

Billion Electric Co., Ltd.

Minutes of the 115th Annual General Meeting of Shareholders

Date: May 21, 2026 (Thursday) at 9:00 AM China time

Location: 8th 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 80,826,849 shares (including 18,235,853 shares
present: attending and exercising voting rights electronically), accounting for
62.65% of the company's total issued shares of 129,960,299
shares, excluding 948,000 shares with no voting rights as stipulated
in Article 179 of the Company Act.

Chairman: Zhen-Qian Chen Chairman

Record: Shi-Jie Wang

Attend in Chairman Zhen-Qian Chen, Director Shu-Mei Chang, Director
person: Ming-Hui Chien, Director Chun-Yi Chen, Independent Director
Yung-Yen Chen (Audit Committee Convener), Independent Director
Zheng-Yuan Zheng, Independent Director Shi-Jie Chen
A total of 7 directors attended, exceeding half of the 9 director
seats.

I. Announce the meeting

I. Chairman's speech: (omitted).

II. Report items

First case: 2025 Annual Business Report for your review.

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

Case 2: The Audit Committee reviewed the 2025 financial statements and
reports for approval.

Explanation: I. The company's 2025 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 February 2021	22 June 2021- 09 August 2021	10 August 2022- 28 September 2022
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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 (6) Cancellation on March 26, 2026 158,000 shares	Not yet transferred	(1) Transfer 20,000 shares to employees on 27 March 2026
	Remaining shares 0 shares	Accumulated remaining shares 800,000 shares	Accumulated remaining shares 948,000 shares

Case 4: 2025 Annual Report on Directors' Remuneration

Explanation: I.. The company's 2025 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.

III.I In response to the Taiwan Stock Exchange Corporation's Letter No. Tai-Zheng-Shang-Yi-1151801470 dated April 20, 2026, the Company provides the following supplementary information:

The NT\$249 thousand increase in average directors' remuneration for 2025 compared to 2024 was due to a change in reporting classification. In 2024, the Chairman, Mr. Chung-Ting Chen, concurrently served as the Chief Strategy Officer, meaning his compensation was recorded under "Remuneration Received by Directors Concurrently Serving as Employees." In 2025, the Chairman, Mr. Zhen-Qian Chen, did not hold an employee status, so his compensation was recorded under "Directors' Remuneration." Therefore, while the standalone directors' remuneration for 2025 appears higher than that of 2024, the overall total remuneration actually decreased by NT\$250 thousand year-over-year.

Case 5: Status Update on the Share Swap Transaction Between the Company and Billion Watts Technologies Co., Ltd.

Explanation: I.I Report on the share swap matter between the Company and Billion Watts Technologies Co., Ltd. (hereinafter referred to as "Billion Watts"), pursuant to Article 29, Paragraph 6 of the Business Mergers and Acquisitions Act.

II.I In order to strengthen renewable energy full-chain integration and international competitiveness, the Company will conduct a share swap by issuing new shares, whereby every 1 common share of Billion Watts will be exchanged for 2 common shares of the Company, resulting in the Company acquiring a 100% equity stake in Billion Watts.

III.. The issuance of 14,035,988 new shares for capital increase in connection with this share swap transaction has become effective upon filing, pursuant to Letter No. Tai-Zheng-Shang-Yi-1141805391 issued by the Taiwan Stock Exchange Corporation on December 11, 2025. Furthermore, the registration of this capital change has been approved by the Ministry of Economic Affairs via Letter No. Jing-Shou-Shang-Zi-11530007050 dated February 13, 2026.

IV.. The new shares issued for capital increase in connection with this share swap were previously approved by the Taiwan

Stock Exchange (TWSE) on December 11, 2025, to be listed and traded in the form of "New Share Payment Certificates" starting from December 31, 2025. Following the completion of the corporate registration change for this share swap, the Company has applied to the TWSE for the listing and trading of its common shares effective from March 10, 2026. Concurrently, the original New Share Payment Certificates will be delisted on the same date.

V.. Pursuant to Article 7, Paragraph 2 of the Business Mergers and Acquisitions Act, the progress report on this share swap transaction is hereby submitted to the 2026 Annual General Meeting of Shareholders held on May 21, 2026.

Section 3: Acknowledgements

First case: 2025 Annual Business Report and Financial Statements for approval.
(Proposed by the Board of Directors)

Explanation: I. The 2025 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: 80,826,849 rights

Voting results	Number of voting rights of shareholders present
75,905,797 votes in favour (Including 17,063,249 electronic voting rights)	93.91%
Opposition rights 277,477 rights (Including 277,477 electronic voting rights)	0.34%
Abstained/Unvoted shares: 4,643,575 shares (Including 895,127 electronic voting rights)	5.74%

The case was passed as originally proposed.

There were no questions from shareholders regarding this case.

Case 2: 2025 Annual Loss Compensation Plan. (Proposed by the Board of Directors)

- I. The Company's beginning unappropriated retained earnings was NT\$47,619,767 (all amounts hereinafter are expressed in New Taiwan Dollars). With the addition of the actuarial gains and losses on defined benefit plans credited to retained earnings of NT\$5,835,210 and the disposal of equity instruments measured at fair value through other comprehensive income credited to retained earnings of NT\$4,124,719 for the year 2025, and after deducting the net loss after tax of NT\$121,397,671 for the year 2025, the total accumulated deficits to be accumulated for this year amounted to NT\$63,817,975. Therefore, there will be no distribution of earnings for the year 2025.
- II. Please refer to Appendix V for the 2025 Deficit Compensation Table.

Resolution: The voting results of this proposal are as follows:
Voting rights of shareholders present at the time of voting: 80,826,849 rights

Voting results	Number of voting rights of shareholders present
75,854,609 votes in favour (Including 17,012,061 electronic voting rights)	93.84%
307,112 dissenting votes (Including 307,112 electronic voting rights)	0.37%
Abstained/Unvoted shares: 4,665,128 shares (Including 916,680 electronic voting rights)	5.77%

The case was passed as originally proposed.

There were no questions from shareholders regarding this case.

IV. Ad hoc motion: None.

V. Adjournment

No shareholders raised questions on any proposals at this shareholders' meeting.

Billion Electric Co., Ltd.

2025 Business Report

We would like to thank all shareholders for your long-term support and patronage of Billion Electric (hereinafter referred to as the "Company"). Looking back at 2025, although the global economy faced challenges from geopolitics and supply chain restructuring, the major trend of energy transition remained firmly established. The Company has steadfastly executed its "green energy Transformation" strategy, not only completing a structural adjustment of its revenue profile with the green energy business as its core, but also successfully transforming from an "equipment supplier" into a comprehensive "one-stop green power procurement and energy management service provider" by deepening alliances with strategic partners.

The operating results of the Company for 2025 and the operating outlook for 2026 are hereby reported to all shareholders as follows:

1. 2025 Operating Results

1. Operational Results and Financial Performance

2025 is a critical year for the qualitative change in the operating structure of Billion. Annual consolidated revenue was approximately NTD 2.108 billion, representing a growth of approximately 4.18% compared to 2024. Although the communications business experienced slight fluctuations due to global inventory destocking, the green energy Business Group performed steadily, accounting for 78.85% of revenue and becoming the primary engine driving the Company's growth.

- green energy Business (Green Energy): Benefiting from the advancement of domestic energy policies and corporate RE100 demand, Energy Storage System construction and O&M have developed steadily. In 2025, new revenue was generated from behind-the-meter (BTM) industrial and commercial energy storage (the inaugural year for BTM), successfully penetrating the supply chains of high energy-consuming industries such as semiconductors and textiles.
- power Business (Switching Power Supplies): Continuing to focus on high-gross-margin niche markets, including industrial, commercial, and information security equipment, providing high-reliability, high-durability, and highly customized products for industrial and outdoor applications power (such as industrial PCs, gaming laptops, digital signage, and treadmills).
- Profit and Asset Optimization: To implement financial transparency and asset Quality, the Company prudently evaluated and recognized asset impairment in 2025 in accordance with International Accounting Standards (IAS) (IAS 36). Although this move affects book profit in the short term, it facilitates asset-light operations and renders the future profit structure more solid and healthy.

2. Key Strategic Achievements of the Year

- Deepening the green energy layout and initiating a full ownership plan: To integrate group resources and enhance decision-making efficiency, the Company initiated a plan in 2025 to acquire the remaining equity of its subsidiary "Billion Watts Technologies" (which became wholly owned by the end of 2025). This move will maximize the Group's vertical integration benefits in photovoltaics, energy storage, and charging piles, and allow for full recognition of the profits from the green energy business.
- Strong alliance to expand energy services: Established a joint venture, "Relocate Energy," with a subsidiary of Sino-American Silicon Products Inc. (SAS), combining the advantages of both parties in capital, technology, and channels to provide one-stop green power procurement and energy management services, enhancing the market penetration of Billion in the high-end industrial energy management market.
- Expanding into the "orphan power plant" and third-party energy storage O&M markets: Billion Watts is actively utilizing its Expertise capabilities to undertake O&M for sites not built in-house, thereby expanding its market share base. In 2025, energy storage O&M revenue grew by nearly 50%, with a total of 33 energy storage O&M sites (303.84MW/807.77MWh), and the E-Dreg O&M market share reached 20%.
- Gains in overseas markets: Initial results have been achieved in the layout of the Australian solar-plus-storage market, with the completion of sub-5MW solar-plus-storage standard project templates. The development of project sites and the sale and service of system integration continue, which is expected to become a new revenue growth driver in 2026.
- Product Innovation: Launched the self-owned brand industrial and commercial all-in-one energy storage system (Fusio Nex), integrating liquid cooling technology and intelligent EMS systems, which not only enhances safety but also assists customers in achieving peak load shaving and demand response, ensuring the safe and stable operation of energy storage projects.

II. 2026 Operating Outlook and Strategy

Looking ahead to 2026, as the demand for AI computing power drives upgrades to power infrastructure and as Taiwan's "Second Energy Transition" policy is promoted, Billion will seize the dual opportunities of "policy dividends" and "inelastic demand," focusing on the following three main pillars of development:

1. Expand market share in behind-the-meter energy storage and microgrids

With the fluctuation of electricity prices and the significant increase in pressure on enterprises to reduce carbon emissions, industrial and commercial behind-the-meter energy storage will enter a growth period. We will leverage the distribution channel advantages from our cooperation with Sino-American Silicon Products Inc. to rapidly replicate standardized and modularized energy storage solutions across more high-energy-consuming industries (such as hotels, department stores, and manufacturing),

and promote diversified business models (such as leasing and profit-sharing) to lower the entry barriers for customers, expand microgrid market share, and create long-term stable cash flows.

2.2. Overseas expansion to bear fruit

Australia and Japan are the twin engines of our overseas expansion.

- Australia: Accelerate the grid connection and commercial operation of existing solar-plus-storage projects, and continue to develop new project sources, with the goal of building Australia into a second home market.
- Japan: Completed grid connection and system integration, focusing on the sale of C&I (Commercial & Industrial) energy storage equipment for small and medium-sized enterprises, and introducing local assembly and O&M.

3. Technological Upgrades and ESG Sustainable Operations

We will continue to invest in research and development to strengthen the AI prediction capabilities of our energy management systems (EMS) for energy storage and to enhance the precision of power dispatching. At the same time, we persist in implementing our ESG commitments, not only assisting customers in carbon reduction, but also dedicating internal efforts to green supply chain management and the enhancement of corporate governance evaluations, creating sustainable value for shareholders.

Conclusion

Facing the wave of energy transition, Billion is prepared. The asset optimization and organizational restructuring in 2025 are intended to build momentum for future growth; in 2026, with the full incorporation of Billion Watts Technologies as a wholly-owned subsidiary and the revenue contribution from overseas projects, Management Team will go all out to pursue excellence in performance and share the fruitful results of the green economy with you. Once again, we thank all shareholders for your trust and support.

Chairman:

Manager:

Accounting

Officer:

Billion Electric Co., Ltd.

Audit Committee's Review Report

The Board of Directors has prepared and submitted the Company's 2025 Business Report, financial statements (including consolidated financial statements), and proposal for offsetting of deficit. The financial statements (including consolidated financial statements) were subsequently audited by PMG, as appointed by the Board of Directors, and an audit report was issued.

The aforementioned Business Report, Financial Statements (including consolidated Financial Statements), and earnings distribution proposal have been audited by this Audit Committee and found to be in order. Accordingly, we have prepared this report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act and hereby submit it for your view.

At:

the Company's 2026 Annual Shareholders' Meeting

Billion Electric Co., Ltd.

Audit Committee

Convener:

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Director Remuneration for 2025

Unit: NTD ONE THOUSAND; %

Position	Name	Directors' Remuneration						Ratio of the total amount of the four items A, B, C, and D to net income after tax		Remuneration received by directors also serving as employees						Ratio of the total amount of items A, B, C, D, E, F, and G to net income after tax		Whether remuneration was received from invested enterprises other than subsidiaries			
		Remuneration (A) (Note 2)		Retirement pension (B)		Remuneration of Directors (C) (Note 3)		Business execution expenses (D) (Note 4)		Salary, bonus, and special allowances, etc. (E)		Retirement pension (F)		Employee compensation (G)					The Company	All companies in the financial report	All companies in the financial report
		The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	Cash amount	Share amount	Cash amount	Share amount								
Director	Sino-American Silicon Products Inc. representative: Chen-Chien-Chien	1,658	1,658	0	0	0	0	40	40	0	0	0	0	0	0	-1.40	-1.40	0			
Director	Chang Shih Mei	120	120	0	0	0	0	40	40	3,457	0	0	0	0	0	-0.13	-2.98	0			
Director	Weng Shieh Hsien	120	120	0	0	0	0	40	40	0	0	0	0	0	0	-0.13	-0.13	0			
Director	Hung Yuh-Chang	120	120	0	0	0	0	40	40	0	0	0	0	0	0	-0.13	-0.13	0			
Director	Chien Ming Hui	73	73	0	0	0	0	20	20	0	0	0	0	0	0	-0.13	-0.13	0			
Director	Yang Ting Co., Ltd. representative: Chen Chun-Yi	73	73	0	0	0	0	20	20	0	2,828	0	0	0	217	-0.15	-2.66	0			
Independent Director	Chen Yun-Yen	360	360	0	0	0	0	45	45	0	0	0	0	0	0	-0.33	-0.33	0			
Independent Director	Cheng Chuan-Yuan	360	360	0	0	0	0	45	45	0	0	0	0	0	0	-0.33	-0.33	0			

Position	Name	Directors' Remuneration						Ratio of the total amount of the four items A, B, C, and D to net income after tax		Remuneration received by directors also serving as employees				Ratio of the total amount of items A, B, C, D, E, F, and G to net income after tax		Whether remuneration was received from invested enterprises other than subsidiaries		
		Remuneration (A) (Note 2)		Retirement pension (B)		Remuneration of Directors (C) (Note 3)		Business execution expenses (D) (Note 4)		Salary, bonus, and special allowances, etc. (E)		Retirement pension (F)		Employee compensation (G)			Ratio of the total amount of items A, B, C, D, E, F, and G to net income after tax	
		The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	Cash amount	Share amount	Cash amount	Share amount		The Company	All companies in the financial report
Independent Director	Chen Shih-Chieh	360	360	0	0	0	45	45	-0.33	0	0	0	0	0	0	-0.33	-0.33	0
Note 1	The Company's remuneration policy, system, standards, and structure, with an explanation of the correlation between the amount of remuneration paid and factors such as responsibilities, risks, and time invested: 1. Pursuant to the Articles of Incorporation of the Company, the remuneration of the directors of the Company shall be determined by the Board of Directors based on their degree of participation in and the value of their contribution to the Company's operations, as well as with reference to domestic and international industry standards. 2. It is also clearly stipulated in Articles of Incorporation that no more than 3% of the annual profit shall be appropriated as remuneration for directors. In accordance with the provisions of the Company's Remuneration Committee Charter, the payment of director remuneration shall be handled in accordance with the "Regulations for Payment of Director Remuneration".																	
Note 2																		
Note 3	As all independent directors serve as members of the Audit Committee, Remuneration Committee, and Nomination Committee, they are required to undertake the duties of participating in the discussions and resolutions of committee meetings; therefore, their remuneration may be higher than that of general directors.																	
Note 4	Due to losses in 2025, no director remuneration was distributed.																	

Independent Auditors' Report

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

Audit Opinion

We have audited the accompanying parent company only balance sheets of Billion Electric Co., Ltd. as of December 31, 2025 and 2024, and the related parent company only statements of comprehensive income, changes in equity, and cash flows for the years then ended, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of Billion Electric Co., Ltd. as of December 31, 2025 and 2024, and its financial performance and cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of Billion Electric Co., Ltd. in accordance with the International Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements of Billion Electric Co., Ltd. for the year ended December 31, 2025. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the key audit matters to be communicated in our report are as follows:

Sales revenue

For the accounting policies on Sales revenue, please refer to Note 4(16), Revenue Recognition, to the parent company only financial statements; for the related information disclosures of Sales revenue, please refer to Note 6(23), Revenue from contracts with customers, to the parent company only financial statements.

Description of key audit matters:

The principal business of Billion Electric Co., Ltd. is the Sales revenue of products. A portion of its revenue is derived from major new sales customers added during the current year, which has a material impact on the financial statements as a whole. The primary risk is whether the revenue has actually occurred. Therefore, Sales revenue is a matter that required our significant attention during our audit of the financial statements.

Corresponding audit procedures:

1. We obtained an understanding of the internal controls over Sales revenue for the aforementioned sales customers, and evaluated and tested the effectiveness of their design and implementation.
2. We obtained the list of the aforementioned sales customers and evaluated whether their relevant backgrounds, transaction amounts, and credit limits were reasonable in relation to their company sizes.
3. We selected appropriate samples from the population of sales details for the aforementioned sales customers, verified them against external shipping documents, and tested whether the payment counterparties and collection status were consistent with Terms and conditions and free of material anomalies, to confirm the occurrence of Sales revenue.
4. We obtained the detailed revenue ledgers for the subsequent period and examined whether any material sales allowances had occurred to confirm that there were no material anomalies in revenue recognition.

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

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the ability of Billion Electric Co., Ltd. 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 overseeing the financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor' s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Auditing Standards, we exercise Expertise judgment and maintain Expertise skepticism throughout the audit. We also perform the following:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. As fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control, the risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from

error.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of Billion Electric Co., Ltd..
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management' s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Billion Electric Co., Ltd. to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor' s report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor' s report. However, future events or conditions may cause Billion Electric Co., Ltd. to cease to be able to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements (including the related notes), and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investees accounted for using the equity method to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on Billion Electric Co., Ltd..

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence in International Code of Ethics for Professional Accountants (IESBA Code), and 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 ended December 31, 2025 and are therefore the key audit matters. 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

Accountants:

Approval	Tai-Tsai-Cheng (6) No.
Document No.	: 0930106739
issued by the	FSC-SFC No. 1040003949
Securities and	
Futures	
Bureau:	
March 12, 2026	

Billion Electric Co., Ltd.

Balance Sheet

December 31, 2025 and 2024

Unit: NTD 1 thousand

		114.12.31		113.12.31	
		Total	%	Total	%
ASSETS					
Current assets :					
1100	Cash and cash equivalents(Notes 6(1) and (26))	\$ 208,327	9	271,918	11
1136	Current financial assets at amortized cost(Notes 6(3) and (26))	39,386	2	41,892	2
1151	Notes receivable(Notes 6(4), (23) and (26))	37	-	107	-
1170	Accounts receivable, net(Notes 6(4), (23) and (26))	45,944	2	37,128	1
1180	Accounts receivable due from related parties, net(Notes 6(4), (23), (26) and 7)	21,373	1	18,291	1
1200	Other receivables(Notes 6(5) and (26))	2,212	-	8,075	-
1210	Other receivables due from related parties(Notes 6(5), (26) and 7)	90,897	4	11,186	-
1220	Income tax assets for the current period	4,305	-	2,613	-
1300	Inventories, net(Note 6(6))	24,500	1	75,468	3
1470	Other current assets(Note 6(14))	17,679	1	23,240	1
1482	Costs to fulfill a contract - current (Note 6(23))	2,435	-	13,414	1
	Total current assets	457,095	20	503,332	20
Non-current assets :					
1517	Non-current financial assets at fair value through other comprehensive income(Notes 6(2) and (26))	6,935	-	60,401	2
1535	Non-current financial assets at amortized cost(Notes 6(3) and (26))	379,647	16	389,119	15
1550	Investments accounted for using equity method(Notes 6(7), (8), (9) and (10))	809,483	36	825,371	33
1600	Property, plant and equipment(Note 6(11))	461,194	20	552,113	22
1755	Right-of-use assets(Note 6(12))	34,677	2	41,232	2
1760	Investment property (Note 6(13))	107,996	5	73,316	3
1780	Intangible assets	595	-	581	-
1840	Deferred tax assets(Note 6(19))	13,638	1	15,742	1
1990	Other non-current assets, others(Note 6(14))	5,883	-	46,514	2
	Total non-current assets	1,820,048	80	2,004,389	80
Total assets		\$ 2,277,143	100	2,507,721	100
LIABILITIES AND EQUITY					
Liability and equity :					
Current liabilities :					
2100	Short-term borrowings(Notes 6(15) and (26))	\$ -	-	140,000	6
2130	Contract liabilities - current (Note 6(23))	2,082	-	25,419	1
2170	Accounts payable(Note 6(26))	28,454	1	10,329	1
2181	Accounts payable to related parties(Notes 6(26) and 7)	-	-	6,727	-
2200	Other payables(Note 6(26))	31,427	2	27,531	1
2220	Other payables-Related parties (Notes 6(26) and 7)	1,458	-	81,166	3
2280	Lease liabilities - current(Notes 6(17) and (26))	5,866	-	6,542	-
2320	Current portion of long-term liabilities (Notes 6(16) and (26))	-	-	13,437	1
2300	Other current liabilities	9,199	-	6,994	-
	Total current liabilities	78,486	3	318,145	13
Non-current liabilities :					
2570	Deferred tax liabilities(Note 6(19))	19,716	1	30,500	1
2580	Lease liabilities - non-current(Notes 6(17) and (26))	30,335	2	35,811	1
2640	Net defined benefit liability - non-current (Note 6(18))	475	-	9,377	-
2645	Guarantee deposits received	3,544	-	2,374	-
	Total non-current liabilities	54,070	3	78,062	2
	Total liabilities	132,556	6	396,207	15
Equity (Note 6(20)):					
3110	Ordinary share	1,301,006	57	1,155,328	46
3140	Advance receipts for ordinary share	178	-	4,713	-
		1,301,184	57	1,160,041	46
3200	Capital surplus	704,643	31	692,146	28
	Retained earnings :				
3310	Legal reserve	227,462	10	227,462	9
3320	Special reserve	38,678	2	40,765	2
3350	(Unappropriated accumulated deficit)Unappropriated retained earnings	(63,818)	(3)	45,533	2
		202,322	9	313,760	13
Other equity:					
3410	Exchange differences on translation of foreign financial statements	(142)	-	5,240	-
3420	Unrealized gains (losses) on financial assets at fair value through Other comprehensive income	(38,743)	(2)	(34,616)	(1)
3500	Treasury shares	(38,885)	(2)	(29,376)	(1)
	Total equity	(24,677)	(1)	(25,057)	(1)
	Liability and equityTotal	\$ 2,277,143	100	2,507,721	100

(See accompanying notes to the parent company only financial statements)

Chairman: Chen Chen-Chien

Manager: Chang, Shu-Mei

Controller: Yang, Kai-Cheng

Billion Electric Co., Ltd.
Statement of Comprehensive Income
January 1 to December 31, 2025 and 2024

Unit: NTD 1 thousand

		2025		2024	
		Total	%	Total	%
4000	Operating revenue(Notes 6(23) and 7)	\$ 416,386	100	348,962	100
5000	Operating costs(Notes 6(6), (11), (12), (18) and 7)	<u>327,865</u>	<u>79</u>	<u>270,005</u>	<u>77</u>
	Gross profit from operations	<u>88,521</u>	<u>21</u>	<u>78,957</u>	<u>23</u>
5910	Less: Unrealized profit from sales	13,194	3	10,435	3
5920	Add: Realized profit on from sales	<u>10,435</u>	<u>3</u>	<u>12,933</u>	<u>3</u>
	Realized Gross profit from operations	<u>85,762</u>	<u>21</u>	<u>81,455</u>	<u>23</u>
	Operating expenses(Notes 6(4), (11), (12), (17), (18), (21), (24) and 7):				
6100	Selling expenses	18,263	5	37,173	11
6200	Administrative expenses	49,696	12	60,516	17
6300	Commissions expense	24,996	6	55,397	16
6450	Expected credit loss	<u>60</u>	<u>-</u>	<u>142</u>	<u>-</u>
	Total operating expenses	<u>93,015</u>	<u>23</u>	<u>153,228</u>	<u>44</u>
	Operating loss	<u>(7,253)</u>	<u>(2)</u>	<u>(71,773)</u>	<u>(21)</u>
	Non-operating income and expenses(Notes 6(13), (25) and 7):				
7100	Interest revenue	14,791	4	27,592	8
7010	Other income	68,980	17	17,866	5
7020	Other gains and losses	(102,246)	(25)	41,455	12
7050	Finance costs	(2,828)	(1)	(6,193)	(2)
7060	Share of profit (loss) of subsidiaries and associates accounted for using the equity method	<u>(101,044)</u>	<u>(24)</u>	<u>(33,034)</u>	<u>(9)</u>
	Total non-operating income and expenses	<u>(122,347)</u>	<u>(29)</u>	<u>47,686</u>	<u>14</u>
7900	Net loss before tax	<u>(129,600)</u>	<u>(31)</u>	<u>(24,087)</u>	<u>(7)</u>
7951	Less: Income tax (benefit) expense (Note 6(19))	<u>(8,202)</u>	<u>(2)</u>	<u>666</u>	<u>-</u>
8200	Net loss for the period	<u>(121,398)</u>	<u>(29)</u>	<u>(24,753)</u>	<u>(7)</u>
8300	Other comprehensive income(Notes 6(18), (19) and (20)):				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurement of defined benefit plans	7,294	2	3,115	1
8316	Unrealized valuation gain (loss) on investments in equity instruments at fair value through Other comprehensive income	(466)	-	(8,926)	(3)
8330	Share of unrealized valuation gain (loss) on investments in equity instruments at fair value through Other comprehensive income of subsidiaries accounted for using the equity method	464	-	(333)	-
8349	Less: Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>1,459</u>	<u>-</u>	<u>623</u>	<u>-</u>
	Items that will not be reclassified subsequently to profit or lossTotal	<u>5,833</u>	<u>2</u>	<u>(6,767)</u>	<u>(2)</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(7,024)	(2)	14,182	4
8399	Less: Income tax related to items that may be reclassified to profit or loss	<u>(1,642)</u>	<u>-</u>	<u>2,836</u>	<u>1</u>
	Items that may be reclassified subsequently to profit or lossTotal	<u>(5,382)</u>	<u>(2)</u>	<u>11,346</u>	<u>3</u>
8300	Other comprehensive income (loss), net of income tax	<u>451</u>	<u>-</u>	<u>4,579</u>	<u>1</u>
8500	Total comprehensive income	<u>\$ (120,947)</u>	<u>(29)</u>	<u>(20,174)</u>	<u>(6)</u>
	Loss per share (NT\$) (Note 6(22))				
9750	Basic loss per share	<u>\$ (1.06)</u>		<u>(0.22)</u>	
9850	Diluted loss per share	<u>\$ (1.06)</u>		<u>(0.22)</u>	

(See accompanying notes to the parent company only financial statements)

Chairman: Chen Chen-Chien

Manager: Chang, Shu-Mei

Controller: Yang, Kai-Cheng

Billion Electric Co., Ltd.
Statement of Changes in Equity
January 1 to December 31, 2025 and 2024

Unit: NTD 1 thousand

	Capital stock			Retained earnings				Other equity items			Total equity		
	Common stock	Advance receipts for ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated accumulated deficit	Unappropriated accumulated deficit	Foreign operations financial statements	Through other comprehensive income at fair value through	Unrealized gain (loss) on financial assets measured at	Total	Treasury shares	Total equity
Balance, January 1, 2024	\$ 1,154,191	297	692,696	220,288	56,874	103,539	380,701	(6,106)	(25,357)	(31,463)	(25,057)	(25,057)	2,171,365
Net loss for the period	-	-	-	-	-	(24,753)	(24,753)	-	-	-	-	-	(24,753)
Other comprehensive income	-	-	-	-	-	2,492	2,492	11,346	(9,259)	2,087	-	-	4,579
Total comprehensive income	-	-	-	-	-	(22,261)	(22,261)	11,346	(9,259)	2,087	-	-	(20,174)
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	-	-	-	7,174	-	(7,174)	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(16,109)	(42,298)	(42,298)	-	-	-	-	-	(42,298)
Reversal of special reserve	-	-	-	-	-	16,109	-	-	-	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	(2,672)	-	-	(2,382)	(2,382)	-	-	-	-	-	(5,054)
Share-based paymentsTransaction	840	4,713	2,122	-	-	-	-	-	-	-	-	-	7,675
Advance receipts for ordinary share to capital	297	(297)	-	-	-	-	-	-	-	-	-	-	-
Balance, 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)	(25,057)	2,111,514
Net loss for the period	-	-	-	-	-	(121,398)	(121,398)	-	-	-	-	-	(121,398)
Other comprehensive income	-	-	-	-	-	5,835	5,835	(5,382)	(2)	(5,384)	-	-	451
Total comprehensive income	-	-	-	-	-	(115,563)	(115,563)	(5,382)	(2)	(5,384)	-	-	(120,947)
Appropriation and distribution of retained earnings:													
Reversal of special reserve	-	-	-	-	(2,087)	2,087	-	-	-	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	(5,256)	-	-	-	-	-	-	-	-	-	(5,256)
Share-based paymentsTransaction	605	178	654	-	-	-	-	-	-	-	-	380	1,817
Advance receipts for ordinary share to capital	4,713	(4,713)	-	-	-	-	-	-	-	-	-	-	-
Acquisition of Non-controlling interests through issuance of new shares	140,360	-	17,099	-	-	-	-	-	-	-	-	-	157,459
Disposal of equity instruments measured at fair value through Other comprehensive income	-	-	-	-	-	4,125	4,125	-	(4,125)	(4,125)	-	-	-
Balance, December 31, 2025	\$ 1,301,006	178	704,643	227,462	38,678	(63,818)	202,322	(142)	(38,743)	(38,885)	(24,677)	(24,677)	2,144,587

(See accompanying notes to the parent company only financial statements)

Chairman: Chen Chen-Chien

Manager: Chang, Shu-Mei

Controller: Yang, Kai-Cheng

Billion Electric Co., Ltd.
Statement of Cash Flows
January 1 to December 31, 2025 and 2024

Unit: NTD 1 thousand

	2025	2024
Cash flow from operating activities :		
Loss before tax	\$ (129,600)	(24,087)
Adjustments :		
Reconcile profit item		
Depreciation expense	31,746	30,899
Amortization expense	466	391
Expected credit loss	60	142
Net gain on financial assets or liabilities at fair value through profit or loss	-	(20)
Interest expense	2,828	6,193
Interest revenue	(14,791)	(27,592)
Dividend revenue	(275)	-
Share-based payments	357	(323)
Share of loss of subsidiaries and associates accounted for using the equity method	101,044	33,034
Gains on disposals of property, plant and equipment	(1,107)	(329)
Gains on disposals of investments	(13)	-
Unrealized profit from sales	13,194	10,435
Realized profit on from sales	(10,435)	(12,933)
Unrealized foreign exchange loss (gain)	23,131	(34,834)
Impairment loss on non-financial assets	70,215	-
Total adjustments to reconcile profit (loss)	216,420	5,063
Changes in operating assets and liabilities :		
Financial assets mandatorily measured at fair value through profit or loss	-	24,781
Notes receivable	70	(60)
Accounts receivable	(8,564)	2,643
Accounts receivable due from related parties	(3,240)	12,456
Other receivables	4,255	6,540
Other receivables due from related parties	(9,713)	18,853
Inventories	50,968	(1,020)
Other current assets	5,852	(2,486)
Costs to fulfill a contract	10,979	1,431
Contract liabilities - current	(23,337)	21,221
Accounts payable	17,635	(21,019)
Accounts payable to related parties	(6,686)	6,727
Other payables	3,917	(15,724)
Other payables - related parties	292	(5,472)
Provisions - liability	-	(9,318)
Other current liabilities	2,206	(2,642)
Net defined benefit liability	(3,067)	(4,299)
Total adjustments	257,987	37,675

(See accompanying notes to the parent company only financial statements)

Chairman: Chen Chen-Chien

Manager: Chang, Shu-Mei

Controller: Yang, Kai-Cheng

Billion Electric Co., Ltd.
Statement of Cash Flows (Continued)
January 1 to December 31, 2025 and 2024

Unit: NTD 1 thousand

	2025	2024
Cash inflow generated from operations	\$ 128,387	13,588
Interest received	16,323	28,249
Interest paid	(2,848)	(6,199)
Income taxes paid	(528)	(2,902)
Net cash flows from operating activities	141,334	32,736
Cash flows from (used in) investing activities :		
Proceeds from disposal of financial assets at fair value through other comprehensive income	53,000	-
Acquisition of financial assets at amortized cost	-	(23,733)
Proceeds from disposal of financial assets at amortized cost	11,978	-
Acquisition of investments accounted for using equity method	-	(265,596)
Proceeds from disposal of investments accounted for using equity method	50,309	-
Proceeds from capital reduction of investments accounted for using equity method	32,743	71,495
Acquisition of property, plant and equipment	(10,044)	(129,652)
Proceeds from disposal of property, plant and equipment	2,511	6,077
Other receivablesIncrease in related parties –	(70,000)	-
Acquisition of intangible assets	(480)	(287)
Proceeds from disposal of intangible assets	-	32
Acquisition of investment properties	-	(34,076)
Decrease in other non-current assets (increase)	40,221	(33,545)
Dividends received	14,574	16,975
Net cash flows from (used in) investing activities	124,812	(392,310)
Cash flows from financing activities :		
Increase in short-term loans	268,000	139,000
Decrease in short-term loans	(408,000)	-
Repayments of long-term debt	(13,437)	(43,203)
Increase in guarantee deposits received	1,170	902
Increase in other payable to related parties	-	80,000
Decrease in other payable to related parties	(80,000)	-
Payments of lease liabilities	(6,644)	(6,509)
Cash dividends paid	-	(42,298)
Exercise of employee share options	1,063	7,442
Treasury shares sold to employees	380	-
Acquisition of ownership interests in subsidiaries	(72,704)	(34,768)
Disposal of ownership interests in subsidiaries(without loss of control)	3,188	2,400
Net cash (used in) generated from financing activities	(306,984)	102,966
Effect of exchange rate changes on cash and cash equivalents	(22,753)	32,472
Net decrease in cash and cash equivalents	(63,591)	(224,136)
Cash and cash equivalents at beginning of period	271,918	496,054
Cash and cash equivalents at end of period	\$ 208,327	271,918

(See accompanying notes to the parent company only financial statements)

Chairman: Chen Chen-Chien Manager: Chang, Shu-Mei Controller: Yang, Kai-Cheng

Independent Auditors' Report

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

Audit Opinion

We have audited the accompanying consolidated balance sheets of Billion Electric Co., Ltd. and its subsidiaries (the "Billion Group") as of December 31, 2025 and 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years from January 1 to December 31, 2025 and 2024, and the notes to the Consolidated Financial Statements (including a summary of significant accounting policies).

In our opinion, the accompanying Consolidated Financial Statements present fairly, in all material respects, the consolidated financial position of Billion Group as of December 31, 2025 and 2024, and its consolidated financial performance and consolidated cash flows for the years from January 1 to December 31, 2025 and 2024, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations, and Statement on Internal Control (SIC) endorsed and issued into effect by the Financial Supervisory Commission.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of Billion Group in accordance with the International Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of Billion Group for the year Expertise. These matters were addressed in the context of our audit of Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the key audit matters to be communicated in our auditor's report to be as follows:

1. Recognition and existence of new top ten customer Operating revenue

For the accounting policies on Operating revenue, please refer to Note 4(17) Revenue recognition to the Consolidated Financial Statements; for the disclosure of relevant information on Operating revenue, please refer to Note 6(26) Revenue from contracts with customers to the Consolidated Financial Statements.

Description of the key audit matter:

The primary business of Billion Group consists of product Sales revenue, revenue from construction contracts, and the provision of Service revenue. A portion of its revenue is derived from major customers newly added during the current year, which has a material impact on the financial statements as a whole. The primary risk lies in whether the revenue actually occurred; therefore, Operating revenue is a matter that required our significant attention during the audit of the financial statements.

Our audit procedures in response to the key audit matter included the following:

1. Understood the internal controls over Operating revenue for the aforementioned customers, and evaluated and tested the effectiveness of their design and implementation.
2. Obtained the list of the aforementioned customers and evaluated whether their backgrounds, transaction amounts, and credit limits were reasonable in relation to their company scales.
3. Selected appropriate samples from the population of the aforementioned customers' revenue details, verified them against external shipping documents, and tested whether the collection counterparties and collection status showed any material anomalies in relation to Terms and conditions, to confirm the existence of Operating revenue.
4. Obtained the detailed ledgers for revenue for the subsequent period and examined whether any material sales allowances occurred to confirm whether there were any material anomalies in revenue recognition.

2. Recognition of profit and loss on construction contracts

For the accounting policies on revenue recognition for construction contracts, please refer to Note 4(17) Revenue recognition to the Consolidated Financial Statements; for the accounting estimates and measurement uncertainty of construction contract revenue recognition, please refer to Note 5(1) to the Consolidated Financial Statements; for details of contract revenue, please refer to Note 6(26) Revenue from contracts with customers to the Consolidated Financial Statements.

Description of the key audit matter:

Part of the business of Billion Group is derived from construction contracts entered into with customers. The recognition of revenue from such construction contracts involves significant estimates and judgments, such as total contract costs, the stage of completion, and cost-related additions Engineering service revenue. Subjective judgment by management may result in various changes in estimates, which in turn affect the profit or loss recognized by Billion Group in Consolidated Financial Statements; therefore, the profit or loss on construction contracts was an important matter for our assessment in performing the audit of Consolidated Financial Statements. Our audit procedures in response to the key audit matter included the following:

1. Performed tests of operating effectiveness of internal controls over the recognition of construction contract revenue and costs.
2. Sample and review material contracts and interview management to understand the specific terms and risks of each contract.
3. Reviewed management's approval procedures and evaluation documents for estimating total

contract costs and the stage of contract completion, and recalculated the ratio of costs incurred for work performed to date to estimated total contract costs.

4. For a selection of completed projects, evaluated the recognition of revenue and the settlement of costs by inspecting external supporting documents.

Other Matters

Billion Electric Co., Ltd. has prepared its parent company only financial reports for 2025 and 2024, on which we have issued an unqualified opinions audit report, which is available for reference.

Responsibilities of Management and Those Charged with Governance for Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the Consolidated Financial Statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), Interpretations, and Statement on Internal Control (SIC) endorsed and issued into effect by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, management is responsible for assessing the ability of Billion Group 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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance of Billion Group (including the audit committee) are responsible for overseeing the financial reporting process.

Auditor's Responsibilities for the Audit of Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements. Misstatements are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Consolidated Financial Statements.

As part of an audit in accordance with Auditing Standards, we exercise Expertise and maintain Expertise throughout the audit. We also perform the following procedures:

1. Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. As fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control, the risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of Billion Group.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Billion Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Billion Group to cease to be able to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence as stipulated in International Code of Ethics for Professional Accountants (IESBA Code), and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the year 2025 and are therefore the key audit matters. 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

Certified

Public

Accountants:

Approval letter : Tai-Tsai-Cheng (6) No.
No. from the : 0930106739
competent Jin-Guan-Zheng-Shen-Zi No.
authority for 1040003949
securities
March 12, 2026

Billion Electric Co., Ltd. and Subsidiaries

Consolidated Balance Sheets

December 31, 2025 and 2024

Unit: NTD 1 thousand

		114.12.31		113.12.31	
		Total	%	Total	%
ASSETS					
Current assets :					
1100	Cash and cash equivalents(Notes 6(1) and (29))	\$ 540,932	19	660,036	17
1110	Current financial assets at fair value through profit or loss(Notes 6(2) and (29))	3,449	-	3,126	-
1136	Current financial assets at amortized cost(Notes 6(4), (29) and 8)	111,913	4	124,886	3
1140	Contract assets - current (Notes 6(26) and 7)	53,717	2	192,149	5
1150	Notes receivable, net(Notes 6(5), (26) and (29))	3,608	-	10,034	-
1170	Accounts receivable, net(Notes 6(5), (26) and (29))	97,758	4	129,073	3
1180	Accounts receivable due from related parties, net(Notes 6(5), (26), (29) and 7)	61,833	2	-	-
1200	Other receivables(Notes 6(6) and (29))	37,600	1	15,456	-
1210	Other receivables due from related parties(Notes 6(6), (29) and 7)	8,300	-	-	-
1220	Income tax assets for the current period	7,439	-	7,034	-
130X	Inventories (Note 6(7))	239,669	8	286,767	7
1470	Other current assets(Note 6(16))	57,505	2	46,986	1
1482	Costs to fulfill a contract - current (Note 6(26))	157,081	6	848,227	22
	Total current assets	1,380,804	48	2,323,774	58
Non-current assets :					
1517	Non-current financial assets at fair value through other comprehensive income(Notes 6(3) and (29))	12,132	-	66,017	2
1535	Non-current financial assets at amortized cost(Notes 6(4), (29) and 8)	379,647	13	389,119	10
1550	Investments accounted for using equity method(Note 6(8))	53,120	2	24,315	1
1600	Property, plant and equipment(Notes 6(12), (32) and 8)	680,170	24	835,455	22
1755	Right-of-use assets(Notes 6(13) and (32))	61,099	2	71,779	2
1760	Investment property (Note 6(14))	57,382	2	20,981	1
1780	Intangible assets(Note 6(15))	6,041	-	53,038	1
1840	Deferred tax assets(Note 6(22))	33,725	2	21,593	1
1900	Other non-current assets(Note 6(16))	86,220	3	75,229	2
1955	Costs to fulfill a contract - non-current (Note 6(26))	97,183	4	-	-
	Total non-current assets	1,466,719	52	1,557,526	42
		\$ 2,847,523	100	3,881,300	100
Total assets					
LIABILITIES AND EQUITY					
Current liabilities :					
2100	Short-term borrowings(Notes 6(18), (29) and (32))	2100		2100	
2110	Short-term notes and bills payable(Notes 6(17), (29) and (32))	2110		2110	
2130	Contract liabilities - current (Notes 6(26) and 7)	2130		2130	
2150	Notes payable(Note 6(29))	2150		2150	
2170	Accounts payable(Note 6(29))	2170		2170	
2200	Other payables(Notes 6(29) and (32))	2200		2200	
2230	Income tax liabilities for the current period	2230		2230	
2280	Lease liabilities - current(Notes 6(20), (29) and (32))	2280		2280	
2320	Current portion of long-term liabilities (Notes 6(19), (29) and (32))	2320		2320	
2300	Other current liabilities	2300		2300	
	Total current liabilities	2300		2300	
Non-current liabilities :					
2540	Long-term borrowings(Notes 6(19), (29) and (32))	2540		2540	
2570	Deferred tax liabilities(Note 6(22))	2570		2570	
2580	Lease liabilities - non-current(Notes 6(20), (29) and (32))	2580		2580	
2640	Net defined benefit liability - non-current (Note 6(21))	2640		2640	
2645	Guarantee deposits received	2645		2645	
2600	Other non-current liabilities	2600		2600	
	Total non-current liabilities	2600		2600	
	Total liabilities	4900		4900	
	Equity (Note 6(23)):				
3110	Ordinary share	3110		3110	
3140	Advance receipts for ordinary share	3140		3140	
3200	Capital surplus	3200		3200	
	Retained earnings :				
3310	Legal reserve	3310		3310	
3320	Special reserve	3320		3320	
3350	(Unappropriated accumulated deficit)Unappropriated retained earnings	3350		3350	
	Other equity:				
3410	Exchange differences on translation of foreign financial statements	3410		3410	
3420	Unrealized gains (losses) on financial assets at fair value through Other comprehensive income	3420		3420	
3500	Treasury shares	3500		3500	
36XX	Attributable to Owners of parent companyTotal equity	36XX		36XX	
	Non-controlling interests				
	Total equity				
	Liability and equityTotal				
		\$ 2,847,523	100	3,881,300	100

(Please refer to the accompanying notes to the Consolidated Financial Statements)

Chairman: Chen Chen-Chien

Manager: Chang Shu-Mei

Chief Accounting Officer: Yang Kai-Cheng

Billion Electric Co., Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
January 1 to December 31, 2025 and 2024

Unit: NTD 1 thousand

		2025		2024	
		Total	%	Total	%
4000	Operating revenue(Notes 6(26), 7 and 14)	\$ 2,108,555	100	2,023,935	100
5000	Operating costs(Notes 6(7), (12), (13), (15), (21) and 12)	<u>1,742,276</u>	<u>83</u>	<u>1,609,740</u>	<u>80</u>
	Gross profit from operations	<u>366,279</u>	<u>17</u>	<u>414,195</u>	<u>20</u>
5910	Less: Unrealized profit from sales	<u>3,591</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Realized Gross profit from operations	<u>362,688</u>	<u>17</u>	<u>414,195</u>	<u>20</u>
	Operating expenses(Notes 6(5), (12), (13), (15), (20), (21), (24), (27) and 12):				
6100	Selling expenses	116,695	6	142,828	7
6200	Administrative expenses	214,054	10	194,297	9
6300	Commissions expense	95,683	4	93,534	5
6450	Expected credit loss	<u>4,163</u>	<u>-</u>	<u>3,211</u>	<u>-</u>
	Total operating expenses	<u>430,595</u>	<u>20</u>	<u>433,870</u>	<u>21</u>
	Net operating loss	<u>(67,907)</u>	<u>(3)</u>	<u>(19,675)</u>	<u>(1)</u>
	Non-operating income and expenses(Notes 6(8), (11), (12), (14), (15), (20), (28), (29) and 12):				
7100	Interest revenue	20,351	1	35,773	1
7010	Other income	76,234	3	21,580	1
7020	Other gains and losses	(164,471)	(8)	22,377	1
7050	Finance costs	(5,100)	-	(12,673)	-
7060	Share of profit (loss) of associates accounted for using the equity method	<u>(2,888)</u>	<u>-</u>	<u>(2,729)</u>	<u>-</u>
	Total non-operating income and expenses	<u>(75,874)</u>	<u>(4)</u>	<u>64,328</u>	<u>3</u>
7900	Net profit (loss) before tax	<u>(143,781)</u>	<u>(7)</u>	<u>44,653</u>	<u>2</u>
7950	Less: Tax expense(Note 6(22))	<u>2,556</u>	<u>-</u>	<u>27,745</u>	<u>1</u>
8200	Net profit (loss) for the period	<u>(146,337)</u>	<u>(7)</u>	<u>16,908</u>	<u>1</u>
8300	Other comprehensive income(Notes 6(21), (22), (23) and (29)):				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurement of defined benefit plans	7,294	-	3,115	-
8316	Unrealized gains (losses) on investments in equity instruments at fair value through Other comprehensive income	327	-	(9,593)	-
8349	Less: Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>1,459</u>	<u>-</u>	<u>623</u>	<u>-</u>
	Items that will not be reclassified subsequently to profit or lossTotal	<u>6,162</u>	<u>-</u>	<u>(7,101)</u>	<u>-</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(7,264)	-	15,646	-
8399	Less: Income tax related to items that may be reclassified to profit or loss	<u>(1,642)</u>	<u>-</u>	<u>2,836</u>	<u>-</u>
	Items that may be reclassified subsequently to profit or lossTotal	<u>(5,622)</u>	<u>-</u>	<u>12,810</u>	<u>-</u>
8300	Other comprehensive income (loss), net of income tax	<u>540</u>	<u>-</u>	<u>5,709</u>	<u>-</u>
8500	Total comprehensive income	<u>\$ (145,797)</u>	<u>(7)</u>	<u>22,617</u>	<u>1</u>
	Net profit (loss) for the period attributable to:				
8610	Owners of parent company	\$ (121,398)	(6)	(24,753)	(1)
8620	Non-controlling interests	<u>(24,939)</u>	<u>(1)</u>	<u>41,661</u>	<u>2</u>
		<u>\$ (146,337)</u>	<u>(7)</u>	<u>16,908</u>	<u>1</u>
	Comprehensive income attributable to:				
8710	Owners of parent company	\$ (120,947)	(6)	(20,174)	(1)
8720	Non-controlling interests	<u>(24,850)</u>	<u>(1)</u>	<u>42,791</u>	<u>2</u>
		<u>\$ (145,797)</u>	<u>(7)</u>	<u>22,617</u>	<u>1</u>
	Loss per share (NT\$) (Note 6(25))				
9750	Basic loss per share	<u>\$ (1.06)</u>		<u>(0.22)</u>	
9850	Diluted loss per share	<u>\$ (1.06)</u>		<u>(0.22)</u>	

(Please refer to the accompanying notes to the Consolidated Financial Statements)

Chairman: Chen Chen-Chien

Manager: Chang Shu-Mei

Chief Accounting Officer: Yang Kai-Cheng

Unit: NTD 1 thousand

Chairman: Chen Chen-Chien

Chief Accounting Officer: Yang Kai-Cheng

Billion Electric Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
January 1 to December 31, 2025 and 2024

Unit: NTD 1 thousand

	<u>2025</u>	<u>2024</u>
Cash flow from operating activities :		
Profit (loss) before tax	\$ (143,781)	44,653
Adjustments :		
Reconcile profit item		
Depreciation expense	64,677	58,834
Amortization expense	9,442	7,604
Expected credit loss	4,163	3,211
Net gain on financial assets at fair value through profit or loss	(457)	(2,075)
Interest expense	5,100	12,673
Interest revenue	(20,351)	(35,773)
Dividend revenue	(297)	(27)
Share-based payments	11,335	1,063
Share of loss of associates accounted for using the equity method	2,888	2,729
Gains on disposals of property, plant and equipment	(338)	-
Proceeds from disposal of subsidiaries income	(1,066)	-
Unrealized profit from sales	3,591	-
Unrealized foreign exchange loss (income)	23,012	(33,734)
Gain on early termination of leases	-	(14)
Impairment loss on non-financial assets	133,975	27,892
Total adjustments to reconcile profit (loss)	<u>235,674</u>	<u>42,383</u>
Changes in operating assets and liabilities :		
Financial assets mandatorily at fair value through profit or loss	18	32,779
Contract assets	139,582	(123,173)
Notes receivable	6,426	6,946
Accounts receivable	23,710	(7,440)
Accounts receivable due from related parties	(59,508)	-
Other receivables	(31,773)	3,137
Other receivables due from related parties	(300)	-
Inventories	46,552	50,674
Other current assets	(14,606)	14,529
Costs to fulfill a contract	596,603	(28,914)
Contract liabilities - current	(532,230)	100,122
Notes payable	(227)	(1,782)
Accounts payable	(9,978)	(81,285)
Other payables	(2,538)	(6,662)
Provisions - liability	-	(9,318)
Other current liabilities	41,314	(3,623)
Net defined benefit liability	(3,067)	(4,299)
Other non-current liabilities	<u>1,391</u>	<u>-</u>
Total adjustments	<u>437,043</u>	<u>(15,926)</u>

(Please refer to the accompanying notes to the Consolidated Financial Statements)

Chairman: Chen Chen-Chien

Manager: Chang Shu-Mei

**Chief Accounting Officer:
Yang Kai-Cheng**

Billion Electric Co., Ltd. and Subsidiaries
Consolidated Statements of Cash Flows (Continued)
January 1 to December 31, 2025 and 2024

Unit: NTD 1 thousand

	2025	2024
Cash inflow generated from operations	\$ 293,262	28,727
Interest received	21,906	36,372
Interest paid	(5,205)	(12,755)
Income taxes paid	(32,533)	(39,890)
Net cash flows from operating activities	<u>277,430</u>	<u>12,454</u>
Cash flows from (used in) investing activities :		
Proceeds from disposal of financial assets at fair value through other comprehensive income	54,212	-
Acquisition of financial assets at amortized cost	-	(62,472)
Proceeds from disposal of financial assets at amortized cost	20,750	-
Acquisition of investments accounted for using equity method	(34,190)	-
Proceeds from disposal of subsidiaries	49,703	-
Acquisition of property, plant and equipment	(19,733)	(164,628)
Proceeds from disposal of property, plant and equipment	4,380	-
Increase in other receivable due from related parties	(8,000)	-
Acquisition of intangible assets	(514)	(2,886)
Net cash inflows from business combination	-	27,615
Acquisition of investment properties	-	(10,884)
Increase in other non-current assets	(70,226)	(40,867)
Dividends received	297	182
Net cash flows used in investing activities	<u>(3,321)</u>	<u>(253,940)</u>
Cash flows from financing activities :		
Increase in short-term loans	621,914	99,155
Decrease in short-term loans	(854,769)	-
(Decrease) increase in Short-term notes and bills payable	(79,914)	50,016
Proceeds from long-term debt	-	7,900
Repayments of long-term debt	(26,060)	(46,535)
Increase in guarantee deposits received	16,932	4,393
Payments of lease liabilities	(16,574)	(14,734)
Cash dividends paid	-	(42,298)
Exercise of employee share options	1,063	7,442
Treasury shares sold to employees	380	-
Acquisition of ownership interests in subsidiaries	(32,704)	(34,767)
Disposal of ownership interests in subsidiaries(without loss of control)	3,188	2,400
Change in non-controlling interests	(11,227)	(11,940)
Net cash (used in) generated from financing activities	<u>(377,771)</u>	<u>21,032</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(15,442)</u>	<u>30,830</u>
Net decrease in cash and cash equivalents	<u>(119,104)</u>	<u>(189,624)</u>
Cash and cash equivalents at beginning of period	<u>660,036</u>	<u>849,660</u>
Cash and cash equivalents at end of period	<u><u>\$ 540,932</u></u>	<u><u>660,036</u></u>

(Please refer to the accompanying notes to the Consolidated Financial Statements)

Chairman: Chen Chen-Chien

Manager: Chang Shu-Mei

**Chief Accounting Officer:
Yang Kai-Cheng**

Billion Electric Co., Ltd.
2025 Statement of Deficit Offset

(Unit: NT\$)

Items	Total
Beginning accumulated earnings available for distribution	47,619,767
Add: Remeasurements of defined benefit plans recognized in Retained earnings	5,835,210
Add: Disposal of equity instruments measured at fair value through Other comprehensive income	4,124,719
Add: Net loss after tax for 2025	(121,397,671)
Subtotal	(63,817,975)
Less: Legal reserve appropriated	0
Add: Special reserve appropriated(Note 1 - 3)	0
Deficit to be offset at end of period	(63,817,975)
Distribution items:	
Shareholder Dividends (NT\$ per share, cash) (Notes 4-5)	0
Deficit to be offset at end of period	(63,817,975)

(Note)

- As of December 31, 2025, the account balances of Exchange differences on translation of foreign financial statements (NT\$142,026) and unrealized loss on financial assets measured at fair value through Other comprehensive income (NT\$38,743,279), totaling (NT\$38,885,305), require Special reserve appropriated.
- As of December 31, 2025, the Company has Special reserve appropriated a total of NT\$29,376,417.
- Pursuant to item 1 - 2 above, as of December 31, 2025, the Company must make a supplementary Special reserve appropriated of NT\$9,190,979; however, as the Company has no distributable earnings, no such provision shall be recognized.
- Treasury shares held by the Company are not entitled to shareholder rights under the law. However, if there is any change in the number of treasury shares before the distribution record date, the distribution amount per share shall be adjusted based on the shareholding ratios of shareholders recorded in the register of shareholders as of the distribution record date, while the total amount of shareholder dividends to be distributed remains unchanged.
- This distribution table is calculated based on 128,954,549 shares outstanding as of February 8, 2026.

Chairman:

Manager:

Accounting
Officer: