

Billion Electric Co., Ltd.

Minutes of the 114th Annual General Meeting of Shareholders

Date: May 22, 2025 (Thursday) at 9:00 AM China time

Location: 4th Floor, No. 192, Section 2, Zhongxing Road, Xindian District,
New Taipei City (16th Floor Conference Room, Headquarters)

Number of The total number of shares represented by shareholders present
shares and by proxy is 70,828,440 shares (including 16,816,098 shares
present: attending and exercising voting rights electronically), accounting for
61.63% of the company's total issued shares of 116,039,561
shares, excluding 1,126,000 shares with no voting rights as
stipulated in Article 179 of the Company Act.

Chairman: Zhen-Qian ChenChairman

Record: Shi-Jie Wang

Attend in Chairman Zhen-Qian Chen, Director Shu-Mei Chang, Director
person: Shen-Xian Weng, Independent Director Yung-Yen Chen (Audit
Committee Convener), Independent Director Zheng-Yuan Zheng,
Independent Director Shi-Jie Chen

A total of 6 directors attended, exceeding half of the 7 director
seats.

Attendees: KPMG Xin-Yi Guo, CPA

I. Announce the meeting

I. Chairman's speech: (omitted).

II. Report items

First case: 2024 Annual Business Report for your review.

Explanation: Please refer to Attachment 1 for the business report.

Case 2: The Audit Committee reviewed the 2024 financial statements and
reports for approval.

Explanation: I. The company's 2024 annual financial statements have been
approved by the board of directors, reviewed by the audit
committee, and audited by KPMG Taiwan accountants Kou
Huizhi and Guo Xinyi.

II. Kindly request the audit committee to read the audit report.
Please refer to Attachment 2.

Case 3: Report on the execution of treasury stock buyback

Explanation: The repurchase of treasury stock is as follows:

Buyback period	29 December 2020-01	22 June 2021- 09 August 2021	10 August 2022-
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	February 2021		28 September 2022
1. Number of shares repurchased:	1,200,000 shares	800,000 shares	168,000 shares
Total repurchase amount:	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
Accumulated shares held by the company:	1,200,000 shares	2,000,000 shares	1,191,000 shares
Accumulated treasury shares held as a percentage of the company's shares:	1.21%	2.02%	1.202%
6. Purpose of repurchase:	Transfer to employees	Transfer to employees	Transfer to employees
7. Implementation status:	(1) On 30 September 2021, transfer 962,000 shares to employees. (2) On 22 September 2022, transfer 15,000 shares to employees. (3) Transfer 25,000 shares to employees on 17 March 2023 (4) Transfer 20,000 shares to employees on 08 December 2023 (5) Transfer 20,000 shares to employees on 19 March 2025	Not yet transferred	Not yet transferred
	Remaining shares 158,000 shares	Accumulated remaining shares 958,000 shares	Accumulated remaining shares 1,126,000 shares

Case 4: 2024 Annual Report on Directors' Remuneration

Explanation: I. The company's 2024 annual director remuneration is NTD 0.

II. Regarding the remuneration received by directors, including remuneration policy, individual remuneration details, and amounts, please refer to Attachment 3.

Case 5: Report on the Revision of Certain Provisions of the "Integrity Management Operating Procedures and Code of Conduct"

Explanation: For the revised provisions of the "Integrity Management Operating Procedures and Code of Conduct," please refer to Appendix 6.

Case 6: Report on Amendments to the "Code of Conduct for Honest Business"

Explanation: For the comparison table of the amendments to the "Code of Conduct for Integrity Management," please refer to Appendix 7.

Section 3: Acknowledgements

First case: 2024 Annual Business Report and Financial Statements for approval.
(Proposed by the Board of Directors)

Explanation: 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, with a review report issued. The Financial Statements have been audited and certified by accountants Kou Huizhi and Guo Xinyi of KPMG, and are submitted for acknowledgment only.

II. Please refer to Appendix 1 and Appendix 4 for the aforementioned auditor's report, financial statements, and business report.

Resolution: The voting results of this proposal are as follows:
Voting rights of shareholders present at the time of voting: 70,828,440 rights

Voting results	Number of voting rights of shareholders present
70,337,921 votes in favour (Including 16,325,579 electronic voting rights)	99.30%
Opposition rights 12,138 rights (Including 12,138 electronic voting rights)	0.01%
Abstained/Unvoted shares: 478,381 shares (Including 478,381 electronic voting rights)	0.67%

The case was passed as originally proposed.

There were no questions from shareholders regarding this case.

Case 2: 2024 Annual Loss Compensation Plan. (Proposed by the Board of Directors)

- 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.

Resolution: The voting results of this proposal are as follows:
Voting rights of shareholders present at the time of voting: 70,828,440 rights

Voting results	Number of voting rights of shareholders present
70,284,722 votes in favour (Including 16,272,380 electronic voting rights)	99.23%
63,328 dissenting votes (Including 63,328 electronic voting rights)	0.08%
Abstained/Unvoted shares: 480,390 shares (Including 480,390 electronic voting rights)	0.67%

The case was passed as originally proposed.
There were no questions from shareholders regarding this case.

IV. Discussion Items

First case: Amendments to Certain Provisions of the Company's "Articles of

Association"

- Explanation:
- I. For the comparison table of the amendments to the "Articles of Association", please refer to Appendix 8.
 - II. Propose a public resolution.

Resolution: The voting results of this proposal are as follows:
Voting rights of shareholders present at the time of voting: 70,828,440 rights

Voting results	Number of voting rights of shareholders present
70,289,606 votes in favour (Including 16,277,264 electronic voting rights)	99.23%
Opposition rights 63,171 rights (Including 63,171 electronic voting rights)	0.08%
Abstained/Unvoted shares: 475,663 shares (Including 475,663 electronic voting rights)	0.67%

The case was passed as originally proposed.

There were no questions from shareholders regarding this case.

Case 2: Amendments to Certain Provisions of the Company's "Endorsement Guarantee Operating Procedures". (Board of Directors proposed)

- Explanation:
- I. For the "Endorsement Guarantee Operating Procedures" amendment comparison table, please refer to Appendix 9.
 - II. Propose a public resolution.

Resolution: The voting results of this proposal are as follows:
Voting rights of shareholders present at the time of voting: 70,828,440 rights

Voting results	Number of voting rights of shareholders present
70,289,457 votes in favour (Including 16,277,115 electronic voting rights)	99.23%
63,321 dissenting votes	0.08%

(Including 63,321 electronic voting rights)	
Abstained/Unvoted shares: 475,662 shares (Including 475,662 electronic voting rights)	0.67%

The case was passed as originally proposed.

There were no questions from shareholders regarding this case.

Case 3: Amendment to Certain Provisions of the Company's "Procedures for Lending Funds to Others". (Board of Directors proposed)

Explanation: I. For the "Procedures for Lending Funds to Others" amendment comparison table, please refer to Appendix 10.

II. Propose a public resolution.

Resolution: The voting results of this proposal are as follows:
Voting rights of shareholders present at the time of voting: 70,057,488 rights

Voting results	Number of voting rights of shareholders present
70,057,488 votes in favour (Including 16,045,146 electronic voting rights)	98.91%
292,198 dissenting votes (Including 292,198 electronic voting rights)	0.41%
Abstained/Unvoted shares: 478,754 shares (Including 478,754 electronic voting rights)	0.67%

The case was passed as originally proposed.

There were no questions from shareholders regarding this case.

V. Election matters

First case: Board By-election Proposal (Proposed by the Board)

Explanation: 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.

III. Please vote.

Election results: The list of elected directors and their respective vote counts are as follows:

Identity	Electee's household name	Voting rights
Director	Jian Ming-Hui	69,829,574 shares
Director	Chen Chun-Yi, Representative of Yang Ting Co., Ltd.	69,761,813 shares

VI. Other proposals

First case: Lifting the non-compete restriction on the new director. (Board of Directors proposed)

Explanation:

- I. According to Article 209 of the Company Act, when the directors and their representatives of the Company engage in activities within the scope of the Company's business for themselves or others, they shall explain the important contents of their actions to the shareholders' meeting and obtain its approval.
- II. To leverage the expertise and relevant experience of the newly elected directors of the company, it is proposed to request the shareholders' meeting to agree to lift the non-compete restrictions on the new directors and their representatives. For details on the proposed lifting of non-compete restrictions for directors, please refer to Attachment 9.

III. Submit for resolution.

Resolution: The voting results of this proposal are as follows:
Voting rights of shareholders present at the time of voting: 70,828,440 rights

Voting results	Number of voting rights of shareholders present
69,875,693 votes in favour (Including 15,863,351 electronic voting rights)	98.65%
359,475 dissenting votes	0.50%

(Including 359,475 electronic voting rights)	
Abstained/Unvoted shares: 593,272 shares (Including 593,272 electronic voting rights)	0.83%

The case was passed as originally proposed.

There were no questions from shareholders regarding this case.

VI. Ad hoc motion: None.

VII. Adjournment

No shareholders raised questions on any proposals at this shareholders' 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	Finance Report Internal There is a public Company	This Public Company	Finance Report Internal There is a public Company	This Public Company	Finance Report Internal There is a public Company	This Public Company	Finance Report Internal There is a public Company	This company		All companies in the financial report		This Public Company	Finance Report Internal There is a public 司	
Cash Amount	Stock Amount															Cash Amount	Stock Amount					
Chairman	Chen Zhongting	120	120	0	0	0	80	0	0	-0.48	-0.81	2,235	2,235	39	39	0	0	80	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	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	59	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	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	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	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	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	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	0	-0.98	-0.98	0

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.
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.
Note 2	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 shall be handled in accordance with the "Directors' Remuneration Payment Guidelines."
Note 3	
Note 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. Due to losses in the fiscal year 2024, no director's remuneration will be distributed. 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.

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				December 31, 2024		December 31, 2023	
Assets		Amount	%	Amount	%	Liabilities and Equity		Amount	%	Amount	%
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)	18,291	1	29,680	1	2220	Other payable - related parties (Notes 6(28) and 7)	81,166	3	6,574	-
1200	Other receivables (Notes 6(5), (6) and (28))	8,075	-	15,153	-	2230	Income tax liabilities for the current period (Note 6(21))	-	-	715	-
1210	Other receivables - related parties (Notes 6(6),(28) and 7)	11,186	-	29,925	1	2250	Provision for liabilities - current (Note 6(19))	-	-	9,394	1
1220	Income tax assets in the current period	2,613	-	-	-	2280	Lease liabilities - current (Note 6(18))	6,542	-	6,175	-
1300	Net inventories (Note 6(7))	75,468	3	74,448	3	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))	23,240	1	21,134	1	2300	Other current liabilities	6,994	-	9,636	1
1482	Contract performance costs - current (Note 6(25))	13,414	1	14,845	1		Total Current Liabilities	318,145	13	137,464	6
	Total Current Assets	503,332	20	781,275	32		Non-Current Liabilities:				
Non-Current Assets:						2540	Long-term borrowings (Notes 6(17) and (28))	-	-	30,823	1
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 6(3) and (28))	60,401	2	69,327	3	2570	Deferred income tax assets (Note 6(21))	30,500	1	25,988	1
1535	Financial assets at amortized cost - non-current (Notes 6(4) and (28))	389,119	15	370,283	15	2580	Lease liabilities - non-current (Note 6(18) and (28))	35,811	1	40,179	2
1550	Investments using the equity method (Notes 6(8), (9), (10) and (11))	825,371	33	636,681	26	2640	Net defined benefit liabilities - non-current (Note 6(20))	9,377	-	16,168	1
1600	Property, plant and equipment (Note 6(12))	552,113	22	428,918	18	2645	Guarantee deposits received	2,374	-	1,472	-
1755	Right-of-use assets (Note 6(13))	41,232	2	45,825	2		Total Non-Current Liabilities	78,062	2	114,630	5
1760	Investment property (Note 6(14))	73,316	3	60,231	3		Total Liabilities	396,207	15	252,094	11
1780	Intangible assets	581	-	717	-		Equity (Note 6(22)):				
1840	Deferred income tax liabilities (Note 6(21))	15,742	1	15,158	1	3110	Capital Stock - Common Shares	1,155,328	46	1,154,191	48
1900	Other non-current assets (Note 6(15))	46,514	2	15,044	-	3140	Advance receipts for ordinary shares	4,713	-	297	-
	Total Non-Current Assets	2,004,389	80	1,642,184	68			1,160,041	46	1,154,488	48
						3200	Capital surplus	692,146	28	692,696	28
							Retained earnings:				
						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
								313,760	13	380,701	15
							Other equity:				
						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	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	\$ 996,973	1,205	308,439	215,979	75,152	47,216	338,347	(6,080)	(41,492)	(47,572)	(25,913)	1,571,479
Net profit for the period	-	-	-	-	-	71,148	71,148	-	-	-	-	71,148
Other comprehensive income for the year	-	-	-	-	-	593	593	(26)	16,135	16,109	-	16,702
Total comprehensive income for the year	-	-	-	-	-	71,741	71,741	(26)	16,135	16,109	-	87,850
Earnings appropriation and distribution:												
Provision of legal reserve	-	-	-	4,309	-	(4,309)	-	-	-	-	-	-
Cash dividends - common shares	-	-	-	-	-	(29,387)	(29,387)	-	-	-	-	(29,387)
Reversed special reserve	-	-	-	-	(18,278)	18,278	-	-	-	-	-	-
Cash capital increase	150,000	-	379,800	-	-	-	-	-	-	-	-	529,800
Difference between actual acquisition or disposal of equity interest in a subsidiary and its carrying value	-	-	702	-	-	-	-	-	-	-	-	702
Share-based payment transactions	6,013	297	3,755	-	-	-	-	-	-	-	856	10,921
Advance receipts for ordinary shares turned share capital	1,205	(1,205)	-	-	-	-	-	-	-	-	-	-
Balance as of December 31, 2023	1,154,191	297	692,696	220,288	56,874	103,539	380,701	(6,106)	(25,357)	(31,463)	(25,057)	2,171,365
Net loss for the period	-	-	-	-	-	(24,753)	(24,753)	-	-	-	-	(24,753)
Other comprehensive income for the year	-	-	-	-	-	2,492	2,492	11,346	(9,259)	2,087	-	4,579
Total comprehensive income for the year	-	-	-	-	-	(22,261)	(22,261)	11,346	(9,259)	2,087	-	(20,174)
Earnings appropriation and distribution:												
Provision of legal reserve	-	-	-	7,174	-	(7,174)	-	-	-	-	-	-
Cash dividends - common shares	-	-	-	-	-	(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)
Share-based payment transactions	840	4,713	2,122	-	-	-	-	-	-	-	-	7,675
Advance receipts for ordinary shares turned share capital	297	(297)	-	-	-	-	-	-	-	-	-	-
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)	(29,376)	(25,057)	2,111,514

(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

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

Unit: NT\$ Thousand

Assets		December 31, 2024		December 31, 2023		Liabilities and Equity		December 31, 2024		December 31, 2023	
		Amount	%	Amount	%			Amount	%	Amount	%
Current Assets:						Current Liabilities:					
1100	Cash and cash equivalents (Notes 6(1) and (30))	\$ 660,036	17	849,660	23	2100	Short-term borrowings (Notes 6(18), (30) and (33))	\$ 262,855	7	148,700	4
1110	Financial assets at fair value through profit or loss - current (Notes 6(2) and (30))	3,126	-	33,407	1	2110	Short-term notes and bills payable (Notes 6(17), (30) and (33))	79,914	2	29,898	1
1136	Financial assets at amortized cost - current (Notes 6(4) and (30), and 8)	124,886	3	80,378	2	2130	Contract liabilities - current (Notes 6(27) and 7)	684,212	18	582,129	16
1140	Contract asset- current (Notes 6(27) and 7)	192,149	5	68,976	2	2150	Notes payable (Notes 6(30))	227	-	629	-
1150	Net notes receivable (Notes 6(5), (27) and (30))	10,034	-	16,980	-	2170	Accounts payable (Note 6(30))	106,436	3	188,793	5
1170	Net accounts receivable (Notes 6(5), (27) and (30))	129,073	3	115,753	3	2200	Other payables (Note 6(30))	91,259	2	92,455	4
1200	Other receivables (Notes 6(5), (6) and (30))	15,456	-	18,351	1	2230	Current tax liabilities	19,007	-	27,036	1
1220	current tax assets	7,034	-	-	-	2250	Current provisions (Note 6(21))	-	-	9,394	-
130X	Inventories (Note 6(7))	286,767	7	333,616	9	2280	Lease liabilities - current (Notes 6(20), (30) and (33))	15,061	-	10,913	-
1470	Other current assets (Note 6(16))	46,986	1	55,490	2	2320	Current portion of long-term liabilities (Notes 6(19), (30) and (33))	24,671	1	29,150	1
1482	Contract performance costs - current (Note 6(27))	848,227	22	819,313	23	2300	Other current liabilities	11,626	-	15,213	-
Total Current Assets		2,323,774	58	2,391,924	66	Total Current Liabilities		1,295,268	33	1,134,310	32
Non-Current Assets:						Non-current Liabilities:					
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 6(3)and (30))	66,017	2	69,327	2	2540	Long-term borrowings (Notes 6(19), (30) and (33))	1,389	-	35,545	1
1535	Financial assets at amortized cost - non-current (Notes 6(4), (30) and 8)	389,119	10	370,283	10	2570	Deferred income tax liabilities (Note 6(23))	30,583	1	25,991	1
1550	Investment accounted for using equity method (Note 6(8))	24,315	1	27,199	1	2580	Lease liabilities - non-current (Notes 6(20), (30) and (33))	58,767	2	48,699	1
1600	Property, plant, and equipment (Note 6(12) and 8)	835,455	22	590,059	16	2640	Net defined benefit liabilities - non-current (Note 6(22))	9,377	-	16,168	-
1755	Right-of-use assets (Note 6(13))	71,779	2	58,379	2	2645	Guarantee deposits received	6,482	-	2,090	-
1760	Investment property (Note 6(14) and 8)	20,981	1	60,231	2	Total Non-Current Liabilities		106,598	3	128,493	3
1780	Intangible assets (Note 6(15))	53,038	1	5,908	-	Total Liabilities		1,401,866	36	1,262,803	35
1840	Deferred income tax assets (Note 6(23))	21,593	1	15,733	-	Equity (Note 6(24)) :					
1900	Other non-current assets (Note 6(16))	75,229	2	39,758	1	3110	Ordinary shares capital	1,155,328	30	1,154,191	32
Total Non-Current Assets		1,557,526	42	1,236,877	34	3140	Advance receipts for ordinary shares	4,713	-	297	-
Total Assets		\$ 3,881,300	100	3,628,801	100	3200	Capital surplus	1,160,041	30	1,154,488	32
							Retained earnings:	692,146	19	692,696	19
						3310	Legal reserve	227,462	6	220,288	6
						3320	Special reserve	40,765	1	56,874	2
						3350	Unappropriated earnings	45,533	1	103,539	3
								313,760	8	380,701	11
						Other equity:					
						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 attributable to owners of the Company	2,111,514	55	2,171,365	60
						36XX	Non-controlling interests	367,920	9	194,633	5
						Total Equity		2,479,434	64	2,365,998	65
						Total Liabilities and Equity		\$ 3,881,300	100	3,628,801	100

(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: NT\$ 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
\$ 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
-	-	-	-	-	71,148	71,148	-	-	-	71,148	41,105	112,253
-	-	-	-	-	593	593	(26)	16,135	-	16,702	(6)	16,696
-	-	-	-	-	71,741	71,741	(26)	16,135	-	87,850	41,099	128,949
-	-	-	4,309	-	(4,309)	-	-	-	-	-	-	-
-	-	-	-	-	(29,387)	(29,387)	-	-	-	(29,387)	-	(29,387)
-	-	-	-	(18,278)	18,278	-	-	-	-	-	-	-
150,000	-	379,800	-	-	-	-	-	-	-	529,800	-	529,800
-	-	702	-	-	-	-	-	-	-	702	1,263	1,965
6,013	297	3,755	-	-	-	-	-	-	856	10,921	63	10,984
1,205	(1,205)	-	-	-	-	-	-	-	-	-	(195)	(195)
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
-	-	-	-	-	(24,753)	(24,753)	-	-	-	(24,753)	41,661	16,908
-	-	-	-	-	2,492	2,492	11,346	(9,259)	-	4,579	1,130	5,709
-	-	-	-	-	(22,261)	(22,261)	11,346	(9,259)	-	(20,174)	42,791	22,617
-	-	-	7,174	-	(7,174)	-	-	-	-	-	-	-
-	-	-	-	-	(42,298)	(42,298)	-	-	-	(42,298)	-	(42,298)
-	-	-	-	(16,109)	16,109	-	-	-	-	-	-	-
-	-	(2,672)	-	-	(2,382)	(2,382)	-	-	-	(5,054)	(27,312)	(32,366)
840	4,713	2,122	-	-	-	-	-	-	-	7,675	79	7,754
297	(297)	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	157,792	157,792
\$ 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
	<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
			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
			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
<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
	<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 (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
			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
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
	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
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
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
	<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>I. 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>I. 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
	<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
	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
	<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
	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
		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
	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
	<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
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
		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
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
	<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
	<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
	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.
Representative of Yang Ting Holdings Limited: Chen Junyi	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
Jianming Hui	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.