company's business strategy, and collaborate with legal systems to establish relevant anti-corruption measures to ensure integrity in operations.
- II. Regularly analyze and assess the risks of dishonest behavior within the scope of operations, and based on this, establish preventive measures against dishonest behavior, including setting up relevant standard operating procedures and behavioral guidelines for each measure.
- III. Plan the internal organization, structure, and responsibilities, and establish a mutual supervision and checks and balances mechanism for business activities with higher risks of dishonesty within the scope of operations.
- IV. Promotion and coordination of integrity policy training.
- V. Establish a reporting system to ensure effective implementation.
- VI. Assist the Board of Directors and management in reviewing and assessing the effectiveness of the preventive measures established for implementing integrity in operations, and regularly evaluate compliance with relevant business processes, preparing reports.
- VII. Prepare and properly maintain documentation related to the integrity management policy and its compliance statement, implementation commitments, and execution status.

Article Six:

When the personnel of this company directly or indirectly provide, receive, promise, or request the benefits stipulated in Article 4, they shall comply with the "Code of Conduct for Integrity Management of Listed and Over-the-Counter Companies" and the provisions of these operational procedures and behavioral guidelines, except in the following circumstances, and shall proceed according to the relevant procedures before doing so:

- I. Based on business needs, when visiting domestically (or abroad), receiving foreign guests, promoting business, and facilitating communication and coordination, actions shall be taken in accordance with local etiquette, customs, or practices.
- II. Participation in or inviting others to normal social activities based on customary social etiquette, business purposes, or relationship enhancement.
- III. Due to business needs, customers are invited or requested to participate in specific business activities, factory visits, etc., and the cost burden method, number of participants, accommodation level, and duration of the aforementioned activities have been clearly stipulated.
- IV. Participate in public folk festival activities that are open to and invite the general public.
- V. Rewards, assistance, condolences, or consolation from the supervisor.
- VI. Other persons who comply with company regulations.

Article Seven:

When the personnel of this company encounter direct or indirect offers or promises of benefits as stipulated in Article 4, except in the circumstances specified in the preceding article, the following procedures shall be followed:

- I. Individuals providing or promising benefits, along with their immediate supervisors who have no vested interests in the matter, shall report to their direct supervisor within three days from the date of receipt and, if necessary, inform the company's designated unit.

II. Individuals who provide or promise benefits and have a conflict of interest with their position should be refunded or refused, and report to their immediate supervisor and inform the company's responsible unit; if a refund is not possible, it should be handled by the company's responsible unit within three days from the date of receipt.

The term "having a vested interest in their duties" refers to those who meet one of the following conditions:

1. Individuals with business dealings, supervisory roles, or those involved in expense reimbursement (awards) relationships.
2. Seeking, entering into, or having established contracts for contracting, buying and selling, or other contractual relationships.
3. Other factors that may be positively or negatively affected by the decisions, execution, or non-execution of the company's business.

The company's dedicated unit should propose appropriate suggestions for the refund, payment acceptance, public return, or donation to charitable organizations based on the nature and value of the first benefit, and execute them after obtaining approval from the general manager.

Article Eight: The company shall not provide or promise any clearing fees. If the personnel of this company provide or promise to facilitate consumers due to threats or intimidation, they should document the process and report it to their direct supervisor, and notify the company's dedicated unit.

The company's dedicated unit should immediately address the notification mentioned above and review the relevant circumstances to reduce the risk of recurrence.

If any illegal activities are discovered, they should be reported to the judicial authorities immediately.

Article Nine: The company and its subsidiaries uphold a position of political neutrality and do not engage in political donations. Company personnel are prohibited from discussing politics or engaging in political activities during working hours and in the workplace, and they must not post political campaign posters, promotional materials, or speeches.

Article Ten: The company and its subsidiaries shall provide charitable donations or sponsorships in accordance with the following matters, which must be approved by the authorized supervisor and notified to the company's dedicated unit. If the amount reaches NTD ONE MILLION, it must be reported to the company's board of directors for approval before proceeding.

I. It should comply with the regulations of the location of operation.

II. Decisions should be documented in writing.

III. The recipients of charitable donations should be charitable organizations and must not be a guise for bribery.

IV. Due to the clarity and reasonableness of the feedback obtained from sponsorship, individuals who are either business counterparts of this company or have a vested interest with personnel of this company are not permitted.

V. After charitable donations or sponsorships, the purpose of the funds should be confirmed to align with the donation objectives.

Article 11: The directors, managers, and other stakeholders present or attending the

board meeting who have a vested interest in the matters discussed at the board meeting, either personally or on behalf of their corporation, shall disclose the important details of their vested interest at that board meeting. If there is a risk of harm to the interests of the company, they shall not participate in the discussion or voting, and they must recuse themselves during the discussion and voting process, and shall not delegate their voting rights to other directors. Directors should also exercise self-discipline and must not inappropriately support each other. The spouse of a director, blood relatives within the second degree, or a company with a controlling relationship with the director, shall be considered as having a personal interest in the matters discussed at the aforementioned meeting.

When the personnel of this company discover a conflict of interest with themselves or the legal entity they represent while executing company business, or situations that may lead to improper benefits for themselves, their spouses, parents, children, or individuals with whom they have a vested interest, they should simultaneously report the relevant circumstances to their immediate supervisor and the company's dedicated unit. The immediate supervisor should provide appropriate guidance. Company personnel are prohibited from using company resources for business activities outside the company, and must not allow participation in business activities outside the company to affect their work performance.

Article Twelve: The company shall establish a dedicated unit responsible for formulating and executing the management, preservation, and confidentiality procedures of the company's trade secrets, trademarks, patents, copyrights, and other intellectual properties. Additionally, it shall regularly review the implementation results to ensure the continuous effectiveness of its operational procedures.

The personnel of this company shall strictly comply with the relevant operational regulations regarding intellectual property as mentioned above, and shall not disclose any business secrets, trademarks, patents, copyrights, or other intellectual property that they are aware of to others. Furthermore, they shall not inquire about or collect any business secrets, trademarks, patents, copyrights, or other intellectual property that are not related to their duties.

Article 13: This company engages in business activities and must comply with the Fair Trade Act and relevant competition laws. It is prohibited from fixing prices, manipulating bids, restricting production and quotas, or sharing or dividing the market through methods such as customer allocation, supplier allocation, operational areas, or types of business.

Article 14: The personnel of this company shall comply with the provisions of the Securities and Futures Ordinance, and shall not engage in insider trading using any non-public information they are aware of, nor shall they disclose such information to others, in order to prevent others from engaging in insider trading using that non-public information. Participants in the company's mergers, splits, acquisitions, and share transfers, important memoranda, strategic alliances, other business cooperation plans, or other significant contracts, shall sign a confidentiality agreement with the company, committing not to disclose any business secrets or other significant information they are aware of to

others, and shall not use such information without the company's consent.

Article 15: The company shall require the directors and senior management to provide a declaration of compliance with the integrity management policy, and shall require employees to adhere to the integrity management policy as a condition of employment.

The company shall disclose its integrity management policy in internal regulations, annual reports, the company website, or other promotional materials, and shall timely declare it at external events such as product launch conferences and investor briefings, ensuring that its suppliers, customers, and other business-related organizations and personnel can clearly understand its integrity management philosophy and standards.

Article 16: Before establishing business relationships with others, the company should first assess the legality and integrity of agents, suppliers, customers, or other business counterparts, as well as whether they have any records of dishonest conduct, to ensure that their business practices are fair, transparent, and do not involve the solicitation, offering, or acceptance of bribes.

When conducting the aforementioned assessment, the company may adopt appropriate verification procedures to review the following matters regarding its business counterparts, in order to understand their integrity in operations:

- I. The country of the enterprise, its place of operation, organizational structure, business policies, and payment locations.
- II. Does the enterprise have a policy for honest business practices and how is it being implemented?
- III. Is the location of the company's operations in a country with a high risk of corruption?
- IV. Is the business of the enterprise in an industry that is at high risk of bribery?
- V. The company's long-term operating conditions and goodwill.
- VI. Consult with its business partners regarding the opinions on the enterprise.
- VII. Has the company ever been involved in any dishonest activities such as bribery or illegal political donations?

Article 17: During the course of engaging in commercial activities, personnel of the company shall explain the company's integrity management policies and relevant regulations to the counterpart, and clearly refuse to directly or indirectly provide, promise, request, or receive any form or name of improper benefits.

Article 18: The personnel of this company should avoid engaging in business transactions with agents, suppliers, customers, or other business counterparts involved in dishonest behavior. If any business dealings or partners are found to have dishonest conduct, all business relations should be immediately terminated, and they should be listed as rejected counterparts to implement the company's integrity management policy.

Article 19: When the company enters into contracts with others, it should fully understand the integrity and operational status of the other party, and incorporate the company's commitment to integrity into the contract terms. The contract should explicitly specify at least the following matters:

1. When either party becomes aware of any personnel violating the contractual provisions prohibiting the acceptance of commissions, kickbacks, or other improper benefits, they shall immediately inform the other party of the identity of such personnel, the manner in which they provided, promised, requested, or received such benefits, the amount, or other improper benefits, and provide relevant evidence and cooperate with the other party's investigation. If one party suffers damage as a result, they may request compensation for the damages from the other party and may deduct the amount from the contract price that is to be paid.
- II. In the event that either party engages in dishonest conduct during business activities, the other party may unconditionally terminate or rescind the contract at any time.
- III. Establish clear and reasonable payment terms, including payment location, method, and compliance with relevant tax regulations.

Article 20:

The company encourages internal and external personnel to report dishonest or improper behavior. Internal personnel who falsely report or maliciously accuse others shall be subject to disciplinary action, and those with serious circumstances shall be dismissed.

The company has established and announced an internal independent reporting mailbox and hotline on its company website and internal website, or has entrusted other external independent organizations to provide reporting mailboxes and hotlines for use by internal and external personnel of the company.

The whistleblower should provide at least the following information:

- I. The name and identity card number of the whistleblower may also be reported anonymously, along with the whistleblower's contact address, phone number, and email.
- II. The name of the person being reported or other information sufficient to identify the characteristics of the person being reported.
- III. Specific evidence available for investigation.

The personnel handling the reporting matters of this company shall provide a written declaration to keep the identity of the whistleblower and the contents of the report confidential. The company also commits to protecting the whistleblower from any improper treatment due to the reporting matter.

The company's dedicated unit shall handle the reporting of incidents according to the following procedures:

1. Reports involving general employees should be submitted to the department head, while reports involving directors or senior executives should be submitted to the independent directors.
- II. The company's dedicated unit and the supervisor or personnel reported in the previous paragraph shall immediately ascertain the relevant facts, and if necessary, assistance shall be provided by the regulatory compliance or other relevant departments.
- III. If it is confirmed that the reported person has violated relevant laws or the company's integrity management policies and regulations, they should be immediately requested to cease the relevant actions, and appropriate measures should be taken. If necessary, reports should be made to the competent authorities, transferred to judicial authorities for investigation, or legal proceedings should be initiated to seek damages, in order to protect the company's reputation and interests.

- IV. Written documents should be retained for the acceptance of reports, the investigation process, and the investigation results, and they must be preserved for five years, which can be done electronically. Before the expiration of the retention period, if a lawsuit related to the reported content occurs, the relevant data should continue to be retained until the conclusion of the lawsuit.
- V. For reported incidents that have been verified as true, the relevant departments of the company should review the related internal control systems and operational procedures, and propose improvement measures to prevent similar incidents from occurring again.

Article 21: If the company's personnel encounter others engaging in dishonest conduct towards the company, and if such conduct involves illegal circumstances, the company shall notify the judicial and prosecutorial authorities of the relevant facts; if it involves public agencies or public officials, the company shall also notify the government integrity agency.

Article 22: The company's dedicated unit shall hold an internal promotion once a year, arranging for the Chairman, General Manager, or senior management to convey the importance of integrity to the directors, employees, and appointees.

The company should incorporate integrity management into employee performance evaluations and human resources policies, establishing clear and effective reward and punishment systems as well as a complaint mechanism.

The company shall dismiss or terminate employees who seriously violate integrity in accordance with relevant laws or the company's personnel regulations.

The company shall disclose on its internal website the job titles, names, violation dates, violation details, and handling circumstances of personnel involved in acts of dishonesty.

Article 23: This operating procedure and code of conduct shall be implemented and reported to the shareholders' meeting after being approved by the Audit Committee and passed by the Board of Directors' resolution; the same applies to amendments.

When presenting this operational procedure and behavioral guidelines for discussion at the board of directors, the opinions of all independent directors should be fully considered, and any dissenting or reserved opinions should be recorded in the minutes of the board meeting. If an independent director is unable to attend the board meeting in person to express dissenting or reserved opinions, they should provide written opinions in advance, except for justifiable reasons, and these should be included in the minutes of the board meeting.

BILLION ELECTRIC CO., LTD.
Code of Conduct for Integrity Management (Before Revision)

The shareholders' meeting of China approved on 14 June 2019.

Article One: Purpose and Scope

1. Purpose: To establish a corporate culture of integrity and sound development, this code of conduct is hereby formulated.
2. Scope: This rule applies to subsidiaries and other entities or legal persons with substantial control capabilities within the group of enterprises and organizations (hereinafter referred to as group enterprises and organizations).

Article Two: Prohibition of Dishonest Conduct

The directors, managers, employees, or individuals with substantial control of the company (hereinafter referred to as "substantial controllers") shall not, during the course of engaging in business activities, directly or indirectly provide, promise, request, or receive any improper benefits, or engage in other acts of dishonesty that violate integrity, are unlawful, or breach fiduciary duties, in order to obtain or maintain benefits (hereinafter referred to as "dishonest acts").

The subjects of the preceding actions include public officials, candidates for political office, political parties or party officials, as well as any public or private enterprises or institutions and their directors, supervisors, managers, employees, substantial controllers, or other stakeholders.

Third Article: The nature of profits

The term "benefits" as referred to in these rules means any valuable items, including any form or denomination of money, gifts, commissions, positions, services, privileges, rebates, etc. However, this does not apply when it is a normal social etiquette and occurs incidentally without affecting specific rights and obligations.

Article Four: Compliance with laws and regulations

The company complies with the Companies Ordinance, the Securities and Futures Ordinance, the Business Registration Ordinance, the Political Donations Ordinance, the Prevention of Bribery Ordinance, the Government Procurement Ordinance, the Prevention of Bribery Ordinance for Public Officials, the relevant regulations for listed companies, or other laws related to business conduct, as a fundamental premise for implementing integrity in operations.

- Article Five:** Policy
- The company, based on the principles of integrity, transparency, and accountability, has established policies grounded in honesty and built a robust corporate governance and risk management mechanism to create a sustainable operating environment.
- Article Six:** Prevention Plan
- The company has clearly and comprehensively established a plan to prevent dishonest behavior (hereinafter referred to as the prevention plan) based on the management philosophy and policies outlined in the previous article, including operational procedures, behavioral guidelines, and education and training.
- Listed and over-the-counter companies should establish preventive measures that comply with the relevant laws and regulations of the company and its group enterprises and the location of their operations. The company will communicate and negotiate with employees or representatives during the process of formulating prevention plans.
- Article Seven:** Scope of the preventive measures
- When establishing prevention plans, the company should analyze business activities within its operational scope that have a higher risk of dishonest behavior and strengthen relevant preventive measures. The company has established preventive measures that should cover the following behaviors:
- I. Bribery and corruption.
 - II. Provide illegal political donations.
 - III. Improper charitable donations or sponsorships.
 - IV. Provide or accept unreasonable gifts, hospitality, or other improper benefits.
- Article Eight:** Commitment and Execution
- The company and its group enterprises and organizations should explicitly state the policy of operating with integrity in their regulations and external documents. The board of directors and management should commit to actively implementing this policy and ensure its effective execution in internal management and external business activities.
- Article Nine:** Integrity in Business Operations
- The company conducts its business activities in a fair and transparent manner. Before engaging in commercial transactions, the company must consider the legality of its agents, suppliers, customers, or other business counterparts, as well as any records of dishonest behavior, to avoid transacting with those who have a history of dishonesty.

This company shall enter into contracts with others, the content of which must include compliance with the integrity management policy. If the counterparty is involved in dishonest conduct, this company may terminate or rescind the contract at any time.

Article Ten: Prohibition of Bribery and Corruption

The Company and its directors, managers, employees, and substantial controllers shall not directly or indirectly provide, promise, request, or receive any form of improper benefits, including kickbacks, commissions, facilitation payments, or improper benefits through other means to customers, agents, contractors, suppliers, public officials, or other stakeholders while conducting business. However, those who comply with the laws of the operating location are not subject to this limitation.

Article 11: Prohibition on Providing Illegal Political Donations

The company and its directors, managers, employees, and substantial controllers shall ensure that any direct or indirect contributions to political parties or organizations or individuals involved in political activities comply with the Political Contributions Act and the company's internal procedures. Such contributions must not be used to seek commercial benefits or transaction advantages.

Article Twelve: Prohibit improper charitable donations or sponsorships

The company and its directors, managers, employees, and substantial controllers shall ensure that charitable donations or sponsorships comply with relevant laws and internal operating procedures, and shall not be used as a means of disguised bribery.

Article 13: Prohibition of unreasonable gifts, hospitality, or other improper benefits.

The company and its directors, managers, employees, and substantial controllers shall not directly or indirectly offer or accept any unreasonable gifts, hospitality, or other improper benefits to establish business relationships or influence business transactions.

Article 14: Organization and Responsibility

The board of directors of the company shall exercise the duty of care of a good manager, supervise the company to prevent dishonest behavior, and regularly review its implementation effectiveness and continuously improve to ensure the enforcement of the integrity management policy. The company is committed to sound integrity management, with the management department responsible for formulating and supervising the implementation of integrity management policies and prevention plans,

and regularly reporting to the board of directors.

Article 15: Compliance with Business Execution Regulations

The directors, managers, employees, and substantial controllers of the company shall comply with legal regulations and preventive measures when conducting business.

Article 16: Avoidance of Conflicts of Interest by Directors and Managers

The company has established a policy to prevent conflicts of interest and provides appropriate channels for directors, managers, and employees to proactively disclose any potential conflicts of interest with the company.

(See the company's "Code of Ethics")

The directors of the company should uphold a high level of self-discipline. For any proposals listed by the board of directors that may have a conflict of interest with themselves or the entities they represent, which could potentially harm the interests of the company, they may express their opinions and respond to inquiries, but they must not participate in discussions or votes. During discussions and votes, they should recuse themselves and must not act on behalf of other directors to exercise their voting rights. Directors should also exercise self-discipline and must not inappropriately support each other.

Directors, managers, and employees of the company shall not use their positions within the company to gain improper benefits for themselves, their spouses, parents, children, or any other individuals.

Article 17: Accounting and Internal Control

The company establishes effective and compliant accounting systems and internal control systems for business activities with a higher risk of dishonest conduct. There shall be no external accounts or secret accounts, and these systems shall be reviewed regularly to ensure that their design and execution remain effective.

The internal audit personnel of the company should regularly verify the compliance with the aforementioned system and prepare an audit report to submit to the board of directors.

Article 18: Standard Operating Procedures and Guidelines

This company establishes operating procedures and conduct guidelines in accordance with Article 6, specifically regulating the matters that directors, managers, employees, and substantial controllers should pay attention to when conducting business. The content should at least cover the following matters:

I. Criteria for determining the provision or acceptance of improper benefits.

- II. Provide the procedures for handling legal political donations.
- III. Provide procedures and amount standards for legitimate charitable donations or sponsorships.
- IV. Regulations to avoid conflicts of interest related to duties, and their declaration and handling procedures.
- V. Confidentiality provisions regarding confidential and commercially sensitive information obtained in business.
- VI. Regulations and procedures for suppliers, customers, and business partners involved in dishonest conduct.
- VII. Procedures for handling violations of the corporate integrity management code.
- VIII. Disciplinary actions taken against violators.
- IX. Code of Ethical Conduct.

Article 19: Education, Training and Assessment

The company shall regularly conduct educational training and advocacy for directors, managers, employees, and substantial controllers, and invite counterparties engaged in business activities with the company to participate, so that they fully understand the company's determination for integrity in operations, policies, preventive measures, and the consequences of violating dishonest behavior.

The company should integrate the integrity management policy with employee performance evaluation and human resources policies, establishing a clear and effective reward and punishment system.

Article 20: Reporting and Disciplinary Action

The company should provide legitimate reporting channels (such as the management department, audit committee, etc.), and must ensure confidentiality regarding the identity of the whistleblower and the content of the report.

The company has established a disciplinary and complaint system for violations of integrity management regulations, and will promptly disclose information on the internal company website regarding the violators' job titles, names, dates of violation, content of the violation, and handling status.

Article 21: Information Disclosure

The company shall disclose its implementation of the Code of Conduct for Integrity Management on its website, in the annual report, and in the prospectus.

Article 22: Review and Revision of the Code of Conduct for Integrity Management

The company should pay close attention to the development of domestic

and international regulations related to integrity management at all times, and encourage directors, managers, and employees to make suggestions in order to review and improve the integrity management guidelines established by the company, thereby enhancing the effectiveness of the company's integrity management.

Article 23:

Implementation

The company's code of integrity management is implemented after being approved by the Board of Directors and submitted to each audit committee and reported to the shareholders' meeting, and the same applies during amendments.

**BILLION ELECTRIC CO., LTD.
Company Articles (Before Revision)**

The shareholders' meeting of China approved on 9 June 2022.

Chapter One: General Provisions

- Article One: This company is organized in accordance with the Companies Ordinance and relevant laws, and is named Sing Tat Electric Company Limited.
- Article 2: The business activities of this company are as follows:
- I. A101020 Agricultural Crop Cultivation Industry
 - II. CC01010 Power Generation, Transmission, and Distribution Machinery Manufacturing Industry
 - III. CC01060 Wired Communication Equipment Manufacturing Industry
 - IV. CC01070 Wireless Communication Equipment Manufacturing Industry
 - V. CC01080 Electronic Components Manufacturing Industry
 - VI. CC01090 Battery Manufacturing Industry
 - VII. CC01100 Telecommunications Regulatory Radio Frequency Equipment Manufacturing Industry
 - VIII. CC01110 Computer and Peripheral Equipment Manufacturing
 - IX.D101060 Renewable Energy Self-Generation Equipment Industry
 - 10E603050 Automatic Control Equipment Engineering
 - XI.E606010 Electrical Equipment Inspection and Maintenance Industry
 - XII.F101130 Fruit and Vegetable Wholesale Industry
 - XIII. F113070 Telecommunications Equipment Wholesale Industry
 - XIV. F113110 Battery Wholesale Industry
 - 15 F118010 Information Software Wholesale Industry
 - XVI. F119010 Electronic Materials Wholesale Industry
 - 17F201010 Agricultural Products Retail Industry
 - XVIII.F401010 International Trade Industry
 - XIX.I103060 Management Consulting Industry
 - 20, I199990 Other Consulting Services Industry
 - 21, I301010 Information Software Services Industry
 - 22, I301030 Electronic Information Supply Services Industry
 23. IF04010 Non-destructive Testing Industry
 24. IG03010 Energy Technology Services Industry
 25. JE01010 Leasing Industry
 26. ZZ99999, in addition to permitted businesses, may engage in businesses that are not prohibited or restricted by law.
- Article Three: The company needs to provide guarantees externally for business purposes.
- Article Four: The company's investments in other businesses are not subject to the limitations on total investments imposed by the Companies Ordinance.
- Article Five: The company is headquartered in New Taipei City, Taiwan. If necessary, branches may be established domestically and internationally by resolution of the Board of Directors in accordance with the law.
- Article Six: (Delete)

Chapter Two: Shares

- Article Seven: The company's capital is NTD TWO BILLION, FIVE HUNDRED MILLION, divided into 250 million shares, with each share priced at NTD TEN, issued in installments. Among the shares mentioned above, NTD ONE HUNDRED AND TWENTY-THREE MILLION, FIVE HUNDRED THOUSAND is divided into 1,235,000 shares, reserved for the exercise of stock options, attached to preferred shares or convertible bonds.
- Article Eight: The shares of the company are all registered, signed or stamped by the directors representing the company, numbered, and issued after being certified in accordance with the law.
The shares issued by the company may be exempt from printing stock certificates, but should be registered with a securities central depository.
- Article Nine: The handling of the company's share registry shall be conducted in accordance with the "Guidelines for the Handling of Share Registries by Publicly Issued Companies" and relevant legal regulations.
- Article Ten: The company will suspend the transfer of shares within five days prior to the record date for the distribution of dividends and bonus shares, as well as thirty days before the extraordinary general meeting of shareholders, and sixty days before the annual general meeting of shareholders.

Chapter Three: Shareholders' Meeting

- Article 11: The shareholders' meeting is divided into two types: the annual general meeting and the extraordinary general meeting. The annual general meeting must be convened at least once a year, within six months after the end of each financial year, by the board of directors in accordance with the law. The extraordinary general meeting is convened as necessary in accordance with the law.
The notice for the shareholders' meeting should be sent to all shareholders thirty days prior to the meeting, while the notice for an extraordinary meeting should be sent fifteen days prior to the meeting, specifying the date, location, and purpose of the meeting.
The company's shareholders' meeting may be held via video conference or in any other manner announced by the central competent authority. The conditions, operating procedures, and other compliance matters for conducting video shareholder meetings must adhere to relevant regulations, unless otherwise specified by the competent authority.
- Article 12: When shareholders are unable to attend the shareholders' meeting for any reason, they may issue a proxy letter issued by the company, specifying the scope of authorization for the appointed agent to attend. However, the power of attorney must be delivered to the company or the designated agency of the company at least five days before the meeting, and in case of duplicates, the one that arrives first shall prevail.
- Article 13: The shareholders' meeting shall be convened by the board of directors, with the chairman serving as the presiding officer. When the chairman is on leave or unable to exercise their powers for any reason, their deputy shall act in accordance with the provisions of Article 208, Paragraph 3 of the Company Law.
When the shareholders' meeting is convened by persons other than the Board of Directors, the convenor shall act as the chairman. If there are two

or more convenors, they shall mutually elect one person to serve as chairman.

The resolutions of the shareholders' meeting shall be conducted in accordance with the company's rules of procedure for the shareholders' meeting.

Article 14: Shareholders of the company, except for those without voting rights according to the law, shall have one vote per share.

According to the regulations set by the competent authority, shareholders of the company may also exercise their voting rights electronically. Shareholders who exercise their voting rights electronically shall be regarded as having attended in person, and related matters shall be handled in accordance with the law.

Article 15: The resolution of the shareholders' meeting, unless otherwise stipulated by the Companies Ordinance, shall require the attendance of shareholders representing more than half of the total issued shares, and shall be carried out with the consent of more than half of the voting rights of the attending shareholders.

Article 16: The resolutions of the shareholders' meeting shall be recorded in the minutes, stating the date, time, and location of the meeting, the name of the chairman, and the method of resolution, as well as summarizing the proceedings and outcomes. The minutes shall be signed or sealed by the chairman and distributed to all shareholders within twenty days after the meeting. The distribution of the minutes mentioned above may be done by announcement.

Chapter Four: Directors and Audit Committee

Article 17: The company shall have seven to nine directors, with a term of three years, and they may be re-elected consecutively. Elected by the shareholders' meeting from among those with legal capacity.

The election of directors of the company adopts a candidate nomination system, and shareholders should vote on the list of director candidates. Each share has voting rights equal to the number of directors to be elected, and may concentrate the election on one person or distribute the election among several individuals, with the candidate receiving the most votes being elected as a director.

The company's board of directors shall appoint independent directors from the aforementioned board positions, and the number of independent directors shall not be less than three. The professional qualifications, shareholding, part-time restrictions, nomination and appointment methods, and other compliance matters of independent directors shall be handled in accordance with the relevant regulations of the securities regulatory authority. The total amount of shares held by all directors in the company shall be handled in accordance with the relevant regulations.

The company shall purchase liability insurance for the directors for any compensation responsibilities incurred during their term of office in relation to the execution of business activities.

According to Article 14-4 of the Securities and Exchange Act, an audit committee shall be established, composed entirely of independent directors. The exercise of its powers and related matters shall be handled

in accordance with relevant laws and regulations.

- Article 18: The convening of the board of directors of this company shall specify the reasons and notify each director seven days in advance; however, in the event of an emergency, it may be convened at any time. The notice of the board meeting may be given in writing, by fax, or by email.
- Article 19: When the number of vacancies on the board of directors reaches one third, the board shall convene a temporary shareholders' meeting within sixty days to fill the vacancies; however, the term shall be limited to the remaining term of the original appointees.
- Article 20: The board of directors shall be organized by the presence of more than two-thirds of the directors, and with the consent of a majority of the attending directors, one person shall be mutually elected as the chairman, and in the same manner, one person shall be mutually elected as the vice chairman. The Chairman represents the company externally and executes all company affairs in accordance with the laws, regulations, and resolutions of the shareholders' meeting and the board of directors.
- Article 21: When the chairman is on leave or unable to exercise his powers for any reason, his deputy shall handle matters in accordance with the provisions of Article 208 of the Company Law. If the board of directors holds a meeting via video conference, directors participating in the meeting via video will be regarded as being present in person.
- Article 22: Unless otherwise provided by the Companies Ordinance, a meeting of the Board of Directors must have the presence of more than half of the directors. If a director cannot attend for any reason, they may issue a proxy and specify the scope of authority for the appointed representative director to attend on their behalf, but each person may only represent one other person. Resolutions shall be passed with the consent of more than half of all attending directors, and the matters resolved must be recorded in the minutes and handled in accordance with the provisions of Article 16 of these Articles of Association.
- Article 23: (Delete).
- Article 24: When the directors execute the business of the company, regardless of profit or loss, the company shall pay remuneration.
- Article 24A: (Deleted).
- Article 25: The remuneration and travel expenses of the chairman and directors shall be determined by the board of directors based on their level of participation in the company's operations and the value of their contributions, taking into account the usual standards in the industry.
- Article 26: The company appoints one general manager, whose appointment, dismissal, and remuneration shall be handled in accordance with the provisions of Article 29 of the Company Law.

Chapter Five: Managers and Staff

- Article 27: (Delete) .

Chapter Six Accounting

- Article 28: The company has a financial year from 1 January to 31 December. The board of directors shall prepare the following documents and submit them to the audit committee for review at least 30 days prior to the annual

general meeting, after which they will be presented for approval at the shareholders' meeting.

I. Business Report.

II. Financial Statements.

III. Proposal for the distribution of profits or the allocation of losses.

Article 29: If the company has profits for the year, it shall allocate no less than two percent for employee remuneration, which shall be distributed in stock or cash as resolved by the board of directors. The recipients of this distribution include employees of subsidiaries that meet certain conditions. The company has resolved to allocate no more than three percent of the aforementioned profit amount as directors' remuneration, as decided by the board of directors. The proposal for the distribution of employee compensation and director remuneration should be reported to the shareholders' meeting.

However, when the company still has accumulated losses, it should reserve the amount for compensation in advance, and then allocate employee remuneration and director remuneration according to the aforementioned ratio.

Article 29: If the company has a surplus in its annual financial statements, it shall pay taxes in accordance with the law, offset any accumulated losses, and then allocate 10% as statutory surplus reserves. However, if the statutory surplus reserves have reached the company's paid-in capital, no further allocation is required. The remaining amount shall be allocated or reversed into special surplus reserves in accordance with legal regulations. If there is still a balance, together with the accumulated undistributed earnings, the board of directors shall draft a proposal for the distribution of earnings to be submitted to the shareholders' meeting for resolution on the distribution of dividends to shareholders.

The company's dividend policy is designed to align with current and future development plans, taking into account the investment environment, funding needs, and domestic and international competitive conditions, while also considering the interests of shareholders. Each year, no less than ten percent of the distributable profits will be allocated to shareholders as dividends. However, if the accumulated distributable profits are less than five percent of the paid-up capital, no distribution may be made when allocating dividends to shareholders. In the year of distribution of shareholder dividends, the proportion of cash dividends shall be based on the principle of not being less than five percent of the total dividends distributed for that year, while the remainder shall be distributed in the form of stock dividends. However, the actual distribution ratio may be adjusted based on the actual profits and operational conditions of that year.

Chapter Seven Supplementary Provisions

Article 30: The matters not covered in the articles of association of the company shall be handled in accordance with the provisions of the Companies Ordinance.

Article 31: The company's organizational regulations and operational procedures shall be determined by a resolution of the Board of Directors.

Article 32: This constitution was established on 28 February 1973, with the first amendment on 4 August 1976, the second amendment on 25 August 1976,

the third amendment on 12 January 1981, the fourth amendment on 28 May 1982, the fifth amendment on 12 June 1984, the sixth amendment on 1 November 1985, the seventh amendment on 30 July 1988, the eighth amendment on 1 April 1989, the ninth amendment on 5 October 1990, the tenth amendment on 26 November 1992, the twelfth amendment on 15 May 1996, the thirteenth amendment on 1 October 1997, the fourteenth amendment on 5 November 1997, the fifteenth amendment on 1 March 1998, the sixteenth amendment on 18 April 1998, the seventeenth amendment on 27 May 2000, the eighteenth amendment on 10 May 2001, the nineteenth amendment on 2 May 2002, the twentieth amendment on 27 May 2003, the twenty-first amendment on 29 June 2005, the twenty-second revision on 14 June 2006, the twenty-third revision on 13 June 2008, the twenty-fourth revision on 19 June 2009, the twenty-fifth revision on 28 May 2010, the twenty-sixth revision on 10 June 2011, the twenty-seventh revision on 27 June 2012, the twenty-eighth revision on 2 June 2015, the twenty-ninth revision on 7 June 2016, the thirtieth revision on 7 June 2017, the thirty-first revision on 5 June 2018, the thirty-second revision on 5 June 2020, and the thirty-third revision on 20 August 2021, and the thirty-fourth revision on 9 June 2022.

BILLION ELECTRIC CO., LTD.

Endorsement Guarantee Operating Procedures (Before Revision)

The shareholders' meeting of China approved on 29 May 2024.

Article One: Purpose

To ensure that the company's external endorsement guarantees are adhered to, this procedure is specially established and shall be handled according to the specified operating procedures. This program shall be handled in accordance with the relevant laws and regulations for any matters not covered herein.

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Article Two: Scope of Application

The endorsement guarantee referred to in this program includes:

- I. Financing endorsement guarantees refer to the discount financing of tickets, which is an endorsement or guarantee made for the purpose of financing another company, and for the purpose of financing our company, guarantees are made by issuing notes to non-financial enterprises.
- II. The customs endorsement guarantee refers to the endorsement or guarantee made by our company or other companies regarding customs matters.
- III. Other endorsements and guarantees refer to endorsements or guarantees that cannot be classified under the first two items.
- IV. The company provides movable or immovable property as collateral for its borrowing by establishing a pledge or mortgage.

This should also be handled in accordance with the provisions of this procedure.

Third Article: Endorsement Guarantee Object

- I. Companies that have business dealings with our company.
- II. Companies directly and indirectly holding more than fifty percent of the voting shares.
- III. Companies holding more than fifty percent of the voting shares directly and indirectly.

The company may provide endorsements and guarantees between companies in which it holds directly or indirectly more than ninety percent of the voting shares, and the amount shall not exceed ten percent of the company's net worth. However, endorsements and guarantees between companies in which the company holds one hundred percent of the voting shares are not subject to this limitation.

Based on the need for contracting projects, mutual guarantees may be provided among peers or co-builders as stipulated in the contract, or due to a joint investment relationship, all contributing shareholders may endorse guarantees for the invested company according to their shareholding ratios. The term "capital contribution" mentioned above refers to the direct capital contribution made by a publicly listed company or through a company that

holds 100% of the voting shares.

The terms "subsidiary" and "parent company" in this program are defined according to the provisions of the financial reporting standards for securities issuers.

The financial reports of publicly listed companies are prepared in accordance with International Financial Reporting Standards. The net assets referred to in the guidelines for the lending and endorsement guarantees of publicly listed companies refer to the equity attributable to the owners of the parent company as stipulated by the financial reporting standards for securities issuers.

Article Four: Amount of Endorsement Guarantee

I. The total amount guaranteed by the company for external endorsement shall not exceed the net value for the current period.

II. The endorsement guarantee limit for a single enterprise shall not exceed fifty percent of the current net value.

III. If the endorsement guarantee amount is engaged due to business relations, it shall not exceed the total amount of transactions with this company in the most recent fiscal year (whichever is higher between the purchase or sales amount between both parties), and must comply with the provisions of the preceding clauses. The net asset value shall be based on the most recent financial statements audited or reviewed by accountants, as stated in the endorsement guarantee.

IV. The total amount guaranteed by the company and its subsidiaries shall not exceed the company's net value for the current period.

Article Five: Decision-making and Authorization Levels

The endorsement guarantee matters of this company shall be submitted to the board of directors for resolution only after being approved by more than half of all members of the audit committee. Unless more than half of the members of the Audit Committee have agreed, it may be approved by more than two-thirds of the Board of Directors, and the resolution of the Audit Committee shall be recorded in the minutes of the Board meeting. However, to meet the timeliness requirement, the chairman must be authorized by the board of directors to proceed with the endorsement guarantee when the accumulated balance does not exceed thirty percent of the current net value, and subsequently report to the next board meeting for ratification.

Before the company endorses a guarantee for subsidiaries that directly or indirectly hold more than ninety percent of the voting shares, it must submit a resolution to the board of directors. However, the company holds a 100% voting share endorsement guarantee from affiliated companies, without limitation.

When the company has appointed independent directors, it should fully consider the opinions of each independent director when endorsing guarantees for others, and include their explicit opinions of agreement or disagreement, along with the reasons for disagreement, in the board meeting records.

Article Six: Endorsement Guarantee Processing Procedures

1. When an endorsed guaranteed enterprise needs to use the endorsed guarantee amount within the quota, it shall provide basic information and financial data, and fill out an application form to submit to the finance department of this company for application. The finance department shall conduct a detailed assessment and carry out credit investigation work. The assessment items include their necessity and reasonableness, the endorsement guarantees arising from business relationships, whether the amount of endorsement guarantees is comparable to the amount of business transactions, the impact on the company's operational risks, financial condition, and shareholders' equity, as well as whether collateral should be obtained and the valuation of such collateral.
- II. The endorsement guarantee register established by the Finance Department shall detail the endorsement guarantee subject, amount, date of approval by the board of directors or date of decision by the chairman, date of endorsement guarantee, matters that should be prudently assessed in accordance with these regulations, contents of the collateral and its assessed value, as well as the conditions and dates for releasing the endorsement guarantee liability.
- III. When a company is guaranteed repayment by endorsement, it should notify our company of the repayment details in order to relieve our company of its guarantee responsibilities, and this should be recorded in the endorsement guarantee register.
- IV. The finance department should disclose information regarding the endorsement guarantees that are assessed or recognized as contingent losses in the financial reports, and provide relevant data to the certified public accountants, so that the accountants can carry out necessary audit procedures and issue an appropriate audit report.

Article 165-1 of the Securities and Futures Ordinance stipulates that foreign companies (hereinafter referred to as foreign companies) that engage in lending funds to others, endorsing for others, or providing guarantees shall handle such matters in accordance with the guidelines for public companies on lending funds and providing endorsements and guarantees.

Foreign companies without a seal may not be subject to the provisions of Article 12, Paragraph 1, Item 7 and Article 17, Paragraph 4 of the Securities and Exchange Act.

The net worth calculated according to the guidelines for the lending of funds and endorsement guarantees by publicly listed companies refers to the equity attributable to the owners of the parent company as stated in the balance sheet.

Article Seven: Seal Custody and Procedures

1. The special seal for endorsement guarantees is the company seal registered with the Ministry of Economic Affairs. This seal should be entrusted to a designated person approved by the board of directors for safekeeping, and the same applies during changes; when handling endorsement guarantees, the procedures stipulated by the company must be followed to ensure the proper use of the seal and the issuance of notes.

- II. When the company provides a guarantee for foreign companies, the guarantee letter issued by the company shall be signed by a person authorized by the board of directors.

Article Eight: Matters to Note When Processing Endorsement Guarantees

- I. The internal audit personnel of the Company shall audit the endorsement guarantee operation procedures and their execution at least once every quarter, and prepare written records. If any significant violations are discovered, they shall promptly notify the Audit Committee in writing.
- II. If the company changes circumstances that cause the endorsed guarantee object, which originally complies with the provisions of Article 3 of this procedure, to subsequently not comply, or if the amount of the endorsed guarantee exceeds the limit set forth in Article 4 of these regulations due to changes in the basis for calculating the limit, the auditing unit shall urge the finance department to eliminate the amount of the endorsed guarantee or the excess portion for that object by the expiration of the contract or within a specified period, and submit the improvement plan to the audit committee, completing the improvements according to the planned schedule and reporting to the board of directors.
- III. Regarding the endorsed guarantee, if the object is a subsidiary with net assets less than half of the paid-in capital.
The subsequent relevant control measures include the necessary acquisition of collateral and the valuation of the collateral, which shall be processed after being submitted to and approved by the board of directors. The explicit opinions of each independent director, whether in agreement or opposition, along with the reasons for any opposition, should be included in the board meeting minutes. The referred paid-up capital mentioned above refers to the paid-up capital of the guaranteed company (subsidiary).

Article Nine: The deadline and content for the announcement should be disclosed.

- I. The Company shall input the endorsement guarantee balance of the Company and its subsidiaries for the previous month into the public information observation station by the tenth day of each month.
- II. If the company endorses a guarantee balance that meets one of the following standards, it shall input the information into the public information observation station within two days from the date of occurrence:
 - (I) The company and its subsidiaries endorse guarantees with a balance exceeding fifty percent of the company's most recent financial statement net worth.
 - (II) The company and its subsidiaries have guaranteed the endorsement balance for a single enterprise, which exceeds twenty percent of the latest net asset value reported in the company's financial statements.
 - (III) The Company and its subsidiaries have endorsement guarantee balances exceeding NTD ten million for a single enterprise, and the total amount of their endorsement guarantees, long-term investments accounted for using the equity method, and loan balances reaches thirty percent of the net asset value in the Company's most recent

financial statements.

(IV)The Company and its subsidiaries have added endorsement guarantee amounts exceeding NTD thirty million and reaching more than five percent of the Company's latest financial statement net worth.

III. For subsidiaries of the Company that are not domestic publicly listed companies, the matters specified in the preceding paragraph, item 4, that should be entered into the public information observation station shall be handled by the Company. The calculation of the proportion of the endorsement guarantee balance of the subsidiary to the net value is based on the proportion of the endorsement guarantee balance of the subsidiary to the net value of the company.

IV. The company shall assess or recognize contingent losses from endorsement guarantees in the financial reports, appropriately disclosing relevant information and providing necessary data to the auditor to carry out required audit procedures.

The term "date of occurrence" refers to the earlier of the signing date, payment date, board resolution date, or any other date that sufficiently confirms the endorsed guarantee subject and amount.

Article Ten: Control Procedures for Endorsement Guarantees for Subsidiaries

1. If the subsidiaries of the company intend to provide endorsements or guarantees for others, they shall establish the endorsement and guarantee operating procedures in accordance with regulations and shall handle matters in accordance with the established operating procedures.
- II. Subsidiaries shall prepare a detailed list of endorsements and guarantees for the previous month by the 10th of each month (exclusive) and submit it for review to the company.
- III. The internal audit personnel of the subsidiaries should conduct audits of the endorsement guarantee operating procedures and their implementation at least quarterly, and create written records. If significant violations are discovered, they should immediately notify the company's audit unit in writing, and the company's audit unit should submit the written materials to the audit committee.
- IV. When the company's auditors conduct audits at subsidiaries according to the annual audit plan, they should also understand the execution status of the endorsement guarantee operating procedures for others by the subsidiaries. If any deficiencies are found, they should continue to track the improvement status and prepare a follow-up report to be submitted to the chairman or general manager.

Article 11: Implementation and Revision

This program shall be implemented after being approved by more than half of the members of the Audit Committee, and after being submitted to the Board of Directors for resolution, and then reported to the shareholders' meeting for approval. If any director expresses dissent with a record or written statement, the Company shall forward their dissent to the Audit Committee and report it to the shareholders' meeting for discussion, and the

same applies when amendments are made.

If the preceding item is not approved by more than half of the members of the audit committee, it may be approved by more than two-thirds of the board of directors, and the resolution of the audit committee shall be recorded in the minutes of the board meeting.

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The term "audit committee" refers to all members and the term "board of directors" refers to those currently in office.

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Article 12: This program shall be handled in accordance with the relevant laws and regulations for any matters not covered herein.

BILLION ELECTRIC CO., LTD.
Procedures for Lending Funds to Others (Before Revision)

The shareholders' meeting of China approved on 14 June 2019.

Article One: Subject

According to the provisions of Article 36-1 of the Securities and Exchange Act (hereinafter referred to as "this Act"), these procedures are established to ensure that the company's funding for lending to others is conducted in accordance with established procedures.

Article Two: 内容

Lending Object:

(I) Those who have business dealings with the company.

(II) There is a need for short-term financing between the company and the parties involved. The financing amount shall not exceed forty percent of the net value of the borrowing enterprise.

The term "short-term" as mentioned in the preceding section refers to one year. However, if the company's operating cycle exceeds one year, the operating cycle shall prevail. The financing amount referred to is the cumulative balance of the company's short-term financing funds.

The Company directly and indirectly holds one hundred percent of the voting shares of foreign companies engaged in lending funds, or the Company directly and indirectly holds one hundred percent of the voting shares of foreign companies that lend funds to such companies, without being subject to the restrictions of the first and second items. However, it should still adhere to the established total amount of lending funds and individual limits for each object, and the term of the lending funds should be clearly specified.

When the company responsible violates the provisions of the first item and the preceding provisions, it shall be jointly liable for the return with the borrower; if the company suffers any damages, it shall also be liable for compensation for the damages.

Third Article: Total amount of funding loans and individual limits for counterparties

1. The total amount of loans granted by the company shall not exceed thirty percent of the company's net worth; however, due to the necessity of short-term financing between companies or with other entities, the total amount of funds lent to others shall not exceed twenty percent of the company's net worth.

II. Companies or entities that have business dealings with our company shall limit individual loan amounts to no more than the amount of business transactions between both parties. The term "business transaction amount" refers to the higher of the purchase or sales amount between both parties in the most recent fiscal year.

III. Companies or entities that require short-term financing may borrow an amount not exceeding five percent of the company's net worth. However, if the borrowing entity is a foreign subsidiary in which the company holds one hundred percent of the voting rights, the total amount borrowed shall not exceed eighty percent of the lending company's net worth, and the

lending period shall not exceed five years.

Article Four: Funding Operating Procedures

I. Credit Investigation

The company handling the funding loan matters should require the borrower to first provide the necessary company information and financial data, and submit a written application to the company for the financing limit.

After the company accepts the application, the Finance Department should investigate and assess the business operations, financial condition, debt repayment ability and creditworthiness, profitability, and purpose of borrowing of the loan applicant, and prepare a report.

The Finance Department conducts a detailed assessment and review of the funding loan recipients, and the evaluation items should include at least:

(I) The necessity and rationality of lending funds to others.

(II) Assess whether the amount of funds to be lent is necessary based on the financial condition of the borrowing entity.

(III) Is the accumulated loan amount still within the limit?

(IV) The impact on the company's operational risks, financial condition, and shareholder equity.

(V) Should collateral and the assessed value of the collateral be obtained.

(VI) Attached are the credit and risk assessment records for the funding loan recipients.

II. Security

When this company handles matters related to fund lending, it should obtain a promissory note of the same amount, and if necessary, arrange for the establishment of a mortgage on movable or immovable property. For the guarantee of the preceding debt, if the debtor provides a person or company with sufficient financial resources and credit as a guarantor in place of providing collateral, the board of directors may handle this based on the credit report from the Ministry of Finance. If a company acts as a guarantor, attention should be paid to whether its articles of association stipulate provisions for guarantees.

III. Scope of Authorization

This company handles matters related to fund lending. After conducting a credit check by the finance department, it is submitted for approval by the general manager and then reported to the board of directors for resolution. No other individuals are authorized to make decisions.

The funding loans between the subsidiaries of the company or among the subsidiaries shall be submitted to the board of directors for resolution in accordance with the provisions of the preceding paragraph, and the chairman of the board may be authorized to disburse loans in installments or to utilize them cyclically within a certain amount and for a period not exceeding one year for the same borrowing entity as per the resolution of the board of directors.

The amount referred to in the preceding paragraph, except for those that comply with the provisions of Article 2, Item 4, shall not exceed ten percent of the net asset value of the company as stated in the most recent financial statements for any single enterprise authorized by the company or its

subsidiaries.

The provision of funding loans should take into account the opinions of each independent director, and their opinions or clear objections and the reasons for such objections should be included in the minutes of the board meeting.

Article Five: Loan Term and Interest Calculation Method

- I. Each loan shall have a term not exceeding one year as a principle. In special circumstances, the loan term may be extended as necessary upon approval by the Board of Directors.
- II. The interest rate for fund lending must not be lower than the average short-term lending rate announced by the company's corresponding bank on the date of borrowing. The company's loan interest is calculated on the principle of monthly interest payments. In special circumstances, adjustments may be made based on actual conditions with the approval of the board of directors.

Article Six: Subsequent control measures for the amount lent and procedures for handling overdue receivables.

- 一、After the loan disbursement, attention should be regularly paid to the financial, business, and related credit status of the borrower and guarantor. If collateral has been provided, one should also monitor whether there have been any changes in its collateral value. In the event of significant changes, the chairman should be notified immediately, and appropriate actions should be taken according to the instructions.
- II. When the borrower repays the loan upon its maturity or in advance, they must first calculate the interest payable, and after repaying it along with the principal, they may cancel the promissory note loan and return it to the borrower or proceed with the cancellation of the mortgage.
- III. The borrower shall repay the principal and interest in full upon the maturity of the loan. If repayment cannot be made upon maturity and an extension is required, a request must be submitted in advance and approved by the board of directors. Each extension for repayment shall not exceed three months and shall be limited to one time only. In the event of a violation, the company may proceed to dispose of and seek compensation from the collateral or guarantor provided in accordance with the law.

Article Seven: Internal Control

- I. The company shall establish a record book for the handling of fund lending matters, detailing the lending counterparties, amounts, the date of board approval, the date of fund disbursement, and matters that should be prudently assessed as required for reference.
- II. The internal audit personnel of the company shall conduct audits of the procedures for lending funds to others at least quarterly and document the execution status in writing. If any significant violations are discovered, they shall promptly notify the audit committee in writing. If significant violations are discovered, the manager and responsible personnel should be penalized according to the nature of the violation.
- III. Due to the increasing number of circumstances, when the lending balance

exceeds the limit, the company shall formulate an improvement plan and submit the relevant improvement plan to the audit committee, completing the improvements according to the schedule in order to strengthen the company's internal controls.

Article Eight: Announcement Declaration

- I. The company shall announce the fund lending balance of the company and its subsidiaries for the previous month by the tenth day of each month.
- II. If the company's loan balance meets one of the following standards, it shall be announced and reported within two days from the date of occurrence.
 - (I) The balance of funds lent by the Company and its subsidiaries to others exceeds twenty percent of the net asset value as per the Company's most recent financial statements.
 - (II) The Company and its subsidiaries have provided loans to a single enterprise with a balance exceeding ten percent of the net asset value as reported in the Company's most recent financial statements.
 - (III) The company and its subsidiaries have added loan amounts exceeding NTD ten million and reaching more than two percent of the company's latest financial statement net worth.

For subsidiaries of this company that are not domestic publicly listed companies, any matters that should be announced and reported as per the provisions of the preceding paragraph shall be carried out by this company. The term "date of occurrence" refers to the earlier of the signing date, payment date, board resolution date, or any other date that sufficiently confirms the lending object and amount.

Article Nine: Other matters

- 一、If the subsidiaries of the company intend to lend funds to others, they should establish the funding of the company in accordance with regulations.

The lending to others shall follow the established operating procedures.
- 二、The company should assess the lending situation of funds and make adequate provisions for bad debts, and in the financial report.

Properly disclose relevant information and provide related data to the certified public accountant to perform necessary audits.

Nuclear Procedures.
- 三、For matters not covered in this operating procedure, they shall be handled in accordance with relevant laws and regulations and the company's related rules.

Article Ten: Effective and Amendments

The company has established procedures for lending funds to others, which, after being approved by the board of directors, will be submitted to the audit committee and reported to the shareholders for consent. If any director expresses dissent and there is a record or written statement, the company shall forward the dissent to the audit committee and report it to the shareholders' meeting for discussion, and the same applies when making amendments. When submitting the procedures for lending funds to others to the Board of Directors for discussion, the opinions of all independent directors should be

fully considered. If any independent director has opposing or reserved opinions, these should be recorded in the minutes of the Board meeting. If the company has established an audit committee, the procedures for lending funds to others must be agreed upon by more than half of all members of the audit committee and submitted for resolution by the board of directors. The provisions of the second paragraph do not apply.

If the preceding item is not approved by more than half of the members of the audit committee, it may be carried out with the consent of more than two-thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board meeting.

The term "audit committee" refers to all members and the term "board of directors" refers to all directors calculated based on those currently in office.

If a company establishes an audit committee, the provisions regarding the supervisors shall apply mutatis mutandis to the audit committee.

Directors' Shareholding Situation

- 1、Types of issued shares and total number of shares: Ordinary shares 116,004,061 shares.
- 2、Minimum number of shares that all directors must legally hold: 9,280,325 shares (note).
- 3、Minimum number of shares that all supervisors must hold: Not applicable (Audit Committee has been established).
- 4、The total number of shares held by all directors has reached the statutory percentage standard.
- 5、Details of Shareholdings by Directors:

Stop Transfer Date: 23 March 2025

| Job Title | Name | Select 任 Date | Term | Appointment Date Holding Shares | | Stop the registration of shares held by shareholders in the register on the record date. | |
|--|--|------------------|---------|------------------------------------|-----------------------|--|-----------------------|
| | | | | Number of shares (shares) | Shareholding Ratio | Number of shares (shares) | Shareholding Ratio |
| Chairman | The representative of Zhongmei Silicon Products Co., Ltd.: Chen Zhenqian | 2024.5.29 | 3 years | 15,000,000 | 12.93% | 15,000,000 | 12.93% |
| Director | Zhang Shumei | 2024.5.29 | 3 years | 40,000 | 0.03% | 60,000 | 0.05% |
| Director | Weng Shengxian | 2024.5.29 | 3 years | 100 | 0.00% | 100 | 0.00% |
| Director | Hong Yuchang | 2024.5.29 | 3 years | 0 | 0 | 0 | 0 |
| Independent Director | Chen Yongyan | 2024.5.29 | 3 years | 0 | 0 | 0 | 0 |
| Independent Director | Zheng Zhengyuan | 2024.5.29 | 3 years | 0 | 0 | 0 | 0 |
| Independent Director | Chen Shijie | 2024.5.29 | 3 years | 0 | 0 | 0 | 0 |
| Total number of shares held by all directors | | | | 15,040,100 | 12.96% | 15,060,100 | 12.98% |

Note: According to Article 2 of the "Regulations on the Shareholding Ratios of Directors and Supervisors of Public Companies and the Implementation of Audits," if a company's paid-in capital exceeds NTD one billion but is below NTD two billion, the total amount of registered shares held by all directors shall not be less than seven percent. Five, appoint more than two independent directors, and the shareholding ratio of all directors other than independent directors shall be reduced to eighty percent.

Other explanatory items

- 1、The impact of this free share distribution on the company's operating performance, earnings per share, and shareholder return on investment:

Note: The company has not disclosed the financial forecast for the year 113, therefore it is not applicable.

- 2、The actual distribution of the surplus for the year 2023 is consistent with the proposed distribution approved by the Board of Directors.

According to the letter No. 0960013218 issued by the Financial Supervisory Commission of the Executive Yuan on 30 March 2007, the relevant information regarding employee bonuses and remuneration for directors and supervisors is as follows:

| Allocation Item | Proposed Amount of Share Allocation by the Board of Directors (A) | Recognition of expense annual estimated amount (B) | Difference Amount (A-B) | Reason for Variance and Handling situation |
|--|---|--|-------------------------|--|
| Employee Cash Bonus | 3,500,000 | 3,500,000 | 0 | none |
| Employee Stock Bonus | 0 | 0 | 0 | none |
| Directors' and Supervisors' Remuneration | 1,200,000 | 1,200,000 | 0 | none |

3 Information Related to Shareholder Proposals

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- (1) According to the provisions of Section 172(1) of the Companies Ordinance, shareholders holding more than one percent of the total issued shares may submit a written proposal for the annual general meeting of shareholders to the company, limited to one proposal, and the proposal shall not exceed three hundred words.
- (2) This company will handle shareholder proposal applications during the period from 16 March 2025 to 26 March 2025, and has legally announced it on the Public Information Observation Station.
- (3) The company has not received any shareholder proposals.

The logo for Billion, featuring the word "BILLION" in a bold, italicized, sans-serif font. The text is white and is flanked by two horizontal white lines, one above and one below. A registered trademark symbol (®) is located at the end of the word. The logo is centered within a large blue arrow pointing to the right, which is set against a background of white and light blue geometric shapes.

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