BILLION

Stock Code: 3027

2024
Billion Electric Co. Ltd.
Annual Report

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Billion Website: https://www.billion.com

1. **Company Spokesman**

Spokesperson	Name: Elsa Chang Telephone:(02)2914-5665#330	Title: President E-mail: elsachang@billion.com
Acting Spokesperson	Name: Eric Yang Telephone: (02)2914-5665	Title: Accounting Supervisor E-mail: ericyang@billion.com

2. **Address and Telephone Number of the Headquarters and Factory**

Headquarters:	8F, No. 192, Sec. 2, Zhongxing Rd., Xindian Dist., New Taipei City	(02)2914-5665
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3. **Conducted stock transfer agency:**

Name:Stock Agent Department, Capital Securities Corp.

Address:Rm. B2, No. 97, Dunhua S. Rd., Sec. 2, Da'an District, Taipei City

Telephone:(02)2702-3999

Website: http://www.capital.com.tw

4. **Recent Year's Certified Public Accountants for Financial Reports**

Accountant Names: Hui-Zhi Kou, Xin-Yi Guo

Firm Name:KPMG

Address:7th Floor, No. 7, Section 5, Xinyi Road, Xinyi District, Taipei City

Telephone:(02)8101-6666

Website: https://kpmg.com/tw/zh/home.html

5. **Name of trading venue for overseas securities: None**

Inquiry Methods: None

6. **Company Website:**

http://www.billion.com.tw

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Chapter 1 Shareholders' Report

First of all, I would like to thank all shareholders for their support and encouragement to the Company in the past year. I hereby report on the Company's 2024 operating results and future development strategies to all shareholders as follows:

I.Operating results for the year 2024:

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

The Company's consolidated revenue in 2024 increased by NTD 195,184 thousand (10.76%) compared to 2023, mainly due to the increase in revenue from the renewable energy products line, which increased by NTD 209,911 thousand compared to 2023, with a growth rate of 14.78%. The renewable energy product line was the growth driver of the Company's operations in 2024, accounting for reached 80.52% of revenue.

In 2024, the company will continue the global trend of net zero and carbon neutrality, as well as the key strategy of "2050 Net Zero Emissions Pathway" issued by the Taiwan government. Combining power electronics and network communication technologies, it is committed to developing ICT solutions and actively developing green energy businesses. 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 include:

1. The introduction and sales of MIT solar inverters have been established.
2. The supply contract for 99MW solar inverters for agricultural, fishery, and livestock photovoltaic projects has been signed.
3. The development and sales of behind-the-meter integrated energy storage cabinets have been completed.
4. The Taichung energy storage cell module factory and the Yilan energy storage cabinet assembly factory have obtained original certification.
5. Behind-the-meter industrial and commercial energy storage in the domestic market, business models and technology have gained market recognition. In 2024, orders for 10 projects have been received, and construction will be gradually completed in 2025, with plans to expand order intake.
6. The first large-scale energy storage site (64MW/262MWh) in the Yunlin-Chiayi area has been successfully completed for front-of-the-meter energy storage E-dReg, and is expected to go live for bidding in the first quarter of 2025, supporting the electricity demand of 25,000 households for an entire day, fully demonstrating the group's upgraded energy storage technology and transmission level application capabilities.
7. Realize the achievements of regional microgrids overseas, successfully completing the integration of solar energy storage in Palau/Marshall Islands/Tuvalu, utilizing Billion brand equipment, building microgrid solar storage projects to provide sustainable energy solutions for Pacific island nations, demonstrating the group's technological strength and influence in the global green energy market.
8. The self-developed AC charging stations have obtained VPC certification and provide a single site for 98 charging stations for electric vehicle operators.
9. Communication business successfully obtained orders from the US Utility benchmark power plant customer, promoting the construction of smart grid automation.

10. Continue to focus on niche customized power supply products, with power revenue growing by 20% compared to last year, and overall gross margin also improving.

II.2025 Business Outlook:

The domestic government continues to promote energy transformation. In addition to the renewable energy installation capacity goals, 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, grid, and user ends. 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 conduct time-of-use price arbitrage and real-time reserves. In the power and energy management sector, as the demand for energy efficiency continues to increase, power supplies will continue to evolve towards higher efficiency and more energy-saving directions, all of which will create significant changes and opportunities in the domestic energy and power market.

In addition, looking at the rapid growth of global 5G high-speed transmission demand and the gradual rollout of 5G infrastructure in various countries, high-speed wireless broadband coverage and applications are gradually expanding; in addition to the general public network, the services provided by private networks (Local 5G) are becoming more mature. At the same time, due to the aging infrastructure in the United States, the automation of utility power plants for smart grids will bring more business opportunities.

2025rating Outlook, including:

1. In the power supply and energy management business, as the demand for energy efficiency continues to increase, power supplies will continue to evolve towards higher efficiency and energy saving. These include improving conversion efficiency, reducing standby power consumption, and adopting advanced energy management technologies. Especially, the application of digital control technology in power supplies is constantly expanding. Billion continues to focus on niche customized power supply products, providing more flexible and adjustable power management solutions to meet the needs of different applications, while seeking strategic alliance partners to diversify power supply products.
2. With the expansion of the electric vehicle market, the increase in demand for charging infrastructure will drive the growth of power supply. Billion fully utilizes the design and production of energy storage cell modules in Taichung, as well as the localized production lines and assembly factories in Xindian and Yilan, to plan the production of solar inverters, charging stations, energy storage cell modules, and integrated energy storage cabinets that meet market demand, and to expand the assembly and OEM of energy storage containers, industrial and commercial energy storage, and household energy storage products.
3. In the green energy sector, Billion Watts Technologies, 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 solar charging and 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, Billion EVC focuses on smart charging and energy management for green energy communities, providing charging point operators (CPO) with integrated parking operation solutions to promote vehicle electrification and low-carbon transformation.
4. Billion Group owns the brand Billion, which offers a diverse range of green energy products, including photovoltaic inverters, Energy Storage Systems, and electric vehicle charging stations. Among them, Commercial & Industrial Energy Storage System features a modular design, facilitating conduct of flexible multi-unit parallel capacity expansion,

installation, and operation, and combines advanced energy management technology, making it an ideal choice for enterprises to cope with high electricity prices and market fluctuations. Billion Group has cumulatively constructed over 150MW of energy storage systems in the domestic market, covering front-of-the-meter, behind-the-meter, and solar storage solutions, successfully consolidating its market leading position. The company actively participates in Taipower's auxiliary service trading platform, advancing the layout of frequency regulation reserves and real-time reserves. To meet the government bidding requirements and the needs of large-scale solar power plants, Billion Giga series solar inverters, paired with Billion Watts self-developed Pixel View smart cloud monitoring system, have exceeded a shipment volume of 500MW, showcasing the advantages in the fields of communication technology and power system integration technology.

5. Looking at overseas achievements and plans, Billion Group has completed the construction of a 495kWp solar photovoltaic system and a 1,997kWh Energy Storage System in Palau, the Marshall Islands, and Tuvalu, using Billion brand equipment to successfully build microgrid solar storage projects. In addition, the group is simultaneously expanding into the markets of Japan, Australia, and North America, actively promote the application and development of grid-connected energy storage and solar storage projects.

As the government actively promote the development of renewable energy and through regulations mandates the installation of related equipment, coupled with the return of manufacturing and the booming development of the 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 standards such as the EU's 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 strong market demand for highQuality products and Expertise services, this stage is a key opportunity for enterprises to actively invest in the renewable energy sector. Billion will seize this opportunity to fully develop and invest in renewable energy technology and applications, actively layout its own brand, expand into the international market, gain a first-mover advantage, and contribute more innovation and value to the global green energy transformation.

Chairman: Chung-Ting Chen

Chapter 2 Corporate Governance Report

I. Information of Directors, General Manager, Vice President and Major Managers data

Information on Directors

1. Information on Directors data 31 March 2025

Title (Note 1)	Nationality or stationed Land Registration	Name	Gender Age (Note 2)	Appointment Date	Concurrently Serving as an Employee Period	First Selection Date of Appointment (Note 3)	Election Time Number of Shares		Now Number of Shares		The spouse and minor children currently hold shares.		Using another person's name Equity held by the individual.		Main Experience (Education) (Note 4)	Currently serves as the total equity. Company and Others Company Position	With other executives related by marriage or within the second degree of kinship, Director or Supervisor			Note Remarks (Note 5)
							Number of Shares	Number of Shares Ratio	Number of Shares	Number of Shares Ratio	Number of Shares	Number of Shares Ratio	Number of Shares	Number of Shares Ratio			Title	Name	Relation	
Chairman	China Republic of China	Sino-American Silicon Products Inc. Representative of Sino-American Silicon Products Inc.: Chen-Chien Chen	Male 56 years old	2024.5.29	3 year	2023.6.7	15,000,000 0	13.00% 0.00%	15,000,000 0	12.93% 0.00%	0 0	0 0	0 0	0 0	Master's Degree in Business, National Taiwan University Senior Partner, KPMG President, Sino-American Silicon Products Inc.	(Note 6)	None	None	None	
Director	China Republic of China	Shu-Mei Chang	Female 58 years old	2024.5.29	3 year	2024.5.29	40,000	0.03%	60,000	0.05%	0	0	0	0	Bachelor of Laws, National Chengchi University CFO of Tatung Company	(Note 7)	None	None	None	
Director	China Republic of China	Weng Sheng-Hsien	Male 63 years old	2024.5.29	3 year	2024.5.29	100	0.00%	100	0.00%	0	0	0	0	Master's Degree in Electrical Engineering, National Taiwan University Lead Attorney, Hong Chi Law Firm	(Note 8)	None	None	None	
Director	China Republic of China	Hung Yu-Chang	Male 47 years old	2024.5.29	3 year	113.5.297	0	0	0	0	0	0	0	0	Master of Business Administration, National Taiwan University of Science and Technology Mao Hong Electric Chairman and General Manager	(note6)	None	None	None	
Independent Director	China Republic of China	Yung-Yen Chen	Male 52 years old	2024.5.29	3 year	2012.6.27	0	0	0	0	0	0	0	0	Ph.D. in Finance, Nova Southeastern University, USA Assistant Professor, Department of International Trade, Chinese Culture University	(Note10)	None	None	None	
Independent Director	China Republic of China	Zheng Zhengyuan	Male 63 years old	2024.5.29	3 year	2024.5.29	0	0	0	0	0	0	0	0	Ph.D. in Laser Processing, Institute of Mechanical Engineering, University of Liverpool Distinguished Professor, Department of Mechanical Engineering, National Taiwan University of Science and Technology	(Note 11)	None	None	None	

Title (Note 1)	Nationality or stationed Land Registration	N a m e Name	Gender Age (Note 2)	Appointment Date	Concurrently Serving as an Employee Period	First Selection Date of Appointment (Note 3)	Election Time Number of Shares		Now Number of Shares		The spouse and minor children currently hold shares.		Using another person's name Equity held by the individual.		Main Experience (Education) (Note 4)	Currently serves as the total equity. Company and Others Company Position	With other executives related by marriage or within the second degree of kinship, Director or Supervisor			Note Remarks (Note 5)
							Number of Shares	Number of Shares Ratio	Number of Shares	Number of Shares Ratio	Number of Shares	Number of Shares Ratio	Number of Shares	Number of Shares Ratio			Title	Name	Relation	
Independent Director	China Republic of China	Shih-Chieh Chen	Male 65 years old	2024.5.29	3 year	2024.5.29	0	0	0	0	0	0	0	0	Ph.D. in European Studies, College of International Studies, Tamkang University Secretary General of the Republic of China Arbitration Association	None	None	None	None	

Note 1: Corporate shareholders should list the corporate shareholder name and representative separately (for corporate shareholder representatives, the corporate shareholder name should be noted), and Table 1 below should be completed.

Note 2: Please list the actual age, and use an age range format, such as 41-50 years old or 50-60 years old.

Note 3: Please list the time when you first served as a company director or supervisor. If there is any interruption, please attach a note for explanation.

Note 4: Work experience related to the current position, such as having worked at a certified public accountant firm or affiliated enterprise during the aforementioned period, should include the job title held and responsibilities.

Note 5: If the chairman of the board of directors and the general manager (or equivalent position as the highest-ranking manager) are the same person, or are spouses or relatives within the first degree of kinship, the Company shall explain the reasons, rationality, necessity, and corresponding measures (e.g., increasing the number of independent directors, and ensuring that more than half of the directors do not serve as employees or managers) related to this matter.

Note 6: Currently concurrently serves as the Chairman of Billion Watts Technologies Co., Ltd., General Manager of Sino-American Silicon Products lnc. <GLOSSARY_1>, Director (Legal Representative) of Advanced Wireless Semiconductor Company, Director (Legal Representative) of Sunrise PV Three Co., Director (Legal Representative) of Sustainable Energy Solution Co., Ltd., Chairman (Legal Representative) of Xu Lu Energy Co., Ltd., Director (Legal Representative) of Sunrise PV Four Co., Ltd., and Director of MEMC Electronic Materials S.p.A.

Note 7: Currently serving as the General Manager of Billion Electric Co., Ltd., Director of Billion Watts Technologies Co., Ltd., Chairman of Billion Energy Storage Technologies Inc., Chairman of VGwatt Energy Corp., Chairman and General Manager of Sheng Rui Technology Co., Ltd., Supervisor of Billion Power System Technologies Inc., Director of Billion Electric Co., Ltd., and Independent Director of Actron Technology Corporation.

Note 8: Currently serving as an independent director of Dazhong Integrated Circuit Co., Ltd.

Note 9: Currently serving as the chairman Chairman and general manager General Manager of Maohong Electric.

Note 10: Currently serving as an independent director of Daito Electric Industry factory Co., Ltd.

Note 11: Currently serving as an independent director of Actron Technology Corporation, an independent director of Aentech Precision Industry Co., Ltd., and an independent director of Taiwan Precision Materials Co., Ltd.

Major Shareholders of Corporate Shareholders

Name of Institutional Shareholder	Major Institutional Shareholders
Sino-American Silicon Products lnc.	Hong Wang Investment Co., Ltd.(4.27%), China Life Insurance Co., Ltd.(2.51%), CW & ET Link Inc.(2.24%), Cathay Life Insurance Co., Ltd.(1.97%), Ming-Kuang Lu(1.91%), Ching-Chao Chang(1.89%), Hong Mao Investment Co., Ltd.(1.78%), Nan Shan Life Insurance Co., Ltd.(1.64%), HSBC Bank (Taiwan) Limited acting as custodian for Morgan Stanley & Co. International Limited(1.62%), WT Microelectronics Co., Ltd.(1.35%)

Note: Sino-American Silicon Products Inc. is based on the Company’ s register of shareholders as of the record date for suspension of transfer on 23 April 2023.

If the shareholder is a legal entity, its major shareholders:

Name of Institutional Shareholder	Major Institutional Shareholders
Hong Wang Investment Co., Ltd.	CW & ET Link Inc.(39.02%), Globalwafers Co., Ltd.(30.98%), Actron Technology Corporation(30.00%)
CW & ET Link Inc.	Hong Mao Investment Co., Ltd. (32.48 %)
Hong Mao Investment Co., Ltd.	Chinese Christian Faith and Love Foundation (17.50%), Peace Holistic Educational Foundation (17.50%), Grace Social Welfare Charitable Trust Fund (17.50%), VIA Faith and Love Charity Foundation (17.50%)
WT Microelectronics Co., Ltd.	WPG Holdings Limited(19.71%), Asmedia Technology Inc.(17.52%), Shao Yang Investment Co., Ltd.(7.34%), Yuanta/P-shares Taiwan Dividend Plus ETF(4.06%), Wen-Tsung Cheng(2.40%), Commercial Banking Department, Standard Chartered Bank under custodian of CIBC World Markets Inc.(2.10%), Finance Department, Mega International Commercial Bank(1.79%), Bank of Taiwan under custodian of First Private High No. 5(1.74%), Mercuries Life Insurance Co., Ltd.(1.27%), New Labor Pension Fund (1.18%)

Disclosure of Information on Directors' Professional Qualifications and Independence

Name	Professional Qualifications and Work Experience (Note 1)	Independence Situation	Number of independent directors concurrently serving in other publicly listed companies
Representative of Sino-American Silicon Products lnc.:Chen-Chien Chen	Graduated with a Master's degree in Business from National Taiwan University, previously served as a Senior Partner at KPMG Taiwan, Lead Audit Engagement Partner for the Electronics and Semiconductor industry, and Director and CEO of the KPMG Education Foundation. Currently the General Manager of Sino-American Silicon Products Inc. With more than five years of work experience in finance, accounting, or corporate affairs, and extensive practical experience in accounting and financial analysis, as well as risk management.	Not applicable	0
Shu-Mei Chang	Graduated from the Law Department, National Chengchi University, previously served as Director at Cooperative Bank of Commerce and CFO of Tatung Company. Currently the President of Billion Electric Co., Ltd. Possesses more than five years of work experience required for company operations, with expertise in business management, operational decision-making, leading, and decision-making, as well as extensive experience and capabilities in finance, risk management, and other areas.		1
Weng Sheng-Hsien	Graduated with a master's degree from the Institute of Electrical Engineering, National Taiwan University, and serves as a consultant lawyer at Winston & Strawn LLP. Currently the lead attorney at Hong Chi Law Firm, with more than five years of experience and expertise in law, risk management expertise.		1
Hung Yu-Chang	Graduated with a master's degree in Business Administration from National Taiwan University of Science and Technology, currently serving as the Chairman and General Manager of Maohong Electric. Possesses more than five years of experience in business and the work required for company operations, and has extensive professional knowledge and practical experience in the green energy industry and the international market.		0
Yung-Yen Chen	Graduated with a Ph.D. in Finance from Nova Southeastern University in the United States, currently an Assistant Professor in the Department of International Trade at Chinese Culture University. With more than five years of experience as an (Assistant) Professor in relevant public or private universities and colleges in the fields required for corporate business operations, specializing in finance, risk management, and other professional matters.	Neither the individual, their spouse, nor any relative within the second degree of kinship has served as a director, supervisor or employee of the Company or its affiliated enterprises. Neither the individual, their spouse, nor any relative within the second degree of kinship (or in the name of another) holds any shares of the Company. Does not serve as a director, supervisor	1

<table>
<tr><th>Name</th><th>Professional Qualifications and Work Experience (Note 1)</th><th>Independence Situation</th><th>Number of independent directors concurrently serving in other publicly listed companies</th></tr>
<tr><td>Zheng Zhengyuan</td><td>Graduated with a Ph.D. in Laser Processing from the Institute of Mechanical Engineering at the University of Liverpool, currently serving as a distinguished professor in the Department of Mechanical Engineering at National Taiwan University of Science and Technology and the director of the Taiwan High-Speed 3D Printing Research Center. With more than five years of experience as an (Assistant) Professor in relevant public or private universities and colleges in the fields required for corporate business operations, specializing in mechanical engineering, information technology, and other professional affairs.</td><td rowspan="2">or employee of any company with a specific relationship with the Company (refer to Articles 3.1.5 to 3.1.8 of the Regulations Governing the Appointment and Compliance Matters of Independent Directors of Public Companies).
Has not received any remuneration for providing the Company or its affiliated enterprises with commercial, legal, financial, accounting or other services in the past two years.</td><td>3</td></tr>
<tr><td>Shih-Chieh Chen</td><td>Graduated with a Ph.D. from the Institute of European Studies, Graduate Institute of International Affairs, Tamkang University, Secretary-General of the Republic of China Arbitration Association, currently serving as an advisor to the Republic of China Arbitration Association. Possesses more than five years of legal and risk management expertise experience and capabilities.</td><td>0</td></tr>
<tr><td colspan="4">Note 1:None of the directors of the Company have any situations described in the respective subparagraphs of Article 30 of the Company Act.</td></tr>
</table>

Diversity and Independence of the Board of Directors

(1) Diversity of the Board of Directors:

The Company has established a "Diversity of Board Members policy" in the "Corporate Governance Best-Practice Principles."

The members of the Board of Directors should consider diversity and formulate appropriate diversity policies based on their operations, operational models, and development needs, including but not limited to the following two major aspects.

I. Basic requirements and values: Gender, age, nationality and culture, etc., among which the percentage of female directors should reach one-third of the board seats.

II. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience.

To achieve the ideal goals of corporate governance, the overall capabilities that the Board of Directors should possess are as follows: Ability to conduct management administration, accounting and financialanalysis capability, operational management capability, crisis management capability, industry knowledge, international market perspective, leading capability, decision-making capability.

The implementation of the Board of Directors diversity policy is as follows:

More NT$ Transformation Core Heart N a m e Name		Nationality Nationality	Gender Don't	Concurrently Concurrently Serving as an Employee Employee Work	Age			Independent Director Term of office		Business Management Ability Operation Judgment Judgment Ability Decision-Making Ability	Meeting Calculation and Finance Affairs Part Analysis Ability Decision-Making Ability	Business Business Management Ability Administration Reason Ability Decision-Making Ability	Danger machine Department Reason Ability Decision-Making Ability	Production Knowledge of the Industry Knowledge Identify	Nationality The Market Field View	Market Perspective Leadership Ability Ability Decision-Making Ability	Decision Strategy Ability Decision-Making Ability
					50 years old to Down	50 | 60 years old	61 | 70 years old	3 year to Down	3 year to Up								
Director Business	Representative of Sino-American Silicon Products Inc.:Chen-Chien Chen	China Hua People Nationality	Male			V				V	V	V	V	V	V	V	V
	Shu-Mei Chang		Female	V		V				V	V	V	V	V	V	V	V
	Weng Sheng-Hsien		Male				V						V	V	V	V	V
	Hung Yu-Chang		Male		V					V	V	V	V	V	V	V	V
Independent Independent	Yung-Yen Chen		Male			V			V		V		V	V	V	V	V
	Zheng Zhengyuan		Male				V	V					V	V	V	V	V

nt Direc tor Direc tor Busi ness	Kuo-Hui Ning		Mal e				V	V					V	V	V	V	V

(2) The Goal of the Company’ s Diversity Policy for the Composition of the Board of Directors Is:

The number of independent directors shall not be less than one-third of the total number of directors.
The ratio of female directors reaches more than one-third of the board seats.
Directors who concurrently serve as company managers (and employees) shall not exceed one-third of the total number of directors.
More than half of the independent directors, with a term not exceeding three sessions.
At least one director with a legal background.
At least one director with a professional background in marketing.
The board members are young.

The number of independent directors shall not be less than one-third of the total number of directors (currently, independent directors account for 42.85%), and the number of directors concurrently serving as managers (or employees) of the Company shall not exceed one-third of the total number of directors (currently, directors with employee status account for 14.28%). More than half of the independent directors shall not serve for more than three terms (currently, 66.67% of the independent directors have not served for more than 3 terms). As for the remaining goals, they will be improved upon during the 2025 directors election.

The Company’ s current Board of Directors consists of 7 directors composed of 4 general directors and 3 independent directors. One director is aged below 50 years old, 3 directors are aged between 50-60 years old, and 3 directors are aged between 60-70 years old. In terms of current positions, 2 independent directors are assistant professors or above at universities, 1 independent director also serves in the Arbitration Association of the Republic of China, 1 director is the Chairman of an industrial company, 1 is the General Manager of an industrial company, and 1 is a lawyer. The members of the Company’ s Board of Directors possess diverse backgrounds and expertise in operations management, industry knowledge, finance, and strategic management.

Currently, the Company has 1 female director plus 1 female director to be elected this year, which does not reach one-third of all directors (1 seat short). Before the re-election in 2017, the Company will select female directors who meet the Company's diversity policy to join the team, reaching the Company's policy and complying with regulatory requirements.

(3) Independence of the Board of Directors:

The Company’ s Board of Directors emphasizes the function of independent operation and transparency, guiding the Company’ s strategy and exercising its authority in accordance with laws and regulations. According to the requirements of Billion Company’ s Articles of Association, the nomination system is adopted for director candidates. All director candidates must go through the nomination and qualification review process, be approved by the Board of Directors resolution, and then be elected at the shareholders’ meeting. Currently, independent directors account for 42.85% of the board seats, while non-independent directors account for 57.15%. Among them, one director holds employee/manager status and complies with the provisions of Article 26-3, Items 3 and 4 of the Securities and Exchange Act. There are no spousal or second-degree kinship relationships among the directors.

(II)General Manager、Vice President、Director、Information on the Supervisors of All the Company's Divisions and Branch Unitsdata

31 March 2025

Title Title (Note 1)	Nationality	Name	Gender	Assume office Date	Holding shares		Spouse, minor Children hold shares.		Using another person's name Equity held by the individual.		Main Experience (Education) (Note 2)	Currently serves as Other companies the position	With a spouse or any relative within the second degree of kinship. Relation Manager		
					Number of Shares	Number of Shares Ratio	Number of Shares	Number of Shares Ratio	Number of Shares	Number of Shares Ratio			Title	Name	Relation
President	China Republic of China	Shu-Mei Chang	Female	2022.03.01	60,000	0.05%	0	0.00%	0	0.00%	Bachelor of Laws, National Chengchi University CFO of Tatung Company Cooperative Bank Director	(Note 3)	None	None	None
Director	China Republic of China	She-Li Chiu	Male	2005.7.22	8,012	0.01%	0	0.00%	0	0.00%	National Taipei University of Technology Mag Technology Senior Engineer	(Note 4)	None	None	None
PEM Technology Director	China Republic of China	Zhuang Shengrong	Male	2021.7.5	0	0.00%	0	0.00%	0	0.00%	Department of Electrical Engineering, National Chiao Tung University Andyson International(Co., Ltd.) Director of Research and Development	None	None	None	None
New energy products Director	China Republic of China	Hsieh Ming-Hsun	Male	2023.10.1	0	0.00%	0	0.00%	0	0.00%	Department of Electrical Engineering, National Kaohsiung University of Science and Technology Yingzheng Yushun Electronics Co., Ltd.Technology Manager	None	None	None	None
Chief Financial Officer	China Republic of China	Shu-Mei Chang	Female	2022.03.01	60,000	0.05%	0	0.00%	0	0.00%	Bachelor of Laws, National Chengchi University CFO of Tatung Company Cooperative Bank Director	(Note 3)	None	None	None
Accounting Offi cer	China Republic of China	Yang Kai-Cheng	Male	2023.3.1	0	0.00%	0	0.00%	0	0.00%	Soochow University Department of Accounting KPMG/Audit Manager	Remark (Note5)	None	None	None

Note 1:Regardless of title, anyone with a position equivalent to General Manager, Deputy General Manager, or Associate Manager should be disclosed.
Note 2:Work experience related to the current position, such as having worked at a certified public accountant firm or affiliated company during the aforementioned period, should include the job title held and responsibilities.

Note 3: Currently serves as a director of Billion Electric Co., Ltd., chairman of Billion Energy Storage Technologies Inc., Director of Billion Watts Technologies Co., Ltd., chairman of VGwatt Energy Corp., chairman and general manager of Sheng Rui Technology Co., Ltd. <GLOSSARY_3>, and general manager, supervisor of Billion Power System Technologies Inc., director of Billion Electric Co., Ltd., and independent director of Actron Technology Corporation.

Note 4: Currently serves as a director at Billion Energy Storage Technologies Inc..

Note 5: Currently serving as a supervisor of Billion EV Charging Technologies Co., Ltd. and a supervisor of Sheng Rui Technology Co., Ltd.

Remuneration Paid to Directors (including Independent Directors), President, and Vice Presidents in the Most Recent Year

Remuneration of Directors (including Independent Directors)

2024 Year Unit: NTD ONE THOUSAND; %

Title	Name	Remuneration paid to directors								(A B C D) as a % of Net Income		Relevant Remuneration Received by Directors Who are Also Employees								(A B C D E F G) as a % of Net Income (Note 10)		Whether remuneration is received from reinvested businesses other than subsidiaries (Note 11)
		Remuneration (A) (Note 2)		Severance Pay and Pensions (B)		Compensation to Directors (C) (Note 3)		Business Expenses (D) (Note 4)				Base Compensation, Bonuses, and Allowances (E) (Note 5)		Severance Pay and Pensions (F)		Employee Compensation (G) (Note 6)						
																The Company		All companies included in the financial statements (Note 7)				
		Total Equity Public Company	All companies included in the financial statements (Note 7)	Total Equity Public Company	All companies included in the financial statements (Note 7)	Total Equity Public Company	All companies included in the financial statements (Note 7)	Total Equity Public Company	Financial Report Institute Public company Company (Note 7)	Total Equity Public Company	Financial Report Institute Public company Company (Note 7)	Total Equity Public Company	Financial Report Institute Public company Company (Note 7)	Total Equity Public Company	Financial Report Institute Public company Company (Note 7)	Cash Amount	Stock Amount	Cash Amount	Stock Amount	Total Equity Public Company	Financial Report Institute Public company Company (Note 7)	
Chairman	Chung-Ting Chen	120	120	0	0	0	80	0	0	-0.55	-0.91	2,235	2,235	39	39	0	0	80	0	-10.93	-11.66	0
Director	Representative of Sino-American Silicon Products lnc.:Chen-Chien Chen	120	120	0	0	0	0	25	25	-0.66	-0.66	0	0	0	0	0	0	0	0	-0.66	-0.66	0
Director	Shu-Mei Chang	71	71	0	0	0	0	0	0	-0.32	-0.32	3,439	3,439	63	63	0	0	59	0	-16.30	-16.58	0
Director	Weng She Hsien	71	71	0	0	0	0	70	70	-0.64	-0.64	0	0	0	0	0	0	0	0	-0.64	-0.64	0
Director	Ke Yi-Sha	71	71	0	0	0	0	15	15	-0.39	-0.39	0	0	0	0	0	0	0	0	-0.39	-0.39	0
Director	Hung Yu-Chang	71	71	0	0	0	0	15	15	-0.39	-0.39	0	0	0	0	0	0	0	0	-0.39	-0.39	0
Independent Director	Yung-Yen Chen	360	360	0	0	0	0	30	30	-1.78	-1.78	0	0	0	0	0	0	0	0	-1.78	-1.78	0

Title	Name	Remuneration paid to directors								(A B C D) as a % of Net Income		Relevant Remuneration Received by Directors Who are Also Employees								(A B C D E F G) as a % of Net Income (Note 10)		Whether remuneration is received from reinvested businesses other than subsidiaries (Note 11)
		Remuneration (A) (Note 2)		Severance Pay and Pensions (B)		Compensation to Directors (C) (Note 3)		Business Expenses (D) (Note 4)				Base Compensation, Bonuses, and Allowances (E) (Note 5)		Severance Pay and Pensions (F)		Employee Compensation (G) (Note 6)						
		Total Equity Public Company	All companies included in the financial statements (Note 7)	Total Equity Public Company	All companies included in the financial statements (Note 7)	Total Equity Public Company	All companies included in the financial statements (Note 7)	Total Equity Public Company	Financial Report Institute Public company Company (Note 7)	Total Equity Public Company	Financial Report Institute Public company Company (Note 7)	Total Equity Public Company	Financial Report Institute Public company Company (Note 7)	Total Equity Public Company	Financial Report Institute Public company Company (Note 7)	The Company		All companies included in the financial statements (Note 7)		Total Equity Public Company	Financial Report Institute Public company Company (Note 7)	
																Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Independent Director	Zheng Zhengyuan	213	213	0	0	0	0	15	15	-1.04	-1.04	0	0	0	0	0	0	0	0	-1.04	-1.04	0
Independent Director	Shih-Chieh Chen	213	213	0	0	0	0	30	30	-1.11	-1.11	0	0	0	0	0	0	0	0	-1.11	-1.11	0

1. Please describe the remuneration payment policy, system, standards, and structure for independent directors, and explain the relationship between the remuneration amount and the responsibilities, risks, and time invested.
According to the Company's "Articles of Incorporation" and "Director Remuneration Payment Guidelines", the remuneration for independent directors is a fixed monthly payment.

Aside from the above disclosure, the remuneration received by the Company's directors in the most recent year for providing services to all companies within the financial reports (such as serving as non-employee consultants):

Remuneration Scale

Remuneration scale for each director of the Company	Name of Director			
	Total Amount of the First Four Compensations (A+B+C+D)		Total Compensation for the First Seven Items (A+B+C+D+E+F+G)	
	The Company (Note 8)	All companies included in the financial statements (Note 9) H	The Company (Note 8)	All companies included in the financial statements (Note 9) I
Below NTD 1,000,000	Tim Chen, Shu-Mei Chang, Sheng-Hsien Weng, Yi-Shan Ko, Yu-Chang Hung, Yung-Yen Chen, Cheng-Cheng Cheng, Shih-Chieh Chen, Representative of Sino-American Silicon Products Inc.: Chen-Chien Chen	Tim Chen, Shu-Mei Chang, Sheng-Hsien Weng, Yi-Shan Ko, Yu-Chang Hung, Yung-Yen Chen, Cheng-Cheng Cheng, Shih-Chieh Chen, Representative of Sino-American Silicon Products Inc.: Chen-Chien Chen	Sheng-Hsien Weng, Yi-Shan Ke, Yu-Chang Hong, Yung-Yen Chen, Cheng-Cheng Yuan, Shih-Chieh Chen, Legal Representative of Sino-American Silicon Products Inc.: Chen-Chien Chen	Sheng-Hsien Weng, Yi-Shan Ke, Yu-Chang Hong, Yung-Yen Chen, Cheng-Cheng Yuan, Shih-Chieh Chen, Legal Representative of Sino-American Silicon Products Inc.: Chen-Chien Chen
NTD 1,000,000 (inclusive) - NTD 2,000,000 (exclusive)				
NT $2,000,000 (inclusive) ~ NT $3,500,000 (exclusive)			Chung-Ting Chen	Chung-Ting Chen
NTD 5,000,000 (inclusive) - NTD 10,000,000 (exclusive)			Shu-Mei Chang	Shu-Mei Chang
NTD 15,000,000 (inclusive) - NTD 30,000,000 (exclusive)				
NTD 10,000,000 (inclusive) ~ NTD 15,000,000 (exclusive)				
NTD 15,000,000 (inclusive) ~ NTD 30,000,000 (exclusive)				
NT $30,000,000 (inclusive) ~ NT $50,000,000 (exclusive)				
NTD 30,000,000 (inclusive) - NTD 50,000,000 (exclusive)				
NTD 100,000,000 or above				
Grand total	9 people	9 people	9 people	9 people

Note 1: The names of directors should be listed separately (corporate shareholders should list the corporate shareholder name and representative separately), and the amounts of remuneration should be disclosed in a summarized manner.

Note 2: Refers to the remuneration of directors in the most recent year (including director salaries, position allowances, severance pay, various bonuses, incentive payments, etc.).

Note 3: This refers to the amount of remuneration to directors approved by the board of directors for the most recent fiscal year.

Note 4: Refers to the relevant business expenses of directors in the most recent year (including transportation expenses, allowances, various subsidies, accommodation, provision of vehicles, and other in-kind benefits, etc.). If housing, vehicles, and other means of transportation or personal expenses are provided, the nature and cost of the assets provided, as well as the actual or fair market value of the rent, fuel expenses, and other payments, should be disclosed. If a driver is assigned, please note the relevant compensation paid by the Company to the driver, but do not include it in the remuneration.

Note 5: This refers to the remuneration received by directors who are also employees in the most recent year (including those concurrently serving as General Manager, Vice President, other managerial staff, and employees), which includes salaries, position allowances, severance payments, various bonuses, incentive payments, transportation allowances, special allowances, various subsidies, housing, company vehicles, and other in-kind benefits. If housing, vehicles, and other means of transportation or personal expenses are provided, the nature and cost of the assets provided, as well as the actual or fair market value of the rent, fuel expenses, and other payments, should be disclosed. If a driver is assigned, please note the relevant compensation paid by the Company to the driver, but do not include it in the remuneration. Inaddition,thesalaryexpensesrecognizedinaccordancewithIFRS2"Share-basedPayment",includingobtainingemployeestockoptioncertificates,restrictingemployeerightsnewshares,andparticipatingincashcapitalincreasesubscriptionshares, shouldalsobeincludedintheremuneration.

Note 6: This refers to the remuneration (including stock and cash) received by directors who concurrently serve as employees (including concurrent General Manager, Vice President, other managerial personnel, and employees) in the most recent year. The amount of employee compensation approved by the board of directors for distribution in the most recent year should be disclosed. If it cannot be estimated, the proposed distribution amount for this year should be calculated based on the actual distribution amount from last year, and Schedule 1-3 should also be completed.

Note 5: The total amount of all the remuneration paid to the Company's General Manager and Deputy General Manager by all the companies (including the Company) listed in its consolidated financial statements shall be disclosed.

Note 8: The total amount of remuneration paid to each director by the Company shall be disclosed along with the names of the directors in the corresponding compensation scale.

Note 9: The total amount of all the remuneration paid to each director of the Company by all the companies (including the Company) listed in its consolidated financial statements shall be disclosed, along with the names of the directors in the corresponding tiers.

Note 8: Net profit after tax refers to the net profit after tax in the most recent year; If the International Financial Reporting Standards have been adopted, the after-tax net profit refers to the after-tax net profit of the individual or individual financial report in the most recent year.

Note 9: a. This column should clearly indicate the amount of remuneration received by the general manager and deputy general manager of the company from the reinvested business other than the subsidiaries. If the general manager or deputy general manager of the company receives remuneration from the reinvested business other

b. If the directors of the company receive remuneration from reinvested businesses other than the subsidiaries, the remuneration received by the directors from reinvested businesses other than the subsidiaries shall be combined into column I of the remuneration scale, and the name of the column shall be changed to "all reinvested businesses."

c. Remuneration refers to the compensation and remuneration received by the directors of the Company in their capacity as directors, supervisors, or managers of reinvested businesses other than subsidiaries, including employee remuneration, director remuneration, and related business execution expenses.

* The remuneration disclosed in this table differs from the concept of income under the Income Tax Ordinance; therefore, the purpose of this table is for information disclosure only and not for taxation purposes.

2. Remuneration of Supervisors: Not applicable, the company established the Audit Committee on 5 June 2018.

3. Remuneration of General Manager and Vice President

2024 Year Unit: NTD ONE THOUSAND; %

Title Title	N a m e Name (Note 1)	Compensation (A) (Note 2)		Severance Pay and Pensions (B)		Bonuses and Allowances (C) (Note 3)		Employee Compensation Amount (D) (Note 4)				A, B, C and D as a percentage of net profit after tax (%) (Note 8)		Whether remuneration has been received from reinvested businesses other than subsidiaries (note6)
		Total Equity Public Company	All companies included in the financial statements Remark (Note5)	Total Equity Public Company	All companies included in the financial statements Remark (Note5)	Total Equity Public Company	All companies included in the financial statements Remark (Note5)	The Company		All companies included in the financial statements (Note 5)		Total Equity Public Company	All companies included in the financial statements Remark (Note5)	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
President	Shu-Mei Chang	1,979	1,979	63	63	1,460	1,460	0	0	59	0	-14.15	-14.39	-

Remuneration Scale

Remuneration scale for each General Manager and Vice President of the Company	General Manager and Vice President names	
	The Company (Note 6)	All companies included in the financial statements (Note 7)
Below NTD 1,000,000	-	-
NTD 1,000,000 (inclusive) - NTD 2,000,000 (exclusive)	-	-
NT $2,000,000 (inclusive) ~ NT $3,500,000 (exclusive)	-	-
NTD 5,000,000 (inclusive) - NTD 10,000,000 (exclusive)	Shu-Mei Chang	Shu-Mei Chang
NTD 15,000,000 (inclusive) - NTD 30,000,000 (exclusive)	-	-
NTD 10,000,000 (inclusive) ~ NTD 15,000,000 (exclusive)	-	-
NTD 15,000,000 (inclusive) ~ NTD 30,000,000 (exclusive)	-	-
NT $30,000,000 (inclusive) ~ NT $50,000,000 (exclusive)	-	-
NTD 30,000,000 (inclusive) - NTD 50,000,000 (exclusive)	-	-
Grand total	1 person	1 person

Note 1: The names of the General Manager and Vice President should be listed separately, and the amounts paid should be disclosed in a summarized manner. If a director concurrently serves as General Manager or Vice President, this form and Table 4 should be completed.

Note 2: Fill in the salaries, position allowances, and severance payments of the most recent year for the General Manager and Vice President.

Note 3: This refers to the various bonuses, incentive payments, transportation allowances, special allowances, various subsidies, housin vehicle provision, and other remuneration amounts provided to the General Manager and Vice President in the most recent yea If housing, vehicles, and other means of transportation or personal expenses are provided, the nature and cost of the assets provide as well as the actual or fair market value rental, fuel costs, and other payments should be disclosed. If a driver is assigned, plea note the relevant compensation paid by the Company to the driver, but do not include it in the remuneratio Inaddition,thesalaryexpensesrecognizedinaccordancewithIFRS2"Share-basedPayment",includingobtainingemployeestockoptioncertificates,restrictingemployeerightsnewshares,andparticipatingincash pitalincreasesubscriptionshares, shouldalsobeincludedintheremuneration.

Note 4: This refers to the amount of employee compensation (including stock and cash) allocated to the General Manager and Vi President as approved by the board of directors in the most recent year. If it cannot be estimated, the proposed allocation amou for this year should be calculated based on the actual allocation amount from last year, and Table 1-3 should also be complete Net profit after tax refers to the net profit after tax in the most recent year; if the International Financial Reporting Standards ha been adopted, the after-tax net profit refers to the after-tax net profit of the individual or individual financial report in the mc recent year.

Note 5: The total amount of all the remuneration paid to the Company's General Manager and Vice President by all the compani (including the Company) listed in its consolidated financial statements shall be disclosed.

Note 6: The total amount of remuneration paid by the Company to each General Manager and Vice President shall be disclosed along wi the names of the General Manager and Vice President in the respective remuneration brackets.

Note 7: The total amount of all the remuneration paid to each General Manager and Vice President of the Company by all compani (including the Company) listed in its consolidated financial statements shall be disclosed, along with the names of the Gener Manager and Vice President in the corresponding remuneration scale.

Note 8: Net profit after tax refers to the net profit after tax in the most recent year; if the international financial reporting standards ha been adopted, the after-tax net profit refers to the after-tax net profit of the individual or individual financial report in the mc recent year.

Note 9: a. This column should clearly indicate the amount of remuneration received by the General Manager and Vice President from the reinvested business other than the subsidiaries.

b. If the Company's General Manager and Vice President receive remuneration from reinvested businesses other than the subsidiaries, the remuneration received by the Company's General Manager and Vice President from reinvested businesses outside the subsidiaries shall be combined into column E of the remuneration scale, and the name of the column shall be changed to "all the reinvested businesses."

c. Remuneration refers to the compensation received by the Company's General Manager and Vice President for their roles as directors, supervisors, or managers in reinvested businesses outside of subsidiaries, including remuneration for employees, directors, and supervisors, as well as related business execution expenses.

* The remuneration disclosed in this table differs from the concept of income under the Income Tax Ordinance; therefore, the purpose of this table is for information disclosure only and not for taxation purposes.

4. Names of managers responsible for employee remuneration and details of the distribution

2024 Year Unit: NTD ONE THOUSAND; %

	Title (Note 1)	Name (Note 1)	Stock Amount	Cash Amount	Grand total	Percentage of total amount of net profit after tax (%)
Manager	President	Shu-Mei Chang	0	0	0	0
	Accounting Supervisor	Yang Kai-Cheng	0	0	0	0
	Director	She-Li Chiu	0	0	0	0
	Deputy Manager	Li-Li Chang	0	0	0	0
	Deputy Manager	Hsieh Ming-Hsun	0	0	0	0

Note 1: Individual names and titles should be disclosed, but the distribution of profits may be disclosed in a summarized manner.

Note 2: For employee compensation in the most recent year that has not been approved by the board of directors, the amount should be filled in based on the employee compensation amount (including stock and cash) approved by the board of directors in the previous year; for those already approved by the board of directors, the amount should be filled in based on the employee compensation amount approved for distribution to managers. If it cannot be estimated, the proposed distribution amount for this year should be calculated based on the actual distribution amount from last year.

Note 3: The scope applicable to managers is based on the regulations set forth in the letter No. 0920001301 of the Financial Supervisory Commission dated 27 March 2003, and the scope is as follows:

(1) General Manager and equivalent level
(2) Vice President and equivalent level
(3) Director and those of equivalent level
(4) Head of the Finance Department
(5) Head of the Accounting Department
(6) Other individuals with management authority and signing rights for the Company.

5. Remuneration of the Top Five Highest-Paid Executives (Individual Disclosure of Names and Remuneration Methods)

2024 Year Unit: NTD ONE THOUSAND; %

Title Title	Name Name (Note 1)	Compensation (A) (Note 2)		Severance Pay and Pensions (B)		Bonuses and Allowances (C) (Note 3)		Employee Compensation Amount (D) (Note 4)				A, B, C and D as a percentage of net profit after tax (%) (Note 6)		Whether remuneration has been received from reinvested businesses other than subsidiaries (Note 7)
		Total Equity Public Company	All companies included in the financial statements Remark (Note5)	Total Equity Public Company	All companies included in the financial statements Remark (Note5)	Total Equity Public Company	All companies included in the financial statements Remark (Note5)	The Company		All companies included in the financial statements (Note 5)		Total Equity Public Company	All companies included in the financial statements	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
President	Shu-Mei Chang	1,979	1,979	63	63	1,460	1,460	0	0	59	0	-14.15	-14.39	0
Director	She-Li Chiu	1,491	1,491	0	0	676	676	59	0	59	0	-8.99	-8.99	0
Director	Chien-Hui Chen	1,236	1,236	214	214	357	357	55	0	55	0	-7.52	-7.52	0
Manager	Wei Lieyi	1,682	1,682	0	0	0	0	76	0	76	0	-7.10	-7.10	0
technology Director	Zhuang Shengrong	1,025	1,025	0	0	146	146	61	0	61	0	-4.98	-4.98	0

Note 1: The term "the five highest-paid executives" refers to the Company's managers. The criteria for identifying such managers are governed by the provisions of the letter No. 0920001301 issued by the Securities and Futures Commission of the Ministry of Finance on 27 March 2003 regarding the applicability of the term "manager". As for the calculation criteria for the "top five highest compensations," it is based on the total amount of salaries, severance pay and pensions, bonuses, and allowances received by the company's managers from all companies within the consolidated financial statements, as well as employee remuneration (i.e., the total amount of A+B+C+D), which is then ranked to identify the top five highest compensations.

Note 2: This should include the salaries, position allowances, and severance pay of the top five highest-paid executives in the most recent year.

Note 3: This refers to the amounts of various bonuses, incentive payments, transportation expenses, allowances, various subsidies, housing, company cars, and other forms of remuneration provided to the top five highest-paid executives in the most recent year. If housing, vehicles, and other means of transportation or personal expenses are provided, the nature and cost of the assets provided, as well as the actual or fair market value rental, fuel costs, and other payments should be disclosed. If a driver is assigned, please note the relevant compensation paid by the Company to the driver, but do not include it in the remuneration. Inaddition,thesalaryexpensesrecognizedinaccordancewithIFRS2"Share-basedPayment",includingobtainingemployeestockoptioncertificates,restrictingemployeerightsnewshares,andparticipatingincashcapitalincreasesubscriptionshares, shouldalsobeincludedintheremuneration.

Note 4: This refers to the amount of employee compensation (including stock and cash) for the top five highest-paid executives approved by the board of directors in the most recent year. If it cannot be estimated, the proposed distribution amount for this year will be calculated based on the actual distribution amount from last year.

Note 5: The total amount of all the remuneration paid to the top five highest-paid executives of the Company by all the companies (including the Company) listed in its consolidated financial statements shall be disclosed.

Note 6: Net profit after tax refers to the after-tax net profit of the individual or individual financial report in the most recent year.

Note 7: a. This column should clearly indicate the amount of remuneration received by the five highest-paid executives of the company from the reinvested business other than the subsidiaries or the parent company (if none, please fill in "none").

b. Remuneration refers to the compensation, rewards (including remuneration for employees, directors, and supervisors), and business execution expenses received by the top five highest-paid executives of the Company in their capacity as directors, supervisors, or managers of reinvested businesses other than subsidiaries or the parent company.

* The remuneration disclosed in this table differs from the concept of income under the Income Tax Ordinance; therefore, the purpose of this table is for information disclosure only and not for taxation purposes.

(IV) A comparative analysis of the total remuneration paid to the Company's Directors, General Manager, and Vice Presidents by the Company and all companies in the consolidated financial statements over the most recent two years as a percentage of net profit after tax, along with an explanation of the remuneration policy, standards and combinations, the procedures for determining remuneration, and the correlation with operational performance and future risks.

1. The total remuneration paid to the directors, General Manager, and Vice President of the company in the most recent two years as a percentage of the net profit after tax in the individual financial report is analyzing.

Title	Total amount of remuneration as a percentage of net profit after tax				Increase (Decrease) Ratio (%)	
	2023 Year		2024 Year			
	The Company	All companies included in the financial statements Company	The Company	All companies included in the financial statements Company	The Company	All companies included in the financial statements Company
Director	4.37%	4.37%	6.10%	6.42%	39.56%	46.96%
General Manager/Vice President	2.71%	2.71%	14.15%	14.39%	422.08%	430.91%

2. The remuneration policy, standards and combinations, the procedures for determining remuneration, and the correlation with operational performance and future risks:

(1) The policy, standards, and combinations for remuneration payments to directors of the Company include three main components: director remuneration, director compensation, and business execution expenses, which are conducted in accordance with the Company's Articles of Incorporation and relevant regulations; the General Manager and Vice President remuneration includes three categories: salary, bonus, and employee compensation, which are established according to the Company's Articles of

Incorporation and approval authority.

(2) Procedures for Determining Remuneration

According to the Company's Articles of Incorporation, if the Company has profits in a fiscal year, it shall allocate no more than 3 percent for director remuneration and no less than 2 percent for employee remuneration. The distribution of employee compensation and director remuneration shall be reported to the shareholders' meeting.

However, when the company still has accumulated losses, it should first reserve the amount for compensation and then allocate employee remuneration and director remuneration according to the aforementioned ratio. In addition, business expenses are only reimbursed for transportation costs incurred for each attendance at the board meeting. The procedure for determining director remuneration shall follow the Company's "Board Performance Evaluation Guidelines" and take into account the level of participation in the Company's operations and contributions, providing reasonable compensation. The remuneration received by the Company's managers is based on the operational performance amount approved by the Board of Directors in the annual budget each year, and the distribution method is conducted in accordance with the Company's "Employee Performance Management Guidelines".

The Company also established a remuneration committee in 2012, which will regularly review the performance evaluation and remuneration policies, systems, standards, and structures for directors and managers, and present them to the Board of Directors for discussion.

(3) Relationship between Business Performance and Future Risks

Performance evaluations and remuneration for the Company's directors and managers are determined not only by reference to the usual standards of the industry but also take into account operational results, level of participation (including attendance rates of directors, frequency of communication, suggestions provided, etc.), and their contributions to the Company's performance (including financial indicators such as revenue and profit reached rates, as well as non-financial indicators such as compliance with laws and internal controls, or special achievements, etc.). Furthermore, a comprehensive consideration of the amount of remuneration, payment methods, and the Company's future risks is made, which is highly correlated with their responsibilities in managing the Company and overall performance.

2. Corporate Governance Implementation Status

(1) Operation of the Board of Directors:

The Board of Directors met 8 times in the fiscal year 2024 (A), and the attendance of the directors is as follows:

Title	Name	Actual attendance rate (%) Number of Seats (B)	Authorized Attendance Number of Times	Actual attendance rate (%)【B/A】	Remark
Chairman	Chung-Ting Chen	8	0	100%	
Director	Representative of Sino-American Silicon Products Inc.: Chen-Chien Chen	8	0	100%	
Director	Shu-Mei Chang	5	0	100%	(Note 1)
Director	Weng Sheng-Hsien	5	0	100%	(Note 1)
Director	Ke Yi-Shan	5	0	100%	(Note 1)
Director	Hung Yu-Chang	5	0	100%	(Note 1)
Independe nt Directors	Yung-Yen Chen	8	0	100%	
Independe nt Directors	Zheng Zhengyuan	5	0	100%	(Note 1)
Independe nt Directors	Shih-Chieh Chen	5	0	100%	(Note 1)

Note 1: The Company will hold a board election on 29 May 2024, with Shu-Mei Chang, Sheng-Hsien Weng, Yi-Shan Ke, Yu-Chang Hong, Cheng-Cheng Yuan, and Shih-Chieh Chen. Assumed office on 29 May 2024.

Other matters to be recorded:

1. If any of the following situations occur in the operation of the Board of Directors, the date, period, content of the proposal, opinions of all independent directors, and the Company's handling of the independent directors' opinions shall be stated:
   (1) Matters listed in Article 14-3 of the Securities and Exchange Act:
   Not applicable, the Company has established an Audit Committee, in accordance with the provisions of Article 14-5 of the Securities and Exchange Act.
   (2)Other board resolutions opposed or reserved by independent directors with records or written statements: The Company has not encountered the aforementioned situations.

2. The implementation of the avoidance of conflicts of interest by directors regarding related party proposals should specify the names of the directors, the content of the proposals, the reasons for the required avoidance of interest, and the circumstances of their participation in the voting.

Date of meeting and period	Content of the Proposal	Reasons for Conflict of Interest and Voting Situation
2024/06/21 18th Second	The company provides a guarantee amount for the financing needs of the invested company, Taiwan O Energy Co., Ltd.	In this case, the Chairman Chung-Ting Chen abstained from discussing and voting due to a conflict of interest as he also serves as a director of the lending company. Therefore, the Chairman appointed Yung-Yen Chen, an independent director, to act as the temporary chairperson, which was approved by the other attending directors.
	The company provides a guarantee amount for the financing needs of its subsidiary O-Way Energy Storage Technologies Inc.	In this case, the Chairman Chung-Ting Chen abstains from participating in the discussion and voting due to his concurrent position as the Chairman of the endorsed guarantee company, and is therefore recusing himself from this matter. The Chairman has appointed

		Independent Director Yung-Yen Chen to serve as the interim chair, which has been approved by a resolution of the other attending directors.
	The Company intends to acquire real estate in Japan.	In this case, the Chairman Chung-Ting Chen has refrained from participating in the discussion and voting due to a conflict of interest arising from concurrently serving as the Chairman of a Japanese company. Therefore, the Chairman has appointed independent director Yung-Yen Chen to act as the interim chairperson, which has been approved by the other attending directors.
2024/08/08 18th Session 3rd	Through the signing of the "Industry-Academia Cooperation and Academic Feedback Mechanism Contract" between our company and the National Taiwan University of Science and Technology.	Director Zheng Zhengyuan has recused himself from the discussion and voting on this matter, which has been approved by the other attending directors.
	Hiring of the Company General Manager Case	Director Shu-Mei Chang has recused herself from the discussion and voting on this matter due to a conflict of interest, and this was approved by the other attending directors.
	Discussion on the Performance Evaluation of Directors and Remuneration Distribution for the Year 2023	In the discussion regarding the interests of the directors, Chairman Tim Chen, Director Chen-Chien Chen, and Independent Director Yung-Yen Chen abstained from participating. The resolution was passed by the other attending directors.
	Deliberation on the performance evaluation of managers for the year 2023 and the distribution of employee remuneration.	Director Shu-Mei Chang abstained from discussing and voting on this matter due to a conflict of interest, and the resolution was passed by the other attending directors.
2024/11/07 The 4th meeting of the 18th session	Short-term financing case for subsidiary Sheng O Technology Co., Ltd.	In this case, the Chairman Chung-Ting Chen abstains from discussion and voting due to his simultaneous position as the Chairman of the financing company, and is therefore recused from this matter. The Chairman has appointed independent director Yung-Yen Chen to serve as the temporary chair for short-term financing, which was approved by a resolution of the other attending directors.
2024/12/12 The 5th meeting of the 18th session	Through funding lent to the subsidiary O-Kai green energy Co., Ltd. project.	In this case, the Chairman Chung-Ting Chen abstained from discussing and voting on the matter due to his simultaneous position as Chairman of the company receiving the loan. Therefore, the Chairman appointed Yung-Yen Chen, an independent director, to serve as the interim chairman, which was approved by the other attending directors.
	Funding loan to the subsidiary Billion Green Energy Co., Ltd. case.	In this case, the Chairman Chung-Ting Chen abstained from discussing and voting on the matter due to his simultaneous position as Chairman of the company receiving the loan. Therefore, the Chairman appointed Yung-Yen Chen, an independent director, to serve as the interim chairman, which was approved by the other attending directors.

3. Implementation of the Board of Directors evaluation:

Evaluate Cycle	Evaluate Period	Assessment Scope	Evaluation methods	Assessment Content
Every year Implementation one time	2024/01/01 to 2024/12/31	Board of Directors, Individual Directors Members, Functional	Internal Self-Assessment of the Board of Directors Self-assessment of Directors Functional	Performance evaluation of the Board of Directors: 1. Degree of Participation in Company Operations 2. Enhance the quality of the Board of Directors' decision-making品質

		committee (including the Audit Committee, the Remuneration Committee, and the Nomination Committee)	committee self-assessment	3. Composition and Structure of the Board of Directors 4. Appointment and Continuing Education of Directors 5. Internal Control Performance evaluation of individual board members: 1. The Company's goals and mission management 2. Understanding of Director Responsibilities 3. Level of Participation in Company Operations 4. Internal relationship management and communication 5. Directors' expertise and continuing education 6. Internal Control Functional committee performance evaluation: 1. Degree of Participation in Company Operations 2. Awareness of the Responsibilities of the Functional Committee 3. Enhance the functionality of the committee decision-making quality. 4. Composition and Appointment of Members of the Functional Committee 5. Internal Control

4. Strengthening the functions of the Board of Directors in the current year and the most recent year, including the goals (such as establishing an audit committee, enhancing information transparency, etc.) and assessing the implementation situation:

Strengthen the functions of the Board of Directors goals	Implementation Status Assessment
Appointment of Independent Directors	Strengthen the independent and objective functions of professionalexpertise directors to supervise the operation of the Board of Directors.
Establish an Audit Committee	Exercise the powers stipulated by the Securities and Exchange Ordinance, the Companies Ordinance, and other relevant laws and regulations. The company has established the "Audit Committee Organization Regulations." The 3rd Audit Committee was established on 29 May 2024, composed of three independent directors who meet at least once each quarter. It is responsible for executing the audit of the appropriateness of the Company's financial statements reached, the selection (dismissal) and independence and performance of certified public accountants, the effective implementation of the Company's internal controls, compliance with relevant laws and regulations, and the management of existing or potential risks within the Company. The operation status of the Audit Committee for the year 113 is published on the company website / Corporate Governance / Functional Committees / Audit Committee.
Establish the Remuneration Committee	Assist the board in executing and evaluating the overall compensation and benefits system of the company, and regularly review whether the remuneration of directors, supervisors, and managers is appropriate. The Company has established the "Remuneration Committee Organizational Regulations." the 6th Remuneration Committee was appointed by the Board of Directors on 29 May 2024, consisting of 3 independent directors composed, and its operations are smooth. The operation status of the Remuneration Committee for the year 113 is published on the company's website under Corporate

	Governance/Functional Committees/Remuneration Committee.
Establish the nomination committee	Establish a sound nomination system for the company's directors and senior management. The company has established the "NominationCommittee Organization Regulations." The 3rd Nomination and Remuneration Committee was appointed by a resolution of the Board of Directors on 29 May 2024, consisting of 3 independent directors composed, and the operation is smooth. The operation status of the Nomination and Remuneration Committee for the year 113 is published on the company website under Corporate Governance / Functional Committees / Remuneration Committee.
Continue to enhance information transparency.	The Company designates specific personnel responsible for the disclosure of company information and the updating of information on the company website.
Actively establish communication with stakeholders.	The Company has a spokesperson and an acting spokesperson. In addition to using this as a communication channel, stakeholders can also find various contact points for stakeholder affairs listed on the Company' s website. Every year, the shareholders' meeting accepts shareholder proposals according to the schedule. Shareholders with proposal rights may submit an application to the Company during the acceptance period, and the Company will convene a Board of Directors meeting for review in accordance with relevant regulations.
Enhance the operational efficiency and decision-making capability of the Board of Directors.	1.The Company has established the "Regulations for Board of Directors Meetings" to enhance the functions of the Board of Directors and promote the positive development of Board participation in decision-making. 2. The Company has established a "Board of Directors Performance Evaluation System" to implement corporate governance and enhance the functions of the Board of Directors, establishing performance goals to strengthen the operational efficiency of the Board.
Strengthen expertise knowledge	The Company' s directors are required to reach the hours of continuing education stipulated by the competent authority each year, and encourage relevant members of the Board of Directors to participate in various professional courses, as well as to conduct relevant legal promotions at the Board of Directors to comply with legal requirements. The total number of continuing education hours for all directors in 113 years is 78 hours.
Establishment of Corporate Governance Officer	To implement corporate governance and enhance the effectiveness of the Board of Directors, on 16 December 2022, the Board of Directors approved the establishment of a corporate governance officer to assist directors in executing their duties with the necessary information and other essential assistance.

(II)Operation of the Audit Committee:

The Audit Committee held 7 meetings in the year 2024 (A), and the attendance of the directors is as follows:

Title	Name	Actual attendance rate (%) Number of Seats (B)	Authorized Attendance Number of Times	Actual attendance rate (%) 【B/A】	Remark
Independe nt Directors	Yung-Yen Chen	7	0	100%	Concurrently Serving
Independe nt Directors	Zheng Zhengyuan	5	0	100%	29 May 2024 New Appointment
Independe nt Directors	Shih-Chieh Chen	7	0	100%	29 May 2024

					New Appointment

For the professional qualifications and experience of the members of the Audit Committee, please refer to the relevant content in this annual report "Chapter 3, Corporate Governance Report / Section 2, Information on Directors Data / 4. Disclosure of Information on Directors' Professional Qualifications and Independence of Independent Directors".

Operation and Composition of the Audit Committee:
The Company' s third Audit Committee is composed of three independent directors and has elected Yung-Yen Chen as the convener, meeting at least once per quarter. Its main powers and responsibilities are as follows:
(1) Establish or amend the internal control system in accordance with the provisions of Article 14-1 of the Securities and Exchange Act.
(2) Assessment of the effectiveness of the internal control system.
(3) Establishing or amending the handling procedures for significant financial transactions related to the acquisition or disposal of assets, engaging in derivative transactions, lending funds to others, endorsing or providing guarantees for others, in accordance with the provisions of Article 36-1 of the Securities and Exchange Act.
(4) Matters involving the director's own interests.
(5) Significant transactions of assets or derivatives.
(6) Significant capital loans, endorsements, or guarantees.
(7) Raising, issuing or privately placing equity-type securities.
(8) Appointment, Dismissal, or Remuneration of Certified Public Accountants.
(9) Appointment and Dismissal of Financial, Accounting, or Internal Audit Supervisors.
(10) Financial Reports for the Year and Semi-Annual Financial Reports.
(11) Other significant matters as stipulated by other companies or regulatory authorities.

Other matters to be recorded:
I. If any of the following situations occur in the operation of the Audit Committee, the Board of Directors should specify the date, period, content of the proposal, resolution results of the Audit Committee, and the Company's reasoning for its opinions on the Audit Committee:
(I)Matters listed in Article 14-5 of the Securities and Futures Ordinance

Date of Meeting Period	Content of the Proposal	Securities and Exchange Act Section Article 14-5 The listed items	Results of the AuditCommittee Resolutions and the Company's Handling of the AuditCommittee Opinions
2024/03/11 15th of the 2nd session	2023 Annual Business Report and Financial Statements	V	After auditing the Committee in its entirety The attending members agreed to pass.
	Amend certain provisions of the "Endorsement Guarantee Operating Procedures".	V	
	Amend the provisions regarding the "Acquisition or Disposal of Assets Procedures".	V	
	Strategic Investment in Sheng O Technology Co., Ltd.	V	
	The Company issues the internal control system declaration for the year 2023.	V	
2024/05/09 16th of the 2nd session	Consolidated Financial Statements for the First Quarter of 2024	V	After auditing the Committee in its entirety The attending members agreed to pass.
2024/08/08 3rd Session 3rd	Consolidated Financial Statements for the 2nd Quarter of 2024	V	After auditing the Committee in its entirety The attending members agreed to pass.
2024/11/7 The 4th session of the 3rd term.	Consolidated Financial Statements for the 3rd Quarter of 2024	V	After auditing the Committee in its entirety The attending members agreed to pass.
	Revision of certain provisions of the Company' s "Internal Control System" and "Internal Audit System"	V	
	Funding loan to subsidiary O Armor green energy Co., Ltd.	V	After auditing the

2024/12/12 The 5th session of the 3rd term	case		Committee in its entirety The attending members agreed to pass.
	Funding loan to the subsidiary Billion Green Energy Co., Ltd. case.	V	

(II) Aside from the aforementioned matters, there are no resolutions that were not audited and approved by the committee with the consent of more than two-thirds of all directors.

II. Implementation of the avoidance of independent directors regarding related party proposals (should specify the names of independent directors, content of the proposals, reasons for avoidance of interests, and participation in voting situation): There is no such situation, and each audit committee member fully reached their opinions during the meeting.

III. Communication between Independent Directors, Internal Audit Supervisors, and Accountants (should include significant matters, methods, and results of communication regarding the Company's financial and business conditions):

(I) The Company's certified public accountants report the results of the quarterly financial statement audits or reviews and other communications required by relevant regulations during each audit committee meeting. In case of special circumstances, they will also report in real-time to the members of the audit committee. There were no such special circumstances in 2024, and the communication between the Company's audit committee and the certified public accountants was good.

(II)The Company's internal audit supervisor reports at least once every quarter to the members of the audit committee regarding the execution status of the Company's annual audit plan and the tracking and improvement of internal control deficiencies; in the event of significant anomalies, they will also report in real-time to the members of the audit committee. There were no such special circumstances in 2024, and the communication between the Company's audit committee and the internal audit supervisor is good.

(III)The Company's independent directors hold irregular communication meetings with the accountants or auditors. For details on the communication, please refer to the Company's website \ Corporate Governance \ Functional Committee \ Audit Committee \ 113 Year Audit Committee Operation Status.

Communication between Independent Directors and Certified Public Accountants for the Year 2024

Date	Key Points of Communication	Recommendations and Results
2024/03/11 First Meeting of the Year 2024	In relation to the audit situation and results of the financial report for the year 2023, the conduct of the CPA will be explained, and discussions will be held regarding certain accounting principle applicability issues and the impacts of newly revised regulations conduct.	None
2024/05/09 Third meeting of the year 2024	The CPA provided an explanation regarding the audit situation and results of the financial report for the first quarter of 2024, and discussed issues related to the application of certain accounting principles and the impact of newly revised regulations.	None
2024/08/08 Third meeting of the year 2024	The CPA provided an explanation regarding the audit situation and results of the financial report for the second quarter of 2024, and discussed issues related to the application of certain accounting principles and the impact of newly revised regulations.	None
2024/11/07 Fourth Meeting of the Year 2024	In relation to the audit situation and results of the financial report for the third quarter of 2024, the CPA will provide an explanation regarding the conduct and discuss issues related to the application of certain accounting principles and the impact of newly revised regulations conduct.	None

Communication between Independent Directors and Internal Audit Supervisors in 2024

Date	Key Points of Communication	Recommendations and Results
2024/03/14 15th Meeting of the 2nd Audit Committee	Report on the Implementation of the Audit Plan for the 4th Quarter of 2023 2023 Annual Internal Control System Declaration	None
2024/05/09 16th Meeting of the 2nd Audit Committee	Report on the Implementation of the Audit Plan for the First Quarter of 2024	None
2024/08/08 3rd Meeting of the 3rd Audit Committee	Report on the Implementation of the Audit Plan for the Second Quarter of 2024	None
2024/11/07 4th Meeting of the 3rd Audit Committee	Report on the Implementation of the Audit Plan for the Third Quarter of 2024 Revision of certain provisions of the Company’s "Internal Control System" and "Internal Audit System"	None
2024/12/12 5th meeting of the 3rd Audit Committee	2025 Annual Audit Plan	None

IV. Summary of the Annual Work Focus of the Audit Committee:

The Audit Committee convened a total of 6 times in the year 2024, with the main matters discussed including

(I)Appropriate representation of the company's financial statements has been reached.

Review of the financial statements for the year 2023 and the financial statements for the first to third quarters of 2024.

(II)Appointment (Dismissal) of Certified Public Accountants and Their Competence, Independence, and Performance, as well as Public Fees for Certification

Review of the Competence, Independence, and Performance of the Certified Public Accountants for the Year 2024

(III) Effective implementation of the company's internal controls

Review the internal audit report, internal control statement for 2023, and internal audit plan for 2025.

Review and amend certain provisions of the Company’s "Internal Control System" and "Internal Audit System".

(IV)Significant assets, derivative products, fund lending, and endorsement or guarantee transactions.

Review of fund lending cases, derivative products, endorsement guarantees, and matters related to reinvestment.

(5) Review and revision of various regulations and measures

Review of endorsement guarantee operating procedures, risk management policy, and other regulations.

(3) Corporate Governance Implementation Status and Differences from the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and Reasons Thereof:

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
1. Does the company establish and disclose its corporate governance best practice principles in accordance with the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies"?	✓		The Company has established the "Corporate Governance Best Practice Principles" and disclosed them on the public information observation station and the company website.	Complying with the Corporate Governance Best-Practice Principles
II. Company Shareholding Structure and Shareholder Rights				
(I)Does the company establish internal procedures to handle shareholder suggestions, inquiries, disputes, and litigation matters, and implement them according to the procedures?	✓		The Company has a spokesperson and stock affairs personnel who can effectively handle shareholder suggestions or disputes; if legal issues arise, legal counsel or expertise lawyers will be engaged to assist assist.	Complying with the Corporate Governance Best-Practice Principles
(II)Does the company have a list of the major shareholders who actually control the company and the ultimate controllers of the major shareholders?	✓		The Company has entrusted a stock agency to manage the shares of major shareholders, and it continuously monitors the shareholding situation of directors, managers, and major shareholders holding more than 5%, reporting relevant information on a monthly basis.	Complying with the Corporate Governance Best-Practice Principles
	✓		The Company and relatedenterpriseshave established internal control systems and formulated the "Management Procedures for Related Party Transactions" and "Operational Guidelines for Financial Transactions Among Related Parties" in accordance with legal regulations, and have executed them, including the management of related party transactions, as well as regulations regarding fund lending and endorsement guarantees.	Complying with the Corporate Governance Best-Practice Principles

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
-	✓		The Company has established the "Integrity Management Principles" along with related operational procedures and conduct guidelines, the "Insider Trading Prevention Management Procedures," and the "Handling Procedures for Reporting Illegal and Unethical or Integrity Violations." These regulations prohibit directors or employees and other insiders of the Company from trading securities based on undisclosed market information, and the relevant regulations have been disclosed on the Company's website. The Company reminds insiders of the above regulations via email during the monthly conduct of insider reporting, in order to prevent insider trading. Additionally, when sending out notices for board meetings, it simultaneously reminds directors, managers, and relevant employees of their responsibility to maintain the confidentiality of the meeting data. The aforementioned content is sent according to regulations to each insider's mailbox for reference.	Complying with the Corporate Governance Best-Practice Principles
(I)Does the Board of Directors formulate and implement a diversity policy regarding the composition of members?	✓		The Company has established the qualifications for directors and independent directors in accordance with Articles 20 and 24 of the "Corporate Governance Best Practice Principles," and has formulated the "Rules of Procedure for Board Meetings" for compliance. The diversity policy for board members has been disclosed on the company's website. For information regarding the educational background, expertise qualifications, independence, and diversity of the company's directors, please refer to the relevant details. This annual report "Chapter 3, Corporate Governance Report / Section 2, Information on Directors" discloses the above information simultaneously on the company's website.	Complying with the Corporate Governance Best-Practice Principles

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
(II)In addition to establishing a remuneration committee and an audit committee as required by law, does the company voluntarily establish other functional committees?	✓		The Company established a nomination committee in 2020, currently composed of three independent directors. In December 2022, the Company established a sustainable development committee, composed of the Company's Management Team, which reports regularly to the Board of Directors on its execution status and results. The above information is disclosed on the company's website and in the annual report.	Complying with the Corporate Governance Best-Practice Principles
- -	✓		1. The Company has established the "Board Performance Evaluation Guidelines" approved by the Board of Directors, which shall conduct performance evaluations of the Board of Directors and functional committees (including the Compensation Committee, Audit Committee, and Nomination Committee) at least once a year, and report the evaluation results to the Board of Directors. The evaluation procedure is conducted by the management department at the end of each annual period, utilizing internal questionnaires through internal self-assessments, assessments by board members, and functional committee self-assessments. The evaluation scope includes the overall board of directors, individual directors, and the performance evaluation of functional committees. 2. The performance evaluation criteria for the Company’s Board of Directors and functional committees mainly include the level of participation in the Company’s operations, the enhancement of decision-making quality of the Board of Directors and functional committees, the composition and structure of the Board of Directors and functional committees, the appointment and continuous education of directors and functional committee members, as well as internal controls. The evaluation results are reported to the Board of Directors and serve as a reference for individual directors' compensation and selection or	Complying with the Corporate Governance Best-Practice Principles

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
			nomination of directors. The performance evaluation results were reported to the Board of Directors and disclosed on the Company's website on 11 March 2024. 3. The Company has completed the performance evaluation for the year 2024, and all assessment results have reached the targets, indicating that the overall operation of the Board of Directors and committees is sound. In December 2022, an external expert conducted a triennial external audit, and the performance evaluation results were reported to the Board of Directors and disclosed on the company website on 14 March 2024.	
(IV)Does the company regularly assess the independence of its certified public accountants?	✓		1. The Company evaluates the independence, competence, and performance of the certified public accountants annually starting from December 2022. In addition to obtaining an independent declaration from the accountants each year, starting from the 2023 fiscal year, the audit quality indicators (AQIs) will be included in the evaluation reference. The evaluation results will be reported to the audit committee and the Board of Directors. Passed. The Company conducted an assessment of the independence and competence of the auditors and the Audit Quality Indicators (AQIs) for this fiscal year, and the evaluation results were approved by the Audit Committee and the Board of Directors on 11 March 2024. 2. The assessment items for independence indicators include that the certified public accountant does not serve as a director, supervisor, or manager of the audit customer, or hold positions that have a significant impact on the audit case; the certified public accountant has no direct or indirect significant financial interests with the Company; the certified public accountant has no significant close business relationships or employment relationships with the Company; and the certified public accountant does not	Complying with the Corporate Governance Best-Practice Principles

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
			promote or mediate the Company's issued stocks or other securities.	
IV. Do listed companies have dedicated (or part-time) units or personnel responsible for corporate governance-related matters (including but not limited to providing the data required by directors to carry out their duties, handling the legal affairs of board and shareholder meetings, managing company registration and changes, and preparing minutes for board and shareholder meetings)?	✓		1. In order to implement corporate governance and enhance the functions of the board of directors, the Company appointed Shu-Mei Chang as the governance officer on 16 December 2022, as approved by the Board of Directors. She has over three years of experience in financial, shareholder services, and procedural management for publicly listed companies. 2. The corporate governance officer and its members are responsible for matters related to corporate governance and serve as the secretary of the board of directors. The main responsibilities of the corporate governance officer include providing the necessary data for the board of directors to execute their duties, assisting the directors in complying with laws and regulations, assisting the directors in their appointments and ongoing education, conducting meetings related to the board of directors, committees, and shareholders, as well as preparing meeting minutes and matters related to investor relations. 3. The implementation of corporate governance affairs for the year 2024 is as follows: (1) Formulate and plan the relevant corporate governance measures and implement compliance with laws and regulations. (2) Provide the data necessary for the directors to execute their duties and assist the directors in complying with the law. (3) The planning of board meetings and notifying all directors of their attendance at least 7 days prior to the meeting, providing sufficient meeting data, and sending out the minutes of the board meeting within 20 days after the meeting. (4) According to the law, conducted the advance registration of the shareholders' meeting date, prepared the meeting notice, agenda, and	Complying with the Corporate Governance Best-Practice Principles

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
			minutes within the statutory period, and after amending the Articles of Association or re-electing directors, conducted the change registration tasks. (5) Conducted director training courses and purchased liability insurance for directors and key personnel. (6) Maintain investor relations, hold corporate briefings, and establish diverse communication channels with investors. The corporate governance officer shall complete at least 12 hours of continuing education each year. For details on the continuing education status, please refer to (9) the corporate governance officer's related continuing education status.	
V. Does the company establish communication channels with stakeholders (including but not limited to shareholders, employees, customers, and suppliers) and set up a dedicated area for stakeholders on the company website, while appropriately responding to important corporate social responsibility issues of concern to stakeholders?	✓		1. The company has a spokesperson, a stock affairs supervisor, and various business handlers, establishing smooth communication channels while respecting and safeguarding the legitimate rights and interests of all stakeholders. 2. The company's website features a corporate governance section and an investor section, and establishing contact numbers and email addresses for business personnel, investor relations, supplier relations, and employee benefits. All stakeholders can communicate with each other via phone or email when needed. 3. It also discloses information on stakeholders' concerns regarding sustainable development issues, communication channels, etc., in the sustainable development section, and reports annually to the Board of Directors on the implementation and execution of the sustainable development committee and the communication with stakeholders.	Complying with the Corporate Governance Best Practice Principles
VI. Does the company appoint a professional stock affairs agency to conduct shareholder meeting affairs?	✓		The company's shareholder meeting affairs are handled by the company's stock agency (Stock Agent Department, Capital Securities Corp.).	Complying with the Corporate Governance Best Practice Principles

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
VII. Information Disclosure (I)Does the company have a website that discloses financial operations and corporate governance?	✓		The Company has established a website to disclose financial, business, and corporate governance information.	Complying with the Corporate Governance Best Practice Principles
(1)Does the company adopt other methods of information disclosure (such as setting up an English website, designating a specific person responsible for collecting and disclosing company information, implementing a spokesperson system, and posting the process of institutional briefings on the company website, etc.)?	✓		The Company has designated personnel responsible for information collection and discloses relevant information in a timely and appropriate manner according to regulations. 1. The Company has established a spokesperson and acting spokesperson system in accordance with regulations, and has disclosed their names and contact information on the Company website. 2. The Company has disclosed information regarding the corporate briefing on the company's website. 3. The Company has established an English website to provide relevant company information to foreign investors.	Complying with the Corporate Governance Best Practice Principles
(2)Does the company announce and file the annual financial report within two months after the end of the accounting year, and announce and file the financial reports for the first, second, and third quarters and the operating conditions for each month ahead of the stipulated deadlines?	✓		The company has arranged for the early announcement and declaration of the financial reports for the first, second, and third quarters, as well as the operational conditions for each month, before the specified deadline. However, considering the current operational time, it is unable to announce and declare the annual financial report within two months after the end of the accounting year. In the future, depending on governance circumstances, if necessary, it will execute according to relevant laws and regulations.	Aside from the annual financial report, all others are compliant.
VIII. Does the company have any other important information that helps to understand the operation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, rights of stakeholders, training status of directors and supervisors, implementation of risk management policy and risk	✓		1. Employee Benefits and Employee Care: The Company has established work rules and effectively implements the protection of employee rights. In terms of employee recruitment, it adheres to the principle of equal opportunity, only talent is used, without discrimination based on race, gender, age, religion, or nationality. Any discrimination, inequality, and sexual harassment behaviors are strictly prohibited in the workplace, and relevant management	Complying with the Corporate Governance Best Practice Principles

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
measurement standards, implementation of customer policies, and the situation regarding the purchase of liability insurance for directors and supervisors, etc.)?			measures and complaint channels have been established to maintain a safe and healthy working environment. The Company's Employee Welfare Committee was established as a communication channel between labor and management, and to promote and implement various employee welfare policies to create a harmonious working environment and enrich employees' lives. 2. Rights of Investors, Suppliers, and Stakeholders: Disclose various financial and business information in a timely and appropriate manner as required by law, and establish contact points for investors, suppliers, and stakeholders to provide feedback. To strengthen corporate governance, in addition to the routine disclosure of financial and business information, the company website also provides information related to corporate governance, offering investors a more diversified range of information to protect their rights. 3. Status of Continuing Education for Directors and Supervisors: (1) See (9) Director training situation (2) Disclosure in the "Corporate Governance Section of the Public Information Observation Station." 4. Implementation of risk management policy and risk measurement standards: The Company has established a "Risk ManagementPolicy and Procedures" to conduct various risk management and assessments. Please refer to the annual report VII. Review and analysis of the Company's financial position and financial performance, and risk management. 5. The implementation of the customer policy is as follows: The Company maintains a stable and good relationship with customers to create profits for the Company. 6. The situation regarding the Company's purchase of liability insurance for directors: The Company	

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
			purchases liability insurance for the directors of the Board and managers annually, and a report was submitted to the Board of Directors on 11 March 2024. 7. Succession planning for board members and key management personnel: The members of the Company’s Board of Directors span the age range from 50 to 70 years old. Their professional skills and industry experience cover management, electronics, computers, finance, accounting, marketing, information technology, and risk management, providing a solid foundation for the Company’s sustainable operations. In the future, we will uphold the same diverse expertise and utilize the concept of experts to introduce talents with diverse backgrounds, experiences, and expertise in management capabilities and leadership decision-making when electing board members or filling vacancies. This will facilitate understanding and participation in the operations of the Board of Directors or functional committees, thereby nurturing the next generation of board members. The Company's affiliated enterprises have several senior management professionals, thus the Company has a rich talent pool to select successors. Through job transfers, they become familiar with the operations of various units within the group and deepen their industry experience. The training of the Company’s senior managers, in addition to considering organizational fit, must align with the Company’s values. To cultivate well-rounded successors, we focus on key areas such as leadership management capabilities, expertise, and personal development plans, in response to the Company’s future development and talent allocation.	

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	

IX. Please explain the improvements made based on the corporate governance evaluation results released by the Corporate Governance Center of the Taiwan Stock Exchange Co., Ltd. for the most recent fiscal year, and for those that have not yet been improved, propose priority enhancement items and measures. (Companies not included in the evaluation do not need to fill this out.)

1. Improvements in the 11th Corporate Governance Evaluation Indicators:

Question Number	Indicator Items	Improvement situation
1.1	Does the company report the remuneration received by directors at the annual general meeting of shareholders, including the remuneration policy, individual remuneration details, and amounts?	Details of the individual remuneration for directors for the year 2022 and the remunerationpolicy have been submitted to the board of directors on 3 August 2023, for reporting at the 113th annual general meeting of shareholders.
1.6	Does the company hold the annual general meeting of shareholders before the end of May?	The company's annual general meeting of shareholders is scheduled to be held on 29 May 2024.

2. Priority Areas for Improvement in the Twelfth Corporate Governance Evaluation Indicators Have Not Yet Been Enhanced:

Number	Evaluation Criteria	Improvement situation
1.5	Does the Company establish specific measures to enhance enterprise value, report to the Board of Directors, and disclose relevant information on the public information observatory in the "Enhancement of enterprise Value Plan Section"?	The company expected to submit the Board of Directors and declare the relevant website in 2025.

(IV)Information on the members and operation of the Remuneration Committee and its status:

1. Remuneration Committee Member Data

31 March 2025

Conditions Identity	Name	Expertise qualifications and experience	Independence Situation	Number of members serving concurrently on the remuneration committee of other publicly listed companies.
0 0 0 Independe nt Directors (Convener)	Yung-Yen Chen	Please refer to the contents related to this annual report "Chapter 3 Corporate Governance Report / Section 2 Information on Directors / 4. Disclosure of Information on Directors' Professional Qualifications and Independence".	Please refer to the contents related to this annual report "Chapter 3 Corporate Governance Report / Section 2 Information on Directors / 4. Disclosure of Information on Directors' Professional Qualifications and Independence".	1
0 0 0 Independe nt Directors	Zheng Zhengyuan			3
0 0 0 Independe nt Directors	Shih-Chieh Chen			0

2. Remuneration Committee Responsibilities

According to the organizational regulations of the Company' s remuneration committee, the responsibilities of the Company' s compensation committee are as follows, and the recommendations will be submitted for discussion by the Board of Directors:

I. Evaluate and supervise the overall compensation policy.
II. Evaluate and determine the remuneration level of directors.
III. Evaluate and approve the remuneration levels of Directors and above.
IV. Other compensation-related matters and the establishment of employee reward systems.

3. Information on the operation of the Remuneration Committee

I. The Company has a total of 3 members on its remuneration committee.
II. Term of office for the current committee: 29 May 2024 to 28 May 2027, the Remuneration Committee held 34meetings in the most recent year (2024), and the qualifications and attendance of the committee members are as follows:

Title	Name	Actual Attendance Count (B)	Number of Attendance Delegated	Actual attendance rate (%) (B/A)	Note
Convener	Yung-Yen Chen	4	0	100%	
Commissioner	Zheng Zhengyuan	3	0	100%	2024/5/29 Appointment
Commissioner	Shih-Chieh Chen	3	0	100%	2024/5/29 Appointment

Other matters to be recorded:
1. If the Board of Directors does not adopt or amend the recommendations of the Remuneration Committee, it should specify the date of the Board meeting, the period, the content of the proposal, the resolution results of the Board, and the handling of the opinions of the Remuneration Committee by the Company (for example, if the remuneration approved by the Board exceeds the recommendations of the Remuneration Committee, it should specify the differences and reasons): None.
2. For the remuneration Committee resolutions, if any member has opposing or reserved opinions that are recorded or stated in writing, the date, period, content of the proposal, all members' opinions, and how the members' opinions are handled should be specified: there are no such circumstances.
3. The operation of the Remuneration Committee is as follows:

Date/Period	Content of the Proposal	Resolution results	Company's Remuneration Committee Opinion Handling
2024/03/11 The 11th session of the 5th term.	Deliberation on the distribution of employee remuneration and director remuneration for the year 2023.	All attending members agreed to pass.	The Board of Directors is approved by the unanimous consent of all attending directors.
2024/05/29 the 6th first time	Election of the urgent person and the meeting chair of the committee	Elect Yung-Yen Chen as the convener and chairman of the meeting.	
2024/06/21 the 6th second time	Deliberation on the Compensation and Remuneration Proposals for Senior Executives	All attending members agreed to pass.	
2024/08/08 the 6th third time	Review the policy, system, standards, and structure regarding the remuneration of the Company's directors and managers, and amend the name and certain provisions of the Company's "Director Remuneration Payment Guidelines".	All attending members agreed to pass.	
	Consideration of the Distribution of Directors' Remuneration for the Year 2023		
	Review of the 2023 Annual Managerial Employee Compensation Allocation Proposal		

(V)Information on the members and operation of the Remuneration Committee:

1. Nomination Committee Member Data

31 March 2025

Identity	Name	Expertise qualifications and experience	Independence Situation
Convener	Shih-Chieh Chen	Please refer to the contents related to this annual report "Chapter 3 Corporate Governance Report / Section 2 Information on Directors / 4. Disclosure of Information on Directors' Professional Qualifications and Independence".	Please refer to the contents related to this annual report "Chapter 3 Corporate Governance Report / Section 2 Information on Directors / 4. Disclosure of Information on Directors' Professional Qualifications and Independence".
Commissioner	Yung-Yen Chen		
Commissioner	Zheng Zhengyuan		

2. Responsibilities of the Committee

This committee, under the authorization of the Board of Directors, shall diligently perform the following duties with the care of a good manager and submit the proposals for discussion by the Board of Directors:

1. Establish the standards for the diversity of backgrounds and independence, including the necessary expertise, technology, experience, and gender of board members and senior management, and based on these standards, seek, review, and nominate candidates for directors and senior management.

II. Construct and develop the organizational structure of the Board of Directors and each committee, conduct performance evaluations of the Board of Directors, each committee, each director, and senior management, and assess the independence of independent directors.

III. Establish and regularly review the directors' continuing education plan and the succession plan for directors and senior management.

IV. Establish the Corporate Governance Best Practice Principles for the Company.

3. Information on the operation of the Nomination Committee

(1) The nomination committee of the Company consists of 3 members, all of whom are independent directors composed.

(2) Term of office for this committee: 29 May 2024 to 28 May 2027. The committee held 5 meetings in 2024, and the attendance of the members is as follows:

Title	Name	Actual attendance rate	Number of Attendance Delegated	Actual attendance rate (%)	Note
Convener	Shih-Chieh Chen	3	0	100%	2024/5/29 Appointment
Commissioner	Yung-Yen Chen	5	0	100%	
Commissioner	Zheng Zhengyuan	3	0	100%	2024/5/29 Appointment
Other matters to be recorded: State the meeting date, session, content of the proposals of the Committee, suggestions or objections regarding the members of the Committee, the resolution results of the Committee, and the company's handling of opinions from the Committee.					

4. The operation of the Nomination Committee is as follows

Date/Period	Content of the Proposal	Resolution results	The company nominates the committee. Handling of Opinions
2024/3/11 The 6th of the 2nd session	Qualifications of the New Accounting Supervisor	All attending members agreed to pass.	The Board of Directors is approved by the unanimous consent of all attending directors.
	Performance Evaluation Report of the Board of Directors and Functional Committee for the Year 2023		
2024/4/11 The 7th of the 2nd session	Proposal for the Nomination of Directors and Independent Director Candidates by the Company	All attending members agreed to pass.	
2024/5/29 The 1st of the 3rd session	Elect the committee convenor and meeting chair.	Elect Commissioner Chen Shih-Chieh as the convener and chairperson of the meeting.	
2024/6/21 The 2nd session of the 3rd term	Senior Executive Appointment Case	All attending members agreed to pass.	
2024/8/8 3rd Session 3rd	Hiring of the Company General Manager Case	All attending members agreed to pass.	
	2023 Annual Director Performance Evaluation Proposal		
	2023 Annual Manager Performance Evaluation Proposal		

(VI)Promotion of sustainable development implementation status and the differences from the Sustainable Development Best Practice Principles for listed companies and reasons thereof:

Assessment Items	Operation Status (Note 1)			with listed companies sustainable development best practice principles Difference and Reasons
	It is.	No	Summary Description (Note 2)	
I. Does the company have a governance structure to promote sustainable development, and has it established dedicated (or concurrent) units to promote sustainable development, which are authorized by the board of directors for senior management to handle, and how does the board supervise this situation?	✓		1. The Company established a sustainable development committee in December 2022 and revised the sustainable development committee regulations and sustainable development best practice principles on 7 November 2024, incorporating the sustainable development committee into a functional committee under the Board of Directors, with the General Manager (Director) serving as the Chairperson, and senior executives of the group serving as main members. The sustainable development committee is divided into four subgroups: corporate governance, environmental protection, social responsibility, and sustainable risk management and information disclosure, with members from each subgroup forming an executive team responsible for promoting related matters and reporting ESG implementation results to the Board of Directors annually. 2. From 2023, meetings will be held quarterly to track and review the execution status of goals, and the review results will be reported to the Board of Directors. The Board of Directors report dates for 2024 are: 11 March, 9 May, 8 August, 17 November, and 1923 December, totaling five times.	Compliant with the sustainable development best practice principles.
II. Does the Company conduct risk assessments related to environmental, social, and corporate governance issues associated with its operations based on the principle of materiality, and establish relevant risk management policies or strategies?	✓		1. Our company adheres to the principles of sustainable development, establishes risk management mechanisms, and defines various types of risks according to the overall operational policies of the company. The scope of risks includes exchange rate risk, regulatory risk, credit risk, liquidity risk, inventory risk, contract risk, and personnel risk. 2. Based on the occurrence frequency of	Compliant with the sustainable development best practice principles.

Assessment Items	Operation Status (Note 1)			with listed companies sustainable development best practice principles Difference and Reasons
	It is.	No	Summary Description (Note 2)	
			risk issues and their impact on the company's operations, each department is responsible for promoting various businesses according to their authority. The company also follows international general principles, which include stakeholder inclusiveness, sustainability context, materiality, and completeness principles, to establish relevant strategies or policies for each significant issue as execution guidelines and to conduct risk management. 3. Identify risks based on the risk management policy and procedures, and propose response measures to actively face and manage the risks that should be considered in the operational process in the most cost-effective manner, and report to the board of directors annually, with the report published on the company website. After evaluating the significant themes and issues related to the environment, society, or corporate governance for the year 2024, there are a total of nine items. Due to the extensive content, it cannot be presented individually in the annual report. Please refer to the major themes in the sections preceding the relevant chapters of the 2024 sustainable report for the issues and policies/strategies.	
III. Environmental issues (I)Does the company establish an appropriate environmental management system according to its industry characteristics?	✓		1. The Company is committed to implementing various ISOinternational standard organizational management systems, with the 2007 version (continuously updated to the 2015 version). Through ISO 14000Environmental Management System verification, we conduct<GLOSSARY_2>environmental performance improvements, confirming regulatory compliance each quarter, and achieve<GLOSSARY_4>continuous	Compliant with the sustainable development best practice principles.

Assessment Items	Operation Status (Note 1)			with listed companies sustainable development best practice principles Difference and Reasons
	It is.	No	Summary Description (Note 2)	
			improvement effects and objectives through<GLOSSARY_3>the PDCA management cycle process. 2. In view of the ongoing development of environmental issues, the IECQ QC080000 (applicable to PEM Power Division) hazardous substance management system certification was obtained in the same year. Commitment to comply with EU regulations and customer requirements regarding the responsibilities of products and manufacturers. 3.●ISO 14001:2015 Certificate Validity Period: 31 August 2024 - 31 August 2027 Certification number: TW07/01136 4.●QC 080000:2017 Certificate Effective Date: 2022/09/03~2025/09/02 Certification number: TW-HSPM-1096	
(II)Is the company committed to improving the utilization of various resources and using renewable materials with low environmental impact?	✓		1. The Company through the promotion of the "ISO 14001 Environmental Management System", introduces the concept of product life cycle, reducing raw material consumption and waste generation, in order to achieve the goals of sustainable operation and environmental protection. 2. To achieve the goal of sustainable utilization of environmental resources, we are committed to cleaning and waste disposal, reporting waste cleaning situations to the New Taipei City Environmental Protection Bureau online on a monthly basis, while also improving the environmental hygiene of the workplace. We seek suppliers to cooperate as much as possible with the recycling of packaging materials to achieve waste resource recovery, harmlessness, and economic efficiency, and to continuously improve environmental performance by implementing resource recycling and reuse.	Compliant with the sustainable development best practice principles.

Assessment Items	Operation Status (Note 1)			with listed companies sustainable development best practice principles Difference and Reasons
	It is.	No	Summary Description (Note 2)	
			3. In 2024, the total amount of packaging plastic bubble bags used for the upper and lower cover components of the goal products will be recycled and reused by Taiwanese manufacturers; used as sample or RMA packaging cushioning materials will exceed 69%. By the end of 2024, the actual reached status was 76.9%, exceeding the originally set goals, indicating good implementation. Year 2025 goals: The packaging plastic bubble bags used for upper and lower cover components are recycled and reused by Taiwanese manufacturers; the total amount used as sample or RMA packaging cushioning material is greater than 75%.	
15,000,000 13.06% Li-Li Chang	✓		In response to the potential impacts of climate change on operations, our company has established a comprehensive climate risk management framework in accordance with the "Task Force on Climate-related Financial Disclosures (TCFD)" published by the Financial Stability Board (FSB). The Company's Board of Directors is the highest supervisory body for climate-related issues, responsible for overseeing and reviewing climate risk-related policies. It has established a sustainable development committee under the Board to coordinate climate change response strategies. Committee has established an Environmental Protection Group and a Sustainable Risk Management and Information Disclosure Group, responsible for executing climate change-related projects. The Quality Assurance Manager serves as the leader of the executive team, promote climate change management, action plans, and	Compliant with the sustainable development best practice principles.

Assessment Items	Operation Status (Note 1)			with listed companies sustainable development best practice principles Difference and Reasons
	It is.	No	Summary Description (Note 2)	
			project execution, with cooperation from various business management units and the finance department to ensure the effective implementation and advancement of strategies. sustainable Development Committee also regularly reports to the Board of Directors on the effectiveness of risk management and the implementation of sustainable development to ensure the effectiveness of the supervisory mechanism. According to the TCFD guidelines, the company has identified four transformation risks, one physical risk, and one transformation opportunity, and assessed the impact of these risks on the company as being long-term. For detailed in response to measures and the complete report content, please refer to the Company's TCFD report.	
(IV)Has the company accounted for greenhouse gas emissions, water usage, and waste Total Weight over the past two years, and formulated energy-saving carbon reduction, greenhouse gas reduction, reduce water usage or other waste management policies?	✓		1. The Company regularly compiles information on greenhouse gas emissions, water usage, and waste Total Weight annually, and discloses the aforementioned relevant information (including the past two years) in the annual sustainability report. The Company is fully implementing the ISO 14001 Environmental Management System, through the ISO 14001 management review meetings to conduct reviews and improvements, tracking waste volumes and greenhouse gasses annually, and promoting the Environmental Management System, conducting environmental protection and labor safety and health initiatives and reporting on waste management.	Compliant with the sustainable development best practice principles.

Assessment Items	Operation Status (Note 1)			with listed companies sustainable development best practice principles Difference and Reasons
	It is.	No	Summary Description (Note 2)	

2.
A. Waste Statistics:

盛達集團有害廢棄物產生			
廢棄物組成成分	2022產生(噸)	2023產生(噸)	2024產生(噸)
[illegible]	0.02	0.03	0.02
[illegible]	0.04	0.49	0.21
[illegible]	0.39	6.04	10.14
合計	0.47	6.56	10.37
2024年客退大陸生產的LED driver不良保固報廢品，因此大幅增加廢棄物產生			

盛達集團非有害廢棄物產生			
廢棄物組成成分	2022產生(噸)	2023產生(噸)	盛達+盛美 2024產生(噸)
廢錫渣	0.02	0.02	0.01
廢塑膠	0.28	0.15	0.31
廢紙	7.7	5.18	3.46
一般生活廢棄物	27.1	19.8	13.63
合計	35.1	25.15	
統計不含宜蘭廠			

B. The total emissions for Scope 1 and Scope 2 greenhouse gasses in 110 were 327.93 tons CO2e, in 111 were 274.68 tons CO2e, and in 113 were 493.77 tons CO2e.

3.
A reduction goal: Taking 2022 as the baseline year, set a carbon reduction pathway, aiming to reduce 25% by 2030 compared to the baseline year, reduce 50% by 2040, and reduce 90% by 2050, achieving full net zero, and making rolling adjustments annually based on status.

B. Management of Waste Goals: Goals for 112-114 years Goals: To legally report the output, storage, clearance, treatment, reuse, Output, and Input of waste online every month, achieving a completion rate of 100%.
The compliance rate for the legal disposal of business waste is 100%.
The completion rate for the recycling of chemical empty drum suppliers for reuse is 100%.
Irregularly follow up on vehicle and site visits to confirm that the disposal of business waste meets regulatory requirements at 100%.

4. The main source of water for the Company’ s headquarters in Xindian and the Yilan factory is domestic water, which is not significant to the Company.

Assessment Items	Operation Status (Note 1)			with listed companies sustainable development best practice principles Difference and Reasons
	It is.	No	Summary Description (Note 2)	
IV. Social issues (I)Does the company establish relevant management policies and procedures in accordance with applicable regulations and the international human rights conventions?	✓		The Company recognizes and supports the spirit and principles of human rights protection as revealed in the United Nations Universal Declaration of Human Rights and other international human rights covenants, and complies with the relevant labor regulations of its location. Opposing any acts of discrimination and violation of human rights, such as sexual harassment or workplace bullying, on 3 August 2023, the Board of Directors approved the establishment of the "Billion Group Human Rights Policy and Specific Management Program," while also formulating relevant human resources regulations in compliance with legal norms, such as: "Implementation Measures for the Prevention and Handling of Sexual Harassment," "Prevention Plan for Illegal Infringement during Duty Execution," and setting up dedicated reporting hotlines and email addresses to provide employees with a work environment free from discrimination and harassment.	Compliant with the sustainable development best practice principles.
(II)Does the company establish and implement reasonable employee welfare measures (including compensation, leave, and other benefits), and appropriately reflect operational performance or results in employee compensation?	✓		The Company provides marketcompetitiveness benefits to motivate employees, who enjoy flexible working hours, special leave that exceeds labor standards, subsidies for weddings and funerals, childbirth bonuses, childcare subsidies, scholarships for children's education, travel allowances, annual health check-ups, group insurance, and other comprehensive benefits, allowing employees to balance work and their physical and mental well-being. Employee compensation policy covers annual salary adjustments, performance bonuses, merit bonuses, employee dividends, year-end bonuses, etc., which are determined based on individual capabilities, contributions to	Compliant with the sustainable development best practice principles.

Assessment Items	Operation Status (Note 1)			with listed companies sustainable development best practice principles Difference and Reasons
	It is.	No	Summary Description (Note 2)	
			the company, performance, and consideration of the company's future operational risks. According to Article 29, Paragraph 1 of the Articles of Incorporation, if the Company has profits in a fiscal year, it shall allocate no less than 2% for employee compensation, which includes employees of qualifying subsidiaries.	
	✓		The Company ensures a safe and healthy working environment for employees, continuously promote health promotion-related measures. It has been assessed by the Ministry of Health and Welfare's National Health Agency and obtained the Healthy Workplace Certification Healthy Start Mark. And based on the characteristics of each operational site, conduct improvements to the work environment, such as providing necessary personal protective equipment for XRF testing (ionizing radiation risk) in hazardous work areas, to ensure that the risk of exposure to hazardous factors is reduced to an acceptable level. To ensure that employees can respond quickly to disaster incidents and achieve disaster prevention objectives, fire emergency response drills are held regularly each year to establish a comprehensive disaster emergency response management.	Compliant with the sustainable development best practice principles.
(IV)Does the company establish an effective career capability development training program for employees?	✓		1. The company values employee education and training as well as the establishment of assessment and promotion systems; therefore, it has formulated the "Human Resources Control Procedures" to plan the annual education and training program, considering talent cultivation and technology inheritance as key execution points. 2. The Company provides a diverse range of training resources, and the training system includes new employee competency education training,	Compliant with the sustainable development best practice principles.

Assessment Items	Operation Status (Note 1)			with listed companies sustainable development best practice principles Difference and Reasons
	It is.	No	Summary Description (Note 2)	
			professional competency education training, general management competency training, safety and health management training, among others, to ensure that employees have suitable training courses at different stages of their career development possess. 3. The Group's employees completed training for a total of 3,355.5 hours in 2024.	
(V)Regarding the health and safety of customers related to products and services, customer privacy, marketing, and labeling issues, does the company comply with relevant regulations and international standards, and establish relevant policies and complaint procedures to protect the rights and interests of consumers or customers?	✓		1. Our company complies with the relevant regulations and international standards applicable to our industry for products and services, ensuring through supplier management that supply chain products adhere to international environmental protection regulations such as RoHS and REACH, thereby fulfilling our social and environmental responsibilities. 2. The Company has also established clear procedures for product complaints and returns to ensure the rights of customers. Relevant complaint issues are managed and tracked, and the stakeholder inquiry email is disclosed on the Company’ s website.	Compliant with the sustainable development best practice principles.
(VI)Has the company established a supplier management policy that requires suppliers to comply with relevant standards on environmental protection, occupational health and safety, and labor rights issues, and what is the implementation status?	✓		1. The company has established a "Supplier Control Procedure" and conducts regular or irregular audits of suppliers, along with an annual evaluation mechanism for performance assessment. 2. The contracts between the Company and its major suppliers include a declaration of non-use of environmentally harmful substances, requirements for compliance with green regulations such as RoHS and REACH regarding the control of environmentally harmful substances, and a prohibition on the use of conflict minerals. Additionally, there is a manufacturer evaluation form to ensure that suppliers do not violate their Corporate Social Responsibility Policy	Compliant with the sustainable development best practice principles.

Assessment Items	Operation Status (Note 1)			with listed companies sustainable development best practice principles Difference and Reasons
	It is.	No	Summary Description (Note 2)	
			and do not harm the environment, society, and corporate governance. Significant impact. 3. The suppliers signed 152 copies of the Integrity Business Commitment in 2024.	
5. Does the Company refer to international reporting standards or guidelines when preparing sustainable reports and other disclosures of non-financial information? Has the aforementioned report obtained assurance or guarantee opinions from a third-party verification entity?	✓		1. The Company's 113th sustainable report refers to the GRI Standards issued by the Global Reporting Initiative, while also referencing the industry standards of the sustainable Accounting Standards Committee (SASB) as the reporting principles. 2. The Company's sustainable report has been verified by Taiwan Verification Technology Co., Ltd. (SGS), confirming that the report content meets the core options of GRI Standards and the standards of AA1000 Type 1 Moderate Assurance level.	Compliant with the sustainable development best practice principles.
VI. If the Company has established its own sustainable development principles based on the "Best Practice Principles for Sustainable Development of Listed Companies", please describe the operational differences and the differences from the established principles: no significant differences.				
VII. Other important information that helps to understand the implementation of promote sustainable development: *Promote and implement the concept of environmental protection. *Value social care and provide timely assistance to disadvantaged groups in society. *Office air conditioning temperature control, actively promoting water and electricity energy-saving, setting up a resources classification recycling area, and strengthening classification advocacy. *Implement environmentally friendly utensils, reduce the use of disposable cups and chopsticks to protect personal health and the environment protection. *Focus on the physical and mental development of employees, prioritizing their well-being. * Welfare Committee Festival Bonus *Annual Employee Health Check and Group Insurance				

Note 1: If the implementation status is checked as "Yes", please specify the important policy, strategies, measures, and implementation status adopted; if the implementation status is checked as "No", please explain the differences and reasons in the column "Differences from the Sustainable Development Best Practice

Note 2: Principles for TWSE/TPEx Listed Companies" and describe the future related policies and measures plan plan.

Note 3: The principle of materiality refers to issues related to the environment, society, and corporate governance that have a significant impact on the company's investors and other stakeholders.
For the disclosure methods, please refer to the best practice reference examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange.

Assessment Items	Operation Status (Note 1)			with listed companies sustainable development best practice principles Difference and Reasons
	It is.	No	Summary Description (Note 2)	

VIII. Implementation of climate-related information

Items	Implementation status
1. Describe the oversight and governance of the Board of Directors and management regarding climate-related risks and opportunities.	The company's board of directors has established a sustainable development committee, chaired by the General Manager (director), with the quality assurance supervisor and corporate governance supervisor serving as vice chairs, and the legal supervisor and information security supervisor serving as ex officio members. The sustainable development committee originally established six major groups, which will be restructured into four major groups in November 2024, namely corporate governance, environmental protection, social responsibility, and sustainable risk management and information disclosure. It will coordinate and be responsible for formulating policies to promote corporate governance and develop a sustainable environment, and will regularly conduct performance evaluations and continuous improvements. The Company’s Board of Directors is the highest supervisory body for climate-related issues, overseeing and reviewing policies related to climate risk. Under the "sustainable development committee", there is an "Environmental protection group" responsible for implementing strategies related to climate change, managing and developing action plans, and regularly reporting the effectiveness of risk management and sustainable development implementation to the Board of Directors. In addition, each business unit and the finance department composition TCFD group, responsible for executing and managing climate-related financial disclosure projects. In addition, the "Environmental Protection Group" implements energy-saving and carbon reduction measures to enhance the implementation efficiency of climate strategies in its operations. The management of the company is responsible for assessing and managing climate-related risks and opportunities. The TCFD group, as a task-oriented organization, develops monitoring indicators, business regulations, and operational processes by referencing domestic and international climate change information and the TCFD framework, and supervises and controls the implementation of relevant risk management by various business units. The "Environmental protection group" not only communicates and coordinates cross-departmental matters related to climate change risk management but also reports quarterly to the board of directors on the status of ESG implementation and the achievement of greenhouse gas check targets reached, in accordance with the regulations of the Financial Supervisory Commission, while working with various management units of the "TCFD group" to carry out climate change risk management tasks.
2. Describe how the identified climate risks and opportunities affect the enterprise's business, strategy, and finances (short-term, medium-term, long-term).	The sustainable development committee discusses and identifies climate risks and opportunities that impact the company during its annual meeting at the beginning of each year, and scores them with external experts based on likelihood and financial impact to conduct a screening of significant transformation climate risks, physical climate risks, and transformation climate opportunities. Defining the risk range as:

Assessment Items	Operation Status (Note 1)			with listed companies sustainable development best practice principles Difference and Reasons
	It is.	No	Summary Description (Note 2)	
	• Short-term: 1-3 years • Medium-term: 4-10 years • long-term: more than 10 years transformation risk scenario International Energy Agency (IEA) The established policy scenario for STEPS (2.5 degrees Celsius) NZE Net Zero Emissions Scenario (1.5 degrees Celsius) • Regulations - Net Zero Emissions and carbon reduction requirements and climate change in response to law: Purchase green electricity (renewable energy certificates) to reduce carbon emissions, in order to lower low-carbon costs and excess emission costs. The estimated purchase cost of renewable energy certificates is NTD 5,500 to 7,000. According to the carbon fee based on emissions, being charged excess emission fees for not achieving reduction goals, reducing the use of gray electricity by purchasing green electricity, or purchasing carbon credits to achieve carbon neutrality, it is expected that operating costs or business expenses will increase. • Market risk (changes in customer behavior and rising raw material costs): In response to the requirements of power customers, implement specific product carbon footprint verification, and regularly disclose the company's carbon reduction information to minimize order loss; additionally, actively cooperate with the group's energy-saving strategy to reduce the impact of rising electricity costs. Physical risk scenario In the 2°C warming scenario (SSP3-7.0 scenario), the estimated sea level rise around Taiwan is 0.5 meters. In a 4°C warming scenario (SSP5-8.5 scenario), the estimated sea level rise around Taiwan is 1.2 meters. • long-term sea level rise: 1. The companies covered by the report's boundaries do not have any related risks in their respective fields. 2. Regularly review the impact of changes in the potential for physical risk disasters on the company to facilitate the early implementation of appropriate preventive measures. transformation opportunity • In line with the government's energy transformation, regularly review the professional services and solutions that our company can provide for solar charging and energy storage, thereby increasing our company's revenue. In recent years, the Company has actively laid out its businesses in solar energy, energy storage, and charging stations, aiming for diversified operations and promoting the transformation of its businesses. The relevant subsidiaries, including Billion Watts and VGwatt Energy 晋好能源, are committed to the development of environmental renewable energy and providing comprehensive green energy solution services in accordance with government policy regulations. In 2024, the revenue from the green energy business has accounted for over 81% of the Group's			

Assessment Items	Operation Status (Note 1)			with listed companies sustainable development best practice principles Difference and Reasons
	It is.	No	Summary Description (Note 2)	
	consolidated revenue, which will effectively enhance the Group's revenue in the future.			
3. Describe the impact of extreme weather events and transformation actions on finance.	•Regulations - Net Zero Emissions and carbon reduction requirements: In accordance with the Financial Supervisory Commission's carbon reduction goals and the Climate Change Act's 2050 net zero goals, plans are being made to increase the self-use of green electricity and maximize the reduction of carbon emissions. •Regulations - Climate Change in response to Law: The "Climate Changein response to Act" has established the net zero emissionspolicy for 2050. Expected from 2026, a charge of NTD 300 per ton will be implemented, with a free quota of 25,000 tons for 2025. The free quota for 2026-2027 will be 15,000 tons, and for 2028-2029, it will be 10,000 tons. It is anticipated that the free quota will be abolished starting in 2034, with a carbon fee of NTD 1,500 per ton. •\tMarket-customerbehavior changes: Customer requests to monitor and reduce carbon emissions, and must commit to joining SBTi or other climate initiatives. Failure to cooperate will affect the future growth momentum of revenue. • Market - Rising raw material costs: In response to market demand, procure low-carbon materials or increase in electricity costs leading to a rise in production costs or transportation expenses. The estimated annual growth rate of electricity prices is 3.5%. •long-term sea level rise: Due to climate warming leading to rising sea levels, the factory area faces the risk of flooding.			
4. Describe how the identification, assessment, and management processes of climate risks are integrated into the overall risk management system.	sustainable development committee was established by interdepartmental heads to form four working groups, which conduct climate risk and opportunity identification and assessment every two years, and review annually whether adjustments are needed based on the actual operating environment conducted. Risk management is usually conducted by each business unit according to internal control procedures conduct, and each working group regularly reports the progress and results of execution to the sustainable development committee. To reduce the impact of class suspensions caused by the typhoon on production and timely delivery issues, Billion has arranged for advanced production or overtime to meet shipping demands. At the same time, considering the impact of climate change on the risks faced by the company, a risk assessment form has been developed to conduct a risk assessment survey on the key operational activities of each department. Through consideration of factors such as threats, impacts, and degrees of influence, the key risks currently faced by the company are identified, and corresponding risk control strategies are developed to mitigate these risks. To ensure the effectiveness of risk assessments, it is required that risk assessments be reviewed at least every three years in conjunction with adjustments to the company's business and personnel. In addition, an emergency response plan has been established, which, in the event of a risk disaster, will be executed by the department			

Assessment Items	Operation Status (Note 1)			with listed companies sustainable development best practice principles Difference and Reasons
	It is.	No	Summary Description (Note 2)	
			head in charge according to the factory area disaster emergency response plan for notification work. The crisis event management team will coordinate the conduct of crisis management and subsequent recovery efforts to maintain the company's continuous operation.	
5. If the scenario analyzing assesses the resilience against climate change risks, it should specify the scenarios, parameters, assumptions used, analyzing factors, and key financial impacts.			For detailed information, please refer to the Company’s sustainable report on the Company’s website and the TCFD report. https://irp.cdn-website.com/d70e71db/files/uploaded/Billion_TCFD-report-2023.pdf。	
6. If there is a in response to management of climate-related risks transformation plan, please describe the content of the plan, and the indicators and transformation targets used to identify and manage physical risks and goals.			After completing the greenhouse gascheck and the baseline investigation of energy equipment, a concrete risktransformation plan and control indicatorsgoals will be formulated. Currently, the following explanations of the relevant promote energy-saving measures have been initiated: 1. The Company through the replacement of LED tubes conduct energy-saving measures. In 2023, some traditional lighting fixtures have been replaced, and in the following years, the remaining LED tube replacements will be completed to reach the energy-saving goals. 2. The company invested a cumulative amount of NTD 46,798 thousand and NTD 230,090 thousand in the construction of solar power plants and energy storage sites from 2022 to 2023, and will continue to invest in the green energy industry in 2024, increasing the investment amount in Sheng Kai Energy Co., Ltd. by approximately NTD 18,000 thousand, which will be used for the investment and construction of renewable energy solar power plants. It is estimated that the average annual green electricity generation will reach 1,100 thousand kilowatt-hours, with a carbon reduction amount of approximately 543 tCO2e. The solar power factory owned by the company accumulated approximately 1,426 thousand kilowatt-hours of electricity generation and sold it to Taipower in the year 2024, contributing to a reduction of approximately 705 tCO2e in carbon emissions for Taipower. At the same time, in response to the global "2050 net zero emissions" goals and the government's policy to expand renewable energy capacity policy, our company participates in the construction of Taipower's AFC Energy Storage System, which helps improve the utilization rate of renewable energy, and continues to assess the feasibility of upgrading our own site energy storage equipment. It is expected that an additional energy storage cell capacity of approximately 5.2MW will be constructed, assisting Taipower in enhancing the resilience of the energy system and responding to the storage demand for renewable energy fluctuations, thereby reducing the consumption of renewable energy. 3. Billion promotes energy-saving and carbon reduction actions, based on the enterprise social responsibility and green production sustainable operation goals, reducing paper usage and greenhouse gas emissions. Specific measures include encouraging suppliers to recycle packaging materials, promoting the habit of turning off lights when not in use, using remote controls for air conditioning, purchasing circulation fans to avoid setting the air conditioning temperature too low, replacing faulty fluorescent lamp holders with LED lamps, and utilizing electronic forms and approval processes. 4. Billion Headquarters replaced 41 fluorescent lights in 2024, saving 5,986 kilowatt-hours.	

Assessment Items	Operation Status (Note 1)			with listed companies sustainable development best practice principles Difference and Reasons
	It is.	No	Summary Description (Note 2)	
			5. Billion Watts utilizes the rooftops and land of its customers to collaborate with manufacturers in the construction of solar generation equipment. This not only maximizes the value of space utilization but also reduces fossil fuel use and environmental pollution. As of 2024, the rooftop solar photovoltaic Billion Watts team has completed over 1,800 installations, including rooftop, Water Surface type, ground-mounted, and fishery-solar symbiosis projects, with a total installation capacity exceeding 580MWp. In the future, the goal is to achieve a total installation capacity of over 620MWp by 2025.	
7. If internal carbon pricing is used as a planning tool, the basis for price setting should be explained.			The Company has implemented the TCFD project guidance in 2024 and will carefully assess the internal carbon pricing system as a reference for carbon reduction cost evaluation in the future. Always keep an eye on the carbon fees announced by the climate change in response to legislation and management laws to facilitate internal operations.	
8. If climate-related goals are set, the activities covered, greenhouse gas emission scopes, planning timelines, and annual progress should be explained; if carbon offsets or renewable energy certificates (RECs) are used to achieve the relevant goals, the source and quantity of the offset carbon reduction amounts or the number of renewable energy certificates (RECs) should be specified.			The Company will reassess and set specific climate goals after completing the greenhouse gas check in 2024, and will determine whether to use carbon offsets or purchase renewable energy certificates (RECs). In addition, the Company has initiated Scope 3 check in 2025, in accordance with the reporting schedule of the competent authority's IFRS S1 and S2, covering the boundaries of subsidiary check.	
9. Greenhouse gas check and assurance status, along with reduction goals, strategies, and specific action plans (to be filled in 1-1 and 1-2)			Refer to the explanations in 1-1 and 1-2 below.	

1. Greenhouse Gas check and Assurance Situation of the Company in the Most Recent Two Years

The greenhouse gas emissions for the last two years are as follows:

Year	Direct Scope One (Public tons CO2e)	Indirect energy 2. Scope (Public tons CO2e)	Other indirect 3. Scope (Public tons CO2e)	Density (tons CO2e/NTD one million)
2023	68.96	312.77	262.14	0.41
2024	159.97	333.80	285.19	0.44

Assessment Items	Operation Status (Note 1)			with listed companies sustainable development best practice principles Difference and Reasons
	It is.	No	Summary Description (Note 2)	

Note: The checks in Categories One, Two, and Three for check are information about the parent and subsidiary companies; the figures for the year 2024 have been completed through third-party verification, while the figures for the year 2025 are self-reported and will be disclosed in the 2024 ESG report after third-party verification.

1-1-2 Information on Greenhouse Gas Assurance

SGS has scheduled verification operations from 21 April 2025 to 25 April 2025conduct, and will conduct assurance in accordance with ISO 14064-1 requirementsconduct.

1-2 Greenhouse Gas Reduction Goals, Strategies and Specific Actions Plans

Verification operations will be completed by the end of March 2025, with 2023 set as the base year, and the goal for 2034 as a reduction of 25% in carbon reduction. The specific action plan for carbon reduction is as follows: 1. Given the nature of the Group's business activities, the Company will collect relevant electricity usage data from its business activities to conduct analysis, and evaluate the procurement of green electricity or self-generation.
Use to reduce gray electricity usage reached carbon reduction.

2. The Company through the replacement of LED tubes conduct energy saving. In 2024, some traditional lighting fixtures have been replaced, and the remaining LED tubes will be gradually completed in subsequent years.
Replace to reach the energy-saving target.

(VII) Implementation of Integrity in business operations and the differences from the Integrity management principles for listed companies and the reasons thereof:

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
I. Establish integrity management policies and programs (I) Has the Company established a policy for integrity management that has been approved by the Board of Directors, and is this policy, practice, and the commitment of the Board of Directors and senior management to actively implement the management policy clearly stated in the regulations and external documents?	✓		The Company has established a "promote Integrity Management Task Force" (hereinafter referred to as the Integrity Task Force), chaired by the Legal Supervisor. The Integrity Task Force is responsible for formulating Integrity management-related policies and supervising their implementation, and it regularly reports to the Board of Directors. To reveal and promote corporate Integrity management, the Integrity Task Force has formulated and submitted for the Board's approval the "Billion Group Integrity Management Policy" in 2023 and will revise the "Integrity Management Guidelines," "Integrity Management Operating Procedures and Code of Conduct," and "Insider Trading Prevention Management Procedures" in 2024. The relevant content has been announced on the company website; all directors and senior management have fully signed the "Director Integrity Management Declaration" to actively implement the commitment to integrity policies.	Compliant with the Integrity Management Principles
(II) Does the company establish a mechanism for assessing the risks of non-integrity behaviors, regularly analyze and evaluate business activities within its operational scope that have a higher risk of non-integrity behaviors, and	✓		To implement the Integrity management policy, our company has listed the non-integrity behaviors specified in Article 7, Section 2 of the Integrity Management Best Practice Principles for TWSE/TPEx Listed Companies in the Billion Group's	Compliant with the Integrity Management Principles

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
formulate plans to prevent non-integrity behaviors, which at a minimum include preventive measures for each of the behaviors listed in Article 7, Section 2 of the "Best Practice Principles for Integrity Management for Listed Companies"?			"Integrity Management Guidelines"and has established preventive measures against non-integrity behaviors in the "Integrity Management Procedures and Behavioral Guidelines." The specific implementation status for the year 2024 includes: (1) The Integrity Committee revised the "Integrity Operating Procedures and Code of Conduct" and the "Integrity Management Guidelines," which were approved by the Board of Directors in the third quarter of this year. (2) Conduct the integrity management promotion and training for directors, senior executives, and all employees in phases; directors, senior executives, and all employees shall sign the "Compliance with Integrity Management Policy Declaration." (3) In addition to promoting the Company's integrity philosophy through education and training beforehand, establishing a post-reporting mechanism and handling procedures, and conducting case investigations by the integrity team and relevant dedicated units when necessary, to ensure that the Company's operations comply with the integrity management guidelines and policies, and regularly reviewing and assessing the appropriateness and effectiveness of preventive measures.	

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
			All personnel of the Company within the scope of business activities have the obligation to cooperate with the investigations conducted by the compliance units regarding the control methods for the aforementioned integrity violations.	
(III) Does the company specify operational procedures, conduct guidelines, penalties for violations, and a complaint system within the integrity prevention program, ensure implementation, and regularly review and amend the aforementioned program?	✓		The Company has established a plan to prevent dishonest behavior in accordance with the "Integrity Management Guidelines", which includes the "Code of Ethical Conduct", "Integrity Operating Procedures and Behavioral Guidelines", and the "Handling Procedures for Reporting Illegal, Unethical, or Dishonest Behavior". It clearly stipulates that no improper benefits may be accepted, nor may any actions that violate integrity or are illegal be taken, and it specifies the disciplinary measures for violations and the complaint system. Employees and stakeholders are encouraged to report any illegal or violations of the Company's enterprise integrity management policy through reporting channels, ensuring the confidentiality of the reporting information and the protection of the whistleblower. Relevant regulations have been publicly disclosed on the	Compliant with the Integrity Management Principles

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
			Company's website. Additionally, the Integrity team should regularly promote the importance of integrity behavior to directors and employees. The aforementioned plan is established according to the assessment mechanism of risks related to integrity behavior, with the integrity team responsible for regularly reviewing the appropriateness and effectiveness of the preventive measures, and making conduct appropriate adjustments or corrections. Each year, the execution results of integrity management will be reported to the board of directors.	
II. Implementation of Integrity Management (I)Does the company assess the integrity records of its counterparties and explicitly stipulate integrity behavior clauses in the contracts signed with these counterparties?	✓		The Company's "Integrity Management Principles" explicitly stipulate that prior to any business dealings, the legality of the counterparties involved and whether they are engaged in any dishonest conduct should be considered. To avoid transactions with parties involved in dishonest conduct, the Company requires all suppliers to sign the "Supplier Integrity Commitment Letter" to maintain consistent integrity standards, and regularly review the signing status to ensure the completeness and consistency of the integrity declaration. In the year 2024, the group signed agreements with a total of 171 suppliers, achieving a signing rate of reached92.4% or above. The company will continue to monitor the progress of other suppliers in	Compliant with the Integrity Management Principles

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
			signing back the commitment letters. In addition, the company has also incorporated integrity management terms into all contracts for this year, further suppliers.The integrity management obligations and responsibilities, and continuously review and update relevant provisions to facilitate the Company's conduct of risk assessment and prevention in transactions.	
(II) Does the company establish a dedicated unit under the Board of Directors to promote corporate integrity management, and report regularly (at least once a year) to the Board of Directors on its integrity management policy and measures to prevent dishonest behavior and supervise the implementation?	✓		The Company is responsible for promoting the integrity management policy of enterprises through the legal department, which is under the "Corporate Sustainability Committee" chaired by the General Manager. A "Integrity Management Task Force" has been established under this committee, with the legal supervisor serving as the convener, responsible for the formulation and supervision of the integrity management policy and preventive measures. The tasks include regularly inventorying and amending relevant integrity regulations for board approval, conducting education and promotion of integrity laws and the Company's integrity management policy, and signing integrity management declarations and employee integrity commitment letters. The Integrity Management Task Force regularly tracks and evaluates execution effectiveness, reporting to the board at least once a year. This year, a specific execution report was presented to the board on 12 December 2024.	Compliant with the Integrity Management Principles

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
			Implementation Status for the Year: (1)Integrity management-related policies formulation and amendments: The Company has amended the "Insider Trading Prevention Management Procedures," "Integrity Management Best Practice Principles," and "Integrity Management Operating Procedures and Code of Conduct," which were approved for implementation by the Board of Directors in the third quarter of this year. It is explicitly stipulated that Investigation Bureau to the company to conduct a lecture on(2) Internal and external policy promotion: (2)Integrity Group arranged "Integrity and Human Rights" education courses for all employees of the group, inviting Chief Lin Chia-Huan changes in external standards and from the New Taipei City no improper benefits shall be internal supervisory execution. accepted, nor shall any actions that violate Integrity or are illegal be taken. The aforementioned internal regulations are subject to ongoing review and adjustments by the Integrity team, taking into account 【Corporate Anti-Corruption and Trade Secret Protection】, and completed an online test for all employees to strengthen their understanding of integrity management and trade secrets. A total of 215 employees conducted the test. "Integrity Management Principles", "Corporate Ethics"	

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
			Code of Conduct and Integrity Management Operating Procedures and Behavioral Guidelines and other relevant important internal mattersThe regulations have been publicly disclosed on the company's website and internal website for external parties and company employees to inquire at any time. (3) Reporting channels, handling, and whistleblower protection: Whistleblower letters are assigned to different responsible units based on the level of the reported individual; if there is a violation of Integrity, the Company has established the "Handling Procedures for Reporting Illegal and Unethical or Non-Integrity Conduct Cases", which clearly stipulates the disciplinary and complaint system, as well as the handling procedures for violations of Integrity management regulations. Additionally, reporting channels (dedicated email) are set up and announced on both internal and external company websites to encourage personnel to report non-Integrity or improper conduct. The Company allows anonymous reporting, and the identity of the whistleblower and the content of the report will be kept strictly confidential. The legal department will handle reports regarding operational regulations and will take appropriate action based on the severity of the situation. If necessary, reports should be submitted to the competent authorities or referred to judicial authorities for investigation. No reports have been received since the year 113.	

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
(III)Has the company established a policy to prevent conflicts of interest policy, provided appropriate channels for disclosure, and implemented enforcement?	✓		The Company's "Code of Conduct" clearly states that Company personnel should handle business in an objective and efficient manner, avoiding the use of their positions within the Company to gain improper benefits for themselves, others, or other enterprises, thereby preventing conflicts of interest as per the policy; and encourages employees to report to the Audit Committee, managers, internal audit supervisors, or other appropriate personnel when they suspect or discover any violations of laws, regulations, or the Code of Conduct; the "Integrity Operating Procedures and Behavior Guidelines" also stipulate that directors, managers, and other stakeholders present or attending Board meetings must avoid conflicts of interest, and that Company personnel who discover conflicts of interest while conducting business should report them to their immediate supervisors and the Company's dedicated unit, with immediate supervisors providing appropriate guidance.	Compliant with the Integrity Management Principles

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
(IV)Has the Company established effective accounting systems and internal control systems to implement integrity management, and does the internal audit unit conduct risk assessments based on non-integrity behavior, formulate relevant audit plans, and audit compliance with the non-integrity behavior prevention programs, or has it commissioned accountants to perform audits?	✓		The Company has established effective accounting systems and internal control systems, and implemented them. Internal auditors, based on the assessment results of nonintegrity behavior risks, formulate audit plans that include the audit subjects, scope, items, frequency, and other contents, to verify compliance with the nonintegrity behavior prevention plans. The audit results should be reported to senior management and the integrity management unit, and an audit report should be submitted to the Board of Directors. In addition, to ensure the continued effectiveness of the design and implementation of the system, the Company conducts an annual review and revision process to establish good corporate governance and risk management mechanisms, serving as the basis for evaluating the overall effectiveness of the internal control system and issuing the internal control system declaration.	Compliant with the Integrity Management Principles
(V)Does the company regularly conduct internal and external training on Integrity management?	✓		The Company regularly formulates and conducts training programs, including courses related to corporate governance, Integrity management, and laws concerning business conduct. The specific implementation situation for the year 2024 includes: external professional consultants conducting courses on "integrity management" and "preventing insider trading" for	Compliant with the Integrity Management Principles

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
			directors and senior executives, while the integrity team arranges for all employees to conduct educational courses on "integrity and human rights," and invites Chief Lin Chia-Huan from the Ministry of Justice Investigation Bureau's Xindian Station to the company to conduct a lecture on 【enterprise anti-corruption and business secret protection】.	
III. Operation of the Company Reporting System (I)Has the company established a specific reporting and reward system, and establishing convenient reporting channels, as well as assigned appropriate personnel to handle the reported subjects?	✓		To specifically regulate and implement the Company's Code of Ethical Conduct and internal regulations such as the Integrity Management Guidelines, the Company encourages internal and external reporting of any illegal acts or violations of the Code of Ethical Conduct or Integrity Management Guidelines. A "Handling Procedure for Reporting Illegal and Unethical or Non-Integrity Conduct Cases" has been established, utilizing a dedicated email address as a channel for complaints, which will be managed by the legal department. Depending on the level of the reported individual, different responsible units, including the Company spokesperson, HR manager, or legal department, will be assigned to handle the case. This procedure aims to ensure transparency in the handling of internal and external reporting channels, allowing for Integrity Management Policy to be implemented.	Compliant with the Integrity Management Principles

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
			To implement; if the case is verified to be true after being filed, appropriate rewards may be provided to the whistleblower depending on the importance.	
1. Employee cash bonus	✓		The Company has corresponding investigation and handling procedures based on the different circumstances of the whistleblower and the case involved; furthermore, the handling of whistleblower cases is conducted with confidentiality, fully protecting the whistleblower and providing the counterpart with an opportunity to appeal, in order to ensure the legal rights and interests of both the whistleblower and the counterpart. If the reported incident is verified to be true, the Company will immediately require the reported party to cease the behavior, take appropriate measures, and instruct the relevant units to review and propose improvement measures to prevent similar incidents from occurring again. The legal department will also report to the board of directors regarding the reported incident, the handling methods, and subsequent review and improvement measures.	Compliant with the Integrity Management Principles
(III)Does the company take measures to protect whistleblowers from improper treatment due to their reporting?	✓		The Company handles whistleblower cases confidentially and makes every effort to protect the whistleblower, ensuring that their identity will remain absolutely confidential and that they will not face any improper treatment due to the whistleblowing situation;	Compliant with the Integrity Management Principles

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	
			personnel handling whistleblower cases will provide a written declaration to maintain confidentiality regarding the identity of the whistleblower and the content of the report.	
IV. Strengthen Information Disclosure (I)Does the Company disclose the contents of its Integrity Management Principles and the effectiveness of its promotion on its website and the public information observation platform?	✓		The Company has announced the internal regulations including the "Integrity Management Principles", "Code of Ethical Conduct", "Integrity Management Operating Procedures and Behavioral Guidelines", and "Procedures for Reporting Illegal, Unethical, or Integrity Violations" on its website. Additionally, the Company has reported this year's Integrity management implementation status to the Board of Directors, and the report content is also disclosed on the Company's website. Our company has carried out relevant internal audit operations and has not discovered any related anomalies, display indicating that the promotion is still effective.	Compliant with the Integrity Management Principles
5. If the Company has established its own Integrity Management Principles based on the "Best Practice Principles for Ethical Corporate Management of TWSE/TPEx Listed Companies," please describe the differences between its operation and the established principles: No significant differences.				

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	

VI. Other important information that helps to understand the Company's Integrity management operations: (such as the Company's review and revision of its established Integrity management principles, etc.)

1. The Company complies with the Company Law, Securities and Exchange Act, Commercial Accounting Act, Political Donations Act, Prevention of Corruption Ordinance, Government Procurement Act, Public Officials' Conflict of Interest Avoidance Act, relevant regulations for listed companies, or other laws related to business conduct, as a fundamental premise for implementing Integrity in management.
2. The Company's "Board Meeting Rules" stipulate a system for the avoidance of conflicts of interest for directors. For proposals listed by the board that may have a vested interest for the directors themselves or the corporations they represent, which could harm the interests of the Company, they may express their opinions and answer inquiries, but they shall not participate in discussions or voting. Furthermore, they must recuse themselves during discussions and voting, and they may not delegate their voting rights to other directors.

(VIII)Other important information that is sufficient to enhance the understanding of the operation corporate governance:

1. Public Information Observation Station: http://mops.twse.com.tw
2. Company website: http://www.billion.com.tw Investor Relations and Corporate Governance sections
3. Continuing Education of Directors:

All directors of the Company have completed the required hours of continuing education in accordance with the "Guidelines for Continuing Education of Directors and Supervisors of Listed Companies".

Title	Name	Date of Continuing Education	Organizer	Course Name	Continuing Education Hours
Chairman	Chung-Ting Chen	2024/11/7 2024/11/7	Securities and Futures Commission Securities and Futures Commission	(1)Enterprise ESG Sustainable Governance Awareness and Connotation - Global Net Zero Carbon Emission Trends and In Response to Pathways (2) Carbon trading mechanism and carbon management applications	3 hours 3 hours
Director	Representative of Sino-American Silicon Products Inc.: Chen-Chien Chen	2024/3/25 2024/7/3	Chinese Corporate Governance Association Stock Exchange	(1) Corporate Governance and Securities Regulations (2) 2024 Cathay sustainable Finance and Climate Change Summit	3 hours 3 hours

Assessment Items			Operation Status (Note 1)		with listed companies Corporate Governance Best Practice Principles Difference and Reasons
		It is.	No	Summary Description	
Director	Shu-Mei Chang	2024/7/1 2024/11/7 2024/11/7 2024/11/21	Chinese Corporate Governance Association Securities and Futures Commission Securities and Futures Commission Project Management Institute of Taiwan	(1) The board should consider ESG-related legal issues. (2)Enterprise ESG Sustainable Governance Awareness and Connotation - Global Net Zero Carbon Emission Trends and Response Strategies (3) Carbon trading mechanisms and carbon management applications (4) Board of Directors vs Management Team	3 hours 3 hours 3 hours 3 hours
Director	Weng Sheng-Hsien	2024/4/11 2024/4/19 2024/10/4 2024/11/7 2024/11/7	Republic of China Business and sustainable Development Association Securities and Futures Commission Securities and Futures Commission Securities and Futures Commission	(1) Analysis of Relevant Laws and Practices for Shareholders' Meetings (2) Independent Directors and Functional Committee (3) 2024 Annual Insider Trading Prevention Seminar (4) enterprise ESG sustainable governance awareness and connotation - global net zero carbon emission trends and in response to strategies. (5) Carbon trading mechanisms and carbon management applications	3 hours 3 hours 3 hours 3 hours 3 hours
Director	Ke Yi-Shan	2024/9/20 2024/11/7 2024/11/7 2024/11/19	Securities and Futures Commission Securities and Futures Commission Securities and Futures Commission Taiwan sustainable Energy Research Foundation	(1) 2024 Annual Insider Trading Prevention Seminar (2)Enterprise ESG Sustainable Governance Awareness and Connotation - Global Net Zero Carbon Emission Trends and Response Strategies (3) Carbon trading mechanisms and carbon management applications (4) The 7th GCSF Global Corporate Sustainable Forum	3 hours 3 hours 3 hours 3 hours

Assessment Items				Operation Status (Note 1)		with listed companies Corporate Governance Best Practice Principles Difference and Reasons
			It is.	No	Summary Description	
Director	Hung Yu-Chang	2024/10/4 2024/11/7 2024/11/7 2024/12/20	Securities and Futures Commission Securities and Futures Commission Securities and Futures Commission China Republic Governance Association	(1) 2024 Annual Insider Trading Prevention Seminar (2)Enterprise ESG Sustainable Governance Awareness and Connotation - Global Net Zero Carbon Emission Trends and Response Strategies (3) Carbon trading mechanisms and carbon management applications (4) Understand how criminals exploit unconventional transactions and related party transactions techniques.	3 hours 3 hours 3 hours 3 hours
0 0 0 Independe nt Directors	Yung-Yen Chen	2024/11/7 2024/11/7	Securities and Futures Commission Securities and Futures Commission	(1)Enterprise ESG Sustainable Governance Awareness and Connotation - Global Net Zero Carbon Emission Trends and In Response to Pathways (2) Carbon trading mechanism and carbon management applications	3 hours 3 hours
0 0 0 Independe nt Directors	Zheng Zhengyuan	2024/10/4 2024/11/7 2024/11/7	Taiwan sustainable Energy Research Foundation Securities and Futures Commission Securities and Futures Commission	(1) Corporate Governance and Securities Regulations - Discussion on the Blueprint and Practices of Corporate Governance (2)Enterprise ESG Sustainable Governance Awareness and Connotation - Global Net Zero Carbon Emission Trends and Response Strategies (3) Carbon trading mechanisms and carbon management applications	3 hours 3 hours 3 hours
0 0 0 Independe nt Directors	Shih-Chieh Chen	2024/8/6 2024/11/7 2024/11/7	Stock Exchange Securities and Futures Commission Securities and Futures Commission	(1) Build a new carbon era advocacy conference with sustainable knowledge. (2)Enterprise ESG Sustainable Governance Awareness and Connotation - Global Net Zero Carbon Emission Trends and Response Strategies (3) Carbon trading mechanisms and carbon management applications	6 hours 3 hours 3 hours

4. The training status of the corporate governance officer, other relevant officers, and agents for the year 2024 is as follows:

Title	Name	Date of Continuing Education	Organizer	Course Name	Continuing Education Hours
Company Governance Offi cer	Shu-Mei Chang	2024/7/1	China Company Governance Association	The board should consider ESG-related legal issues.	3 hours

Assessment Items	Operation Status (Note 1)			with listed companies Corporate Governance Best Practice Principles Difference and Reasons
	It is.	No	Summary Description	

		2024/11/7	Securities and Futures Commission	Enterprise ESG Sustainable Governance Awareness and Connotation - Global Net Zero Carbon Emission Trends and Response Strategies	3 hours
		2024/11/7	Securities and Futures Commission	Carbon trading mechanism and carbon management applications	3 hours
		2024/11/21	Taiwan Project Management Society	Board of Directors vs Management Team	3 hours
Accounting Supervisor	Yang Kai-Cheng	2024/7/22 -2024/7/31	Accounting Foundation	Securities Firms and Stock Exchanges Accounting Supervisor Initial Training Course	30 hours
Accounting Supervisor Acting Spokesperson	Yilin Li	2024/12/23 -2024/12/24	Accounting Foundation	Continuing education classes for the issuer, securities firm, securities exchange, and accounting supervisor.	12 hours
Financial Statement Preparation Personnel	Hu Zhe Yi	2024/12/31	Accounting Foundation	Latest "Annual Report/sustainable Information/Financial Reporting Preparation" Related Regulations Compilation and Internal Control Management Practices	6 hours
Audit Supervisor	Shen Yuhui	2024/9/3 2024/9/11 2024/9/18	Internal Audit Association	Core knowledge and skills series for internal audit personnel (CIA First Subject): Internal Audit Nature	18 hours
Audit Supervisor Acting Spokesperson	Ting-Chun Tsai	2024/11/20	Internal Audit Association	sustainable information disclosure and management policy and related audit points analysis	6 hours
		2024/12/3	Internal Audit Association	The Labor Cycle and Labor Incident Law from the Perspective of Corporate Governance	6 hours
Audit Supervisor Acting Spokesperson	Shijie Wang	2024/7/5 2024/7/8 2024/7/9	Internal Audit Association	Enterprise Pre-Employment Training Workshop for Newly Appointed Internal Auditors	18 hours

(IX) The implementation status of the internal control system shall disclose the following matters:

1. Description of the internal control system
   Please refer to the Public Information Observatory
   https://mops.twse.com.tw/mops/#/web/t06sg20

2. Internal Audit Organization and Operations
   The Company's audit unit is subordinate to the Board of Directors. The appointment and dismissal of the internal audit supervisor must be reviewed by the Audit Committee and submitted for approval by the Board of Directors. It must be reported for record-keeping through the internet information system by the tenth day of the month following the Board's approval, in accordance with the regulations of the Financial Supervisory Commission. Currently, there is 1 audit supervisor and 1 audit specialist.

   The auditing unit formulates the annual audit plan based on the results of the risk assessment, including items to be audited each month, and conducts audit operations in accordance with the annual audit plan to examine the Company's internal control system.

   The Company has established an audit committee, composed entirely of independent directors composition. In accordance with regulations, when submitting the annual audit plan for discussion by the audit committee, the opinions of all independent directors have been fully considered. An audit report will be prepared after each audit, along with the working papers and relevant data, to report any identified deficiencies and improvement suggestions to the management. The audit findings shall be truthfully disclosed in the audit report and tracked after the report is submitted, with tracking conducted at least quarterly and a tracking report prepared until improvements are made, to ensure that the relevant units have timely taken appropriate corrective actions. The communication between the Company's Audit Committee members and the Internal Audit Supervisor is good.

   The company's certified public accountants report the audit or review results of the quarterly financial statements at each quarterly committee meeting, as well as other communication matters required by relevant regulations. The communication between the company's auditcommittee members and the certified public accountants is good.

3. The accountant entrusted with the project to review the internal control system shall disclose ıe accountant's review report: none.

(10) In the most recent year and as of the date of publication of the annual report, important resolutions of the shareholders' meeting and the board of directors:

1. Important Resolutions and Implementation of the 113th Shareholders' Meeting:

Date of meeting	Important Resolutions	Implementation status
29 May 2024	1. Report on the implementation of share repurchases 2. Report on the distribution of employee compensation and director remuneration for the year 2023 3. Report on the Remuneration Paid to Directors for the Year 2023 4. Acknowledgment of the 2023 Annual Business Report and Financial Statements 5. Acknowledgment of the profit distribution proposal for the year 2023 6. Passed the "Endorsement Guarantee Operating Procedures" partial provisions. 7. Passed the provisions of the "Acquisition or Disposal of Assets Handling Procedures". 8. Proposal for the 18th Director Election	1. To be implemented immediately after the shareholders' meeting is approved. 2. Distribution completed on 23 September 2024. 3. To be implemented immediately after the shareholders' meeting is approved. 4. To be implemented immediately after the shareholders' meeting is approved. Completion of distribution on 23 September 2024. 6. To be implemented immediately after the shareholders' meeting is approved. 7. To be implemented immediately after the shareholders' meeting is approved.

	9. Approval of the removal of the non-compete restrictions for the newly appointed director.	8. The shareholders' meeting completed the election of new directors. 9. To be implemented immediately after the shareholders' meeting is approved.

2. Important Resolutions of the Board of Directors for the Year 2024:

Date of meeting	Important Resolutions	All Independent Directors' Opinions and the Company Handling of Opinions from Independent Directors
11 March 2024	1. Functional committee report 2. Internal Audit Business Report 3. Important Financial Business Reports 4. Implementation Report on Treasury Shares 5.113 Annual Report on Directors' Liability Insurance Renewal 6. Performance Evaluation Report of the Board of Directors and Functional Committee for the Year 2023 7. Report on the equity changes of subsidiary Sheng O Energy. 8. Subsidiary Billion is increasing the capital of its subsidiary, Sheng O Energy Storage Report. 9. Report on the operation of the sustainable development roadmap of the sustainable development committee 10. Approval of the 2023 Annual Business Report and Financial Statements 11. Approval of the 2023 profit distribution plan 12. Approval of the distribution of employee compensation and director remuneration for the fiscal year 2023 13. Through the amendment of certain provisions of the "Endorsement Guarantee Operating Procedures" 14. Approval of the designated custodian for the Company's endorsement guarantee seal.	1. Opinion of Independent Directors: None. 2. Handling of Opinions from Independent Directors: None. 3. Independent Directors' Dissenting or Reserved Opinions: None. 4. Resolution result: All attending directors agreed to pass. 5. Other: None.
Date of meeting	Important Resolutions	All Independent Directors' Opinions and the Company Handling of Opinions from Independent Directors
	15. Through the amendment of the provisions regarding the "Acquisition or Disposal of Assets Procedures" 16. Approval of the self-assessment report on the effectiveness of internal controls for the year 2023 and issuance of the "Internal Control System Declaration". 17. Approval of the Company's 18th Board of Directors Election Proposal 18. The resolution to lift the non-competition restrictions on the newly appointed directors of the Company has been passed. (19) Matters related to the convening of the 113th Annual General Meeting of Shareholders. 20. Approval of the proposed establishment of the record date for the issuance of common shares upon the exercise of employee stock options and related matters. 21. Proposal for the Appointment of Certified Public Accountants and Assessment of Their Competence and Independence 22. The Company approved the strategic investment in Sheng O Technology Co., Ltd. 23. Approval of the appointment of the new accounting supervisor	
11 April 2024	1. Functional committee report 2. Important Financial Business Reports 3. Proposal for the nomination of directors and independent director candidates by the Company.	1. Opinion of Independent Directors: None. 2. Handling of Opinions from Independent Directors: None. 3. Independent Directors' Dissenting or

		Reserved Opinions: None. 4. Resolution result: All attending directors agreed to pass. 5. Other: None.
9 May 2024	1. Functional committee report 2. Internal Audit Business Report 3. Important Financial Business Reports 4. The consolidated financial statements of the Company for the first quarter of 2024 were approved. 5. Approval of the Company's 2024 Certified Public Accountants Professional Fees Project 6. To meet the operational working capital requirements, the Company intends to sign a credit facility agreement with OO Bank. 7. Approval of the issuance of the 2023 sustainable report.	1. Opinion of Independent Directors: None. 2. Handling of Opinions from Independent Directors: None. 3. Independent Directors' Dissenting or Reserved Opinions: None. 4. Resolution result: All attending directors agreed to pass. 5. Other: None.
29 May 2024	1. Approval of the election of the Chairman. 2. Approval of the appointment of members of the Company's Remuneration Committee and Nomination Committee.	1. Opinion of Independent Directors: None. 2. Handling of Opinions from Independent Directors: None. 3. Independent Directors' Dissenting or Reserved Opinions: None. 4. Resolution Result: All attending directors elected Tim Chen as Chairman. 5. Other: None.
21 June 2024	1. Functional committee report 2. Important Financial Business Reports 3. Providing a guarantee amount for the financing needs of the company's reinvested business, Taiwan O Energy Co., Ltd. 4. Providing a guarantee amount for the financing needs of the subsidiary Billion O Energy Storage Technologies Inc. 5. The Company intends to acquire real estate in Japan. 6. Approval of Senior Executive Appointment 7. Approval of Senior Management Compensation and Bonus Plans	1. Opinion of Independent Directors: None. 2. Handling of Opinions from Independent Directors: None. 3. Independent Directors' Dissenting or Reserved Opinions: None. 4. Resolution result: All attending directors agreed to pass. 5. Other: In cases 3, 4, and 5, the stakeholder Chairman Chung-Ting Chen abstained from participating in the discussion and voting due to a conflict of interest, and the resolution was passed with the unanimous consent of the other attending directors.
8 August 2024	1. Functional committee report 2. Internal Audit Business Report 3. Important Financial Business Reports 4. The Company's enterprise sustainability operation report 5. Approval of the Company's consolidated financial statements for the second quarter of 2024. 6. Approval of adjustments to the Company's dividend payout ratio and the related matters concerning the distribution date of cash dividends. 7. Through the signing of the "Industry-Academia Cooperation and Academic Feedback Mechanism Contract" between our company and the National Taiwan University of Science and Technology. 8. Approval of the establishment of the record date for the issuance of common stock through the Company's employee stock option certificates and related matters. 9. The group organizational restructuring project is conducted by the Company conduct. 10. Through the revision of the Integrity Management Principles, the Integrity Management Operating Procedures and Code of Conduct, and certain provisions	1. Opinion of Independent Directors: None. 2. Handling of Opinions from Independent Directors: None. 3. Independent Directors' Dissenting or Reserved Opinions: None. 4. Resolution result: All attending directors agreed to pass. 5. Other: In case 7, the independent director Zheng Zhengyuan abstained from participating in the discussion and voting due to a conflict of interest, and the resolution was passed with the unanimous consent of the other attending directors. In case 11, the interested party, Director Shu-Mei Chang, recused herself from the discussion and voting on this matter, and it was approved by all other attending directors. In case 12, stakeholders, Director Tim Chen, Director Chen-Chien Chen, and Independent Director Yung-Yen Chen recused themselves from the discussion due to conflicts of interest. The resolution was passed with the unanimous

	of the Insider Trading Prevention Management Procedures. 11. Approval of the appointment of the Company' s General Manager case. 12. Approval of the 2023 Performance Evaluation and Remuneration Distribution for Directors 13. Approval of the 2023 performance evaluation of managers and the distribution of employee remuneration.	consent of the other attending directors. In case 13, the interested party, Director Shu-Mei Chang, recused herself from the discussion and voting on this matter, with the unanimous consent of the other attending directors.
Date of Meeting	Important Resolutions	All Independent Directors' Opinions and the Company Handling of Opinions Regarding Independent Directors
7 November 2024	1. Functional committee report 2. Internal Audit Business Report 3. Important Financial Business Reports 4. Report on the promotion of ESG work by the sustainable development committee for the fourth quarter of 2024. 5. OTHER IMPORTANT REPORTS 6. Report on the operation of the Committee for Information Security 7. The consolidated financial statements of the Company for the third quarter of 2024 were approved. 8. Approval of short-term financing for the subsidiary Sheng O Technology Co., Ltd. 9. Credit limit project provided through financial institutions. 10. Approval of the amendments to certain provisions of the Company's "Internal Control System" and "Internal Audit System", and the addition of the "sustainable information management operations" and the "sustainable information disclosure management measures". 11. Approval of the amendments to the sustainable development best practice principles and certain provisions of the sustainable development committee organizational regulations.	1. Opinion of Independent Directors: None. 2. Handling of Opinions from Independent Directors: None. 3. Independent Directors' Dissenting or Reserved Opinions: None. 4. Resolution result: All attending directors agreed to pass. 5. Other: Case 8, stakeholder Tim Chen director's conflict of interest avoidance Not participating in the discussion, as agreed by all other attending directors. The case has been approved.
12 December 2024	1. Functional committee report 2. Internal Audit Business Report 3. Important Financial Business Reports 4. Increase the capital of the subsidiary O Armor green energy Co., Ltd. report 5. Risk Operations and Risk Report for the Year 2024 6. Report on the Operation of the Integrity Management Team for the Year 2024 7. Report on the Implementation of the Intellectual Property Management Plan for the Year 2024 8. Report on the Implementation of Human Rights Policy for the Year 2024 9. Report on the Operation of the Corporate Governance Committee for the Year 2024 (Including Stakeholder Communication Situation) 10. Report on the operation of the succession planning for the members of the Board of Directors and key management personnel for the fiscal year 2024. 11. Approval of the Company' s Internal Audit Plan for the Year 2025	1. Opinion of Independent Directors: None. 2. Handling of Opinions from Independent Directors: None. 3. Independent Directors' Dissenting or Reserved Opinions: None. 4. Resolution result: All attending directors agreed to pass. 5. Other: In cases 14 and 15, stakeholder Tim Chen has a conflict of interest. Avoid participating in discussions, with the unanimous consent of all attending directors. Passed as per the case.

	12. Approval of the Company' s Operational Plan and Budget for 2025 13. Credit limit provision case through financial institutions. 14. Through funding loan to subsidiary O Armor green energy Co., Ltd. project. 15. Approval of funding loan to the subsidiary Billion Watts Technologies Co., Ltd. for the project of green energy. 16. Approval of the 2024 ESG Work Promotion Report and TCFD Report.	

(11)During the most recent fiscal year or as of the date of publication of the annual report, a director has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and there is a record or written statement; the main content: none.

(XII)The Company's personnel related to financial information transparency have obtained the relevant licenses designated by the competent authority:

License Name	Total number of people	
	Financial Accounting	Audit
The Enterprise Internal Control Basic Competency Test organized by the Securities and Futures Commission.	0	1
Basic Competency Test for Corporate Governance Organized by the Securities and Futures Commission	0	1

Ⅲ. Information on CPA Professional Fees:

Amount Unit: NTD ONE THOUSAND

Accountant Firm Name	Accountant Name	Audit Other income	Non-audit professional fees					Accountant Audit Period	Remark
			System Design	Industrial and Commercial Registration	Human Resources resources	Other	Subtotal		
KPMG	Hui-Zhi Kou Xin-Yi Guo	3,970	0	0	0	1,344	5,314	2024/1/1-2024/12/31	Tax Certification, Non-Executive Salary Inspection, Accounting Processing Fees

Note 1: If the Company changes its auditor or auditing firm this year, it should separately list the audit period and explain the reason for the change in the remarks column, and disclose information on the audit and non-audit professional fees paid in order.

Note 2: Non-audit professional fees should be listed separately by service item. If the total amount of non-audit professional fees under "Other" reached 25% 25%, the service details should be noted in the remarks column.

(I)If the audit fees paid for the year of changing the accounting firm are less than the audit fees for the previous year, the amount, percentage, and reasons for the reduction in audit fees should be disclosed: Not applicable.

(II) If the audit professional fees decrease by more than fifteen percent compared to the previous year, the amount, proportion, and reasons for the decrease in audit professional fees should be disclosed: Not applicable.

IV. Replacement of CPA: The company has not appointed a certified public accountant or accounting firm for the year 2024.

V. In the most recent year, the company's Chairman, General Manager, and managers responsible for financial or accounting matters have not served in any certified public accountant firm or affiliated enterprise: None.

VI. In the most recent year and as of the date of publication of the annual report, the transfer of shares and changes in pledged shares of directors, managers, and shareholders holding more than ten percent of the shares.

Changes in the shareholding of directors, managers, and major shareholders,

Please visit the company information observation station to check https://mops.twse.com.tw/mops/#/web/home.

VII. Information on the relationship between any of the top ten shareholders regarding their shareholding proportions data:

31 March 2025
Unit: Shares

<table>
<tr><th rowspan="2">N a m e
Name</th><th colspan="2">I
Holding shares</th><th colspan="2">Spouse and minor children hold shares.</th><th colspan="2">Hold shares in total using another person's name.</th><th colspan="2">Names and relationships of the top ten shareholders that have relationships with related parties as defined in Financial Accounting Standards Bulletin No. 6. (Note 1)</th><th rowspan="2">Prep ared Note</th></tr>
<tr><th>Number of Shares</th><th>Numb er of Shares</th><th>Number of Shares</th><th>Numb er of Shares Ratio</th><th>Number of Shares</th><th>Num ber of Shar es</th><th>Name</th><th>Relat ion</th></tr>
<tr><td>Sino-American Silicon Products lnc.</td><td>15,000,000</td><td>12.93%</td><td>0</td><td>0.00%</td><td>0</td><td>0.00%</td><td>None</td><td>None</td><td>None</td></tr>
<tr><td>Chung-Ting Chen</td><td>14,167,971</td><td>12.21%</td><td>1,674,917</td><td>1.44%</td><td>3,000,000</td><td>2.58%</td><td>Li-Li Chang
Yang Ting Co., Ltd.</td><td>Spouse
Chairm an</td><td>None</td></tr>
<tr><td>Yang Ting Co., Ltd.</td><td>3,000,000</td><td>2.58%</td><td>0</td><td>0.00%</td><td>0</td><td>0.00%</td><td>Chung-Ting Chen
Li-Li Chang</td><td>Chairm an
Supervi sor</td><td>None</td></tr>
<tr><td>Li-Li Chang</td><td>1,674,917</td><td>1.44%</td><td>14,167,971</td><td>12.21%</td><td>0</td><td>0.00%</td><td>Chung-Ting Chen
Yang Ting Co., Ltd.</td><td>Spouse
Director</td><td>None</td></tr>
<tr><td>Shih-Che Chien</td><td>1,090,350</td><td>0.93%</td><td>0</td><td>0.00%</td><td>0</td><td>0.00%</td><td>None</td><td>None</td><td>None</td></tr>
<tr><td>Futian Li</td><td>1,083,725</td><td>0.93%</td><td>0</td><td>0.00%</td><td>0</td><td>0.00%</td><td>None</td><td>None</td><td>None</td></tr>
<tr><td>Liu Jizhang</td><td>817,000</td><td>0.70%</td><td>0</td><td>0.00%</td><td>0</td><td>0.00%</td><td>None</td><td>None</td><td>None</td></tr>
<tr><td>Hua Julong</td><td>780,000</td><td>0.67%</td><td>0</td><td>0.00%</td><td>0</td><td>0.00%</td><td>None</td><td>None</td><td>None</td></tr>
<tr><td>You Hsun-Ren</td><td>748,000</td><td>0.64%</td><td>0</td><td>0.00%</td><td>0</td><td>0.00%</td><td>None</td><td>None</td><td>None</td></tr>
<tr><td>Wu Wei-Chang</td><td>724,000</td><td>0.62%</td><td>0</td><td>0.00%</td><td>0</td><td>0.00%</td><td>None</td><td>None</td><td>None</td></tr>
</table>

Note 1: The shareholders listed above include both corporate and individual shareholders, and their relationships shall be disclosed in accordance with the issuer's financial reporting preparation standards.

VIII. The shares held by the company, its directors, managers, and businesses directly or indirectly controlled by the company in the same reinvested business shall be combined to calculate the consolidated shareholding ratio:

31 December 2024

Unit: thousand shares; %

Transition to Investment Business (Note)	Investment of the Company		Directors, Supervisors, Managers and Investments Directly or Indirectly Controlling the Business		Affiliated Enterprises	
	Number of Shares	Investment holdings Ratio	Number of Shares	Investment holdings Ratio	Number of Shares	Investment holdings Ratio
BEC Technologies Inc.	2,294	91.76	0	0	2,294	91.76
Billion Watts Technologies Co., Ltd.	9,533	61.98	1,160	7.54	10,693	69.52
Billion Energy Storage Limited	8,000	100.00	0	0	8,000	100.00
Pacific Solar Limited	0	100.00	0	0	0	100.00
VGwatt Energy Corp.	1,837	51.00	0	0	1,837	51.00
Billion Electric Holding Co., Ltd.	1,200	100.00	0	0	1,200	100.00
Billion EV Charging Technologies Co., Ltd.	5,000	100.00	0	0	5,000	100.00
Sheng Kai green energy Co., Ltd.	2,000	100.00	0	0	2,000	100.00
Hsia Ching Limited	2,700	5.24	0	0	2,700	5.24
Billion Electric Japan Co., Ltd. (Note 1)	5	100.00	0	0	5	100.00
Sheng Rui Technology Co., Ltd. (Note 2)	13,000	49.89	0	0	13,000	49.89
Billion Sun Energy Storage Technologies Inc.	7,000	100.00	0	0	7,000	100.00
BEC International, LLC	0	100.00	0	0	0	100.00
Avantek Systems PTE. LTD	270	75.00	0	0	270	75.00
Billion Power System Technologies Inc.	510	51.00	0	0	510	51.00
Billion Energy Co., Ltd. (Note 3)	10	100.00	0	0	10	100.00

Note 1: Billion Electric JP was established in January 2024, and the Company acquired 100.0% of the shares, which were consolidated into the consolidated financial statements.

Note 2: Shengrui was established in October 2018, and the Company acquired 49.89% of the shares in April 2024, due to the directors of Shengrui Company...Having obtained more than half of the board seats and thus having control, it is included in the consolidated financial statements.

Note 3: Billion Energy Co., Ltd. was established in December 2024, wholly owned by Billion Watts Technologies Co., Ltd.

Chapter 3 Fund raising

1. Capital and Shares:

(I) Source of capital

1. Type of shares: 31 March 2025

Types of Shares	Approved Capital		Total	Note
	Outstanding Shares	Unissued shares		
Common Stock	116,004,061	133,995,939	250,000,000	Listed

2. The Formation of Capital as of the Date of Publication of the Annual Report:

Unit: NT $ per share

Year and Month	Issuance Price	Approved Capital		Paid-in Capital		Note		
		Number of Shares	Amount	Number of Shares	Amount	Source of capital	Set off shares with assets other than cash. subparagraphs	Others
1973/3	10	600,000	6,000,000	600,000	6,000,000	Established 6,000,000	None	—
1976/8	10	720,000	7,200,000	720,000	7,200,000	Increase by 1,200,000	None	—
1982/4	10	1,080,000	10,800,000	1,080,000	10,800,000	Increase by 3,600,000	None	—
1985/11	10	1,728,000	17,280,000	1,728,000	17,280,000	Currently increased by 6,480,000	None	Document No. 3897793 for the construction of Building 74
1989/4	10	3,600,000	36,000,000	3,600,000	36,000,000	Currently increased by 18,720,000	None	Business License No. 122673
1990/11	10	4,320,000	43,200,000	4,320,000	43,200,000	Profit turned 7.2 million	None	Business License No. 103655 (80)
1992/11	10	5,040,000	50,400,000	5,040,000	50,400,000	資轉 7,200,000	None	Issued by the Taiwan Business (1) Document No. 126798
1996/5	10	7,560,000	75,600,000	7,560,000	75,600,000	Currently increased by 25.2 million	None	85th Building Three Sub-letter No. 185796
1997/10	10	15,120,000	151,200,000	15,120,000	151,200,000	Currently increased by 75,600,000	None	Business No. 125890 (86)
1998/4	10	30,000,000	300,000,000	19,656,000	196,560,000	Profit turned 22.68 million Asset transfer 22,680,000	None	Business Registration No. 110480 (87)
1999/9	10	30,000,000	300,000,000	25,552,800	255,528,000	Profit turned 51,105,600 Asset transfer 7,862,400	None	Business Registration No. 88139623
2000/9	10	52,800,000	528,000,000	38,813,920	388,139,200	Profit turned 104,611,200 資轉 28,000,000	None	Business Registration No. 89134648
2001/8	10	68,000,000	680,000,000	56,741,024	567,410,240	Profit turned 179,271,040	None	Business Registration No. 09001269890
2002/5	10	84,000,000	840,000,000	72,234,002	722,340,020	Profit turned 154,929,780	None	(91) Taiwan Financial Securities (1) No. 126448
2003/7	10	92,000,000	920,000,000	86,197,933	861,979,330	Profit turned 139,639,310	None	Business License No. 09201229300
2004/8	10	92,000,000	920,000,000	89,591,250	895,912,500	Profit turned 33,933,170	None	Business License No. 09301157220
2005/8	10	92,000,000	920,000,000	91,514,326	915,143,260	Consolidated 19,230,760	None	Business License No. 09401148210
2005/8	10	107,800,000	1,078,000,000	95,950,099	959,500,990	Profit turned 44,357,730	None	Business License No. 09401194840
2006/9	10	107,800,000	1,078,000,000	96,215,341	962,153,410	Profit turned 18,652,420 Capital Reduction 16 million	None	Business License No. 09501216660
2010/3	10	107,800,000	1,078,000,000	95,620,917	956,209,170	Cancelation 5,944,240	None	Business License No. 09901055710
2010/6	10	150,000,000	1,500,000,000	95,620,917	956,209,170		None	Business License No. 09901120550

2011/3	10	150,000,000	1,500,000,000	94,793,917	947,939,170	Cancelation 8,270,000	None	Business License No. 10001064610
2014/7	10	150,000,000	1,500,000,000	93,399,325	933,993,250	Cancelation 13,945,920	None	Business License No. 10301139440
2014/9	10	150,000,000	1,500,000,000	96,667,703	966,677,030	Profit turned 32,683,780	None	Business License No. 10301197870
2015/9	10	150,000,000	1,500,000,000	97,634,380	976,343,800	Profit turned 9,666,770	None	Business License No. 10401197880
2017/9	10	150,000,000	1,500,000,000	99,095,311	990,953,110	Profit turned 14,609,310	None	Business License No. 10601128710
2018/10	10	150,000,000	1,500,000,000	98,856,311	988,563,110	Cancelation 2,390,000	None	Business License No. 10701128770
2021/9	10	250,000,000	2,500,000,000	98,856,311	988,563,110		None	Business License No. 11001163500
2022/11	10	250,000,000	2,500,000,000	99,697,811	996,973,110	Employee transfer 8,410,000	None	Business License No. 11101223980
2023/03	10	250,000,000	2,500,000,000	99,868,811	998,688,110	Employee conversion 1,715,000	None	Business License No. 11230048780
	10	250,000,000	2,500,000,000	114,868,811	1,148,688,110	Private Placement 150 million	None	
2023/05	10	250,000,000	2,500,000,000	114,963,311	1,149,693,110	Employee conversion 1,005,000	None	Business License No. 11230090080
2023/12	10	250,000,000	2,500,000,000	115,419,061	1,154,190,610	Employee conversion 4,497,500	None	Business License No. 11230222580
2024/04	10	250,000,000	2,500,000,000	115,463,811	1,154,638,110	Employee transfer 447,500	None	Business License No. 11330046260
2024/09	10	250,000,000	2,500,000,000	115,532,811	1,152,328,110	Employee transfer 690,000	None	Business License No. 11330156770
2025/03	10	250,000,000	2,500,000,000	116,004,061	1,160,040,610	Employee conversion 4,712,500	None	Business License No. 11430033220

3. Summary of information related to the declaration system: None.

4. List of top ten shareholders

31 March 2025
Unit: Shares

Shares / Name of Shareholder	Number of Shares	Number of Shares
Sino-American Silicon Products lnc.	15,000,000	12.93%
Chung-Ting Chen	14,167,971	12.21%
Yang Ting Co., Ltd.	3,000,000	2.58%
Li-Li Chang	1,674,917	1.44%
Shih-Che Chien	1,090,350	0.93%
Futian Li	1,083,725	0.93%
Liu Jizhang	817,000	0.70%
Hua Julong	780,000	0.67%
You Hsun-Ren	748,000	0.64%
Wu Wei-Chang	724,000	0.62%

(III) Implementation of the Company's policy on dividends:

1. Company Dividend Policy:

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

2. Implementation Status

The loss compensation situation for this shareholders' meeting was approved by the board of directors on 27 February 2025, and it is proposed to be submitted for acknowledgment at the 114th annual general meeting of shareholders.

(IV) The proposed stock dividend distribution at this shareholders' meeting will have no impact on the company's business performance and earnings per share: Not applicable.

(5) Remuneration to employees and directors:

1. The percentage or scope of remuneration to employees and directors as stated in the Articles of Incorporation:

If the Company has profits for the fiscal year, it shall allocate no less than two percent for employee compensation, which shall be resolved by the Board of Directors to be distributed in the form of shares or cash, and the recipients shall include employees of subsidiaries who meet certain conditions. The Company may allocate no more than three percent of the aforementioned profit amount as remuneration to directors, as resolved by the Board of Directors. The distribution of employee compensation and director remuneration shall be reported to the shareholders' meeting.

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

In the event that the Company has a surplus in its annual financial statements, it shall pay taxes in accordance with the law, offset accumulated losses, and then allocate 10% as statutory surplus reserve. However, if the statutory surplus reserve has reached the Company's paid-in capital, it may cease to be allocated. The remaining amount shall be allocated or reversed into special surplus reserves as stipulated by law; if there is still a balance, it, along with the accumulated undistributed earnings, shall be proposed by the Board of Directors in a profit distribution plan for resolution at the shareholders' meeting to distribute dividends to shareholders.

2. The basis for estimating the remuneration amounts for employees, directors, and supervisors in this period, the calculation basis for the number of shares distributed as employee remuneration, and the accounting treatment when there are discrepancies between the actual distribution amount and the estimated amount.

(1) Basis for estimating employee compensation and director remuneration for the current period: Please refer to the explanation of the Company’s dividend policy in section (6).1 above.

(2) Basis for Calculation of the Number of Shares for the Current Period's Dividend Distribution: The Company did not distribute any dividends in shares during the current period; therefore, it is not applicable.

(3) Accounting treatment when the actual distribution amount differs from the estimated amount:

When there is a significant change in the amount of funds resolved by the Board of Directors, such change shall adjust the expenses originally proposed for the fiscal year. If the amount still changes by the date of the shareholders' meeting, it shall be processed according to accounting estimates and adjusted in the accounts for the fiscal year of the shareholders' meeting resolution.

3. roposed remuneration distribution approved by the Board of Directors:

(1) Remuneration to employees and the amounts of remuneration to directors and supervisors distributed in cash or stock. If there are differences between the recognized expense amount and the estimated amount for the fiscal year, the differences, reasons, and handling circumstances should be disclosed.
The Company has incurred a loss for the fiscal year 2024 without any employee compensation and director remuneration.

(2) The amount of employee compensation distributed in shares as a percentage of the after-tax net profit and employee compensation in the individual financial report for the current period. Percentage of total amount: None.

4. The actual distribution of remuneration to employees, directors, and supervisors for the previous year (including the number of shares distributed, amounts, and share prices), and if there are discrepancies with the recognized remuneration for employees, directors, and supervisors, the differences, reasons, and handling of such discrepancies should also be explained:

Items	Board of Directors' Resolution on Allocation	Actual distribution situation	Difference	Difference Explanation
Employee Compensation	2,500,000	2,500,000	None	Not applicable
Compensation to Directors	360,000	360,000	None	Not applicable

(VI) Share repurchases by the Company:

Share Repurchases	The 10th	The 11th	The 12th
Buy back purpose	Transfer of shares to employees	Transfer of shares to employees	Transfer of shares to employees
Share Repurchase Period	2020/12/29~ 2021/2/1	2021/6/22~ 2021/8/9	2022/08/10~ 2022/09/28
Buyback Price	NTD 19.02	NTD 23.12	NTD 18.94
Types and quantities of shares repurchased	Common Stock 1,200,000 shares	Common Stock 800,000 shares	Common Stock 168,000 shares
RepurchasedSharesAmount	NTD 22,822,074	NTD 18,492,041	NTD 3,181,498
The ratio of the quantity repurchased to the planned repurchase quantity(%)	100%	100%	8.4 %
The number of shares that have been conducted for cancelation and transfer.	(1) 30 September 2021 granted 962,000 shares to employees (2) 22 September 2022 granted 15,000 shares to employees (3) 17 March 2023 granted 25,000 shares to employees (4) 16 December 2023 Grant of 20,000 Shares to Employees (5) Transfer to employees on 19 March 2025 20,000 shares	Not yet transferred	Not yet transferred
Accumulated holdings of the company Number of Shares	1,200,000 shares	2,000,000 shares	2,168,000 shares
Accumulated holdings of the Company Number of shares held by the company Issued Shares Total Ratio (%)	1..04%	1.73%	1.88%

II. Issuance of corporate bonds (including overseas corporate bonds): None.

III. Issuance of Preferred Shares: None.

IV. Participation in the issuance of overseas depositary receipts conducted situation: None.

V. Employee Stock Options conducted situation:

31 March 2024

Employee Stock Option Certificates Types (Note 2)	First (Issue) Employee Stock Option Certificates (Note 5)	Second (Issue) Employee Stock Option Certificates (Note 5)	3rd (period) Employee Stock Option Certificates (Note 5)
Date of declaration effectiveness	6 August 2020	6 August 2020	6 August 2020
Issuance (Handling) Date (Note 4)	10 August 2020	26 March 2021	18 June 2021
Number of Issuers	2,559 units	130 units	111 Unit
The ratio of the number of subscription shares issued to the total number of shares issued.	2.59%	0.13%	0.11%
Stock Option Duration	5 years	5 years	5 years
Contract Method (Note 3)	Issuance of New Shares	Issuance of New Shares	Issuance of New Shares
Restrictions on the stock option period and ratio (%)	Completion of 2 years / Subscription ratio 50% Completion of 3 years / Subscription ratio 75% Four years have elapsed / Subscription ratio 100%		
Number of Shares Acquired	2,026 units	70 units	51.75 Unit
Executed stock option amount	NTD 25,527,600	NTD 1,641,500	1,172,138
Unexecuted number of stock options	533 units	60 units	59.25 units
The subscription price per share for unexercised subscribers.	NTD 12.60	NTD 23.45	NTD 22.65
Unexecuted stock option quantity accounted for Ratio of total issued shares (%)	0.50%	0.05%	0.05%
Impact on Shareholder Interests	-	-	-

Note 1: The handling of employee stock option certificates includes the issuance of both public and private employee stock option certificates. The public employee stock option certificates in process refer to those that have already taken effect by this association; the private employee stock option certificates in process refer to those that have already been approved by the shareholders' meeting.

Note 2: The number of columns varies depending on the actual number of transactions processed.

Note 3: It should be noted whether delivered shares have been issued or new shares are being issued.

Note 4: If the issuance (processing) dates are different, they should be listed separately.

Note 5: If it is a private placement, it should be prominently marked.

VI. Issuance of New Restricted Employee Shares: None.

VII. Issuance of New Shares in Connection with Mergers or Acquisition of Shares from Other Companies: None.

VIII. Implementation of the funding utilization plan: None.

Chapter 4 Business Overview

I. Business Activities

(1) Business Scope

1. The business activities of the Company include

(1) The company is a provider of energy and communication integration solutions, with core businesses covering electronic components, ICT products, renewable energy equipment, and system integration across various fields, dedicated to promoting smart grids and sustainable energy applications. The main business operations are as follows:

(2) The electronic products and communication equipment business engages in the design, manufacturing, and sales of electronic components, computer equipment and peripherals, and computer software applications, and possesses the capability to design and mass-produce 5G/LTE indoor and outdoor broadband terminal equipment, industrial routers, as well as power and smart transportation routers.

(3) Customized energy storage and power supply products with engineering services possess the capability for the design, manufacturing, and sales of customized energy storage and power supply products technology.Technology Focusing on the assembly and manufacturing of power equipment such as Switching Power Supplies adapters, photovoltaic inverters, and AC/DC charging stations, and system integration, leveraging years of R&D experience in power supply products to provide modular energy storage system solutions that comply with international safety standards such as UL and IEC, while ensuring high stability, thereby enhancing the reliability of the company's products in the energy storage application field and its competitiveness in the international market.

(4) Vertical integration: The energy system one-stop solution service of our company possesses complete capabilities from product design, core component development, production manufacturing, system integration, engineering construction to operation and maintenance services, forming a vertical integration service chain in the energy storage industry. Based on energy management and communication equipment research and development, integrate various brands of battery systems, power conditioning systems (PCS), and self-developed energy management systems (EMS), among other key modules, to provide customers with comprehensive energy storage solutions from front-end planning to back-end operation and maintenance.

(5) Horizontal integration: The construction of a diversified renewable energy platform to create a comprehensive renewable energy solution platform. Our company horizontally integrates core technologies and applications such as solar energy, energy storage, and electric vehicle charging stations, covering equipment supply, engineering construction, operation and maintenance management, and after-sales services. Through interdisciplinary technology collaboration and resource integration, establish the "Energy as a Service" (EaaS) operational model, expanding the depth and breadth of services in the smart grid, distributed energy, and green energy transformation market.

(6) Accumulated experience in photovoltaic and monitoring system services for over 1,800 solar power stations connected to the grid, with a total capacity of over 515MWp for the shipment and installation of PV inverters. Responsible for the design and construction of the power generation system and monitoring framework, and developed the "Pixel View" smart cloud monitoring system, with cumulative shipment capacity exceeding 550MW.

(7) Possessing the qualifications of an aggregator for energy trading and engineering services resources.

The company holds a Taipower electricity trader license and is qualified to act as an aggregator agent for bidding, able to assist customers in managing and bidding for energy market operations. The team includes Class B solar technicians, electromechanical, labor safety, and high-altitude operation professionals, with directly operated engineering offices in Yilan, Taipei, Yunlin, and Kaohsiung. Additionally, warehouses for spare parts have been established in Taoyuan and Yunlin to enhance after-sales and O&M service capabilities, and integrate insurance and financing resources, establishing a long-term stable passive revenue model.

2. Business Proportion

Unit: NTD ONE THOUSAND; %

Product Category	2024 Annual Revenue	Business Proportion
power supply products	145,705	7.20%
Communication electronic equipment	248,386	12.27%
Renewable energy (including electricity sales)	1,629,844	80.53%
Total	2,023,935	100.00%

3. The company's current product (service) offerings

(1) Power supply and adapter expertise in the research and manufacturing of Switching Power Supplies and various power adapters, widely used in the fields of industry, automation, and information equipment.
(2) LED drivers provide high-performance LED lighting solutions suitable for indoor and outdoor lighting systems.
(3) 5G / LTE terminal access devices and industrial ICT Products design and manufacture 5G / LTE indoor and outdoor terminal equipment, industrial grade routers, communication equipment for power and smart transportation, and industrial network switches.
(4) **Solar Energy Management Solution integrates generation monitoring, performance optimization, and energy management technology, providing a one-stop solar solution.**
(5) The solar power factory energy management and monitoring system establishes the energy management system (EMS) for large-scale solar power projects and the self-developed "Pixel View" intelligent monitoring system, assisting in enhancing the operational efficiency and stability of the power plant.
(6) Inverters and optimizers products provide high efficiency solar inverters (Inverter) and power optimizers (Optimizer), and act as agents for international brand products for installation and technical support in the Taiwan market.
(7) Energy Storage System products (Energy Storage System, ESS) have independent development capabilities, providing modular energy storage systems that meet international standards (UL / IEC), applied in grid regulation, load shifting, and power backup.
(8) Solar power plant factory operation and maintenance services (O&M) provide operational management, routine maintenance, troubleshooting, and performance tracking for projects across the entire island, along with expertise services.
(9) Energy storage engineering contracting services undertake the overall engineering design and construction of energy storage system, including civil works, electrical integration, and full-process execution of system grid connection.

4. Plan to develop new products (services)

(1) Communication and Industry application equipment development

- Integration of broadband routers with 5G, WiFi 4/5/6 (802.11n/ac/ax), and VoIP functions.
- 5G industrial network equipment, applied in M2M, IoT, in-vehicle, industrial control, power, and smart transportation scenarios.
- Industrial grade and medical grade power supply
- Customized power supply products
- Power adapters compliant with the latest fast charging standards (QC/PD)

(2) Smart energy and solar energy applicationproducts

- Measurement, Display, and control devices for energy management systems (EMS)
- Measurement, Display, and control devices for solar energy management systems
- Floating solar power plants use modular floating body products.
- Intelligent solar inverter monitoring systems with microgrid response and reactive power control functions.
- The integration platform of solar energy and Energy Storage System enhances software integration, data visualization, and user experience.

(3) Energy Storage System core technology development

- Energy Storage System key subsystems: EMS (Energy Management System), PCS (Power Conversion System), BMS (Cell Management System)
- High safety cell energy storage cabinet products
- Intelligent energy monitoring systems equipped with AI scheduling and data mining functions for automated analyzing and comparison.

(4) Electric vehicle charging equipment.

- Development of AC/DC electric vehicle charging stations products, supporting multiple power levels and multiple communication protocols specifications.

(5) Overall energy solution and market expansion direction

- Market application extension: Expanding applications to emerging fields such as smart parks, electric vehicle infrastructure, and Industry microgrids.
- Technology deepening and optimization: introducing new optimizations such as AI scheduling, edge computing, and power trading technologies.
- Cross-industry integration: combining solar energy, energy storage, virtual power plants (VPP), carbon credits, and carbon trading platforms.
- Platform integration and data visualization: Integrating systems such as ESS, PV, and EMS to provide a complete energy platform and real-time data charts and map visualization features, enhancing user operational experience.

(II) Industry Overview

1. Industry status and development

In response to the demand for 5G broadband access, 5G Fixed Wireless Access (FWA) is expected to grow rapidly. The market size of 5G FWA equipment reached USD 3.3 billion in 2022 and is expected to reach USD 121 billion by 2032, with an estimated CAGR of 43.6% during the period from 2023 to 2032, indicating significant market growth potential. According to the global electric bus market research report published by DataM Intelligence on 12 June 2023, the global electric bus market reached USD 53 billion in 2022, and it is expected to reach USD 920 billion by 2030, with a compound annual growth rate of 42.8% during the forecast period from 2023 to 2030. The market size of intelligent transportation systems continues to expand, promote the demand for smart busses and rail communication. As the 5G network coverage rate in various countries increases, utilizing 5G FWA for deployment is seen as a key equipment for building the last mile of 5G due to its low cost, ease of installation, and the advantage of providing a larger coverage area for base stations cover, making it a weapon for telecom operators to seize the broadband market. On the other hand, in response to the broadband applications of North American electric power companies in the 4G LTE/5G

NR CBRS band (3550 MHz to 3700 MHz), the rapid growth of the terminal equipment market is imminent with the booming development of 5G networks. Actively participate in professional exhibitions and events in various regions to accelerate the promotion of new products, visit partners and target customers, and focus on vertical markets such as power, In-Vehicle, and smart transportation, and speed up project progress. will continue to compete for 5G/LTE communication market opportunities with own brand, actively establish relationships with global telecom operators, distributors, and system integrators, deepen North American advantages, deploy in the European market, and cultivate the Asian market to secure more orders.

A、power supply products

The power supply industry is facing dual challenges of technological innovation and market transformation. The current development trends focus on high-performance design, the introduction of digital control technology, and the integration applications with renewable energy and electric vehicle infrastructure integration.

Development Orientation	Key Content	Impact brought about
High efficiency and environmentally friendly design	Improve power conversion efficiency, reduce energy loss, and comply with energy-saving carbon reduction regulations.	Reduce low-carbon emissions and operating costs to enhance product competitiveness.
Digital control technology	Introduction of smart controllers and algorithms to support remote monitoring and flexible scheduling.	Enhance power management efficiency and stability to support predictive maintenance.
Renewable energyintegration	Combine solar energy, wind energy, and other green energy to support smart grids and microgrids.	Expanding application fields to align withsustainabledevelopment trends.
Electric vehicle infrastructure applications	Providing high wattage and high stability power conversion capabilities for applications such as charging stations.	Promote technological upgrades to enter the emerging electric transportation market.

B. Network ICT Products

Looking at the rapid growth of global 5G high-speed transmission demand and the gradual rollout of 5G infrastructure in various countries, high-speed wireless broadband coverage and applications are gradually expanding; 5G NR FWA (Fixed Wireless Access) terminal equipment has become a common demand in various countries. North America has opened up dedicated frequency bands for LTE and 5G for utility companies, which will be followed by opportunities for replacing existing equipment with new ones. To in response to the market demand, actively launch new products that comply with the dedicated frequency bands.

Billion continues to carry out the Company’s transformation project. In addition to maintaining growth in existing product lines such as 5G NR and LTE routers, the new product line of industrial M2M (Machine to Machine) derived from the transformation has gradually made breakthroughs and gained recognition in both domestic and foreign markets. Billion has long been deeply involved in the industrial M2M products market, featuring robust designs, complete certifications, and unique functional designs to meet the application needs of various vertical markets. The details are introduced as follows:

Industry and power application routers:
Billion's industry and power application routers provide stable and reliable transmission channels, with a metal casing supporting network ports, RS-232/RS-422/RS-485 serial ports, Digital Input, and offering PTP and industrial protocol conversion functions DNP3 over Ethernet/Modbus TCP/IEC 61850R-GOOSE, and obtaining IEC 61850-3/IEEE 1613 power certification. Deploy intelligent distribution networks to enhance operational efficiency, realize modernization of the grid and energy distribution to meet global trends.

Smart transportation router:
Billion has been deeply involved in the In-Vehicle router market for many years, providing comprehensive solution. With the advancement of IoT technology, the future development of smart transportation is moving towards utilizing intelligent, safe, and cost-effective connected solutions to enhance passenger experience, reduce costs, and improve safety and performance. Billion in-vehicle routers are positioned for smart in-vehicle and public safety products, applicable to smart busses, police cars, and fire trucks. Future goals for connected solutions such as rail trains. In light of the increased bandwidth demand, providing higher speeds and lower latency performance. The metal casing supports 5G NR – 3GPP Release 16, M12 and FAKRA connectors, Smart Ignition SenseIn-Vehicle power detection, EN 50155, E-Mark, ITxPT, and VSCCinternational certifications. build high-reliability intelligent traffic routers.

Retail application routers:
The post-pandemic era has reshaped the global retail market environment and consumer patterns. Consumers have an increasing demand for retail service quality, and enterprises are actively investing resources to seek industry transformation and differentiated marketing to enhance brand recognition and competitiveness. Connecting data to empower smart retail is a revolutionary change that brings unlimited possibilities and new development opportunities to the retail industry. Billion's compact router features a metal casing design, wide temperature range, and supports 2 SIM failover to ensure stable communication. It offers optional e-SIM and through remote deployment, allowing the download of multiple telecom operator profiles to enhance usability. Its compact appearance is suitable for Kiosk and POS machine connection applications.

C. Current status and development of the international renewable energy generation and energy storage demand industry status.

Region	Renewable energy policy objective	Energy storage demand With scale	Subsidypolicy / Capacity Market	Industry Trends With challenges
Taiwan	2025: 20 GW of solar energy and 6.9 GW of wind energy; from 2026 onwards, an annual increase of 2.5 GW of solar energy and 1.5	1.5 GW of front-of-the-meter energy storage by 2025; cumulative 3 to 4 GW by 2030; rapid growth in the behind-the-	dReg/E-Reg frequency regulation assistance, Taipower procurement tender, electricity price arbitrage incentives	Taipower is experiencing financial losses, increasing pressure on power supply, and high fluctuations in electricity

	GW of wind energy.	meter market.		prices.
Australia	2050: Total investment AUD 122 billion, with an additional 6GW of installed capacity required each year.	By 2050, it is necessary to reach an energy storage capacity of 49GW/646GWh (including cells and pumped storage).	Capacity Market Planning and Large-Scale Energy Storage Development Fund	Rapid growth in wind and solar energy still requires natural gas for stability, with a gap between policy and construction speed.
Japan	2050 (NZS): 820 GW total installed capacity (including 366 GW solar)	2030 Goals: 10GW/27GWh	The government subsidizes promote and the construction of capacity market mechanisms.	The differences in scenarios affect market size, with wind energy and energy storage as the main drivers of growth.

Industry layout and development strategies (deepening the Taiwan market, expand energy storage business)

1. **Strengthen the auxiliary service market**
   - Actively participate in Taipower's auxiliary service and reserve capacity trading pilot platform, providing frequency regulation and reserve capacity to enhance grid stability.
   - Develop smart grids and energy management technology, through AI optimization of energy dispatch, improving Energy Storage System operational efficiency.
2. **Expanding the behind-the-meter energy storage market for commercial and industrial (C&I) applications.**
   - Provide flexible energy storage microgrids and virtual power plant (VPP) aggregation management solutions for commercial and industrial users, optimizing electricity costs and enhancing scheduling bidding real-time reserves.
   - Through energy data analysis and time-of-use electricity pricing arbitrage profit-sharing models, assist enterprises in reducing electricity expenses and enhancing energy use efficiency.
   - Introducing a new model of the all-black solar storage integration machine (125 kW/261 kWh).
3. **Promote solar storage integration development**
   - In conjunction with customers and investors participating in the "Solar Photovoltaic Integration Energy Storage Policy" bidding, promote large-scale energy storage projects to enhance power dispatch flexibility and market competitiveness.
   - Established strategic partnerships with domestic and international equipment suppliers to provide efficient, customized EMS energy management smart solutions.

International market expansion: Australia and Japan

1. **Australian market**
    - Seize the energy storage market opportunities after the coal exit, and layout large grid-scale solar storage and behind-the-meter technology.
    - Collaborate with local energy enterprises to develop pumped storage and lithium cell energy storage projects, enhancing the stability of renewable energy supply.
2. **Japanese market**
    - Through government subsidies and capacity auction mechanisms, we are entering the front-of-the-meter energy storage market to promote the implementation of energy storage projects.
    - Deepen after-sales operation and maintenance (O&M) and bidding agency services, establish long-term competitive advantages and customer trust.

Smart energy and technology innovation

- Enhance energy data analyzing and AI optimization technology to improve Energy Storage System operational efficiency and develop smart grid integration solutions.
- Through the "one-stop renewable energy as a service (Energy as a Service, EaaS)" model, covering equipment supply, engineering construction, operation and maintenance management, and after-sales service, we provide a complete energy solution.
- Continuously collaborate with international leading energy storage technology partners to ensure the market competitiveness of technology and products.

Strategic Direction	Key Practices	Explanation/Benefits
Strengthen the auxiliary service market	Participate in Taipower's auxiliary service trading platform; develop AI scheduling technology.	Provide frequency regulation and backup capacity to enhance grid stability and system operationEfficiency.
Expanding the behind-the-meter energy storage market for commercial and industrial (C&I) applications.	Provide microgrid/VPP integration solutions and arbitrage models; promote solar charging and storage integration machine.	Assist enterprises in reducing electricity costs and strengthening backup capacity to enhance customer economic benefits.
Promote solar storage integration development	Participating in solar energy + energy storage tender; collaborating to construct EMS system.	Enhance marketcompetitiveness and scheduling flexibility, strengthen project execution capability.
International market expansion: Australia	Layout large-scale solar storage and behind-the-meter applications; collaborate with energy providers to develop pumped storage and lithium battery projects.	Seizing the opportunity of coal phase-out, establishing a large-scale energy storage market position.
International market expansion: Japan	Utilize subsidies and capacity auctions; deepen O&M and bidding services.	Entering the front-of-the-meter energy storage market, establishing long-term customer trust and competitiveness.
Smart energy and technology innovation	Develop AI energy analyzing, EaaS services, and strengthen technology collaboration.	Enhance the overall energy solution integration capability and global technological competitive advantage.

2. The Relationship Between Upstream, Midstream, and Downstream in the Industry

A, power and energy management products

Upstream	China Mobile	Downstream
Printed Circuit Board Manufacturing Industry Active Component Manufacturing Industry (semiconductor industry IC) Passive Component Manufacturing Industry (resistance, transistors, etc.) Magnetic Component Manufacturing Industry (transformers, filters, etc.) Wire and Cable Industry	Transformer and power supply design and manufacturing industry	Computer Information and Peripheral Equipment Communication electronics industry Consumer Electronics Industry Medical equipment and instruments Industry electronic instruments and equipment, military, aerospace Industry equipment Lighting manufacturer System integration provider

B, network ICT Products

Upstream	China Mobile	Downstream
Key technology R&D design (hardware and software) Active Component Manufacturing Industry (communication chip set) Passive Component Manufacturing Industry (resistance, capacitors, etc.) Magnetic Component Manufacturing Industry (transformers, etc.) Printed Circuit Board Manufacturing Industry Antenna Manufacturing Industry	5G/LTE and other network ICT Products design and manufacturing industry	Distributor (Agents, distributors, etc.) Network system integration industry Network communication service industry Telecommunications Company

C. Solar power factory, Energy Storage System and charging stations

products category	Upstream	Midstream	Downstream
Solar power plant	Manufacturing of silicon chips, solar cells, glass, and packaging materials.	Solar modules, mounting systems, inverter manufacturing and system integration provider	System installers, EPC manufacturers, electricity retailers, electricity users

Energy Storage System	Cell (lithium battery, lithium iron phosphate, etc.), battery module key materials (BMS chips, thermal conductive materials)	Cell module, PCS (Power Conditioning System), EMS (Energy Management System) integration with equipment manufacturers	Energy storage project owners, power dispatch units (such as Taipower), and industrial and commercial users.
Charging stations	Key components (power module, insulation, connectors, and connectors) manufacturers	Charging station equipment assembly, power control system integration provider, platform developer	Charging operators, public/commercial locations, electric vehicle users

3.Products Future Development Trends

(1)product diversification

power supply trends for the future include the following aspects:

1. High efficiency and energy-saving technologies: As the demand for energy efficiency continues to increase, power supply will continue to evolve towards higher efficiency and more energy-saving directions. This includes improving conversionefficiency, reducing standby power consumption, and adopting advanced energy managementtechnology.
2. Digital controltechnology: The application of digital controltechnology in power supplies is constantly expanding. This enables suppliers to provide more flexible and adjustable power management solutions to meet the needs of different applications, while realizing higher performance.
3. Renewable energy integration: With the prevalence of renewable energy, power supply will better integrate renewable energy sources such as solar and wind energy. This means developing technologies for the conversion and management of power that support these sources of energy.
4. Electric vehicles and energy storagetechnology: With the popularity of electric vehicles, the demand for high-performance and high-power charging infrastructure is also increasing. Power supply will develop towards supporting fast charging and energy storage technology.
5. Intelligence and Connectivity: With the rise of the Internet of Things, power supply will become increasingly intelligent, capable of achieving remote monitoring, fault diagnosis, and real-time adjustments through network connectivity.

Overall, the future of power supply will be driven by energy-saving, digital technology, and renewable energy to meet the changing market demands and environmental considerations.

In terms of network ICT Products, wireless broadband networks (LTE/5G) products not only include Indoor, Outdoor, and smart transportation products, but also actively develop Industry, power, and smart transportation vertical market application products. By meeting the hardware and software specifications of the vertical market and obtaining international certifications, we can enter high-threshold, high value-added niche markets, continuously innovate, and maintain a leading advantage in products and technology.

(2)technology enhancement trend

The key to maintaining product competitiveness lies in continuously enhancing research and development technology, constantly strengthening product functionality. The improvement of technology and product functionality relies on actively cultivating technical talent, further developing new technologies, and enhancing the capability to design high value-added products, in order to meet the rapidly changing market demands and customers' high standards for quality.

(3) Trend of Cost Reduction

There are numerous manufacturers of power supplies and network access-related products in the domestic market, and each manufacturer has invested heavily to expand production. In fact, many have gradually moved their production lines to mainland China or ASEAN to reduce costs and maintain competitive advantages. The continuous decline in prices is an inevitable trend, and how to reduce costs while maintaining gross profit is currently an important issue for the power and network communication industries.

(4) Competition Situation

A, power and energy management business

1. Performance and energy-saving: manufacturers compete to improve the performance of power supplies, reduce conversion losses, and reduce standby power consumption. In the context of increasing energy-saving awareness, this is an important competitive factor.
2. Price Competition: As power supplies are standard components widely used in electronic devices, price pressure has always existed. Manufacturers need to maintain competitive pricing while providing highquality products.
3. Technology Innovation: Advanced digital control technology, high-frequency conversion technology, and innovations in materials science are all driving factors of competition.Innovation. Companies with innovative technologies have the potential to gain an advantage in the market.
4. Reliability and Quality: In many applications, the reliability of power supply is crucial. Manufacturers need to provide high quality, reliable, and long-lasting products to earn customer trust.
5. Supply chain and production capacity: Companies with efficient supply chains and production capacity are more likely to respond to fluctuations in market demand while reducing costs.
6. Green and Sustainable Development: Public concern for environmentally friendly and sustainable development is continuously increasing, therefore manufacturers need to consider and provide products that meet green standards to align with market trends.products. Overall, the competition in the power supply industry comes from multiple aspects such as technological innovation, price, quality, and sustainability, and is influenced by the constantly changing market demand and emerging technologies.

B. Network communication business

Competitors include HwaCom, ZhenWen, Smawave, Robustel, and other manufacturers.

(III)Technology and R & D Overview

1. Research and Development Expenditure in the Last Two Years

Unit: NT $thousand

Year	Net operating revenue	R & D expenses	Percentage %
2023	1,828,751	99,140	5.42%
2024	2,023,935	93,534	4.62%

2. Successful development of technology or products in the last five years

2020	■ Billion Electric has launched a three-card single standby VPN router-BiPAC 121P with flexible multi-SIM or multi-WAN failover options, enabling uninterrupted internet service between mobile operators conduct. ■ Billion Electric launched the first LTE CPE-CBSD (Citizens Broadband Radio Service Device) ODU-6900 R21G certified by onGoTM in North America. ■ Billion Electric launched the integration of EWAN, LTE, and V/ADSL2+ with synchronous dual-band wireless access transmission, equipped with a SIM card slot to connect to the LTE mobile network, designed specifically for SOHO and general household use - BiPAC 8206AZ.
2021	■ Launched a more comprehensive product series to meet various CBRS requirements, including the compact and high-performance indoor LTE-A Cat. 4 router MX-241NP, as well as the high-speed outdoor LTE-A Pro Cat.15/Cat. 18 CBR router 7000 R28/R26. ■ Launched the 5G Sub-6GHz indoor router 8112V, which adopts the latest 5G modules and supports Gigabit Ethernet interface and Wi-Fi 5 wireless local network. Launched the 5G Sub-6GHz outdoor router 8232, which can support both LTE and 5G wireless communication technologies (EN-DC) at the same time to provide higher-speed fixed wireless broadband (FWB) access and meet the network speed requirements of more applications.
2022	■ Launched the BEC MX-200 PL9 high-level industrial router, an industrial-grade router with high performance and fast connectivity designed to provide reliable and secure connections between various M2M/IoT and devices in industrial communication applications, designed for limited installation space. Equipped with two Gigabit Ethernet interfaces, configurable LAN/WAN options, an RS-232 serial interface, and the ability to connect serial devices via IP realize, active GPS, and enterprise level features such as advanced security mechanisms, service Quality (QoS), SPI firewall, integrated VPN, and automatic failover, it can realize unparalleled uptime and network redundancy. It is managed by BEC's cloud-based device management platform BECentral®, aimed at expanding visibility and maximizing efficiency. ■ Launched North America's first BEC AirConnect®8231 outdoor 5G router certified by FCC Part 96 CBRS and OnGo®, which can be applied to various fixed wireless access (FWA) markets, and provide users with a broadband experience that surpasses competitors to provide extremely high data speed, lower latency, and higher reliability. ■ Launching the M600-M12-FA 5G, a 5G NR router designed for the European vehicle market with M12 and FAKRA connectors. The M12 features a robust vibration-resistant design, ensuring stable connections to in-vehicle equipment. The FAKRA connector design for 5G/Wi-Fi/GPS allows field personnel to install it correctly in any environment, combining high bandwidth and low latency characteristics of 5G for high-speed transmission of vehicle information. Smart Ignition Sensingpower detection function ensures that the vehicle's cell operates without issues.
2023	■ Launching the MX-220-UT 5G for the industrial/power market, providing rich interfaces including network ports, serial ports, and DI, supporting PTP and industrial protocol conversion functions DNP3 over Ethernet/Modbus TCP/IEC

	61850R-GOOSE, and obtaining IEC 61850-3/IEEE 1613 certification, ensuring stable operation in the harsh environments of industrial/power sectors. ■ The MX-250e is a compact industrial 5G router designed for connecting Kiosk and POS devices, featuring a sleek and robust design with dual SIM card backup to provide reliable 5G connectivity. ■ In response to customer network connectivity requirements, we are launching an industrial grade unmanaged Ethernet switch, ES 1010G-2SFP/ES 1010GP-2SFP, offering 8 Gigabit ports (optional PoE) + 2 Gigabit/SFP combo ports, DIN rail mounting, wide temperature design from -40℃ to 75℃, heavy industrial grade electromagnetic protection, and a 5-year warranty. Providing reliable network transmission is required. ■ Introducing the 8355P, a 5G NR IP65 wireless router designed for indoor environments with poor reception, which can be placed indoors or flexibly installed outdoors. This allows customers to adjust the installation location according to the reception conditions, addressing the issue of poor network reception.
2024	■ Launched the M700, a new generation 5G NR router designed for busses and rail cars, featuring a hostless design and providing interfaces for 5G NR, Wi-Fi 6, as well as Serial port, USB port, and Digital In/Out port. Meet the demands for high bandwidth, low latency, and diverse specification interfaces. ■ Liquid Cooling energy storage cabinet, solar storage integration machine, Web EV monitoring platform, DREAM Certification

(IV) Long-term and short-term business development plan

1. Short-term development plan

A. Marketing Strategy:

(1) Standardize and serialize power supplies, LED drivers, and products to facilitate the provision of samples in the shortest time to win orders and ship in the shortest time.

(2) Launching integration 5G/LTE M2M products, deepening cooperation with operators, distributors, and system integrators, and developing In-Vehicle, Industry, and power application market customers.

(3) Actively develop large ODM customers.

(4) Actively develop key accounts with industry customers and strategic partnerships with manufacturers to accelerate business and brand awareness development.

(5) Hold expertise seminars and roadshow events to increase the exposure and professional image of agency products, and establish initial design islands and cooperative relationships with major renewable energy investors or developers.

B. Production policy:

Introduce cost-competitive competitiveness suppliers and improve the production line efficiency of power supplies and 5G/LTE products.

C, Product Development Direction:

(1) Conduct the development and certification of environmentally friendly and high-efficiency power supplies and LED drivers.

(2) Seek strategic alliance partners to diversify power supply products.

(3) Development of 5G/LTE wireless broadband industrial, power applications, and smart transportation applications communication routers.

(4) For renewable energy products, continue to develop integrated hardware and software integration products, combining inverters, Energy Storage Systems, and intelligent management systems to achieve the role of a comprehensive renewable energy power plant professional service provider.

D. Strengthening Information System Development: Our company has achieved considerable results by adopting the ERP system, and we have also introduced an electronic signature system, which will further implement management of various branch points and logistics support, enabling us to grasp more timely information. With the establishment of a new business model for network security gateway, we will actively establish an information platform for product upgrades and customer after-sales service.

E. Strengthening the Company's Structure: The Company has established relevant internal control and internal audit systems to enhance internal management and the soundness of its financial structure, strengthen operational management capabilities, and continuously cultivate and attract outstanding talents to assist in improving the Company's operational performance.

2.long-term development plan

(1) Collaborate with strategic partners alliances or even mergers to accelerate growth and synergy.

(2) Strengthen technology R&D and product competitiveness, rooted in Taiwan.

(3) Internationalization and customization of products and marketing.

(4) Overseas operational deployment to diversify business risks and reduce operating costs.

(5) Maintain steady revenue growth and gross margin, and operate with low debt ratio.

(6) Do not blindly pursue performance and inflate revenue; focus on actual profitability.

(7) For specific technologies in specific markets, conduct in-depth technical research to establish differentiated products with proprietary technologies and increase gross margin.

II. Market and Sales Overview

(I) Market Analysis

1. Major sales regions of products

Unit: NT $thousand

Sales region / year	2023 Year	2024 Year
Domestic operating revenue	1,450,122	1,730,523
Export operating revenue	378,629	293,412
Americas	297,155	240,869
Asia	53,137	37,443
Europe	19,080	14,381
Other regions	9,257	719
Net operating revenue	1,828,751	2,023,935

2. Future Supply and Demand Conditions and Growth Potential of the Market

A Market Demand Aspect

(1) The demand for power supply is influenced by fluctuations in the electronic device market, including personal products, industrial applications, and communication equipment. Global technological development, the proliferation of 5G, and the expansion of the Internet of Things may all impact the demand for power supplies.

1. Renewable energy integration: With the prevalence of renewable energy, the application of power supply in the integration of solar energy, wind energy, etc. may become a growth area in the future.
2. Electric vehicles and charging infrastructure: With the expansion of the electric vehicle market, the increase in demand for charging infrastructure will drive the growth of power supply.

(2) 5G broadband products aspect

In response to the gradual popularization of 5G NR network construction, along with breakthroughs in mobile broadband technology, many regions globally have gradually adopted 5G routers as access and Internet of Things connection networks, with a high growth rate expected each year.

(3) In terms of renewable energy products

In response to the demand for renewable energy and the management of green electricity supply, Taiwan is still actively conducting the construction of renewable energy power plants. This part of the demand remains strong, and our company will also further approach from the perspective of expertise in system integration. It is estimated that there will still be multiple growth in demand for inverters and energy storage systems and their integration in the future.

B. Market Supply Side

(1) The market segmentation of power supplies is quite distinct, with ODM power accounting for 80%. Under the continuous demand from customers for price reductions to maintain market share, the unit price and profit margins of products have been squeezed, and market competition has completely become based on price/cost. Therefore, the company strengthens cooperation with local suppliers in Mainland China to reduce costs.

(2) The wireless broadband market will continue to be highly competitive in the coming years, with not only numerous system vendors involved, but also intense competition among upstream chip suppliers. Therefore, each manufacturer needs to conduct differentiation on the products to increase the added value of the products themselves and avoid vicious price-cutting

competition.

3. Favorable and Unfavorable Factors of Competitive Niches and Development Prospects and in response to Countermeasures

A favorable factor

■power supplies, LED drivers, and renewable energy products:

(1) The Company has 50 years of experience in this field, winning long-term partnerships with well-known manufacturers through excellentquality and service.

(2) Accumulate strong analog circuit technology, respond quickly to fully cooperate with customers, and attract excellent talent as the company continues to grow.

(3) Establish stable supply relationships with major suppliers to effectively grasp the sources, stability, and pricing of supply.

(4) The inverters and energy storage products represented by our company are leading brands among similar category products in the market, possessing significant competitive advantages.

(5) Utilize the Yilan factory to assemble and produce inverters and charging stations that meet the needs of the Taiwan market.

■NetworkICT Products:

(1)The company has established a very close strategic partnership with upstream chip manufacturers of 5G/LTE and WiFi, as well as module manufacturers establishing strong ties with partners. Due to the varying demands for telecommunications broadband infrastructure in different countries, Product Development technology encompasses both software and hardware fields. Our company values R&D that can grasp key technologies and can respond to the need for flexible adjustments in product strategies according to different markets, which provides a significant competitive advantage.

(2) With the advancement of industry Internet of Things technology, the application market is thriving, leveraging data analysis and utilization to improve efficiency and productivity, assisting businesses in enhancing their flexibility and competitiveness. Billion has long focused on the industry M2M and industrial Internet of Things (IIoT) markets, providing high value-added products and services targeted at vertical markets to maintain competitive advantages. Billion's solution assists global customers in rapidly deploying in the power, smart transportation... application markets.

B Adverse Factors

■power supplies, LED drivers:

(1)Expertise research and development talent is not easy to find, and high wattage, high Efficiency technology is difficult to obtain and cultivate.

In terms of sales channels, the global marketing capabilities still need improvement, and the completeness of the products line still requires enhancement.

(3) The renewable energy hardware segment currently focuses on agency business rather than proprietary products. If no competitive advantage is obtained, there is a risk of being replaced by the original factory or facing competition from other agents.

(4) Price competition, there is intense price competition in the power supply market, and manufacturers may face pressure to lower prices to maintain competitiveness, which may affect their profitability.

(5) Environmental regulations, with the increasing emphasis on environmental protection, may require power supplies manufacturers to comply with stricter standards, thereby increasing production costs.

♦Response measures:

①Recruit and cultivate R&D talent, utilizing external resources to accelerate R&D capabilities.

② Continue to develop key customers and deepen relationships with customers and suppliers.

③ Strengthen the system integration and sales capabilities for large renewable energy operators, and enhance expertise to avoid competition from other agents.

④ increase suppliers to reduce impact.

■NetworkICT Products:

(1)The cultivation of communication professionals takes a long time and is not easy to recruit, and the number of graduates from domestic colleges and universities and research institutes in communication departments is limited each year.

♦Response measures:

① Strengthen the capabilities of the R&D team, closely monitor industry developments, through collaboration with domestic corporate research institutions, such as working with the Industrial Technology Research Institute (ITRI) to develop or transfer technology to acquire advanced technologies.

②Enhance corporate brand image (e.g., ESG), and establish a sound salary and welfare system within the company to attract high-tech talents.

(2) Changes in exchange rates often affect the competitiveness and profitability of export pricing.competitiveness.

♦Response measures:

Continuously monitor fluctuations in exchange rates and take necessary hedging measures or utilize other financial instruments for hedging in a timely manner.

(II)Important uses of major products

1. Important uses of major products

Main products	Product functions and uses
power supply	(1) Consumer ICT Products, such as TVs and mobile phones. (2) Digital home appliances, communication equipment.
LED driver	LED light sources drive, such as indoor lights and street lights.
LTE/5G Router	5G/LTE routers required for indoor, outdoor, or industry, power, and smart transportation.
Solar energy and energy storage factory	Integration of solar modules, inverters, and energy storage systems to enhance power supply stability and usage

	efficiency.
Customized power supply products	Provide special dimensions, output parameters, and application fields of power module design according to customer requirements.
Charging stations	Support for electric vehicle AC/DC charging needs, equipped with network connectivity and monitoring management functions.

(III)Information of major suppliers and information of major customers in the last two years

1. List of major suppliers

Information of major suppliers in the last two yearsdata

(Unit: NTD ONE THOUSAND)

	2023				2024				As of 31 March 2025			
Project	Name	Amount	Ratio of net purchases to total annual purchases (%)	with the issuer of the relationship	Name	Amount	Ratio of net purchases to total annual purchases (%)	with the issuer of the relationship	Name	Amount	Percentage of Net Purchases for the Year to Date as of This Quarter (%)	with the issuer of the relationship
1	A	393,906	31	None	A	255,186	20	None	Not applicable (Note 2)			
2	B	-	-	-	B	291,178	23	None				
3	C	188,746	15	None	C	-	-	-				
	Other	701,842	54	None	Other	727,349	57	None				
	Net purchases	1,284,494	100		Net purchases	1,273,713	100					

Note 1: List the names of suppliers with a total purchase amount exceeding ten percent in the last two years, along with their purchase amounts and ratios. However, if the contract stipulates that the
Note 2: supplier's name cannot be disclosed or if the counterparty is an individual and not a related party, a code may be used instead.
As of the date of publication of the annual report, if a company whose shares have been traded at the business premises of a securities firm has the most recent financial data audited or reviewed by a CPA, it should also be disclosed.

2. List of main customers

Information of major customers in the last two years

(Unit: NTD ONE THOUSAND)

	2023				2024				As of 31 March 2025			
Project	Name	Amount	Ratio of net sales for the entire year [%]	Relation with the issuer	Name	Amount	Ratio of net sales for the entire year [%]	Relation with the issuer	Name	Amount	Percentage of Net Sales for the Current Fiscal Year up to This Quarter	Relation with the issuer
1	A	228,351	12.49	None	A	-	-	-	Not applicable (Note 2)			
2	B	200,345	10.96	Related enterprise	B	202,960	10.03	Related enterprise				
					C	628,919	31.07	None				
					D	207,286	10.24	None				
	Other	1,400,055	76.55	None	Other	984,770	48.66	None				
	Net sales revenue	1,828,751	100.00	None	Net sales revenue	2,023,935	100.00	None				

Note 1: List the names of customers whose total sales in the last two years exceed ten percent along with their sales amounts and ratios. However, due to contractual agreements, the names of customers or transactions involving individuals who are not related parties may be represented by codes.

Note 2: As of the date of publication of the annual report, if a company whose shares have been traded at the business premises of a securities firm has the most recent financial data audited or reviewed by a CPA, it should also be disclosed.

III. Employee data in the last two years

31 March 2025

Year		2023 Year	2024 Year	As of the end of the year 31 March 2025
Total number of people	Manager	11	8	7
	General Staff	104	67	66
	Production line employees	11	10	10
	Total	126	85	83
Average age		47	49	49
Average Length of Service		12	12.7	12.8
Distribution Ratio of Educational Background	Ph.D.	0	0	0
	Master's degree	23	10	9
	Higher Education	87	59	58
	High School	14	14	14
	Below high school	2	2	2

IV. Environmental Protection Expenditure Information

(I) Total losses and disposals due to environmental pollution in the past two years and as of the date of publication of the annual report: none.

(II)Future response strategies and possible expenditures: None.

5. Labor Relations

(I)Employee welfare measures, further education, training, retirement system and implementation status:

1. Labor Insurance
   (1) All employees of the Company participate in labor insurance in accordance with the law.
   (2) The labor insurance premium includes the general accident insurance premium and the occupational hazard insurance premium. The premium for general accident insurance shall be borne by the company at 70%, by the insured at 20%, and by the government at 10%. The occupational hazard insurance premium is fully borne by the company.

2. Group Insurance
   All regular employees of the Company are insured with term life insurance, hospitalization medical insurance, accident insurance, cancer insurance, and occupational injury insurance, among others, to enhance employee benefits.

3. Universal Health Insurance
   (1) All employees of the Company participate in the National Health Insurance in accordance with the law.
   (2) The health insurance premiums payable shall be conducted in accordance with the relevant regulations of the Health Insurance Bureau.

4. Year-End Bonus
   The company allocates bonuses based on annual business performance and issues bonuses before the Lunar New Year based on individual work performance, attendance, and years of service.

5. Employee Welfare Committee

The company established a welfare committee in accordance with the law, allocating welfare funds monthly, which are coordinated by the committee to conduct related activities and holiday bonuses.

6. Continuing education and training

To enhance employees' expertise, quality awareness, environmental consciousness, and production skills, enabling them to perform their functions within the organizational system, and to achieve the goal of inspiring self-development and cultivating talent, relevant training is planned and executed.

The results of the Company's training and education for the year 2024 are as follows:

Course Items	Number of Services	Total Number of Participants	Total Hours	Total cost (NTD)
Expertise training	53	131	234	141,260
Management capability	6	46	102	200,000
New Employee Training	16	16	16	0
General Training	8	416	100.5	24,400
Total	83	609	452.5	365,660

7. Measures for the protection of the working environment and employee safety protection

In view of the importance of workplace and employee personal safety protection measures, through the following measures, significant results and control have been achieved.

goals	Solution	Implementation status
Occupational Safety and Health	In accordance with the law, conducted relevant training.	1. Assign employees to participate in training courses related to first aid personnel and occupational safety and health personnel, and obtain the relevant licenses. 2. Establish a supervisor for occupational safety and health operations in accordance with the law. 3. Arrange internal education promotion on "Occupational Safety and Health Education and Training" annually.
Employee safety and reduce health hazards	Arrange regular health check-ups	1. Arrange a free general health check-up and special health check-up once a year. 2. Each office location aims to enhance employee safety and reduce health hazards. 3. Female workers during pregnancy shall not engage in dangerous or harmful work.
Safe working environment	Public Fire Inspection	Regularly conducted fire safety inspections and disaster drills to maintain a safe and healthy working environment for employee safety.
Safety in the Use of Hazardous Materials	Provide users with leak prevention measures and safety protective equipment.	1. The irregular inspection of chemical leakage prevention measures and safety protective equipment is confirmed to be

		normal. 2. The hazardous substances used in the workplace provide protective equipment for the operators. 3. Arrange internal "Hazard Awareness Education Training" educational promotion annually.
Work environment and personal safety protection measures	1. Access Control Security 2. Disaster Prevention Measures and Response 3. Equipment maintenance and inspection	1. A strict access control monitoring system is in place both during the day and at night. During the night and on holidays, security personnel are present at the building's entrances and exits to maintain the company's safety. 2. The emergency response task force is organized and regularly conducted public security fire inspections and disaster prevention drills. 3. According to the Company’s Occupational Safety and Health Work Guidelines, maintenance and inspection of various equipment such as air conditioning, water dispensers, and fire-fighting equipment are conducted annually. 4. Formulate a plan for preventing unlawful infringement during the execution of duties to achieve preventive and responsive measures against workplace violence. 5. The hazardous substances used in the workplace must obtain a safety data sheet (SDS) and be regularly reviewed and updated. 6. Provide protective equipment for personnel using hazardous substances in operations. 7. Regularly outsource conduct environmental monitoring plans and announce the results of the environmental monitoring.
Comply with regulatory requirements.	Occupational Safety and Health Regulations and Related Requirements	Following the safety and health regulations and related requirements established by the government is the most basic requirement for the Company’s safety and health management, and we are moving towards creating a low-risk working environment.

(II) Retirement System and Implementation Status

1. The Company contributes to the retirement reserve in accordance with the provisions of Article 56 of the Labor Standards Ordinance.
2. The company has been implemented since 1 July 2005 in accordance with the

"Mandatory Provident Fund Ordinance."

3. All employees of the Company have the rights and obligations to comply with the pension system.

4. Standards for the provision of pensions:
   (1) Based on years of service, two units are granted for each full year, but for service exceeding fifteen years, one unit is granted for each full year, with a maximum total limited to forty-five units. For those who have not completed six months, it will be calculated as six months; for those who have completed six months, it will be calculated as one year.

   (2) For workers who are forcibly retired and whose mental or physical disabilities are caused by the performance of their duties, an additional twenty percent shall be granted according to the provisions of the preceding paragraph.
   (3) The standard for the retirement fund base mentioned above refers to the average salary for the six months prior to retirement.
   (4) The new system for the contribution of labor retirement funds includes two parts: the contributions made by workers themselves and those made by the company. The contributed retirement funds storage are deposited into individual accounts designated by the Labor Insurance Bureau.

5. Labor and Capital Agreement Situation
   The Company is in the high-tech industry, with a well-qualified workforce and clear management. The operational management system is sound and effectively implemented. Through various means of communication, a consensus has gradually been established, resulting in harmonious labor relations without any occurrence of labor disputes.

6. The estimated amount of losses incurred by the Company due to labor disputes in the past two years and as of the date of publication of the prospectus, as well as any potential future losses, and the measures taken in response to: None.

(III)In the past two years and as of the date of publication of the prospectus, the estimated amount of losses incurred by the company due to labor disputes, both currently and potentially in the future, along with measures taken in response to: none.

VI. Information Security Management

(I)Describe the information security risk management framework, information security policy, specific management plans, and resources invested in information security management resources:

Billion established the "Information Security Committee" on 23 March 2023, with the General Manager serving as the convener, responsible for implementing an effective information security management system and continuous improvement. The Information Security Committee includes the General Manager and two dedicated cybersecurity personnel, tasked with formulating internal information security policies, planning and executing information security operations, and promoting and implementing cybersecurity policies, while regularly reporting to the Sustainable Development Committee and the board of directors on the company's cybersecurity governance status.

● Information Security Organizational Structure:

The Company organizational structure of the "Cybersecurity Committee" is as follows:

1. Information security working group: Responsible for planning and executing various information security operations.
2. Internal Audit Team: Responsible for assessing the implementation of the information security management system.
3. Emergency Response and Incident Reporting Team: Responsible for technology support in the prevention, response, and recovery operations for information security incidents.

The Company regularly implements information security risk management, identifies and analyzes information security risks, and assesses their levels according to the information security risk control procedures. If the risks exceed acceptable levels, appropriate control measures are selected, and necessary risk treatment and improvement measures are carried out to reduce potential risks. Furthermore, the PDCA management cycle is followed to ensure the achievement of information security goals and to promote continuous improvement in information security.

Planning a cybersecurity risk management 1. Information security risk assessment 2. Formulation of information security risk management and countermeasures 3. Follow the information security international standards (ISO 27001)	Implementation (Do) - Multi-layer Cybersecurity Protection 1. Information Asset Management 2. Access Control 3. Physical and Environmental Safety Management 4. Network security management 5. Cloud Service Security Management 6. Change and Configuration Management 7. Information Security Incident Management
Check - Monitor Cybersecurity Management Effectiveness 1. Continuous monitoring of information security 2. Quantification of Information Security Indicators 3. Information Security Vulnerability Scanning 4. Internal Audit of Information Security 5. Passed the cybersecurity international audit certification.	Action - Review and Continuous Improvement 1. Review and improvement of information security measures 2. Education and promotion of information security training.

● Information Security Policy

The Company has established an information security management system in 2023, constructing four levels of management documents for information security management as the basis for the Company's current information security management operations. It has also obtained ISO/IEC 27001:2022 certification for the information security management system, enhancing cybersecurity protection and implementing information security risk assessment and management operations to ensure the confidentiality, integrity, and availability of the Company's information assets, while complying with relevant regulatory requirements to protect user data privacy from intentional or accidental threats, both internal and external.

●Investing in information security management resources.

1. Sharing of cybersecurity case studies and strengthening cybersecurity awareness promotion: 18 cybersecurity promotions.
2. Software inventory: Conducted once every six months to ensure the legal use of licensed software and to prevent malicious software.
3. Endpoint Protection: Install MDR (Threat Detection and Response Service) on servers and endpoint computers, and check the cloud control platform weekly to address anomalies conduct.
4. DR Drill: New DRaaS DR Cloud Backup Construction. Regularly conduct off-site and cloud backup data recovery tests at least once a year, and conduct core system disaster recovery drills once a year.
5. Host Vulnerability Scanning: Conduct host vulnerability scans twice a year and patch cybersecurity vulnerabilities.
6. Important meetings related to cybersecurity: 1 meeting of the management review committee.
7. Total number of cybersecurity personnel: 2 people (1 Chief Cybersecurity Officer, 1 Cybersecurity Specialist)

● Cybersecurity Incident Reporting Procedure

In the event of a suspected information security incident, the personnel responsible for information asset management should report to their direct supervisor according to the incident attribution, and inform the emergency response and incident reporting team for technical support and assistance in handling the situation. When a cybersecurity incident is determined, the decision to report to the government authority is based on the level, and the business continuity plan and post-recovery tracking investigation will be initiated.

●Implementation results of promoting cybersecurity measures.

1. ybersecurity Certification: On 20 June 2023 and 21 June 2023, confirmed by external audit from SGS, compliance with the ISO/IEC 27001:2022 information security management system requirements was achieved. The valid certificate was obtained on 29 August 2023, with a validity period from 29 August 2023 to 29 August 2026. 17 June 2024 passed the regular surveillance audit for the ISO/IEC 27001:2022 management system.

In 2023, the total hours of cybersecurity training across the group amounted to 798 hours for 260 participants.

●Implementation Status for the Year 2024

20 February 2024, the completion of SD-WAN construction in Xindian, Hsinchu, and Yilan, as well as SOC (Security Operations Center) monitoring services for threat detection management.

15 April 2024 Billion has implemented GoPatrol, using encryption to exchange research and development-related files.

2024/04/16~2024/04/30 The external service application systems (CMS Server, GPM

Server, official website) completed the initial vulnerability scanning and penetration testing.
From 2024/05/21 to 2024/05/22, completed the disaster recovery drill for the Billion ERP and BPM systems.
31 May 2024 Completed DRaaS DR cloud backup deployment.
From 2024/06/03 to 2024/06/05, social engineering drills will be conducted. Users who click on misleading links or attachments are required to attend the annual cybersecurity training on 16 October 2024.
2024/06/06 Introduce MDR (Threat Detection and Response Services).
The cloud VM DR restoration drill was completed on 24 June 2024 and 27 June 2024.
On 17 June 2024, SGS conducted a regular audit verification of the ISO 27001 management system, which meets the management system requirements with no significant deficiencies.
Completed the annual cybersecurity training for the entire group on 16 October 2024, with each person receiving a total of 3 hours.
A total of 18 cybersecurity case sharing sessions and awareness promotion activities were completed in the year 2024.
Significant cybersecurity issues in 113 that do not affect operational risks.

(II) In the most recent year and as of the date of publication of the annual report, losses incurred due to significant information security incidents may affect response measures. If it is not possible to reasonably estimate, the fact that it cannot be reasonably estimated should be stated: none.

VII. portant Contracts: None.

Chapter 5 Financial Overview

I. Auditor's Opinion

Year	Firm Name	Name of Certified Public Accountant	Auditor's Opinion
2020	KPMG	Chao-Mei Chen, Geng-Xi Zhang	None
2021	KPMG	Huang Hai-Yue, Zhang Geng-Xi	None
2022	KPMG	Hui-Zhi Kou, Xin-Yi Guo	None with reservations added Other Matters Section
2023	KPMG	Hui-Zhi Kou, Xin-Yi Guo	None with reservations added Other Matters Section
2024	KPMG	Hui-Zhi Kou, Xin-Yi Guo	None

II. Audit Committee Review Report for the Most Recent Year's Financial Report

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 Profit Distribution Proposal; among them, the Financial Statements (including Consolidated Financial Statements) have been audited by KPMG, as appointed by the Board of Directors, and an audit report has been issued.

The above business report, financial statements (including consolidated financial statements), and profit distribution proposal have been examined by the Audit Committee and found to be in compliance. Therefore, in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, a report has been prepared and submitted for review.

Sincerely

The Company 2025 Annual General Meeting of Shareholders

Billion Electric Co., Ltd.

Audit Committee

Convener:

27 February 2024

III. nancial Statements and Independent Auditors' Report for the Most Recent Year: Please refer to Appendix I.

IV. Con olidated Financial Statements Audited and Certified by CPAs for the Most Recent Year: Please refer to Appendix II.

V. The Company and Its Affiliates Encounter Any Financial Difficulties in the Past Year and as of the Date of Publication of the Annual Report: None.

Chapter 6 Review and analysis of the Company's financial position and financial performance, and risk matters

I. Financial status

(1) Comparative analysis of financial position

Unit: NT $thousand

Year / Project	2024 Year	2023	Increase (Decrease) Amount		Change analysis (Note 2)
			Amount	%	
Current Assets	2,323,774	2,391,924	(68,150)	(2.85)	
Funds and long-term investments	90,332	96,526	(6,194)	(6.42)	
Fixed assets	835,455	590,059	245,396	41.59	(Note 3)
Intangible assets	53,038	5,908	47,130	797.73	(Note 4)
Other assets	578,701	544,384	34,317	6.30	
Total assets	3,881,300	3,628,801	252,499	6.96	
Current Liabilities	1,295,268	1,134,310	160,958	14.19	
Non-current liabilities	106,598	128,493	(21,895)	(17.04)	
Total liabilities	1,401,866	1,262,803	139,063	11.01	
Capital	1,160,041	1,154,488	5,553	0.48	
Capital surplus	692,146	692,696	(550)	(0.08)	
Retained Earnings	313,760	380,701	(66,941)	(17.58)	
- - Treasury Shares	5,240	(6,106)	11,346	(185.82)	(Note 5)
Exchange differences arising from the translation of financial statements of foreign operating entities.	(34,616)	(25,357)	(9,259)	36.51	
Total Equity	(25,057)	(25,057)	-	-	
The explanation is as follows:					

(Note In the last two years, the data has been prepared in accordance with the International Financial
1):(Note Reporting Standards for consolidated financial data, and has been audited and certified by
2):(Note accountants.
3): The above items have changes of more than twenty percent and the change amount exceeds NT
(Note $ten million.
4): Property, factory plant and equipment increased, mainly due to the acquisition of real estate to
(Note expand the Japanese market and the assets from the acquisition of the subsidiary Shengrui
5): Technology, including production line equipment.
The increase in intangible assets is primarily due to the acquisition of the subsidiary Shengrui
(Note Technology, which includes patents, trade secrets, software, contracts, and goodwill.
6): The increase in the exchange difference from the financial reports of overseas operating
institutions is mainly due to the exchange difference caused by the appreciation of the US dollar
against the New Taiwan dollar.
The increase in non-controlling interests is mainly due to the acquisition of the subsidiary
Shengrui Technology.

II.Operating results

(I) Comparative analysis of financial performance

Unit: NTD ONE THOUSAND

Year / Project	2024 Year	2023 Year	Increase (Decrease) Amount	Change Percentage %
Net operating revenue	2,023,935	1,828,751	195,184	10.67
Operating costs	1,609,740	1,429,142	180,598	12.64
Operating gross profit	414,195	399,609	14,586	3.65
Operating Expenses	433,870	401,952	31,918	7.94
Net operating loss	(19,675)	(2,343)	(17,332)	739.74
Non-operating income and expenses	64,328	136,701	(72,373)	(52.94)
Pre-tax net profit of continuing operations	44,653	134,358	(89,705)	(66.77)
Income Tax Expense	(27,745)	(22,105)	(5,640)	25.51
Net profit after tax of continuing operations	16,908	112,253	(95,345)	(84.94)

The explanation of the changes in the increase and decrease ratio analysis is as follows:

Note:

1. The operating revenue and costs for the year 2024 increased compared to the year 2023, mainly due to the continuous growth of the energy storage business; however, the gross profit only saw a slight increase due to differences in the sales mix and the recognition of inventory obsolescence losses.
2. Operating expenses for 2024 increased compared to 2023, mainly due to the acquisition of subsidiary Shengrui Technology and the establishment of a subsidiary in Japan, with these operating expenses being consolidated into the group. Additionally, due to revenue not reacheding economic scale, related operating expenses continued to occur, resulting in a net operating loss.
3. The non-operating income and expenses for the year 113 have decreased compared to the fiscal year 2023, primarily due to the recognition of investment gains from the disposal of subsidiaries Billion Sunpower and Foremost last year, which did not contribute this year, as well as impairment losses recognized from the company-owned energy storage sites due to damage caused by a security company accidentally triggering the fire protection equipment.

(II)Analysis of changes in operating gross profit

	Before and after period Change in Amounts	Reason for Difference			
		Price Difference	Cost Price Difference	Difference in Sales Mix	Quantity Difference
Operating gross profit	14,586			V	

Explanation	This is due to the different sales mix in 2024, resulting in an increase in the proportion of revenue from renewable energy by approximately 3% compared to 2023.

Note: If the issuer operates in multiple industries, it should analyze the reasons for changes in operating gross profit by industry.

III. Cash Flow

(I) Liquidity analysis for the last two years

Year / Project	2024 Year	2023 Year	Increase (Decrease) Ratio
Cash Flow Ratio	0.96%	-	-
Cash Flow Adequacy Ratio	11.91%	12.40%	-3.95%
Cash Reinvestment Ratio	-0.80%	-1.09%	-26.61%

Analysis of changes in the increase and decrease ratio:
The cash flow adequacy ratio decreased compared to the year 2023 reduce, mainly due to the total capital expenditure cash flow over the past five years increasing compared to the year 2023; the cash reinvestment ratio is negative, mainly because the dividend payout for the two years exceeded the operating cash flow.

(II) Cash Flow Analysis for the Coming Year

Unit: NTD ONE THOUSAND

Beginning Cash Remaining Balance	Annual income from Business Activities Net Cash Flow	Annual Cash Flow Rate	Cash Surplus (Insufficient) Amount	Insufficient Cash remedial measures	
				Investment Plan	Financial Planning
660,036	197,804	40,000	897,840	-	-

Analysis of Cash Flow Changes for the Year:
(1) Operating Activities: expected cash outflows arising from operating activities.
(2) Investment Activities: expected to invest in energy storage sites and related companies in the supply chain.
(3) Financing Activities: expected to borrow from banks for purchasing materials and energy storage sites.

IV. Impact of Major Capital Expenditures in Recent Years on Financial and Business

1. Status of major capital expenditures and sources of funding: None.

2. Expected Potential Benefits
（1） expected increase in production and sales volume, value, and gross profit: Not applicable.
(2) Other benefits description: Not applicable.

5. Reinvestment policy for the Most Recent Fiscal Year, Main Reasons for Profits/Losses Generated Thereby, Plan for Improving Re-investment Profitability, and Investment Plans for the Coming Year plan.

Reinvested business	Net profit (loss) for the year 2024	Main Reasons for Profits or Losses	Improvement Plan	Future Investment Plans
BEC Technologies Inc.	(17,943)	The loss is primarily due to the policy for recognizing inventory obsolescence losses.	-	None
BEC International, LLC	4,310	The real estate investment continues to generate stable profits this period.	-	None
Avantek Systems PTE. LTD	126	The main software service revenue is stable, turning losses into profits.	-	None
Billion Watts Technologies Co., Ltd.	68,940	Solar power plantfactory equipment distribution and maintenance services, as well as energy storage construction and maintenance operations, consistently contribute to profitability.	-	None
Establishing VGwatt Energy Corp.	1,019	The solar power factory equipment distribution steadily contributes to profitability.	-	None
Billion EV Charging Technologies Co., Ltd.	(11,764)	Just established establish, there has been no revenue generated yet, so there is still a loss this year.	-	None
Billion Energy Storage Technologies Inc.	(40,107)	Due to a decrease in the bidding amount and a decline in revenue, as well as impairment losses on energy storage factory equipment, there was a loss in the current period.	-	None
Sheng Kai green energy Co., Ltd.	(1,598)	The main business is still in the development stage and incurs routine general affairs expenses.	-	None
Billion Electric Holding Co., Ltd.	(11,032)	The companies primarily invested in are still in the development stage and have not yet contributed to profitability.	-	None
Billion Electric Japan Co., Ltd.	(6,250)	Just established 成立, there is still no stable revenue, so the company is still in loss this year.		None
Shengrui Technology Co., Ltd.	(9,784)	The main issue is insufficient revenue scale and still high operating		None

		expenses, resulting in a loss for this year.		
Billion Power System Technologies Inc.	5,273	Slight Profit for the Year	-	None
Billion Energy Co., Ltd.	(9)	Just established establish, there has been no revenue generated yet, so there is still a loss this year.		None
Billion Sun Energy Storage Technologies Inc.	(12,227)	This company is still in the development stage and is paying routine general affairs expenses.	-	None
BT Energy Storage Co., Ltd.	(216)	Settled and liquidated in June 2024.	-	None
Sheng Qian Energy Storage Co., Ltd.	(210)	Settled and liquidated in June 2024.	-	None

VI. Risk Management and Assessment:

(I) The organizational structure of the company's risk management:

1. Board of Directors:
As the highest authority for risk management in the Company, it is responsible for promoting and implementing the overall risk management of the Company in accordance with the overall operational strategy and business environment, ensuring compliance with laws and regulations, clearly understanding the risks faced by the Company's operations, ensuring the effectiveness of risk management, and bearing ultimate responsibility for risk management.

2. General Manager Office:
Responsible for planning and directing the execution of the board's risk management decisions, coordinating cross-departmental risk management interactions and communications to mitigate strategic risks.

3. Each functional unit:
Responsible for analyzing, managing, and monitoring relevant risks within the affiliated units, ensuring that the risk management mechanisms and procedures are effectively implemented.

4. Internal Audit:
As an independent unit under the Board of Directors, assist the Board in overseeing the implementation of risk management mechanisms, audit the execution status of risk response and control in each functional unit, and provide recommendations for improving risk monitoring.

(II) Effects of changes in interest rates, foreign exchange rates, and inflation on corporate finance, and future in response to measures.

Items	2024 Year		2023 Year	
	Amount	Occupy business Revenue Proportion	Amount	Occupy business Revenue Proportion
Interest Income	35,773	1.77%	31,526	0.17%
Interest Expenses	12,673	0.63%	12,106	0.07%
Exchange (loss) profit	51,065	2.52%	(989)	-

data source: 2024 Year and 2023 Year Audited and Certified by CPAs

(1) Changes in Interest Rates: The interest expense of the Company and its subsidiaries for the year 2024 accounted for 1.77% of operating revenue, a very low ratio that has no significant impact on the Company's profit and loss. When the Company and its subsidiaries require funding to expand their operational scale due to business growth in the future, they will consider the overall financial environment and their own capital levels, refer to market information and interest rate trends, and maintain good relationships with financial institutions to obtain favorable funding costs for prudent and conservative management.

(2) Changes in Exchange Rates: The Company and its subsidiaries have exchange gains for the year 2024, resulting from the strengthening of the US dollar exchange rate in the 113th year, leading to unrealized exchange gains from the valuation of foreign currency assets and liabilities. To mitigate the risks associated with exchange rate fluctuations, the Company and its subsidiaries plan to respond with the following measures:

A. Some contracts are denominated in US dollars, and related procurement is funded in US dollars, adopting a natural hedging approach to mitigate the risks of exchange rate fluctuations for accounts receivable and payable.

B. Export pricing considers exchange rate fluctuations, timely reflecting costs to adjust selling prices.

C. The finance department maintains close contact with the banks on a regular basis to gather relevant information as a basis for future reference on interest rate and exchange rate trends.

(3) Inflation: The Company and its subsidiaries constantly monitor the price fluctuations of major raw materials in the market, adjusting the quotations from customers and suppliers based on market mechanisms as reference prices. In the future, we will maintain good interactive relationships with customers and suppliers, and if we can adjust the purchase and sales prices according to market fluctuations, we should be able to avoid significant impacts on the Company due to inflation.

(III)Policy for Engaging in High-Risk, High-Leverage Investments, Lending Funds to Others, Providing Endorsements and Guarantees, and Trading Derivative Products in the Most Recent Year, Main Reasons for Profits or Losses Generated Thereby, and Future Response Measures

1. The Company and its subsidiaries do not engage in high-risk, high-leverage investments.
2. The Company and its subsidiaries engage in lending funds to others and providing endorsements and guarantees in accordance with the Company and its subsidiaries' procedures for lending funds to others, endorsement and guarantee methods, asset acquisition or disposal procedures, and relevant regulations from the competent authority conducted. Regular audits and announcements are carried out as required, and the executing units will also conduct internal audits and monitoring in accordance with relevant management methods conduct to ensure that operations do not pose risks.

(IV)Future R & D plans and expected R & D expenses to be invested: Please refer to this annual report for the operational overview of technology and R & D overview.

(V)Effects of and Response to Changes in Important Domestic and International Policies and Legal Regulations on Corporate Finance and Business

The Company and its subsidiaries, in addition to conducting daily operations in accordance with relevant domestic and international laws and regulations conducted, also continuously monitor the development trends of domestic and international policies and changes in regulations to fully grasp the changes in the market environment and proactively propose response measures in a timely manner. As of the date of publication of the prospectus, the Company and its subsidiaries have not experienced any significant events affecting financial operations due to important changes in domestic and international policies and laws.

(VI)Effects of Changes in Technology (including information security risks) and Industry Changes on Corporate Finance and Sales, and in response to Measures:

1. In response to the 2050 Net Zero Transformation Plan, our government plans to invest nearly NTD 900 billion in the 2030 budget for renewable energy and

hydrogen, power grids and energy storage, low-carbon and negative carbon technologies, energy-saving and boiler replacement, as well as vehicle electrification. Among these, power systems and energy storage are one of the twelve key strategies. Our company and its subsidiaries, following existing communication and power experience, respond to government policies and actively expand layouts in related fields, accumulating capabilities in the integration and derivative applications of power systems and energy storage.

2. The products developed and produced by the company are network communication devices and energy-related equipment and fields. Before being launched for sale, vulnerability scanning and penetration testing are completed. The central control platform in the energy field is placed in a cloud data center to ensure a 99.99% availability and to complete the relevant verification of cybersecurity requirements.

3. In terms of cybersecurity risk management, the cybersecurity working group under the committee is responsible for planning and executing various cybersecurity operations. The auditing office has established relevant internal control procedures for management, conducts internal audits regularly, and reports the audit results to the audit committee and the board of directors to ensure the implementation of the company's information security-related policies and operations.

(1) Information Network Architecture

a. Each office location is equipped with firewalls and SD-WAN built by outsourced manufacturers, and conducts 24-hour SOC (Security Operations Center) monitoring and defense against information security threats to block external network attacks.

b. Comprehensive implementation of MDR (threat detection and response services), protection of servers and endpoint information devices from cyber attacks;

c. Regularly conduct cybersecurity awareness campaigns, training, and social engineering drills to enhance employees' information security awareness.

(2) Continuous operation of information systems

In addition to establishing a remote backup data center, cloud backup operations will be added, and regular disaster recovery plans drills will be conducted to ensure the continuous operation of information systems.

(VII)Enterprise image change on enterprise crisis management and in response to measures

The Company is a power supply products and broadband CPE devices manufacturing company with expertise. Since establishment, the Company has focused on its core business operations, achieving good results and reputation. There have been no adverse reports regarding the Company's enterprise image in the market, thus there is no issue of enterprise image change.

(VIII)Conduct expected benefits from, risks relating to and response to merger and acquisition plans:

The Company and its subsidiaries currently have no plans to conduct mergers and acquisitions of other companies.

(IX)Expected Benefits from factory Expansion and Possible Risks: None.

(10) Risks of concentrated procurement or sales:

1. Risks of concentrated procurement:

The company and its subsidiaries are actively developing other suppliers, and there have been no occurrences of supply shortage or interruptions.

2. Risks of concentrated sales:

The Company and its subsidiaries actively develop customers to reduce the risk of customer concentration; however, the energy storage-related business is contracted on a project basis, and its service targets differ from the stable conditions of general manufacturing industry customers. Additionally, the construction period is stipulated in the contracts. When the total contract price for a higher-value engineering case is completed, the revenue from that period may be concentrated among certain customers, which is characteristic of the industry. The energy storage business will still continue to develop business opportunities; therefore, although there is a situation of concentrated sales, there is no significant risk of sales concentration.

(11) Effects and Risks of Significant Transfers or Changes in Shareholding by Directors or Major Shareholders Holding More Than Ten Percent of Shares: No such circumstances.

(XII) Effects of, Risks Relating to and Response to the Changes in Management: None.

(XIII)Litigation or non-litigation events:

1. The Company has outstanding receivable payments from China Putian Information Industry Co., Ltd. and Putian International Trade Co., Ltd. for an amount of USD 4,459 thousand that has not been paid. This breach of contract has been referred to a lawyer for arbitration. In December 2024, we received a notification from the South China International Economic and Trade Arbitration Committee that the arbitration deadline will be extended to 31 March 2025.

2. On 24 April 2019, the investigation unit dispatched personnel to search our company, investigating transactions between our company and China Putian Information Industry Co., Ltd. and Putian International Trade Co., Ltd. This case was filed on 3 June 2024 due to differing interpretations of revenue for the years 2016 and 2017 under the gross or net method. Chairman Chung-Ting Chen was prosecuted for violating the Securities and Exchange Act for false financial reporting, while other charges related to disadvantageous transactions for the company, special breach of trust, and fraud under the Banking Act were dismissed by the Taipei District Prosecutor's Office. Currently, the part involving the violation of the Securities and Exchange Act for false financial reporting is under trial in the first instance court.

3. On 17 October 2024, a letter was received from the Commercial Division of the Intellectual Property and Commercial Court regarding the case in which Director Chung-Ting Chen is accused of violating the Securities and Exchange Act for false financial reporting. A petition has been filed with the court to remove him from his position as director, and a lawyer has been appointed to present a defense. The case is currently under review by the Intellectual Property and Commercial Court.

(14) Other major risks:

Management of intellectual property rights and risk in response to measures:

(1) Intellectual Property Managementpolicy andgoals

To protect research and development results and reduce operational risks, our company complies with intellectual property regulations and establishes an intellectual property management plan to strengthen competitive advantages and enhance technology research and development quality. At the same time, this serves as a decision-making and execution guideline for handling intellectual property-related matters internally, with the expectation of gradually improving to enable our company to utilize intellectual property commercialization strategies for profit or business development planning, and attract external investment to enhance brand value.

(2) Intellectual Property Management Plan

A. Common management maintenance measures

(A)Through contracts with employees, contractors, appointees, and relevant partners and their personnel, conduct explicit agreements to ensure that the copyrights, trademark rights, patent rights, and other related intellectual property rights of creations, designs, research and development, inventions, technology, patterns, labels, and other content completed using the resources of the Company or commissioned by the Company belong solely to the Company or are jointly owned by the Company and its partners, or that the Company enjoys permanent usage rights.

(B)Regularly conduct education and training on intellectual property-related regulations and the Company’s relevant internal guidelines, along with related post-training assessments, and encourage participation in external seminars to ensure employees are aware of and comply with relevant legal provisions and company regulations. This aims to enhance the basic knowledge of intellectual property rights and protection awareness among all personnel, as well as to respect others' intellectual property rights and prevent infringement of others' intellectual property rights.

B. Patent and trademark management measures

(A)Assign dedicated personnel to establish a trademark list and regularly review, maintain, and manage it to assess the continued value and necessity of trademark rights, in order to conduct trademark rights extension in real-time.

(B)The company conducts close technical exchanges with academia through industry-academia collaboration, injecting new energy into the products launched by the company to enhance the quality of technology and promote the generation of new products, new technologies, and new processes and methods that can be patented.

(C)Assign dedicated personnel to regularly inventory the patent list, along with the technology team members to review the patent content and implementation effectiveness, in order to assess the patent's ongoing value and commercialization potential, maintain existing patent rights or abandon maintenance to improve technology or update technology for patent applications, and conduct a search prior to applications to avoid rejection of application cases.

(D) The Company has established the "Intellectual Property Incentive Measures" to encourage employees to generate creative ideas and conduct research and development, as well as design proposals, to promote an increase in patent applications and enhance the number of patents held by the Company.

(E) To enhance competitiveness, the Company regularly conducts internal training and encourages personnel to participate in external seminars related to intellectual property, improving all staff's basic knowledge of intellectual property to enhance the quality of patent technology.

C. Trade secret measures

Employees complete the trade secret protection course and examination, understanding the scope of their confidentiality obligations and the responsibilities they must bear for violating confidentiality obligations and the protection of trade secrets; upon resignation, employees should be informed of their continued obligation to comply with confidentiality obligations and the responsibilities regarding the protection of trade secrets, and sign relevant statements committing to compliance.

(3) Dedicated Unit

The Company's Corporate Governance promote Task Force (Legal Unit) is responsible for formulating policies, goals, and systems related to intellectual property management in connection with operational strategies, and reports to the Board of Directors at least once a year. The board of directors is responsible for overseeing the promotion group regarding intellectual property management. Regarding the management of intellectual property plan and its implementation, as well as the reporting to the Board of Directors, it should be disclosed in the annual report and on the company website.

(4) Implementation of Intellectual Property Management in 2024

A. Education and training, as well as advocacy, to enhance the basic knowledge of all personnel regarding intellectual property:

(A) Legal personnel participate in external intellectual property-related courses.

i. New Energy Technology [Manage Trade Secret Risks Well, Helping Company Governance Evaluation +3 Points].

ii. Huayuan Valuation 【Intellectual Property Innovation and Management Seminar】 "Technology Transfer - Taking Semi-conductors as an Example."

iii. Participated in the 2024 TIPS System (Level A) and Corporate Governance Intellectual Property Compliance Training Course and obtained the self-assessment qualification.

(B) All employees participated in internal intellectual property education and training, inviting Chief Lin Chia-Huan from the New Taipei City Investigation Bureau of the Ministry of Justice to the company to conduct a lecture on 【enterprise anti-corruption and trade secret protection】, and completed an online test for all employees to enhance their understanding of trade secret protection, with a total of 180 participants.

B. **The internal systems establishing and regulations are complete, serving as guidelines for internal intellectual property-related matters:**

(A) Completed the inventory of the current year's patent and trademark cases list for Billion Group.

VII. Other significant events: None.

Chapter 7 SPECIAL NOTES

I. Information on related enterprises data

1.RelationEnterprise(Business Division) Organization Chart

2.Relation enterprise basic data

(Unit: NTD ONE THOUSAND)

enterprise name	Date of establishment	Location	Paid-in Capital	Main Business or Production Items
BEC Technologies Inc.	9 December 2004	MATRIX DR STE 200 RICHARDSON TX 75082-2760	USD 2,500	Communication related products sales business
Billion Watts Technologies Co., Ltd.	18 January 2017	8th Floor, No. 1, Zhongxing Rd., Sec. 2, Xindian District, Xinbei City	NTD 153,813	Solar power plantfactory equipment distribution and energy storage construction
Billion Energy Storage Technologies Inc.	9 July 2021	8th Floor, No. 192, Zhongxing Rd., Sec. 2, Xindian District, Xinbei City	NTD 80,000	Energy storage factory development and bidding
Pacific Solar Limited	11 March 2020	204 & 206, Second Floor, Sham Peng Tong Plaza, Victoria, Mahé, Seychelles	Note 1	International investment industry
Billion EV Charging Technologies Co., Ltd.	27 June 2019	10th Floor, No. 200, Section 2, Gaotie South Road, Zhongli District, Taoyuan City	NTD 36,025	Solar power factory equipment distribution
Billion EV Charging Technologies Co., Ltd.	14 March 2023	8th Floor, No. 192, Zhongxing Rd., Sec. 2, Xindian District, Xinbei City	NTD 50,000	Charging station distribution and solar equipment installation
Billion Electric Holding Co., Ltd.	13 February 2023	8th Floor, No. 192, Zhongxing Rd., Sec. 2, Xindian District, Xinbei City	NTD 12,000	Investment Company
Sheng Kai green energy Co., Ltd.	31 August 2023	8th Floor, No. 192, Zhongxing Rd., Sec. 2, Xindian District, Xinbei City	NTD 20,000	Solar power plant development and trading
Billion Electric Japan Co., Ltd.	12 January 2024	447-8, 3-chome, Shinmaruko Higashi, Nakahara Ward, Kawasaki City, Kanagawa Prefecture, esta VIVO Musashi Kosugi	NTD 50,000	Communication related products sales business
Shengrui Technology Co., Ltd.	26 October 2018	No. 486, Section 3, Zhongshan Rd., Lilin Village, Tanzi District, Taichung City	NTD 260,560	Design and manufacture of lithiumbattery modules,

				integration of household and commercialenergy storage systems, and energytechnology services.
Billion Sun Energy Storage Technologies Inc.	17 June 2022	8th Floor, No. 192, Zhongxing Rd., Sec. 2, Xindian District, Xinbei City	NTD 70,000	Energy storage factory development and bidding
BEC International, LLC	29 June 2015	MATRIX DR STE 200 RICHARDSON TX 75082-2760	USD 1,275	International investment industry
Avantek Systems PTE. LTD	19 April 2022	531A Upper Cross Street #04-95 Hong Lim Complex Singapore 051531	USD 360	Cloud Software Hosting Services
Billion Power System Technologies Inc.	25 November 2022	9th Floor, No. 190, Zhongxing Rd., Sec. 2, Xindian District, Xinbei City	NTD 10,000	Energy software design and sales business
Billion Energy Co., Ltd.	3 December 2024	8th Floor, No. 1, Zhongxing Rd., Sec. 2, Xindian District, Xinbei City	NTD 100	Energy storage factory development and bidding

Note 1: Pacific was established and registered in November 2020, and as of 31 December 2024, the Company has not yet invested capital.

3. It is presumed that there are no shareholders with controlling or subordinate relationships as per the data.

Industries covered by the overall operations of the enterprise:

(1)ICT Products design, manufacture and sell (routers, In-Vehicle and Industry network communication, etc.).

(2)Power and energy management design, manufacturing, and sales (customized power supply and energy storage OEM, etc.).

(3) Green energy business (provision of energy storage and solar solutions and investment in solar power plants and energy storage stations).

5.Information on the directors, supervisors, and managers of each related enterprise data

enterprise name	Title	Name or Representative	Hold shares	
			Number of Shares (thousand shares)	Percentage
BEC Technologies Inc.	Director	Billion Electric(Co.) Representative: Tim Chen	2,294	91.76%
Billion Watts Technologies Co., Ltd.	Chairman	Billion Electric(Co.) Representative: Tim Chen	9,558	62.14%
	Director	Billion Electric (Co.) Representative: Chen Junyi		
	Director	Billion Electric (Co.) Representative: Kalo Jeng		
	Director	Billion Electric (Co.) Representative: Sam Chen		
	Director	Billion Electric(Co.) Representative: Chencheng Lee		
	Director	Representative of Sino-American Silicon Products Inc.: Jian-Ming Hui		

	Director	Representative of Josephtec Co., Ltd.: Guo Li-Hong		
	Supervisor	Not available		
	Supervisor	Representative of Evolution Electromechanical Co., Ltd.: Cheng Zheng-Ji		
Establishing VGwatt Energy Corp.	Chairman	Billion Electric(Co.) Representative: Tim Chen	1,837	51%
	Director	Billion Electric (Co.) Representative: Shu-Mei Chang		
	Director	Representative of Youan Clean Energy Limited: Dylan Yu		
	Supervisor	Lai Ronggui		
Billion EV Charging Technologies Co., Ltd.	Chairman	Billion Electric(Co.) Representative: Tim Chen	5,000	100%
	Director	Billion Electric (Co.) Representative: Shu-Mei Chang		
	Director	Chapman Lo		
	Supervisor	Ting-Chun Tsai		
	Supervisor	Yang Kai-Cheng		
Billion Energy Storage Technologies Inc.	Chairman	Billion Electric(Co.) Representative: Tim Chen	8,000	100%
	Director	Billion Electric (Co.) Representative: Chen Junyi		
	Director	Billion Electric (Co.) Representative: She-Li Chiu		
	Supervisor	Billion Electric (Co.) Representative: Shen Yuhui		
Pacific Solar Limited	Director	Billion Electric (Co.) Representative: Chen Junyi	650	100%
Sheng Kai green energy Co., Ltd.	Chairman	Billion Electric (Co.) Representative: Li-Li Chang	2,000	100%
Billion Power System Technologies Inc.	Chairman	Billion Watts Technologies (stock) representative: Tim Chen	510	51%
	Director	Billion Watts Technologies (Co.) Representative: Chen Junyi		
	Director	Representative of Smart Electric Systems, Inc.: Huang Li-Jian		
	Supervisor	Shu-Mei Chang		
	Supervisor	Wen-Hsuan Kuo		
Billion Electric Holding Co., Ltd.	Chairman	Billion Electric(Co.) Representative: Tim Chen	1,200	100%
	Supervisor	Billion Electric (Co.) Representative: Shu-Mei Chang		
Shengrui Technology Co., Ltd.	Chairman	Billion Electric(Co.) Representative: Tim Chen	13,000	49.89%
	Director	Billion Electric (Co.) Representative: Chen Yanxun		

	Director	Billion Electric (Co.) Representative: Shu-Mei Chang		
	Director	Chung-Min Chang		
	Director	Jian-Hsi Chen		
	Supervisor	Lu Xiaoluan		
	Supervisor	Yang Kai-Cheng		
Billion Sun Energy Storage Technologies Inc.	Chairman	Billion Electric(Co.) Representative: Tim Chen	7,000	100%
	Director	Billion Electric (Co.) Representative: Li-Li Chang		
	Director	Billion Electric (Co.) Representative: Shu-Mei Chang		
	Supervisor	Billion Electric (Co.) Representative: Tsai Ting-Chun		
Billion Electric Japan Co., Ltd.	Director	Billion Electric(Co.) Representative: Tim Chen	5	100%
	Director	Billion Electric (Co.) Representative: Chen Junxin		
	Director	Hsu Chien-Pang		
BEC International, LLC	Director	Jesse Chia Lin	-	100%
Avantek Systems PTE. LTD.	Director	Vu To	270	75%
	Director	Chung-Ting Chen		
	Director	Jesse Chia Lin		
Billion Energy Co., Ltd.	Chairman	Billion Watts Technologies (stock) representative: Tim Chen	10	100%

6.Relation Enterprise Business Overview

(Unit: NTD ONE THOUSAND)

enterprise name	Registered Capital	Total assets	Total Liabilities	Net value	Net operating revenue	Operating profit	This period Net profit after tax
BEC Technologies Inc.	USD 2,500	USD 9,953	USD 2,894	USD 7,059	USD 6,749	USD (1,214)	USD (609)
Billion Watts Technologies Co., Ltd.	153,813	1,421,819	998,448	423,371	1,480,011	134,747	112,744
Billion Energy Storage Technologies Inc.	80,000	79,839	42,536	37,303	7,192	(11,305)	(40,107)
Billion EV Charging Technologies Co., Ltd.	36,025	80,832	36,611	44,221	121,556	1,673	2,997
Billion EV Charging Technologies	50,000	35,197	2,290	32,907	4,107	(12,400)	(11,764)

Co., Ltd.							
Billion Electric Holding Co., Ltd.	12,000	1,198	230	968	-	(425)	(11,032)
Sheng Kai green energy Co., Ltd.	20,000	18,897	728	18,169	-	(1,618)	(1,598)
Billion Electric Japan Co., Ltd.	NTD 50,000	NTD 26,284	JPY 5,737	NTD 20,547	JPY 630	JPY (29,342)	JPY (29,453)
Shengrui Technology Co., Ltd.	260,560	357,905	65,589	292,316	15,131	(19,781)	(15,428)
Billion Sun Energy Storage Technologies Inc.	70,000	47,255	440	46,815	-	(1,839)	(1,785)
BEC International, LLC	USD 1,275	USD 2,278	USD 140	USD 2,138	USD -	USD (138)	USD 134
Avantek Systems PTE. LTD	USD 360	USD 361	USD 1	USD 360	USD 121	USD 5	USD 5
Billion Power System Technologies Inc.	10,000	19,062	3,498	15,564	15,498	11,662	10,339
Billion Energy Co., Ltd.	100	100	9	91	-	(9)	(9)
BT Energy Storage Co., Ltd.(Note 1)	-	-	-	-	-	(221)	(216)
Sheng Qian Energy Storage Co., Ltd.(Note 2)	-	-	-	-	-	(216)	(210)

Note 1: BT Energy Storage Co., Ltd. was dissolved and completed the liquidation process in June 2024.

Note 2: Sheng Qian Energy Storage Co., Ltd. was dissolved and completed the liquidation process in June 2024.

II.Private Placement Securities in the Most Recent Year and as of the Date of Publication of the Annual Report:

Please visit the Public Information Observation Station to inquire at https://mops.twse.com.tw/mops/#/web/t116sb01.

III.Other Necessary Supplementary Notes: None.

VI.In the most recent fiscal year and as of the date of publication of the annual report, there are no matters specified in Article 36, Section 2, Item 2 of the Securities and Exchange Act that have a significant impact on shareholders' equity or securities prices.

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

Code	Assets	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current assets:				
1100	Cash and cash equivalents (Notes 6(1) and (28))	$ 271,918	11	496,054	20
1110	Financial assets at fair value through profit or loss - current (Notes 6(2) and (28))	-	-	24,761	1
1136	Financial assets at amortized cost - current (Notes 6(4) and (28))	41,892	2	36,995	2
1151	Notes receivable (Notes 6(5), (25) and (28))	107	-	47	-
1170	Net accounts receivable (Notes 6(5), (25) and (28))	37,128	1	38,233	2
1180	Net accounts receivable – related parties (Notes 6(5),(25),(28) and 7)	18,291	1	29,680	1
1200	Other receivables (Notes 6(5), (6) and (28))	8,075	-	15,153	-
1210	Other receivables - related parties (Notes 6(6),(28) and 7)	11,186	-	29,925	1
1220	Income tax assets in the current period	2,613	-	-	-
1300	Net inventories (Note 6(7))	75,468	3	74,448	3
1470	Other current assets (Note 6(15))	23,240	1	21,134	1
1482	Contract performance costs - current (Note 6(25))	13,414	1	14,845	1
	Total Current Assets	503,332	20	781,275	32
	Non-Current Assets:				
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 6(3) and (28))	60,401	2	69,327	3
1535	Financial assets at amortized cost - non-current (Notes 6(4) and (28))	389,119	15	370,283	15
1550	Investments using the equity method (Notes 6(8), (9), (10) and (11))	825,371	33	636,681	26
1600	Property, plant and equipment (Note 6(12))	552,113	22	428,918	18
1755	Right-of-use assets (Note 6(13)	41,232	2	45,825	2
1760	Investment property (Note 6(14))	73,316	3	60,231	3
1780	Intangible assets	581	-	717	-
1840	Deferred income tax liabilities (Note 6(21))	15,742	1	15,158	1
1900	Other non-current assets (Note 6(15))	46,514	2	15,044	-
	Total Non-Current Assets	2,004,389	80	1,642,184	68
	Total Assets	**$ 2,507,721**	**100**	**2,423,459**	**100**

Code	Liabilities and Equity	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current Liabilities:				
2100	Short-term borrowings (Notes 6(16) and (28))	$ 140,000	6	1,000	-
2130	Contract liabilities - current (Note 6(25))	25,419	1	4,198	-
2170	Accounts payable (Notes 6(28))	10,329	1	30,777	1
2181	Accounts payable - related parties (Notes 6(28))	6,727	-	-	
2200	Other payable (Note 6(28))	27,531	1	43,178	2
2220	Other payable - related parties (Notes 6(28) and 7)	81,166	3	6,574	-
2230	Income tax liabilities for the current period (Note 6(21))	-	-	715	-
2250	Provision for liabilities - current (Note 6(19))	-	-	9,394	1
2280	Lease liabilities - current (Note 6(18))	6,542	-	6,175	-
2320	Long-term borrowings due within one year (Note 6(17) and (28))	13,437	1	25,817	1
2300	Other current liabilities	6,994	-	9,636	1
	Total Current Liabilities	318,145	13	137,464	6
	Non-Current Liabilities:				
2540	Long-term borrowings (Notes 6(17) and (28))	-	-	30,823	1
2570	Deferred income tax assets (Note 6(21))	30,500	1	25,988	1
2580	Lease liabilities - non-current (Note 6(18) and (28))	35,811	1	40,179	2
2640	Net defined benefit liabilities - non-current (Note 6(20))	9,377	-	16,168	1
2645	Guarantee deposits received	2,374	-	1,472	-
	Total Non-Current Liabilities	78,062	2	114,630	5
	Total Liabilities	396,207	15	252,094	11
	Equity (Note 6(22)):				
3110	Capital Stock - Common Shares	1,155,328	46	1,154,191	48
3140	Advance receipts for ordinary shares	4,713	-	297	-
		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 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.)

Billion Electric Co., Ltd.

Notes to Parent Company Only Financial Statements

For the Years Ended December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars, Unless Otherwise Specified)

1. Company History

Billion Electric Co., Ltd. (the "Company") was incorporated on March 26, 1973. The Company and its subsidiaries (collectively referred herein as the "Group") are primarily engaged in the design, manufacture and sales of electronic components, integrated digital service network (ISDN), broadband communication CPE devices and system (ADSL), and broadband router (Router), self-generated renewable energy, and energy technology services.

2. Approval Dates and Procedures of the Financial Statements

The Parent Company Only Financial Statements were approved by the board of directors and authorized for issue on February 27, 2025.

3. Applicability of Newly Issued and Revised Standards and Interpretations

(1) The impact of the International Financial Reporting Standards ("IFRSs") endorsed by the Financial Supervisory Commission, R.O.C. ("FSC") which have already been adopted.

The Company has initially adopted the following new amendments, which do not have a significant impact on the Parent Company Only Financial Statements, from January 1, 2024.

- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"
- Amendments to IAS 1 "Non-current Liabilities with Covenants"
- Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"
- Amendment to IFRS 16 "Lease Liability in a Sale and Leaseback"

(2) The impact of not yet adopting the IFRSs recognized by the FSC.

The Company has assessed the applicability of the following newly amended IFRSs, effective from January 1, 2025, and determined that they will not have a significant impact on the Parent Company Only Financial Statements.

- Amendment to IAS 21 "Lack of Exchangeability"

(3) New issued and amended standards and interpretations not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Company, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective Date Issued by IASB
Amendments to IFRS 18 "Presentation and Disclosure in Financial Statements"	The new standards introduce three types of income and expenses, two subtotals for the income statement, and a single note regarding performance measures used by management. These three amendments, which strengthen the standards on how information is disaggregated in financial statements, lay the foundation for providing users with better and more consistent information, and will impact all companies. ● More structured income statement: Under the current standards, companies use different formats to present their operating results, making it difficult for investors to compare the financial performance of different companies. The new standards adopt a more structured income statement, introducing a new subtotal called "operating profit," and require that all income and expenses be categorized into three new types based on the company's main operating activities. ● Management Performance Measures (MPM): The new standard introduces the definition of management performance measures and requires companies to explain in a single note to the financial statements for each measure why it provides useful information, how it is calculated, and how it reconciles with amounts recognized under IFRSs. ● More disaggregated information: The new standard includes guidance for companies on how to enhance the disaggregation of information in financial	January 1, 2027

Standards or Interpretations	Content of amendment	Effective Date Issued by IASB
	statements. This includes guidance on whether information should be included in the primary financial statements or further disaggregated in the notes.	

The Company is evaluating the impact of its initial adoption of the abovementioned standards or interpretations on the parent company only financial position and financial performance. The results thereof will be disclosed when the Company completes its evaluation.

The Company does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on the parent company only consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture”
- Amendments to IFRS 17 “Insurance contracts” and IFRS 17
- Amendment to IFRS 19 “Subsidiaries without Public Accountability: Disclosures”
- Amendments to IFRS 9 and IFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards.”
- Amendments to IFRS 9 and IFRS 7 “Power Purchase Agreement Reliant on Natural Energy”

4. Summary of Significant Accounting Policies

The summary of significant accounting policies used in this Parent Company Only Financial Statement is as follows. The following accounting policies have been applied consistently for all periods of presentation of this Parent Company Only Financial Statement.

(1) Statement of Compliance

This Parent Company Only Financial Statement was prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(2) Basis of Preparation

1. Basis of Measurement

Except for the following important items in the balance sheet, this Parent Company Only Financial Statement is prepared on the basis of historical costs:

- Financial assets measured at fair value through profit or loss measured at fair value.

- Financial assets at fair value through other comprehensive income measured at fair value.

- Net defined benefit liabilities are determined by deducting the present value of benefit obligations from the fair value of pension fund assets.

2. Functional Currency and Presentation Currency

Each entity of the Company uses the currency of the primary economic environment in which it operates as its functional currency. The Parent Company Only Financial Statements are presented in New Taiwan Dollars, Cleanaway's functional currency. All financial information expressed in NT$ is expressed in thousands of NT$.

(3) Foreign Currency

1. Foreign Currency Transactions

Foreign currency transactions are converted into functional currency at the exchange rate of the trading day. At the end of each subsequent reporting period (hereinafter referred to as the reporting date), monetary items in foreign currencies are converted into functional currency at the exchange rate on that day. The exchange differences arising from conversion are usually recognized in profit or loss.

2. Foreign Operating Institutions

The assets and liabilities of foreign operating institutions are converted into NT$ at the exchange rate on the reporting date; the amount of income and expenses are converted into NT$ at the average exchange rate for the current period, and the resulting exchange difference is recognized in other comprehensive income.

When the disposal of a foreign operating institution results in loss of control or significant impact, the cumulative exchange difference associated with the foreign operating institution is fully reclassified as profit or loss. When part of the disposal includes subsidiaries of foreign operating institutions, the relevant cumulative exchange difference is pro rata re-attributed to non-controlling interests.

For the monetary receivable or payable items of foreign operating institutions, if there is no settlement plan and it is impossible to pay off in the foreseeable future, the exchange gains and losses arising therefrom shall be regarded as part of the net investment in the foreign operating institution and recognized in other comprehensive income.

(4) Criteria for Classification of Current and Non-current Assets and Liabilities

Assets that meet one of the following conditions are classified as current assets, and all other assets that are not current assets are classified as non-current assets:

1. The asset is expected to be realized in its normal operating period or is intended to be sold or consumed.

2. The asset is held primarily for the purpose of trading.

3. The asset is expected to be realized within twelve months after the reporting period.

4. The asset is cash or cash equivalents (as defined in IAS 7), unless there are restrictions on the exchange or use of the asset to meet liabilities at least twelve months after the reporting period.

Liabilities that meet one of the following conditions are classified as current liabilities, and all other liabilities that are not current liabilities are classified as non-current liabilities:

1. The liability is expected to be settled during the normal operating period.

2. The liability is held primarily for the purpose of trading.

3. The liability is due for settlement within twelve months after the reporting period.

4. Does not have the right to defer the settlement of the liability for at least twelve months after the end of the reporting period.

(5) Cash and Cash Equivalents

Cash includes cash on hand and demand deposits. Cash equivalents refer to short-term and highly liquid investments that can be converted into fixed amounts of cash at any time and have an insignificant risk of value change. Time deposits that meet the aforementioned definition and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes are listed in the cash equivalents.

(6) Financial Instruments

Accounts receivable is originally recognized at the time of generation. All other financial assets and financial liabilities are recognized initially when the Company becomes a party to the contractual terms of the financial instrument. Financial assets (other than accounts receivable that do not include significant financial components) or financial liabilities that are not measured at fair value through profit or loss are originally measured at fair value plus transaction costs that are directly attributable to the acquisition or issue. Accounts receivable, excluding significant financial components, are originally measured at the transaction price.

1. Financial Assets

Where the purchase or sale of financial assets conforms to customary transactions, the Company shall consistently adopt the accounting treatment on the transaction date for all purchases and sales of financial assets classified in the same manner.

Financial assets at the time of initial recognition are classified as: financial assets measured at the amortized cost, equity instruments measured at fair value through other comprehensive income, or financial assets measured at fair value through profit or loss. Only when the Company changes its business model for managing financial assets, it will reclassify all affected financial assets from the first day of the next reporting period.

(1) Financial Assets at Amortized Cost

Financial assets are measured at amortized cost when they meet the following conditions at the same time and are not designated as measured at fair value through profit or loss:

- The financial asset is held under the operating model for the purpose of collecting contractual cash flows.
- The contractual terms of the financial asset give rise to cash flows on a specific date, which are exclusively the payment of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost by the original recognized amount plus or minus the accumulated amortization amount calculated using the effective interest method, adjusting for any allowance for losses. Interest income, exchange gains and losses on impairment are recognized in profit or loss. When derecognized, the gain or loss is included in the profit or loss.

(2) Financial Assets at Fair Value Through Other Comprehensive Income

Debt instrument investments that meet the following conditions at the same time, and are not designated as measured at fair value through profit or loss, are measured at fair value through other comprehensive income:

- The financial asset is held under the operating model for the purpose of collecting contractual cash flows and selling.
- The contractual terms of the financial asset give rise to cash flows on a specific date, which are exclusively the payment of principal and interest on the principal amount outstanding.

The Company holds part of the accounts receivable under the business model for the purpose of collecting contractual cash flow and selling, so these accounts are measured at fair value through other comprehensive income. However, it is listed under the accounts receivable.

Upon initial recognition, the Company may make an irrevocable choice to report the subsequent fair value of investment in equity instruments not held for trading in other comprehensive income. The aforementioned choices are made on an instrument-by-instrument basis.

Investments in debt instruments are subsequently measured at fair value. Interest income calculated using the effective interest method, exchange gains and losses and impairment losses are recognized in profit or loss, and the remaining net gains or losses are recognized in other comprehensive income. At the time of derecognition, the accumulated other comprehensive income amount is reclassified to profit and loss.

Investments in equity instruments are subsequently measured at fair value. Dividend income (unless it clearly represents the recovery of part of the investment cost) is recognized in profit or loss. The remaining net profit or loss is recognized as other comprehensive income and is not reclassified to profit or loss.

Dividend income from equity investments is recognized on the date when the Company has the right to receive dividends (usually the ex-dividend date).

(3) Financial Assets at Fair Value Through Profit or Loss

Financial assets that are not measured at amortized cost or at fair value through other comprehensive income are measured at fair value through profit or loss, including derivative financial assets. At the time of original recognition, in order to eliminate or significantly reduce the improper accounting ratio, the Company may irrevocably designate financial assets that meet the conditions of measuring at amortized cost or at fair value through other comprehensive income as the financial assets measured at fair value through profit or loss.

These assets are subsequently measured at fair value and their net profit or loss (including any dividend and interest income) is recognized in profit or loss.

(4) Assess Whether the Contractual Cash Flows Are Exclusively Payment of Principal and Interest on the Outstanding Principal Amount

For the purpose of evaluation, the principal is the fair value of a financial asset at the time of initial recognition, and the interest is composed of the following considerations: the time value of money, the credit risk related to the principal amount outstanding in a specific period, other basic lending risks and costs and profit margin.

To evaluate whether the contractual cash flow is exclusively the payment of the principal and the interest on the principal amount outstanding, the Company considers the terms of the financial instrument contract, including evaluating whether the financial asset contains a contractual term that can change the timing or amount of the contractual cash flow such that it does not meet this condition. In the evaluation, the Company considers:

- Any contingencies that change the timing or amount of contractual cash flow.
- The terms of the contractual coupon rate that may be adjusted, including the characteristics of the variable rate.
- Prepayment and deferral features.
- The Company's right of claim is limited to the terms (e.g., non-recourse characteristics) of cash flows derived from a particular asset.

(5) Impairment of Financial Assets

The Company's financial assets measured at amortized cost (including cash and cash equivalents, financial assets measured at amortized cost, notes receivable and accounts receivable, other receivables, deposits and other financial assets, etc.), debt instrument investments measured at fair value through other comprehensive income, and expected credit losses on contract assets are recognized as allowance for losses.

The following financial assets are measured in terms of the amount of expected credit losses for 12 months, and the rest are measured in terms of the amount of expected credit losses for the duration:

- Debt securities are determined to have low credit risk at the reporting date.
- The credit risk of other debt securities and bank deposits (i.e., the risk of default during the expected duration of the financial instrument) has not increased significantly since the original recognition.

The allowance for losses on accounts receivable and contract assets is measured by the amount of expected credit losses during the duration.

When determining whether the credit risk has increased significantly since the original recognition, the Company considers reasonable and substantiated information (obtainable without excessive cost or investment), including qualitative and quantitative information, and analysis based on the Company's historical experience, credit assessment and forward-looking information.

If the contract payment is overdue for more than 120 days, or the borrower is unlikely to fulfill its credit obligations and pay the full amount to the Company, the Company considers the financial asset to be in default, unless there is reasonable and probative information showing that a later benchmark for default is more appropriate.

If the credit risk rating of a financial instrument is equivalent to the "Investment Grade" defined globally (the investment grade BBB- of Standard & Poor's, the investment grade Baa3 of Moody's, or the investment grade twA of Taiwan Ratings, or higher), the credit risk of the debt security is considered low by the Company.

Expected credit losses during the duration refers to expected credit losses arising from all possible defaults during the expected duration of a financial instrument.

The 12-month expected credit loss refer to expected credit losses arising from possible default events of a financial instrument within twelve months after the reporting date (or a shorter period, if the expected duration of the financial instrument is shorter than twelve months).

The longest period for measuring expected credit losses is the longest contractual period over which the Company is exposed to credit risk.

The expected credit loss is a probability-weighted estimate of credit loss during the expected duration of a financial instrument. Credit losses are measured as the present value of all cash shortfalls, which is the difference between the cash flows that the Company would receive under the contract and the cash flows that the Company expects to receive. Expected credit losses are discounted at the effective interest rate on the financial asset.

The Company assesses whether financial assets measured at amortized cost and debt securities measured at fair value through other comprehensive income are credit- impaired at each reporting date. A financial asset is credit-impaired when one or more events that have an adverse effect on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable information on the following matters:

- Significant financial difficulties of the borrower or issuer.
- Breach of contract, such as delay or overdue for more than 120 days.
- The Company makes concessions to the borrower that would not otherwise be considered by the Company for economic or contractual reasons related to the borrower's financial difficulties.
- The borrower is likely to file for bankruptcy or other financial reorganizations.
- Disappearance of an active market for the financial asset as a result of financial difficulties.

An allowance for losses on financial assets carried at amortized cost is deducted from the asset's carrying amount. The allowance for losses on investments in debt instruments at fair value through other comprehensive income is adjusted in profit or loss and recognized in other comprehensive income (without reducing the carrying amount of the asset).

When the company cannot reasonably expect to recover all or part of the financial assets, it will directly reduce the total book value of its financial assets. For corporate accounts, the company analyzes the timing and amounts of write-offs individually on the basis of whether it is reasonably expected to be recoverable. The Company does not expect a significant reversal of the amount written off. However, written-off financial assets are still enforceable to comply with the Company's procedures for recovering overdue amounts.

(6) Derecognition of Financial Assets

The Company will derecognize the financial assets only when the contractual rights derived from the cash flows of the assets terminate, or when the financial assets have been transferred and almost all the risks and rewards of ownership of the assets have been transferred to other enterprises, or when almost all the risks and rewards of ownership have neither been transferred nor retained and control of the financial assets has not been retained.

If the Company enters into transactions to transfer financial assets, if it retains all or substantially all the risks and rewards of ownership of the transferred assets, it will continue to be recognized them in the balance sheet.

2. Financial Liabilities and Equity Instruments

(1) Classification of Liabilities or Equity

The debts and equity instruments issued by the Company are classified as financial liabilities or equity according to the substance of the contractual agreement and the definition of financial liabilities and equity instruments.

(2) Equity Transactions

An equity instrument is any contract that recognizes the Company's residual equity after deducting all of its liabilities from its assets. The equity instruments issued by the Company are recognized at the price obtained after deducting the direct issuance costs.

(3) Treasury shares

When repurchasing the equity instruments recognized by the Company, the consideration paid (including the direct attributable cost) is recognized as a decrease in equity. Repurchased shares are classified as treasury shares. Subsequent sales or reissue of treasury shares, the amount received is recognized as an increase in equity, and the surplus or loss resulting from the transaction is recognized in capital reserve or retained earnings (if the capital reserve is insufficient to offset).

(4) Financial Liabilities

Financial liabilities are classified as amortized cost.

(5) Derecognition of Financial Liabilities

The Company derecognizes financial liabilities when the contractual obligations have been fulfilled, cancelled or expired. When the terms of a financial liability are modified and there is a significant difference in the cash flow of the modified liability, the original financial liability shall be derecognized, and a new financial liability shall be recognized at fair value based on the modified terms.

When a financial liability is derecognized, the difference between its carrying amount and the total consideration paid or payable (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(7) Inventories

Inventories are measured at cost or net realizable value, whichever is lower. Costs include acquisition, production or processing costs and other costs incurred to bring them to the location and state where they are available, and are calculated using the weighted average method.

Net realizable value is the balance of the estimated selling price under normal operating conditions less the estimated cost to complete the required investment and the estimated cost to complete the sale.

(8) Investment in Associates

An associate is a company that has a significant influence on its financial and operating policies but is not controlled or jointly controlled.

The Company adopts the equity method for the equity of associates. By using the equity method, the original acquisition is recognized on the basis of cost, and the investment cost includes the cost of the transaction. The carrying amount of an investment in an associate includes the goodwill identified at the time of the original investment, less any accumulated impairment losses.

The Parent Company Only Financial Statement includes the amount of the profit and loss of each investment related company and other comprehensive income recognized by the Company based on the proportion of equity from the date of significant influence to the date of loss of significant influence, after making adjustments consistent with the company's accounting policies. When changes in equity of an associate in non-profit or loss and other comprehensive income do not affect the Company's shareholding ratio, the Company will recognize the changes in equity attributable to the Company under the shares of the associate in the capital reserve according to the shareholding ratio.

Unrealized gains and losses arising from transactions between the Company and an associate are recognized in the financial statements of the associate only to the extent unrelated to the investor's interest in the associate. When the share of losses of an associate that shall be recognized proportionally by the Company is equal to or exceeds its interest in the associate, it ceases to recognize its losses, and only recognizes additional losses and related liabilities to the extent that statutory obligations, presumptive obligations or payments have been made on behalf of the invested company.

The Company ceases to use the equity method as of the date when it has no investment in an associate any longer, and the difference between the fair value of the retained equity and the disposal price measured at fair value and the carrying amount of the investment on the date when the equity method is ceased is recognized in the current profit or loss. For all amounts previously recognized in other comprehensive income related to the investment, the basis of accounting treatment is the same as that must be followed if the related assets or liabilities are directly disposed of by the associate, that is, if the gains or losses previously recognized in other comprehensive income are reclassified as gain or loss (or retained earnings) when the relevant assets or liabilities are disposed of, when the enterprise stops using the equity method, the profit or loss is reclassified from equity to gain or loss (or retained earnings). If the Company's ownership interests in the associate decreases, but the equity method continues to apply, then the Company will reclassify the profit or loss related to the reduction of the ownership interests that have previously been recognized in other comprehensive income according to the above-mentioned reduction.

When an associate issues new shares, if the Company fails to subscribe in proportion to its shareholding, thereby causing a change in the shareholding ratio and an increase or decrease in the net equity value of the investment, its capital reserve and the investment using the equity method shall be adjusted based on the increase or decrease; if this adjustment is to offset the capital reserve, but the balance of the capital reserve generated by the investment using the equity method is insufficient, its difference will be debited to retained earnings. However, if the Company does not subscribe in proportion to its shareholding, thereby reducing its ownership interests in the associate, the amount previously recognized in other comprehensive income related to the associate is reclassified in proportion to the reduction, and its accounting treatment is based on the same basis as that required for the direct disposal of related assets or liabilities by the associate.

(9) Investment in Subsidiaries

In the preparation of the Parent Company Only Financial Statement, the Company evaluates the equity method of the controlled invested company. Under the equity method, the current profit and loss and other comprehensive income of the Parent Company Only Financial Statement and the current profit or loss and other comprehensive income of the consolidated financial statement are attributable to owners of the parent company, and the owner's equity of the Parent Company Only Financial Statement and the equity attributable to the owners of the parent company in the consolidated financial statement are the same.

Changes in the Company’s ownership interests in subsidiaries have not resulted in the loss of the controller, which is treated as an equity transaction with the owners.

(10) Investment Property

Investment properties refers to properties held for rent-earning or asset appreciation or both, rather than for normal business sale, production, provision of goods or services, or administrative purposes. The investment property is originally measured at cost, and subsequently measured at cost minus accumulated depreciation and accumulated impairment, and its depreciation method, service life and residual value shall be handled according to the regulations for property, plant and equipment.

Gain or loss on disposal of investment property (calculated as the difference between the net disposal price and the carrying amount of the item) is recognized in profit or loss.

Rental income from investment property is recognized in other income on a straight-line basis during the lease period. The lease incentive given is also recognized in the lease income during the lease period.

(11) Property, Plant, and Equipment

1. Recognition and Measurement

Property, plant and equipment items are measured at cost (including capitalized borrowing costs) minus the accumulated depreciation and any accumulated impairment.

When the service life of a material component of property, plant and equipment is different, it is treated as a separate item (the main component) of property, plant and equipment.

Gain or loss on disposal of property, plant and equipment is recognized in profit or loss.

2. Subsequent Costs

Subsequent expenditures are capitalized only when their future economic benefits are likely to flow into the Company.

3. Depreciations

Depreciation is calculated based on the cost of an asset minus its residual value and is recognized in profit or loss using a straight-line method within the estimated service life of each component.

Land is not subject to depreciation.

The estimated service life for the current period and the comparative period is as follows:

(1) Auxiliary Equipment of Housing and Building: 1 to 55 years.

(2) Machinery: 3 to 20 years.

(3) Transportation Equipment: 5 years.

(4) Office Equipment and Others: 2 to 15 years.

The depreciation method, service life and residual value are reviewed by the Company at each reporting date and adjusted as necessary.

4. Reclassified to Investment Property

When the use of property is changed from own use to investment, the property is reclassified as investment property based on the carrying amount at the time of the change of use.

(12) Leases

The Company evaluates whether a contract is or contains a lease on the date of its conclusion, and if the contract transfers control over the use of the identified assets for a period of time in exchange for consideration, the contract is or contains a lease.

1. Lessee

The Company recognizes the right-of-use assets and lease liabilities on the lease commencement date, and the right-of-use assets are initially measured at cost, which includes the original measured amount of the lease liability, adjusts any lease payments made on or before the lease commencement date, and adds up the original direct costs incurred and the estimated costs of dismantling and removing the underlying asset and restoring the underlying asset and its location, minus any lease incentives collected.

The right-of-use asset is subsequently depreciated by the straight-line method from the beginning of the lease to the expiration of the service life of the right-of-use asset or the expiration of the lease term. In addition, the Company periodically assesses whether the right-of-use assets are impaired and disposes of any impairment losses that have occurred, and adjusts the right-of-use assets in the event that the lease liabilities are re-measured.

Lease liabilities are original measurements of the present value of lease benefits unpaid on the date of commencement of the lease. If the implied interest rate of the lease is easy to determine, the discount rate is the interest rate, and if it is not easy to determine, the Company’s incremental borrowing rate is used. In general, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability include:

(1) Fixed payments, including in-kind fixed payments.

(2) For variable lease payments that depend on an index or rate, the index or rate on the lease commencement date is used for the original measurement.

(3) The amount of the residual value guarantee expected to be paid.

(4) The exercise price or penalty payable when it is reasonably certain that the purchase option or lease termination option will be exercised.

The lease liability is subsequently accrued interest using the effective interest method, and its amount is remeasured when:

(1) There is a change in future lease payments due to changes in the index or rate used to determine lease payments.

(2) There is a change in the amount of residual value margin expected to be paid.

(3) There is a change in the valuation of the underlying asset purchase option.

(4) There is a change in the estimate of whether to exercise the extension or termination option, which changes the assessment of the lease term.

(5) There are modifications of the subject, scope or other terms of the lease.

When the lease liability is remeasured due to the aforementioned change in the index or rate used to determine the lease payment, change in the residual value guarantee amount, and change in the evaluation of the purchase, extension or termination options, the book value of the right-of-use asset is adjusted accordingly, and when the carrying amount of the right-of-use asset has been reduced to zero, the remaining remeasured amount is recognized in profit or loss.

For lease modifications that reduce the scope of the lease, the carrying amount of the right- of-use asset is reduced to reflect the partial or full termination of the lease, and the difference between it and the re-measurement amount of the lease liability is recognized in profit or loss.

The Company presents the right-of-use assets and lease liabilities that do not meet the definition of investment property in the balance sheet as separate items. Where an agreement contains lease and non-lease components, the Company allocates the consideration in the contract to the individual lease components on a relative stand-alone price basis. However, when leasing land and buildings, the Company chooses to treat the lease component and the non-lease component as a single lease component without distinguishing the non-lease components.

For short-term leases and low-value asset leases for office and other equipment leases, the Company chose not to recognize the right-of-use assets and lease liabilities, but to recognize the relevant lease payments in expenses based on a straight-line basis during the lease period.

The company chooses to adopt a practical expedient approach for all rental concessions that meet all of the following conditions, and does not evaluate whether it is a lease modification:

(1) Rent concessions incurred as a direct result of the COVID-19 epidemic.

(2) The change in the lease payment results in the modified lease consideration being almost the same or smaller than the lease consideration before change.

(3) Any decrease in lease payments only affects payments that were due before June 30, 2021.

(4) No other terms and conditions of the lease have materially changed.

Under the practical expedient method, when rental concessions lead to changes in lease payments, the changes are recognized in profit or loss when the event or circumstance that initiates rental concessions occurs.

2. Lessor

The transaction in which the Company is the lessor is to classify the lease contract on the date of conclusion according to whether it transfers almost all the risks and rewards attached to the ownership of the underlying asset. If so, it is classified as a finance lease, otherwise it is classified as an operating lease. At the time of evaluation, the Company considers relevant specific indicators including whether the lease period covers the main part of the economic life of the underlying asset.

If the Company is a sublease lessor, it handles master lease and sublease transactions separately, and evaluates the classification of sublease transactions based on the right-of- use assets generated by the master lease. If the master lease is a short-term lease and a recognized exemption applies, the sublease transaction should be classified as an operating lease.

Where the agreement includes lease and non-lease components, the Company shall apportion the consideration in the contract according to the provisions of IFRS 15.

(13) Intangible assets

1. Recognition and Measurement

Expenditures related to research activities are recognized as profit or loss when incurred.

Development expenditures are capitalized only when they are reliably measurable, the technical or commercial feasibility of the product or process has been achieved, future economic benefits are likely to flow to the Company, and the Company intends and has sufficient resources to complete the development and use or sell the asset. Other development expenses are recognized in profit or loss when incurred.

After initial recognition, the capitalized development expenditure is measured at its cost minus the accumulated amortization and accumulated impairment.

The Company's acquisition of other intangible assets with a finite service life is measured at cost less the accumulated amortization and accumulated impairment.

2. Subsequent Expenditures

Subsequent expenditures are capitalized only to the extent that they increase the future economic benefits of the related specific asset. All other expenditure is recognized in profit or loss as incurred, including internally developed goodwill and branding.

3. Amortization

Except for goodwill, amortization is calculated as the cost of the asset minus the estimated residual value and is recognized in profit or loss using the straight-line method from the time the intangible asset is ready for use over its estimated service life.

The estimated service life for the current period and the comparative period is as follows:

Computer System and Software: 2 to 3 years

The amortization method, service life and residual value of intangible assets are reviewed by the Company at each reporting date and adjusted as necessary.

(14) Impairment of Non-financial Assets

At each reporting date, the Company assesses whether there is any indication that the carrying amount of non-financial assets (other than inventories, deferred income tax assets and investment property measured at fair value) may be impaired. If there is any indication, the recoverable amount of the asset is estimated. Goodwill is regularly tested for impairment every year.

For the purposes of impairment testing, a group of assets whose cash inflows are largely independent of those of other individual assets or groups of assets is the smallest identifiable group of assets. The goodwill acquired by business merger is apportioned to each cash- generating unit or group of cash-generating units that are expected to benefit from the synergies of the merger.

The recoverable amount is the higher of an individual asset's or cash-generating unit's fair value minus costs of disposal and its value in use. In assessing the use value, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

Impairment losses are recognized if the recoverable amount of an individual asset or cash-generating unit is lower than its carrying amount.

Impairment losses are recognized immediately in profit or loss for the current period, and firstly reduce the carrying amount of the cash-generating unit's apportioned goodwill, and then reduce the carrying amount of each asset in proportion to the carrying amount of other assets in the unit.

Goodwill impairment losses shall not be reversed. Non-financial assets other than goodwill are reversed only to the extent that they do not exceed the carrying amount (less depreciation or amortization) determined when the asset is not recognized in the impairment loss in the previous year.

(15) Provisions

The recognition of liability provision means that there is a current obligation due to past events, so that the Company will likely need the outflow of resources with economic benefits in the future to pay off the obligation, and the amount of the obligation can be reliably estimated. The liability provision is discounted at a pre-tax discount rate that reflects the current market's evaluation of the time value of money and the specific risk of the liability, and the amortization of the discounted amount is recognized in interest expenses.

(16) Recognition of Revenues

1. Revenue from Contracts with Customers

Revenues are measured by the consideration to which goods or services are transferred and to which they are expected to be entitled. The Company recognizes revenue when the control of goods or services is transferred to the customer and the performance obligations are met. The company's main revenues are explained as follows:

(1) Product Sales Revenue

Product sales revenue comes from the sale of products such as electronic components, power supply units, transformers, ISDN cards, ADSL cards, EV Charger and solar power plant equipment. Except that the solar plant equipment is recognized as revenue when the products arrive at the location designated by the customer, the Company recognizes the remaining products as revenue and accounts receivables at the time of shipment, when the customer has the right to fix the price and use of the products and has the primary responsibility for resale of such products, and bears the risk of obsolescence of the products. Advance receipts for product sales are recognized as contractual liabilities before the product is shipped or delivered to the customer's designated location.

No revenue is recognized during material processing as control of the processed products is not transferred.

(2) Revenue From Sale of Electricity

Recognized when power is transferred to the electrical substation at Taiwan Power Company's terminal.

(3) Project Income

The Company is engaged in the site development business of solar photovoltaic power system and the engineering contracting business of solar photovoltaic power system construction and other related services. As the assets are gradually controlled by the customer during the construction process, the revenue is gradually recognized over time based on the proportion of the cost incurred to date to the estimated total contract cost. The contract is a fixed consideration in which the client pays a fixed amount of money over an agreed period of time. The Company recognizes revenues only to the extent that there is a high probability that no material reversal will occur in the cumulative revenues; If the amount of recognized revenue has not been requested, it is to recognize the contract assets and transfer the contract assets to accounts receivable when there is no unconditional right to the consideration.

If it is not possible to reasonably measure the degree of completion of the performance obligations of the works contract, the contract income is recognized only to the extent of expected recoverable costs.

A liability reserve for onerous contract shall be recognized when the Company anticipates that the cost of fulfilling the obligations of a construction contract will inevitably exceed the economic benefits expected from the contract.

If circumstances change, the estimates of revenue, costs and degree of completion will be revised, and the resulting changes will be reflected in profit or loss during the period when management is made aware of the changes.

2. Cost of Customer Contracts

(1) Contract Performance Costs

If the costs incurred in fulfilling a customer contract are not covered by other standards (IAS 2 "Inventory", IAS 16 "Property, Plant and Equipment" or IAS 38 "Intangible Assets"), the company will only recognize such costs in assets when they are directly related to the contract or a clearly identifiable prospective contract, will generate or strengthen resources that will be used to meet (or continue to meet) performance obligations in the future, and are expected to be recoverable.

General and administrative costs, costs of wasted materials, labor or other resources used to perform the contract but not reflected in the contract price, costs associated with fulfilled (or partially satisfied) performance obligations, and costs related to the situation that is indistinguishable from non-fulfilled performance obligations or fulfilled (or partially satisfied) performance obligations are recognized in expenses when incurred.

(17) Employee Benefits

1. Defined Contribution Plans

Contribution obligations to defined contribution pension plan is recognized in expenses during the period of service performed by the employee. Prepaid appropriations are recognized in assets to the extent that they will result in a return of cash or a reduction in future payments.

2. Defined Benefit Plans

The net obligation of the Company to the defined benefit plan is calculated by converting the future benefit amount earned by the employee's service in the current or previous period into the present value of each benefit plan, and deducting the fair value of any plan assets.

The defined benefit obligation is actuarially valued annually by a qualified actuary using the estimated unit benefit method. When the results of the calculation may be beneficial to the Company, the recognized assets are limited to the present value of any economic benefits that can be obtained in the form of returning contributions from the plan or reducing future contributions to the plan. The calculation of the present value of economic benefits takes into account any minimum funding requirements.

The re-measurement of net defined benefit liabilities, including actuarial gains and losses, return on plan assets (excluding interest), and any changes in the asset cap impact (excluding interest) are recognized immediately in other comprehensive income and accumulated in retained earnings. The Company determines the net interest expense of net defined benefit liabilities using the net defined benefit liabilities and discount rate determined at the beginning of the annual reporting period. The net interest expense and other expenses of the defined benefit plan are recognized in profit or loss.

Changes in benefits associated with prior service costs or curtailment benefits or losses arising from plan modifications or curtailments are recognized immediately in profit or loss. The Company recognizes the repayment gains and losses of the defined benefit plan at the time of the repayment.

3. Other Long-Term Employee Benefits

The Company's net obligations for other long-term employee benefits are calculated by converting the future benefits earned by employees for providing services in the current or previous periods into the present value. The re-measured amount is recognized in profit or loss as it arises.

4. Short-Term Employee Benefits

Short-term employee benefit obligations are recognized in expense when services are provided. If the Company has a current statutory or constructive payment obligation due to the past service provided by the employee, and the obligation can be reliably estimated, the amount is recognized in liabilities.

(18) Share-Based Payment Transactions

In the share-based payment agreement for equity delivery, the fair value on the grant date is used to recognize the expense and increase the relative equity during the vesting period of the reward. The recognized expenses are adjusted according to the amount of rewards that are expected to meet the service conditions and non-market vesting conditions; and the final recognized amount is measured based on the amount of rewards that meet the service conditions and non-market vesting conditions at the vesting date.

The non-vesting conditions of the share-based payment rewards have been reflected in the measurement of the fair value of the share-based payment date, and the difference between the expected and actual results does not need to be verified and adjusted.

The fair value amount of the cash-delivered share appreciation rights that should be paid to employees is recognized in expenses and increases the relative liability during the period when the employee can obtain compensation unconditionally. The liability is remeasured against the fair value of the share appreciation rights at each reporting date and delivery date, and any changes are recognized in profit or loss. Employee stock options granted by the Company to employees of its subsidiaries for settlement of the Company’s equity instruments are treated as capital contributions to the subsidiaries and are measured at the fair value of the equity instruments at the grant date and recognized as an increase in the carrying amount of the investment in the subsidiary during the vesting period, with a corresponding adjustment to capital surplus - employee stock options.

(19) Income Tax

The income tax includes the current income tax and the deferred income tax. Current income tax and deferred income tax shall be recognized in profit or loss, except for those related to business merger, directly recognized in equity or other items related to comprehensive income.

The current income tax includes the estimated income tax payable or tax refund receivable calculated based on the taxable income (loss) of the current year, and any adjustment to the previous year’s income tax payable or tax refund receivable.

The amount is the best estimate of the amount expected to be paid or collected at the statutory or substantive legislative rates at the reporting date.

The deferred income tax is recognized by measuring the temporary difference between the carrying amount of assets and liabilities for financial reporting purposes and their tax base. Temporary differences arising from the following situations are not recognized in deferred income tax:

1. Assets or liabilities originally recognized in a transaction that is not a business merger, and that does not affect accounting profit and taxable income (loss) at the time of the transaction.

2. Temporary differences arising from investment in subsidiaries, associates and joint venture equity, in which case the Company can control the timing of the reversal of the temporary difference and it is very likely that the reversal will not occur in the foreseeable future.

3. Taxable temporary differences arising from the original recognition of goodwill.

The unused tax loss and unused income tax deduction carried forward and the deductible temporary differences are recognized in deferred income tax assets to the extent that there is a high probability that future taxable income will be available for use. They shall be re-evaluated at each reporting date, and the relevant income tax benefit shall be reduced within the scope where it is not likely to be realized; or the original reduced amount shall be reversed within the scope where it is very likely that there will be sufficient taxable income.

The deferred income tax is measured at the tax rate when the temporary difference is expected to reverse, and is based on the statutory tax rate or substantive legislative tax rate at the reporting date.

The Company may only offset the deferred income tax assets and liabilities when the following conditions are met at the same time:

1. It has the legally enforceable right to offset the current income tax assets against current income tax liabilities.

2. The deferred income tax assets and liabilities are related to one of the following taxpayers whose income tax is levied by the same tax authority:

    (1) The same taxpayer

    (2) Different taxpayers

But each subject intends to settle current income tax liabilities and assets on a net basis, or realize assets and settlement simultaneously, in each future period in which the significant amount of deferred income tax assets is expected to be recovered and deferred income tax liabilities are expected to be settled.

(20) Business Merger

The Company adopts the acquisition method for each business merger, and the goodwill is measured at the fair value of the consideration transferred on the acquisition date, including the amount attributable to any non-controlling interests in the acquiree, minus the net amount of identifiable assets acquired and assumed measured (usually fair value). If the balance after deduction is negative, the Company will reassess whether all acquired assets and all assumed liabilities have been correctly identified before recognizing the bargain purchase benefit in profit or loss.

Except for those related to the issuance of debt or equity instruments, the transaction costs related to the business merger shall be recognized in expenses of the Company when incurred.

Among the non-controlling interests of the acquiree, if they belong to the current ownership interests and the holders are entitled to enjoy the net assets of the enterprise on a pro rata basis when the liquidation occurs, the Company chooses the fair value on the acquisition date or at the proportional share of the recognized amount of the net assets identifiable to the acquiree by the current ownership instrument on a transaction-by-transaction basis. Other non-controlling interests are measured at their fair value as of the date of acquisition or on other bases as prescribed by the International Financial Reporting Standards as endorsed by the FSC.

(21) Earnings Per Share

The Company presents basic and diluted earnings per share attributable to holders of ordinary shares of the Company. The basic earnings per share of the Company are the profit or loss attributable to the holders of ordinary shares of the Company, divided by the weighted average number of ordinary shares outstanding in the current period. Diluted earnings per share are calculated after adjusting for the effect of all potential diluted ordinary shares by the gain or loss attributable to holders of the Company’s ordinary shares and the weighted average number of ordinary shares outstanding.

(22) Segment Information

The Company has disclosed department-specific information in the consolidated financial statement, so the Parent Company Only Financial Statement does not disclose such information.

5. Significant Accounting Judgments, Estimates and Key Sources of Uncertainty Over Assumptions

The Management must make judgments about the future (including climate-related risks and opportunities) and estimates in preparing the Parent Company Only Financial Statement that will have an impact on the adoption of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from the estimates.

The management continues to review estimates and underlying assumptions to ensure they align with the Company's risk management and climate-related commitments. Changes in estimates are recognized in the period of the change and are deferred into affected future periods.

6. Explanation of Significant Accounts

(1) Cash and Cash Equivalents

	December 31, 2024	December 31, 2023
Petty Cash	$ 70	70
Bank Deposits	96,750	126,907
Time Deposits	69,857	98,571
Re-Purchase Bonds	105,241	270,506
	$ 271,918	496,054

For disclosure of interest rate risk and sensitivity analysis of the Company's financial assets and liabilities, please refer to Note 6(28).

(2) Financial Assets at Fair Value Through Profit or Loss – Current

	December 31, 2024	December 31, 2023
Financial assets at fair value through profit or loss:		
Non-derivative financial assets		
Shares of TWSE/ TPEx listed companies	$ -	1,985
Fund Beneficiary Certificate	-	22,776
Total	$ -	24,761

(3) Financial Assets at Fair Value Through Other Comprehensive Income - Non-Current

	December 31, 2024	December 31, 2023
Equity Instruments Measured at Fair Value Through Other Comprehensive Income:		
Shares of Domestic Unlisted Companies	$ 60,401	69,327

These equity instrument investments held by the Company are long-term strategic investments and are not held for trading purposes, so they have been designated to be measured at fair value through other comprehensive income.

(4) Financial Assets at Amortized Cost

	December 31, 2024	December 31, 2023
Current		
Time Deposits	$ 39,886	36,995
Restricted Bank Deposits - Current	2,006	-
	$ 41,892	36,995
Non-Current		
Time Deposits	$ -	9,800
Restricted Bank Deposits - Non-current	389,119	360,483
	$ 389,119	370,283

Please refer to Note 8 for the details of long-term and short-term borrowings and financing limit guarantees on December 31, 2024 and 2023.

(5) Notes Receivable, Accounts Receivable and Accounts Receivable - Related Parties

	December 31, 2024	December 31, 2023
Notes Receivable - Arising from Operations	$ 107	47
Accounts Receivable	37,495	38,445
Accounts receivable - related parties	18,291	29,680
Less: Loss Allowance	(367)	(212)
	$ 55,526	67,960

The Company adopts a simplified approach to the estimate the expected credit losses for all notes and accounts receivable, that is, it is measured using the expected credit losses during the lifetime, and for this purpose, these notes and accounts receivable are grouped according to the common credit risk characteristics representing the ability of customer to pay all amounts due under the terms of contract, and the loss rate established by historical and realistic information for a specific period is considered forward-looking.

Analysis of expected credit losses of notes and accounts receivable of the Company is as follows:

	December 31, 2024		
	Book Amounts of Notes Receivable and Accounts Receivable	Weighted Average Expected Credit Loss Ratio	Allowance Lifetime Expected Credit Losses
Not overdue	$ 55,526	0%	-
Overdue for more than 121 days (including)	367	100%	367
	$ 55,893		367

	December 31, 2023		
	Book Amounts of Notes Receivable and Accounts Receivable	Weighted Average Expected Credit Loss Ratio	Allowance Lifetime Expected Credit Losses
Not overdue	$ 67,960	0%	-
Overdue for more than 121 days (including)	212	100%	212
	$ 68,172		212

The movements of the loss allowance for notes and accounts receivable of the Company are as follows:

	2024	2023
Beginning Balance	$ 212	212
Recognized impairment loss	142	-
Foreign exchange translation gain or loss	13	-
Ending Balance	**$ 367**	**212**

On December 31, 2024 and 2023, no notes receivable and accounts receivable of the Company have been provided as collateral.

The Company enters into non-recourse accounts receivable sale agreements with financial institutions. Since the Company has transferred virtually all risks and rewards to the ownership of the accounts receivable and has no ongoing participation in them, it is eligible for the exclusion of financial assets. When accounts receivable claims are derecognized, claims against financial institutions are reported to other receivables. Information relating to the accounts receivable for sale that are not due as of the reporting date is as follows:

December 31, 2023

Subject to Sale	Excluding Amount	Amount Still Available in Advance	Amount Advanced	Amount Transferred to Other Receivables	Interest Rate Range	Other Important Matters
Hua Nan Commercial Bank, Ltd	$ 23	-	-	23	-	Note 1 to 4
Export-Import Bank of the Republic of China	7,803	-	-	7,803	-	
	$ 7,826	-	-	7,826	-	

Note 1: Guarantee that the underwriting subject matter transferred is lawful and valid, and that no third party may claim any rights.

Note 2: Guarantee that none of the underwriting subject matter is subject to set-off, pledge or transfer prohibition, and the amount is determined as a receivable claim.

Note 3: Guarantee that the transactions of the sales contract, labor contract or other debt contracts are affected in a normal and lawful manner. And that there are in no sufficient grounds or defenses to extinguish or impede the exercise of the rights of the financial institutions that undertake the acquisition to which the accounts receivable is addressed.

Note 4: Guarantee that there will be no control over the subordinate relationship or other improper commercial interests during the validity period of the current and future contracts to which the accounts receivable is addressed.

(6) Other Receivables and Other Receivables - Related Parties

	December 31, 2024	December 31, 2023
Other Receivables		
Receivables From Payment on Behalf of Others	$ 174,745	163,659
Advances Receivable	-	279
Business tax Refund Receivable	1,003	1,369
Sales Receivables	-	7,826
Others	7,072	5,679
Less: Loss Allowance	(174,745)	(163,659)
	$ 8,075	15,153
Other Receivables from Related Parties		
Other Receivables - Capital Loans to Subsidiaries	$ -	25,024
Other Receivables - Others	11,186	4,901
	$ 11,186	29,925

The movements of the loss allowance for other receivables of the Company in 2024 and 2023 are as follows:

	2024	2023
Beginning Balance	$ 163,659	163,792
Foreign Currency Conversion Gains and Losses	11,086	(133)
Ending Balance	$ 174,745	163,659

For other credit risk information, please refer to Note 6(28).

(7) Inventories

	December 31, 2024	December 31, 2023
Supplies	$ 28,795	44,750
Work in Progress	4,093	2,696
Finished Goods	42,580	23,769
Merchandise Inventory	-	3,233
	$ 75,468	74,448

Detailed statement of operating costs is as follow:

	2024	2023
Transfer of Inventory Sales	$ 276,976	353,412
Loss on Inventory Write-Down	(24,285)	11,576
Inventory Obsolescence Losses	324	1,140
Operating Costs of Solar Power Plant	16,990	14,733
Total	$ 270,005	380,861

On December 31, 2024 and 2023, no inventory of the Company has been provided as collateral.

(8) Investment Accounted for Using Equity Method

The investments of the Company under the equity method on the reporting date are as follows:

	December 31, 2024	December 31, 2023
Subsidiary	$ 801,056	609,482
Associates	24,315	27,199
	$ 825,371	636,681

1. Subsidiary

Please refer to the Consolidated Financial Statement for the year 2024.

2. Associates

In December 2021, the Board of directors approved to invest in Hsia Ching Co., Ltd., and in January 2022, a paid-in capital of NT$27,000 thousand was added, and 2,700 thousand shares were acquired, with a shareholding ratio of 20%.

Hsia Ching Co., Ltd. applied for a cash capital increase of NT$380,286 thousand in July 2022. As the Company did not subscribe according to its shareholding ratio, the shareholding ratio of the Company was reduced from 20% to 5.24%, and the Company is still a director of Hsia Ching Co., Ltd.

3. Guarantee

On December 31, 2024 and 2023, the Company's investments under the equity method are not provided as collateral.

(9) Business Merger

The Company acquires the following companies to develop its solar energy and energy storage related business.

Company Name	Major operating activities	Date of Acquisition	Acquisition Ratio	Transfer consideration fair value
Noonspare Energy Technology Co., Ltd.	Design and manufacturing of lithium battery modules, integration of residential and commercial/industrial energy storage systems, and energy technology services.	2024.04.01	49.89%	$ 118,370

The main types of transfer consideration, assets acquired and liabilities assumed on the acquisition date and the amounts admitted are as follows:

1. The fair values of the major types of transfer consideration at the acquisition date are as follows:

	Noonspare Energy Technology Co., Ltd.
Transfer Consideration	
Cash	**$ 188,370**

2. The fair value of identifiable net assets acquired and liabilities assumed:

	Noonspare Energy Technology Co., Ltd.
Cash and cash equivalents	$ 215,985
Accounts receivable and other receivables	4,580
Inventory	1,570
Current tax assets	52
Other current assets	5,450
Property, plant, and equipment	92,772
Financial assets at fair value through other comprehensive income	6,283
Right-of-use asset	302
Intangible assets	32,419
Other non-current assets	6,810
Short-term loans	(15,000)
Contract liabilities - current	(3,496)
Notes payable, accounts payable and other payables	(8,699)
Lease liabilities - current	(305)
Other current liabilities	(113)
Total	**$ 338,610**

3. Goodwill

The goodwill recognized as a result of the acquisition is as follows:

		Noonspare Energy Technology Co., Ltd.
Transfer Consideration	$	188,370
Add: Non-controlling interest		169,669
Less: Fair value of identifiable net assets	(	338,610)
	$	19,429

(10) Change of Ownership Interest in Subsidiaries

1. The changes in the Company's interest in subsidiaries in 2024 and transactions without changing control of said subsidiaries are as follows:

   In March 2024, the Company reduced its shareholding from 59.82% to 59.64% by disposing of 0.18% of its shareholding in Billion Watts Technologies Co., Ltd.

   In April 2024, due to the buyback of shares of Billion Watts Technologies Co., Ltd. from employees, the Company's shareholding increased from 59.64% to 59.74%.

   In July 2024, the Company reduced its shareholding from 59.74% to 59.51% by disposing of 0.23% of its shareholding in Billion Watts Technologies Co., Ltd.

   In September 2024, due to the buyback of shares of Billion Watts Technologies Co., Ltd. from employees, the Company's shareholding increased from 59.51% to 59.92%.

   In October 2024, due to the buyback of shares of Billion Watts Technologies Co., Ltd. from employees, the Company's shareholding increased from 59.92% to 62.13%.

   In December 2024, due to the buyback of shares of Billion Watts Technologies Co., Ltd. from employees, the Company's shareholding increased from 62.13% to 62.14%.

   In March 2024, the Company repurchased shares of Billion EV Charging Technologies Co., Ltd. from the original shareholders, increasing its ownership percentage from 60% to 100%.

2. The changes in the Company's interest in subsidiaries in 2023 and transactions without changing control of said subsidiaries are as follows:

   In February 2023, due to the buyback of shares of Billion Watts Technologies Co., Ltd. from employees, the Company's shareholding increased from 60.26% to 60.31%.

In March 2023, the Company reduced its shareholding from 60.31% to 60.15% by disposing of 0.16% of its shareholding in Billion Watts Technologies Co., Ltd.

In July 2023, the Company reduced its shareholding ratio from 60.15% to 59.82% by disposing of 0.33% of its shareholding in Billion Watts Technologies Co., Ltd.

(11) Loss of Control Over Subsidiary

The Company signed an equity transfer contract with He Jun Energy Co., Ltd. in July 2023 and the transfer was completed on August 9, 2023. The Company sold all the equity of its subsidiary Billion Sunpower Co., Ltd. for NT$162,798 thousand and lost control over Billion Sunpower Co., Ltd. after the delivery date.

In August 2023, Shinshin Credit Corporation increased capital in Tai Chuang Energy Co., Ltd. by NT$630,000 thousand and obtained 96.92% equity interest in Tai Chuang Energy Co., Ltd. The Company's shareholding decreased from 100% to 3.08%. On August 23, 2023, the date of the equity transfer, the Company lost control over Tai Chuang Energy Co., Ltd. The remaining 3.08% equity interest was reclassified as financial assets at fair value through other comprehensive income - non-current at the net value of NT$19,395 thousand as of August 31, 2023, and a gain on disposal of the subsidiary of NT$19,666 thousand was recognized due to the loss of control.

1. Consideration Received

	2023
	Billion Sunpower Co., Ltd.
Cash and Cash Equivalents	**$ 162,798**

2. Assets and Liabilities out of Control

	Billion Sunpower Co., Ltd.
Net Assets Disposed	**$ 105,877**

3. Profit From Disposal of Subsidiary

	Billion Sunpower Co., Ltd.
Consideration Received	$ 162,798
Net Assets Disposed	(105,877)
Profit From Disposal of Subsidiary	**$ 56,921**

4. Net Cash Inflow From Disposal of Subsidiary

	Billion Sunpower Co., Ltd.
Consideration Received in Cash	$ 162,798
Less: Cash Disposed of and Cash in Exchange	(3,883)
	$ 158,915

(12) Property, Plant, and Equipment

Changes in cost and depreciation of the Company's property, plant and equipment are detailed as follows:

	Land	Building	Machinery and Equipment	Transportation Facilities	Office Equipment	Other Equipment	Construction in Progress and Equipment to Be Inspected	Total
Costs:								
Balance as of January 1, 2024	$ 185,820	105,781	89,530	3,196	24,167	193,646	-	602,140
Addition	100,916	4,700	5,890	-	494	13,694	3,958	129,652
Disposal	-	(861)	(28)	-	(379)	(14,584)	-	(15,852)
Reclassification	18,354	8,566	-	-	-	-	(3,958)	22,962
Balance as of December 31, 2024	$ 305,090	118,186	95,392	3,196	24,282	192,756	-	738,902
Balance as of January 1, 2023	$ 185,820	105,781	91,648	3,576	25,715	106,985	14,661	534,186
Addition	-	-	1,928	255	1,422	75,287	-	78,892
Disposal	-	-	(4,190)	(990)	(6,362)	(3,287)	-	(14,829)
Reclassification	-	-	144	355	3,392	14,661	(14,661)	3,891
Balance as of December 31, 2023	$ 185,820	105,781	89,530	3,196	24,167	193,646	-	602,140
Depreciation:								
Balance as of January 1, 2024	$ -	50,310	40,374	2,647	20,084	59,807	-	173,222
Current Depreciation	-	3,334	5,150	122	1,397	12,966	-	22,969
Disposal	-	(861)	(28)	-	(234)	(8,981)	-	(10,104)
Reclassification	-	702	-	-	-	-	-	702
Balance as of December 31, 2024	$ -	53,485	45,496	2,769	21,247	63,792	-	186,789
Balance as of January 1, 2023	$ -	47,075	39,935	3,576	22,194	49,540	-	162,320
Current Depreciation	-	3,235	4,629	61	1,192	13,554	-	22,671
Disposal	-	-	(4,190)	(990)	(6,362)	(3,287)	-	(14,829)
Reclassification	-	-	-	-	3,060	-	-	3,060
Balance as of December 31, 2023	$ -	50,310	40,374	2,647	20,084	59,807	-	173,322
Book value:								
December 31, 2024	$ 305,090	64,701	49,896	427	3,035	128,964	-	552,113
December 31, 2023	$ 185,820	55,471	49,156	549	4,083	133,839	-	428,918

Please refer to Note 8 for the details of long-term borrowings and financing limit guarantees on December 31, 2024 and 2023.

(13) Right-Of-Use Assets

Changes in the cost and depreciation of land, housing and building, and transport equipment leased by the Company are as follows:

	Land	Housing and Building	Machinery and Equipment	Transportation Facilities	Total
Costs of right-of-use assets:					
Balance as of January 1, 2024	$ 5,714	54,561	-	5,410	65,685
Addition	1,664	-	844	-	2,508
Decrease	-	(305)	-	(432)	(737)
Balance as of December 31, 2024	$ 7,378	54,256	844	4,978	67,456
Balance as of January 1, 2023	$ 5,714	54,561	-	3,789	64,064
Addition	-	-	-	1,621	1,621
Balance as of December 31, 2023	$ 5,714	54,561	-	5,410	65,685
Depreciation of right-of-use assets:					
Balance as of January 1, 2024	$ 956	16,414	-	2,490	19,860
Current Depreciation	570	4,784	317	1,430	7,101
Current Decrease	-	(305)	-	(432)	(737)
Balance as of December 31, 2024	$ 1,526	20,893	317	3,488	26,224
Balance as of January 1, 2023	$ 406	11,579	-	1,564	13,549
Current Depreciation	550	4,835	-	926	6,311
Balance as of December 31, 2023	$ 956	16,414	-	2,490	19,860
Book value:					
December 31, 2024	$ 5,852	33,363	527	1,490	41,232
December 31, 2023	$ 4,758	38,147	-	2,920	45,825

(14) Investment Property

Investment property includes land, houses and buildings held by the Company. The lease period of investment property under lease is from two to five years and the lessees do not have a preferential purchase right at the expiration of the lease period.

	Land	Housing and Building	Total
Costs or deemed costs:			
Balance as of January 1, 2024	$ 43,393	25,134	68,527
Addition	-	34,076	34,076
Reclassification	(18,354)	(2,510)	(20,864)
Balance as of December 31, 2024	$ 25,039	56,700	81,739
Balance as of January 1, 2023 (i.e., ending balance)	$ 43,393	25,134	68,527
Depreciation:			
Balance as of January 1, 2024	$ -	8,296	8,296
Current year depreciation	-	829	829
Reclassification	-	(702)	(702)
Balance as of December 31, 2024	$ -	8,423	8,423
Balance as of January 1, 2023	$ -	7,847	7,847
Current year depreciation	-	449	449
Balance as of December 31, 2023	$ -	8,296	8,296
Book amount:			
December 31, 2024	$ 25,039	48,277	73,316
December 31, 2023	$ 43,393	16,838	60,231
Fair value:			
December 31, 2024			$ 100,495
December 31, 2023			$ 95,230

The fair value of investment properties has not been evaluated by independent evaluators, and is only evaluated by the management of the Company with reference to the existing lease contracts and the market evidence of the transaction price of neighboring similar property.

As of December 31, 2024 and 2023, the above investment property has been provided as a guarantee for the financing limit. Please refer to Note 8 for details.

(15) Other Current Assets and Other Non-Current Assets

Other current and non-current assets of the Company are detailed as follows:

	December 31, 2024	December 31, 2023
Current		
Prepayment	$ 7,569	2,188
Prepaid Fees	8,195	10,256
Overpaid Tax Retained for Offsetting Future Tax Payable	6,024	8,690
Miscellaneous	1,452	-
Total	$ 23,240	21,134
Non-Current		
Prepaid Equipment	$ 13,313	-
Refundable Deposits	32,704	14,343
Long-Term Prepaid Fees	497	701
Total	$ 46,514	15,044

(16) Short-Term Loans

The short-term loans of the Company are detailed as follows:

	December 31, 2024	December 31, 2023
Secured Bank Loans	$ 140,000	1,000
Unused Limit	$ 468,000	781,000
Interest Rate Range	1.975%~3.176%	1.953%

Please refer to Note 8 for details of the Company’s pledge of assets for bank loans.

(17) Long-Term Loans

	December 31, 2024			
	Currency	Interest Rate (%)	Maturity Year	Amount
Secured bank loans	NTD	3.95%	2025	$ 13,437
Less: Part due within 1 year				(13,437)
Total				$ -
Unused limit				$ -

	December 31, 2023			
	Currency	Interest Rate (%)	Maturity Year	Amount
Secured bank loans	NTD	3.95%	2025	$ 35,765
No secured bank loans	NTD	2.30%	2029	20,875
Less: Part due within 1 year				(25,817)
Total				$ 30,823
Unused limit				$ 11,000

Please refer to Note 8 for details of the Company's pledge of assets for bank loans.

(18) Lease Liabilities

The book amounts of the Company's lease liabilities are as follows:

	December 31, 2024	December 31, 2023
Current	$ 6,542	6,175
Non-Current	$ 35,811	40,179

For maturity analysis, please refer to Note 6(28) Financial Instruments.

The amounts recognized to profit and loss are as follows:

	2024	2023
Interest Expense on Lease Liabilities	$ 896	974
Changes in Lease not Included in the Measurement of Lease Liabilities	$ 487	491
Short-Term Rental Expense	$ 136	101
Charges on Low-Value Leasehold Assets (Excluding Low-Value Leases on Short-Term Leases)	$ 96	83

The amounts recognized in the cash flow statement are as follows:

	2024	2023
Total Cash Outflows from Leases	$ 8,124	7,628

1. Rental of Housing and Building and Transport Equipment

The Company leases the land for the energy storage project, and the lease period is seven years and one month to ten years and six months.

The Company leases houses and building roofs for the construction of solar power plants for a period of twenty years.

The Company leases houses, buildings and transportation equipment for general operating activities, usually for a period of two to ten years and one month.

2. Other Leases

The Company leases office equipment, etc., and such leases are short-term and low-value leases. The Company chooses to apply the exemption recognition provisions instead of recognizing the relevant right-of-use assets and lease liabilities.

(19) Provision for Liabilities – Current

	December 31, 2024	December 31, 2023
Subsidy for Equity Transaction	$ -	9,394

Due to operational needs and for the purpose of revitalizing asset utilization, on August 3, 2017, the Board of Directors approved the resolution for the Company to sell 70% of its shares in EG-Billion Electronics (Dongguan) Ltd. to HCR Technology (Hong Kong) Ltd. The equity disposal transaction was completed in November 2018, except that EG-Billion Electronics (Dongguan) Ltd. was still in negotiations with Shizuo Town Industrial Development Co., Ltd. over the integrated service fees.

In December 2019, (Hong Kong) EG-Billion Ltd. and HCR Technology (Hong Kong) Ltd. reached a supplementary agreement on the contents of the above agreement. The maximum amount of the above compensation shall not exceed RMB 2,170 thousand. The disposal of (Hong Kong) EG-Billion Co., Ltd. was completed in August 2021, so the change for equity transactions is borne by the Company.

In June 2024, pursuant to a court ruling, EG-Billion Electronics (Dongguan) Ltd. had fully settled the comprehensive service fees with Dongguan Shijie Development Industrial Co., Ltd. Consequently, the Company paid a supplementary payment for the equity transaction amounting to RMB 2,170 thousand in August 2024.

(20) Employee Benefits

1. Defined Benefit Plans

The adjustment between the present value of welfare obligations and the fair value of plan assets determined by the Company is as follows:

	December 31, 2024	December 31, 2023
Present Value of Defined Benefit Obligations	$ 25,599	35,733
Fair Value of Plan Assets	(16,222)	(19,565)
Net Defined Benefit Liabilities	$ 9,377	16,168

(1) Plan Assets Composition

The pension funds allocated by the Company under the Labor Standard Method shall be under the overall management of the Labor Fund Utilization Bureau of the Ministry of Labor (hereinafter referred to as Labor Fund Bureau).

According to the "Measures for the Preservation and Utilization of the Income and Expenditure of the Labor Pension Fund", the minimum return of the annual distribution of the final accounts of the fund shall not be less than the return calculated on the two-year fixed deposit rate of the local bank.

As of the reported date, the balance of the special account of the Bank of Taiwan for labor retirement reserve of the Company is NT$16,222. For information on the asset management of the Labor Pension Fund, including the fund yield and fund asset allocation, please refer to the website of the Labor Fund Utilization Bureau of the Ministry of Labor.

(2) Changes in Present Value of Defined Benefit Obligations

The present value changes of the Company's benefit obligations in 2024 and 2023 are determined as follows:

	2024	2023
The present value of the benefit obligation is determined as of January 1	$ 35,733	38,773
Current service cost and interest	539	805
Long-service bonuses	(176)	98
Remeasurements of the net defined benefit liability		
Actuarial losses (gains) arising from changes in financial assumptions	(396)	719
Actuarial losses (gains) of experience adjustment	(933)	(1,363)
Benefits to be paid	(9,168)	(3,299)
The present value of the benefit obligation is determined as of December 31	$ 25,599	$ 35,733

(3) Changes in Fair Value of Plan Assets

The changes in the fair value of the assets of the Company's defined benefit plan for 2024 and 2023 are as follows:

	2024	2023
Fair value of plan assets as of January 1	$ 19,565	22,133
Interest income	254	345
Remeasurements of the net defined benefit liability		
Return on planned assets (excluding current interest)	1,786	97
Amount already allocated to the plan	1,324	233
Benefits to be paid	(6,707)	(3,243)
Fair value of plan assets as of December 31	$ 16,222	19,565

(4) Expenses Recognized as Profit or Loss

Details of costs and expenses reported by the Company for 2024 and 2023 are as follows:

	2024	2023
Current Service Cost	$ 81	209
Net Interest on net Defined Benefit Liabilities	204	251
	$ 285	460

	2024	2023
Operating Costs	$ 54	69
Sales Expenses	36	71
Administrative Expenses	54	97
Research and Development Expenses	141	223
	$ 285	460

(5) Remeasurement of net Definable Benefit Liabilities Admitted as Other Comprehensive Gains and Losses

The cumulative pre-tax remeasurement of the Company's net defined benefit liabilities to other comprehensive income and loss is as follows:

	2024	2023
Accumulated Balance as of January 1	$ 15,745	15,004
Recognized in the Current Period	3,115	741
Accumulated Balance as of December 31	$ 18,860	15,745

(6) Actuarial Assumptions

The significant actuarial assumptions used by the Company to determine the present value of its benefit obligations at the close of financial reporting date are as follows:

	December 31, 2024	December 31, 2023
Discount Rate	1.55%	1.30%
Rate of Future Wage Increases	1.50%	1.50%

The Company expects to make a provision of NT$1,334 thousand to the defined benefit plan for one year after the reporting date of 2024.

The weighted average duration of defined benefit plans was 6.4 years.

(7) Sensitivity Analysis

The impact of changes in the major actuarial assumptions applicable on December 31, 2024 and 2023 on the determination of the present value of benefit obligations is as follows:

	Impacts on Present Value of Defined Benefit Obligation	
	Assumed Reduction	**Assumed Addition**
December 31, 2024		
Discount rate (change 0.50%)	$ 808	(767)
Future salary (change 0.50%)	(764)	796
December 31, 2023		
Discount rate (change 0.50%)	1,383	(1,466)
Future salary (change 0.50%)	(1,373)	1,441

The above sensitivity analysis is based on the analysis of the effect of changes in a single hypothesis when other hypotheses remain constant. In practice, many assumptions may change in tandem. The sensitivity analysis is consistent with the method used to calculate the net defined benefit liability of the balance sheet.

The methods and assumptions used in the preparation of sensitivity analysis in this period are the same as in the previous period.

2. Defined Contribution Plans

The defined contribution plan of the Company shall be made to the employees' pension Individual account of the Labor Insurance Bureau at the rate of 6% of the employees' monthly wages as stipulated in the employees' Pension Ordinance. There is no statutory or constructive obligation to pay any additional amount after the amount drawn by the Company under this plan has been paid to the Bureau of Labor Insurance.

The pension expenses under the Company's determinate Pension Scheme for 2024 and 2023 are NT$4,426 thousand and NT$5,097 thousand respectively, which have been allocated to the Labor Insurance Bureau.

(21) Income Tax

1. Income Tax Expense

The Company's income tax expense (benefit) for 2024 and 2023 is detailed as follows:

	2024	2023
Current Income tax Expense (Benefits)		
Generated in the Current Period	$ 310	6,662
Adjust the Current Income Tax of the Previous Period	(113)	(8,524)
	197	(1,862)
Deferred Income Tax Expenses (Benefits)		
Occurrence and Reversal of Temporary Differences	469	(4,399)
Income Tax Expense (Benefit)	**$ 666**	**$ 6,261**

The income tax expense (benefit) of the Company for 2024 and 2023 as recognized under other comprehensive income and loss is as follows:

	2024	2023
Items not Reclassified to Profit or Loss:		
Re-Measurement of Defined Benefit Plan	**$ 623**	**148**
Items That May Be Subsequently Reclassified to Profit or Loss:		
Exchange Differences on Translating the Financial Statements of Foreign Operations	**$ 2,836**	**(6)**

Adjustment of the relationship between income tax expense and pre-tax net profit of the Company in 2024 and 2023 is as follows:

	2024	2023
Net (Loss) Profit Before Tax	($ 24,087)	**64,887**
Income Tax Based on the Domestic Tax Rate of the Company's Location	($ 4,817)	$ 12,978
The Return of Overseas Funds to Taiwan Is Subject to Separate Taxation	-	(6,203)
Impact of foreign jurisdiction tax rate differences	136	-
Income Exemption	-	(21,414)
Income Basic Tax	-	5,278
Current Taxable Loss on Deferred Income Tax Assets not Recognized	5,783	4,039
Early Overvaluation	(113)	(2,322)
Additional Income Tax on Undistributed Earnings	174	1,383
Non-tax-deductible expenses	(497)	-
Income Tax Expense (Benefits)	**$ 666**	**(6,261)**

2. Deferred Income Tax Assets and Liabilities

(1) Deferred Income tax Assets Are not Recognized

	2024	2023
Deductible Temporary Difference		
Expected Credit Impairment Losses	$ 159,960	159,960
Impairment Losses	13,234	13,234
	$ 173,194	173,194

(2) Recognized Deferred tax Assets and Liabilities

Changes in deferred tax assets and liabilities for 2024 and 2023 are as follows:

Deferred Income Tax Assets

	2024			
	Beginning Balance	**(Debit)/Credit Income Statement**	**(Debit)/Credit in Other Comprehensive Income Statements**	**Ending Balance**
Defined benefit pension plan	$ 3,312	(208)	(623)	2,481
Unrealized gross margin	2,741	(575)	-	2,166
Loss on inventory write-down	8,421	(4,857)	-	3,564
Unrealized loss on exchange	684	(684)	-	-
Loss carryforward	-	7,531	-	7,531
	$ 15,158	1,207	(623)	15,742

	2023			
	Beginning Balance	**Debit/Credit Income Statement**	**(Debit)/Credit in Other Comprehensive Income Statements**	**Ending Balance**
Defined benefit pension plan	$ 3,413	47	(148)	3,312
Unrealized gross margin	5,170	(2,429)	-	2,741
Loss on inventory write-down	6,107	2,314	-	8,421
Unrealized loss on exchange	-	684	-	684
	$ 14,690	616	(148)	15,158

As of December 31, 2024, the tax losses recognized by the Group as deferred income tax assets and their expiration periods are as follows:

Loss Year	Unused Losses	Last Deductible Year
2024 (Estimated amount)	$ 37,657	2034

Deferred Income Tax Liabilities

	2024			
	Beginning Balance	Debit/(credit) Income Statement	Debit/(Credit) in Other Comprehensive Income Statements	Ending Balance
Income from foreign investment	$ 25,775	(4,838)	-	20,937
Exchange differences on translating the financial statements of foreign operations	213	-	2,836	3,049
Unrealized gain on exchange	-	6,514	-	6,514
	$ 25,988	1,676	2,836	30,500

	2023			
	Beginning Balance	Debit/(credit) Income Statement	Debit/(Credit) in Other Comprehensive Income Statements	Ending Balance
Income from foreign investment	$ 28,706	(2,931)	-	25,775
Exchange differences on translating the financial statements of foreign operations	219	-	(6)	213
Unrealized gain on exchange	852	(852)	-	-
	$ 29,777	(3,783)	(6)	25,988

3. Approval

The income tax settlement declaration of the Company's profit-making business has been approved by the tax collecting authority until 2022.

(22) Capital and Other Equity

1. Issue of Common Stock

As of December 31, 2024 and 2023, the Company's authorized capital was both $2,500,000 thousand, and 12,350 thousand shares were reserved for the issuance of employee stock options, with a par value of $10 per share and a total of 250,000 thousand shares. The aforementioned authorized capital includes 115,533 thousand shares and 115,419 thousand shares of common stock issued, respectively. All issued shares were received.

In 2024, the Company issued 555 thousand new shares at par value due to the exercise of the employee stock warrants, with a total amount of $5,553 thousand, of which 84 thousand shares have completed the legal registration procedures, and all the shares issued have been collected.

On March 14, 2023, the Company's board of directors resolved to issue ordinary shares through private placement for cash capital increase, and the board of directors resolved to issue 15,000 thousand ordinary shares at a private placement price of NT $35.32 per share, with a par value of NT $10 per share, totaling $529,800 thousand. The base date of the capital increase is March 15, 2023, and the relevant statutory registration procedures have been completed.

In 2023, the Company issued 631 thousand new shares at par value due to the exercise of the employee stock warrants, with a total amount of $6,310 thousand, and all the shares issued have been collected.

2. Capital Surplus

The balance of the Company's capital reserve is as follows:

	December 31, 2024	December 31, 2023
Premium on issuance of shares	$ 634,159	630,271
Treasury share transactions	5,929	5,929
Treasury share transactions (Transfer of employee stock options)	19,262	19,262
Difference between actual acquisition or disposal of equity interest in a subsidiary and its carrying value	19,777	22,449
Recognition of changes in all equity in subsidiaries	2,336	2,336
The number of changes in the net equity value of subsidiaries and associates	32	32
Consolidated overdraft	8,173	8,173
Employee stock options	588	2,354
Income received from gifts	1,890	1,890
	$ 692,146	692,696

According to the Company Law, after the capital reserve is required to cover the loss preferentially, the realized capital reserve may be issued to new shares or cash in proportion to the original shares of the shareholders. The realized capital reserve referred to in the preceding paragraph includes the excess from issuing shares in excess of par value and the income from receiving gifts. In accordance with the guidelines for the treatment of issuers' offering and issuance of marketable securities, the total amount of the capital reserve appropriated for replenishment shall not exceed 10% of the paid-in capital.

3. Retained Earnings

According to the Articles of Incorporation of the Company, after paying all taxes and dues according to law and making up for accumulated losses, 10% of the remaining profit of the Company after annual closing of the books shall be appropriated as the legal surplus reserve; where such legal surplus reserve amounts to the total paid-in capital of the Company, this provision shall not apply; the remainder shall be used to appropriate or reverse the special surplus reserve. If there is still remaining balance, the board of directors shall draw up an earnings distribution proposal on the balance and the accumulated undistributed earnings, and submit it to the shareholders' meeting.

The Company's dividend policy, in line with the current and future development plan, the investment environment, capital needs and domestic and foreign competition, and taking into account the shareholders' interests and other factors, is that the annual allocation of distributable earnings shall not be less than 10% of the distribution of shareholders' dividends, except that when the accumulated distributable earnings is less than 5% of the paid-in share capital, it may not be distributed; at the time of distribution of shareholders' dividends, the proportion of cash dividends in the shareholders' dividends distributed in the current year shall be not less than 5% of the total annual distribution of dividends, and the remaining cash dividends shall be distributed in the form of share dividends, but the actual distribution ratio shall be adjusted according to the actual profit and operating conditions of the current year.

(1) Legal Reserve

If the Company has no losses, it may, by resolution of the shareholders' meeting, issue new shares or cash out of the legal reserve, provided that the reserve exceeds 25% of the paid-in capital.

(2) Special Reserve

When the Company first adopted IFRS approved by the Financial Regulatory Commission, the unrealized revaluation appreciation under shareholders' equity, the cumulative conversion adjustment (interest) and the classification of the assets in the accounts as "investment real estate" on the conversion date due to the selection of the exempted items under IFRS No. 1 "First Adoption of IFRS", If the fair value of the conversion date is taken as the recognized cost to increase the retained surplus, the same amount of special reserve may be set aside in accordance with the Financial Regulatory Commission's Order No. 1010012865 issued on April 6, 2012, and surplus may be redistributed in proportion to the original special reserve when the relevant assets are used, disposed of or reclassified.

In accordance with the regulations of the Financial Regulatory Commission, when distributing distributable surplus, the Company shall set aside a special reserve from the current profit and loss and the undistributed surplus of the previous period for the net deduction of other shareholders' equity in the accounts of the current year; the amount of other shareholders' equity deduction accumulated in the previous period shall not be distributed the special reserve of the same amount drawn from the undistributed surplus of the previous period. If there is any subsequent reversal of the amount of other shareholders' equity reduction, the surplus may be distributed in the reversal.

(3) Earnings Distribution

The appropriations of earnings for 2023 and 2022 were approved by the shareholders' meeting on May 29, 2024 and June 7, 2023. The appropriations and dividends to shareholders were as follows:

	2023		2022	
	Amount per Share (NT$)	**Amount**	**Amount per Share (NT$)**	**Amount**
Dividends distributed to ordinary equity owners:				
Cash	$ 0.37	$ 42,298	$ 0.26	$ 29,387

4. Treasury Shares

The changes of the Company's Treasury shares in 2024 and 2023 are detailed as follows:

	2024		2023	
	Transfer of Shares to Employees (Thousand Shares)	**Transfer of Shares to Employees (NT$ Thousand)**	**Transfer of Shares to Employees (Thousand Shares)**	**Transfer of Shares to Employees (NT$ Thousand)**
Beginning balance	1,146	$ 25,057	1,191	25,913
Transferred to Group's employees in the current year	-	-	(45)	(856)
Ending Balance	1,146	$ 25,057	1,146	25,057

The number of uncancelled treasury shares of the Company as of December 31, 2024 and 2023 was 1,146 thousand. The Treasury shares held by the Company shall not be pledged in accordance with the provisions of the Securities Exchange Act, and do not carry shareholder rights before transfer.

5. Other Equity (Net Amount After Tax)

	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Appraisal Gains and Losses on Financial Assets Measured at Fair Value Through Other Comprehensive Gains and Losses	Total
January 1, 2024	($ 6,106)	(25,357)	(31,463)
The exchange difference resulting from the conversion of the net assets of the foreign operating institution	11,346	-	11,346
Unrealized appraisal gains and losses on financial assets measured at fair value through other comprehensive gains and losses	-	(8,926)	(8,926)
Unrealized appraisal gains and losses on financial assets measured at fair value through other comprehensive gains and losses	-	(333)	(333)
Balance as of December 31, 2024	$ 5,240	(34,616)	(29,376)
January 1, 2023	($ 6,080)	(41,492)	(47,572)
The exchange difference resulting from the conversion of the net assets of the foreign operating institution	(26)	-	(26)
Unrealized appraisal gains and losses on financial assets measured at fair value through other comprehensive gains and losses	-	16,135	16,135
Balance as of December 31, 2023	($ 6,106)	(25,357)	(31,463)

(23) Share-Based Payment

As of December 31, 2024, the Company had the following three share base payment transactions:

	First Employee Stock Option	Second Employee Stock Option	Third Employee Stock Option
Grant date	2020.08	2021.03	2021.06
Grant quantity	2,559	130	111
Execution price (NT$)	12.6	23.45	22.65
Contract Period	5 years	5 years	5 years
Vesting Conditions	At the end of two years, according to the specific schedule and proportion	At the end of two years, according to the specific schedule and proportion	At the end of two years, according to the specific schedule and proportion

1. Measurement Parameters of Fair Value at the Grant Date

The Company adopts the option evaluation model to estimate the fair value of employee stock options at the grant date, the assumptions and fair value are summarized as follows:

	First Payment: Employee Stock Options	Second Payment: Employee Stock Options	Third Payment: Employee Stock Options
Stock price on grant date	$ 12.60	23.45	22.65
Execution price	12.60	23.45	22.65
Expected price volatility	39.54%	50.02%	52.06%
Expected duration (years)	3.5-4.5	3.5-4.5	3.5-4.5
Expected dividend rate	-%	-%	-%
Risk-free interest rate	0.5130%	0.0970%	0.1320%

2. Information About the Employee Stock Option Plan

(in thousand of units)

	2024		2023	
	Weighted Average Performance Price (NT$)	Number of Warrants	Weighted Average Performance Price (NT$)	Number of Warrants
Shares outstanding as of January 1	$ 13.64	531	13.51	1,034
Amount granted in the current period	12.60	259	-	-
Amount lost in the current period	19.47	(20)	12.60	(64)
Amount executed in the current period	13.19	(296)	13.44	(465)
Transferred within the Group in the current period	13.91	(123)	12.60	26
Shares outstanding as of December 31	12.83	**351**	13.64	**531**
Executable quantity as of December 31	14.96	**26**	13.35	**107**

The Company's outstanding stock options are as follows:

	December 31, 2024	December 31, 2023
Execution Price Range (NT$)	$12.60-$23.45	$12.60-$23.45
Weighted Average Remaining Contract Period (Years)	0.61-1.47	1.61-2.47

3. Employee Expenses

	2024	2023
Expenses Incurred due to Employee Warrants	($ 323)	846

On December 31, 2024 and 2023, the transfer of treasury shares based on the Company's share payment by employees is as follows:

1. Measurement Parameters of Fair Value at the Grant Date

	2024	2023
Stock Price on Grant Date	$ 36.50	36.50
Execution Price	19.02	19.02
Expected Volatility	41.198%	41.198%
Expected Duration	0.09 ~1.09 years.	0.09 ~1.09 years.
Risk-Free Interest Rate	1.090%	1.090%

2. Information on Transfer of Treasury Shares

The Company transferred 50 thousand treasury shares to employees in 2023, respectively, of which 50 thousand treasury shares were transferred to employees of the Company.

	2024		2023	
	Weighted Average Exercise Price	Number of Shares (Thousands)	Weighted Average Exercise Price	Number of Shares (Thousands)
Shares outstanding as of January 1	$ 19.02	30	19.02	25
Amount granted in the current period	-	-	19.02	50
Amount executed in the current period	-	-	19.02	(45)
Shares outstanding as of December 31	19.02	30	19.02	30
Executable quantity as of December 31		30		30

3. The expenses incurred by the Company in 2024 and 2023 due to the transfer of treasury shares paid on a share basis were NT$0 thousand and NT$411 thousand respectively.

(24) Earnings per Share

The Company's basic and diluted earnings per share are calculated as follows:

1. Basic Earnings (Loss) per Share

(1) Net Income Attributable to Holders of Common Equity of the Company

	2024	2023
Net income (loss) attributable to the Company for the period	($ 24,753)	71,148

(2) Weighted Average Number of Common Shares Outstanding

Unit: Thousand shares

	2024	2023
Weighted average number of common shares outstanding	$ 114,500	110,862

2. Diluted Earnings (Loss) per Share

(1) Net Income Attributable to Holders of Common Equity of the Company (Diluted)

	2024	2023
Net income (loss) attributable to holders of common equity of the Company (Diluted)	($ 24,753)	71,148

(2) Weighted Average Number of Common Shares Outstanding (Diluted)

Unit: Thousand shares

	2024	2023
Weighted average number of common shares outstanding (Basic)	114,500	110,862
Effect of dilutive potential common shares		
Effect of employee stock options	-	785
Effect of employee stock compensation	-	92
Weighted average number of common shares outstanding (Diluted)	114,500	111,739
Basic earnings per share	($ 0.22)	0.64
Diluted earnings per share	($ 0.22)	0.64

As the Company incurred a net loss after tax in 2024, the potential common shares, including employee compensation to be settled in stock and unvested employee stock options, would have an anti-dilutive effect if included. Therefore, they were not considered in the calculation of diluted loss per share

(25) Revenue From Customer Contracts

1. Subdivision of Income

	2024	2023
Key Regional Markets		
Taiwan	$ 173,419	211,280
Americas	124,966	185,067
Other countries	50,577	80,426
	$ 348,962	476,773
Key Products		
Communication electronic equipment	$ 131,437	186,779
Energy storage equipment sales and construction engineering	53,245	44,280
Power supply equipment	146,136	214,123
Revenue from sale of electricity	18,144	31,591
	$ 348,962	476,773

2. Contract Balance

	December 31, 2024	December 31, 2023	January 1, 2023
Notes Receivable	$ 107	47	955
Accounts Receivable	37,495	38,445	31,630
Accounts Receivable - related parties	18,291	29,680	17,804
Less: Loss Allowance	(367)	(212)	(212)
	$ 55,526	67,960	50,177
Contract Performance Costs	$ 13,414	14,845	55,704
Contractual Liabilities	$ 25,419	4,198	23,613

Please refer to Note 6(5) for detailed disclosure of notes and accounts receivable and their impairments.

Contractual liabilities are primarily derived from proceeds received on product sales contracts, which the Company will carry forward when products are delivered to customers.

(26) Remuneration to Employees and Directors

In accordance with the Articles of Incorporation of the Company, if there is any profit in a year, the compensation of employees and directors shall be set aside at a rate of no less than 2% and no more than 3% respectively according to the pre-tax profit of the year before deducting the compensation of employees and directors. However, if the Company still has accumulated losses, it shall reserve the compensatory amount in advance. To whom stock or cash is paid, including employees of affiliated companies who meet certain conditions.

The estimated compensation for employees of the Company in 2024 and 2023 is $ 0 thousand and $ 3,500 thousand respectively, and the estimated compensation for directors is $ 0 thousand and $ 1,200 thousand respectively, based on the amount of the Company's net profit before tax deducting employee and director compensation for each period multiplied by the allocation of employee and director compensation as stipulated in the Articles of Incorporation. Operating expenses for 2024 and 2023 are reported side by side. The employee and director compensation as determined by the foregoing Board of Directors does not differ from the estimated amount in the Company's consolidated financial statements for 2024 and 2023, and relevant information is available on the Market Observation Post System (MOPS).

(27) Non-operating Revenue and Expenses

1. Interest Income

The Company's interest income details are as follows:

	2024	2023
Bank Interest	$ 20,817	19,404
Other Interest Income	6,775	6,069
	$ 27,592	25,473

2. Other Income

The Company's other income details are as follows:

	2024	2023
Rental Income	$ 9,529	9,183
Dividend Income	-	154
Other Income	8,337	25,953
	$ 17,866	35,290

3. Other Gains and Losses

The Company's other benefits and (losses) details are as follows:

	2024	2023
Disposal of property, plant, and equipment	$ 329	-
Disposal of Investment Interests	-	76,587
Foreign Exchange Gains (Losses)	42,157	(989)
Profit on Financial Assets Measured at Fair Value Through Profit and Loss	20	663
Other	(1,051)	(423)
	$ 41,455	75,838

4. Financial Costs

The Company’s financial costs details are as follows:

		2024	2023
Interest on Bank Loans	$	4,121	1,793
Interest on Lease Liabilities		896	974
Interest on Other Loans		1,016	1,896
Interest on Loans from Related Parties		160	-
	$	6,193	4,663

(28) Financial Instruments

1. Credit Risk

(1) The Amount of the Maximum Credit Risk

The book amount of financial assets and contractual assets represents the maximum credit storm risk amount.

(2) Concentration of Credit Risk

As of December 31, 2024 and 2023, 65% and 57% of the balance of accounts receivable of the Company are composed of the five customers before the Company, respectively, resulting in a significant concentration of credit risk of the Company.

(3) Credit Risk of Receivables

Please refer to Note 6(5) for detailed credit risk storm information on notes receivable and accounts receivable.

Other financial assets measured at amortized cost include other receivables, restricted deposits and certificates of deposit.

The above are financial assets with low credit risk, and therefore the allowance for losses for the period is measured by the amount of expected credit loss for the twelve- month period (please refer to Note 4(6) for a description of how the Company determines low credit risk).

2. Liquidity Risk

The following table shows the contractual maturity date of financial liabilities, including estimated interest but excluding the impact of netting agreements.

	Carrying Amount	Contract Cash Flow	Within 12 Months	1-5 Years	More Than 5 Years
December 31, 2024					
Non-derivative financial liabilities					
Non-interest-bearing liabilities	$ 125,753	125,753	125,753	-	-
Lease liabilities (including maturity within one year)	42,353	45,463	7,339	24,749	13,375
Floating rate instrument	140,000	140,623	140,623	-	-
Fixed-rate instrument	13,437	13,615	13,615	-	-
Total	$ 321,543	325,454	287,330	24,749	13,375
December 31, 2023					
Non-derivative financial liabilities					
Non-interest-bearing liabilities	$ 80,529	80,529	80,529	-	-
Lease liabilities (including maturity within one year)	46,354	50,216	7,060	24,421	18,735
Floating rate instrument	21,875	23,305	4,953	15,730	2,622
Fixed-rate instrument	35,765	36,955	23,340	13,615	-
Total	$ 184,523	191,005	115,882	53,766	21,357

The Company does not anticipate that the cash flows from the maturity analysis will occur significantly earlier or that the actual amounts will be significantly different.

3. Foreign Exchange Risk

(1) Exchange Rate Risk Exposure

The financial assets and liabilities of the Company exposed to material foreign currency exchange rate risks are as follows:

	December 31, 2024			December 31, 2023		
	Foreign Currency	Currency Exchange Rate	NTD	Foreign Currency	Currency Exchange Rate	NTD
Financial Assets						
Monetary Items						
USD	$ 23,202	32.785	760,691	28,363	30.705	870,876
EUR	201	34.140	6,850	215	34.003	7,326
JPY	1,854	0.209	389	30,264	0.217	6,567
Financial Liabilities						
Monetary Items						
USD	135	32.785	4,421	585	30.705	17,961
RMB	442	4.478	1,982	2,643	4.329	11,442

(2) Sensitivity Analysis

The exchange rate risk of the monetary items of the Company is mainly due to cash and equivalent cash denominated in foreign currency, accounts receivable and other receivables, borrowings, accounts payable and other payables, etc., resulting in foreign currency exchange gains and losses upon conversion. When the New Taiwan Dollar depreciates or revalues by 5% against the US dollar and the RMB on December 31, 2024 and 2023, all other factors being held constant, the net profit before tax in 2024 and 2023 will increase or decrease by NT$ 38,076 thousand and NT$42,768 thousand, respectively. The two analyses are based on the same basis.

(3) Exchange Gains and Losses on Monetary Items

Due to the variety of functional currencies of the Company, the exchange profit and loss information of monetary items is disclosed by means of integration. The profit (loss) of foreign currency exchange in 2024 and 2023 (including realized and unrealized) is NT$42,157 thousand and NT$(989) thousand respectively.

4. Interest Rate Analysis

Interest rate risks on the financial assets and financial liabilities of the Company are described in the Liquidity Risk Management section of this note.

The following sensitivity analysis is based on the interest rate risk of derivative and non- derivative instruments as of the reporting date. For floating rate liabilities, the analysis assumes that the amount of liabilities outstanding on the reported date is outstanding for the whole year. The rate of change used internally by the Company to report interest rates to key management is a 0.25% increase or decrease in interest rates, which also represents the management's assessment of the range of reasonably possible changes in interest rates.

If interest rates increase or decrease by 0.25%, the Company's 2024 and 2023 pre-tax net income will decrease or increase by NT$350 thousand and NT$55 thousand, all other variables being held constant.

5. Other Price Risks

If daily price changes of equity securities are reported (the analysis of the two periods is based on the same basis, and other changing factors are assumed to remain unchanged), the impact on the comprehensive income and loss items is as follows:

	2024		2023	
Securities Prices on the Reporting Day	**Pre-Tax Amount of Other Comprehensive Gains and Losses**	**Pre-Tax Profit and Losses**	**Pre-Tax Amount of Other Comprehensive Gains and Losses**	**Pre-Tax Profit and Losses**
Increase by 10%	$ 6,040	-	6,933	199
Decrease by 10%	($ 6,040)	-	(6,933)	(199)

6. Fair Value and Book Amount

(1) Types and Fair Values of Financial Instruments

The financial assets and liabilities of the Company measured at fair value through profit and loss and the financial assets measured at fair value through other comprehensive profit and loss are measured at fair value on a recurring basis. Book amount and fair value of various types of financial assets and financial liabilities (including fair value grade information, but the book amount of financial instruments not measured by fair value is a reasonable approximation of fair value, and leasing liabilities, according to the provisions of the fair value information is not required to disclose) are listed as follows:

	December 31, 2024				
		Fair Value			
	Carrying Amount	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Other Comprehensive Income					
Domestic unlisted (over-the-counter) shares	$60,401	-	-	60,401	60,401
Financial Assets at Amortized Cost					
Cash and cash equivalents	271,918	-	-	-	-
Financial assets at amortized cost	431,011	-	-	-	-
Notes and accounts receivable (including related parties)	55,526	-	-	-	-
Other receivables (including related parties)	19,261	-	-	-	-
Subtotal	777,716	-	-	-	-
Total	**$ 838,117**	**-**	**-**	**60,401**	**60,401**
Financial Liabilities Measured at Cost After Amortization					
Short-term loans	$ 140,000	-	-	-	-
Accounts payables	17,056	-	-	-	-
Other payables (including related parties)	108,697	-	-	-	-
Lease liabilities (including maturity within 1 year)	42,353	-	-	-	-
Long-term loans (including maturity within 1 year)	13,437	-	-	-	-
Total	**$ 321,543**	**-**	**-**	**-**	**-**

	December 31, 2023				
		Fair Value			
	Carrying Amount	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss	$ 24,761	24,761	-	-	24,761
Financial Assets at Fair Value Through Other Comprehensive Income					
Domestic unlisted (over-the-counter) shares	69,327	-	-	69,327	69,327
Financial Assets at Amortized Cost					
Cash and cash equivalents	496,054	-	-	-	-
Financial assets at amortized cost	407,278	-	-	-	-
Notes and accounts receivable (including related parties)	67,960	-	-	-	-
Other receivables (including related parties)	45,078	-	-	-	-
Subtotal	1,016,370	-	-	-	-
Total	**$1,110,458**	**24,761**	**-**	**69,327**	**94,088**
Financial Liabilities Measured at Cost After Amortization					
Short-term loans	$ 1,000	-	-	-	-
Accounts payables	30,777	-	-	-	-
Other payables (including related parties)	49,752	-	-	-	-
Lease liabilities (including maturity within 1 year)	46,354	-	-	-	-
Long-term loans (including maturity within 1 year)	56,640	-	-	-	-
Total	**$ 184,523**	**-**	**-**	**-**	**-**

(2) Fair value evaluation technique for measuring financial instruments at fair value

(2.1) Non-Derivative Financial Instruments

If a financial instrument has an open quotation on the active market, the fair value shall be the open quotation on the active market. The market prices announced by the major exchanges and the Central Government Bond Counter trading centers judged to be hot bonds are the basis for the fair value of listed equity instruments and debt instruments quoted in active markets.

A financial instrument is publicly quoted in an active market if it is promptly and frequently obtained from an exchange, broker, underwriter, industry association, pricing service or authority and the price represents an actual and frequent fair market trader. If the above conditions are not met, the market is deemed to be inactive. In general, a wide bid-ask spread, a significant increase in bid-ask spread or very little trading volume are indicators of an inactive market.

The fair value of the financial instruments held by the Company in an active market is shown by class and attribute as follows:

The fair value of financial assets and liabilities, such as redeemable bonds, TWSE/TPEx listed companies shares, bills of exchange and bonds, which are subject to standard terms and conditions and are traded in the active market, shall be determined by reference to market quotations respectively.

Besides the aforementioned financial instruments with active markets, the fair value of the remaining financial instruments is determined using valuation techniques or based on counterparty quotations. The fair value obtained through the evaluation technique may be calculated by reference to the current fair value of other financial instruments with similar material conditions and characteristics, the discounted cash flow method or by other evaluation techniques, including the use of models based on market information available at the reported date (e.g., the counter buying center reference yield curve, the Reuters commercial note rate average quote).

The fair value of the financial instruments held by the Company in an inactive market is shown by class and attribute as follows:

Unquoted equity instruments: The fair value is estimated using the market comparable company law, and its main assumption is based on the estimated earnings before interest, depreciation and amortization of investors and the earnings multiplier derived from the market quotation of comparable TWSE/TPEx listed companies. This estimate has been adjusted for the effect of the discount on the lack of market liquidity of the equity securities.

(3) Transfer Between Level 1 and Level 2

There is no transfer in 2024 and 2023.

(4) Schedule of Changes to Level 3

	Measured at Fair Value Through Other Comprehensive Gains and Losses	
	No Equity Instrument of Open Offer	
January 1, 2024	$	69,327
Total Gains and Losses		
Recognized in other comprehensive income		(8,926)
December 31, 2024	**$**	**60,401**
January 1, 2023	$	3,797
Total Gains and Losses		
Recognized in other comprehensive income		16,135
Reclassification		19,395
Purchase		30,000
December 31, 2023	**$**	**69,327**

The aforementioned total gains are reported under "Unrealized appraisal gains on financial assets measured at fair value through other comprehensive gains and losses" Of which, those related to the assets still held as of December 31, 2024 and 2023 are as follows:

	2024	2023
Total Gains and Losses Recognized in other comprehensive income (Reported under "Unrealized appraisal gains on financial assets measured at fair value through other comprehensive gains and losses")	($ 8,926)	16,135

(5) Quantitative information on fair value measurement of significant unobservable inputs (Level 3)

Level 3 of the fair value measurement of the Company mainly refers to the financial asset-equity securities investment measured by the fair value of other comprehensive profit and loss, while the domestic and foreign unlisted (over-the-counter) equity investments are calculated using the comparable listed company method to calculate the fair value of the investment bid, and the comparable listed and over-the-counter companies method refers to companies engaged in the same or similar business whose shares are traded at the transaction price of an active market, the value multipliers implied by those prices, and considers the liquidity discount to determine the value of the target company.

(29) Financial Risk Management

1. Summary

The Company is exposed to the following risks as a result of the use of financial instruments:

(1) Credit risk

(2) Liquidity risk

(3) Market risk

This note provides critical information about the risks of the Company and the objectives, policies, and procedures of the Company for measuring and managing risks. Please refer to the notes to this financial report for further quantitative disclosure.

2. Risk Management Architecture

The Company's main financial instruments include equity and debt investments, accounts receivable, accounts payable, loans and lease liabilities. Cleanaway's finance administration department provides services to various business units, coordinating their operation to enter the domestic and international financial markets.

By analyzing the internal risk exposure report according to the degree and breadth of risks, it supervises and manages the financial risks related to the operation of Cleanaway. These include market risk (including exchange rate risk, interest rate risk, and other price risks), credit risk and liquidity risk.

3. Credit Risk

Credit risk is the risk of financial loss arising from the failure of the Company to meet its contractual obligations by its customers or counterparties to financial instruments, mainly from the Company's bank deposits, accounts receivable from its customers and investments in securities.

(1) Accounts Receivable and Other Receivables

The policy adopted by the Company is to deal only with reputable counterparties and to obtain, where necessary, adequate guarantees to mitigate the risk of financial loss arising from defaults.

(2) Investments

The credit risk of bank deposits, fixed income investments and other financial instruments is measured and monitored by the Company's finance department. There is no material credit risk as the transaction parties and performance parties of the Company are banks with good credit standing and financial institutions, corporate organizations and government agencies with investment grade or above.

(3) Guarantee

Please refer to Note 7 for the endorsements/guarantees provided by the Company on December 31, 2024 and 2023.

4. Liquidity Risk

The Company manages and maintains sufficient cash and cash equivalents to support operations of the Company and mitigate the effects of fluctuations in cash flows. The management of the Company supervises the use of credit facility from the Banks and ensures compliance with the terms of the loan contracts.

On December 31, 2024 and 2023, the unutilized bank loan facility of the Company is NT$468,000 thousand and NT$792,000 thousand, respectively.

5. Market Risk

Market risk refers to the risk that changes in market prices, such as changes in exchange rates, interest rates, and the price of equity instruments, may affect the earnings or value of the financial instruments held by the Company. The objective of market risk management is to control the degree of market risk within an acceptable range and to optimize the return on investment.

(1) Foreign Exchange Risk

The Company is exposed to exchange rate risks arising from sales, procurement and borrowing transactions denominated in non-functional currencies. The functional currency of the Company will be the NTD. The major currencies for transactions are NTD, USD and RMB.

(2) Interest Rate Risk

The Company holds floating rate assets and liabilities and thus generates cash flow interest rate risk. The Company's floating rate financial assets and financial liabilities are detailed in the Liquidity Risk Management section of this note.

(30) Capital Management

The Company carries out capital management to ensure that it is able to continue operating by optimizing its debt and equity balances to maximize shareholders' compensation.

The capital structure of the Company is reviewed from time to time by the Company's key management in the light of the economic environment and business considerations. The Company will balance its overall capital structure by paying dividends, repurchasing shares and financing, as advised by the key management and in accordance with the provisions of the Act.

As of December 31, 2024, there has been no change in the way the Company manages its capital.

(31) Investment and Financing Activities in Non-cash Transactions

1. Please refer to Note 6(13) for details on the acquisition of the right to use assets by means of lease.

2. Reconciliation of liabilities from financing activities is shown below:

			Changes in Non-Cash Items		
	January 1, 2024	**Cash Flow**	**Increase**	**Decrease**	**December 31, 2024**
Short-Term Loans	$ 1,000	139,000	-	-	140,000
Long-Term Loans (Including Maturity Within 1 Year)	56,640	(43,203)	-	-	13,437
Lease Liabilities (Including Maturity Within 1 Year)	46,354	(6,509)	2,508	-	42,353
Total Liabilities from Financing Activities	**$ 103,994**	**89,288**	**2,508**	**-**	**195,790**

			Changes in Non-Cash Items		
	January 1, 2023	**Cash Flow**	**Increase**	**Decrease**	**December 31, 2023**
Short-Term Loans	$ 217,000	(216,000)	-	-	1,000
Long-Term Loans (Including Maturity Within 1 Year)	80,124	(23,484)	-	-	56,640
Lease Liabilities (Including Maturity Within 1 Year)	50,712	(5,979)	1,621	-	46,354
Total Liabilities from Financing Activities	**$ 347,836**	**(245,463)**	**1,621**	**-**	**103,994**

7. Related-Party Transactions

(1) Name and Relationship of Related Parties

The parties involved in transactions with the Company during the period covered by this Parent Company Only Financial Statement are as follows:

Name of Related Party	Relationship with the Consolidated Company
BEC Technologies Inc.	Subsidiary
Billion Sunpower Co., Ltd.	Associates (Note 1)
Billion Watts Technologies Co., Ltd.	Subsidiary
Billion Energy Storage Technologies Inc.	Subsidiary
Tai Chuang Energy Co., Ltd.	Associates (Note 2)
Billion Electric Holding Co., Ltd.	Subsidiary
Billion EV Charging Technologies Co., Ltd.	Subsidiary
Billion EVC Technologies Co., Ltd. (Previous Name：VGwatt Energy Co., Ltd.)	Subsidiary
Billion Kai Co., Ltd.	Subsidiary
Billion Electric Japan Co., Ltd.	Subsidiary
Noonspare Energy Technology Co., Ltd.	Subsidiary
Billion Sun Energy Storage Technologies Inc.	Subsidiary
BEC Technologies Inc. Taiwan Branch (US)	Branch of a subsidiary
BT Energy Storage Co., Ltd.	Sub-subsidiary (Note 3)
Sheng Qian Energy Storage Co., Ltd.	Sub-subsidiary (Note 3)

Note 1: In August 2023, the Company disposed of all of the shares of its subsidiary Billion Sunpower Co., Ltd.to He Jun Energy Co., Ltd., resulting in a loss of control of Billion Sunpower Co., Ltd., and the relevant transaction procedures have been completed.

Note 2: Tai Chuang Energy Co., Ltd. was established and incorporated in March 2022. The Company acquired 100.00% ownership in December 2022. In August 2023, the payment for the issued shares have been received Shinshin Credit Corporation directly increased capital in Tai Chuang, obtaining 96.92% equity interest in Tai Chuang, resulting in a decrease in the Company’s shareholding from 100% to 3.08%, and a loss of control of Tai Chuang Energy Co., Ltd. Additionally, in November 2023, the Company acquired 3,000 thousand shares with an investment cost of NT$30,000 thousand, increasing its shareholding from 3.08% to 5.00%. The related transaction procedures have been completed. In October 2024, Shinshin Credit Corporation made an additional direct capital injection into Tai Chuang Energy Co., Ltd., acquiring a 1.00% equity interest. As a result, the Company's shareholding ratio decreased from 5.00% to 4.00%.

Note 3: BT Energy Storage Co., Ltd. and Sheng Qian Energy Storage Co. Ltd. were dissolved and liquidated in June 2024.

(2) Major Transactions with Related Parties

1. Operating Revenue

The amount of the Company's major sales to related parties are listed below:

Related Party Type /Name	2024	2023
Subsidiary:		
BEC Technologies Inc.	$ 100,858	127,209
Billion Watts Technologies Co., Ltd.	37,884	103,955
Other	11,041	781
	$ 149,783	231,945

The price of goods sold to related parties is increased by cost depending on the item, and the payments are recovered about 3 to 4 months after the goods are shipped.

2. Purchase

The purchase amount of the Company from related parties is as follows:

Related Party Type /Name	2024	2023
Subsidiary:		
Billion Watts Technologies Co., Ltd.	$ 1,314	24,868

Purchases are made on the basis of general market conditions, and the price and payment period are not materially different from those of other manufacturers.

3. Receivables From Related Parties (Excluding Loans to Related Parties)

The Company's receivables from related parties are detailed as follows:

Accounting Subject	Related Party Type /Name	December 31, 2024	December 31, 2023
	Subsidiary:		
Accounts receivable - related parties	BEC Technologies Inc.	$ 8,265	28,708
Accounts receivable - related parties	Billion Watts Technologies Co., Ltd.	8,703	412
Accounts receivable - related parties	Other	1,323	560
	Subsidiary:		
Other receivables from related parties	Billion Energy Storage Technologies Inc.	210	570
Other receivables from related parties	BEC Technologies Inc.	100	3,273
Other receivables from related parties	Billion Watts Technologies Co., Ltd.	8,152	-
Other receivables from related parties	Other	2,724	1,058
		$ 29,477	34,581

The Company’s outstanding receivables from related parties are not guaranteed. Accounts receivable from related parties as of December 31, 2024 and 2023 are assessed as not requiring recognition for impairment.

4. Payables to Related Parties

The Company’s payables to related parties are detailed as follows:

Accounting Subject	Related Party Type /Name	December 31, 2024	December 31, 2023
	Subsidiary:		
Accounts payable to related parties	BEC Technologies Inc.	$ 1,776	-
Accounts payable to related parties	Billion EV Charging Technologies Co., Ltd.	4,951	-
	Subsidiary:		
Other payables to related parties	Billion Watts Technologies Co., Ltd.	$ 442	473
Other payables to related parties	BEC Technologies Inc.	-	1,407
Other payables to related parties	Billion Energy Storage Technologies Inc.	537	4,694
Other payables to related parties	Noonspare Energy Technology Co., Ltd.	156	-
Other payables to related parties	Others	31	-
		$ 7,893	6,574

The balances of outstanding payables to related parties are not guaranteed.

5. Property Transaction

(1) Disposal of Property, Plant, and Equipment

The summary of the Company's sales of real estate, plant, and equipment to related parties is as follows:

	2024		2023	
Related Party Type /Name	Disposal price	Disposal gain or loss	Disposal price	Disposal gain or loss
Branch of a subsidiary:				
BEC Technologies Inc. Taiwan Branch (US)	$ 5,747	-	-	-

(2) Acquisition of Other Assets

The summary of the acquisition prices of other assets obtained by the Company from related parties is as follows:

Related Party Type /Name	Accounting Subject	2024	2023
Subsidiary:			
Billion Electric Holding Co., Ltd.	Investment accounted for using equity method	$ 48,601	-

6. Loans to Related Parties

The actual disbursements of the Company's capital loans to related parties are detailed as follows:

Related Party Type /Name	December 31, 2024	December 31, 2023
Subsidiary:		
Billion Energy Storage Technologies Inc.	$ -	25,024

Accounting Subject	Related Party Type /Name	2024	2023
Interest income	Billion Energy Storage Technologies Inc.	$ 315	545
Interest income	Other	-	54
		$ 315	599

In 2024 and 2023, the Company provided unsecured loans due within one year to Billion Energy Storage Technologies Inc. with interest rates of 2.3% and 2.325%, respectively; In 2023, the Company provided one-year unsecured loans to Billion Sunpower Co., Ltd. and Tai Chuang Energy Co., Ltd., both with an interest rate of 2.325%, which is similar to the market interest rate. These loans are expected to be recovered within one year, and there is no expected credit loss after assessment.

7. Loans to Related Parties

The amount of loans borrowed by the Company from related parties is as follows:

Related Party Type /Name	2024.12.31	2023.12.31
Subsidiary:		
Noonspare Energy Technology Co., Ltd.	$ 80,000	-

Accounting Subject	Related Party Type /Name	2024	2023
Financial Costs	Noonspare Energy Technology Co., Ltd.	$ 160	-

8. Endorsement/Guarantee

Related Party Type /Name	2024	2023
Billion Energy Storage Technologies Inc.	$ 60,000	30,000

9. Other Income

Related Party Type /Name	2024.12.31	2023.12.31
Guarantee deposit paid		
Noonspare Energy Technology Co., Ltd.	$ 32,704	-

Related Party Type /Name	2024	2023
Business support revenue		
BEC Technologies Inc.	1,939	4,289
Rental income		
Billion Watts Technologies Co., Ltd.	3,793	3,859
BEC Technologies Inc. Taiwan Branch (US)	1,619	-
Billion EV Charging Technologies Co., Ltd.	495	-
	$ 7,846	8,148
Operating Expenses		
Billion EV Charging Technologies Co., Ltd.	($ 960)	-
Billion Energy Storage Technologies Inc.	(630)	(2,280)
Billion Sun Energy Storage Technologies Inc.	(600)	(325)
Billion Kai Co., Ltd.	(420)	(140)
Others	(848)	(823)
	($ 3,458)	(3,568)

In 2024, the Company's service revenue from providing business support to related parties was recognized as a deduction from operating expenses.

(3) Major Management Transactions

Compensation for major managers includes:

	2024	2023
Short-Term Employee Benefits	$ 11,506	14,428
Post-Employment Benefits	310	433
Share-Based Payment	33	176
	$ 11,849	15,037

8. Assets Pledged as Security

The book value details of the assets pledged by the Company are as follows:

Asset Name	Pledge to Secure the Subject Matter	December 31, 2024	December 31, 2023
Financial assets at amortized cost - current	Short-term loans	$ 2,006	-
Financial assets at amortized cost - non-current	Matters agreed in Note 9(3)	$ 389,119	360,483
Property, plant, and equipment	Long-term loans	$ 168,041	167,341
Property, plant, and equipment	Long-term loans	$ 48,713	52,030
Property, plant, and equipment	Long-term loans	$ 6,564	7,041
Investment property	Long-term loans	$ 19,722	19,722
Investment property	Long-term loans	$ 6,444	5,043

9. Commitments and Contingencies

(1) Contingent Liabilities

	December 31, 2024	December 31, 2023
Purchase of Property, Plant and Equipment	$ -	51,634
Purchase of Inventory	29,750	-
	$ 29,750	51,634

(2) As of December 31, 2024, the Company had issued promissory notes for and NT$778,200 thousand under a consolidated line of credit from financial institutions.

(3) The Company purchases on behalf of its customers and all payments receivable on behalf of customers have been covered by insurance. On February 22, 2017, the Company entered into an insurance contract with Cathay Century Insurance Co., Ltd. to insure against the payment on behalf of the Company for $148,442 thousand (US $5,330 thousand). The insurance contract period is one year. The insurance coverage includes the Company's debtors who have gone bankrupt (Insolvency), delayed payments (Protracted Default) and political risks. The non-life insurance company will bear the loss of the Company at an underwriting ratio of 90%. The maximum liability amount is US $10,000 thousand each. Cathay Century Insurance refused to claim the insurance premiums on the grounds that the payment in dispute was due on behalf of the insurer and did not conform to the insurance policy claim regulations.

In addition, in order to reduce the risk of accounts receivable and consider the efficiency of capital utilization, the Company has signed accounts receivable factoring agreements with financial institutions to sell accounts receivable to financial institutions (CTBC Bank and Taishin International Bank) on a non-recourse basis. In 2017, the factoring amount was $435,776 thousand (US $14,370 thousand), and the amount advanced was $392,199 thousand (US $12,933 thousand). According to the assessment of lawyers of TRI Law Offices appointed by the Company, the aforementioned accounts receivable factoring is a common clause in standard contract for the transfer of creditor's rights among between general financial institutions. The purchase price and the content of accounts receivable, as well as the transfer method and risk exposure are not inconsistent with the normal practices of general creditor's rights transfer. However, the definition and recognition of commercial disputes in the factoring agreements are quite loose, and the relationship between lending and borrowing is mutually existing. This is common in domestic financial cases. Financial institutions have more room for interpretation and development. As of December 31, 2024, according to the agreement, the Company and the financial institution deposited $22,120 thousand in demand deposits and time deposits $366,999 thousand as agreed shall not be used, and promissory notes amounting to US $13,556 thousand and $10,000 thousand have been issued.

As mentioned above, the Company has insured the above-mentioned claims or sold them to financial institutions on a non-recourse basis, and the Company has also continued to discuss with appointed lawyers to conduct legal proceedings and proceedings.

In addition, according to the contract, the Company did not pay the Company's receivables and payments on behalf of China Potevio Co., Ltd. and Potevio International Company Limited (hereinafter referred to as "Potevio Group") in the amount of US $4,459 thousand. The Company has issued several letters to request Potevio Group to delay the outstanding accounts for various reasons. In June 2018, the Company commissioned a lawyer to arbitration the breach of contract by Potevio Group, but the other party reverse the arbitration request to the South China International Economic and Trade Arbitration Commission, requiring the Company to double refund the performance bond paid by Potevio Group in the amount of US $469 thousand. In July 2018, the lawyer appointed by the Company assessed that the Company has completed the delivery obligation, Potevio Group shall pay the Company the final payment for the goods and bear the liability for breach of contract, and the Company is not obliged to refund the advanced payment to Potevio Group (Potevio is known as the "Performance Deposit"). In January 2025, the Company received a notice from the South China International Economic and Trade Arbitration Commission that the judgment period will be extended to March 31, 2025.

10. Losses due to Major Disasters: None.

11. Subsequent Events: None.

12. Other

(1) Employee benefits, depreciation and amortization expense functions are summarized as follows:

By Function	2024			2023		
By Property	Classified as Operating Cost	Classified as Operating Expenses	Total	Classified as Operating Cost	Classified as Operating Expenses	Total
Employee benefit expenses						
Salary expenses	14,304	78,740	93,044	15,851	95,488	111,339
Labor health insurance costs	1,515	7,358	8,873	1,527	8,672	10,199
Pension expenses	807	3,904	4,711	828	4,729	5,557
Remuneration paid to directors	-	2,210	2,210	-	2,865	2,865
Other employee welfare expense	991	4,111	5,102	834	4,198	5,032
Depreciation expenses	20,705	9,365	30,070	20,636	8,346	28,982
Amortization expense	-	391	650	-	650	650

Additional information on the number of employees and employee welfare expenses of the Company in 2024 and 2023 are as follows:

	2024	2023
Number of Employees	108	125
Number of Directors who Are not Employees of the Company	7	7
Average Employee Welfare Expense	$ 1,106	1,120
Average Employee Salary Expense	$ 921	944
Adjustment of Average Employee Salary Expense	(2.44)%	15.12%
Supervisor’s Remuneration	$ -	-

(2) On April 24, 2019, the investigation unit sent personnel to the Company to search and investigate the transactions between the Company and China Potevio Co., Ltd. and Potevio International Trade Co., Ltd. On June 3, 2024, the Company received the investigation results from the Taipei District Prosecutors Office. The prosecutor issued a non-prosecution decision regarding the Company’s responsible person for alleged violations of the Securities and Exchange Act, including engaging in transactions detrimental to the Company, breach of fiduciary duty, and banking fraud. Additionally, concerning the differing recognition of operating revenue for 2015 and 2016 under the gross method or net method, the Company’s chairman was indicted for filing false financial reports in violation of the Securities and Exchange Act. This case is currently under litigation, and the final outcome will be determined by the court's judgment.

On October 17, 2024, the Company received a letter from the Commercial Court of the Intellectual Property and Commercial Court. The Securities and Futures Investors Protection Center filed a commercial lawsuit against the Company’s chairman, who was indicted by the Taiwan Taipei District Prosecutors Office for false financial reporting under Article 171, Paragraph 1, Subparagraph 1 of the Securities and Exchange Act. Citing Article 10-1, Paragraph 1, Subparagraph 2 of the Securities Investor and Futures Trader Protection Act, the lawsuit seeks a ruling to dismiss the chairman from the board. The Company has engaged legal counsel to submit a defense statement and address the matter in accordance with the law.

13. Other Disclosures

(1) Information on Significant Transactions:

In 2024, the Company shall disclose the following information related to the major transactions in accordance with the financial reporting standards of securities issuers:

1. Lending to Others:

Unit: NT$ Thousand

No.	Lending Company	Borrower	Current Accounts	Related Party or not	Current Maximum Amount	Ending Balance	Actual Drawdown	Interest Rate Range	Loan and Nature of Funds (Note 2)	Amount of Business Transactions	Reason for Short-Term Financing	Provision for Loss Amounts	Collateral		Loan and Limit of Funds to Individual Objects	Capital Loan and Total Limit
													Name	Value		
0	Billion Electric Co., Ltd.	Billion Energy Storage Technologies Inc.	Other receivables	Yes	60,000	35,000	-	2.3%	2	-	Operating turnover	-		-	105,576 (Note 3)	422,303 (Note 3)
0	Billion Electric Co., Ltd.	Billion Kai Co., Ltd.	Other receivables	Yes	30,000	30,000	-	2.3%	2	-	Operating turnover	-		-	105,576 (Note 3)	422,303 (Note 3)
0	Billion Electric Co., Ltd.	Billion Watts Technologies Co., Ltd.	Other receivables	Yes	50,000	50,000	-	2.15%	2	-	Operating turnover	-		-	105,576 (Note 3)	422,303 (Note 3)
1	BEC Technologies Inc.	BEC International, LLC	Other receivables	Yes	19,671 (Note 5)	19,671 (Note 5)	3,934 (Note 5)	0.00%	2	-	Repayment of bank loans	-		-	23,143 (Note 4)	46,287 (Note 4)
2	Noonspare Energy Technology Co.,Ltd.	Billion Electric Co., Ltd.	Other receivables	Yes	80,000	80,000	80,000	1.7%	2	-	Repayment of bank loans	-		-	87,695 (Note 6)	87,695 (Note 6)

Note 1: The remarks for the serial number column is as follows:
(1) For issuer, write 0.
(2) The investees are numbered sequentially starting with Arabic numeral 1 according to each entity.

Note 2: (1) For those who have business transactions.
(2) Necessary for short-term financing.

Note 3: The limits prescribed by the Company's operating procedures for capital lending are as follows:
(1) The capital lending line for individual object shall be limited to no more than 5% of the net current value of Billion Electric Co., Ltd., which belongs to the owner of the Company.
(2) The total amount of foreign capital lending shall be limited to no more than 20% of the net current value of Billion Electric Co., Ltd., which belongs to the owner of the Company.

Note 4: The limits prescribed by BEC Technologies Inc.'s operating procedures for capital lending are as follows:
(1) The capital lending line for individual object shall be limited to no more than 10% of the net current value of BEC Technologies Inc., which belongs to the owner of the Company.
(2) The total amount of foreign capital lending shall be limited to no more than 20% of the net current value of BEC Technologies Inc., which belongs to the owner of the Company.

Note 5: BEC Technologies Inc., a subsidiary of the Company, has lent a new capital to BEC International LLC, a second-tier subsidiary, an amount of US$600 thousand since January 2021. The actual amount spent was US$120 thousand. The exchange rate of USD to NTD at the end of the period was 1: 32.785.

Note 6: The limits prescribed by the Noonspare Energy Technology Co., Ltd. operating procedures for capital lending are as follows:
(1) The capital lending line for individual object shall be limited to no more than 30% of the net current value of Noonspare Energy Technology Co., Ltd., which belongs to the owner of the Company.
(2) The total amount of foreign capital lending shall be limited to no more than 30% of the net current value of Noonspare Energy Technology Co., Ltd., which belongs to the owner of the Company.

2. Endorsement/Guarantee Provided for Others:

Unit: NT$ Thousand

No.	Endorsement/ Guarantee Provider Name	Subject of Endorsements/Guarantees		Endorsement/ Guarantee Limit for a Single Business (Note 3)	Balance of Maximum Endorsement/ Guarantee for the Current Period	Final Endorsement/ Guarantees Balance	Actual Drawdown	Guarantee Amount Secured by Property	Ratio of Accumulated Endorsement/ Guarantee to Net Equity per Latest Financial Statements	Endorsement/ Guarantee Ceiling (Note 4)	Endorsement/ Guarantee by Parent Company for Subsidiary	Endorsement/ Guarantee by Subsidiary for Parent Company	Guarantee Provided to Subsidiaries in Mainland China
		Company Name	Relation (Note 2)										
0	Billion Electric Co., Ltd.	Billion Energy Storage Technologies Inc.	2	1,055,757	60,000	60,000	34,800	-	2.84%	2,111,514	Y	N	N
0	Billion Electric Co., Ltd.	Tai Chuang Energy Co., Ltd.	6	1,055,757	125,000	125,000	75,200	-	5.92%	2,111,514	N	N	N

Note 1: The remarks for the serial number column is as follows:
(1) For issuer, write 0.
(2) The investees are numbered sequentially starting with Arabic numeral 1 according to each entity.

Note 2: The relationship between the endorser and the object endorsed is as follows:
(1) Companies that we have a business relationship with.
(2) Companies in which the Company directly and indirectly holds more than 50% of the voting shares.
(3) Companies that directly or indirectly hold more than 50% of the voting shares of the Company.
(4) Intercompany where the Company directly or indirectly holds more than 90% of the voting shares.
(5) Companies that are mutually guaranteed by the contract between peers or co-contractors based on the needs of the underwriting project.
(6) Companies to which all investing shareholders endorse a guarantee based on its shareholding ratio as a result of the joint investment relationship.
(7) Joint and several guarantees of performance bonds for pre-sale housing sales contracts with peers in the same industry in accordance with the regulations of the Consumer Protection Act.

Note 3: The amount of endorsement/guarantee for a single enterprise shall not exceed 50% of the current net value of the owner of the Company.

Note 4: The total amount of an endorsement/guarantee shall not exceed 100% of the current net value of the owner of the Company.

3. Status of Marketable Securities Held at the End of the Period (Excluding Interests of Investment Subsidiaries, Associates and Joint Ventures):

Unit: NT$ Thousand/Thousand Shares/Thousand Units

Securities Holder	Type and Name of Marketable Securities	Relationship With Issuers of Securities	Journal Accounts	End of Period				Remarks
				Number of Shares	Carrying Amount of Investment	Shareholding Ratio	Fair Value	
Billion Electric Co., Ltd.	Ennova Technologies, Inc.	N/A	Financial assets at fair value through other comprehensive income - non-current	550	6,467	18.33%	6,467	
Billion Electric Co., Ltd.	EcoLumina Technologies, Inc.	N/A	Financial assets at fair value through other comprehensive income - non-current	30	-	0.07%	-	
Billion Electric Co., Ltd.	MicroLinks Technology Corp.	N/A	Financial assets at fair value through other comprehensive income - non-current	100	-	1.32%	-	
Billion Electric Co., Ltd.	Dajian Internet Technology Co.,Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	300	-	10.00%	-	
Billion Electric Co., Ltd.	Tai Chuang Energy Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	5,000	53,934	4.00%	53,934	
Noonspare Energy Technology Co.,Ltd.	Jong Shyn Shipbuliding Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	68	5,616	0.08%	5,616	
Pacific Solar Limited	Works Systems, Inc.	N/A	Financial assets at fair value through other comprehensive income - non-current	867	-	3.94%	-	
BEC Technologies Inc.	Invesco QQQ Tr Unit Ser 1	N/A	Financial assets at fair value through profit or loss - current	-	1,458	-%	1,458	
BEC Technologies Inc.	Vaneck Etf Trust Mrngstr Wde Moat	N/A	Financial assets at fair value through profit or loss - current	-	301	-%	301	
BEC Technologies Inc.	Berkshire Hathaway Inc	N/A	Financial assets at fair value through profit or loss - current	-	1,367	-%	1,367	

4. Cumulative Purchase or Sale of the Same Securities Amounting to NT$300 million or More Than 20% of the Paid-In Capital: None.

5. The Amount of Real Estate Acquired Is NT$300 million or More Than 20% of the Paid-In Capital: None.

6. Disposal of Real Estate Amounts to NT$300 million or More Than 20% of the Paid-In Capital: None.

7. The Amounts of Imports and Sales with Related Parties Is nt$100 million or More Than 20% of the Paid-In Capital:

Unit: NT$ Thousand

Supplier (Buyer) Company	Name of Trading Partner	Relation	Transaction Details				Circumstances and Reasons for the Difference Between the Terms of Transaction and Ordinary Transactions		Notes and Accounts Receivable (Payable)	
			Purchase/Sale	Amount	Proportion of Total Purchase (Sales)	Credit Period	Unit Price	Credit Period	Balance	Proportion of Total Notes and Accounts Receivable (Payable)
Billion Electric Co., Ltd.	BEC Technologies Inc.	Subsidiaries of the Company	Sales	100,858	28.58%	Collect about 3 to 4 months after shipment	-		8,265	14.79%
Billion Watts Technologies Co., Ltd.	Xiajing Co., Ltd.	Subsidiaries to Associates	Sales	202,960	13.71%	Contract collections	-	-	-	-%

8. Amounts Receivable from Related Parties Amounting to nt$100 million or More Than 20% of the Paid-In Capital: None.

9. Engaged in Derivative Transactions: None.

(2) Related Information on Investees:

Unit: NT$ Thousand/US$ Thousand/Thousand Shares

Name of the Investment Company	Name of Investee	Location	Main Business Activities	Initial Investment		Holdings at the End of Period			Profit and Loss of the Investee in the Current Period	Investment Gains and Losses Recognized in the Current Period	Remarks
				End of the Current Period	End of Previous Year	Number of Shares	Ratio	Carrying Amount of Investment			
Billion Electric Co., Ltd.	BEC Technologies Inc.	United States	Sales businesses of telecommunication related products	69,257	69,257	2,294	91.76%	202,543	(19,554)	(17,943)	
Billion Electric Co., Ltd.	Billion Watts Technologies Co., Ltd.	Taiwan	Solar and energy storage solution services, power plant operation and management services, etc.	136,689	122,116	9,558	62.14%	258,026	112,744	68,940	
Billion Electric Co., Ltd.	Billion Energy Storage Technologies Inc.	Taiwan	Energy storage sales business	80,000	80,000	8,000	100.00%	36,909	(40,107)	(40,107)	
Billion Electric Co., Ltd.	Pacific Solar Limited	Seychelles	International investment	-	-	650	100.00%	-	-	-	Note 1
Billion Electric Co., Ltd.	Billion EVC Technologies Co., Ltd.	Taiwan	Design, manufacturing, construction and sales business of solar power plants	26,025	26,025	1,837	51.00%	22,368	2,997	1,019	
Billion Electric Co., Ltd.	Billion Electric Holding Co., Ltd.	Taiwan	Investment company	12,000	95,000	1,200	100.00%	968	(11,032)	(11,032)	
Billion Electric Co., Ltd.	Billion EV Charging Technologies Co., Ltd.	Taiwan	Community charging station and energy storage supply services, etc.	47,794	30,000	5,000	100.00%	32,907	(11,764)	(11,764)	
Billion Electric Co., Ltd.	Billion Kai Co., Ltd.	Taiwan	Design, manufacturing, construction and sales business of solar power plants	20,000	2,000	2,000	100.00%	18,169	(1,598)	(1,598)	

Name of the Investment Company	Name of Investee	Location	Main Business Activities	Initial Investment		Holdings at the End of Period			Profit and Loss of the Investee in the Current Period	Investment Gains and Losses Recognized in the Current Period	Remarks
				End of the Current Period	End of Previous Year	Number of Shares	Ratio	Carrying Amount of Investment			
Billion Electric Co., Ltd.	Xiajing Co., Ltd.	Taiwan	Renewable energy non-utility power generation equipment business	27,000	27,000	2,700	5.24%	24,315	(52,080)	(2,729)	Note 2
Billion Electric Co., Ltd.	Billion Electric Japan Co., Ltd.	Japan	Sales businesses of telecommunication related products	10,626	-	5	100.00%	4,313	(6,250)	(6,250)	
Billion Electric Co., Ltd.	Noonspare Energy Technology Co., Ltd.	Taiwan	Design and manufacturing of lithium battery modules, integration of residential and commercial/industrial energy storage systems, and energy technology services.	188,370	-	13,000	49.89%	178,038	(29,504)	(9,784)	
Billion Electric Co., Ltd.	Billion Sun Energy Storage Technologies Inc.	Taiwan	Energy storage sales business	48,601	-	7,000	100.00%	46,815	(12,227)	(1,786)	Note 3
BEC Technologies Inc.	BEC International, LLC	United States	International investment	40,996	40,996	-	100.00%	70,082	4,310	4,310	
BEC Technologies Inc.	Avantek Systems PTE. LTD	Singapore	Cloud software management services	8,852 (USD270)	8,290 (USD270)	270	75.00%	8,845	168	126	
Billion Watts Technologies Co., Ltd.	Billion Power System Technologies Inc.	Taiwan	Design and sales services of energy software	5,100	5,100	510	51.00%	7,938	10,339	5,273	
Billion Watts Technologies Co., Ltd.	Sheng Chuang Energy Co., Ltd.	Taiwan	Energy storage sales business	100	-	10	100.00%	91	(9)	(9)	Note 6
Billion Electric Holding Co., Ltd.	Billion Sun Energy Storage Technologies Inc.	Taiwan	Energy storage sales business	-	25,000	-	-%	-	(12,227)	(10,442)	Note 3
Billion Electric Holding Co., Ltd.	BT Energy Storage Co., Ltd.	Taiwan	Energy storage sales business	-	2,000	-	-%	-	(216)	(216)	Note 4
Billion Electric Holding Co., Ltd.	Sheng Qian Energy Storage Co., Ltd.	Taiwan	Energy storage sales business	-	2,000	-	-%	-	(210)	(210)	Note 5

Note 1: Pacific Solar Limited was established and registered in Seychelles in 2020. As of December 31, 2024, the Company has not invested capital.

Note 2: The investee company is evaluated by the equity method.

Note 3: In August 2024, the Group underwent an organizational restructuring. The 100.00% equity interest in Billion Sun Energy Storage Technologies Inc., originally held by Billion Electric Holding Co., Ltd. was transferred to the Company, which now holds 100.00% of its equity interest.

Note 4: BT Energy Storage Co., Ltd., was dissolved and completed the liquidation process in June 2024.

Note 5: Sheng Qian Energy Storage Co., Ltd. was dissolved and completed the liquidation process in June 2024.

Note 6: Sheng Chuang Energy Co., Ltd. was established in December 2024 and is 100.00% owned by Billion Watts Technologies Co., Ltd.

(3) Information on Investments in Mainland China: None.

(4) Main Shareholder Information:

Shares / Name of Main Shareholder	Number of Shares Held	Shareholding Ratio
Chung-Ting Chen	14,167,971	12.21%
Sino-American Silicon Products lnc.	15,000,000	12.93%

Note 1: The main shareholder information in this schedule is calculated by the depository company using the information of the shareholders holding 5% of more of the total number of ordinary shares and special shares of the Company that have completed the script-less registration and delivery (including treasury shares) on the last business day at the end of the quarter. The share capital recorded in the financial statements of the Company and the number of shares for which dematerialized registration and delivery has completed may differ as a result of the different preparations of calculation bases.

Note 2: If the above information belongs to the shareholders handing over their holdings to the trust, it shall be disclosed by the individual branches of the principal whose trust account is opened by the trustee. For insider share declaration of shareholders holding more than 10% in accordance with the Securities Exchange Act, the shareholding includes the shareholding of the shareholder plus the shares that the shareholder has paid into the trust and has the right to use the trust property. For insider share declaration information, please refer to the MOPS.

14. Segment Information

For details, please refer to the consolidated financial statement for 2024.

Billion Electric Co., Ltd .
Schedules of Cash and Cash Equivalents
December 31, 2024

Unit: NT$ Thousand

Item	Description	Amount
Cash	Cash on hand	$ 70
Bank Deposits	Checks and demand deposits	54,348
	Foreign currency demand deposit US$1,083 thousand	
	Exchange rate US$=NT$32.785	35,502
	Foreign currency demand deposit EUR 201 thousand	
	Exchange rate EUR 1=NT$34.140	6,850
	Foreign currency demand deposit JPY 240 thousand	
	Exchange rate JYP 1=NT$0.209	50
	Time deposits	69,857
Cash Equivalents - Re-Purchase Bonds		105,241
Total		**$ 271,918**

Billion Electric Co., Ltd.
Detailed statement of financial assets measured at cost after amortization
December 31, 2024

Unit: NT$ Thousand

Item	Description	Amount	
Restricted Bank Deposits	Certificates of deposit	$	39,886
Restricted Bank Deposits	Pledged as collateral for financing limit applications to financial institutions.		2,006
Restricted Bank Deposits	Restricted deposits agreed with financial institutions		389,119
		$	**431,011**

Billion Electric Co., Ltd.
Detailed statement of notes and accounts receivable
December 31, 2024

Unit: NT$ Thousand

Item	Description	Amount
Non-Related Parties:		
Client A	Operating	$ 12,638
Client B	〃	4,726
Client C	〃	2,169
Client D	〃	2,132
Customer E	〃	1,936
Others (Note)	〃	14,001
Less: Allowance for Doubtful Debts	〃	(367)
Total	〃	$ 37,235
Related Parties:		
Bec Technologies Inc.	Operating	$ 8,265
Billion Energy Storage Technologies Inc.	〃	168
Billion EVC Technologies Co., Ltd.	〃	1,155
Billion Watts Technologies CO., LTD.	〃	8,703
Total		$ 18,291

Note:5% of the balance of this account is not reached.

Billion Electric Co., Ltd.
Inventory details
December 31, 2024

Unit: NT$ Thousand

Item	Amount	
	Costs	Net Realized Value
Supplies	$ 42,679	18,966
Work in Progress	4,093	3,292
Finished Goods	46,517	52,329
Subtotal	93,289	**74,587**
Less: Loss Allowances for Market Price Decline and Obsolete and Slow-Moving Inventories	(17,821)	
Net Amount	**$ 75,468**	

Billion Electric Co., Ltd.
Detailed statement of changes in investments using the equity method
December 31, 2024

Unit: NT$ Thousand

Name	Beginning Balance			Increase in the Current Period		Current Decrease		Profit (Loss) on Investments	Conversion Adjustments	Realized (Unrealized) Gross Profit from Sales	Others (Note 1)	Ending Balance			Provisions of Guarantee or Pledge
	Number of Shares (Thousands)	Shareholding Ratio	Amount	Number of Shares (Thousands)	Amount	Number of Shares (Thousands)	Amount	Amount	Amount	Amount	Amount	Number of Shares (Thousands)	Shareholding Ratio	Amount	
Non-TWSE/TPEx-listed companies															
BEC Technologies Inc.	2,294	91.76%	$ 203,649	-	-	-	-	(17,943)	14,245	2,592	-	2,294	91.76%	202,543	N/A
Billion Watts Technologies Co., Ltd.	8,001	59.82%	194,727	1,617	16,973	(60)	(2,400)	68,940	-	634	(20,848)	9,558	62.14%	258,026	N/A
Billion Energy Storage Technologies Inc.	8,000	100.00%	76,710	-	-	-	-	(40,107)	-	51	255	8,000	100.00%	36,909	N/A
Pacific Solar Limited	650	100.00%	-	-	-	-	-	-	-	-	-	650	100.00%	-	N/A
Billion EVC Technologies Co., Ltd.	1,041	51.00%	22,443	796	-	-	-	1,019	-	(183)	(911)	1,837	51.00%	22,368	N/A
Billion Electric Holding Co., Ltd.	9,500	100.00%	83,495	-	-	(8,300)	(71,495)	(11,032)	-	-	-	1,200	100.00%	968	N/A
Billion EV Charging Technologies Co., Ltd.	3,000	60.00%	26,691	2,000	17,794	-	-	(11,764)	-	-	186	5,000	100.00%	32,907	N/A
Billion Kai Co., Ltd.	200	100.00%	1,767	1,800	18,000	-	-	(1,598)	-	-	-	2,000	100.00%	18,169	N/A
Hsia Ching Co., Ltd.	2,700	5.24%	27,199	-	-	-	-	(2,729)	-	-	(155)	2,700	5.24%	24,315	N/A
Billion Electric Japan Co., Ltd.	-	-%	-	5	10,626		-	(6,250)	(63)	-	-	5	100.00%	4,313	N/A
Noonspare Energy Technology Co., Ltd.	-	-%	-	13,000	188,370		-	(9,784)	-	(216)	(332)	13,000	49.89%	178,038	N/A
Billion Sun Energy Storage Technologies Inc.	-	-%	-	7,000	48,601	-	-	(1,786)	-	-	-	7,000	100.00%	46,815	N/A
			$ 636,681		300,364		(73,895)	(33,034)	14,182	2,878	(21,805)			178,038	

Note 1: Cash dividends received amounted to $16,975 thousand. The difference between the actual acquisition or disposal price of subsidiary equity and its book value was adjusted to capital surplus ($2,672) thousand and retained earnings ($2,382) thousand, respectively. Additionally, $557 thousand was adjusted in capital surplus for employee stock options. An adjustment of $(333) thousand was made for equity instruments measured at fair value through other comprehensive income under the equity method.

Billion Electric Co., Ltd.
Detailed statement of short-term loans
December 31, 2024

Unit: NT$ Thousand

Type of Loan	Explanation	Ending Balance	Term of the Contract	Interest Rate Range	Financing Limit	Pledge or Guarantee
Guaranteed loan	Hua Nan Bank	$ 105,000	2024.12.31 2025.03.31	2.08%	$ 180,000	Property
Guaranteed loan	Taiwan Cooperative Bank	15,000	2024.04.01 2025.01.03	2.078%	100,000	Property
Guaranteed loan	Mega International Commercial Bank	20,000	2024.12.17 2025.03.17	1.975%~ 3.176%	20,000	Pledge of demand deposit
		$ 140,000			$ 300,000	

Billion Electric Co., Ltd.
Detailed statement of long-term loans
December 31, 2024

Unit: NT$ Thousand

Type of Loan	Explanation	Ending Balance	Term of the Contract	Interest Rate Range	Financing Limit	Pledge or Guarantee
Inventory installments	Chailease Finance Co., Ltd.	$ 13,437	2022.07.15 -2025.07.15	3.95%	-	Performance bond

Billion Electric Co., Ltd.
Detailed statement of accounts payable
December 31, 2024

Unit: NT$ Thousand

Item	Description	Amount
Non-related Parties:		
Company A	Accounts payable	$ 1,703
Company B	〃	1,132
Company C	〃	797
Company D	〃	695
Company E	〃	629
Others (Note)	〃	5,373
Total		**$ 10,329**

Note:5% of the balance of this account is not reached.

Billion Electric Co., Ltd.
Detailed statement of operating income
December 31, 2024

Unit: NT$ Thousand

Item	Quantity (In Thousands of KW)	Amount
FWA	13	$ 91,143
Power Supply Unit	557	131,697
Industrial M2M	5	19,992
Led Driver	23	11,063
Income From Electricity Fees of Solar Power Plant	1,458	16,431
Energy Storage	-	46,497
Other	10,384	36,013
Less: Return of Sales		(3,870)
Sales allowance		(4)
		$ 348,962

Billion Electric Co., Ltd.
Detailed statement of operating costs
January 1 to December 31, 2024

Unit: NT$ Thousand

Item	Amount
Beginning Amount of Goods	$ 8,191
Add: Purchases in the Current Period (net Amount)	7,808
Transfer Expense	220
Cost of Purchase and Sales	16,219
Beginning Amount of raw Materials	76,879
Add: Materials Purchased in the Current Period (net Amount)	102,015
raw Material Inventory Profit	22
Less: Ending Amount of raw Materials	(42,679)
Transfer Expense	(54)
Scrapped in the Current Period	(261)
Other	(593)
Raw Materials Consumed in the Current Period	135,329
Direct Labor	7,929
Production Overheads	20,874
Total Cost of Manufacturing	164,132
Add: Beginning Amount of Work-In-progress	2,696
Less: Ending Amount of Work-In-progress	(4,093)
Cost of Finished Product	162,735
Add: Beginning Amount of Finished Products	28,788
Purchases in the Current Period (net Amount)	121,667
Other	2,807
Less: Ending Amount of Finished Products	(46,517)
Transfer Expense	(3,467)
Scrapped in the Current Period	(63)
Inventory loss of finished goods	(13)
Cost of Sales of Self-Made Products	265,937
Total Cost of Sales	282,157
Gain from inventory recovery	(24,285)
Other	(5,172)
Inventory Obsolescence Losses	324
Other Operating Costs	16,990
Inventory Surplus	(9)
Total Operating Cost	**$ 270,005**

Billion Electric Co., Ltd.
Detailed statement of operating expenses
January 1 to December 31, 2024

Unit: NT$ Thousand

Item	Sales Expenses	Administrative Expenses	Research and Development Expenses	Total
Salaries and Bonuses	$ 11,622	30,453	36,665	78,740
Advertising Expenses	5,555	57	-	5,612
Labor Expenses	571	4,215	732	5,518
Insurance Expenses	1,243	3,513	3,509	8,265
Depreciation	418	5,114	3,833	9,365
Commission Expenses	4,394	-	-	4,394
Warranty Expenses	4,214	-	-	4,214
Incidental Expenses	587	4,640	1,199	6,426
Inspection Fee	274	1,102	3,076	4,452
Others (Note)	8,295	11,422	6,383	26,100
Total	$ 37,173	60,516	55,397	153,086

Note: Each item does not exceed 5% of the balance of this account.

Statements

For the year 2024 (from January 1, 2024 to December 31, 2024), the Company required to be included in the consolidated financial statements pursuant to the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" are the same as those required to be included in the parent-subsidiary consolidated financial statements in accordance with IFRS 10 endorsed by the Financial Supervisory Commission, and all relevant information to be disclosed in the consolidated financial statements of affiliated enterprises has been disclosed in the aforementioned parent-subsidiary consolidated financial statements. Therefore, no separate consolidated financial statements of affiliated enterprises were prepared.

Sincerely,

Company name: Billion Electric Co., Ltd.
Chairman: Zhong-Ting Chen
Date: February 27, 2025

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

Code	Assets	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current Assets:				
1100	Cash and cash equivalents (Notes 6(1) and (30))	$ 660,036	17	849,660	23
1110	Financial assets at fair value through profit or loss - current (Notes 6(2) and (30))	3,126	-	33,407	1
1136	Financial assets at amortized cost - current (Notes 6(4) and (30), and 8)	124,886	3	80,378	2
1140	Contract asset- current (Notes 6(27) and 7)	192,149	5	68,976	2
1150	Net notes receivable (Notes 6(5), (27) and (30))	10,034	-	16,980	-
1170	Net accounts receivable (Notes 6(5), (27) and (30))	129,073	3	115,753	3
1200	Other receivables (Notes 6(5), (6) and (30))	15,456	-	18,351	1
1220	current tax assets	7,034	-	-	-
130X	Inventories (Note 6(7))	286,767	7	333,616	9
1470	Other current assets (Note 6(16))	46,986	1	55,490	2
1482	Contract performance costs - current (Note 6(27))	848,227	22	819,313	23
	Total Current Assets	2,323,774	58	2,391,924	66
	Non-Current Assets:				
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 6(3)and (30))	66,017	2	69,327	2
1535	Financial assets at amortized cost - non-current (Notes 6(4), (30) and 8)	389,119	10	370,283	10
1550	Investment accounted for using equity method (Note 6(8))	24,315	1	27,199	1
1600	Property, plant, and equipment (Note 6(12) and 8)	835,455	22	590,059	16
1755	Right-of-use assets (Note 6(13))	71,779	2	58,379	2
1760	Investment property (Note 6(14) and 8)	20,981	1	60,231	2
1780	Intangible assets (Note 6(15))	53,038	1	5,908	-
1840	Deferred income tax assets (Note 6(23))	21,593	1	15,733	-
1900	Other non-current assets (Note 6(16))	75,229	2	39,758	1
	Total Non-Current Assets	1,557,526	42	1,236,877	34
	Total Assets	**$ 3,881,300**	**100**	**3,628,801**	**100**

Code	Liabilities and Equity	December 31, 2024 Amount	%	December 31, 2023 Amount	%
	Current Liabilities:				
2100	Short-term borrowings (Notes 6(18), (30) and (33))	$ 262,855	7	148,700	4
2110	Short-term notes and bills payable (Notes 6(17), (30) and (33))	79,914	2	29,898	1
2130	Contract liabilities - current (Notes 6(27) and 7)	684,212	18	582,129	16
2150	Notes payable (Notes 6(30))	227	-	629	-
2170	Accounts payable (Note 6(30))	106,436	3	188,793	5
2200	Other payables (Note 6(30))	91,259	2	92,455	4
2230	Current tax liabilities	19,007	-	27,036	1
2250	Current provisions (Note 6(21))	-	-	9,394	-
2280	Lease liabilities - current (Notes 6(20), (30) and (33))	15,061	-	10,913	-
2320	Current portion of long-term liabilities (Notes 6(19), (30) and (33))	24,671	1	29,150	1
2300	Other current liabilities	11,626	-	15,213	-
	Total Current Liabilities	1,295,268	33	1,134,310	32
	Non-current Liabilities:				
2540	Long-term borrowings (Notes 6(19), (30) and (33))	1,389	-	35,545	1
2570	Deferred income tax liabilities (Note 6(23))	30,583	1	25,991	1
2580	Lease liabilities - non-current (Notes 6(20), (30) and (33))	58,767	2	48,699	1
2640	Net defined benefit liabilities - non-current (Note 6(22))	9,377	-	16,168	-
2645	Guarantee deposits received	6,482	-	2,090	-
	Total Non-Current Liabilities	106,598	3	128,493	3
	Total Liabilities	1,401,866	36	1,262,803	35
	Equity (Note 6(24))：				
3110	Ordinary shares capital	1,155,328	30	1,154,191	32
3140	Advance receipts for ordinary shares	4,713	-	297	-
		1,160,041	30	1,154,488	32
3200	Capital surplus	692,146	19	692,696	19
	Retained earnings:				
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

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

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

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

Unit: NT$ Thousand

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

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

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

Unit: NT$ 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)
(Dncrease) 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. and Subsidiaries

Notes to Consolidated Financial Statements

For the Years Ended December 31, 2024 and 2023

(In Thousands of New Taiwan Dollars, Unless Otherwise Specified)

1. Company History

Billion Electric Co., Ltd. (the "Company") was incorporated on March 26, 1973. The Company and its subsidiaries (collectively referred herein as the "Group") are primarily engaged in the design, manufacture and sales of electronic components, integrated digital service network (ISDN), broadband communication CPE devices and system (ADSL), and broadband router (Router), self-generated renewable energy, and energy technology services.

2. Date and Procedures of Authorization of Financial Statements

The consolidated financial statements were approved by the board of directors and authorized for issue on February 27, 2025.

3. Applicability of Newly Issued and Revised Standards and Interpretations

(1) The impact of the International Financial Reporting Standards ("IFRSs") endorsed by the Financial Supervisory Commission, R.O.C. ("FSC") which have already been adopted.

The Group has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2024.

- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"
- Amendments to IAS 1 "Non-current Liabilities with Covenants"
- Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements"
- Amendment to IFRS 16 "Lease Liability in a Sale and Leaseback"

(2) The impact of not yet adopting the IFRSs recognized by the FSC.

The Group has assessed the applicability of the following newly amended IFRSs, effective from January 1, 2025, and determined that they will not have a significant impact on the consolidated financial statements.

- Amendment to IAS 21 "Lack of Exchangeability"

(3) Newly issued and amended standards and interpretations not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Group, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective Date Issued by IASB
Amendments to IFRS 18 "Presentation and Disclosure in Financial Statements"	The new standards introduce three types of income and expenses, two subtotals for the income statement, and a single note regarding performance measures used by management. These three amendments, which strengthen the standards on how information is disaggregated in financial statements, lay the foundation for providing users with better and more consistent information, and will impact all companies. ● More structured income statement: Under the current standards, companies use different formats to present their operating results, making it difficult for investors to compare the financial performance of different companies. The new standards adopt a more structured income statement, introducing a new subtotal called "operating profit," and require that all income and expenses be categorized into three new types based on the company's main operating activities. ● Management Performance Measures (MPM): The new standard introduces the definition of management performance measures and requires companies to explain in a single note to the financial statements for each measure why it provides useful information, how it is calculated, and how it reconciles with	January 1, 2027

Standards or Interpretations	Content of amendment	Effective Date Issued by IASB
	amounts recognized under IFRSs. ● More disaggregated information: The new standard includes guidance for companies on how to enhance the disaggregation of information in financial statements. This includes guidance on whether information should be included in the primary financial statements or further disaggregated in the notes.	

The Group is evaluating the impact of its initial adoption of the abovementioned standards or interpretations on its consolidated financial position and consolidated financial performance. The results thereof will be disclosed when the Group completes its evaluation.

The Group does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"
- Amendments to IFRS 17 "Insurance contracts" and IFRS 17
- Amendment to IFRS 19 "Subsidiaries without Public Accountability: Disclosures"
- Amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments"
- Annual Improvements to IFRS Accounting Standards."
- Amendments to IFRS 9 and IFRS 7 "Power Purchase Agreement Reliant on Natural Energy"

4. Summary of Significant Accounting Policies

(1) Statement of Compliance

The consolidated financial statements have been prepared in conformity with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), International Financial Reporting Interpretations Committee (IFRIC) and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission.

(2) Basis of Preparation

1. Basis of Measurement

Except for the following important items in the balance sheet, the consolidated financial statements are prepared on the basis of historical costs:

(1) Financial assets measured at fair value through profit or loss measured at fair value.

(2) Financial assets at fair value through other comprehensive income measured at fair value.

(3) Net defined benefit liabilities are determined by deducting the present value of benefit obligations from the fair value of pension fund assets.

2. Functional Currency and Presentation Currency

Each entity of the Group uses the currency of the primary economic environment in which it operates as its functional currency. The consolidated financial statements are presented in NT$, the functional currency of the Company. All financial information expressed in NT$ is expressed in thousands of NT$.

(3) Basis of Consolidation

1. Principles of Preparation of Consolidated Financial Statements

The consolidated financial statements are prepared by the Company and entities controlled by the Company (i.e., subsidiaries). When the Company is exposed to or entitled to variable returns from participation in an investee and has the ability to influence such returns through its power over such Investee, the Company controls such individual.

The financial reports of the subsidiary shall be included in the consolidated financial statements from the date on which control of the subsidiary is acquired until the date on which the control is lost. Transactions, balances and any unrealized gains and losses between consolidated companies have been completely eliminated in the preparation of consolidated financial statements. The total consolidated profit and loss of a subsidiary is attributable to the owner of the Company even if it becomes a loss balance.

Changes in the Group's ownership interests in subsidiaries have not resulted in the loss of the controller of the subsidiaries, which is treated as an equity transaction with the owners. The difference between the amount by which the non- controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributable to the owners of the Company.

When the Group loses control of the subsidiary, the assets (including goodwill), liabilities and non-controlling interests of the former subsidiary will be excluded in the consolidated financial statements according to the book amount of the loss of control date, and the retained investment of the former subsidiary will be re-measured at the fair value of the loss of control date. The profit or loss on disposal is the difference between the following two: (1) The sum of the fair value of the consideration received and the fair value of the retained investment in the former subsidiary at the date of control, and (2) the sum of the carrying amount of the subsidiary's assets (including goodwill) and liabilities and non- controlling interests at the date of loss of control. All amounts related to the subsidiary previously recognized in other comprehensive income and loss are accounted for on the same basis as the Group would be required to apply if it were to dispose of the related assets or liabilities directly.

2. List of subsidiaries in the consolidated financial statements

The subsidiaries included in these consolidated financial statements are:

Name of the Investment Company	Subsidiary	Nature of Business	% of Ownership December 31, 2024	% of Ownership December 31, 2023	Remarks
The Company	BEC Technologies Inc. (BEC Technologies)	Sales businesses of telecommunication related products	91.76%	91.76%	
The Company	Billion Watts Technologies Co., Ltd. (Billion Watts)	Solar and energy storage solution services, power plant operation and management services, etc.	62.14%	59.82%	Note 1
The Company	Billion Energy Storage Technologies Inc. (Billion Energy Storage)	Energy storage sales business	100.00%	100.00%	
The Company	Pacific Solar Limited (Pacific)	International investment	100.00%	100.00%	Note 2
The Company	Billion EVC Technologies Co., Ltd. (Billion EVC)	Distribution services of solar power plant equipment	51.00%	51.00%	
The Company	Billion Electric Holding Co., Ltd. (Billion Electric Holding)	Investment company	100.00%	100.00%	
The Company	Billion EV Charging Technologies Co., Ltd. (Billion EV Charging)	Community charging station and energy storage supply services, etc.	100.00%	60.00%	Note 3
The Company	Billion Kai Co., Ltd.	Design, manufacturing, construction and sales business of solar power plants	100.00%	100.00%	Note 5
The Company	Billion Electric Japan Co., Ltd. (Billion Electric JP)	Sales businesses of telecommunication related products	100.00%	-%	Note 7
The Company	Noonspare Energy Technology Co., Ltd. (Noonspare)	Design and manufacturing of lithium battery modules, integration of residential and commercial/industrial energy storage systems, and energy technology services.	49.89%	-%	Note 8

Name of the Investment Company	Subsidiary	Nature of Business	% of Ownership December 31, 2024	% of Ownership December 31, 2023	Remarks
The Company	Billion Sun Energy Storage Technologies Inc. (Billion Sun Energy Storage)	Energy Storage Sales	100.00%	-%	Note 9
BEC Technologies Inc.	BEC International, LLC (BEC International)	International investment	100.00%	100.00%	
BEC Technologies Inc.	Avantek Systems PTE. LTD (AVANTEK SYSTEMS)	Cloud Software Hosting Services	75.00%	75.00%	
Billion Watts Technologies Co., Ltd.	Billion Power System Technologies Inc. (Billion Power System)	Design of energy storage software and sales businesses	51.00%	51.00%	
Billion Watts Technologies Co., Ltd.	Sheng Chuang Energy Co., Ltd. (Sheng Chuang Energy)	Energy storage sales business	100.00%	-%	Note 10
Billion Electric Holding Co., Ltd.	Billion Sun Energy Storage Technologies Inc. (Billion Sun Energy Storage)	Energy storage sales business	-%	100.00%	Note 9
Billion Electric Holding Co., Ltd.	BT Energy Storage Co., Ltd. (BT Energy Storage)	Energy storage sales business	-%	100.00%	Note 4
Billion Electric Holding Co., Ltd.	Sheng Qian Energy Storage Co. Ltd. (Sheng Qian Energy Storage)	Energy storage sales business	-%	100.00%	Note 6

Note 1: In 2023, the Company acquired 5 thousand shares and disposed 52 thousand shares, resulting in a decrease in the Company's shareholding ratio to 59.82%, in 2024, the Company acquired 423 thousand shares and disposed 60 thousand shares, resulting in an increase in the Company's shareholding ratio from 59.82% to 62.14%.

Note 2: Pacific was incorporated in November 2020. As of December 31, 2024, no capital has been invested in the company.

Note 3: The establishment of Billion EV Changing was completed in March 2023, and the Company acquired 60.00% of its shares, which was incorporated into the consolidated financial statements. In March 2024, the Company acquired 2 thousand shares, resulting in an increase in the Company's shareholding ratio from 60.00% to 100.00%. The relevant transaction procedures have been completed.

Note 4: The establishment of BT Energy was completed in April 2023, and Billion Electric Holding acquired 100.00% of its shares, which were incorporated into the consolidated financial statements. The Company was dissolved and liquidated in June 2024.

Note 5: Billion Kai was established in August 2023. The Company acquired 100.00% shareholding, and it was consolidated into the consolidated financial statements.

Note 6: Sheng Qian was established in July 2023. Billion Electric Holding acquired 100% of its shares, and it was subsequently consolidated into the Group’s financial statements. The Company was dissolved and liquidated in June 2024.

Note 7: Billion Electric JP was established in January 2024. The Company acquired 100.00% shareholding, and it was incorporated into the consolidated financial statements.

Note 8: Noonspare was established in October 2018. The Company acquired 49.89% of its shares in April 2024. However, by holding more than half of the seats on Noonspare’s board of directors, the Company has controlling power, which has been incorporated into the consolidated financial statements.

Note 9: The Group adjusted its organizational structure in Auguster 2024, and transferred its 100.00% equity originally held by Billion Electric Holding to the Company.

Note 10: Sheng Chuang Energy was established in December 2024, and Billion Watts acquired 100.00% shareholding, and it was incorporated into the consolidated financial statements.

3. Subsidiaries not Listed in the Consolidated Financial Statements: None.

(4) Foreign Currency

1. Foreign Currency Transactions

Foreign currency transactions are converted into functional currency at the exchange rate of the trading day. At the end of each subsequent reporting period (hereinafter referred to as the reporting date), monetary items in foreign currencies are converted into functional currency at the exchange rate on that day. The exchange differences arising from conversion are usually recognized in profit or loss.

2. Foreign Operating Institutions

The assets and liabilities of foreign operating institutions are converted into NT$ at the exchange rate on the reporting date; the amount of income and expenses are converted into NT$ at the average exchange rate for the current period, and the resulting exchange difference is recognized in other comprehensive income.

When the disposal of a foreign operating institution results in loss of control or significant impact, the cumulative exchange difference associated with the foreign operating institution is fully reclassified as profit or loss. When part of the disposal includes subsidiaries of foreign operating institutions, the relevant cumulative exchange difference is pro rata re-attributed to non-controlling interests.

For the monetary receivable or payable items of foreign operating institutions, if there is no settlement plan and it is impossible to pay off in the foreseeable future, the exchange gains and losses arising therefrom shall be regarded as part of the net investment in the foreign operating institution and recognized in other comprehensive income.

(5) Criteria for Classification of Current and Non-current Assets and Liabilities

Assets that meet one of the following conditions are classified as current assets, and all other assets that are not current assets are classified as non-current assets:

1. The asset is expected to be realized in its normal operating period or is intended to be sold or consumed.

2. The asset is held primarily for the purpose of trading.

3. The asset is expected to be realized within twelve months after the reporting period.

4. The asset is cash or cash equivalents (as defined in IAS 7), unless there are restrictions on the exchange or use of the asset to meet liabilities at least twelve months after the reporting period.

Liabilities that meet one of the following conditions are classified as current liabilities, and all other liabilities that are not current liabilities are classified as non-current liabilities:

1. The liability is expected to be settled during the normal operating period.
2. The liability is held primarily for the purpose of trading.
3. The liability is due for settlement within twelve months after the reporting period.
4. Does not have the right to defer the settlement of the liability for at least twelve months after the end of the reporting period.

(6) Cash and Cash Equivalents

Cash includes cash on hand and demand deposits. Cash equivalents refer to short-term and highly liquid investments that can be converted into fixed amounts of cash at any time and have an insignificant risk of value change. Time deposits that meet the aforementioned definition and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes are listed in the cash equivalents.

(7) Financial Instruments

Accounts receivable is originally recognized at the time of generation. All other financial assets and financial liabilities are recognized initially when the Group becomes a party to the contractual terms of the financial instrument. Financial assets (other than accounts receivable that do not include significant financial components) or financial liabilities that are not measured at fair value through profit or loss are originally measured at fair value plus transaction costs that are directly attributable to the acquisition or issue. Accounts receivable, excluding significant financial components, are originally measured at the transaction price.

1. Financial Assets

Where the purchase or sale of financial assets conforms to customary transactions, the Group shall consistently adopt the accounting treatment on the transaction date for all purchases and sales of financial assets classified in the same manner.

Financial assets at the time of initial recognition are classified as: financial assets measured at the amortized cost, equity instruments measured at fair value through other comprehensive income, or financial assets measured at fair value through profit or loss. Only when the Group changes its business model for managing financial assets, it will reclassify all affected financial assets from the first day of the next reporting period.

(1) Financial Assets at Amortized Cost

Financial assets are measured at amortized cost when they meet the following conditions at the same time and are not designated as measured at fair value through profit or loss:

- The financial asset is held under the operating model for the purpose of collecting contractual cash flows.
- The contractual terms of the financial asset give rise to cash flows on a specific date, which are exclusively the payment of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortized cost by the original recognized amount plus or minus the accumulated amortization amount calculated using the effective interest method, adjusting for any allowance for losses. Interest income, exchange gains and losses on impairment are recognized in profit or loss. When derecognized, the gain or loss is included in the profit or loss.

(2) Financial Assets at Fair Value Through Other Comprehensive Income

Debt instrument investments that meet the following conditions at the same time, and are not designated as measured at fair value through profit or loss, are measured at fair value through other comprehensive income:

- The financial asset is held under the operating model for the purpose of collecting contractual cash flows and selling.
- The contractual terms of the financial asset give rise to cash flows on a specific date, which are exclusively the payment of principal and interest on the principal amount outstanding.

The Group holds part of the accounts receivable under the business model for the purpose of collecting contractual cash flow and selling, so these accounts are measured at fair value through other comprehensive income. However, it is listed under the accounts receivable.

Upon initial recognition, the Group may make an irrevocable choice to report the subsequent fair value of investment in equity instruments not held for trading in other comprehensive income. The aforementioned choices are made on an instrument-by-instrument basis.

Investments in debt instruments are subsequently measured at fair value. Interest income calculated using the effective interest method, exchange gains and losses and impairment losses are recognized in profit or loss, and the remaining net gains or losses are recognized in other comprehensive income. At the time of derecognition, the accumulated other comprehensive income amount is reclassified to profit and loss.

Investments in equity instruments are subsequently measured at fair value. Dividend income (unless it clearly represents the recovery of part of the investment cost) is recognized in profit or loss. The remaining net profit or loss is recognized as other comprehensive income and is not reclassified to profit or loss.

Dividend income from equity investments is recognized on the date when the Group has the right to receive dividends (usually the ex-dividend date).

(3) Financial Assets at Fair Value Through Profit or Loss

Financial assets that are not measured at amortized cost or at fair value through other comprehensive income are measured at fair value through profit or loss, including derivative financial assets. At the time of original recognition, in order to eliminate or significantly reduce the improper accounting ratio, the Group may irrevocably designate financial assets that meet the conditions of measuring at amortized cost or at fair value through other comprehensive income as the financial assets measured at fair value through profit or loss.

These assets are subsequently measured at fair value and their net profit or loss (including any dividend and interest income) is recognized in profit or loss.

(4) Assess Whether the Contractual Cash Flows Are Exclusively Payment of Principal and Interest on the Outstanding Principal Amount

For the purpose of evaluation, the principal is the fair value of a financial asset at the time of initial recognition, and the interest is composed of the following considerations: the time value of money, the credit risk related to the principal amount outstanding in a specific period, other basic lending risks and costs and profit margin.

To evaluate whether the contractual cash flow is exclusively the payment of the principal and the interest on the principal amount outstanding, the Group considers the terms of the financial instrument contract, including evaluating whether the financial asset contains a contractual term that can change the timing or amount of the contractual cash flow such that it does not meet this condition. In the evaluation, the Group considers:

- Any contingencies that change the timing or amount of contractual cash flow.
- The terms of the contractual coupon rate that may be adjusted, including the characteristics of the variable rate.
- Prepayment and deferral features.
- The Group's right of claim is limited to the terms (e.g., non- recourse characteristics) of cash flows derived from a particular asset.

(5) Impairment of Financial Assets

The Group's financial assets measured at amortized cost (including cash and cash equivalents, financial assets measured at amortized cost, notes receivable and accounts receivable, other receivables, deposits and other financial assets, etc.), contract assets, debt instrument investments measured at fair value through other comprehensive income, and expected credit losses on contract assets are recognized as allowance for losses.

The following financial assets are measured in terms of the amount of expected credit losses for 12 months, and the rest are measured in terms of the amount of expected credit losses for the duration:

- Debt securities are determined to have low credit risk at the reporting date.
- The credit risk of other debt securities and bank deposits (i.e., the risk of default during the expected duration of the financial instrument) has not increased significantly since the original recognition.

The allowance for losses on accounts receivable and contract assets is measured by the amount of expected credit losses during the duration.

When determining whether the credit risk has increased significantly since the original recognition, the Group considers reasonable and substantiated information (obtainable without excessive cost or investment), including qualitative and quantitative information, and analysis based on the Group's historical experience, credit assessment and forward- looking information.

If the contract payment is overdue for more than 120 days, or the borrower is unlikely to fulfill its credit obligations and pay the full amount to the Group, the Group considers the financial asset to be in default, unless there is reasonable and probative information showing that a later benchmark for default is more appropriate.

If the credit risk rating of a financial instrument is equivalent to the "Investment Grade" defined globally (the investment grade BBB- of Standard & Poor's, the investment grade Baa3 of Moody's, or the investment grade twA of Taiwan Ratings, or higher), the credit risk of the debt security is considered low by the Group.

Expected credit losses during the duration refers to expected credit losses arising from all possible defaults during the expected duration of a financial instrument.

The 12-month expected credit loss refer to expected credit losses arising from possible default events of a financial instrument within twelve months after the reporting date (or a shorter period, if the expected duration of the financial instrument is shorter than twelve months).

The longest period for measuring expected credit losses is the longest contractual period over which the Group is exposed to credit risk.

The expected credit loss is a probability-weighted estimate of credit loss during the expected duration of a financial instrument. Credit losses are measured as the present value of all cash shortfalls, which is the difference between the cash flows that the Group would receive under the contract and the cash flows that the Group expects to receive. Expected credit losses are discounted at the effective interest rate on the financial asset.

The Group assesses whether financial assets measured at amortized cost and debt securities measured at fair value through other comprehensive income are credit-impaired at each reporting date. A financial asset is credit-impaired when one or more events that have an adverse effect on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable information on the following matters:

- Significant financial difficulties of the borrower or issuer.
- Breach of contract, such as delay or overdue for more than 120 days.
- The Group makes concessions to the borrower that would not otherwise be considered by the Group for economic or contractual reasons related to the borrower's financial difficulties.
- The borrower is likely to file for bankruptcy or other financial reorganizations.
- Disappearance of an active market for the financial asset as a result of financial difficulties.

An allowance for losses on financial assets carried at amortized cost is deducted from the asset's carrying amount. The allowance for losses on investments in debt instruments at fair value through other comprehensive income is adjusted in profit or loss and recognized in other comprehensive income (without reducing the carrying amount of the asset).

When the Group cannot reasonably expect to recover all or part of the financial assets, it will directly reduce the total book value of its financial assets. For corporate accounts, the Group analyzes the timing and amounts of write-offs individually on the basis of whether it is reasonably expected to be recoverable. The Group does not expect a significant reversal of the amount written off. However, written-off financial assets are still enforceable to comply with the Group's procedures for recovering overdue amounts.

(6) Derecognition of Financial Assets

The Group will derecognize the financial assets only when the contractual rights derived from the cash flows of the assets terminate, or when the financial assets have been transferred and almost all the risks and rewards of ownership of the assets have been transferred to other enterprises, or when almost all the risks and rewards of ownership have neither been transferred nor retained and control of the financial assets has not been retained.

If the Group enters into transactions to transfer financial assets, if it retains all or substantially all the risks and rewards of ownership of the transferred assets, it will continue to be recognized them in the balance sheet.

2. Financial Liabilities and Equity Instruments

(1) Classification of Liabilities or Equity

The debts and equity instruments issued by the Group are classified as financial liabilities or equity according to the substance of the contractual agreement and the definition of financial liabilities and equity instruments.

(2) Equity Transactions

An equity instrument is any contract that recognizes the Group's residual equity after deducting all of its liabilities from its assets. Equity instruments issued by the Group are recognized at the amount equal to the consideration received less the direct issue costs.

(3) Treasury Shares

When repurchasing the equity instruments recognized by the Company, the consideration paid (including the direct attributable cost) is recognized as a decrease in equity. Repurchased shares are classified as treasury shares. Subsequent sales or reissue of treasury shares, the amount received is recognized as an increase in equity, and the surplus or loss resulting from the transaction is recognized in capital reserve or retained earnings (if the capital reserve is insufficient to offset).

(4) Financial Liabilities

Financial liabilities are classified as amortized cost.

(5) Derecognition of Financial Liabilities

The Group derecognizes financial liabilities when the contractual obligations have been fulfilled, cancelled or expired. When the terms of a financial liability are modified and there is a significant difference in the cash flow of the modified liability, the original financial liability shall be derecognized, and a new financial liability shall be recognized at fair value based on the modified terms.

When a financial liability is derecognized, the difference between it carrying amount and the total consideration paid or payable (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(8) Inventories

Inventories are measured at cost or net realizable value, whichever is lower. Costs include acquisition, production or processing costs and other costs incurred to bring them to the location and state where they are available, and are calculated using the weighted average method.

Net realizable value is the balance of the estimated selling price under normal operating conditions less the estimated cost to complete the required investment and the estimated cost to complete the sale.

(9) Investment in Associates

Associates are Consolidated companies that have significant influences on their financial and operating policies but are not controlled or jointly controlled.

The Group adopts the equity method for the equity of associates. By using the equity method, the original acquisition is recognized on the basis of cost, and the investment cost includes the cost of the transaction. The carrying amount of an investment in an associate includes the goodwill identified at the time of the original investment, less any accumulated impairment losses.

The consolidated financial statements include the amount of the profit and loss of each investment associates and other comprehensive income recognized by the Group based on the proportion of equity from the date of significant influence to the date of loss of significant influence, after making adjustments consistent with the Group’s accounting policies. When changes in equity of associates in non-profit or loss and other comprehensive income do not affect the Group’s shareholding ratio, the Group will recognize the changes in equity attributable to the Group under the shares of the associates in the capital reserve according to the shareholding ratio.

Unrealized gains and losses arising from transactions between the Group and associates are recognized in the financial statements of the associates only to the extent unrelated to the investor's interest in the associates. When the share of losses of an affiliate that shall be recognized proportionally by the Group is equal to or exceeds its interest in the affiliate, it ceases to recognize its losses, and only recognizes additional losses and related liabilities to the extent that statutory obligations, presumptive obligations or payments have been made on behalf of the invested company.

The Group ceases to use the equity method as of the date when it has no investment in associates any longer, and the difference between the fair value of the retained equity and the disposal price measured at fair value and the carrying amount of the investment on the date when the equity method is ceased is recognized in the current profit or loss. For all amounts previously recognized in other comprehensive income related to the investment, the basis of accounting treatment is the same as that must be followed if the related assets or liabilities are directly disposed of by the associate, that is, if the gains or losses previously recognized in other comprehensive income are reclassified as gain or loss (or retained earnings) when the relevant assets or liabilities are disposed of, when the enterprise stops using the equity method, the profit or loss is reclassified from equity to gain or loss (or retained earnings). If the Group's ownership interests in associates decreases, but the equity method continues to apply, the Group will reclassify the profit or loss related to the reduction of the ownership interests that have previously been recognized in other comprehensive income according to the above-mentioned reduction.

When the associates issue new shares, if the Group fails to subscribe in proportion to its shareholding, thereby causing a change in the shareholding ratio and an increase or decrease in the net equity value of the investment, its capital reserve and the investment using the equity method shall be adjusted based on the increase or decrease; if this adjustment is to offset the capital reserve, but the balance of the capital reserve generated by the investment using the equity method is insufficient, its difference will be debited to retained earnings. However, if the Group does not subscribe in proportion to its shareholding, thereby reducing its ownership interests in the associates, the amount previously recognized in other comprehensive income related to the associates is reclassified in proportion to the reduction, and its accounting treatment is based on the same basis as that required for the direct disposal of related assets or liabilities by the associates.

(10) Property, Plant, and Equipment

1. Recognition and Measurement

   Property, plant and equipment items are measured at cost minus the accumulated depreciation and any accumulated impairment. Costs include expenditures that can be directly attributable to the acquisition of assets, as well as purchases of real estate, plant and equipment denominated in foreign currency, and software purchased to integrate the functions of related equipment as part of the capitalization of such equipment.

When the service life of a material component of property, plant and equipment is different, it is treated as a separate item (the main component) of property, plant and equipment.

Gain or loss on disposal of property, plant and equipment is recognized in profit or loss.

2. Subsequent Costs

Subsequent expenditures are capitalized only when their future economic benefits are likely to flow into the Group.

3. Depreciation

Depreciation is calculated based on the cost of an asset minus its residual value and is recognized in profit or loss using a straight-line method within the estimated service life of each component.

The estimated service life for the current period and the comparative period is as follows:

(1) Auxiliary Equipment of Housing and Building: 1 to 55 years.
(2) Machinery: 3 to 20 years.
(3) Transportation Facilities: 3 to 5 years
(4) Office Equipment: 3 to 5 years
(5) Other Equipment: 2 to 15 years

The depreciation method, service life and residual value are reviewed by the Group at each reporting date and adjusted as necessary.

(11) Investment Property

Investment properties refer to properties held for rent-earning or asset appreciation or both, rather than for normal business sale, production, provision of goods or services, or administrative purposes. The investment property is originally measured at cost, and subsequently measured at cost minus accumulated depreciation and accumulated impairment, and its depreciation method, service life and residual value shall be handled according to the regulations for property, plant and equipment.

Gain or loss on disposal of investment property (calculated as the difference between the net disposal price and the carrying amount of the item) is recognized in profit or loss.

Rental income from investment property is recognized in other income on a straight-line basis during the lease period. The lease incentive given is also recognized in the lease income during the lease period.

(12) Rental

The Group evaluates whether a contract is or contains a lease on the date of its conclusion, and if the contract transfers control over the use of the identified assets for a period of time in exchange for consideration, the contract is or contains a lease.

1. Lessee

The Group recognizes the right-of-use assets and lease liabilities on the lease commencement date, and the right-of-use assets are initially measured at cost, which includes the original measured amount of the lease liability, adjusts any lease payments made on or before the lease commencement date, and adds up the original direct costs incurred and the estimated costs of dismantling and removing the underlying asset and restoring the underlying asset and its location, minus any lease incentives collected.

The right-of-use asset is subsequently depreciated by the straight-line method from the beginning of the lease to the expiration of the service life of the right-of-use asset or the expiration of the lease term. In addition, the Group periodically assesses whether the right-of-use assets are impaired and disposes of any impairment losses that have occurred, and adjusts the right-of-use assets in the event that the lease liabilities are re-measured.

Lease liabilities are original measurements of the present value of lease benefits unpaid on the date of commencement of the lease. If the implied interest rate of the lease is easy to determine, the discount rate is the interest rate, and if it is not easy to determine, the Group's incremental borrowing rate is used. In general, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability include:

(1) Fixed payments, including in-kind fixed payments.

(2) For variable lease payments that depend on an index or rate, the index or rate on the lease commencement date is used for the original measurement.

(3) The amount of the residual value guarantee expected to be paid.

(4) The exercise price or penalty payable when it is reasonably certain that the purchase option or lease termination option will be exercised.

The lease liability is subsequently accrued interest using the effective interest method, and its amount is remeasured when:

(1) (Here is a change in future lease payments due to changes in the index or rate used to determine lease payments.

(2) There is a change in the amount of residual value margin expected to be paid.

(3) There is a change in the valuation of the underlying asset purchase option.

(4) There is a change in the estimate of whether to exercise the extension or termination option, which changes the assessment of the lease term.

(5) There are modifications of the subject, scope or other terms of the lease.

When the lease liability is remeasured due to the aforementioned change in the index or rate used to determine the lease payment, change in the residual value guarantee amount, and change in the evaluation of the purchase, extension or termination options, the book value of the right-of-use asset is adjusted accordingly, and when the carrying amount of the right-of-use asset has been reduced to zero, the remaining remeasured amount is recognized in profit or loss.

For lease modifications that reduce the scope of the lease, the carrying amount of the right- of-use asset is reduced to reflect the partial or full termination of the lease, and the difference between it and the remeasurement amount of the lease liability is recognized in profit or loss.

The Group presents the right-of-use assets and lease liabilities that do not meet the definition of investment property in the balance sheet as separate items.

Where an agreement contains lease and non-lease components, the Group allocates the consideration in the contract to the individual lease components on a relative stand-alone price basis. However, when leasing land and buildings, the Group chooses to treat the lease component and the non-lease component as a single lease component without distinguishing the non-lease components.

For short-term leases and low-value asset leases for office and other equipment leases, the Group chose not to recognize the right-of-use assets and lease liabilities, but to recognize the relevant lease payments in expenses based on a straight-line basis during the lease period.

The Group chooses to adopt a practical expedient approach for all rental concessions that meet all of the following conditions, and does not evaluate whether it is a lease modification:

(1) Rent concessions incurred as a direct result of the COVID-19 epidemic.

(2) The change in the lease payment results in the modified lease consideration being almost the same or smaller than the lease consideration before change.

(3) Any reduction in lease payments will only affect payments that were due before June 30, 2021.

(4) No other terms and conditions of the lease have materially changed.

Under the practical expedient method, when rental concessions lead to changes in lease payments, the changes are recognized in profit or loss when the event or circumstance that initiates rental concessions occurs.

2. Lessor

The transaction in which the merged company is the lessor is to classify the lease contract on the date of conclusion according to whether it transfers almost all the risks and rewards attached to the ownership of the underlying asset. If so, it is classified as a finance lease, otherwise it is classified as an operating lease. At the time of evaluation, the Group considers relevant specific indicators including whether the lease period covers the main part of the economic life of the underlying asset.

If the Group is a sublease lessor, it handles master lease and sublease transactions separately, and evaluates the classification of sublease transactions based on the right-of-use assets generated by the master lease. If the master lease is a short-term lease and a recognized exemption applies, the sublease transaction should be classified as an operating lease.

Where the agreement includes lease and non-lease components, the Group shall apportion the consideration in the contract according to the provisions of IFRS 15.

(13) Intangible Assets

1. Recognition and Measurement

Goodwill, patents, trade secrets software and contracts arising from the acquisition of a subsidiary are measured at cost less the accumulated impairment losses.

Expenditures related to research activities are recognized as profit or loss when incurred.

Development expenditures are capitalized only when they are reliably measurable, the technical or commercial feasibility of the product or process has been achieved, future economic benefits are likely to flow to the Group, and the Group intends and has sufficient resources to complete the development and use or sell the asset. Other development expenses are recognized in profit or loss when incurred. After initial recognition, the capitalized development expenditure is measured at its cost minus the accumulated amortization and accumulated impairment.

The Group’s acquisition of other intangible assets with a finite useful life is measured at cost, less accumulated amortization and accumulated impairment losses.

2. Subsequent Expenditures

Subsequent expenditures are capitalized only to the extent that they increase the future economic benefits of the related specific asset. All other expenditure is recognized in profit or loss as incurred, including internally developed goodwill and branding.

3. Amortization

Except for goodwill, amortization is calculated as the cost of the asset minus the estimated residual value and is recognized in profit or loss using the straight-line method from the time the intangible asset is ready for use over its estimated service life.

The estimated service life for the current period and the comparative period is as follows:

Computer System and Software: 2 to 10 years

Patents and Trade Secrets Software: 7 years

Contracts: 3.75 years

The amortization method, service life and residual value of intangible assets are reviewed by the Group at each reporting date and adjusted as necessary.

(14) Impairment of Non-financial Assets

At each reporting date, the Group assesses whether there is any indication that the carrying amount of non-financial assets (other than inventories, contract assets, and deferred income tax assets) may be impaired. If there is any indication, the recoverable amount of the asset is estimated.

For the purposes of impairment testing, a group of assets whose cash inflows are largely independent of those of other individual assets or groups of assets is the smallest identifiable group of assets. The goodwill acquired by business merger is apportioned to each cash-generating unit or group of cash-generating units that are expected to benefit from the synergies of the merger.

The recoverable amount is the higher of an individual Asset's or cash-generating unit's fair value less costs of disposal and its value in use. In assessing the use value, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

Impairment losses are recognized if the recoverable amount of an individual asset or cash-generating unit is lower than it carrying amount.

Impairment losses are recognized immediately in profit or loss for the current period, and firstly reduce the carrying amount of the cash-generating unit's apportioned goodwill, and then reduce the carrying amount of each asset in proportion to the carrying amount of other assets in the unit.

Goodwill impairment losses shall not be reversed. Non-financial assets other than goodwill are reversed only to the extent that they do not exceed the carrying amount (less depreciation or amortization) determined when the asset is not recognized in the impairment loss in the previous year.

(15) Government subsidies

The Group recognizes government grants related to the development of energy storage systems as non-operating income when the grant, which is not subject to conditions, becomes receivable. For other asset-related grants, the Group recognizes the grant at fair value as deferred income when it is reasonably assured that the conditions attached to the government grant will be met and when the grant becomes receivable. The deferred income is then recognized as non-operating income over the useful life of the asset on a systematic basis. Government grants that compensate the Group for incurred expenses or losses are recognized in profit or loss on a systematic basis in the same period as the related expenses.

(16) Provisions

The recognition of liability provision means that there is a current obligation due to past events, so that the Group will likely need the outflow of resources with economic benefits in the future to pay off the obligation, and the amount of the obligation can be reliably estimated. The liability provision is discounted at a pre-tax discount rate that reflects the current market's evaluation of the time value of money and the specific risk of the liability, and the amortization of the discounted amount is recognized in interest expenses.

The reserve for guaranteed liabilities is recognized at the time of sale of goods or services and is weighted according to the probability associated with historical warranty information and all possible outcomes.

(17) Recognition of Revenues

1. Revenue From Contracts with Customers

Revenues are measured by the consideration to which goods or services are transferred and to which they are expected to be entitled. The Group recognizes revenue when the control of goods or services is transferred to the customer and the performance obligations are met. The Group's main revenues are explained as follows:

(1) Product Sales Revenue

Product sales revenue comes from the sale of products such as electronic components, power supply units, transformers, ISDN cards, ADSL cards and solar power plant equipment. Except that the solar plant equipment is recognized as revenue when the products arrive at the location designated by the customer, the Group recognizes the remaining products as revenue and accounts receivables at the time of shipment, when the customer has the right to fix the price and use of the products and has the primary responsibility for resale of such products, and bears the risk of obsolescence of the products. Advance receipts for product sales are recognized as contractual liabilities before the product is shipped or delivered to the customer's designated location.

No revenue is recognized during material processing as control of the processed products is not transferred.

(2) Project Income

The Group is engaged in the site development business of solar photovoltaic power system and the engineering contracting business of solar photovoltaic power system construction and other related services. As the assets are gradually controlled by the customer during the construction process, the revenue is gradually recognized over time based on the proportion of the cost incurred to date to the estimated total contract cost. The contract is a fixed consideration in which the client pays a fixed amount of money over an agreed period of time. The Group recognizes revenues only to the extent that there is a high probability that no material reversal will occur in the cumulative revenues; If the amount of recognized revenue has not been requested, it is to recognize the contract assets and transfer the contract assets to accounts receivable when there is no unconditional right to the consideration.

If it is not possible to reasonably measure the degree of completion of the performance obligations of the works contract, the contract income is recognized only to the extent of expected recoverable costs.

A liability reserve for onerous contract shall be recognized when the Group anticipates that the cost of fulfilling the obligations of a construction contract will inevitably exceed the economic benefits expected from the contract.

If circumstances change, the estimates of revenue, costs and degree of completion will be revised, and the resulting changes will be reflected in profit or loss during the period when management is made aware of the changes.

(3) Service Revenue

The Group provides project management consultancy and maintenance services and recognizes related income in the financial reporting period for the provision of services. Fixed-price contracts recognize revenue based on the proportion of services actually rendered to the total services as of the reporting date, which is determined by the percentage of services performed to the total services due to be performed. Under a fixed price contract, the client pays a fixed amount of money over an agreed period of time.

(4) Revenue From Sale of Electricity

Recognized when power is transferred to the electrical substation at Taiwan Power Company’s terminal.

2. Cost of Customer Contracts

Contract Performance Costs

If the costs incurred in fulfilling a customer contract are not covered by other standards (IAS 2 “Inventory”, IAS 16 “Property, Plant and Equipment” or IAS 38 “Intangible Assets”), the Group will only recognize such costs in assets when they are directly related to the contract or a clearly identifiable prospective contract, will generate or strengthen resources that will be used to meet (or continue to meet) performance obligations in the future, and are expected to be recoverable.

General and administrative costs, costs of wasted materials, labor or other resources used to perform the contract but not reflected in the contract price, costs associated with fulfilled (or partially satisfied) performance obligations, and costs related to the situation that is indistinguishable from non-fulfilled performance obligations or fulfilled (or partially satisfied) performance obligations are recognized in expenses when incurred.

(18) Employee Benefits

1. Defined Contribution Plans

Contribution obligations to defined contribution pension plan are recognized in expenses during the period of service performed by the employee.

2. Defined Benefit Plans

The net obligation of the Group to the defined benefit plan is calculated by converting the future benefit amount earned by the employee’s service in the current or previous period into the present value of each benefit plan, and deducting the fair value of any plan assets.

The defined benefit obligation is actuarially assessed annually by a qualified actuary using the projected unit credit method. When the results of the calculation are favorable to the Group, the recognized assets are limited to the present value of any economic benefits that can be obtained either through refunds from the plan or reductions in future contributions. The calculation of the present value of economic benefits takes into account any minimum funding requirements.

The re-measurement of net defined benefit liabilities, including actuarial gains and losses, return on plan assets (excluding interest), and any changes in the asset cap impact (excluding interest) are recognized immediately in other comprehensive income and accumulated in retained earnings. The Group determines the net interest expense of net defined benefit liabilities using the net defined benefit liabilities and discount rate determined at the beginning of the annual reporting period. The net interest expense and other expenses of the defined benefit plan are recognized in profit or loss.

Changes in benefits associated with prior service costs or curtailment benefits or losses arising from plan modifications or curtailments are recognized immediately in profit or loss. The Company recognizes the repayment gains and losses of the defined benefit plan at the time of the repayment.

3. Other Long-Term Employee Benefits

The Group's net obligations for other long-term employee benefits are calculated by converting the future benefits earned by employees for providing services in the current or previous periods into the present value. The re-measured amount is recognized in profit or loss as it arises.

4. Short-Term Employee Benefits

Short-term employee benefit obligations are recognized in expense when services are provided. If the Group has a current statutory or constructive payment obligation due to the past service provided by the employee, and the obligation can be reliably estimated, the amount is recognized in liabilities.

(19) Major Management Transactions Share-Based Payment Transactions

In the share-based payment agreement for equity delivery, the fair value on the grant date is used to recognize the expense and increase the relative equity during the vesting period of the reward. The recognized expenses are adjusted according to the amounts of rewards that are expected to meet the service conditions and non-market vesting conditions; and the final recognized amount is measured based on the amounts of rewards that meet the service conditions and non-market vesting conditions at the vesting date.

The non-vesting conditions of the share-based payment rewards have been reflected in the measurement of the fair value of the share-based payment date, and the difference between the expected and actual results does not need to be verified and adjusted.

The fair value amount of the cash-delivered share appreciation rights that should be paid to employees is recognized in expenses and increases the relative liability during the period when the employee can obtain compensation unconditionally. The liability is remeasured against the fair value of the share appreciation rights at each reporting date and delivery date, and any changes are recognized in profit or loss.

Employee stock options granted by the Company to employees of its subsidiaries for settlement of the Company's equity instruments are treated as capital contributions to the subsidiaries and are measured at the fair value of the equity instruments at the grant date and recognized as an increase in the carrying amount of the investment in the subsidiary during the vesting period, with a corresponding adjustment to capital surplus - employee stock options.

(20) Income Tax

The income tax includes the current income tax and the deferred income tax. Current income tax and deferred income tax shall be recognized in profit or loss, except for those related to business merger, directly recognized in equity or other items related to comprehensive income.

The current income tax includes the estimated income tax payable or tax refund receivable calculated based on the taxable income (loss) of the current year, and any adjustment to the previous year’s income tax payable or tax refund receivable.

The amount is the best estimate of the amount expected to be paid or collected at the statutory or substantive legislative rates at the reporting date.

The deferred income tax is recognized by measuring the temporary difference between the carrying amount of assets and liabilities for financial reporting purposes and their tax base. Temporary differences arising from the following situations are not recognized in deferred income tax:

1. Assets or liabilities originally recognized in a transaction that is not a business merger, and that does not affect accounting profit and taxable income (loss) at the time of the transaction.

2. Temporary differences arising from investment in subsidiaries, associates and joint venture equity, in which case the Group can control the timing of the reversal of the temporary difference and it is very likely that the reversal will not occur in the foreseeable future.

The unused tax loss and unused income tax deduction carried forward and the deductible temporary differences are recognized in deferred income tax assets to the extent that there is a high probability that future taxable income will be available for use. They shall be re-evaluated at each reporting date, and the relevant income tax benefit shall be reduced within the scope where it is not likely to be realized; or the original reduced amount shall be reversed within the scope where it is very likely that there will be sufficient taxable income.

The deferred income tax is measured at the tax rate when the temporary difference is expected to reverse, and is based on the statutory tax rate or substantive legislative tax rate at the reporting date.

The Group may only offset the deferred income tax assets and liabilities when the following conditions are met at the same time:

1. It has the legally enforceable right to offset the current income tax assets against current income tax liabilities; and
2. The deferred income tax assets and liabilities are related to one of the following taxpayers whose income tax is levied by the same tax authority:

(1) The same taxpayer; or

(2) Different taxpayers, but each subject intends to settle current income tax liabilities and assets on a net basis, or realize assets and settlement simultaneously, in each future period in which the significant amount of deferred income tax assets is expected to be recovered and deferred income tax liabilities are expected to be settled.

(21) Business Merger

The Group adopts the acquisition method for each business merger, and the goodwill is measured at the fair value of the consideration transferred on the acquisition date, including the amount attributable to any non-controlling interests in the acquiree, minus the net amount of identifiable assets acquired and assumed measured (usually fair value). If the balance after deduction is negative, the Group will reassess whether all acquired assets and all assumed liabilities have been correctly identified before recognizing the bargain purchase benefit in profit or loss.

If the initial accounting for a business combination is not completed by the end of the reporting period in which the combination occurs, the Group recognizes incomplete accounting items using provisional amounts. These provisional amounts are adjusted retrospectively, or additional assets or liabilities are recognized during the measurement period to reflect new information obtained about facts and circumstances that existed at the acquisition date. The measurement period starts from the acquisition date and does not exceed one year.

(22) Earnings per Share

The Group presents basic and diluted earnings per share attributable to holders of ordinary shares of the Group. The basic earnings per share of the Company are the profit or loss attributable to the holders of ordinary shares of the Company, divided by the weighted average number of ordinary shares outstanding in the current period. Diluted earnings per share are calculated after adjusting for the effect of all potential diluted ordinary shares by the gain or loss attributable to holders of the Company's ordinary shares and the weighted average number of ordinary shares outstanding.

(23) Segment Information

An operating division is an integral part of a Group engaged in activities that may generate revenue and incur expenses. The results of all operating divisions are periodically reviewed by the main operating decision maker of the Group to determine the allocation of resources to the division and to evaluate its performance. Separate financial information is provided for each operating division.

5. Significant Accounting Judgments, Estimates and Key Sources of Uncertainty over Assumptions

The Management must make judgments about the future (including climate-related risks and opportunities) and estimates in preparing the Group only financial statement that will have an impact on the adoption of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from the estimates.

The management continues to review estimates and underlying assumptions to ensure they align with the Group's risk management and climate-related commitments. Changes in estimates are recognized in the period of the change and are deferred into affected future periods.

The uncertainties in the following assumptions and estimates present significant risks that could lead to substantial adjustments to the carrying amounts of assets and liabilities in the next financial year. Relevant information is as follows:

(1) Revenue Recognition

The Group recognizes contract revenue based on the progress of construction contracts over time, measured by the ratio of contract costs incurred to date to the estimated total contract costs. The Group estimates the total contract costs considering factors such as the nature of the projects, expected construction duration, project scope, construction processes, methods, and expected subcontracting costs. Any changes in the assumptions underlying these estimates could result in significant adjustments to the estimated amounts.

6. Explanation of Significant Accounts

(1) Cash and Cash Equivalents

	December 31, 2024	December 31, 2023
Petty Cash	$ 543	609
Bank Deposits	361,226	386,748
Time Deposits	69,857	98,571
Re-Purchase Bonds	228,410	363,732
	$ 660,036	**849,660**

For disclosure of interest rate risk and sensitivity analysis of the Group’s financial assets and liabilities, please refer to Note 6(30).

(2) Financial Assets at Fair Value Through Profit or Loss - Current

	December 31, 2024	December 31, 2023
Financial assets at fair value through profit or loss:		
Non-derivative financial assets		
Foreign Listed Stock	$ 1,367	4,129
Shares of TWSE/ TPEx listed companies	-	1,985
Fund Beneficiary Certificate	1,759	27,293
Total	$ 3,126	33,407

(3) Financial Assets at Fair Value Through Other Comprehensive Income - Non-Current

	December 31, 2024	December 31, 2023
Equity Instruments Measured at Fair Value Through Other Comprehensive Income:		
Shares of Domestic Unlisted Companies	$ 66,017	69,327
Shares of Foreign Unlisted Companies	-	-
Total	$ 66,017	69,327

These equity instrument investments held by the Group are long-term strategic investments and are not held for trading purposes, so they have been designated to be measured at fair value through other comprehensive income.

(4) Financial Assets at Amortized Cost

	December 31, 2024	December 31, 2023
Current		
Time Deposits	$ 86,526	36,995
Restricted Bank Deposits	38,360	43,383
	$ 124,886	80,378
Non-Current		
Time Deposits	$ -	9,800
Restricted Bank Deposits	389,119	360,483
	$ 389,119	370,283

Please refer to Note 8 for the details of long-term and short-term borrowings and financing limit guarantees by the Group on December 31, 2024 and 2023.

(5) Notes Receivable and Accounts Receivable

	December 31, 2024	December 31, 2023
Notes Receivable - Arising from Operations	$ 10,034	16,980
Accounts Receivable	133,734	117,648
Less: Loss Allowance	(4,661)	(1,895)
	$ 139,107	**132,733**

The Group adopts a simplified approach to the estimate the expected credit losses for all notes and accounts receivable, that is, it is measured using the expected credit losses during the lifetime, and for this purpose, these notes and accounts receivable are grouped according to the common credit risk characteristics representing the ability of customer to pay all amounts due under the terms of contract, and the loss rate established by historical and realistic information for a specific period is considered forward-looking.

Analysis of expected credit losses of notes and accounts receivable of the Group is as follows:

	December 31, 2024		
	Book Amounts of Notes Receivable and Accounts Receivable	**Weighted Average Expected Credit Loss Ratio**	**Allowance Lifetime Expected Credit Losses**
Not overdue	$ 139,107	0%	-
Overdue for more than 121 days (including)	4,661	100%	4,661
	$ 143,768		**4,661**

	December 31, 2023		
	Book Amounts of Notes Receivable and Accounts Receivable	**Weighted Average Expected Credit Loss Ratio**	**Allowance Lifetime Expected Credit Losses**
Not overdue	$ 132,733	0%	-
Overdue for more than 121 days (including)	1,895	100%	1,895
	$ 134,628		**1,895**

The statement of loss changes in allowance for notes and accounts receivable of the Group is as follows:

	2024	2023
Beginning Balance	$ 1,895	1,293
Admitted Impairment Loss	3,211	1,214
The Amount Written off During the Year Because it Is not Recoverable	(622)	(604)
Foreign Currency Translation Gains and Losses	177	(8)
Ending Balance	$ 4,661	1,895

On December 31, 2024 and 2023, no notes receivable and accounts receivable of the Group have been provided as collateral.

The Group enters into non-recourse accounts receivable sale agreements with financial institutions. Since the Group has transferred virtually all risks and rewards to the ownership of the accounts receivable and has no ongoing participation in them, it is eligible for the exclusion of financial assets. When accounts receivable claims are derecognized, claims against financial institutions are reported to other receivables. Information relating to the accounts receivable for sale that are not due as of the reporting date is as follows:

December 31, 2023

Subject to Sale	Excluding Amount	Amount Still Available in Advance	Amount Advanced	Amount Transferred to Other Receivables	Interest Rate Range	Other Important Matters
Hua Nan Commercial Bank, Ltd	$ 23	-	-	23	-	Note 1 to 4
Export-Import Bank of the Republic of China	7,803	-	-	7,803	-	
	$ 7,826	-	-	7,826	-	

Note 1: Guarantee that the subject matter being purchased is legal and actually exists, and that no third party can claim any rights.

Note 2: Guarantee that the subject matter being purchased has no offsets, pledges, or restrictions on transfer, and that it is an accounts receivable debt with a determined amount.

Note 3: Guarantee that the transactions of sales contracts, service contracts, or other debt contracts are conducted in a normal and legal manner, and that there are no sufficient grounds or defenses to extinguish or impede the exercise of the rights of the financial institutions that acquire the accounts receivable.

Note 4: Guarantee that there is no control subordinate relationship or other improper commercial interests with the accounts receivable subject during the current and future validity period of the contract.

(6) Other Receivables

	December 31, 2024	December 31, 2023
Receivables From Payment on Behalf of Others	$ 174,745	163,659
Advances Receivable	-	279
Business tax Refund Receivable	3,889	1,369
Sales Receivables	-	7,826
Interest Receivable	2,736	3,334
Miscellaneous	8,831	5,543
Less: Loss Allowance	(174,745)	(163,659)
	$ 15,456	18,351

The movements of the loss allowance for other receivables of the Group in 2024 and 2023 are as follows:

	2024	2023
Beginning Balance	$ 163,659	163,792
Foreign Currency Conversion Gains and Losses	11,086	(133)
Ending Balance	$ 174,745	163,659

For additional credit risk information, please refer to Note 6 (30).

(7) Inventories

	December 31, 2024	December 31, 2023
Raw Materials	$ 32,819	44,750
Products in Process	8,913	2,696
Finished Products	42,699	23,769
Merchandise Inventory	202,336	262,401
	$ 286,767	333,616

Detailed statement of operating costs is as follow:

	2024	2023
Transfer of Inventory Sales	$ 1,577,194	1,365,738
Loss on Inventory Write-Down	1,979	22,824
Inventory Obsolescence Losses	324	1,140
Operating Costs of Solar Power Plant and Energy Storage	30,243	39,440
Total	$ 1,609,740	1,429,142

On December 31, 2024 and 2023, no inventory of the Group has been provided as collateral.

(8) Investment Accounted for Using Equity Method

The investments of the Group under the equity method on the reporting date are as follows:

	December 31, 2024	December 31, 2023
Associates	$ 24,315	27,199

1. Guarantee

On December 31, 2024 and 2023, the Group's investments under the equity method are not provided as collateral.

(9) Acquisition of Subsidiaries and Non-Controlling Interests

The Group acquires the following companies to develop its energy storage related business.

Company Name	Major operating activities	Date of Acquisition	Acquisition Ratio	Transfer consideration fair value
Noonspare Energy Technology Co., Ltd.	**Design and manufacturing of lithium battery modules, integration of residential and commercial/industrial energy storage systems, and energy technology services.**	**2024.04.01**	**49.89%**	**$ 118,370**

The main types of transfer consideration, assets acquired and liabilities assumed on the acquisition date and the amounts admitted are as follows:

1. The fair values of the major types of transfer consideration at the acquisition date are as follows:

2024:

	Noonspare Energy Technology Co., Ltd.
Transfer Consideration	
Cash	**$ 188,370**

2. The fair value of identifiable net assets acquired and liabilities assumed:

	Noonspare Energy Technology Co., Ltd.
Cash and cash equivalents	$ 215,985
Accounts receivable and other receivables	4,580
Inventory	1,570
Current tax assets	52
Other current assets	5,450
Property, plant, and equipment	92,722
Financial assets at fair value through other comprehensive income	6,283
Right-of-use asset	302
Intangible assets	32,419
Other non-current assets	6,81
Short-term loans	(15,000)
Contract liabilities - current	(3,496)
Notes payable, accounts payable and other payables	(8,699)
Lease liabilities - current	(305)
Other current liabilities	(113)
Total	**$ 338,610**

3. Goodwill

The goodwill recognized as a result of the acquisition is as follows:

	Noonspare Energy Technology Co., Ltd.
Transfer Consideration	$ 188,370
Add: Non-controlling interest	169,669
Less: Fair value of identifiable net assets	(338,610)
	$ 19,429

(10) Change of Ownership Interest in Subsidiaries

1. The changes in the Group's interest in subsidiaries in 2024 and transactions without changing control of said subsidiaries are as follows:

In March 2024, the Group reduced its shareholding from 59.82% to 59.64% by disposing of 0.18% of its shareholding in Billion Watts Technologies Co., Ltd.

In April 2024, due to the buyback of shares of Billion Watts Technologies Co., Ltd. from employees, the Group's shareholding increased from 59.64% to 59.74%.

In July 2024, the Group reduced its shareholding from 59.74% to 59.51% by disposing of 0.23% of its shareholding in Billion Watts Technologies Co., Ltd.

In September 2024, due to the buyback of shares of Billion Watts Technologies Co., Ltd. from employees, the Group's shareholding increased from 59.51% to 59.92%.

In October 2024, due to the buyback of shares of Billion Watts Technologies Co., Ltd. from employees, the Group's shareholding increased from 59.92% to 62.13%.

In December 2024, due to the buyback of shares of Billion Watts Technologies Co., Ltd. from employees, the Group's shareholding increased from 62.13% to 62.14%.

In March 2024, the Group repurchased shares of Billion EV Charging Technologies Co., Ltd. from the original shareholders, increasing its ownership percentage from 60% to 100%.

2. The changes in the Group's interest in subsidiaries in 2023 and transactions without changing control of said subsidiaries are as follows:

   In February 2023, due to the buyback of shares of Billion Watts Technologies Co., Ltd. from employees, the Group's shareholding increased from 60.26% to 60.31%.

   In March 2023, the Group reduced its shareholding from 60.31% to 60.15% by disposing of 0.16% of its shareholding in Billion Watts Technologies Co., Ltd.

   In July 2023, the Group reduced its shareholding ratio from 60.15% to 59.82% by disposing of 0.33% of its shareholding in Billion Watts Technologies Co., Ltd.

   In January 2023, BEC Technologies Inc., a subsidiary of the Group, increased its shareholding ratio from 74.99% to 75.00% due to Avantek Systems PTE. Ltd.'s capital reduction and return of share payments,

(11) Disposal of subsidiaries

The Group signed an equity transfer contract with Santi Renewable Energy Co., Ltd. in May 2023 and the transfer was completed on June 26, 2023. The Group sold all the equity of its subsidiary Billion Mega Energy Storage Technologies Inc. for $ 3,120 thousand and lost control over Billion Mega Energy Storage Technologies Inc. after the delivery date.

The Group signed an equity transfer contract with He Jun Energy Co., Ltd. in July 2023 and the transfer was completed on August 9, 2023. The Group sold all the equity of its subsidiary Billion Sunpower Co., Ltd. for $ 162,798 thousand and lost control over Billion Sunpower Co., Ltd. after the delivery date.

In August 2023, Shinshin Credit Corporation increased capital in Tai Chuang Energy Co., Ltd. by $630,000 thousand and obtained 96.92% equity interest in Tai Chuang Energy Co., Ltd. The Group's shareholding decreased from 100% to 3.08%. On August 23, 2023, the date of the equity transfer, the Group lost control over Tai Chuang Energy Co., Ltd. The remaining 3.08% equity interest was reclassified as financial assets at fair value through other comprehensive income - non-current at the net value of $19,395 thousand as of August 31, 2023, and a gain on disposal of the subsidiary of $19,666 thousand was recognized due to the loss of control.

1. Consideration Received

	2023	2023
	Billion Sunpower Co., Ltd.	**Billion Mega Energy Storage Technologies Inc.**
Cash and Cash Equivalents	$ 162,798	3,120

2. Assets and Liabilities out of Control

	Billion Sunpower Co., Ltd.	**Billion Mega Energy Storage Technologies Inc.**
Net Assets Disposed	$ 105,877	(160)

3. Profit From Disposal of Subsidiary

	Billion Sunpower Co., Ltd.	**Billion Mega Energy Storage Technologies Inc.**
Consideration Received	$ 162,798	3,120
Net Assets Disposed	(105,877)	160
Profit From Disposal of Subsidiary	$ 56,921	3,280

4. Net Cash Inflow from Disposal of Subsidiary

	Billion Sunpower Co., Ltd.	**Billion Mega Energy Storage Technologies Inc.**
Consideration Received in Cash	$ 162,798	3,120
Less: Cash Disposed of and Cash in Exchange	(3,883)	(1,433)
	$ 158,915	1,687

(12) Property, Plant, and Equipment

The cost and depreciation changes of the Group's real estate, plant, and equipment are detailed as follows:

	Land	Building	Machinery and Equipment	Transportation Facilities	Office Equipment	Other Equipment	Construction in Progress and Equipment to Be Inspected	Total
Costs:								
Balance as of January 1, 2024	$200,288	164,783	89,211	6,890	33,917	304,003	-	799,092
Addition	100,916	31,164	5,890	-	999	21,351	3,958	164,278
Disposal	-	(861)	(27)	-	(378)	(18,094)	-	(19,360)
Reclassification	38,074	20,409	280	-	97	6,232	(3,958)	61,134
Acquisition by merger	-	-	89,391	109	2,756	13,337	-	105,593
Effect of changes in currency exchange rate	982	3,999	-	114	540	(83)	-	5,552
Balance as of December 31, 2024	$340,260	219,494	184,745	7,113	37,931	326,746	-	1,116,289
Balance as of January 1, 2023	$200,300	164,788	289,762	7,565	33,721	217,878	14,661	928,675
Addition	-	44	2,915	255	2,753	74,751	-	80,718
Disposal	-	-	(203,610)	(1,287)	(6,362)	(3,287)	-	(214,546)
Reclassification	-	-	144	355	3,814	14,661	(14,661)	4,313
Effect of changes in currency exchange rate	(12)	(49)	-	2	(9)	-	-	(68)
Balance as of December 31, 2023	$200,288	164,783	89,211	6,890	33,917	304,003	-	799,092
Depreciation:								
Balance as of January 1, 2024	$ -	62,157	38,388	5,519	27,805	75,164	-	209,033
Current Depreciation	-	5,422	10,132	319	2,410	24,559	-	42,842
Disposal	-	(861)	(27)	-	(378)	(18,094)	-	(19,360)
Reclassification	-	5,891	37	(183)	10	245	-	6,000
Impairment loss	-	-	-	-	-	27,892	-	27,892
Acquisition by merger	-	-	9,452	189	1,052	2,274	-	12,967
Effect of changes in currency exchange rate	-	838	-	114	507	1	-	1,460
Balance as of December 31, 2024	$ -	73,447	57,982	5,958	31,406	112,041	-	280,834
Balance as of January 1, 2023	$ -	57,419	76,231	5,580	29,594	53,037	-	221,861
Current Depreciation	-	4,763	10,467	1,233	1,521	25,414	-	43,398
Disposal	-	-	(48,310)	(1,287)	(6,362)	(3,287)	-	(59,246)
Reclassification	-	-	-	-	3,060	-	-	3,060
Effect of changes in currency exchange rate	-	(25)	-	(7)	(8)	-	-	(40)
Balance as of December 31, 2023	$ -	62,157	38,388	5,519	27,805	75,164	-	209,033
Book value:								
December 31, 2024	$340,260	146,047	126,763	1,155	6,525	214,705	-	835,455
December 31, 2023	$200,288	102,626	50,823	1,371	6,112	228,839	-	590,059

Billion Energy Storage Technologies Inc., located at the energy storage site in Su'ao, Yilan, experienced an incident in September 2024. During the process of handling the alarm deactivation procedure, a security staff member from an outsourced security company accidentally triggered a switch, activating the fire protection equipment of the energy storage system. This resulted in contamination and damage to the site equipment due to chemical agents.

The Group has initiated relevant insurance claims and external compensation procedures in response to this incident. Based on assessments, the potential scope of damage includes an impairment loss of $27,892 thousand for equipment such as battery modules. The Group will continue to evaluate the impact of the losses as the situation develops.

As of December 31, 2024 and 2023, the Group had been pledged as collateral for long-term and short-term borrowings, please refer to Note 8.

(13) Right-Of-Use Assets

Changes in the cost and depreciation of land, housing and building, and transport equipment leased by the Group are as follows:

	Land	Housing and Building	Machinery and Equipment	Transportation Facilities	Office Equipment	Total
Costs of right-of-use assets:						
Balance as of January 1, 2024	$ 13,042	58,606	352	11,765	251	84,016
Addition	1,663	24,655	987	2,383	-	29,688
Acquisition by merger	-	-	-	518	-	518
Decrease	-	(3,392)	(352)	(1,459)	-	(5,203)
Balance as of December 31, 2024	**$ 14,705**	**79,869**	**987**	**13,207**	**251**	**109,019**
Balance as of January 1, 2023	$ 339,488	63,378	466	8,873	251	412,456
Addition	-	4,045	-	3,909	-	7,954
Decrease	(326,446)	(8,817)	(114)	(1,017)	-	(336,394)
Balance as of December 31, 2023	**$ 13,042**	**58,606**	**352**	**11,765**	**251**	**84,016**
Depreciation of right-of-use assets:						
Balance as of January 1, 2024	$ 2,400	17,426	293	5,365	153	25,637
Current Depreciation	1,256	9,724	483	4,015	83	15,561
Acquisition by merger	-	-	-	216	-	216
Current Decrease	-	(2,363)	(352)	(1,459)	-	(4,174)
Balance as of December 31, 2024	**$ 3,656**	**24,787**	**424**	**8,137**	**236**	**37,240**
Balance as of January 1, 2023	$ 2,811	12,964	255	3,357	70	19,457
Current Depreciation	14,427	6,109	152	3,026	83	23,797
Current Decrease	(14,838)	(1,647)	(114)	(1,018)	-	(17,617)
Balance as of December 31, 2023	**$ 2,400**	**17,426**	**293**	**5,365**	**153**	**25,637**
Book value:						
December 31, 2024	**$ 11,049**	**55,082**	**563**	**5,070**	**15**	**71,779**
December 31, 2023	**$ 10,642**	**41,180**	**59**	**6,400**	**98**	**58,379**

(14) Investment Property

Investment property includes land, houses and buildings held by the Group. The lease period of investment property under lease is from two to five years and the lessees do not have a preferential purchase right at the expiration of the lease period.

The details of the Group's investment properties are as follows:

	Land	Housing and Building	Total
Costs or deemed costs:			
Balance as of January 1, 2024	$ 43,393	25,134	68,527
Additions	-	10,884	10,884
Reclassified	(38,074)	(17,628)	(55,702)
Balance as of December 31, 2024	$ 5,319	18,390	23,709
Balance as of January 1, 2023 (which is the ending balance)	$ 43,393	25,134	68,527
Depreciation:			
Balance as of January 1, 2024	$ -	8,296	8,296
Current year depreciation	-	323	323
Reclassified	-	(5,891)	(5,891)
Balance as of December 31, 2024	$ -	2,728	2,728
Balance as of January 1, 2023	$ -	7,847	7,847
Current year depreciation	-	449	449
Balance as of December 31, 2023	$ -	8,296	8,296
Book amount:			
December 31, 2024	$ 5,319	15,662	20,981
December 31, 2023	$ 43,393	16,838	60,231
Fair value:			
December 31, 2024			$ 60,151
December 31, 2023			$ 95,230

The fair value of investment properties has not been evaluated by independent evaluators, and is only evaluated by the management of the Company with reference to the existing lease contracts and the market evidence of the transaction price of neighboring similar property.

As of December 31, 2024 and 2023, the above investment property has been provided as a statement of the financing limit guarantee. Please refer to Note 8 for details.

(15) Intangible assets

The cost and amortization of the intangible assets of the Group were as follows:

	Goodwill	Patents	Computer software	Other	Total
Costs:					
Balance as of January 1, 2024	$ -	-	13,772	-	13,772
Addition	-	-	2,886	-	2,886
Acquisition by merger	19,429	20,000	2,219	10,200	51,848
Disposals	-	-	(146)	-	(146)
Balance as of December 31, 2024	**$ 19,429**	**20,000**	**18,731**	**10,200**	**68,360**
Balance as of January 1, 2023	$ -	-	14,233	-	14,233
Addition	-	-	2,320	-	2,320
Reclassified	-	-	(2,781)	-	(2,781)
Balance as of December 31, 2023	**$ -**	**-**	**13,772**	**-**	**13,772**
amortization:					
Balance as of January 1, 2024	$ -	-	7,864	-	7,864
Current amortization	-	2,143	3,421	2,040	7,604
Disposals	-	-	(146)	-	(146)
Balance as of December 31, 2024	**$ -**	**2,143**	**11,139**	**2,040**	**15,322**
Balance as of January 1, 2023	$ -	-	8,056	-	8,056
Current Depreciation	-	-	2,589	-	2,589
Current Decrease	-	-	(2,781)	-	(2,781)
Balance as of December 31, 2023	**$ -**	**-**	**7,864**	**-**	**7,864**
Book value:					
December 31, 2024	**$ 19,429**	**17,857**	**7,592**	**8,160**	**53,038**
December 31, 2023	**$ -**	**-**	**5,908**	**-**	**5,908**

(16) Other Current Assets and Other Non-Current Assets

Other current and non-current assets of the Group are detailed as follows:

	December 31, 2024	December 31, 2023
Current		
Prepayment	$ 3,681	7,699
Prepaid Fees	13,776	14,855
Overpaid Tax Retained for Offsetting Future Tax Payable	18,086	32,866
Miscellaneous	11,443	70
Total	$ 46,986	55,490
Non-Current		
Prepaid Equipment	$ 9,930	9,710
Refundable Deposits	64,802	29,348
Long-Term Prepaid Fees	497	700
Total	$ 75,229	39,758

(17) Short-Term Notes and Bills Payable

Details of short-term notes payable by the Group are as follows:

	December 31, 2024		
	Guaranty or Acceptance Institution	Interest Rate Range	Amount
Commercial paper payable	Taiwan Finance Corporation	1.92%	$ 20,000
Commercial paper payable	Mega Bills Finance Co., Ltd.	2.09%	30,000
Commercial paper payable	Taiwan Cooperative Bills Finance Corporation	1.95%	30,000
Less: Discount on short-term notes and bills payable			(86)
Total			$ 79,914

	December 31, 2023		
	Guaranty or Acceptance Institution	Interest Rate Range	Amount
Commercial paper payable	China Bills Finance Corporation	1.34%	$ 30,000
Less: discount on short-term notes and bills payable			(102)
Total			$ 29,898

(18) Short-Term Loans

The short-term loans of the Group are detailed as follows:

	December 31, 2024	December 31, 2023
Secured Bank Loans	$ 198,055	61,000
No Secured Bank Loans	64,800	87,700
Total	$ 262,855	148,700
Unused Limit	$ 893,301	1,087,469
Interest Rate Range	1.98% 3.176%	1.95%-2.45%

Please refer to Note 8 for details of the Group's pledge of assets for bank loans.

(19) Long-Term Loans

	December 31, 2024			
	Currency	Interest Rate (%)	Maturity Year	Amount
Secured bank loans	NTD	3.95%	2025	$ 13,437
No secured bank loans	NTD	2.17% 2.82%	2025-2026	12,623
Less: Part due within 1 year				(24,671)
Total				$ 1,389
Unused limit				$ 12,100

	December 31, 2023			
	Currency	Interest Rate (%)	Maturity Year	Amount
Secured bank loans	NTD	1.95%-2.15%	2025	$ 35,765
No secured bank loans	NTD	2.3%-2.7%	2026-2029	28,930
Less: Part due within 1 year				(29,150)
Unused limit				$ 35,545
Total				$ 11,000

Please refer to Note 8 for details of the Group's pledge of assets for bank loans.

(20) Lease Liabilities

The book amounts of the Group's lease liabilities are as follows:

	December 31, 2024	December 31, 2023
Current	$ 15,061	10,913
Non-Current	$ 58,767	48,699

For maturity analysis, please refer to Note 6(30) Financial Instruments.

The amounts recognized to profit and loss are as follows:

	2024	2023
Interest Expense on Lease Liabilities	$ 1,393	5,726
Changes in Lease not Included in the Measurement of Lease Liabilities	$ 503	1,453
Short-Term Rental Expense	$ 15,752	14,853
Charges on Low-Value Leasehold Assets (Excluding Low-Value Leases on Short-Term Leases)	$ 568	383

The amounts recognized in the cash flow statement are as follows:

	2024	2023
Total Cash Outflows from Leases	$ 32,950	38,508

1. Rental of Housing and Building and Transport Equipment

   The Group leases the land for energy storage project, and the lease period is nine years and six months to ten years and seven months.

   The Group leases houses and building roofs for the construction of solar power plants for a period of twenty years.

   The Group leases houses, buildings and transportation equipment for general operating activities, usually for a period of one to ten years.

2. Other Leases

   The Group leases office equipment, etc., and such leases are short-term and low-value leases. The Group chooses to apply the exemption recognition provisions instead of recognizing the relevant right-of-use assets and lease liabilities.

(21) Current Provisions

	December 31, 2024	December 31, 2023
Subsidy for Equity Transaction	$ -	$ 9,394

Due to operational needs and for the purpose of revitalizing asset utilization, on August 3, 2017, the Board of Directors approved the resolution for the Group to sell 70% of its shares in EG-Billion Electronics (Dongguan) Ltd. to HCR Technology (Hong Kong) Ltd. The equity disposal transaction was completed in November 2018, except that EG-Billion Electronics (Dongguan) Ltd. was still in negotiations with Shizuo Town Industrial Development Co., Ltd. over the integrated service fees.

In December 2019, (Hong Kong) EG-Billion Ltd. and HCR Technology (Hong Kong) Ltd. reached a supplementary agreement on the contents of the above agreement. The maximum amount of the above compensation shall not exceed RMB 2,170 thousand. The disposal of (Hong Kong) EG-Billion Ltd. will be completed by the Group in August 2021, so the change for equity transactions will be borne by the Group.

In June 2024, pursuant to a court ruling, EG-Billion Electronics (Dongguan) Ltd. had fully settled the comprehensive service fees with Dongguan Shijie Development Industrial Co., Ltd. Consequently, the Company paid a supplementary payment for the equity transaction amounting to RMB 2,170 thousand in August 2024.

(22) Employee Benefits

1. Defined Benefit Plans

The adjustment between the present value of welfare obligations and the fair value of plan assets determined by the Group is as follows:

	December 31, 2024	December 31, 2023
Present Value of Defined Benefit Obligations	$ 25,599	35,733
Fair Value of Plan Assets	(16,222)	(19,565)
Net Defined Benefit Liabilities	$ 9,377	16,168

(1) Plan Assets Composition

The pension funds allocated by the Group under the Labor Standard Method shall be under the overall management of the Labor Fund Utilization Bureau of the Ministry of Labor (hereinafter referred to as Labor Fund Bureau). According to the "Measures for the Preservation and Utilization of the Income and Expenditure of the Labor Pension Fund", the minimum return of the annual distribution of the final accounts of the fund shall not be less than the return calculated on the two-year fixed deposit rate of the local bank.

As of the reported date, the balance of the special account of the Bank of Taiwan for labor retirement reserve of the Group is $16,222 thousand. For information on the asset management of the Labor Pension Fund, including the fund yield and fund asset allocation, please refer to the website of the Labor Fund Utilization Bureau of the Ministry of Labor.

(2) Changes in Present Value of Defined Benefit Obligations

The present value changes of the Group's benefit obligations in 2024 and 2023 are determined as follows:

	2024	2023
The present value of the benefit obligation is determined as of January 1	$ 35,733	38,773
Current service cost and interest	539	805
Long-service bonuses	(176)	98
Remeasurements of the net defined benefit liability		
Actuarial losses (gains) arising from changes in financial assumptions	(396)	719
Actuarial losses (gains) of experience adjustment	(933)	(1,363)
Benefits to be paid	(9,168)	(3,299)
The present value of the benefit obligation is determined as of December 31	**$ 25,599**	**35,733**

(3) Changes in Fair Value of Plan Assets

The changes in the fair value of the assets of the Group's defined benefit plan for 2024 and 2023 are as follows:

	2024	2023
Fair value of plan assets as of January 1	$ 19,565	22,133
Interest income	254	345
Remeasurements of the net defined benefit liability		
Return on planned assets (excluding current interest)	1,786	97
Amount already allocated to the plan	1,324	233
Benefits to be paid	(6,707)	(3,243)
Fair value of plan assets as of December 31	**$ 16,222**	**19,565**

(4) Expenses Recognized as Profit or Loss

Details of costs and expenses reported by the Group for 2024 and 2023 are as follows:

	2024	2023
Current Service Cost	$ 81	209
Net Interest on net Defined Benefit Liabilities	204	251
	$ 285	**460**

(5) Re-Measurement of net Definable Benefit Liabilities Recognized as Other Comprehensive Gains and Losses

The cumulative pre-tax re-measurement of the Group's net defined benefit liabilities to other comprehensive income and loss is as follows:

	2024	2023
Accumulated Balance as of January 1	$ 15,745	15,004
Recognized in the Current Period	3,115	741
Accumulated Balance as of December 31	**$ 18,860**	**15,745**

(6) Actuarial Assumptions

The significant actuarial assumptions used by the Group to determine the present value of its benefit obligations at the close of financial reporting date are as follows:

	December 31, 2024	**December 31, 2023**
Discount Rate	1.55%	1.30%
Rate of Future Wage Increases	1.50%	1.50%

The Group expects to make a provision of $1,334 thousand to the defined benefit plan for one year after the reporting date of 2024.

The weighted average duration of defined benefit plans was 6.4 years.

(7) Sensitivity Analysis

The impact of changes in the major actuarial assumptions applicable on December 31, 2024 and 2023 on the determination of the present value of benefit obligations is as follows:

	Impacts on Present Value of Defined Benefit Obligation	
	Assumed Reduction	**Assumed Addition**
December 31, 2024		
Discount rate (change 0.50%)	$ 808	(767)
Future salary (change 0.50%)	(764)	796
December 31, 2023		
Discount rate (change 0.50%)	1,383	(1,466)
Future salary (change 0.50%)	(1,373)	1,441

The above sensitivity analysis is based on the analysis of the effect of changes in a single hypothesis when other hypotheses remain constant. In practice, many assumptions may change in tandem. The sensitivity analysis is consistent with the method used to calculate the net defined benefit liability of the balance sheet.

The methods and assumptions used in the preparation of sensitivity analysis in this period are the same as in the previous period.

2. Defined Contribution Plans

The defined contribution plan of the Group shall be made to the employees' pension Individual account of the Labor Insurance Bureau at the rate of 6% of the employees' monthly wages as stipulated in the employees' Pension Ordinance. There is no statutory or constructive obligation to pay any additional amount after the amount drawn by the Company under this plan has been paid to the Bureau of Labor Insurance.

The subsidiary of the Group, BEC Technologies Inc. has a defined contribution retirement plan that provides for a percentage of employees' salaries to be contributed to their pensions.

Subsidiaries located in other regions make their contributions in accordance with the local laws and regulations.

The pension expenses under the Group's determinate Pension Scheme for 2024 and 2023 are $11,096 thousand and $9,072 thousand respectively, which have been allocated to the Labor Insurance Bureau.

(23) Income Tax

1. The Group's income tax expense details are as follows:

	2024	2023
Current Income Tax Expense		
Generated in the Current Period	$ 23,261	36,113
Adjust the Current Income Tax of the Previous Period	2,411	(8,524)
	25,672	27,589
Deferred Income Tax Expenses (Benefits)		
Occurrence and Reversal of Temporary Differences	2,073	(5,484)
Income Tax Expense	$ 27,745	22,105

The income tax expense (benefits) of the Group for 2024 and 2023 as recognized under other comprehensive income and loss is as follows:

	2024	2023
Items not Reclassified to Profit or Loss:		
Re-Measurement of Defined Benefit Plan	$ 623	148
Items That May Be Subsequently Reclassified to Profit or Loss:		
Exchange Differences on Translating the Financial Statements of Foreign Operations	$ 2,836	(6)

Adjustment of the relationship between income tax expense and pre-tax net profit of the Group in 2024 and 2023 is as follows:

	2024	2023
Net Profit Before Tax	$ 44,653	134,358
Income Tax Based on the Domestic Tax Rate of the Company's Location	$ 8,931	$ 26,872
The Return of Overseas Funds to Taiwan Is Subject to Separate Taxation	-	(6,203)
Recognition of Previously Unrecognized Tax Losses	(948)	(1,033)
Current Taxable Loss on Deferred	18,705	3,279
Income Exemption	-	(14,845)
Non-Deductible Expenses	(6,981)	2,331
Changes in Temporary Differences not Recognized	5,578	4,914
Early Underestimate (Overvaluation)	274	(2,342)
Additional Income Tax on Undistributed Earnings	2,450	1,383
Effect of Different Tax Rates on the Consolidated Entities	(264)	2,471
Income Basic Tax	-	5,278
Income Tax Expense	$ 27,745	22,105

2. Deferred Income tax Assets and Liabilities

(1) Deferred Income tax Assets Are not Recognized

	2024	2023
Deductible Temporary Difference		
Expected Credit Impairment Losses	$ 159,960	159,960
Impairment Losses	13,234	13,234
Loss Carry Forward	30,875	4,902
	$ 204,069	178,096

(2) Recognized Deferred tax Assets and Liabilities

Changes in deferred tax assets and liabilities for 2024 and 2023 are as follows:

Deferred Income Tax Assets

	2024				
	Beginning Balance	Debit/Credit Income Statement	Debit/Credit in Other Comprehensive Income Statements	Acquisition by merger	Ending Balance
Defined benefit pension plan	$ 3,312	(208)	(623)	-	2,481
Unrealized gross margin	2,741	(575)	-	-	2,166
Loss on inventory write-down	8,895	(5,892)	-	2,277	5,280
Unrealized loss on exchange	785	(1,175)	-	618	228
Loss carryforward	-	7,533	-	3,905	785
	$ 15,733	(317)	(623)	6,800	21,593

	2023			
	Beginning Balance	Debit/Credit Income Statement	Debit/Credit in Other Comprehensive Income Statements	Ending Balance
Defined benefit pension plan	$ 3,413	47	(148)	3,312
Unrealized gross margin	5,170	(2,429)	-	2,741
Loss on inventory write-down	6,349	2,546	-	8,895
Unrealized loss on exchange	-	785	-	785
	$ 14,932	949	(148)	15,733

As of December 31, 2024, the tax losses recognized by the Group as deferred income tax assets and their expiration periods are as follows:

Loss Year	Unused Losses	Last Deductible Year
2024 (Estimated amount)	$ 37,657	2034

Deferred Income Tax Liabilities

	2024			
	Beginning Balance	Debit/(credit) Income Statement	Debit/(Credit) in Other Comprehensive Income Statements	Ending Balance
Income from foreign investment	$ 25,775	(4,838)	-	20,937
Exchange differences on translating the financial statements of foreign operations	213	-	2,836	3,049
Unrealized gain on exchange	3	6,594	-	6,597
	$ 25,991	1,756	2,836	30,583

	2023			
	Beginning Balance	Debit/(credit) Income Statement	Debit/(Credit) in Other Comprehensive Income Statements	Ending Balance
Income from foreign investment	$ 28,706	(2,931)	-	25,775
Exchange differences on translating the financial statements of foreign operations	219	-	(6)	213
Unrealized gain on exchange	1,607	(1,604)	-	3
	$ 30,532	**(4,535)**	**(6)**	**25,991**

3. Income Tax Approval

The income tax settlement declaration of the Company's profit-making business has been approved by the tax collecting authority until 2022.

(24) Capital and Other Equity

1. Issue of Common Stock

As of December 31, 2024 and 2023, the Company's authorized capital was both $2,500,000 thousand, and 12,350 thousand shares were reserved for the issuance of employee stock options, with a par value of $10 per share and a total of 250,000 thousand shares. The aforementioned authorized capital includes 115,533 thousand shares and 115,419 thousand shares of common stock issued, respectively. All issued shares were received.

In 2024, the Company issued 555 thousand new shares at par value due to the exercise of the employee stock warrants, with a total amount of $5,553 thousand, of which 84 thousand shares have completed the legal registration procedures, and all the shares issued have been collected.

On March 14, 2023, the Company's board of directors resolved to issue ordinary shares through private placement for cash capital increase, and the board of directors resolved to issue 15,000 thousand ordinary shares at a private placement price of NT $35.32 per share, with a par value of NT $10 per share, totaling $529,800 thousand. The base date of the capital increase is March 15, 2023, and the relevant statutory registration procedures have been completed.

In 2023, the Company issued 631 thousand new shares at par value due to the exercise of the employee stock warrants, with a total amount of $6,310 thousand, and all the shares issued have been collected.

2. Capital Surplus

The balance of the Company's capital reserve is as follows:

	December 31, 2024	December 31, 2023
Premium on issuance of shares	$ 634,159	630,271
Treasury share transactions	5,929	5,929
Treasury share transactions (Transfer of employee stock options)	19,262	19,262
Difference between actual acquisition or disposal of equity interest in a subsidiary and it carrying value	19,777	22,449
Recognition of changes in all equity in subsidiaries	2,336	2,336
The number of changes in the net equity value of subsidiaries and associates	32	32
Consolidated overdraft	8,173	8,173
Employee stock options	588	2,354
Income received from gifts	1,890	1,890
	$ 692,146	692,696

According to the Company Law, after the capital reserve is required to cover the loss preferentially, the realized capital reserve may be issued to new shares or cash in proportion to the original shares of the shareholders. The realized capital reserve referred to in the preceding paragraph includes the excess from issuing shares in excess of par value and the income from receiving gifts. In accordance with the guidelines for the treatment of issuers' offering and issuance of marketable securities, the total amount of the capital reserve appropriated for replenishment shall not exceed 10% of the paid-in capital.

3. Retained Earnings

According to the Articles of Incorporation of the Company, after paying all taxes and dues according to law and making up for accumulated losses, 10% of the remaining profit of the Company after annual closing of the books shall be appropriated as the legal reserve; where such legal reserve amounts to the total paid-in capital of the Company, this provision shall not apply; the remainder shall be used to appropriate or reverse the special reserve. If there is still remaining balance, the board of directors shall draw up an earnings distribution proposal on the balance and the accumulated undistributed earnings, and submit it to the shareholders' meeting.

The Company's dividend policy, in line with the current and future development plan, the investment environment, capital needs and domestic and foreign competition, and taking into account the shareholders' interests and other factors, is that the annual allocation of distributable earnings shall not be less than 10% of the distribution of shareholders' dividends, except that when the accumulated distributable earnings is less than 5% of the paid-in share capital, it may not be distributed; at the time of distribution of shareholders' dividends, the proportion of cash dividends in the shareholders' dividends distributed in the current year shall be not less than 5% of the total annual distribution of dividends, and the remaining cash dividends shall be distributed in the form of share dividends, but the actual distribution ratio shall be adjusted according to the actual profit and operating conditions of the current year.

(1) Legal Reserve

If the Company has no losses, it may, by resolution of the shareholders' meeting, issue new shares or cash out of the legal reserve, provided that the reserve exceeds 25% of the paid-in capital.

(2) Special Reserves

When the Company first adopted IFRS approved by the Financial Regulatory Commission, the unrealized revaluation appreciation under shareholders' equity, the cumulative conversion adjustment (interest) and the classification of the assets in the accounts as "investment real estate" on the conversion date due to the selection of the exempted items under IFRS No. 1 "First Adoption of IFRS", If the fair value of the conversion date is taken as the recognized cost to increase the retained surplus, the same amount of special reserve may be set aside in accordance with the Financial Regulatory Commission's Order No. 1010012865 issued on April 6, 2012, and surplus may be redistributed in proportion to the original special reserve when the relevant assets are used, disposed of or reclassified.

In accordance with the regulations of the Financial Regulatory Commission, when distributing distributable surplus, the Company shall set aside a special reserve from the current profit and loss and the undistributed surplus of the previous period for the net deduction of other shareholders' equity in the accounts of the current year; the amount of other shareholders' equity deduction accumulated in the previous period shall not be distributed the special reserve of the same amount drawn from the undistributed surplus of the previous period. If there is any subsequent reversal of the amount of other shareholders' equity reduction, the surplus may be distributed in the reversal.

(3) Earnings Distribution

The appropriations of earnings for 2023 and 2022 were approved by the shareholders' meeting on May 29, 2024 and June 7, 2023. The appropriations and dividends to shareholders were as follows:

	2023		2022	
	Amount per Share (NT$)	**Amount**	**Amount per Share (NT$)**	**Amount**
Dividends distributed to ordinary equity owners:				
Cash	$ 0.37	$ 42,298	$ 0.26	$ 29,387

4. Treasury Shares

The changes of the Company's treasury shares are detailed as follows:

	2024		2023	
	Transfer of Shares to Employees (Thousand Shares)	Transfer of Shares to Employees (NT$ Thousand)	Transfer of Shares to Employees (Thousand Shares)	Transfer of Shares to Employees (NT$ Thousand)
Beginning balance	1,146	$ 25,057	1,191	$ 25,913
Transferred to Group's employees in the current year	-	-	(45)	(856)
Ending Balance	**1,146**	**$ 25,057**	**1,146**	**$ 25,057**

The number of uncancelled treasury shares of the Company as of December 31, 2024 and 2023 was 1,146 thousand. The Treasury shares held by the Company shall not be pledged in accordance with the provisions of the Securities Exchange Act, and do not carry shareholder rights before transfer.

5. Other Equity (Net Amount After Tax)

	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Appraisal Gains and Losses on Financial Assets Measured at Fair Value Through Other Comprehensive Gains and Losses	Non-Controlling Interests	Total
Balance as of January 1, 2024	($ 6,106)	(25,357)	194,633	163,170
Net profit for the period	-	-	41,661	41,661
The exchange difference resulting from the conversion of the net assets of the foreign operating institution	11,346	-	1,464	12,810
Unrealized appraisal gains and losses on financial assets measured at fair value through other comprehensive gains and losses	-	(9,259)	(334)	(9,593)
Difference between actual acquisition or disposal of equity interest in a subsidiary and it carrying value	-	-	(27,312)	(27,312)
Share-based payment transactions	-	-	79	79
Cash dividends	-	-	(11,940)	(11,940)
Other	-	-	169,669	169,669
Balance as of December 31, 2024	**$ 5,240**	**(34,616)**	**367,920**	**338,544**

	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Appraisal Gains and Losses on Financial Assets Measured at Fair Value Through Other Comprehensive Gains and Losses	Non-Controlling Interests	Total
Balance as of January 1, 2023	($ 6,080)	(41,492)	152,403	104,831
Net profit for the period	-	-	41,105	41,105
The exchange difference resulting from the conversion of the net assets of the foreign operating institution	(26)	-	(6)	(32)
Difference between actual acquisition or disposal of equity interest in a subsidiary and it carrying value	-	-	1,263	1,263
Changes in ownership interests in subsidiaries	-	16,135	-	16,135
Share-based payment transactions	-	-	63	63
Cash capital increases	-	-	19,997	19,997
Cash dividends	-	-	(20,192)	(20,192)
Balance as of December 31, 2023	**($ 6,106)**	**(25,357)**	**194,633**	**163,170**

(25) Share-Based Payment

1. As of December 31, 2024, the Company had the following three share base payment transactions:

	First Employee Stock Option	Second Employee Stock Option	Third Employee Stock Option
Grant date	2020.08	2021.03	2021.06
Grant quantity	2,559	130	111
Execution price (NT$)	12.6	23.45	22.65
Contract Period	5 years	5 years	5 years
Vesting Conditions	At the end of two years, according to the specific schedule and proportion	At the end of two years, according to the specific schedule and proportion	At the end of two years, according to the specific schedule and proportion

Measurement Parameters of Fair Value at the Grant Date

The Company adopts the option evaluation model to estimate the fair value of employee stock options at the grant date, the assumptions and fair value are summarized as follows:

	First Payment: Employee Stock Options	Second Payment: Employee Stock Options	Third Payment: Employee Stock Options
Stock price on grant date	$ 12.60	23.45	22.65
Execution price	12.60	23.45	22.65
Expected price volatility	39.54%	50.02%	52.06%
Expected duration (years)	3.5-4.5	3.5-4.5	3.5-4.5
Expected dividend rate	-%	-%	-%
Risk-free interest rate	0.5130%	0.0970%	0.1320%

Information About the Employee Stock Option Plan

(in thousands of units)

	2024		2023	
	Weighted Average Performance Price (NT$)	Number of Warrants	Weighted Average Performance Price (NT$)	Number of Warrants
Shares outstanding as of January 1	$ 14.09	797	14.11	1,517
Amount granted in the current period	12.60	511	-	-
Amount lost in the current period	19.30	(20)	15.65	(89)
Amount executed in the current period	13.40	(555)	13.92	(631)
Shares outstanding as of December 31	13.43	733	14.09	797
Executable quantity as of December 31	14.26	181	14.29	184

The Company's outstanding stock options are as follows:

	December 31, 2024	December 31, 2023
Execution Price Range (NT$)	$12.60-$23.45	$12.60-$23.45
Weighted Average Remaining Contract Period (Years)	0.61-1.47	1.61-2.47

Employee Expenses

	2024	2023
Expenses Incurred due to Employee Warrants	$ 118	934

2. The Company's stock payment basis Treasury stock transfer employee information in August 2022 and August 2021 is as follows:

Measurement Parameters of Fair Value at the Grant Date

	2024	2023
Stock Price on Grant Date	$ 36.50	36.50
Execution Price	19.02	19.02
Expected Volatility	41.198%	41.198%
Expected Duration	0.09 to 1.09 years.	0.09 to 1.09 years.
Risk-Free Interest Rate	1.090%	1.090%

Information on Transfer of Treasury Shares

The Company transferred 50 thousand treasury shares to employees in 2023.

	2024		**2024**	
	Weighted Average Exercise Price	**Number of Shares (Thousands)**	**Weighted Average Exercise Price**	**Number of Shares (Thousands)**
Shares outstanding as of January 1	$ 19.02	30	19.02	25
Amount granted in the current period	-	-	19.02	50
Amount executed in the current period	-	-	19.02	(45)
Shares outstanding as of December 31	19.02	**30**	19.02	**30**
Executable quantity as of December 31		**30**		**30**

The expenses incurred by the Group in 2024 and 2023 due to the transfer of treasury shares paid on a share basis were $0 thousand and $411 thousand respectively.

3. In October 2022 and February 2021, the following two share base payment transactions occurred in the consolidated subsidiary Billion Watts Technologies Co., Ltd.:

	First Employee Stock Option Warrants	**The Second Cash Seasoned Equity Offering Is Reserved for Employee Subscription**
Grant date	October 2022	February 2021
Grant quantity	700	914
Execution price (NT$)	$23	15
Contract Period	1 year	5 years
Vesting Conditions	Immediate acquisition	Immediate acquisition

Measurement Parameters of Fair Value at the Grant Date

The Group's Billion Watts Technologies Co., Ltd. uses the Black-Scholes option evaluation model to estimate the fair value of the payment to the daily share basis, assuming that the information and fair value are summarized as follows:

	First Payment: Employee Stock Option Certificates	Second Payment: Cash Capital Increase Reserved for Employee Subscription
Expected price volatility	41.34%	38.73%
Risk-free interest rate	1.35%	0.632%
Weighted-average fair value of options granted (NT$)	$ 1.456	1.590

Expected volatility is based on the weighted average historical volatility adjusted for changes expected as a result of publicly available information; The duration of the stock option shall be stipulated in each of the Company's issuing measures; The risk-free rate is based on government bonds.

Employee Expenses

	2024	2023
Expenses incurred due to employee warrants	$ 194	95

The consolidated subsidiary, BEC Technologies Inc. has resolved to adopt the Phantom Stock plan to reward key employees, and to pay the employees in cash as the employee reaches a certain period of service in the future, the amount of which is measured based on the fair value of BEC Technologies Inc. shares on the delivery date.

The expenses incurred by the Group in 2024 and 2023 due to employee virtual stock resulted in a loss of NT$ 751 thousand and a gain of NT$ 132 thousand, respectively.

(26) Earnings per Share

The Company's basic and diluted earnings (loss) per share are calculated as follows:

1. Basic Earnings (Loss) per Share

(1) Net Income Attributable to Holders of Common Equity of the Company

	2024	2023
Net income (loss) attributable to the Company for the period	($ 24,753)	71,148

(2) Weighted Average Number of Common Shares Outstanding

Unit: Thousand shares

	2024	2023
Weighted average number of common shares outstanding	$ 114,500	110,862

2. Diluted Earnings (Loss) per Share

(1) Net Income (loss) Attributable to Holders of Common Equity of the Company (Diluted)

	2024	2023
Net income (loss) attributable to holders of common equity of the Company (Diluted)	($ 24,753)	71,148

(2) Weighted Average Number of Common Shares Outstanding (Diluted)

Unit: Thousand shares

	2024	2023
Weighted average number of common shares outstanding (Basic)	114,500	110,862
Effect of dilutive potential common shares		
Effect of employee stock options	-	785
Effect of employee stock compensation	-	92
Weighted average number of common shares outstanding (Diluted)	114,500	111,739
Basic earnings (loss) per share	$ (0.22)	0.64
Diluted earnings (loss) per share	$ (0.22)	0.64

As the Company incurred a net loss after tax in 2024, the potential common shares, including employee compensation to be settled in stock and unvested employee stock options, would have an anti-dilutive effect if included. Therefore, they were not considered in the calculation of diluted loss per share.

(27) Revenue from Contracts with Customers

1. Subdivision of Income

	2024	2023
Key Regional Markets		
Asia	$ 1,767,966	1,503,259
Americas	240,869	297,155
Other countries	15,100	28,337
	$ 2,023,935	1,828,751
Key Products		
Communication electronic equipment	$ 248,386	300,786
Power plant equipment	145,705	108,032
Energy storage－other	86,640	75,487
Energy storage－equipment sales	725,783	781,083
Energy storage－system Integration	817,421	563,363
	$ 2,023,935	1,828,751

2. Contract Balance

	December 31, 2024	December 31, 2023	January 1, 2023
Notes Receivable	$ 10,034	16,980	7,601
Accounts Receivable	133,734	117,648	138,527
Less: Loss allowance	(4,661)	(1,895)	(1,293)
	$ 139,107	132,733	144,835
Contract Performance Costs	$ 848,227	819,313	382,897
Contract Asset- Current	$ 192,149	68,976	7,576
Contractual Liabilities - Current	$ 684,212	582,129	538,209

Please refer to Note 6(5) for detailed disclosure of notes and accounts receivable and their impairments.

Contractual liabilities are primarily derived from proceeds received on product sales contracts, which the Group will carry forward when products are delivered to customers.

(28) Remuneration to Employees and Directors

In accordance with the Articles of Incorporation of the Company, if there is any profit in a year, the compensation of employees and directors shall be set aside at a rate of no less than 2% and no more than 3% respectively according to the pre-tax profit of the year before deducting the compensation of employees and directors. However, if the Company still has accumulated losses, it shall reserve the compensatory amount in advance. To whom stock or cash is paid, including employees of affiliated companies who meet certain conditions.

The estimated compensation for employees of the Company in 2024 and 2023 is $ 0 thousand and $ 3,500 thousand respectively, and the estimated compensation for directors is $ 0 thousand and $ 1,200 thousand respectively, based on the amount of the Company's net profit before tax deducting employee and director compensation for each period multiplied by the allocation of employee and director compensation as stipulated in the Articles of Incorporation. Operating expenses for 2024 and 2023 are reported side by side. The employee and director compensation as determined by the foregoing Board of Directors does not differ from the estimated amount in the Company's consolidated financial statements for 2024 and 2023, and relevant information is available on the Market Observation Post System (MOPS).

(29) Non-Operating Revenue and Expenses

1. Interest Income

The Group's interest income details are as follows:

	2024	2023
Bank Interest	$ 26,194	21,972
Other Interest Income	9,579	9,554
	$ 35,773	31,526

2. Other Income

The Group's other income details are as follows:

	2024	2023
Rental Income	$ 6,761	8,322
Dividend Income	27	163
Government grant income	650	-
Other Income	14,142	24,385
	$ 21,580	32,870

3. Other Gains and Losses

The Group's other benefits and losses details are as follows:

	2024	2023
Profit From Disposal of Subsidiary	$ -	79,867
Gain on lease modification	14	-
Gains on Foreign Currency Exchange	51,065	4,016
Profit on Financial Assets Measured at Fair Value Through Profit and Loss	2,075	2,751
Impairment loss on property, plant, and equipment	(27,892)	-
Miscellaneous	(2,885)	(2,395)
	$ 22,377	84,239

4. Financial Costs

The Group's financial costs details are as follows:

	2024	2023
Interest on Bank Loans	$ 8,927	3,719
Interest on Lease Liabilities	1,393	5,726
Interest on Other Loans	1,026	1,920
Interest on Short-Term Notes and Bills Payable	1,327	741
	$ 12,673	12,106

(30) Financial Instruments

1. Credit Risk

(1) The Amount of the Maximum Credit Risk

The book amount of financial assets and contractual assets represents the maximum credit storm risk amount.

(2) Concentration of Credit Risk

As of December 31, 2024 and 2023, 20.17% and 9.18% of the balance of accounts receivable of the Group are composed of the Group's five major clients from before, resulting in a significant concentration of credit risk of the Group.

2. Liquidity Risk

The following table shows the contract maturity dates of financial liabilities, including the impact of estimated interest.

	Carrying Amount of Investment	Contract Cash Flow	Within 12 Months	1-5 Years	More Than 5 Years
December 31, 2024					
Non-derivative financial liabilities					
Non-interest-bearing liabilities	$ 197,922	197,922	197,922	-	-
Lease liabilities (including maturity within one year)	73,828	78,393	16,382	46,443	15,568
Floating rate instrument	275,477	276,941	275,542	1,399	-
Fixed-rate instrument	93,352	93,660	93,660	-	-
Total	$ 640,579	646,916	583,506	47,842	15,568

	Carrying Amount of Investment	Contract Cash Flow	Within 12 Months	1-5 Years	More Than 5 Years
December 31, 2023					
Non-derivative financial liabilities					
Non-interest-bearing liabilities	$ 281,877	281,877	281,806	71	-
Lease liabilities (including maturity within one year)	59,612	64,183	12,022	30,385	21,776
Floating rate instrument	177,630	180,449	157,279	20,548	2,622
Fixed-rate instrument	65,663	67,057	53,442	13,615	-
Total	$ 584,782	593,566	504,549	64,619	24,398

The Group does not anticipate that the cash flows from the maturity analysis will occur significantly earlier or that the actual amounts will be significantly different.

3. Foreign exchange risk

(1) Exchange rate risk exposure

The financial assets and liabilities of the Group exposed to material foreign currency exchange rate risks are as follows:

	December 31, 2024			December 31, 2023		
	Foreign Currency	Currency Exchange Rate	NTD	Foreign Currency	Currency Exchange Rate	NTD
Financial Assets						
Monetary Items						
USD	$ 30,198	32.785	990,042	35,193	30.705	1,080,595
EUR	201	34.140	6,850	215	34.003	7,326
JPY	27,213	0.210	5,712	30,264	0.217	6,567
Financial Liabilities						
Monetary Items						
USD	934	32.785	30,615	1,027	30.705	31,527
RMB	1,765	4.478	7,905	2,643	4.329	11,442

(2) Sensitivity Analysis

The exchange rate risk of the monetary items of the Group is mainly due to cash and equivalent cash denominated in foreign currency, accounts receivable and other receivables, accounts payable and other payables, etc., resulting in foreign currency exchange gains and losses upon conversion. When the New Taiwan Dollar depreciates or revalues by 5% against the US dollar and the RMB on December 31, 2024 and 2023, all other factors being held constant, the net profit before tax in 2024 and 2023 will increase or decrease by $ 48,204 thousand and $ 52,576 thousand, respectively. The two analyses are based on the same basis.

(3) Exchange Gains and Losses on Monetary Items

Due to the variety of functional currencies of the Group, the exchange profit and loss information of monetary items is disclosed by means of integration. The profit of foreign currency exchange in 2024 and 2023 (including realized and unrealized) is $51,065 thousand and $4,016 thousand respectively.

4. Interest Rate Analysis

Interest rate risks on the financial assets and financial liabilities of the Group are described in the Liquidity Risk Management section of this note.

The following sensitivity analysis is based on the interest rate risk of derivative and non- derivative instruments as of the reporting date. For floating rate liabilities, the analysis assumes that the amount of liabilities outstanding on the reported date is outstanding for the whole year. The rate of change used internally by the Group to report interest rates to key management is a 0.25% increase or decrease in interest rates, which also represents the management's assessment of the range of reasonably possible changes in interest rates.

If interest rates increase or decrease by 0.25%, the Group's 2024 and 2023 pre-tax net income will decrease or increase by $689 thousand and $444 thousand, all other variables being held constant.

5. Other Price Risks

If daily price changes of equity securities are reported (the analysis of the two periods is based on the same basis, and other changing factors are assumed to remain unchanged), the impact on the comprehensive income and loss items is as follows:

	2024		2023	
Securities Prices on the Reporting Day	**Pre-Tax Amount of Other Comprehensive Gains and Losses**	**Pre-Tax Profit and Losses**	**Pre-Tax Amount of Other Comprehensive Gains and Losses**	**Pre-Tax Profit and Losses**
Increase by 10%	**$ 6,602**	**137**	**6,933**	**611**
Decrease by 10%	**($ 6,602)**	**(137)**	**(6,933)**	**(611)**

6. Fair Value and Book Amount

(1) Types and Fair Values of Financial Instruments

The financial assets and liabilities of the Group measured at fair value through profit and loss and the financial assets measured at fair value through other comprehensive profit and loss are measured at fair value on a recurring basis. Book amount and fair value of various types of financial assets and financial liabilities (including fair value grade information, but the book amounts of financial instruments not measured by fair value is a reasonable approximation of fair value, and leasing liabilities, according to the provisions of the fair value information is not required to disclose) are listed as follows:

	December 31, 2024				
		Fair Value			
	Carrying Amount of Investment	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss	$ 3,126	3,126	-	-	3,126
Financial Assets at Fair Value Through Other Comprehensive Income					
Domestic unlisted (over-the-counter) shares	66,017	-	-	66,017	66,017
Financial Assets at Amortized Cost					
Cash and cash equivalents	660,036	-	-	-	-
Financial assets at amortized cost	514,005	-	-	-	-
Notes and accounts receivable	139,107	-	-	-	-
Other receivables	15,456	-	-	-	-
Subtotal	1,328,604	-	-	-	-
Total	$1,397,747	3,126	-	66,017	69,143
Financial Liabilities Measured at Cost After Amortization					
Short-term loans	$ 262,855	-	-	-	-
Short-term notes and bills payable	79,914	-	-	-	-
Notes and Accounts Receivable	106,663	-	-	-	-
Other payables	91,259	-	-	-	-
Lease liabilities (including maturity within 1 year)	73,828	-	-	-	-
Long-term loans (including maturity within 1 year)	26,060	-	-	-	-
Total	$ 640,579	-	-	-	-

	December 31, 2023				
		Fair Value			
	Carrying Amount of Investment	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss	$ 33,407	33,407	-	-	33,407
Financial Assets at Fair Value Through Other Comprehensive Income					
Domestic and foreign unlisted (over-the-counter) shares	69,327	-	-	69,327	69,327
Financial Assets at Amortized Cost					
Cash and cash equivalents	849,660	-	-	-	-
Financial assets at amortized cost	450,661	-	-	-	-
Notes and accounts receivable	132,733	-	-	-	-
Other receivables	18,351	-	-	-	-
Subtotal	1,451,405	-	-	-	-
Total	$1,554,139	33,407	-	69,327	102,734

	December 31, 2023				
		Fair Value			
	Carrying Amount of Investment	Level 1	Level 2	Level 3	Total
Financial Liabilities Measured at Cost After Amortization					
Short-term loans	$ 148,700	-	-	-	-
Short-term notes and bills payable	29,898	-	-	-	-
Notes and Accounts Receivable	189,422	-	-	-	-
Other payables	92,455	-	-	-	-
Lease liabilities (including maturity within 1 year)	59,612	-	-	-	-
Long-term loans (including maturity within 1 year)	64,695	-	-	-	-
Total	$ 584,782	-	-	-	-

(2) Fair value evaluation technique for measuring financial instruments at fair value

(2.1) Non-derivative Financial Instruments

If a financial instrument has an open quotation on the active market, the fair value shall be the open quotation on the active market. The market prices announced by the major exchanges and the Central Government Bond Counter trading centers judged to be hot bonds are the basis for the fair value of listed equity instruments and debt instruments quoted in active markets.

A financial instrument is publicly quoted in an active market if it is promptly and frequently obtained from an exchange, broker, underwriter, industry association, pricing service or authority and the price represents an actual and frequent fair market trader. If the above conditions are not met, the market is deemed to be inactive. In general, a wide bid-ask spread, a significant increase in bid-ask spread or very little trading volume are indicators of an inactive market.

The fair value of the financial instruments held by the Group in an active market is shown by class and attribute as follows:

The fair value of financial assets and liabilities, such as redeemable bonds, TWSE/TPEx listed companies shares, bills of exchange and bonds, which are subject to standard terms and conditions and are traded in the active market, shall be determined by reference to market quotations respectively.

Besides the above-mentioned financial instruments with active markets, the fair value of the remaining financial instruments is obtained by means of appraisal techniques or by reference to counterparty quotations. The fair value obtained through the evaluation technique may be calculated by reference to the current fair value of other financial instruments with similar material conditions and characteristics, the discounted cash flow method or by other evaluation techniques, including the use of models based on market information available at the reported date (e.g., the counter buying center reference yield curve, the Reuters commercial note rate average quote).

The fair value of the financial instruments held by the Group in an inactive market is shown by class and attribute as follows:

Equity instrument without public quotation: The fair value is estimated using the market comparable company law, and its main assumption is based on the estimated earnings before interest, depreciation and amortization of investors and the earnings multiplier derived from the market quotation of comparable TWSE/TPEx listed companies. This estimate has been adjusted for the effect of the discount on the lack of market liquidity of the equity securities.

(3) Transfer between Level 1 and Level 2

There is no transfer in 2024 and 2023.

(4) Schedule of Changes to Level 3

	Measured at Fair Value Through Other Comprehensive Gains and Losses	
	No Equity Instrument of Open Offer	
January 1, 2024	$	69,327
Total Gains and Losses		
Recognized in other comprehensive income		(9,593)
Acquisition by merger		6,283
December 31, 2024	**$**	**66,017**
Balance as of January 1, 2023	$	3,797
Recognized in other comprehensive income		16,135
Reclassification		19,395
Purchase		30,000
December 31, 2023	**$**	**69,327**

The aforementioned total gains or losses are reported under "Unrealized appraisal gains on financial assets measured at fair value through other comprehensive gains and losses" Of which, those related to the assets still held as of December 31, 2024 and 2023 are as follows:

	2024	**2023**
Total Gains or Losses Recognized in other comprehensive income (Reported under "Unrealized appraisal gains on financial assets measured at fair value through other comprehensive gains and losses")	**($ 9,593)**	**16,135**

(5) Quantitative Information on Fair Value Measurement of Significant Unobservable Inputs (Level 3)

Level 3 of the fair value measurement of the Group mainly refers to the financial asset-equity securities investment measured by the fair value of other comprehensive profit and loss, while the domestic and foreign unlisted (over-the-counter) equity investments are calculated using the comparable listed company method to calculate the fair value of the investment bid, and the comparable listed and over-the-counter companies method refers to companies engaged in the same or similar business whose shares are traded at the transaction price of an active market, the value multipliers implied by those prices, and considers the liquidity discount to determine the value of the target company.

(31) Financial Risk Management

1. Summary

The Group is exposed to the following risks as a result of the use of financial instruments:

(1) Credit Risk
(2) Liquidity Risk
(3) Market Risks

This note provides critical information about the risks of the Group and the objectives, policies, and procedures of the Group for measuring and managing risks. Please refer to the notes to this financial report for further quantitative disclosure.

2. Risk Management Architecture

The main financial instruments of the Group include equity and debt investments, accounts receivable, accounts payable, borrowings and lease liabilities. The Financial Administration Department of the Group provides services to various business units, organize and coordinates access to domestic and international financial markets, supervises and manages financial risks related to the operations of the Group through analysis of the internal risk reporting according to the risk degree and breadth. These include market risk (including exchange rate risk, interest rate risk, and other price risks), credit risk and liquidity risk.

3. Credit Risk

Credit risk is the risk of financial loss arising from the failure of the Group to meet its contractual obligations by its customers or counterparties to financial instruments, mainly from the Group’s bank deposits and accounts receivable from its customers.

(1) Accounts Receivable and Other Receivables

The policy adopted by the Group is to deal only with reputable counterparties and to obtain, where necessary, adequate guarantees to mitigate the risk of financial loss arising from defaults.

(2) Investments

The credit risk of bank deposits, fixed income investments and other financial instruments is measured and monitored by the Group's finance department. There is no material credit risk as the transaction parties and performance parties of the Group are banks with good credit standing and financial institutions, corporate organizations and government agencies with investment grade or above.

(3) Warranty

Please refer to Note 13 for the endorsement guarantee provided by the Group on December 31, 2024 and 2023.

4. Liquidity Risk

The Group supports its business operations and reduces cash flow fluctuation through appropriate management and the maintenance of sufficient cash and cash equivalents. The management of the Group supervises the use of credit facility from the Banks and ensures compliance with the terms of the loan contracts.

On December 31, 2024 and 2023, the unutilized bank loan facility of the Group is $905,401 thousand and $1,098,469 thousand, respectively.

5. Market Risks

Market risk refers to the risk that changes in market prices, such as changes in exchange rates, interest rates, and the price of equity instruments, may affect the earnings or value of the financial instruments held by the Group. The objective of market risk management is to control the degree of market risk within an acceptable range and to optimize the return on investment.

(1) Foreign Exchange Risk

The Group is exposed to exchange rate risks arising from sales, procurement and borrowing transactions denominated in non-functional currencies. The functional currency of the Group will be the NT$. The major currencies for the transactions are NT$, US$, JPY$ and RMB.

(2) Interest Rate Risk

The Group holds floating rate assets and liabilities and thus generates cash flow interest rate risk. The Group's floating rate financial assets and financial liabilities are detailed in the Liquidity Risk Management section of this note.

(32) Capital Management

The Group carries out capital management to ensure that it is able to continue operating by optimizing its debt and equity balances to maximize shareholders' compensation.

The capital structure of the Group is reviewed from time to time by the Group's key management in the light of the economic environment and business considerations. The Group will balance its overall capital structure by methods such as paying dividends, repurchasing shares, financing and etc., as advised by the key management and in accordance with the provisions of the laws.

As of December 31, 2024, there has been no change in the way the Group manages its capital.

(33) Investment and Financing Activities in Non-Cash Transactions

1. Please refer to Note 6(13) for details on the acquisition of the right to use assets by means of lease.

2. Reconciliation of liabilities from financing activities is shown below:

	January 1, 2024	Cash Flow	Increase	Miscellaneous	December 31, 2024
Short-Term Loans	$ 148,700	99,155	-	15,000	262,855
Short-Term Notes and Bills Payable	29,898	50,016	-	-	79,914
Lease Liabilities (Including Maturity Within 1 Year)	59,612	(14,734)	29,688	738	73,828
Long-Term Loans (Including Maturity Within 1 Year)	64,695	(38,635)	-	-	26,060
Total Liabilities from Financing Activities	**$ 302,905**	**95,802**	**29,688**	**14,262**	**442,657**

	January 1, 2023	Cash Flow	Increase	Miscellaneous	December 31, 2023
Short-Term Loans	$ 262,619	(106,579)	-	(7,340)	148,700
Short-Term Notes and Bills Payable	6,176	31,722	-	(8,000)	29,898
Lease Liabilities (Including Maturity Within 1 Year)	394,793	(16,093)	7,954	(327,042)	59,612
Long-Term Loans (Including Maturity Within 1 Year)	116,327	(23,502)	-	(28,130)	64,695
Total Liabilities from Financing Activities	**$ 779,915**	**(114,452)**	**7,954**	**(370,512)**	**302,905**

7. Related Party Transactions

(1) Name and Relationship of Related Parties

The parties involved in transactions with the Group during the period covered by these consolidated financial statements are as follows:

Name of Related Party	Relationship with the Group
Xiajing Co., Ltd.	Associates

(2) Major Transactions with Related Parties

1. Operating Revenue

The Group's material sales to related parties are as follows:

Related Party Type /Name	2024	2023
Associates:		
Xiajing Co., Ltd.	$ 202,960	200,345

Sales are made on the basis of general market conditions, and the price and payment period are not materially different from those of other manufacturers.

2. Contract Balance

Accounting Subject	Related Party Type /Name	December 31, 2024	December 31, 2023
	Associates:		
Contract assets	Xiajing Co., Ltd.	$ 13,900	7,586
	Associates:		
Contractual liabilities	Xiajing Co., Ltd.	$ 70,133	30,380

(3) Major Management Transactions

Compensation for major managers includes:

	2024	2023
Short-Term Employee Benefits	$ 27,977	20,257
Post-Employment Benefits	838	609
Share-Based Payment	68	250
	$ 28,883	21,116

8. Assets Pledged as Security

The following assets of the Group have been provided to various financial banks as financing limit applications, project pledges or pledge guarantees. The book value details of the assets pledged by the Group are as follows:

Asset Name	Pledge to Secure the Subject Matter	December 31, 2024	December 31, 2023
Financial assets at amortized cost – current	Short-term borrowings, short-term notes and bills payable and performance bond	$ 38,360	43,383
Financial assets at amortized cost – non-current	Note 9(3) Agreed matters and loans	$ 389,119	360,483
Property, plant, and equipment	Long-term loans	$ 187,763	167,341
Property, plant, and equipment	Long-term loans	$ 55,157	52,030
Property, plant, and equipment	Long-term loans	$ 6,564	7,041
Investment property	Long-term loans	$ -	19,722
Investment property	Long-term loans	$ -	5,043

9. Significant Contingent Liabilities and Unrecognized Contract Commitments

(1) Contingent Liabilities:

	December 31, 2024	December 31, 2023
Purchase of Property, Plant and Equipment	$ -	52,371
Purchase of intangible assets	29,750	-
	$ 29,750	52,371

(2) As of December 31, 2024, the Group had issued promissory notes for and $1,573,484 thousand under a consolidated line of credit from financial institutions.

(3) The Company purchases on behalf of its customers and all payments receivable on behalf of customers have been covered by insurance. On February 22, 2017, the Company entered into an insurance contract with Cathay Century Insurance Co., Ltd. to insure against the payment on behalf of the Company for $148,442 thousand (US $5,330 thousand). The insurance contract period is one year. The insurance coverage includes the Company’s debtors who have gone bankrupt (Insolvency), delayed payments (Protracted Default) and political risks. The non-life insurance company will bear the loss of the Company at an underwriting ratio of 90%. The maximum liability amount is US $10,000 thousand each. Cathay Century Insurance refused to claim the insurance premiums on the grounds that the payment in dispute was due on behalf of the insurer and did not conform to the insurance policy claim regulations.

In addition, in order to reduce the risk of accounts receivable and consider the efficiency of capital utilization, the Company has signed accounts receivable factoring agreements with financial institutions to sell accounts receivable to financial institutions (CTBC Bank and Taishin International Bank) on a non-recourse basis. In 2017, the factoring amount was $435,776 thousand (US $14,370 thousand), and the amount advanced was $392,199 thousand (US $12,933 thousand). According to the assessment of lawyers of TRI Law

Offices appointed by the Company, the aforementioned accounts receivable factoring is a common clause in standard contract for the transfer of creditor's rights among between general financial institutions. The purchase price and the content of accounts receivable, as well as the transfer method and risk exposure are not inconsistent with the normal practices of general creditor's rights transfer. However, the definition and recognition of commercial disputes in the factoring agreements are quite loose, and the relationship between lending and borrowing is mutually existing. This is common in domestic financial cases. Financial institutions have more room for interpretation and development. As of December 31, 2024, according to the agreement, the Company and the financial institution deposited $22,120 thousand in demand deposits and time deposits $366,999 thousand as agreed shall not be used, and promissory notes amounting to US $13,556 thousand and $10,000 thousand have been issued.

As mentioned above, the Company has insured the above-mentioned claims or sold them to financial institutions on a non-recourse basis, and the Company has also continued to discuss with appointed lawyers to conduct legal proceedings and proceedings.

In addition, according to the contract, the Company did not pay the Company’s receivables and payments on behalf of China Potevio Co., Ltd. and Potevio International Company Limited (hereinafter referred to as “Potevio Group”) in the amount of US $4,459 thousand. The Company has issued several letters to request Potevio Group to delay the outstanding accounts for various reasons. In June 2018, the Company commissioned a lawyer to arbitration the breach of contract by Potevio Group, but the other party reverse the arbitration request to the South China International Economic and Trade Arbitration Commission, requiring the Company to double refund the performance bond paid by Potevio Group in the amount of US $469 thousand. In July 2018, the lawyer appointed by the Company assessed that the Company has completed the delivery obligation, Potevio Group shall pay the Company the final payment for the goods and bear the liability for breach of contract, and the Company is not obliged to refund the advanced payment to Potevio Group (Potevio is known as the “Performance Deposit”). In January 2025, the Company received a notice from the South China International Economic and Trade Arbitration Commission that the judgment period will be extended to March 31, 2025.

10. Major Disaster Losses: None.

11. Major Events After the Reporting Period: None.

12. Others

(1) Employee benefits, depreciation and amortization expense functions are summarized as follows:

By Function	2024			2023		
By Property	Classified as Operating Cost	Classified as Operating Expenses	Total	Classified as Operating Cost	Classified as Operating Expenses	Total
Employee benefit expenses						
Salary expenses	58,952	207,694	266,646	47,835	187,219	235,054
Labor health insurance costs	5,286	17,972	23,258	3,955	15,478	19,433
Pension expenses	2,588	8,793	11,381	1,876	7,656	9,532
Remuneration paid to directors	-	3,191	3,191	-	3,778	3,778
Other employee welfare expense	3,505	10,146	13,651	2,297	8,284	10,581
Depreciation expenses	38,345	20,166	58,511	41,209	25,986	67,195
Amortization expense	-	7,604	7,604	-	2,589	2,589

(2) On April 24, 2019, the investigation unit sent personnel to the Company to search and investigate the transactions between the Company and China Potevio Co., Ltd. and Potevio International Trade Co., Ltd. On June 3, 2024, the Company received the investigation results from the Taipei District Prosecutors Office. The prosecutor issued a non-prosecution decision regarding the Company’s responsible person for alleged violations of the Securities and Exchange Act, including engaging in transactions detrimental to the Company, breach of fiduciary duty, and banking fraud. Additionally, concerning the differing recognition of operating revenue for 2015 and 2016 under the gross method or net method, the Company’s chairman was indicted for filing false financial reports in violation of the Securities and Exchange Act. This case is currently under litigation, and the final outcome will be determined by the court's judgment.

On October 17, 2024, the Company received a letter from the Commercial Court of the Intellectual Property and Commercial Court. The Securities and Futures Investors Protection Center filed a commercial lawsuit against the Company’s chairman, who was indicted by the Taiwan Taipei District Prosecutors Office for false financial reporting under Article 171, Paragraph 1, Subparagraph 1 of the Securities and Exchange Act. Citing Article 10-1, Paragraph 1, Subparagraph 2 of the Securities Investor and Futures Trader Protection Act, the lawsuit seeks a ruling to dismiss the chairman from the board. The Company has engaged legal counsel to submit a defense statement and address the matter in accordance with the law.

13. Notes to Disclosures

(1) Information on Significant Transactions:

In 2024, the Group shall disclose the following information related to the major transactions in accordance with the financial reporting standards of securities issuers:

1. Lending to Others:

Unit: NT$ Thousand

No.	Lending Company	Borrower	Current Accounts	Related Party or not	Current Maximum Amount	Ending Balance	Actual Drawdown	Interest Rate Range	Loan and Nature of Funds (Note 2)	Amount of Business Transactions	Reason for Short-Term Financing	Provision for Loss Amounts	Collateral		Loan and Limit of Funds to Individual Objects	Capital Loan and Total Limit
													Name	Value		
0	Billion Electric Co., Ltd.	Billion Energy Storage Technologies Inc.	Other receivables	Yes	60,000	35,000	-	2.3%	2	-	Operating turnover	-		-	105,576 (Note 3)	422,303 (Note 3)
0	Billion Electric Co., Ltd.	Billion Kai Co., Ltd.	Other receivables	Yes	30,000	30,000	-	2.3%	2	-	Operating turnover	-		-	105,576 (Note 3)	422,303 (Note 3)
0	Billion Electric Co., Ltd.	Billion Watts Technologies Co., Ltd.	Other receivables	Yes	50,000	50,000	-	2.15%	2	-	Operating turnover	-		-	105,576 (Note 3)	422,303 (Note 3)
1	BEC Technologies Inc.	BEC International, LLC	Other receivables	Yes	19,671 (Note 5)	19,671 (Note 5)	3,934 (Note 5)	0.00%	2	-	Repayment of bank loans	-		-	23,143 (Note 4)	46,287 (Note 4)
2	Noonspare Energy Technology Co.,Ltd.	Billion Electric Co., Ltd.	Other receivables	Yes	80,000	80,000	80,000	1.7%	2	-	Repayment of bank loans	-		-	87,695 (Note 6)	87,695 (Note 6)

Note 1: The remarks for the serial number column are as follows:
(1) For the issuer, fill in 0.
(2) The investee company is numbered sequentially starting from Arabic numeral 1 according to the company type.

Note 2: 1. For those who have business transactions.
2. Necessary for short-term financing.

Note 3: The limits prescribed by the Company's operating procedures for capital lending are as follows:
(1) The capital lending line for individual object shall be limited to no more than 5% of the net current value of Billion Electric Co., Ltd., which belongs to the owner of the Company.
(2) The total amount of foreign capital lending shall be limited to no more than 20% of the net current value of Billion Electric Co., Ltd., which belongs to the owner of the Company.

Note 4: The limits prescribed by BEC Technologies Inc.'s operating procedures for capital lending are as follows:
(1) The capital lending line for individual object shall be limited to no more than 10% of the net current value of BEC Technologies Inc., which belongs to the owner of the Company.
(2) The total amount of foreign capital lending shall be limited to no more than 20% of the net current value of BEC Technologies Inc., which belongs to the owner of the Company.

Note 5: BEC Technologies Inc., a subsidiary of the Company, has lent a new capital to BEC International LLC, a second-tier subsidiary, an amount of US$600 thousand since January 2021. The actual amount spent was US$120 thousand. The exchange rate of USD to NTD at the end of the period was 1: 32.785.

Note 6: The limits prescribed by the Noonspare Energy Technology Co., Ltd. operating procedures for capital lending are as follows:
(1) The capital lending line for individual object shall be limited to no more than 30% of the net current value of Noonspare Energy Technology Co., Ltd., which belongs to the owner of the Company.
(2) The total amount of foreign capital lending shall be limited to no more than 30% of the net current value of Noonspare Energy Technology Co., Ltd., which belongs to the owner of the Company.

Note 7: The above transactions between the parent and subsidiary companies have been written off at the time of preparing these consolidated financial statements.

2. Endorsement/Guarantee Provided for Others:

Unit: NT$ Thousand

No.	Endorsement/ Guarantee Provider Name	Subject of Endorsements/Guarantees		Endorsement/ Guarantee Limit for a Single Business (Note 3)	Balance of Maximum Endorsement/ Guarantee for the Current Period	Final Endorsement/ Guarantees Balance	Actual Drawdown	Guarantee Amount Secured by Property	Ratio of Accumulated Endorsement/ Guarantee to Net Equity per Latest Financial Statements	Endorsement/ Guarantee Ceiling (Note 4)	Endorsement/ Guarantee by Parent Company for Subsidiary	Endorsement/ Guarantee by Subsidiary for Parent Company	Guarantee Provided to Subsidiaries in Mainland China
		Company Name	Relation (Note 2)										
0	Billion Electric Co., Ltd.	Billion Energy Storage Technologies Inc.	2	1,055,757	60,000	60,000	34,800	-	2.84%	2,111,514	Y	N	N
0	Billion Electric Co., Ltd.	Taichuang Energy Co., Ltd.	5	1,055,757	125,000	125,000	75,200	-	5.92%	2,111,514	N	N	N

Note 1: The remarks for the serial number column as follow:
(1) For the issuer, fill in 0.
(2) The investee company is numbered sequentially starting from Arabic numeral 1 according to the company type.

Note 2: The relationship between the endorser and the object endorsed is as follows:
(1) A company that has business transactions with the clean away.
(2) Companies in which the Company directly and indirectly holds more than 50% of the voting shares.
(3) Companies that directly or indirectly hold more than 50% of the voting shares of the Company.
(4) Intercompany entities where the Company directly or indirectly holds more than 90% of the voting shares.
(5) Companies that are mutually guaranteed by the contract between peers or co-contractors based on the needs of the underwriting project.
(6) Companies to which all investing shareholders endorse a guarantee based on its shareholding ratio as a result of the joint investment relationship.
(7) Joint and several guarantees of performance bonds for pre-sale housing sales contracts with peers in the same industry in accordance with the regulations of the Consumer Protection Act.

Note 3: The amount of endorsement/guarantee for a single enterprise shall not exceed 50% of the current net value of the owner of the Company.

Note 4: The total amount of an endorsement/guarantee shall not exceed 100% of the current net value of the owner of the Company.

3. Status of Marketable Securities Held at the End of the Period (Excluding Interests of Investment Subsidiaries, Associates and Joint Ventures):

Unit: NT$ Thousand/Thousand Shares/Thousand Units

Securities Holder	Type and Name of Marketable Securities	Relationship With Issuers of Securities	Journal Accounts	End of Period				Remarks
				Number of Shares	Carrying Amount of Investment	Shareholding Ratio	Fair Value	
Billion Electric Co., Ltd.	Ennova Technologies, Inc.	N/A	Financial assets at fair value through other comprehensive income - non-current	550	6,467	18.33%	6,467	
Billion Electric Co., Ltd.	EcoLumina Technologies, Inc.	N/A	Financial assets at fair value through other comprehensive income - non-current	30	-	0.07%	-	
Billion Electric Co., Ltd.	MicroLinks Technology Corp.	N/A	Financial assets at fair value through other comprehensive income - non-current	100	-	1.32%	-	
Billion Electric Co., Ltd.	Dajian Internet Technology Co.,Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	300	-	10.00%	-	
Billion Electric Co., Ltd.	Tai Chuang Energy Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	5,000	53,934	4.00%	53,934	
Noonspare Energy Technology Co.,Ltd.	Jong Shyn Shipbuliding Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	68	5,616	0.08%	5,616	
Pacific Solar Limited	Works Systems, Inc.	N/A	Financial assets at fair value through other comprehensive income - non-current	867	-	3.94%	-	
BEC Technologies Inc.	Invesco QQQ Tr Unit Ser 1	N/A	Financial assets at fair value through profit or loss - current	-	1,458	-%	1,458	
BEC Technologies Inc.	Vaneck Etf Trust Mrngstr Wde Moat	N/A	Financial assets at fair value through profit or loss - current	-	301	-%	301	
BEC Technologies Inc.	Berkshire Hathaway Inc	N/A	Financial assets at fair value through profit or loss - current	-	1,367	-%	1,367	

4. Cumulative Purchase or Sale of the Same Securities Amounting to $300 Million or More Than 20% of the Paid-In Capital: None.

5. The Amount of Real Estate Acquired Is $300 Million or More Than 20% of the Paid-In Capital: None.

6. Disposal of Real Estate Amounts to $300 Million or More Than 20% of the Paid-In Capital: None.

7. The Amounts of Imports and Sales with Related Parties Is $100 Million or More Than 20% of the Paid-In Capital:

Unit: NT$ Thousand

Supplier (Buyer) Company	Name of Trading Partner	Relation	Transaction Details				Circumstances and Reasons for the Difference Between the Terms of Transaction and Ordinary Transactions		Notes and Accounts Receivable (Payable)	
			Purchase/Sale	Amount	Proportion of Total Purchase (Sales)	Credit Period	Unit Price	Credit Period	Balance	Proportion of Total Notes and Accounts Receivable (Payable)
Billion Electric Co., Ltd.	BEC Technologies Inc.	Subsidiaries of the Company	Sales	100,858	28.58%	Collect about 3 to 4 months after shipment	-		8,265	14.79%
Billion Watts Technologies Co., Ltd.	Xiajing Co., Ltd.	Subsidiaries to Associates	Sales	202,960	13.71%	Contract collections	-	-	-	-%

8. Amounts Receivable from Related Parties Amounting to $100 Million or More Than 20% of the Paid-In Capital: None.

9. Engaged in Derivative Transactions: None.

10. Business Relations and Important Transactions Between the Parent and Subsidiary Companies:

No.	Company Name	Transacting Counterparty	Relationship with Counterparty	Transaction Status			
				Accounts	Amount	Terms	Proportion of Consolidated Revenues or Assets
0	Billion Electric Co., Ltd.	BEC Technologies Inc.	1	Sales revenue	100,858	Mark-up from the cost according to the item type	4.98%
0	Billion Electric Co., Ltd.	BEC Technologies Inc.	1	Accounts receivable - related parties	8,265	Collect about 3 to 4 months after shipment	0.21%
0	Billion Electric Co., Ltd.	Billion Watts Technologies Co., Ltd.	1	Sales revenue	37,884	Mark-up from the cost according to the item type	1.87%
0	Billion Electric Co., Ltd.	Billion Watts Technologies Co., Ltd.	1	Accounts receivable - related parties	8,703	Collect about 3 to 4 months after shipment	0.22%
0	Billion Electric Co., Ltd.	Billion EV Charging Technologies Co., Ltd.	1	Sales revenue	2,573	Mark-up from the cost according to the item type	0.13%
0	Billion Electric Co., Ltd.	Billion EVC Technologies Co., Ltd.	1	Sales revenue	5,739	Mark-up from the cost according to the item type	0.28%
1	BEC Technologies Inc.	BEC International, LLC	3	Other receivables -related parties	3,934	Capital lending	0.10%
2	Billion Watts Technologies Co., Ltd.	Billion EVC Technologies Co., Ltd.	3	Purchase	11,803	Mark-up from the cost according to the item type	0.55%
3	Noonspare Energy Technology Co.,Ltd.	Billion Watts Technologies Co., Ltd.	3	Sales revenue	6,288	Mark-up from the cost according to the item type	0.31%
3	Noonspare Energy Technology Co.,Ltd.	Billion Electric Co., Ltd.	3	Other receivables -related parties	80,160	Capital lending	2. 07%

Note 1: The number should be filled in as follows:
(1) 0 represents the parent company.
(2) Subsidiaries are numbered sequentially starting with the Arabic numeral 1.

Note 2: The type of relationship with the trader is indicated as follows:
(1) Parent company to subsidiary.
(2) Subsidiary to parent company.
(3) Subsidiaries to subsidiaries.

Note 3: The business relationship and important transactions between the parent company and the subsidiary company are only disclosed in terms of sales and accounts receivable, while the relative purchase and accounts payable are not mentioned here.

Note 4: The above transactions have been written off at the time of preparation of the consolidated financial table.

(2) Related Information on Investees

Unit: NT$ Thousand/US$ Thousand/Thousand Shares

Name of the Investment Company	Name of Investee	Location	Main Business Activities	Initial Investment		Holdings at the End of Period			Interim Maximum Holding Ratio	Profit and Loss of the Investee in the Current Period	Investment Gains and Losses Recognized in the Current Period	Remarks
				End of the Current Period	End of Previous Year	Number of Shares	Ratio	Carrying Amount of Investment				
Billion Electric Co., Ltd.	BEC Technologies Inc.	United States	Sales businesses of telecommunication related products	69,257	69,257	2,294	91.76%	202,543	91.76%	(19,554)	(17,943)	Note 7
Billion Electric Co., Ltd.	Billion Watts Technologies Co., Ltd.	Taiwan	Solar and energy storage solution services, power plant operation and management services, etc.	136,689	122,116	9,558	62.14%	258,026	62.14%	112,744	68,940	Note 7
Billion Electric Co., Ltd.	Billion Energy Storage Technologies Inc.	Taiwan	Energy storage sales business	80,000	80,000	8,000	100.00%	36,909	100.00%	(40,107)	(40,107)	Note 7
Billion Electric Co., Ltd.	Pacific Solar Limited	Seychelles	International investment	-	-	650	100.00%	-	100.00%	-	-	Note 1
Billion Electric Co., Ltd.	Billion EVC Technologies Co., Ltd.	Taiwan	Design, manufacturing, construction and sales business of solar power plants	26,025	26,025	1,837	51.00%	22,368	51.00%	2,997	1,019	Note 7
Billion Electric Co., Ltd.	Billion Electric Holding Co., Ltd.	Taiwan	Investment company	12,000	95,000	1,200	100.00%	968	100.00%	(11,032)	(11,032)	Note 7
Billion Electric Co., Ltd.	Billion EV Charging Technologies Co., Ltd.	Taiwan	Community charging station and energy storage supply services, etc.	47,794	30,000	5,000	100.00%	32,907	100.00%	(11,764)	(11,764)	Note 7
Billion Electric Co., Ltd.	Billion Kai Co., Ltd.	Taiwan	Design, manufacturing, construction and sales business of solar power plants	20,000	2,000	2,000	100.00%	18,169	100.00%	(1,598)	(1,598)	Note 7
Billion Electric Co., Ltd.	Xiajing Co., Ltd.	Taiwan	Renewable energy non-utility power generation equipment business	27,000	27,000	2,700	5.24%	24,315	5.24%	(52,080)	(2,729)	Note 2
Billion Electric Co., Ltd.	Billion Electric Japan Co., Ltd.	Japan	Sales businesses of telecommunication related products	10,626	-	5	100.00%	4,313	100.00%	(6,250)	(6,250)	Note 7
Billion Electric Co., Ltd.	Noonspare Energy Technology Co., Ltd.	Taiwan	Design and manufacturing of lithium battery modules, integration of residential and commercial/industrial energy storage systems, and energy technology services.	188,370	-	13,000	49.89%	178,038	49.89%	(29,504)	(9,784)	Note 7
Billion Electric Co., Ltd.	Billion Sun Energy Storage Technologies Inc.	Taiwan	Energy storage sales business	48,601	-	7,000	100.00%	46,815	100.00%	(12,227)	(1,786)	Note 3、7
BEC Technologies Inc.	BEC International, LLC	United States	International investment	40,996	40,996	-	100.00%	70,082	100.00%	4,310	4,310	Note 7

Name of the Investment Company	Name of Investee	Location	Main Business Activities	Initial Investment		Holdings at the End of Period			Interim Maximum Holding Ratio	Profit and Loss of the Investee in the Current Period	Investment Gains and Losses Recognized in the Current Period	Remarks
				End of the Current Period	End of Previous Year	Number of Shares	Ratio	Carrying Amount of Investment				
BEC Technologies Inc.	Avantek Systems PTE. LTD	Singapore	Cloud software management services	8,852 (USD270)	8,290 (USD270)	270	75.00%	8,845	75.00%	168	126	Note 7
Billion Watts Technologies Co., Ltd.	Billion Power System Technologies Inc.	Taiwan	Design and sales services of energy software	5,100	5,100	510	51.00%	7,938	51.00%	10,339	5,273	Note 7
Billion Watts Technologies Co., Ltd.	Sheng Chuang Energy Co., Ltd.	Taiwan	Energy storage sales business	100	-	10	100.00%	91	100.00%	(9)	(9)	Note 6
Billion Electric Holding Co., Ltd.	Billion Sun Energy Storage Technologies Inc.	Taiwan	Energy storage sales business	-	25,000	-	-%	-	100.00%	(12,227)	(10,442)	Note 3、7
Billion Electric Holding Co., Ltd.	BT Energy Storage Co., Ltd.	Taiwan	Energy storage sales business	-	2,000	-	-%	-	100.00%	(216)	(216)	Note 4
Billion Electric Holding Co., Ltd.	Sheng Qian Energy Storage Co. Ltd.	Taiwan	Energy storage sales business	-	2,000	-	-%	-	100.00%	(210)	(210)	Note 5

Note 1: Pacific Solar Limited was established and registered in Seychelles in 2020. As of December 31, 2024, the Company has not invested capital.
Note 2: The investee company is evaluated by the equity method.
Note 3: In August 2024, the Group underwent an organizational restructuring. The 100.00% equity interest in Billion Sun Energy Storage Technologies Inc., originally held by Billion Electric Holding Co., Ltd. was transferred to the Company, which now holds 100.00% of its equity interest.
Note 4: BT Energy Storage Co., Ltd., was dissolved and completed the liquidation process in June 2024.
Note 5: Sheng Qian Energy Storage Co., Ltd. was dissolved and completed the liquidation process in June 2024.
Note 6: Sheng Chuang Energy Co., Ltd. was established in December 2024 and is 100.00% owned by Billion Watts Technologies Co., Ltd.
Note 7: The transactions have been eliminated in the consolidated financial statements.

(3) Information on Investment in Mainland China: None.

(4) Main Shareholder Information:

Shares / Name of Main Shareholder	Number of Shares Held	Shareholding Ratio
Chung-Ting Chen	14,167,971	12.21%
Sino-American Silicon Products lnc.	15,000,000	12.93%

Note 1: The main shareholder information in this table is calculated on the last business day at the end of each quarter by the Taiwan Depository & Clearing Corporation, based on those who held more than 5% of the company's ordinary shares and preferred shares and have completed unregistered non-physical securities delivered (including treasury shares). As for the share capital recorded in the company's financial report and the company's actual number of shares delivered without physical registration, there may be differences due to different basis of calculation.
Note 2: In the case of the above information, if the shareholder delivers the shares to the trust, it is disclosed in the individual accounts of the trustee who opened the trust account by the trustee. As for the shareholder's declaration of insider’s equity holding more than 10% of the shares in accordance with the Securities and Exchange Act, his shareholding includes his own shareholding plus the shares delivered to the trust and the right to use the trust property, etc. For information on insider's equity declaration, please refer to Market Observation Post System website.

14. Segment Information

(1) General Information

The information provided by the Group to key operational decision makers for allocating resources and evaluating the performance of the division is focused on the regions. The reporting departments of the Group are Taiwan, relevant regions of Mainland China and the United States. The regional departments are mainly engaged in the design, manufacturing and sales of products such as electronic components and power supply, transformers, ISDN cards and ADSL cards, as well as the sales of equipment for renewable energy power generation for own use, solar power plant equipment, energy technology services and etc.

The main operational decision makers regarded the subsidiaries engage in the design, manufacturing and sales businesses of electronic components and power supply equipment, transformers, ISDN cards and ADSL cards, as well as the sale of equipment for renewable energy power generation for self-use, solar power plant equipment and energy technology services in various regions as separate operational departments. However, when preparing the consolidated financial statements, the Group considered the following factors and regarded these operational departments as a single operational department:

1. Nature and process of the products are similar.
2. Pricing strategy and sales model of the products are similar.
3. Delivery methods to customers are identical.

(2) Departmental Profit and Loss, Assets, Liabilities and Their Measurement Basis and Reconciliation Information Should Be Reported

The information and adjustment of the Group's operating departments are as follows:

	2024				
	Communication	**Power Supply Equipment**	**Renewable Energy Equipment**	**Adjustments and write off**	**Total**
Revenue from external customers	$ 248,386	145,705	1,629,844	-	2,023,935
Interdepartmental income	99,946	4,469	69,308	(173,723)	-
Total revenue	**$ 348,332**	**150,174**	**1,699,152**	**(173,723)**	**2,023,935**
Departmental profit and loss should be reported	**($ 44,574)**	**17,185**	**76,744**	**(1,973)**	47,382
Share of associates' profit and loss under equity method					(2,729)
Net profit before tax					**$ 44,653**
Total department assets and liabilities	**$ -**	**-**	**-**	**-**	**-**

	2023				
	Communication	Power Supply Equipment	Renewable Energy Equipment	Adjustments and write off	Total
Revenue from external customers	$ 300,786	108,032	1,419,933	-	1,828,751
Interdepartmental income	125,291	106,654	38,738	(270,683)	-
Total revenue	$ 426,077	214,686	1,458,671	(270,683)	1,828,751
Departmental profit and loss should be reported	($ 66,375)	116,231	116,780	(32,450)	134,186
Share of associates' profit and loss under equity method					172
Net profit before tax					$ 134,358
Total department assets and liabilities	$ -	-	-	-	-

The measurement of total assets and liabilities of the Group segment information is not provided to the operating decision makers.

(3) Geographical Information

The breakdown of the Group is shown below, where revenue is classified on the basis of the geographic location of operations.

Geographical	2024	2023
Revenue from external customers:		
Americas	$ 240,869	$ 297,155
Asia	1,767,966	1,503,259
Europe	14,381	19,080
Oceania	719	7,263
Africa	-	1,994
	$ 2,023,935	$ 1,828,751
Non-current assets:		
Taiwan	$ 911,355	$ 652,492
United States	69,898	62,085
Total	$ 981,253	$ 714,577

(4) Primary Client Information:

Clients with sales of more than 10% of the Group's revenue are as follows:

	2024	2023
Client A	$ 628,919	$ 228,351
Client B	207,286	200,345
Client C	202,960	-
Total	$ 1,039,165	$ 428,696

No client with sales of more than 10% of the Group's revenue in 2024.

Billion Electric Co., Ltd.

Chairman: Chung-Ting Chen

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