



Stock Code: 3027

2025 Billion Electric Co. Ltd. Annual Report

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Annual Report Website: <https://mops.twse.com.tw>

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

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Names of CPAs: Kou Hui-Chih, Kuo Hsin-Yi
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5. Name of the trading venue where the overseas securities are listed: None

Methods for Inquiry: None

6. The Company's website:

<http://www.billion.com.tw>

Table of Contents

I. Letter to Shareholders.....	1
II. Corporate Governance Report.....	4
1. Information on Directors, General Manager, Vice President and Key Managers.....	4
2. Corporate Governance Execution Status.....	21
3. Information on Remuneration of Certified Public Accountants.....	79
4. Information on Change of Certified Public Accountants.....	79
5. Any Chairman, General Manager, or manager responsible for financial or accounting affairs of the Company who has held a position within the past year at the firm to which the certified public accountant belongs or its affiliates.....	79
6. Changes in Shareholding and Pledges of Shares by Directors, Managers, and Shareholders with a Shareholding Ratio Exceeding 10% during the Most Recent Fiscal Year and up to the Date of Publication of the Annual Report.....	79
7. Information on the relationship between the top ten shareholders by shareholding percentage..	80
8. Reinvestments in the same enterprise by the Company, the Company's directors, managers, and businesses directly or indirectly controlled by the Company, the number of shares held, and the aggregate shareholding percentage shall be calculated on a consolidated basis	81
III. Capital Raising Activities.....	82
1. Capital and Shares.....	82
2. Status of Corporate Bonds.....	86
3. Status of Preferred Shares.....	86
4. Status of Participation in Issuance of Overseas Depositary Receipts.....	86
5. Status of Employee Stock Options.....	87
6. Status of Issuance of New Restricted Employee Shares.....	88
7. Status of Issuance of New Shares in Connection with Mergers or Acquisitions of Shares of Other Companies.....	88
8. Implementation of Capital Utilization Plans.....	88
IV. Operational Highlights.....	89
1. Business Content.....	89
2. Market and Sales Overview.....	104
3. Employee Information for the Most Recent Two Years.....	109
4. Environmental Protection Expenditure Information.....	109
5. Labor Relations.....	109
6. Information Security Management.....	115
7. Material Contracts.....	118
V. Review and Analysis of Financial Condition and Operating Results, and Risk Matters	119
1. Analysis of Financial Status.....	119
2. Analysis of Operating Results.....	121

3. Cash Flows.....	122
4. Impact of Major Capital Expenditures on Financial and Business Operations in the Most Recent Year.....	122
5. Reinvestment policy for the most recent year, main reasons for profit or loss and improvement plans thereof, and investment plans for the coming year plan.....	123
6. Risk Management and Assessment.....	124
7. Other Material Matters.....	131
VI. Special Disclosure Items.....	132
1. Information Related to Affiliated Enterprises.....	132
2. Status of Private Placement of Securities During the Most Recent Year and up to the Date of Publication of the Annual Report.....	136
3. Other necessary supplementary explanations.....	136
4. For the most recent fiscal year and up to the date of publication of the annual report, as prescribed in Article 36, Paragraph 2, Subparagraph 2 of the Securities and Exchange Act regarding share-matters with a material impact on shareholder equity or securities prices...	136

I. Letter to Shareholders

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

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

1. 2025 Operating Results

1. Operational Results and Financial Performance

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

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

2. Key Strategic Achievements of the Year

- Deepening green energy layout and launching the full-ownership plan: To integrate group resources and improve decision-making efficiency, the Company launched a plan in 2025 to

acquire the remaining equity of its subsidiary "Billion Watts Technologies" (full ownership was completed by the end of 2025). This move will maximize the vertical integration benefits of the Group in optoelectronics, energy storage, and charging piles, and fully recognize the profits of the green energy business.

- Strong alliance to expand energy services: Established a joint venture, "Relocate Energy," with a subsidiary of the Sino-American Silicon Products Inc. (SAS) Group, combining the advantages of both parties in capital, technology, and channels to provide one-stop green power procurement and energy management services, enhancing Billion's penetration rate in the high-end industrial energy management market.
- Expanding the "orphan power plant" and third-party energy storage O&M markets: Billion Watts actively utilizes Expertise capabilities to undertake O&M for projects not built in-house, expanding the market share base. In 2025, energy storage O&M revenue grew by nearly 50%, with a total of 33 energy storage O&M sites (303.84MW/807.77MWh), and the E-Dreg O&M market share reached 20%.
- Gains in overseas markets: Initial results have been achieved in the layout of the Australian solar-plus-storage market, with the completion of sub-5MW solar-plus-storage standard project templates. The development of project sites and the sale and service of system integration continue, which is expected to become a new revenue growth driver in 2026.
- Product Innovation: Launched the self-owned brand industrial and commercial all-in-one energy storage system (Fusio Nex), integrating liquid cooling technology and intelligent EMS systems, which not only enhances safety but also assists customers in achieving peak load shaving and demand response, ensuring the safe and stable operation of energy storage projects.

2. 2026 Business Outlook and Strategy

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

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

With the fluctuations in electricity prices and the significant increase in pressure on enterprises to reduce carbon emissions, industrial and commercial behind-the-meter (BTM) energy storage will enter a growth period. We will leverage the distribution channel advantages from our cooperation with Sino-American Silicon Products Inc. to rapidly replicate standardized and modularized energy storage solutions across more high energy-consuming industries (such as hotels, department stores, and manufacturing), and promote diversified business models (such as leasing and profit-sharing) to lower the entry barriers for customers, expand microgrid market share, and create long-term stable cash flows.

2. Overseas expansion yields results

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

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

3. Technical Upgrades and ESG Sustainable Operations

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

Conclusion

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

Sincerely, Chen Chen-Chien, Chairman

II. Corporate Governance Report

1. Information on Directors, General Manager, Vice President, and Key Managers

(1) Information on Directors

1. Information on Directors

March 31, 2026

Title (Note 1)	Nationality or Place of Registration	Name	Gender and Age (Note 2)	Date elected	Term of Office	Date of Initial Appointment (Note 3)	Shareholding when elected		Current shareholding		Current shareholdings of spouse and minor children		Holding shares under the names of others		Major Education and Experience (Note 4)	Current positions held concurrently in the Company and other companies	Other managers, directors, or supervisors who are spouses or within the second degree of kinship			Note(Note 5)
							Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio			Position	Name	Relationship	
Chairman	Republic of China	Sino-American Silicon Products Inc. representative: Chen Chen-Chien	Male 57 years old	113.5.29	3 years	112.6.7	15,000,000	12.93% 0.00%	15,006,900	11.55% 0.00%	0	0	0	0	Master of Administration, National Taiwan University, KPMG Senior Partner Sino-American Silicon Products Inc. General Manager	(Note 6)	None	None	None	
Director	Republic of China	Chang Shu-Mei	Female 59 years old	113.5.29	3 years	113.5.29	40,000	0.03%	571,248	0.44%	0	0	0	0	Law Department, National Chengchi University, Tatung Co., Ltd. CFO	(Note 7)	None	None	None	
Director	Republic of China	Weng Sheng-Hsien	Male 64 years old	113.5.29	3 years	113.5.29	100	0.00%	100	0.00%	0	0	0	0	Master of Science, Graduate Institute of Electrical Engineering, National Taiwan University, Managing Attorney, Hung Chi Law Office	(Note 8)	None	None	None	
Director	Republic of China	Hung Yu-Chang	Male 48 years old	113.5.29	3 years	113.5.29	0	0	0	0	0	0	0	0	Master of Business Administration, Department of Business Administration, National Taiwan University of Science and Technology, Maohong Power Chairman and General Manager	(Note 9)	None	None	None	
Director	Republic of China	Chien Ming-Hui	Male 58 years old	114.5.22	2 years	114.5.22	0	0	0	0	0	0	0	0	Master of Business Administration, National Taipei University, GlobalWafers Co., Ltd. CFO	(Note 10)	None	None	None	
Director	Republic of China	Yang Ting Co., Ltd. representative: Chen Chun-Yi	Female 33 years old	114.5.22	2 years	114.5.22	3,000,000 427,778	2.58% 0.37%	3,000,000 2,355,590	2.30% 1.81%	0	0	0	0	MBA, National University of Singapore, Billion Watts Technologies Co-General Manager	(Note 11)	None	None	None	
Independent Director	Republic of China	Chen Yung-Yen	Male 53 years old	113.5.29	3 years	101.6.27	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	(Note 12)	None	None	None	

Title (Note 1)	Nationality or Place of Registration	Name	Gender and Age (Note 2)	Date elected	Term of Office	Date of Initial Appointment (Note 3)	Shareholding when elected		Current shareholding		Current shareholdings of spouse and minor children		Holding shares under the names of others		Major Education and Experience (Note 4)	Current positions held concurrently in the Company and other companies	Other managers, directors, or supervisors who are spouses or within the second degree of kinship			Note(Note 5)
							Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio			Position	Name	Relationship	
Independent Director	Republic of China	Cheng Cheng-Yuan	Male 64 years old	113.5.29	3 years	113.5.29	0	0	0	0	0	0	0	0	PhD in Laser Processing, Department of Mechanical Engineering, University of Liverpool Distinguished Professor, Department of Mechanical Engineering, National Taiwan University of Science and Technology	(Note 13)	None	None	None	
Independent Director	Republic of China	Chen Shih-Chieh	Male 66 years old	113.5.29	3 years	113.5.29	0	0	0	0	0	0	0	0	Ph.D., Graduate Institute of European Studies, College of International Studies, Tamkang University Secretary-General of the Chinese Arbitration Association	None	None	None	None	

Note 1: Institutional shareholders shall list the name of the institutional shareholder and representative separately for those who are representatives of institutional shareholders, the name of the institutional shareholder shall be indicated), and shall fill in Table 1 below.

Note 2: Please state the actual age, which may be expressed in ranges, such as 41 – 50 years old or 50 – 60 years old.

Note 3: Please state the date of first appointment as a director or supervisor of the company; if there has been any interruption, it shall be explained in a footnote.

Note 4: Experience related to the current position: if the individual has held a position at the auditing CPA firm or an affiliate during the aforementioned period, the job title and responsible duties shall be specified.

Note 5: Where the Chairman and the General Manager or an equivalent position (the highest-ranking manager) of the company are the same person, spouses, or relatives within the first degree of kinship, information regarding the reasons, rationality, necessity, and relevant response measures (such as increasing the number of independent director seats, and ensuring that more than half of the directors do not concurrently serve as employees or managers) shall be explained.

Note 6: Currently concurrently serving as Billion Watts Technologies Co., Ltd. Chairman, General Manager of Sino-American Silicon Products Inc., Director (Corporate Representative) of AWSC, Director (Corporate Representative) of Sunrise PV World Co., Ltd., Director (Corporate Representative) of Sustainable Energy Solution Co., Ltd., Chairman (Corporate Representative) of Sustainable Energy Law Co., Ltd., Director (Corporate Representative) of Sunrise PV World Two Co., Ltd., Director of MEMC Electronic Materials S.p.A., Billion Watts Technologies Co., Ltd. Chairman, Billion EVCVGWatt Energy Corp. Chairman, Chairman of Sheng Rui Technology Co., Ltd., and Director of Billion Electric Japan Co., Ltd.

Note 7: Currently concurrently serving as an independent director of Actron Technology Corporation.

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

Note 9: Currently concurrently serving as Chairman and General Manager of Maohong Power.

Note 10: Currently concurrently serving as Juridical Person Supervisor of Sunrise Energy Co., Ltd. Company Actrepresentative, Juridical Person Director of Synergi Co., Ltd. Company Actrepresentative, Juridical Person Director of Synergi Law Energy Co., Ltd. Company Actrepresentative, Juridical Person Director of Energy EL Co., Ltd. Company Actrepresentative, Juridical Person Director of Sunrise Love Energy Co., Ltd. Company Actrepresentative, Sunrise Trust Power Co., Ltd. Chairman, Juridical Person Director of Hung Wang Investment Co., Ltd. Company Actrepresentative, Director of GlobiTech Incorporated, Director of GlobalWafers Japan Co., Ltd., Supervisor of Sunrise Sino-Silicon Technology Co., Ltd., Director of Topsis GlobalWafers A/S, Director of MEMC Electronic Materials S.p.A., Director of MEMC Electronic Materials Sdn. Bhd., Director of GlobalWafers GmbH, Juridical Person Director of Crystalwise Technology Inc. Company Actrepresentative, and Director of Shanghai Zhao Ye Shen Kai Electronic Materials Co., Ltd.

Note 11: Currently concurrently serving as Director of Billion Energy Storage Technologies Inc. Chairman, Sheng Rui Technology Co., Ltd., Billion Electric Japan Co., Ltd., Billion Watts Australia PTY LTD, BILLION AU HOLDING PTY LTD, and Hsia Ching Co., Ltd.

Note 12: Currently concurrently serving as an independent director of Da Tung Communication Co., Ltd.

Note 13: Currently concurrently serving as Independent Director of Actron Technology Corporation, Independent Director of Advanced Connection Technology Inc., and Independent Director of Taiwan Advanced Nanotech Inc.

2. Major shareholders of the corporate shareholders:

Name of Corporate Shareholder	Major shareholders of corporate shareholders
Sino-American Silicon Products Inc.	Hung Wang Investment Co., Ltd. (4.27%), China Life Insurance Co., Ltd. (2.51%), Weiliang Technology Co., Ltd. (2.24%), Cathay Life Insurance Co., Ltd. (1.97%), Lu Ming-Kuang (1.91%), Chang Ching-Chao (1.89%), Hung Mao Investment Co., Ltd. (1.78%), Nan Shan Life Insurance Co., Ltd. (1.64%), Morgan Stanley & Co. International Plc Investment Account under the custody of HSBC Bank (Taiwan) Limited (1.62%), WT Microelectronics Co., Ltd. (1.35%)

Note: Sino-American Silicon Products Inc. is based on the register of shareholders of the company as of the book closure record date on April 23, 2023.

3. Major shareholders of the corporate shareholders that are legal entities:

Name of Corporate Shareholder	Major shareholders of corporate shareholders
Hung Wang Investment Co., Ltd.	Weiliang Technology Co., Ltd. (39.02%), GlobalWafers Co., Ltd. (30.98%), Actron Technology Corporation (30.00%)
Weiliang Technology Co., Ltd.	Hung Mao Investment Co., Ltd. (32.48 %)
Hung Mao Investment Co., Ltd.	Christian Faith Hope Love Foundation (17.50%), Ping An Faith Hope Love Cultural and Educational Foundation (17.50%), Grace Social Welfare Trust (17.50%), VIA Faith Hope 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 Taiwan High Dividend Fund (4.06%), Cheng Wen-Tsung (2.40%), CIBC World Markets Inc. Investment Account under the custody of Standard Chartered Bank (Taiwan) Ltd. - Business Department (2.10%), Mega International Commercial Bank - Treasury Department (1.79%), First Financial Private High Dividend No. 5 Securities Investment Trust Fund under the custody of Bank of Taiwan (1.74%), Mercuries Life Insurance Inc. (1.27%), Labor Pension Fund (New Scheme) (1.18%)

4. Disclosure of information on director Expertise qualifications and independence:

Name	ExpertiseQualifications and Experience (Note 1)	Independence Status	Number of other public companies in which the person concurrently serves as an independent director
Sino-American Silicon Products Inc.repren-tative: Chen Chen-Chien	Graduated with a Master of Business Administration from National Taiwan University; formerly served as Senior Partner of KPMG, Lead Audit Partner of Electronics and Semiconductor Industry, and Director and CEO of the Finance and Economics Research and Education Foundation. Currently serving as General Manager of Sino-American Silicon Products Inc. Possesses more than five years of work experience required for finance, accounting, or corporate business, with extensive practical experience in the fields of accounting and financial analysis, and risk management.	Not applicable	0
Chang Shu-Mei	Graduated from Law Department, National Chengchi University; formerly served as Director of Taiwan Cooperative Bank and CFO of Tatung Co., Ltd. Possesses more than five years of work experience required for the company's business, and has experience and capabilities in Expertise business management, operational judgment, leadership and decision-making, as well as extensive experience and capabilities in finance and risk management.		1
Weng Sheng-Hsien	Graduated with a Master's degree from the Graduate Institute of Electrical Engineering at National Taiwan University; Consultant at Winston & Strawn LLP. Currently serving as the managing attorney of Hong Chi Law Office. Possess more than five years of experience and capability in law and risk management Expertise.		1
Hung Yu-Chang	Graduated with a Master of Business Administration from the Department of Business Administration at National Taiwan University of Science and Technology, currently serving as Chairman and General Manager of Maohong Power. Possesses more than five years of work experience required for commerce and corporate business, and has extensive Expertise knowledge and practical experience in the green energy industry and international markets.		0
Chien Ming-Hui	Graduated with a Master's degree from the Graduate Institute of Business Administration at National Taipei University; formerly served as Manager of the Business Management Department at Jih Sun Bank. Currently serving as CFO of GlobalWafers Co., Ltd. Possesses more than five years of work experience required for the company's business, and has experience and capabilities in Expertise business management, operational judgment, leadership and decision-making, as well as extensive experience and capabilities in finance and risk management.		0

Name	ExpertiseQualifications and Experience (Note 1)	Independence Status	Number of other public companies in which the person concurrently serves as an independent director
Yang Ting Co., Ltd.reprenstative: Chen Chun-Yi	Graduated from MBA, National University of Singapore, currently serving as the Co-General Manager of green energy. Possesses more than five years of work experience required for commerce and corporate business, and has extensive Expertise knowledge and practical experience in the green energy industry and international markets.		0
Chen Yung-Yen	Graduated with a Ph.D. in Finance from Nova Southeastern University in the United States; currently serving as an Assistant Professor in the Department of International Trade at Chinese Culture University. Possesses the qualification of (assistant) professorExpertise at a public or private college or university in a relevant department required for the company's business for more than five years, and specializes in matters such as finance and risk managementExpertise.	1. Neither I, my spouse, nor any relative within the second degree of kinship serves as a director, supervisor, or employee of the Company or its affiliates. 2. Neither I, my spouse, nor any relative within the second degree of kinship (nor any other person whose name is used by the aforementioned) hold any shares of the Company. 3. Has not served as a director, supervisor, or employee of a company having a specific relationship with the Company (refer to the provisions of Article 3, Paragraph 1, Items 5 to 8 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies).	1
Cheng Cheng-Yuan	Graduated from the University of Liverpool with a PhD in Laser Processing from the Graduate Institute of Mechanical Engineering; currently serves as a Distinguished Professor in the Department of Mechanical Engineering at National Taiwan University of Science and Technology and Director of the Taiwan High Speed 3D Printing Research Center. Possesses the qualification of (associate) professorExpertise at a public or private college or university in a relevant department required for the company's business for more than five years, specializing in matters such as mechanical engineering and information technologyExpertise.	4. The amount of remuneration received for providing commercial, legal, financial, accounting, or other services to the Company or its affiliates within the past 2 years.	3
Chen Shih-Chieh	Graduated with a PhD from the Graduate Institute of European Studies, College of International Studies, Tamkang University; formerly Secretary-General of the Chinese Arbitration Association, Taipei, and currently serves as a Consultant to the Chinese Arbitration Association, Taipei. Possess more than five years of experience and capability in law and risk management Expertise.		0
Note 1: None of the directors of the Company have been involved in any of the circumstances set forth in the subparagraphs of Article 30 of the Company Act.			

5. Board Diversity and Independence:

(1) Board Diversity:

The Company's "Corporate Governance Best Practice Principles" has established a "Board Diversity Policy":

The board of directors shall consider diversity and formulate an appropriate diversity policy based on its own operations, business model, and development needs, including but not limited to standards in the following two major dimensions:

- I. Basic criteria and values: gender, age, nationality, and culture, etc., among which the ratio of female directors should preferably reach one-third of the director seats.
- II. ExpertiseKnowledge and Skills: ExpertiseBackground (such as law, accounting, industry, finance, marketing, or technology), Expertiseskills, and industry experience, etc.

To achieve the ideal goals of corporate governance, the board of directors as a whole shall possess the following capabilities: Operational judgment ability, accounting and financial analysis ability, management ability, crisis management ability, industry knowledge, international market perspective, leadership ability, and decision-making ability.

The implementation of the board diversity policy is as follows:

Diversity Core	Name	Nationality	Gender	Concurrent Employee	Age			Term of Office of Independent Directors		Operational judgment ability	Accounting and financial analysis ability	Management ability	Crisis management capability	Industry Knowledge	International market perspective	Leadership	Decision-making ability
					Under 50	50-60	61-70	3 years or less	3 years or more								
Director	Sino-American Silicon Products Inc. representative: Chen Chen-Chien	Republic of China	Male			V				V	V	V	V	V	V	V	V
	Chang Shu-Mei		Female			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
	Chien Ming-Hui		Male			V				V	V	V	V	V	V	V	V
	Yang Ting Co., Ltd. representative: Chen Chun-Yi		Female		V						V	V	V	V	V	V	V
Independent Director	Chen Yung-Yen	Republic of China	Male			V			V		V		V	V	V	V	V
	Cheng Cheng-Yuan		Male				V	V					V	V	V	V	V
	Ning Guo-Hui		Male				V	V					V	V	V	V	V

(2) The Company's objectives for implementing the diversity policy for the composition of the Board of Directors are as follows:

- I. The number of independent director seats shall not be less than one-third of the number of director seats
- II. The ratio of female directors reaches one-third or more of the board seats
- III. Directors concurrently serving as the Company's managers (and employees) do not exceed one-third of the director seats
- IV. More than half of the independent directors have served no more than three consecutive terms
- V. At least one director with a legal Expertise background
- VI. At least one director with a marketing Expertise background
- VII. Youthful Composition of the Board

The number of independent director seats is not less than 1/3 of the total director seats (the current proportion of independent directors is 42.85%); directors concurrently serving as company managers (and employees) do not exceed 1/3 of the total director seats (the current proportion of directors with employee status is 0%); more than one-half of the independent directors have terms of office not exceeding three terms (the current proportion of independent directors whose terms do not exceed 3 terms is 66.67%); the remaining targets can all be improved upon the re-election of directors in 2027.

The current Board of Directors of the Company is composed of 9 directors, including 6 general directors and 3 independent directors, among whom 2 directors are aged below 50, 4 directors are aged between 50-60, and 3 directors are aged between 60-70; furthermore, in terms of current positions, 2 independent directors are professors at the assistant level or above in colleges or universities, 1 independent director concurrently serves at the Chinese Arbitration Association, 2 directors are industrial company Chairman, 1 is an industrial company General Manager, and 1 is a lawyer; The members of the Company's Board of Directors possess work experience and expertise in operational management, industry knowledge, finance, and strategic management, demonstrating a characteristic of diversity.

Currently, there are 2 female directors in the Company, which has not reached 1/3 of all directors (1 seat short). A female director who meets the Company's diversity policy will be selected to join the team before the 2027 re-election to achieve the Company's policy and comply with regulatory requirements.

(3) Independence of the Board of Directors:

The Board of Directors of the Company emphasizes the functions of independent operation and transparency, guides the Company's strategy, and exercises its powers and duties in accordance with laws and regulations. In accordance with the requirements of BillionArticles of Incorporation, a nomination system is adopted for director candidates; all director candidates must undergo nomination and qualification review, be approved by a resolution of the Board of Directors, and be submitted to the shareholders' meeting for election. In the current Board of Directors structure, independent directors account for 33.33% of the seats and non-independent directors account for 66.67% of the seats, among which 0 directors hold the status of employee/manager, and in compliance with the provisions of Paragraph 3 and Paragraph 4 of Article 26-3 of the Securities and Exchange Act, there are no spousal or within second-degree kinship relationships among the directors.

(2) Information on General Manager, Vice President, Director, and heads of departments and branch offices

March 31, 2026

Title (Note 1)	Nationality	Name	Gender	Date of Appointment	Shareholding		Shares held by spouse and minor children		Holding shares under the names of others		Major Experience (Education) (Note 2)	Current positions held in other companies	Managers who are spouses or within the second degree of kinship		
					Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio			Position	Name	Relationship
Power Division Director	Republic of China	Chiu She-Li	Male	94.7.22	25,512	0.02%	0	0.00%	0	0.00%	National University of Technology Senior Engineer at MAG	(Note 3)	None	None	None
General Management Office Director	Republic of China	Hsiao Chi-Jen	Male	114.5.13	0	0.00%	0	0.00%	0	0.00%	EMBA, Finance Division, College of Management, National Taiwan University Tatung Co., Ltd. Director	(Note 4)	None	None	None
Business Department Director	Republic of China	Chou Ching-Chih	Male	115.3.12	14,090	0.01%	0	0.00%	0	0.00%	Master of Business Administration, Department of Business Administration, Lunghwa University of Science and Technology Manager of Sales Department, Asia Vital Components Co., Ltd. power	None	None	None	None
Chief Accounting Officer	Republic of China	Yang Kai-Cheng	Male	112.3.1	0	0.00%	0	0.00%	0	0.00%	Department of Accounting, Soochow University KPMG/Audit Manager	(Note 5)	None	None	None

Note 1: Regardless of job title, any person whose position is equivalent to that of a General Manager, Vice President, or Director shall be disclosed.

Note 2: With respect to experience relevant to the current position, if the person has served in the auditing CPA firm or an affiliate during the aforementioned period, the job title and responsibilities shall be specified.

Note 3: Currently concurrently serving as a director of Billion Energy Storage Technologies Inc..

Note 4: Currently concurrently serving as a Director of Billion Watts Technologies Co., Ltd. and a Director of Billion Energy Storage Technologies Inc..

Note 5: Currently concurrently serving as a director of Sheng Kai Travel Energy Co., Ltd., supervisor of Billion Watts Technologies Co., Ltd., supervisor of Billion EVCVgwatt Energy Corp., and supervisor of Sheng Rui Technology Co., Ltd.

1. Remuneration of Directors (including Independent Directors)

- 12 -

Position	Name	Directors' Remuneration				Ratio of the total amount of the four items A, B, C, and D to net income after tax		Remuneration received by employees concurrently holding other positions				Total amount of the seven items A, B, C, D, E, F, and G and their ratio to net income after tax		Whether remuneration was received from invested enterprises other than subsidiaries		
		Remuneration (A) (Note 2)		Retirement pension (B)		Directors' Remuneration (C) (Note 3)		Business execution expenses (D) (Note 4)		Salaries, bonuses, and special allowances, etc.(E)		Retirement pension (F)			Employee compensation (G)	
		The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report	Cash amount	Share amount		The Company	All companies in the financial report
1. Please describe the policy, system, standard, and structure of remuneration for independent directors, and describe the correlation between the amount of remuneration paid and factors such as duties, risks, and time invested: Matters relating to the duties of the Independent Directors of the Company shall be governed by the Company's "Rules Governing the Scope of Powers of Independent Directors," unless otherwise provided by laws and regulations of Articles of Incorporation. Pursuant to the Company's "Articles of Incorporation" and "Measures for Payment of Remuneration to Directors," the remuneration of Independent Directors shall be a fixed monthly remuneration. 2. Other than as disclosed in the table above, remuneration received by the directors of the Company for providing services (such as serving as a non-employee consultant, etc.) to all companies included in the financial report in the most recent year: None.																

Remuneration Range Table

Remuneration Brackets for Individual Directors of the Company	Name of Director			
	Total amount of remuneration for the first four items (A+B+C+D)			Total remuneration of the first seven items (A+B+C+D+E+F+G)
	The Company (Note 8)	All companies in the financial report (Note 9) H	The Company (Note 8)	All companies in the financial report (Note 9) I
Less than NT\$1,000,000	Chang Shu-Mei, Weng Sheng-Hsien, Hung Yu-Chang, Chien Ming-Hui, Chen Yung-Yen, Cheng Cheng-Yuan, Chen Shih-Chieh, Yang Ting Co., Ltd.representative Chen Chun-Yi	Chang Shu-Mei, Weng Sheng-Hsien, Hung Yu-Chang, Chien Ming-Hui, Chen Yung-Yen, Cheng Cheng-Yuan, Chen Shih-Chieh, Yang Ting Co., Ltd.representative Chen Chun-Yi	Weng Sheng-Hsien, Hung Yu-Chang, Chien Ming-Hui, Chen Yung-Yen, Cheng Cheng-Yuan, Chen Shih-Chieh, Yang Ting Co., Ltd.representative Chen Chun-Yi	Weng Sheng-Hsien, Hung Yu-Chang, Chien Ming-Hui, Chen Yung-Yen, Cheng Cheng-Yuan, Chen Shih-Chieh, Yang Ting Co., Ltd.representative Chen Chun-Yi
NT\$1,000,000 (inclusive) – NT\$2,000,000 (exclusive)	Sino-American Silicon Products Inc.representative Chen Chen-Chien	Sino-American Silicon Products Inc.representative Chen Chen-Chien	Sino-American Silicon Products Inc.representative Chen Chen-Chien	Sino-American Silicon Products Inc.representative Chen Chen-Chien
NT\$2,000,000 (inclusive) – NT\$3,500,000 (exclusive)				Yang Ting Co., Ltd.representative Chen Chun-Yi
NT\$3,500,000 (inclusive) – NT\$5,000,000 (exclusive)			Chang Shu-Mei	Chang Shu-Mei
NT\$5,000,000 (inclusive) – NT\$10,000,000 (exclusive)				
NT\$10,000,000 (inclusive) – NT\$15,000,000 (exclusive)				
NT\$15,000,000 (inclusive) – NT\$30,000,000 (exclusive)				
NT\$30,000,000 (inclusive) – NT\$50,000,000 (exclusive)				
NT\$50,000,000 (inclusive) – NT\$100,000,000 (exclusive)				
NT\$100,000,000 or more				
Total	9 persons	9 persons	9 persons	9 persons

Note 1: The names of directors shall be listed separately (for corporate shareholders, the name of the corporate shareholder and representative shall be listed separately), and the amounts of various payments shall be disclosed on an aggregate basis.

Note 2: Refers to the remuneration of directors for the most recent fiscal year (including directors' salaries, duty allowances, severance pay, various bonuses, incentives, etc.).

Note 3: Refers to the amount of remuneration for directors for the most recent year as approved by the Board of Directors.

Note 4: Refers to the relevant business execution expenses of directors for the most recent year (including travel allowances, special allowances, various stipends, and the provision of physical items such as dormitories and company cars, etc.). Where housing, cars and other means of transportation, or expenditures of a personal nature are provided, the nature and cost of the assets provided, the actual or imputed rent calculated at fair market value, fuel costs, and other payments shall be disclosed. In addition, if a driver is provided, please specify in a note the relevant remuneration paid by the company to such driver, which shall not be included in the remuneration.

Note 5: Refers to the remuneration received by directors concurrently serving as employees (including concurrently serving as General Manager, Vice President, other managers, and employees) in the most recent year, including salary, duty allowances, severance pay, various bonuses, incentives, travel allowances, special allowances, various stipends, and the provision of physical items such as housing and company cars, etc. Where housing, cars and other means of transportation, or expenditures of a personal nature are provided, the nature and cost of the assets provided, the actual or imputed rent calculated at fair market value, fuel costs, and other payments shall be disclosed. In addition, if a driver is provided, please specify in a note the relevant remuneration paid by the company to such driver, which shall not be included in the remuneration. In addition, salary expenses recognized in accordance with IFRS 2 "Share-based payments", including the acquisition of employee stock options, restricted stock awards, and participation in Proceeds from issuing shares share subscriptions, shall also be included in the remuneration.

Note 6: Refers to directors who concurrently served as employees (including concurrently serving as General Manager, Vice President, other officers, and employees) and received employee compensation (including stocks and cash) in the most recent year; the amount of employee compensation approved by the Board of Directors for the most recent year shall be disclosed. If the amount cannot be estimated, the proposed distribution amount for this year shall be calculated based on the proportion of the actual distribution amount of the previous year, and Table 1-3 shall also be completed.

Note 7: The total amount of various remunerations paid to the directors of the Company by all companies (including the Company) in the consolidated report shall be disclosed.

Note 8: The Company discloses the names of directors within the applicable brackets based on the total amount of various remunerations paid to each director.

Note 9: The total amount of various remunerations paid to each director of the Company by all companies included in the consolidated report (including the Company) shall be disclosed, and the names of the directors shall be disclosed in the relevant remuneration brackets.

Note 10: Net income after tax refers to the net income after tax of the most recent fiscal year; for those who have adopted International Financial Reporting Standards (IFRS), net income after tax refers to the net income after tax in the parent company only or individual financial reports of the most recent fiscal year.

Note 11: a. This column shall clearly list the amount of remuneration received by the company's directors from invested businesses other than subsidiaries.

b. If a director of the company receives relevant remuneration from invested enterprises other than subsidiaries, the remuneration received by the director of the company from such invested enterprises other than subsidiaries shall be included in column I of the remuneration bracket table, and the column name shall be changed to "All Invested Enterprises".

c. Remuneration refers to the remuneration, compensation (including compensation for employees, directors, and supervisors), and business execution expenses received by the directors of the Company in their capacity as directors, supervisors, or managers of invested enterprises other than subsidiaries.

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

2. Remuneration of supervisors: Not applicable; the Company established the Audit Committee on June 5, 2018.

3. Remuneration of General Manager and Vice President

2025 Unit: NTD ONE THOUSAND; %

Position	Name (Note 1)	Salary (A) (Note 2)		Retirementpensi on (B)		Bonuses and special allowances, etc. (C) (Note 3)		Employee compensation amount(D) (Note 4)				Total amounts of the four items A, B, C, and D and their respective percentages (%) of net income after tax (Note 8)		Whether remuner ation was received from invested enterpris es other than subsidiar ies (Note 9)
		The Compa ny	All compan ies in the financia l report (Note 5)	The Compa ny	All compan ies in the financia l report (Note 5)	The Compa ny	All compan ies in the financia l report (Note 5)	The Company		All companies in the financial report (Note 5)		The Compa ny	All compan ies in the financia l report (Note 5)	
								Cash amount	Share amount	Cash amount	Share amount			
President	Chang Shui-Mei	2,280	2,280	0	0	1,177	1,177	0	0	0	0	-2.85	-2.85	0

Remuneration Range Table

Remuneration brackets for each General Manager and Vice President of the Company	Names of General Manager and Vice President	
	The Company (Note 6)	All companies in the financial report (Note 7)
Less than NT\$1,000,000	-	-
NT\$1,000,000 (inclusive) – NT\$2,000,000 (exclusive)	-	-
NT\$2,000,000 (inclusive) – NT\$3,500,000 (exclusive)	-	-
NT\$3,500,000 (inclusive) – NT\$5,000,000 (exclusive)	Chang Shu-Mei	Chang Shu-Mei
NT\$5,000,000 (inclusive) – NT\$10,000,000 (exclusive)	-	-
NT\$10,000,000 (inclusive) – NT\$15,000,000 (exclusive)	-	-
NT\$15,000,000 (inclusive) – NT\$30,000,000 (exclusive)	-	-
NT\$30,000,000 (inclusive) – NT\$50,000,000 (exclusive)	-	-
NT\$50,000,000 (inclusive) – NT\$100,000,000 (exclusive)	-	-
Total	1 person	1 person

Note 1: The names of General Manager and Vice President shall be listed separately, with the amounts of various payments disclosed on an aggregate basis. If a director concurrently serves as General Manager or Vice President, this table and Table 1-1 shall be filled out.

Note 2: Refers to the salary, job allowances, and severance pay of General Manager and Vice President for the most recent year.

Note 3: Refers to the amounts of various bonuses, incentives, travel allowances, special expenses, various allowances, and the provision of physical items such as dormitories and company cars, as well as other remuneration for General Manager and Vice President in the most recent year. Where housing, cars and other means of transportation, or expenditures of a personal nature are provided, the nature and cost of the assets provided, the actual or imputed rent calculated at fair market value, fuel costs, and other payments shall be disclosed. In addition, if a driver is provided, please specify in a note the relevant remuneration paid by the company to such driver, which shall not be included in the remuneration. In addition, salary expenses recognized in accordance with IFRS "Share-based payments", including the acquisition of employee stock options, restricted stock awards, and participation proceeds from issuing shares or share subscriptions, shall also be included in the remuneration.

- Note 4: Refers to the amount of employees' compensation (including shares and cash) for the most recent year as approved by the Board of Directors for distribution to General Manager and Vice President; if it cannot be estimated, the proposed distribution amount for the current year shall be calculated based on the proportion of the actual distribution amount of the previous year, and Tables 1-3 shall also be completed. Net income after tax refers to the net income after tax for the most recent fiscal year; for those that have adopted International Financial Reporting Standards (IFRS), net income after tax refers to the net income after tax in the parent company only or individual financial reports for the most recent fiscal year.
- Note 5: The total amount of various remunerations paid to General Manager and Vice President of the Company by all companies (including the Company) in the consolidated report shall be disclosed.
- Note 6: The names of General Manager and Vice President are disclosed within the respective brackets of the total amount of various remunerations paid by the Company to each General Manager and Vice President.
- Note 7: The total amount of various remuneration paid to each General Manager and Vice President of the Company by all companies in the consolidated report (including the Company) shall be disclosed, and the names of General Manager and Vice President shall be disclosed in the relevant brackets.
- Note 8: Net income refers to the net income of the most recent fiscal year; for those who have adopted International Financial Reporting Standards (IFRS), net income refers to the net income of the parent company only or individual financial reports of the most recent fiscal year.
- Note 9: a. This column shall clearly list the amount of remuneration received by the company's General Manager and Vice President from invested businesses other than subsidiaries.
- b. If the company's General Manager and Vice President receive relevant remuneration from invested businesses other than subsidiaries, the remuneration received by the company's General Manager and Vice President from invested businesses other than subsidiaries shall be included in column E of the remuneration bracket table, and the column name shall be changed to "A Invested Businesses".
- c. Remuneration refers to the remuneration, compensation (including compensation for employees, directors, and supervisors), and business execution expenses received by the Company's General Manager and Vice President in their capacities as directors, supervisors, or managers of invested enterprises other than subsidiaries.
- *The remuneration content disclosed in this table differs from the concept of income under the Income Tax Act; therefore, the purpose of this table is for information disclosure and not for taxation purposes.

4. Names of managers to whom employees' compensation is distributed and the distribution status

2025 Unit: NTD ONE THOUSAND; %

	Position (Note 1)	Name (Note 1)	Share amount	Cash amount	Total	Ratio of total amount to net income after tax (%)
Managers	President	Chang Shu-Mei	0	0	0	0
	Chief Accounting Officer	Yang Kai-Cheng	0	0	0	0
	Assistant Vice President	Chiu She-Li	0	0	0	0
	Assistant Vice President	Hsiao Chi-Jen	0	0	0	0
	Director	Hsieh Ming-Hsun	0	0	0	0

Note 1: Individual names and job titles shall be disclosed; however, the distribution of earnings may be disclosed on an aggregate basis.

Note 2: If the employee compensation for the most recent fiscal year has not yet been approved by the Board of Directors, the amount of employee compensation (including stock and cash) distributed to managers as approved by the Board of Directors for the previous fiscal year shall be filled in; if it has been approved by the Board of Directors, the amount of employee compensation distributed to managers as approved by the Board of Directors shall be filled in. If an estimate cannot be made, the proposed distribution amount for the current year shall be calculated based on the proportion of the actual distribution amount from the previous year.

Note 3: The scope of application for managers, as stipulated by the Order of this Commission dated March 27, 2003 (Ref. No. Tai-Cai-Zheng-San-Zi No. 0920001301), is as follows:

- (1) General Manager and those of equivalent grade
- (2) Vice President and those of equivalent grade
- (3) Director and those of equivalent grade
- (4) Chief Financial Officer
- (5) Chief Accounting Officer
- (6) Other persons who have the right to manage affairs and sign on behalf of the company

5. Remuneration of the five highest paid executive officers (individual disclosure of names and remuneration methods)

2025 Unit: NTD ONE THOUSAND; %

Position	Name (Note 1)	Salary (A) (Note 2)		Retirementpensi on (B)		Bonuses and special allowances, etc. (C) (Note 3)		Employee compensation amount(D) (Note 4)				Ratio of the total amount of the four items A, B, C, and D to net income after tax (%) (Note 6)		Whether remuner ation was received from invested enterpris es other than subsidiar ies (Note 7)
		This Public Compa ny	All compan ies in the financia l report (Note 5)	The Compa ny	All compan ies in the financia l report (Note 5)	The Compa ny	All compan ies in the financia l report (Note 5)	The Company		All companies in the financial report (Note 5)		The Compa ny	All compan ies in the financia l report	
								Cash amount	Share amount	Cash amount	Share amount			
General Manager	Chang Shu-Mei	2,280	2,280	0	0	1,177	1,177	0	0	0	0	-2.85	-2.85	0
Director	Chiu She-Li	1,532	1,532	0	0	197	197	0	0	0	0	-1.42	-1.42	0
Chief Account ing Officer	Yang Kai- Cheng	1,369	1,369	0	0	327	327	0	0	0	0	-1.40	-1.40	0

Position	Name (Note 1)	Salary (A) (Note 2)		Retirementpensi on (B)		Bonuses and special allowances, etc. (C) (Note 3)		Employee compensation amount(D) (Note 4)				Ratio of the total amount of the four items A, B, C, and D to net income after tax (%) (Note 6)		Whether remuner ation was received from invested enterpris es other than subsidiar ies (Note 7)
		This Public Compa ny	All compan ies in the financia l report (Note 5)	The Compa ny	All compan ies in the financia l report (Note 5)	The Compa ny	All compan ies in the financia l report (Note 5)	The Company		All companies in the financial report (Note 5)		The Compa ny	All compan ies in the financia l report	
Cash amount	Share amount	Cash amount	Share amount											
Director	Hsieh Ming- Hsun	1,440	1,440	0	0	10	10	0	0	0	0	-1.19	-1.19	0
Director	Hsiao Chi-Ien	994	994	0	0	243	243	0	0	0	0	-1.02	-1.02	0

Note 1: The term "top five highest paid executives" refers to the company's managers. Regarding the criteria for identifying managers, it shall be handled in accordance with the scope of application for "managers" as stipulated in the former Ministry of Finance Securities and Futures Commission Order Tai-Cai-Zheng-San-Zi No. 0920001301 dated March 27, 2003. As for the principles for calculating and identifying the "top five highest compensated individuals," it is determined by the total amount of salary, retirement pension, bonuses, and special allowances, etc., as well as the amount of employee compensation (i.e., the total of the four items A+B+C+D) received by the company's managers from all companies within Consolidated Financial Statements, and identifying the top five highest compensated individuals after ranking.

Note 2: Refers to the salaries, job allowances, and severance pay of the top five highest-paid executives in the most recent year.

Note 3: Refers to the amounts of various bonuses, incentives, travel allowances, special expenses, various allowances, and the provision of physical items such as dormitories and company cars, as well as other remuneration for the top five highest-paid executives in the most recent year. Where housing, cars and other means of transportation, or expenditures of a personal nature are provided, the nature and cost of the assets provided, the actual or imputed rent calculated at fair market value, fuel costs, and other payments shall be disclosed. In addition, if a driver is provided, please specify in a note the relevant remuneration paid by the company to such driver, which shall not be included in the remuneration. In addition, salary expenses recognized in accordance with IFRS 2 "Share-based payments", including the acquisition of employee stock options, restricted stock awards, and participation in Proceeds from issuing shares share subscriptions, shall also be included in the remuneration.

Note 4: Refers to the amount of employee compensation (including stocks and cash) for the top five highest-remunerated executives for the most recent fiscal year, as approved by the Board of Directors prior to distribution; if an estimate cannot be made, the proposed distribution amount for the current year shall be calculated based on the proportion of the actual distribution amount from the previous year.

Note 5: The total amount of various remunerations paid to the top five highest-paid remunerated executives of the Company by all companies in the consolidated report (including the Company) shall be disclosed.

Note 6: Net income after tax refers to the net income after tax of the parent company only or individual financial reports for the most recent year.

Note 7: a. This column shall clearly list the amount of relevant remuneration received by the company's top five highest-paid executives from invested enterprises other than subsidiaries or from the parent company (if none, please enter "None").

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

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

(4) Separately compare and describe the analysis of the ratio of the total remuneration paid to the directors, General Manager, and Vice President of the Company and all companies in the consolidated financial statements to the net income after tax for the most recent two fiscal years, and describe the policies, standards, and packages for payment of remuneration, the procedures for determining remuneration, and their correlation with operating performance and future risks.

1. Analysis of the ratio of the total remuneration paid to the Company's directors, General Manager, and Vice President in the most recent two fiscal years to the net income after tax in the parent company only or individual financial reports

Position	Total remuneration as a percentage of net income after tax				Increase (decrease) percentage (%)	
	2024		2025			
	The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report
Director	-6.10%	-6.42%	0.00%	-2.51%	6.10%	3.91%
General Manager/Vice President	-14.15%	-14.39%	-2.85%	-2.85%	11.30%	11.54%

2. Policies, standards, and packages for the payment of remuneration, the procedures for determining remuneration, and their correlation with business performance and future risks:

(1) Policies, standards, and packages for payment of remuneration The remuneration for directors of the Company consists of three major items: remuneration for directors, compensation for directors, and business execution expenses, which are handled in accordance with Articles of Incorporation and relevant regulations; remuneration for General Manager and Vice President consists of three categories: salary, bonuses, and employee compensation, which are determined in accordance with Articles of Incorporation and the approval authority.

(2) Procedures for determining remuneration

In accordance with the provisions of these Articles of Incorporation, if the Company has profits for the year, it shall allocate not more than three percent as remuneration for directors and not less than two percent as remuneration for employees. The distribution of employee compensation and director compensation shall be reported to the shareholders' meeting.

However, if the Company still has accumulated losses, it shall reserve an amount to offset the losses in advance, and then appropriate the employees' compensation and directors' compensation in accordance with the proportions set out in the preceding paragraph. In addition, business execution expenses are only paid as attendance fees for each attendance at a Board of Directors meeting. The procedures for determining directors' remuneration follow the Company's "Rules for Performance Evaluation of the Board of Directors," and reasonable remuneration is provided by considering the degree of participation in and contribution to the Company's operations. A portion of the remuneration received by the managers of the Company is based on the operating performance quota of the annual budget approved by the Board of Directors each year, and the distribution measures thereof are handled in accordance with the Company's "Employee Performance Management Measures."

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

(3) Correlation between operating performance and future risks

The performance evaluation and remuneration of the directors and managers of the Company are determined with reference to the prevailing levels of the industry, and also take into account operating results, the degree of participation (including the attendance rate of directors, frequency of communication, suggestions provided, etc.), and their contribution to the Company's performance (including financial indicators such as revenue and profit achievement rates, as well as non-financial indicators such as compliance with laws and internal controls, or special merits, etc.). Furthermore, the amount and payment method of remuneration and the Company's future risks are comprehensively considered, and are highly correlated with their management responsibilities and overall performance.

2. Corporate Governance Implementation

(1) Operations of the Board of Directors:

The Board of Directors held 8 meetings (A) in 2025; the attendance of directors is as follows:

Position	Name	Actual attendance (B)	Attendance by Proxy Frequency	Actual attendance rate 【B/A】	Remarks
Director	Sino-American Silicon Products Inc.representative: Chen Chen-Chien	8	0	100%	
Director	Chang Shu-Mei	8	0	100%	
Director	Weng Sheng-Hsien	8	0	100%	
Director	Hung Yu-Chang	8	0	100%	
Director	Chien Ming-Hui	4	0	100%	(Note 1)
Director	Yang Ting Co., Ltd.representative: Chen Chun-Yi	4	0	100%	(Note 1)
Independent Director	Chen Yung-Yen	8	0	100%	
Independent Director	Cheng Cheng-Yuan	8	0	100%	
Independent Director	Chen Shih-Chieh	8	0	100%	

Note 1: The Company held a by-election for directors on May 22, 2025; Chien Ming-Hui and Yang Ting Co., Ltd. representative Chen Chun-Yi assumed office on May 22, 2025.

Other required disclosure items:

1. If the operation of the board of directors falls under any of the following circumstances, the date of the board meeting, the session, the content of the proposal, the opinions of all independent directors, and the company's handling of the opinions of the independent directors 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, and Article 14-5 of the Securities and Exchange Act shall apply.

(2) Other than the aforementioned matters, other matters resolved by the Board of Directors for which an independent director has a dissenting or qualified opinion which is on record or stated in writing: No such circumstances have occurred in the Company.

2. The execution of the recusal of directors from proposals involving conflicts of interest, which shall specify the names of the directors, the content of the proposals, the reasons for the required recusal due to conflicts of interest, and the status of participation in voting:

Meeting Date and Session Number	Proposal Content	Reasons for recusal due to conflict of interest and voting results
114/02/27 The 6th meeting of the 18th term	Proposal for the cancelation of the fund lending limit provided by the Company to its subsidiary, Sheng O Energy Storage Technology Co., Ltd. NTD 35 million	The interested parties Chairman Tim Chen recused themselves from the discussion and voting on this matter due to a conflict of interest. Independent Director Chen Yong-Yan was appointed by Chairman to serve as the acting chairperson, and the proposal was approved as submitted with the unanimous consent of all other attending directors.
	Proposal for Remuneration for Senior Executives	The interested director, Chang Shu-Mei, recused herself from the discussion and voting on this matter due to a conflict of interest; the proposal was approved as submitted with the unanimous consent of all other directors present.
114/03/27 The 8th meeting of the 18th term	Approval of the remuneration for Chairman	Director Chen Chen-Chien, a stakeholder, recused himself from the discussion and voting of this case due to a conflict of interest. Independent Director Chen Yung-Yen was appointed by Chairman to serve as the acting chairperson, and the case was approved as

		proposed with the unanimous consent of all other attending directors.
114/05/08 The 9th meeting of the 18th term	Proposal for Loan of Funds to Subsidiary Sheng O Energy Storage Technology Co., Ltd.	The interested director, Chang Shu-Mei, recused herself from the discussion and voting on this matter due to a conflict of interest; the proposal was approved as submitted with the unanimous consent of all other directors present.
114/08/07 The 10th meeting of the 18th term	Proposal for Disposal of equity interests in Tai O Energy Co., Ltd.	Director Chen Chun-Yi, being an interested party, recused herself from the discussion and voting on this matter; the proposal was approved as submitted with the unanimous consent of all other directors present.
	Proposal for the Company's adjustment of the endorsement and guarantee limit for the financing needs of Sheng O Energy Storage Technology Co., Ltd.	The interested director, Chang Shu-Mei, recused herself from the discussion and voting on this matter due to a conflict of interest; the proposal was approved as submitted with the unanimous consent of all other directors present.
	Proposal for the adjustment of the financing interest rate for the lending of funds by the Company to Sheng O green energy Co., Ltd.	Interested party Chairman and directors Chen Chen-Chien, Chang Shu-Mei, Chen Chun-Yi, and Chien Ming-Hui recused themselves from the discussion and voting on this matter due to conflicts of interest. Independent Director Chen Yong-Yan was appointed by Chairman to serve as the acting chairperson, and the proposal was approved as presented with the unanimous consent of all other attending directors.
114/11/06 12th Meeting of the 18th Term	Proposal for the Company's provision of endorsement and guarantee for its subsidiary, Sheng O green energy Co., Ltd.	Interested party Chairman and directors Chen Chen-Chien, Chang Shu-Mei, Chen Chun-Yi, and Chien Ming-Hui recused themselves from the discussion and voting on this matter due to conflicts of interest. Independent Director Chen Yong-Yan was appointed by Chairman to serve as the acting chairperson, and the proposal was approved as presented with the unanimous consent of all other attending directors.
	Proposal for lending funds to the subsidiary Sheng O green energy Co., Ltd.	

3. Implementation of Board of Directors Performance Evaluations:

Assessment Cycle	Assessment Period	Scope of Assessment	Assessment Method	Assessment Content
Executed once per year	January 1, 2025 to December 31, 2025	Board of Directors, individual board members, and functional committees (including the Audit Committee, Remuneration Committee, and Nomination Committee)	Internal Self-Evaluation of the Board of Directors Board Member Self-Evaluation Functional Committee Self-Evaluation	Board of Directors Performance Evaluation: 1. Degree of participation in the company's operations 2. Enhancing Board Decision-making Quality 3. Composition and Structure of the Board of Directors 4. Election and Continuing Education of Directors 5. Internal Control Performance Evaluation of Individual Board Members: 1. Mastery of Corporate Goals and Missions 2. Awareness of Director Duties 3. Degree of participation in the Company's operations 4. Internal Relationship Management and Communication 5. Training and Continuing Education of Directors 6. Internal Control Performance Evaluation of Functional Committees:

				1. Degree of participation in the company's operations 2. Awareness of the Duties of Functional Committees 3. Enhancing the decision-making quality of functional committees 4. Composition and Selection of Members of Functional Committees 5. Internal Control
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IV. Objectives for strengthening the functions of the board of directors in the current and most recent years (e.g., establishing an audit committee, enhancing information transparency, etc.) and evaluation of implementation status:

Objectives for Strengthening Board Functions	Assessment of Implementation Status
Establishment of Independent Directors	Strengthen the independent and objective functions of Expertise directors and supervise the operation of the board of directors.
Establishment of an Audit Committee	Exercise powers and functions prescribed by Securities and Exchange Act, Company Act, and other relevant laws and regulations. The Company has established the "Audit Committee Charter". The 3rd Audit Committee was established on May 29, 2024, and is composed of 3 independent directors. It meets at least once per quarter and is responsible for performing the review of the fair presentation of the company's financial statements; the appointment (dismissal), independence, and performance of the certified public accountants; the effective implementation of the company's internal controls; the company's compliance with relevant laws and regulations; and the control of the company's existing or potential risks. The 2025 operation of the Audit Committee is published on the Company's website / Corporate Governance / Functional Committees / Audit Committee.
Establishment of a Remuneration Committee	Assist the board of directors in executing and evaluating the company's overall remuneration and benefit system, and periodically review whether the remuneration of directors, supervisors, and managers is appropriate. The Company has established the "Remuneration Committee Charter". The 6th Remuneration Committee was appointed by resolution of the Board of Directors on May 29, 2024, and is composed of 3 independent directors; its operations are proceeding smoothly. The 2025 operation status of the Remuneration Committee is published on the Company's website / Corporate Governance / Functional Committees / Remuneration Committee.
Establishment of Nomination Committee	To soundly establish the nomination system for Directors and senior executives of the Company. The Company has established the "Organizational Rules of the Nomination Committee". The 3rd Nomination and Remuneration Committee was appointed by resolution of the Board of Directors on May 29, 2024, and is composed of 3 independent directors; its operations are proceeding smoothly. The 2025 operation status of the Nomination Committee is published on the Company's website / Corporate Governance / Functional Committees / Nomination Committee.
Continuously enhancing information transparency	The Company has designated specific personnel to be responsible for the disclosure of corporate information and the updating of information on the Company's website, etc.
Actively establish communication with stakeholders	The Company has appointed a spokesperson and a deputy spokesperson. In addition to using these as communication channels, stakeholders may also find contact windows for various matters on the Company's website. The annual shareholders' meeting accepts shareholder proposals according to the schedule. Shareholders with the right to propose may submit applications to the Company during the acceptance period, and the Company shall convene a board of directors meeting to review such proposals in accordance with

	relevant regulations.
Enhance the operational efficiency and decision-making capabilities of the Board of Directors	1. The Company has established the "Rules of Procedure for Board of Directors Meetings" to strengthen the implementation of the functions of the Board of Directors and promote the sound development of the Board's participation in decision-making. 2. The Company has established the "Rules for Performance Evaluation of the Board of Directors" to implement corporate governance and enhance the functions of the Board of Directors, and to establish performance goals to strengthen the operational efficiency of the Board of Directors.
Enhance Expertise knowledge	The hours of continuing education for the directors of the Company shall meet the requirements of the competent authority each year, and relevant members of the Board of Directors are encouraged to participate in various Expertise courses, with relevant laws and regulations disseminated at Board meetings to comply with legal requirements. In 2025, the total number of continuing education hours for all directors was 81 hours.
Appointment of Corporate Governance Officer	To implement corporate governance and enhance Board effectiveness, the Board of Directors approved the appointment of a Corporate Governance Officer on December 16, 2022, to assist the directors with relevant information required for the performance of their duties and other necessary assistance.

(2) Operations of the Audit Committee:

In 2025, the Audit Committee held 8 meetings (A). The attendance of directors is as follows:

Position	Name	Actual attendance (B)	Number of attendances by proxy	Actual attendance rate 【B/A】	Remarks
Independent Director	Chen Yung-Yen	8	0	100%	Reappointment
Independent Director	Cheng Cheng-Yuan	8	0	100%	Newly appointed on May 29, 2024
Independent Director	Chen Shih-Chieh	8	0	100%	Newly appointed on May 29, 2024

For information regarding the Expertise qualifications and experience of Audit Committee members, please refer to the relevant content in "Part II, Corporate Governance Report / 1. Information on Directors / 4. Disclosure of Director Expertise Qualifications and Independence of Independent Directors" of this annual report.

Composition and Operation of the Audit Committee:

The 3rd Audit Committee of the Company consists of 3 independent directors, with Independent Director Chen Yong-Yan elected as the convener. The committee shall meet at least once every quarter, and its primary powers and duties are as follows:

- (1) The establishment of or amendments to the internal control system pursuant to the provisions of Article 14-1 of the Securities and Exchange Act.
- (2) Assessment of the effectiveness of the internal control system.
- (3) The adoption of or amendment to the procedures for handling material financial or business acts, including the acquisition or disposal of assets, engaging in derivative transactions, lending funds to others, and endorsements or guarantees for others, pursuant to the provisions of Article 36-1 of the Securities and Exchange Act.
- (4) Matters involving a director's own conflicts of interest.
- (5) Material asset or derivative transactions.
- (6) Material lending of funds, endorsements, or provision of guarantees.
- (7) Offering, issuance, or private placement of equity-type securities.
- (8) The appointment, dismissal, or remuneration of the certifying certified public accountant.
- (9) The appointment and dismissal of the financial, accounting, or internal audit officers.
- (10) Annual financial reports and semi-annual financial reports.
- (11) Other material matters as stipulated by the Company or the competent authority.

Other required disclosure items:

1. If the operation of the Audit Committee falls under any of the following circumstances, the date and session of the Board of Directors meeting, the content of the proposals, the results of the Audit Committee's resolutions, and the Company's handling of the Audit Committee's opinions shall be stated:
(1) Matters listed in Article 14-5 of Securities and Exchange Act

Meeting Date and Session	Content of Proposals	Matters listed in Article 14-5 of the Securities and Exchange Act	Resolution results of the Audit Committee and the Company's handling of the Audit Committee's opinions
114/02/27 The 6th meeting of the 3rd term	2024 Business Report and Financial Statements	√	Approved by the consent of all members present at the Audit Committee meeting
	Proposal for the Appointment and the Assessment of Competence and Independence of the Attesting Certified Public Accountants	√	
	Proposal for the cancelation of the monetary lending limit by the Company to its subsidiary, Sheng O Energy Storage Technology Co., Ltd. NTD 35 million	√	
	The Company issues the 2024 Internal Control System Statement	√	
114/03/27 7th Meeting of the 3rd Term	Amendment to certain provisions of the Company's "Procedures for Endorsements and Guarantees"	√	Approved by the consent of all members present at the Audit Committee meeting
	Amendment to certain provisions of the Company's "Procedures for Lending Funds to Others"	√	
114/05/08 The 8th meeting of the 3rd term	The Company's consolidated financial statements for Q1 2025	√	Approved by the consent of all members present at the Audit Committee meeting
	Proposal for Loan of Funds to Subsidiary Sheng O Energy Storage Technology Co., Ltd.	√	
114/08/07 The 9th meeting of the 3rd term	Q2 2025 Consolidated Financial Statements	√	Approved by the consent of all members present at the Audit Committee meeting
	Proposal for Disposal of equity interests in Tai O Energy Co., Ltd.	√	
	Proposal for the Company's adjustment of the endorsement and guarantee limit for the financing needs of Sheng O Energy Storage Technology Co., Ltd.	√	
	Proposal for the adjustment of the financing interest rate for the lending of funds by the Company to Billion WattsOgreen energy Co., Ltd.	√	
114/09/10 The 10th meeting of the 3rd term	The proposal to appoint an independent expert to provide an opinion on the reasonableness of the share exchange ratio regarding the share exchange between the Company and Billion Watts Technologies Co., Ltd.	√	Approved by the consent of all members present at the Audit Committee meeting
114/09/18 11th Meeting of the 3rd Term	The Company proposes to issue new shares to conduct a share exchange to acquire 100% of the shares of Billion Watts Technologies Co., Ltd. and the case of the issuance of new shares	√	Approved by the consent of all members present at the Audit Committee meeting
114/11/6 12th Meeting of the 3rd Term	Consolidated Financial Statements for Q3 2025	√	Approved by the consent of all members present at the Audit Committee meeting
	Proposal for the Company's provision of endorsement and guarantee for its subsidiary, Sheng O green energy Co., Ltd.	√	
	Proposal for lending funds to the subsidiary Sheng O green energy Co., Ltd.	√	
	Proposal regarding the cancelation of the monetary lending limit for the subsidiary Sheng O green energy Co., Ltd.	√	
114/12/18 13th Meeting of the 3rd Term	The Company's 2026 Internal Audit Plan	√	Approved by the consent of all members present at the Audit Committee meeting
	Proposal to amend certain contents of the Company's "Internal Control System" and "Internal Audit System"	√	

- (2) Other than the aforementioned matters, any other matters resolved by the Board of Directors with the consent of two-thirds or more of all directors but without the approval of the Audit Committee:
None.

2. Implementation of independent directors' recusal from proposals involving conflicts of interest (the names of the independent directors, content of the proposals, reasons for the required recusal, and the status of

participation in voting shall be specified): No such situation exists, and all members of the Audit Committee fully expressed their opinions during the meeting.

3. Communication between independent directors and the internal audit officer and CPAs (shall include the material matters, methods, and results of communication regarding the company's financial and business conditions):

- (1) The Company's certified public accountants report the results of the audit or review of the financial statements for the current quarter and other communication matters required by relevant laws and regulations at the quarterly Audit Committee meetings. In the event of special circumstances, they will also report to the members of the Audit Committee immediately. There were no such special circumstances in 2025, and the communication between the Company's Audit Committee and the certified public accountants has been in good standing.
- (2) The Company's internal audit officer reports to the members of the Audit Committee on the execution of the Company's annual audit plan and the follow-up on the improvement of internal control deficiencies at least once every quarter; in the event of material abnormalities, a report will also be made to the members of the Audit Committee immediately. There were no such special circumstances in 2025, and the communication between the Company's Audit Committee and the internal audit officer has been in good standing.
- (3) For the communication between the Independent Directors of the Company and the CPAs or internal auditors in meetings held from time to time, please refer to the Company's website \ Corporate Governance \ Functional Committees \ Audit Committee \ 2025 Audit Committee Operations.

Communication between Independent Directors and CPAs for 2025

Date	Key Communication Matters	Recommendations and Results
114/02/27 The 1st Meeting of 2025	The CPAs explained the audit status and results of the 2024 financial report, and discussed issues regarding the application of certain accounting principles and the impact of newly amended laws and regulations.	No opinion
114/05/08 The 2nd Meeting of 2025	The CPAs explained the status and results of the audit of the financial report for Q1 2025, and discussed issues regarding the application of certain accounting principles and the impact of newly amended laws and regulations.	No opinion
114/08/07 The 3rd Meeting of 2025	The CPAs explained the status and results of the audit of the financial report for Q2 2025, and discussed issues regarding the application of certain accounting principles and the impact of newly amended laws and regulations.	No opinion
114/11/06 The 4th Meeting of 2025	The CPAs explained the status and results of the audit of the financial report for Q3 2025, and discussed issues regarding the application of certain accounting principles and the impact of newly amended laws and regulations.	No opinion

Communication between Independent Directors and Internal Audit Officer for 2025

Date	Key Communication Matters	Recommendations and Results
114/02/27 The 6th Meeting of the 3rd Audit Committee	Report on the Implementation of the Audit Plan for Q4 2024 2024 Internal Control System Statement	No opinion
114/05/08 The 8th Meeting of the 3rd Audit Committee	Report on the Execution of the Audit Plan for Q1 2025	No opinion
114/08/07 The 9th Meeting of the 3rd Audit Committee	Report on the Implementation of the Audit Plan for Q2 2025	No opinion
114/11/06 The 12th Meeting of the 3rd Audit Committee	Report on the Execution of the Q3 2025 Audit Plan	No opinion
114/12/18 The 13th Meeting of the 3rd Audit Committee	2026 Annual Audit Plan Proposal for the amendment of certain provisions of the Company's "Internal Control System" and "Internal Audit System"	No opinion

4. Summary of the Audit Committee's annual key work items:

In 2025, the Audit Committee held a total of 8 meetings, and the matters deliberated primarily included

- (1) Fair presentation of the company's financial statements Review of 2024 financial reports and 2025 Q1 to Q3 financial reports
- (2) Proposals for the appointment (dismissal) of certified public accountants, as well as their competence, qualifications, independence, performance, and audit fees Review of the competence, independence, and performance of the certified public accountants for the year 2025
- (3) Effective implementation of the company's internal control
Review of internal audit reports, the 2024 Internal Control Statement, and the 2026 Internal Audit Plan Deliberation on the amendment of certain provisions of the Company's "Internal Control System" and "Internal Audit System"
- (4) Material transactions of assets, derivatives, loans to others, and endorsements or guarantees Review of matters related to loans to others, derivative transactions, endorsements and guarantees, and equity investments
- (5) Review and Amendment of Various Rules and Measures Review of various regulations and measures, including the Procedures for Endorsements and Guarantees and the Risk Management Policies and Procedures

(3) Status of corporate governance operations and the deviations from Corporate Governance Best Practice Principles for TSEC/GTSM Listed Companies and reasons therefor:

Evaluation Item	Status of Operations (Note 1)			Differences from Corporate Governance Best Practice Principles for TSEC/GTSM Listed Companies and reasons therefor
	Yes	No	Summary Description	
I. Whether the Company has established and disclosed Corporate Governance Best Practice Principles in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies"?	✓		The Company has formulated the "Corporate Governance Best Practice Principles" and disclosed it on the Market Observation Post System and the Company's website.	In compliance with Corporate Governance Best Practice Principles
II. Corporate Ownership Structure and Shareholders' Rights				
(1) Whether the Company has established internal operating procedures for handling shareholder suggestions, inquiries, disputes, and litigation matters, and implemented them in accordance with such procedures?	✓		The Company has appointed a spokesperson and shareholder services personnel to effectively handle matters such as shareholder suggestions or disputes; if legal issues are involved, the legal department or Expertise lawyers will be requested to assist in the handling thereof.	In compliance with Corporate Governance Best Practice Principles
(2) Does the Company maintain a list of major shareholders who have de facto control over the Company and the ultimate controllers of such major shareholders?	✓		The Company entrusts a stock affairs agent to manage the shareholdings of major shareholders, and the Company maintains up-to-date knowledge of the shareholding status of directors, managers, and major shareholders with a stake of 5% or more, and reports relevant information on a monthly basis.	In compliance with Corporate Governance Best Practice Principles
(3) Whether the Company has established and implemented risk control and firewall mechanisms with its affiliates?	✓		The Company and its affiliates have established internal control systems and formulated the "Management Procedures for Related Party Transactions" and the "Operating Procedures for Financial and Business Matters Between Related Parties" in accordance with laws and regulations and have implemented them accordingly, including regulations governing related party transactions, loans to others, and endorsements and guarantees.	In compliance with Corporate Governance Best Practice Principles

Evaluation Item	Status of Operations (Note 1)			Differences from Corporate Governance Best Practice Principles for TSEC/GTSM Listed Companies and reasons therefor
	Yes	No	Summary Description	
(4) Whether the Company has established internal regulations prohibiting company insiders from using undisclosed market information to trade securities?	✓		The Company has formulated the "Integrity Code of Conduct" and relevant operating procedures and behavioral guidelines, the "Procedures for Prevention of Insider Trading", and the "Measures for Handling Whistleblowing of Illegal and Unethical or DisIntegrity Conduct", which prohibit insiders such as directors or employees of the Company from using non-public market information to trade securities; relevant regulations have also been disclosed on the Company's website. When conducting monthly insider reporting, the Company reminds insiders of the aforementioned regulations via email to prevent the occurrence of insider trading. Furthermore, when sending out notices for Board of Directors meetings, the Company simultaneously reminds directors, managers, and relevant employees of their duty of confidentiality regarding confidential information in meeting materials. The aforementioned content is sent to the mailboxes of each insider in accordance with regulations for their reference.	In compliance with Corporate Governance Best Practice Principles
III. Composition and Responsibilities of the Board of Directors (1) Whether the board of directors has formulated a diversity policy for its composition and implemented it?	✓		The Company has established the qualifications for directors and independent directors in Articles 20 and 24 of the "Corporate Governance Best Practice Principles", respectively, and has formulated the "Rules of Procedure for Board of Directors Meetings" for compliance. The policy on the diversity of board members has also been disclosed on the Company's website. For information regarding the education, experience, Expertise qualifications, independence, and diversity of each director of the Company, please refer to	In compliance with Corporate Governance Best Practice Principles

Evaluation Item	Status of Operations (Note 1)			Differences from Corporate Governance Best Practice Principles for TSEC/GTSM Listed Companies and reasons therefor
	Yes	No	Summary Description	
(2) In addition to the Remuneration Committee and the Audit Committee established in accordance with the law, has the Company voluntarily established any other types of functional committees?	✓		"Part II, Corporate Governance Report / 1. Information on Directors" of this annual report; the above information is simultaneously disclosed on the Company's website. The Company established a Nomination Committee in 2020, and currently the Nomination Committee members consist of three independent directors; In December 2022, the Company established the Sustainable Development Committee, which is composed of the Company's Management Team, and reports its implementation status and results to the Board of Directors on a regular basis every year. The above information is disclosed on the company's website and in the annual report.	In compliance with Corporate Governance Best Practice Principles
(3) Whether the Company has established a Board of Directors performance evaluation regulation and its evaluation methods, and conducts performance evaluations periodically each year?	✓		1. The Company has established the "Rules for Performance Evaluation of the Board of Directors" as approved by the Board of Directors, and shall conduct a performance evaluation of the Board of Directors and functional committees (including the Remuneration 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 at the end of each year, with the Management Department responsible for execution and coordination. It adopts internal questionnaires through internal self-evaluation and self-evaluation by members of the Board of Directors and functional committees. The scope of evaluation includes the performance evaluation of the Board of Directors as a whole, individual board members, and functional committees. 2. The performance evaluation criteria for the Company's Board of Directors and functional committees primarily include the level of participation in the	In compliance with Corporate Governance Best Practice Principles

Evaluation Item	Status of Operations (Note 1)			Differences from Corporate Governance Best Practice Principles for TSEC/GTSM Listed Companies and reasons therefor
	Yes	No	Summary Description	
			Company's operations, improvement of the quality of decision-making of the Board of Directors and functional committees Quality, the composition and structure of the Board of Directors and functional committees, the election and continuous education of directors and functional committee members, and internal control, etc. The evaluation results are reported to the Board of Directors and serve as a reference basis or individual directors' remuneration and the selection or nomination of directors. The performance evaluation results for 2025 were reported to the Board of Directors on March 12, 2026, and disclosed on the Company's website. 3. The Company has completed the performance evaluation for the year 2025, and the evaluation results for all dimensions have met the indicators, indicating that the overall operation of the Board of Directors and committees is in good condition. On August 1, 2025, an external audit, conducted once every three years, was completed by an external expert (Taiwan Investor Relations Association). The performance evaluation results were reported to the Board of Directors on March 12, 2026, and disclosed on the Company's website.	
(4) Does the Company periodically assess the independence of the certified public accountant?	✓		1. Since December 2022, the Company has evaluated the independence, competence, and performance of the certified public accountants on an annual basis. In addition to obtaining an impartial and independent statement issued by the accountants each year, starting from 2023, the audit Quality Indicators (AQIs) are included as evaluation references, and the evaluation results shall be submitted to the Audit Committee and the Board of	In compliance with Corporate Governance Best Practice Principles

Evaluation Item	Status of Operations (Note 1)			Differences from Corporate Governance Best Practice Principles for TSEC/GTSM Listed Companies and reasons therefor
	Yes	No	Summary Description	
			Directors for approval. The Company's assessment of the independence and suitability of the certified public accountants and the Audit Quality Indicators (Quality) for the current year was reviewed and approved by the Audit Committee and the Board of Directors on February 27, 2025. 2. The independence indicator assessment items include: the certified public accountant (CPA) does not serve as a director, supervisor, or manager of the audit client, nor holds any position that has a significant influence on the audit engagement; the CPA has no direct or indirect material financial interest in the Company; the CPA has no material close business relationship or employment relationship with the Company; and the CPA does not promote or mediate the stocks or other securities issued by the Company, among other items.	
4. Whether the TWSE/TPEX listed company has established a dedicated (or concurrent) corporate governance unit or designated personnel responsible for corporate governance-related matters (including but not limited to providing information required by directors to conduct business, handling matters related to Board of Directors and shareholders' meetings in accordance with the law, handling company registration and change of registration, and preparing minutes for Board of Directors and shareholders' meetings)?	✓		1. To implement corporate governance and strengthen the functions of the Board of Directors, the Company established the position of Corporate Governance Officer by the Board of Directors on December 16, 2022. On November 6, 2025, the Board of Directors approved the appointment of Hsiao Chi-Jen Director of the General Management Office as the Corporate Governance Officer. He has more than three years of experience in management roles related to finance, shareholder services, and board proceedings in public companies. 2. The corporate governance officer and his/her members are responsible for corporate governance-related matters and serve as the secretary of the board of directors. The primary responsibilities of the corporate governance officer include providing information required by directors to perform their business, assisting directors in complying with laws and regulations, assisting directors with	In compliance with Corporate Governance Best Practice Principles

Evaluation Item	Status of Operations (Note 1)			Differences from Corporate Governance Best Practice Principles for TSEC/GTSM Listed Companies and reasons therefor
	Yes	No	Summary Description	
			their appointment and continuous professional development, handling matters related to meetings of the board of directors, committees, and shareholders' meetings and preparing minutes of such meetings, and matters related to investor relations, etc. 3. The execution of corporate governance affairs for the year 2025 is as follows: (1) Formulate and plan corporate governance-related measures and implement legal compliance. (2) Providing information required for directors to perform their duties and assisting directors in complying with laws and regulations. (3) Planning of Board of Directors meetings and notifying all directors to attend at least 7 days prior to the meeting and providing sufficient meeting materials, and sending the minutes of the Board of Directors meeting within 20 days after the meeting. (4) Complete the pre-registration of the date of the shareholders' meeting in accordance with the law; prepare the meeting notice, meeting handbook, and minutes of the meeting within the statutory time limit; and handle the registration of changes after the amendment of Articles of Incorporation or the re-election of directors. (5) Conduct continuing education courses for directors, and purchase liability insurance for directors and key officers. (6) Maintain investor relations, hold investor conferences, and establish diversified communication channels with investors.	

Evaluation Item	Status of Operations (Note 1)			Differences from Corporate Governance Best Practice Principles for TSEC/GTSM Listed Companies and reasons therefor
	Yes	No	Summary Description	
			(7) The corporate governance officer shall complete at least 12 hours of continuing education courses every year; for the status of continuing education, please refer to (8) Continuing education of the corporate governance officer.	
5. Whether the Company has established communication channels with stakeholders (including but not limited to shareholders, employees, customers, and suppliers, etc.) and set up a stakeholders' section on the Company's website, and appropriately responded to important corporate social responsibility issues of concern to stakeholders?	✓		1. The Company has appointed a spokesperson, a head of stock affairs, and personnel in charge of various business operations to establish smooth communication channels, and respects and maintains the legitimate rights and interests of all stakeholders. 2. The Company has established a Corporate Governance section and an Investor Relations section on its website, and has set up contact telephone numbers and email addresses for business personnel, investor relations, supplier relations, and employee welfare relations. All stakeholders may communicate via telephone or email as needed. 3. In addition, information such as issues of concern to stakeholders and communication channels is disclosed in the Sustainable Development section; the implementation and execution status of the Sustainable Development Committee, as well as the status of communication with stakeholders, are reported to the Board of Directors every year.	In compliance with Corporate Governance Best Practice Principles
6. Whether the Company has appointed a Expertise shareholder services agent to handle shareholders' meeting matters?	✓		The company's shareholders' meeting matters are entrusted to the company's stock affairs agent (Stock Transfer Agency Department, Capital Securities Corp. Shareholder Services Department).	In compliance with Corporate Governance Best Practice Principles
VII. Information Disclosure (1) Whether the Company has established a website to disclose financial, business, and corporate governance information?	✓		The Company has established a website to disclose corporate financial, business, and corporate governance information.	In compliance with Corporate Governance Best Practice Principles

Evaluation Item	Status of Operations (Note 1)			Differences from Corporate Governance Best Practice Principles for TSEC/GTSM Listed Companies and reasons therefor
	Yes	No	Summary Description	
(一) Whether the Company adopts other methods for information disclosure (such as establishing an English website, appointing designated personnel responsible for the collection and disclosure of company information, implementing a spokesperson system, and posting the proceedings of investor conferences on the company website, etc.)?	✓		The Company has designated personnel responsible for information collection and ensures the timely and appropriate disclosure of relevant information in accordance with regulations. 1. The Company has established a spokesperson and deputy spokesperson system in accordance with regulations, and has disclosed their names and contact information on the Company's website. 2. The Company has disclosed information regarding the investor conference on the corporate website. 3. The Company has established an English website to provide foreign investors with relevant corporate information.	In compliance with Corporate Governance Best Practice Principles
(3) Whether the Company announces and files its annual financial reports within two months after the end of the fiscal year, and announces and files its financial reports for Q1, Q2, and Q3 as well as its monthly operating results ahead of the prescribed deadlines?	✓		The Company has arranged for the early announcement and filing of the financial reports for Q1, Q2, and Q3, as well as the monthly operating conditions, before the prescribed deadlines; the 2025 financial report was announced and filed within two months after the end of the fiscal year.	In compliance with Corporate Governance Best Practice Principles
8. Does the Company have other important information that facilitates the understanding of the operation of corporate governance (including but not limited to employee rights, employee care, investor relations, supplier relations, rights of stakeholders, status of continuing education of directors and supervisors, implementation of risk management policies and risk measurement standards, implementation of customer policies, and the status of the Company's purchase of liability insurance for directors and	✓		1. Employee Rights and Employee Care: The Company has established work rules and faithfully implements measures for the protection of employees' rights and interests. Regarding employee recruitment, the Company upholds the principles of equal opportunity and meritocracy, without discrimination based on race, gender, age, religion, or nationality. Any acts of discrimination, inequality, and sexual harassment are strictly prohibited in the workplace, and relevant management measures and grievance channels have been established to maintain a safe and healthy work environment. The purpose of the Company's Employee benefits/welfare Committee is to serve	In compliance with Corporate Governance Best Practice Principles

Evaluation Item	Status of Operations (Note 1)			Differences from Corporate Governance Best Practice Principles for TSEC/GTSM Listed Companies and reasons therefor
	Yes	No	Summary Description	
supervisors, etc.)?			as a communication channel between labor and management, and to promote and implement various employee welfare policies to create a harmonious work environment and enrich the lives of employees. 2. Investor relations, supplier relations, and rights of stakeholders: Timely and appropriate disclosure of various financial and business information in accordance with laws and regulations, and the establishment of contact windows to serve as channels for feedback from investor relations, supplier relations, and stakeholders. To strengthen corporate governance, in addition to the routine public disclosure of financial and business information, the Company's website also contains information related to corporate governance to provide investors with more diversified information so as to protect the rights and interests of investors. 3. Status of continuing education of directors and supervisors: (1) Please refer to (8) Status of Director Continuing Education for details (2) Disclosed in the "Corporate Governance Section of Market Observation Post System". 4. Implementation of risk management policies and risk measurement standards: The Company has established the "Risk Management Policy and Procedures" to conduct various risk management and assessments. Please refer to Part V, Review and Analysis of Financial Position and Operating Results, and Risk Management of this annual report. 5. Implementation of customer policies: The Company maintains stable and positive relationships with its customers to generate corporate profits. 6. Status of the company's purchase of liability insurance for directors: The Company purchases liability insurance	

Evaluation Item	Status of Operations (Note 1)			Differences from Corporate Governance Best Practice Principles for TSEC/GTSM Listed Companies and reasons therefor
	Yes	No	Summary Description	
			for directors of the Board and managers annually, and reported the same to the Board of Directors on February 27, 2025. 7. Succession planning for board members and key management personnel: The members of the Company's Board of Directors span the age groups of 30 to 65 years old. Their Expertise skills and industrial experience cover business management, electronics, computers, finance, accounting, marketing, law, information technology, and risk management, providing a solid foundation for the Company's sustainable operations. In the future, adhering to the same philosophy of diversity Expertise and utilizing experts, the Company will, during Board elections or when vacancies arise, introduce internal and external talents with diverse backgrounds, experience, expertise, business management capabilities, and leadership decision-making abilities to understand and participate in the operations of the Board or functional committees, thereby cultivating the next generation of Board members. The Company's affiliates have numerous senior management professionals; therefore, the Company has an abundant talent pool available for succession selection, allowing them to become familiar with the business of various units within the Group and deepen their industry experience through job rotations. The training of the Company's senior executives, in addition to considering organizational fit, requires values to be consistent with the Company. To cultivate well-rounded successors, the Company proceeds from major directions such as leadership and management capabilities, Expertise capabilities, and individual development plans, in response to the	

Evaluation Item	Status of Operations (Note 1)			Differences from Corporate Governance Best Practice Principles for TSEC/GTSM Listed Companies and reasons therefor
	Yes	No	Summary Description	
			Company's future development and talent deployment.	
9. Please explain the improvements made based on the results of the Corporate Governance Evaluation released by the Taiwan Stock Exchange Corporation Corporate Governance Center for the most recent year, and propose priority enhancement items and measures for those that have not yet been improved. (Companies not included in the evaluation are not required to fill this in.)				
1. Improved items of the 12th Corporate Governance Evaluation indicators:				
Item No.	Indicator Item		Status of improvement	
1.5	Whether the Company has formulated specific measures to enhance corporate value, submitted them to the Board of Directors, and disclosed relevant information in the Market Observation Post System"Enhancing Corporate Value Plan Section"?		The Company has submitted the matter to the Board of Directors on December 18, 2025 and filed the same on the relevant websites.	
2. Priority enhancement items from the first ESG Evaluation indicators that have not yet been improved:				
No.	Evaluation Indicators		Status of improvement	
E-8	Whether the Company has formulated and disclosed energy management plans and the implementation status thereof?		The Company expects to formulate relevant plans in 2026.	

(4) Information on Remuneration Committee members and their operation:

1. Information on Remuneration Committee Members

March 31, 2026

Conditions Identity Status Name		ExpertiseQualifications and Experience	Independence Status	Number of other public companies where the individual concurrently serves as a remuneration committee member
Independent Director (Convener)	Chen Yung-Yen	Please refer to the relevant content in "Part II, Corporate Governance Report / 1. Information on Directors / 4.	Please refer to the relevant content in "Part II, Corporate Governance Report / 1. Information on Directors / 4.	1
Independent Director	Cheng Cheng-Yuan	Disclosure of Director Expertise Qualifications and Independence of Independent Directors" of this Annual Report.	Disclosure of Director Expertise Qualifications and Independence of Independent Directors" of this Annual Report.	3
Independent Director	Chen Shih-Chieh			0

2. Responsibilities of the Remuneration Committee

According to the Charter of the Remuneration Committee of the Company, the duties of the Remuneration Committee of the Company are as follows, and its recommendations shall be submitted to the Board of Directors for discussion:

1. Evaluate and supervise the company's overall remuneration policy.
2. Evaluate and approve the remuneration levels of directors.
3. Evaluate and approve the remuneration levels of supervisors at the Director level or above.
4. Other matters related to remuneration and the formulation of employee incentive systems.

3. Information on the Operation of the Remuneration Committee

1. The Remuneration Committee of the Company consists of 3 members.
2. Term of office for the members of the current term: May 29, 2024 to May 28, 2027. In the most recent year (2025), the Remuneration Committee held 3 meetings (A). The qualifications and attendance of the members are as follows:

Position	Name	Actual attendance (B)	Number of attendances by proxy	Actual attendance rate (%) (B/A)	Note
Convener	Chen Yung-Yen	3	0	100%	Reappointment
Member	Cheng Cheng-Yuan	3	0	100%	Appointed on May 29, 2024
Member	Chen Shih-Chieh	3	0	100%	Appointed on May 29, 2024

Other required disclosure items:

1. If the board of directors does not adopt or amends the recommendations of the remuneration committee, the date and session of the board meeting, the content of the proposal, the results of the board resolution, and the company's handling of the remuneration committee's opinions shall be specified (if the remuneration approved by the board of directors is superior to the recommendations of the remuneration committee, the differences and reasons shall be specified): Not applicable.
2. For matters resolved by the Remuneration Committee, if any member has an opposing or qualified opinion and such opinion is recorded or made in a written statement, the date and session of the Remuneration Committee meeting, the content of the proposal, the opinions of all members, and the handling of the members' opinions shall be stated: Not applicable.
3. The operation of the Remuneration Committee is as follows:

Date/Period	Proposal Content	Voting results	The Company's Handling of the Remuneration Committee's Opinions
114/02/27 The 4th meeting of the 6th term	To deliberate on the compensation for senior management of the Company	Approved by all attending members.	Submitted to the Board of Directors and approved by the consent of all directors present
114/03/27 5th meeting of the 6th term	To consider the remuneration of Chairman	Approved by all attending members.	
	To deliberate on the remuneration for Director of the General Management Office	Approved by all attending members.	
114/11/06 6th Meeting of the 6th Term	Review of the salary adjustment proposal for senior executives	Approved by all attending members.	

(5) Information on the members and operation of the Nomination Committee:**1. Information on Nomination Committee Members**

March 31, 2026

Identity Status	Name	ExpertiseQualifications and Experience	Independence Status
Convener	Chen Shih-Chieh	Please refer to the relevant content in "Part II, Corporate Governance Report / 1. Information on Directors / 4. Disclosure of Director Expertise Qualifications and Independence of Independent Directors" of this Annual Report.	Please refer to the relevant content in "Part II, Corporate Governance Report / 1. Information on Directors / 4. Disclosure of Director Expertise Qualifications and Independence of Independent Directors" of this Annual Report.
Member	Chen Yung-Yen		
Member	Cheng Cheng-Yuan		

2. Responsibilities of the Nomination Committee

The Committee, authorized by the Board of Directors, shall exercise the following powers with the due care of a good administrator and in good faith, and shall submit its recommendations to the Board of Directors for discussion:

1. Establish standards for the diversity of background, including Expertise knowledge, skills, experience, and gender, as well as independence required for board members and senior executives, and based thereon, seek, review, and nominate candidates for directors and senior executives.
2. Construct and develop the organizational structure of the board of directors and various committees; conduct performance evaluations of the board of directors, various committees, individual directors, and senior management; and evaluate the independence of independent directors.
3. Formulate and periodically review the continuing education plans for directors and the succession plans for directors and senior management.
4. Formulation of the Company's Corporate Governance Best Practice Principles.

3. Information on the Operation of the Nomination Committee

(1)The Nomination Committee of the Company consists of 3 members, composed of all independent directors.

(2)Term of office for the current members: May 29, 2024 to May 28, 2027. The Nomination Committee held 3 meetings in 2025, and the attendance of members is as follows:

Position	Name	Actual number of attendances	Number of attendances by proxy	Actual attendance rate	Note
Convener	Chen Shih-Chieh	3	0	100%	Appointed on May 29, 2024
Member	Chen Yung-Yen	3	0	100%	Reappointment
Member	Cheng Cheng-Yuan	3	0	100%	Appointed on May 29, 2024

Other required disclosure items:

State the meeting date, session, content of the proposal, content of recommendations or objections by members of the Nomination Committee, the results of the Nomination Committee's resolutions, and the company's handling of the Nomination Committee's opinions regarding the major proposals of the Nomination Committee.

4. The operation of the Nomination Committee is as follows

Date/Period	Proposal Content	Voting results	The Company's Handling of Opinions from the Nomination Committee
114/02/27 The 4th meeting of the 3rd term	2024 Board of Directors and Functional Committees Performance Evaluation Report	Approved by all attending members.	Submitted to the Board of Directors and approved by the consent of all directors present
114/03/27 5th Meeting of the 3rd Term	Proposal for the Review of the Nomination of Director Candidates	Approved by all attending members.	
	Review of the appointment of Director of the General Management Office	Approved by all attending members.	
114/11/06 The 6th meeting of the 3rd term	Proposal for the deliberation on the change of the Chief Corporate Governance Officer	Approved by all attending members.	

(6) Implementation of promoting sustainable development and Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies deviations and reasons thereof:

Evaluation Item	Status of Operations (Note 1)		Differences from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	
1. Whether the Company has promoted a governance framework for sustainable development, established a dedicated (or concurrent) unit to promote sustainable development, and authorized senior management to handle such matters under the supervision of the Board of Directors?	✓		1. The Company established the Sustainability Committee in December 2022. On November 7, 2024, the Company amended the Charter of the Sustainability Committee and Sustainable Development Best-Practice Principles, incorporating the Sustainability Committee as a functional committee under the Board of Directors. General Manager (Director) serves as the chairperson, and senior executives of the Group serve as the primary members. Four task forces, namely Corporate Governance, Environmental Protection, Social Responsibility, and Sustainable Risk Management and Information Disclosure, are established under the Sustainability Committee. Members of each task force collectively form an executive team responsible for promoting relevant matters and reporting ESG implementation results to the Board of Directors on a regular basis every year. 2. On January 20, 2025, the Sustainability Committee held its first meeting of the year to introduce the organization and responsibilities of the Sustainability Committee, and to review and formulate sustainability goals and the annual execution plan, which were reported to the Board of Directors on February 27 and approved for execution. 3. On December 2, 2025, the Sustainability Committee held a performance review meeting and reported its operations to the Board of Directors on December 18. 4. 2025 Board of Directors reporting dates: 2/27, 5/8, 8/7, 11/6, and 12/18, for a total of five times.
2. Whether the Company conducts risk	✓		1. Adhering to the principles of In compliance with

Evaluation Item	Status of Operations (Note 1)			Differences from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary Description (Note 2)	
assessments on environmental, social, and corporate governance issues related to the Company's operations in accordance with the principle of materiality, and establishes relevant risk management policies or strategies?			sustainable development, the Company has established risk management mechanisms and defines various types of risks in accordance with the Company's overall operational policies. The scope of risks includes exchange rate risk, regulatory risk, credit risk, liquidity risk, inventory risk, contract risk, and personnel risk, among others. 2. Based on the frequency of occurrence of risk issue events and the degree of operational impact on the Company, each department shall be responsible for promoting various business activities according to its powers and responsibilities. The Company also follows international general standards, namely the principles of stakeholder inclusiveness, sustainability context, materiality, and completeness, to formulate relevant strategies or policies for each material issue as implementation guidelines and to conduct risk control. 3. Identify risks and propose response measures based on the risk management policies and procedures, actively face and control the risks that should be considered during the operational process in the most cost-effective manner, and submit a report to the Board of Directors annually and publish it on the Company's website.	Sustainable Development Best-Practice Principles
			4. There are a total of 6 material topics and issues related to environment, society, or corporate governance identified after the 2025 assessment. Due to the extensive content, they cannot be presented individually in the annual report; please refer to the policies/strategies within the material topics and issues preceding each chapter in the 2025 Sustainability Report.	

Evaluation Item	Status of Operations (Note 1)			Differences from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary Description (Note 2)	
III. Environmental Issues (1) Whether the Company has established an appropriate environmental management system based on its industry characteristics?	✓		1. The Company is committed to implementing various ISO (International Organization for Standardization) management system standards. Since 2007 (with continuous updates to the 2015 version), the Company has utilized ISO 14000 Environmental Management System certification to improve environmental performance, confirming regulatory compliance on a quarterly basis, and achieving the effects and objectives of continuous improvement through the PDCA management cycle process. 2. In view of the continuous evolution of environmental issues, IECQ QC080000 (applicable to PEMPower Division) Hazardous substance management system certification was obtained in the same year, committing to compliance with EU regulations and customer requirements regarding product-related and manufacturer responsibility requirements. 3. ●ISO 14001:2015 Certificate Validity Period: 31 August, 2024 - 31 August, 2027 certification Number: TW07/01136 4. ●QC 080000:2017 Certificate Validity Period: September 03, 2025–September 02, 2028 certification Number: TW-HSPM-1096	In compliance with Sustainable Development Best-Practice Principles
(2) Whether the Company is committed to improving the utilization efficiency of various resources and using recycled materials with low environmental impact?	✓		1. Through the promotion of the "ISO 14001 Environmental Management System," the Company has introduced the concept of product life cycle to reduce raw material consumption and waste output, so as to achieve the goals of sustainable operation and environmental protection. 2. In order to achieve the goal of sustainable utilization of environmental resources, the Company is committed	In compliance with Sustainable Development Best-Practice Principles

Evaluation Item	Status of Operations (Note 1)			Differences from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary Description (Note 2)	
			to the removal and disposal of waste, and reports waste disposal conditions to the Environmental Protection Department of New Taipei City Government online every month in accordance with the law. At the same time, the Company improves the environmental hygiene of workplaces and seeks cooperation from suppliers to reuse material packaging materials as much as possible to achieve waste recycling, harmlessness, and economic efficiency, and continuously improves environmental performance to implement the recycling and reuse of resources. 3. 2025 Target: Reduce the amount of bubble wrap used for product top and bottom cover components that becomes industrial waste; reuse as cushioning material for samples or RMA packaging >3%; and achieve a recovery and reuse rate from suppliers in Taiwan >70%. Implementation performance: Outstanding performance in 2025, with the supplier recovery and reuse rate reaching 78.5%, and internal re-	
(3) Whether the Company assesses the potential risks and opportunities of climate change for the enterprise at present and in the future, and takes response measures for climate-	✓		The utilization rate reached 3.7%, significantly reducing the generation of industrial waste. In 2026, as there is no production line in Taipei, the volume of waste has been significantly reduced. Currently, only customer returns that cannot be repaired remain for scrapping, leaving limited room for further reduction. Optimization will continue to be carried out through Quality and process management in the future. To address the potential impact of climate change on operations, the Company has established a comprehensive climate risk management framework in accordance	In compliance with Sustainable Development Best-Practice Principles

Evaluation Item	Status of Operations (Note 1)			Differences from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary Description (Note 2)	
related issues?			with the "Task Force on Climate-related Financial Disclosures (Task Force on Climate-related Financial Disclosures, TCFD)" issued by the Financial Stability Board (Financial Stability Board, FSB). The Board of Directors of the Company is the highest supervisory unit for climate-related issues, responsible for supervising and reviewing climate risk-related policies, and has established a Sustainability Committee under the Board of Directors to coordinate climate change response strategies. The Committee has established an Environmental Protection Task Force and a Sustainability Risk Management and Information Disclosure Task Force, which are responsible for executing climate change-related projects. The head of the Environmental Group shall serve as the leader of the executive task force to promote climate change management, action plans, and project execution, with the joint cooperation of various business management units and the Finance Department to ensure the	
			implementation and effective advancement of strategies. The Sustainable Development Committee also periodically reports the implementation effectiveness of risk management and sustainable development to the Board of Directors to ensure the effectiveness of the oversight mechanism. In accordance with the TCFD recommendations, the Company has identified 4 transition risks, 1 physical risk, and 1 transition opportunity, and has assessed that such risks have a medium-to-long-term impact on the Company. For detailed response measures and the full report content,	

Evaluation Item	Status of Operations (Note 1)			Differences from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor																																																				
	Yes	No	Summary Description (Note 2)																																																					
(4) Whether the Company has compiled statistics on greenhouse gas emissions, water consumption, and total weight of waste for the past two years, and has formulated policies for energy conservation and carbon reduction, greenhouse gas reduction, water reduction, or other waste management?	✓		please refer to the Company's TCFD Report. 1. The Company regularly calculates information such as greenhouse gas emissions, water consumption, and total weight of waste every year, and discloses the aforementioned relevant information (including the past 2 years) in the annual Sustainability Report. The Company fully implements ISO 14001Environmental Management System, conducts reviews and improvements through ISO 14001 management review meetings, tracks waste volumes and greenhouse gasses annually, and promotes environmental protection and labor safety and health, as well as the reporting of waste management, through the implementation of the environmental management system.	In compliance with Sustainable Development Best-Practice Principles																																																				
			2. A. Waste Statistics: <table><tr><th colspan="4">盛達有害廢棄物產生</th></tr><tr><th>廢棄物組成成分</th><th>2023產生(噸)</th><th>2024產生(噸)</th><th>2025產生(噸)</th></tr><tr><td>廢電子零附件下腳品及不良品</td><td>0.03</td><td>0.02</td><td>0.041</td></tr><tr><td>含金屬之印刷電路板廢料</td><td>0.49</td><td>0.21</td><td>0.127</td></tr><tr><td>附零組件之廢印刷電路板</td><td>6.04</td><td>10.14</td><td>9.728</td></tr><tr><td>合計</td><td>6.56</td><td>10.37</td><td>9.896</td></tr></table> <table><tr><th colspan="4">盛達非有害廢棄物產生</th></tr><tr><th>廢棄物組成成分</th><th>2023產生(噸)</th><th>2024產生(噸)</th><th>2025產生(噸)</th></tr><tr><td>廢錫渣</td><td>0.02</td><td>0.01</td><td>0.02</td></tr><tr><td>廢塑膠</td><td>0.15</td><td>0.31</td><td>0.14</td></tr><tr><td>廢紙</td><td>5.18</td><td>3.46</td><td>1.83</td></tr><tr><td>一般生活廢棄物</td><td>19.8</td><td>13.63</td><td>8.44</td></tr><tr><td>合計</td><td>25.15</td><td>17.41</td><td>10.43</td></tr></table> B. Greenhouse gas emissions for 2023 (Scope 1 + Scope 2) totaled 274.68 (tons CO2e); for 2024 (Scope 1 + Scope 2) totaled 493.77 (tons CO2e); and for 2025 (Scope 1 + Scope 2) totaled (tons CO2e). 3. A. Reduction Target: Temporarily using 2022 as the base year to set a carbon reduction pathway, the target is a 25% reduction by 2030 compared to the base year, a 50% reduction by 2040, and a 90% reduction by 2050 to achieve comprehensive net zero, with rolling	盛達有害廢棄物產生				廢棄物組成成分	2023產生(噸)	2024產生(噸)	2025產生(噸)	廢電子零附件下腳品及不良品	0.03	0.02	0.041	含金屬之印刷電路板廢料	0.49	0.21	0.127	附零組件之廢印刷電路板	6.04	10.14	9.728	合計	6.56	10.37	9.896	盛達非有害廢棄物產生				廢棄物組成成分	2023產生(噸)	2024產生(噸)	2025產生(噸)	廢錫渣	0.02	0.01	0.02	廢塑膠	0.15	0.31	0.14	廢紙	5.18	3.46	1.83	一般生活廢棄物	19.8	13.63	8.44	合計	25.15	17.41	10.43	
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Evaluation Item	Status of Operations (Note 1)			Differences from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary Description (Note 2)	
			adjustments to be made annually based on the current status. B. Waste management targets: Targets for 2025 – 2027: 100% completion rate for monthly online reporting of waste generation, storage, removal, disposal, reuse, export, and import in accordance with the law. The compliance rate for the legal removal and disposal of industrial waste was 100%. The completion rate for the recovery and refilling of empty chemical containers by suppliers is 100%. Conduct irregular vehicle accompaniment and site visits to ensure that the removal, transport, and disposal of business waste are 100% in compliance with regulatory requirements. 4. The primary source of water for the Company's Xindian Head Office and Yilan Plant is domestic water, which is not material to the Company.	
IV. Social Issues (1) Whether the Company has established relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	✓		The Company recognizes and supports the spirit and principles of human rights protection as set forth in international human rights conventions such as the Universal Declaration of Human Rights (Universal Declaration of Human Rights), and complies with relevant labor laws and regulations in the locations where the Company operates. Oppose any acts of discrimination and human rights violations, such as sexual harassment or workplace bullying. On August 3, 2023, the Board of Directors approved the formulation of the "Billion Group Human Rights Policy and Specific Management Plan," while simultaneously establishing relevant human resource rules and regulations in accordance with laws and regulations, such as the "Sexual Harassment	In compliance with Sustainable Development Best-Practice Principles

Evaluation Item	Status of Operations (Note 1)			Differences from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary Description (Note 2)	
			Measures for the Implementation of Prevention and Handling of Harassment," "Prevention Plan for Unlawful Infringement during the Performance of Duties," and the establishment of dedicated reporting hotlines and email inboxes to provide employees with a work environment free from discrimination and harassment.	
(2) Whether the Company has established and implemented reasonable employee welfare measures (including compensation, leave, and other benefits, etc.), and appropriately reflects operating performance or results in employee compensation?	✓		The Company provides competitive welfare measures to motivate employees. Employees enjoy comprehensive welfare measures such as flexible working hours, special leave superior to Labor Standards Act, subsidies for weddings and funerals, maternity gifts, childcare subsidies, educational scholarships for children, travel subsidies, annual health examinations, and group insurance, allowing employees to balance work	In compliance with Sustainable Development Best-Practice Principles
			with physical and mental well-being. Employee compensation policies cover annual salary adjustments, performance bonuses, incentive bonuses, employee profit sharing, year-end bonuses, etc., and are determined based on individual capability, contribution to the Company, performance results, and after considering the Company's future operational risks. Articles of Incorporation Article 29, Paragraph 1 provides that if the Company has profit for the year, it shall appropriate no less than 2% as employee remuneration, and the recipients shall include employees of subordinate companies who meet the criteria.	
(3) Whether the Company provides a safe and healthy working environment for employees, and	✓		The Company safeguards a safe and healthy working environment for its employees and continuously promotes	In compliance with Sustainable Development Best-

Evaluation Item	Status of Operations (Note 1)			Differences from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary Description (Note 2)	
implements safety and health education for employees on a regular basis?			health-related measures. It has been assessed by the Health Promotion Administration of the Ministry of Health and Welfare and has obtained the Health Workplace certification Health Initiation Badge. Improvements to the work environment are also carried out based on the characteristics of each operational site, such as providing necessary personal protective equipment for hazardous workplaces involving XRF testing (ionizing radiation risk), to ensure that the risk of exposure to hazardous factors is reduced to an acceptable range. To ensure that employees can respond promptly to disaster incidents to achieve disaster prevention objectives, fire emergency response drills are held regularly each year to construct comprehensive disaster emergency response management.	Practice Principles
(4) Whether the Company has established effective career competency development and training programs for employees?	✓		1. The Company values employee education and training and the establishment of appraisal and promotion systems; therefore, it has formulated the "Human Resources Control Procedures" to plan annual education and training programs, with talent cultivation and technical inheritance as the key focus of implementation. 2. The Company provides diversified training resources. The training system includes orientation functional training, Expertise functional training, general management functional training, and occupational safety and health management training, providing employees with appropriate training courses at different stages of their career development. 3. In 2025, the Group's employees	In compliance with Sustainable Development Best-Practice Principles

Evaluation Item	Status of Operations (Note 1)			Differences from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary Description (Note 2)	
			completed a total of 2,872 hours of training.	
(5) With respect to issues such as customer health and safety, customer privacy, marketing, and labeling of products and services, does the Company comply with relevant laws, regulations, and international standards, and has it formulated relevant policies and grievance procedures to protect the rights and interests of consumers or customers?	✓		1. With respect to products and services, the Company complies with relevant laws, regulations, and international standards applicable to the Company's industry. Through supplier management, the Company ensures that products in the supply chain strictly comply with international environmental protection laws and regulations such as RoHS and REACH, thereby fulfilling the Company's social and environmental responsibilities. 2. The Company has also established clear procedures for product complaints and returns to ensure the rights and interests of customers. Relevant complaint issues are subject to case management and tracking, and a stakeholder mailbox is disclosed on the Company's website.	In compliance with Sustainable Development Best-Practice Principles
(6) Whether the Company has established a supplier management policy requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, and labor human rights, and the implementation status thereof?	✓		1. The Company has established the "Supplier Control Procedures," conducts regular or irregular audits of suppliers, and maintains 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 hazardous substances and an environmental hazardous substance control list requiring compliance with green regulations and directives such as RoHS and REACH and the non-use of conflict minerals, as well as a supplier evaluation form, to require that suppliers shall not be involved in violations of their Corporate Social Responsibility Policy and shall not have a significant impact on the environment, society, and	In compliance with Sustainable Development Best-Practice Principles

Evaluation Item	Status of Operations (Note 1)			Differences from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary Description (Note 2)	
			corporate governance. 3. Suppliers signed 154 copies of the 2025 Integrity Operating Commitment Letter.	
5. Whether the Company prepares sustainability reports or other reports disclosing non-financial information of the Company with reference to international reporting standards or guidelines? Whether the aforementioned report has obtained an assurance or guarantee opinion from a third-party verification body?	✓		1. The Company's 2025 Sustainability Report refers to the GRI Standards issued by Global Reporting Initiative, and also refers to the industry standards of Sustainability Accounting Standards Board (SASB) (SASB) as the reporting principles. 2. The Company's Sustainability Report has been verified by SGS Taiwan Ltd. (SGS), confirming that the contents of the report comply with the Core options of the GRI Standards and the Type 1 Moderate Assurance level standards of AA1000.	In compliance with Sustainable Development Best-Practice Principles
6. If the Company has established its own sustainable development best practice principles in accordance with the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", please describe the differences between its operation and the established principles: There are no material differences.				
7. Other important information helpful for understanding the implementation of sustainable development promotion:				
- Promote and implement environmental protection concepts - Emphasize social care and provide timely assistance to socially disadvantaged groups - Control office air conditioning temperature, actively promote water and electricity conservation, establish dedicated resource sorting and recycling areas, and strengthen sorting advocacy - Promote the use of eco-friendly tableware and reduce the use of disposable cups and chopsticks to maintain personal health and environmental protection				
- Prioritize the physical and mental development of employees and place employee care as a priority - Employee Welfare Committee holiday bonuses for the three major festivals - Annual employee health examinations and group insurance				
Note 1:	If "Yes" is checked for the implementation status, please specify the important policies, strategies, measures adopted, and the implementation status; if "No" is checked for the implementation status, please explain the differences and reasons in the "Differences from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons" column, and describe the plans for relevant policies and measures in the future.			
Note 2:	The principle of materiality refers to environmental, social, and corporate governance issues that have a significant impact on the company's investors and other stakeholders.			
Note 3:	For the disclosure method, please refer to the best practice examples on the website of the Corporate Governance Center of the Taiwan Stock Exchange.			

Evaluation Item	Status of Operations (Note 1)			Differences from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary Description (Note 2)	
VIII. Implementation of Climate-Related Information				
Items	Implementation Status			
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	The Company has established a Sustainability Committee under the Board of Directors, with General Manager (Director) serving as the chairperson. In November 2024, four major groups were reorganized, namely Corporate Governance, Environmental Protection, Social Responsibility, and Sustainability Risk Management and Information Disclosure, to coordinate and be responsible for formulating and promoting policies such as the promotion of corporate governance and the development of a sustainable environment, and to regularly conduct implementation effectiveness reviews and continuous improvements. The Board of Directors of the Company is the highest supervisory unit for climate-related issues, overseeing and reviewing climate risk-related policies. An "Environmental Protection Task Force" has been established under the "Sustainable Development Committee," responsible for implementing strategy execution, management, and development of action plans related to climate change issues, and regularly reporting the effectiveness of risk management and sustainable development implementation to the Board of Directors. In addition, a TCFD team consisting of various business units and the Finance Department has also been formed, which is responsible for the execution and management of the work items of Task Force on Climate-related Financial Disclosures. In addition, the "Environmental Protection Group" shall implement energy-saving and carbon-reduction measures to enhance the implementation efficiency of climate strategies within its own operations. The Company's management bears significant power and responsibility for assessing and managing climate-related risks and opportunities. As a task-based organization, the TCFD Task Force formulates monitoring indicators, business regulations, and operational procedures with reference to domestic and international climate change information and the TCFD framework, and supervises and controls the implementation of relevant risk management by various business units. In addition to communicating and coordinating cross-departmental climate change risk management matters, the "Environmental Protection Task Force" reports ESG implementation status and the achievement of greenhouse gas inventory targets to the Board of Directors from time to time in accordance with FSC regulations, and works with various business management units of the "TCFD Task Force" to execute climate change risk management related work.			
2. Describe how identified climate-related risks and opportunities affect the enterprise's business, strategy, and finances (short, medium, and long	The Sustainability Committee shall discuss and identify climate risks and opportunities that have an impact on the Company during the meeting at the beginning of each year, and shall conduct scoring with external experts based on the likelihood of occurrence and financial impact to screen for			

Evaluation Item	Status of Operations (Note 1)			Differences from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary Description (Note 2)	
term).			material transition climate risks, physical climate risks, and transition climate opportunities. The definition of risk intervals is as follows: • Short-term: 1-3 years • Medium-term: 4-10 years • Long-term: more than 10 years Transition Risk Scenarios International Energy Agency (IEA) STEPS Stated Policies Scenario (2.5°C) NZE Net Zero Emissions Scenario (1.5°C)	
			• Regulations - Net-Zero Emissions and Carbon Reduction Requirements and Climate Change Response Act: Purchase green power (Renewable Energy Certificates) to reduce carbon emissions, so as to lower carbon fees and excess emission costs. The estimated purchase cost per Renewable Energy Certificate is NT\$5,500–7,000. Paying carbon fees based on emissions, being levied excess emission fees for failing to meet reduction targets, reducing the use of gray electricity and switching to the procurement of green electricity, or purchasing carbon credits to achieve carbon neutrality, etc., are expected to increase operating costs or Operating expenses. • Market Risk (Changes in Customer Behavior and Raw materials Cost Increases): In coordination with power customer requirements, perform carbon footprint verification for specific products and periodically disclose the Company's carbon reduction information to mitigate losses from order transfers; furthermore, actively cooperate with the Group's energy-saving strategies to reduce the impact brought by rising electricity costs. Physical risk scenarios Under the 2°C warming scenario (SSP3-7.0 scenario), the estimated sea level rise around Taiwan is 0.5 meters. Under the 4°C warming scenario (SSP5-8.5 scenario), the estimated sea level rise around Taiwan is 1.2 meters. • Chronic - Sea Level Rise: 1. There are no relevant risks at the sites of the companies covered by the reporting boundary. 2. Periodically review the impact of changes in physical risk hazard potential on the Company to facilitate the early adoption of appropriate preventive measures.	
3. Describe the financial impacts of extreme climate events and transition actions.			• Transition opportunities • In alignment with the government's energy transition, the Company regularly reviews the solar-plus-storage charging Expertise service solutions it can provide, thereby increasing the Company's revenue. In recent years, the Company has actively deployed in businesses such as solar energy, energy storage, and charging piles, with the goal of achieving diversified operations and promoting business transformation. Relevant	

Evaluation Item	Status of Operations (Note 1)			Differences from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary Description (Note 2)	
			corporate subsidiaries Billion Watts, Billion EVC, and VGwatt Energy, among others, comply with government policies and regulations, dedicating themselves to the development of environmental renewable energy and providing comprehensive green energy solution services. In 2025, green energy business revenue already accounted for more than 79% of the entire Group's consolidated revenue, which will effectively enhance the Group's revenue in the future.Regulations - Net-Zero Emissions and Carbon Reduction Requirements: FSCCarbon reduction target requirements, and the 2050 net-zero target requirements of the Climate Change Response Act; planning to increase self-generation and self-consumption of green power to maximize the reduction of carbon emissions. •Regulations - Climate Change Response Act: Climate Change Response Act, and formulated the 2050 Net-Zero Emissions policy. It is expected that starting from 2026, charges will be calculated at NTD 300 per metric ton, with a free allowance of 25,000 metric tons in 2025, 15,000 metric tons for 2026-2027, and 10,000 metric tons for 2028-2029; it is anticipated that the free allowance will be abolished starting from 2034, and the carbon fee will be calculated at NTD 1,500 per metric ton. •Market - Changes in Customer Behavior: Customers require monitoring and reduction of carbon emissions, and a commitment to join SBTi or other climate initiatives is required. Failure to cooperate will affect the growth momentum of future revenue. • Market - Rising raw material costs: Procurement of low-carbon materials in response to market demand or increases in electricity costs leading to rising production costs or transportation expenses. The annual growth rate of electricity prices is estimated at 3.5%. •Chronic - Sea Level Rise: The plant area faces the risk of inundation due to rising sea levels caused by climate warming.	
4. Describe how the processes for identifying, assessing, and managing climate risks are integrated into the overall risk management system.			The Sustainable Development Committee has established four working groups composed of cross-departmental executives to conduct identification and assessment of climate risks and opportunities every two years, and to review annually whether adjustments are necessary based on the actual operating environment. Routine risk management and control shall be conducted by each business unit in accordance with internal control procedures, and each task force shall periodically report the implementation progress and results to the Sustainability Development Committee. To reduce the impact of typhoon-related work suspensions on production capacity and on-time delivery, Billion shall arrange for advance production or overtime to meet delivery requirements. At the same time, the risk impact of climate change on the company was further considered; therefore, risk assessment forms were developed to conduct	

Evaluation Item	Status of Operations (Note 1)			Differences from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary Description (Note 2)	
			risk assessment surveys on the key business activities of each department. By considering factors such as threats, impacts, and the degree of influence, the Company identifies the key risks currently faced and formulates corresponding risk control strategies to mitigate such risks. To ensure the effectiveness of risk assessments, it is required that risk assessments shall be re-examined at least every three years in coordination with adjustments to the company's business and personnel. In addition, emergency response measures have been formulated. Upon the occurrence of a risk-related disaster, the head of the department with relevant authority and responsibility shall perform reporting duties in accordance with the plant's emergency response measures for disasters, and the crisis management team shall coordinate crisis management and subsequent recovery work to maintain the continuous operation of the Company.	
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analytical factors, and major financial impacts used shall be explained.			For details, please refer to the Sustainability Report on the Company's website and the TCFD Report on the Company's website. https://irp.cdn-website.com/d70e71db/files/uploaded/Billion_TCFD-report-2023.pdf °	
6. If there is a transition plan in response to the management of climate-related risks, describe the content of such plan, and the metrics and targets used to identify and manage physical risks and transition risks.			Specific risk transition response plans and management indicators and targets shall be formulated after the completion of the greenhouse gas inventory and the baseline survey of energy equipment. The relevant energy-saving measures currently being promoted are described as follows: 1. The Company implements energy conservation by replacing LED tubes. In 2023, a portion of traditional lighting fixtures was replaced, and the replacement of the remaining LED tubes will be completed in subsequent years to achieve energy conservation goals.	
			2. The cumulative investment amounts of the Company for the construction of solar power plants and energy storage sites from 2022 to 2024 reached NT\$64,798 thousand and NT\$230,090 thousand, respectively; in 2025, the subsidiary Sheng Kai Energy Co., Ltd. completed the investment and construction of a 977 kW solar photovoltaic renewable energy power plant, with an estimated average annual green electricity generation of 1,100 MWh and a carbon reduction of approximately 521 tCO2e; The Company's own solar power plants generated and sold a cumulative total of approximately 1,391 thousand kWh of electricity to Taipower in 2025, contributing to a reduction in carbon emissions by Taipower of approximately 659 tCO2e. At the same time, in response to the global "2050 Net Zero Emissions" goal and the government's policy to expand renewable energy capacity, the Company's participation in the construction of Taipower's AFC Energy Storage System helps improve the utilization rate of renewable energy. The Company continues to evaluate the feasibility of upgrading energy storage equipment at its own sites, with an expected additional	

Evaluation Item	Status of Operations (Note 1)			Differences from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary Description (Note 2)	
			installation of energy storage battery capacity totaling approximately 10.8MW, to assist Taipower in enhancing energy system resilience and addressing energy storage needs arising from renewable energy fluctuations, thereby reducing the curtailment of renewable energy. 3. Billion Promote energy saving and carbon reduction actions to reduce paper usage and greenhouse gas emissions, based on the objectives of corporate social responsibility and sustainable operation of green production. Specific measures include encouraging suppliers to recycle materials and packaging, promoting the practice of turning off lights when not in use, installing remote controls for air conditioning, purchasing circulator fans to avoid setting air conditioning temperatures too low, replacing fluorescent light fixtures with LED lighting when they malfunction, and using electronic forms and signing processes. 4. Billion The Head Office replaced 62 fluorescent lamps in 2025, saving 14,756 kWh of electricity. 5. Billion Watts utilizes the roofs and land of its customer base to collaborate with manufacturers in the construction of solar generation equipment. In addition to fully utilizing the value of space, this reduces fossil fuel consumption and environmental pollution. As of 2025, the rooftop solar photovoltaic Billion Watts team has completed a total of over 1,850 projects, including rooftop, Water Surface type, ground-mounted, and fishery-electricity symbiosis sites, with a total installed capacity of over 600MWp. The future goal is estimated to reach a total installed capacity by 2026 of 650MWp or more.	
7. If internal carbon pricing is used as a planning tool, the basis for price determination shall be explained.			The Company has established an internal carbon pricing policy to serve as an operational planning tool. Its pricing is determined with reference to the regulations of the Ministry of Environment and evaluated based on greenhouse gas emissions, and is subject to rolling adjustments in line with policy and market changes to serve as a basis for carbon reduction costs and operational decision-making.	
8. If climate-related targets are set, information such as the activities covered, greenhouse gas emission scopes, planning horizons, and annual progress toward achievement shall be explained; if carbon offsets or Renewable Energy Certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon reduction credits offset or the quantity of Renewable Energy Certificates (RECs) shall be explained.			The Company has covered the management of greenhouse gas emissions from its operating activities (Scope 1 and Scope 2). In alignment with the reporting timeline for IFRS S1 and S2 set by the competent authorities, the Company is gradually expanding its inventory boundaries to include subsidiaries. Mid-to-long-term planning schedules have been established, and the progress of achievement is reviewed and disclosed annually. To promote carbon reduction goals, the Company has evaluated the procurement of small-scale green power in 2026, and will recognize the corresponding quantity of Renewable Energy Certificates (RECs) based on actual procurement conditions as a supplementary measure for carbon reduction effectiveness; relevant implementation results and quantities will continue to be disclosed in subsequent years.	
9. Greenhouse gas inventory and			Please refer to the explanations in 1-1 and 1-2 below.	

Evaluation Item	Status of Operations (Note 1)			Differences from Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons therefor
	Yes	No	Summary Description (Note 2)	
assurance status, and reduction targets, strategies, and specific action plans (to be filled in separately in 1-1 and 1-2)				
1-1 Greenhouse gas inventory and assurance of the company in the most recent two fiscal years The greenhouse gas emissions for the most recent two years are as follows:				
Year	Direct Scope 1 (Metric tons CO ₂ e)	Energy indirect Scope 2 (Metric tons CO ₂ e)	Other indirect Scope 3 (Metric tons CO ₂ e)	Intensity (Metric tons CO ₂ e / NT\$ million)
2024	159.97	333.80	285.19	0.44
2025	75.59	366.26	669.95	0.66
Note: (1)The inventory for Scope 1, 2, and 3 includes information on the parent company and its subsidiaries; third-party verification was completed for 2024, while the figures for 2025 are self-calculated and will be disclosed in the 2025 ESG Report after third-party verification is completed. (2)Compared to 2024, this year's Scope 3 inventory includes two additional emission sources— upstream transportation and use of sold products —resulting in an increase in total emissions.				
1-1-2 Greenhouse Gas Assurance Information SGS has been scheduled to conduct verification operations from April 9, 2026 – April 22, 2026, and shall perform assurance in accordance with ISO 14064-1 requirements.				
1-2 Greenhouse gas reduction targets, strategies, and concrete action plans The verification process will be completed by the end of April 2026, with 2023 established as the base year. The target for 2030 is a 25% carbon reduction compared to the base year. The specific carbon reduction action plan is as follows: 1. Based on the nature of the Group's business activities, the Company will collect and analyze electricity consumption data from its relevant business activities, and then evaluate the procurement of small-scale green power to reduce Achieve carbon reduction through the use of gray electricity. 2. The Company implements energy conservation through the replacement of LED tubes. In 2025, a portion of traditional lighting fixtures has been replaced, and the replacement of the remaining LED tubes will be completed successively in subsequent years to achieve energy conservation goals.				

(7) Implementation of Integrity and deviations from the Integrity for TWSE/TPEX Listed Companies and reasons thereof:

Evaluation Item	Status of Operations (Note 1)			5
	Yes	No	Summary Description	
1. Formulation of Integrity management policies and programs				
(1) Whether the Company has established a Integrity management policy approved by the Board of Directors, and has explicitly stated its Integrity management policies and practices in its internal regulations and external documents, as well as the commitment of the Board of Directors and senior management to actively implement the management policies?	✓		The Company formulated and submitted the "Billion Group Integrity Management Policy" to the Board of Directors for approval in 2023, and amended the "Integrity Code of Conduct," "Integrity Operating Procedures and Behavioral Guidelines," and "Procedures for the Prevention of Insider Trading" in 2024, the contents of which have been disclosed on the Company's website; all directors and senior management have signed the "Director's Statement of Integrity Management" to actively implement the commitment to the Integrity policy.	Compliance with Integrity Code of Conduct
(2) Whether the Company has established an assessment mechanism for the risk of unIntegrityful conduct, periodically analyzes and assesses business activities within its business scope that have a higher risk of unIntegrityful conduct, and formulates programs to prevent unIntegrityful conduct based thereon, which at a minimum cover preventive measures for the conduct set forth in each item of Paragraph 2, Article 7 of the "Ethical Management Code for TWSE/GTSC Listed Companies"?	✓		To implement the Integrity management policy, the Company has listed the unIntegrity acts regulated under paragraph 2 of Article 7 of the "Ethical Management Code for TWSE/TPEX Listed Companies" in the Billion Group "Integrity Management Code," and has established prevention programs for unIntegrity acts in the "Integrity Management Procedures and Guidelines for Conduct." The specific implementation status for 2025 includes:	Compliance with Integrity Code of Conduct

Evaluation Item	Status of Operations (Note 1)			5
	Yes	No	Summary Description	
			(1) Amended the "Procedures for Endorsements and Guarantees", "Procedures for Lending Funds to Others", and "Management Measures for Approval Authority", which were approved for implementation by the Board of Directors in Q1 of this year, serving as an important basis for internal compliance and further improving the Integrity standards and principles of conduct for all employees of the Company. (2) Requesting suppliers to sign the "Integrity Operating Commitment Letter" to jointly maintain consistent Integrity standards. The Company also periodically inventories the signing status of suppliers to ensure the integrity and consistency of the supplier Integrity declarations. For the current year, the number of Group suppliers that have signed is 144 in total, with a signing rate of over 84.7%, and the Company continues to follow up on the return of signed letters of undertaking from other suppliers. (3) Integrity management clauses have been incorporated into all supplier cooperation agreements, outsourced service contracts, and employee employment contracts for the current year, strengthening the Integrity management obligations and responsibilities of all parties to the contracts. The Company also continuously reviews and updates relevant terms to ensure ongoing compliance with the latest laws, regulations, and corporate policies.	

Evaluation Item	Status of Operations (Note 1)			5
	Yes	No	Summary Description	
			(4) Conduct corporate Integrity management promotion, education and training, testing, and promotion (online and via email) for directors, senior executives, and all employees. (5) Directors, senior executives, and all employees signed the "Statement of Compliance with Integrity Operating Policies." (6) In addition to promoting the Company's Integrity philosophy through prior education and training, a whistleblowing mechanism and handling procedures for after-the-fact reporting have been established. The Integrity team and relevant dedicated units shall conduct case investigations when necessary to ensure that corporate operations comply with the Integrity code of conduct and policies, and shall periodically review and evaluate the appropriateness and effectiveness of the prevention programs. Personnel of all units of the Company, within the scope of their business activities, have an obligation to cooperate with the investigations of the compliance unit regarding the aforementioned control methods for non-Integrity behavior.	

Evaluation Item	Status of Operations (Note 1)			5
	Yes	No	Summary Description	
(3) Whether the Company has clearly established operating procedures, guidelines for conduct, disciplinary actions for violations, and a grievance system within its prevention program for unIntegrityful conduct, and has effectively implemented such program and periodically reviewed and revised the aforementioned program?	✓		The Company's programs for preventing unethical conduct established in accordance with the "Integrity Code of Conduct" include the "Code of Ethical Conduct," "Integrity Operating Procedures and Conduct Guidelines," and "Procedures for Handling Reports of Illegal, Immoral, or Unethical Conduct"; these have clearly stipulated that no improper benefits shall be accepted, nor shall any acts violating integrity or laws be committed, and have expressly defined the disciplinary and grievance systems for violations, encouraging employees and stakeholders to report any acts that are illegal or in violation of the Company's corporate Integrity management policy through reporting channels, while ensuring the confidentiality of reporting information and the protection of whistleblowers, with relevant regulations having been publicly disclosed on the Company's website; furthermore, the Integrity team shall periodically promote the importance of Integrity conduct to directors and employees. The aforementioned scheme shall, in accordance with the methods prescribed by the assessment mechanism for non-Integrity conduct risks, be subject to periodic reviews of its appropriateness and effectiveness by the Integrity task force, which shall also perform appropriate adjustments or amendments and report the Integrity management and implementation results to the Board of Directors annually.	Compliance with Integrity Code of Conduct

Evaluation Item	Status of Operations (Note 1)			5
	Yes	No	Summary Description	
2. Implementation of Integrity Management (1) Whether the Company evaluates the Integrity records of its counterparties, and in its transactions with such counterparties Is the Integrity conduct clause explicitly stipulated in the contract signed with the counterparty?	✓		The Company's "Integrity Code of Conduct" has explicitly stipulated that prior to business dealings, consideration shall be given to the business Regarding the legality of business dealings Transaction counterparty and whether they involve unethical Integrity conduct, in order to avoid entering into transactions with those involved in unethical Integrity conduct, the Company requires all suppliers to sign the "Supplier Integrity Management Commitment Letter" to maintain consistent Integrity standards, and periodically reviews the signing status to ensure the integrity and consistency of the Integrity declarations. In 2025, a total of 144 group suppliers signed, representing a signing rate of over 84.7%; the Company continues to track the progress of other suppliers in signing and returning the letters of undertaking. In addition, the Company has also incorporated Integrity operating terms into all contracts for the current year to further the Integrity operating obligations and responsibilities of suppliers, and continues to review and update relevant terms to facilitate the Company's risk assessment and prevention in transactions.	Compliance with Integrity Code of Conduct

Evaluation Item	Status of Operations (Note 1)			5
	Yes	No	Summary Description	
(2) Whether the Company has established a dedicated unit for promoting ethical Integrity management under the Board of Directors, and periodically (at least once a year) reports its ethical Integrity management policies, programs to prevent unIntegrity conduct, and supervision of implementation to the Board of Directors?	✓		The Company has established the "Integrity Management Team" under the "Corporate Sustainability Committee" chaired by General Manager. The head of legal affairs serves as the convener, responsible for the formulation and supervision of the implementation of Integrity management policies and prevention programs. The scope of work includes periodically reviewing and updating the Company's relevant Integrity regulations for submission to and approval by the Board of Directors; conducting education, training, and promotion of Integrity laws and regulations and the Company's Integrity management policies; and the signing of Integrity management declarations and employee Integrity commitment letters, etc. The Integrity Management Team periodically tracks and evaluates the effectiveness of implementation and reports the implementation status of the current year to the Board of Directors at least once a year. The specific implementation status for this year was reported to the Board of Directors on December 18, 2025.	Compliance with Integrity Code of Conduct
(3) Whether the Company has established a policy to prevent conflicts of interest, provided appropriate communication channels, and implemented them accordingly?	✓		The Company has clearly stipulated in its "Code of Ethical Conduct" a policy for the prevention of conflicts of interest, which provides that the Company's personnel shall handle business in an objective and efficient manner and avoid such personnel from using their positions in the Company to obtain improper benefits for themselves, others, or other enterprises; and encourages employees to report to the Audit Committee, managers, internal audit supervisors, or other appropriate	Compliance with Integrity Code of Conduct

Evaluation Item	Status of Operations (Note 1)			5
	Yes	No	Summary Description	
			personnel when they suspect or discover any behavior that violates laws, regulations, or the Code of Ethical Conduct; the "Integrity Operating Procedures and Guidelines for Conduct" also To clearly stipulate the recusal for conflicts of interest of directors, managers, and other stakeholders attending or sitting in on Board of Directors meetings, and that when the Company's personnel discover a conflict of interest while performing their duties, they shall report to their immediate supervisor and the Company's dedicated unit, and the immediate supervisor shall provide appropriate guidance.	
(4) Whether the Company has established effective accounting systems and internal control systems to implement Integrity management, and whether the internal audit unit has formulated relevant audit plans based on the risk assessment of unIntegrity acts and accordingly audited the compliance with the programs for preventing unIntegrity acts, or engaged a certified public accountant to perform the audit?	✓		The Company has established an effective accounting system and internal control system and has implemented them effectively. Furthermore, internal audit personnel shall, based on the assessment results of the risk of unIntegrity behavior, formulate an audit plan including the audit subjects, scope, items, frequency, and other content, and shall audit the compliance status of the prevention of unIntegrity behavior programs accordingly; the audit results shall be reported to senior management and the Integrity dedicated management unit, and an audit report shall be prepared and submitted to the Board of Directors. In addition, to ensure that the design and implementation of the system remain effective, the Company conducts review and revision operations annually to establish	Compliance with Integrity Code of Conduct

Evaluation Item	Status of Operations (Note 1)			5
	Yes	No	Summary Description	
(5) Does the Company regularly conduct internal and external educational training for Integrity operations?	✓		sound corporate governance and risk management mechanisms, which serve as the basis for evaluating the effectiveness of the overall internal control system and issuing the Internal Control System Statement. The Company periodically formulates and organizes educational training, including courses in relevant fields such as corporate governance, Integrity operations, and laws and regulations related to business conduct; Specific implementation status for 2025 includes:(1) In November, arranged the "Integrity Management" online education course for Billion Group employees and conducted an online test for all employees to complete, in order to strengthen the concept of Integrity management among all employees. (2) Conduct contract dispute case sharing courses for the business and procurement departments, informing them of precautions prior to contract signing, and providing suggestions for improving subsequent procurement and contracting processes to ensure that the signing and execution of contracts are based on principles such as Integrity openness and good faith. (3) Emails were issued in May and September to all colleagues of Billion Group to reiterate the "Billion Group No-Gift Principle" in order to implement the requirements of the "Integrity Operating	Compliance with Integrity Code of Conduct

Evaluation Item	Status of Operations (Note 1)			5
	Yes	No	Summary Description	
			Procedures and Conduct Guidelines"; there were a total of 2 such promotion sessions this year. (4) Emails were sent in January, March, May, July, September, and December respectively to all employees of the Company and its major subsidiaries for advocacy, reminding insiders of the interval between the purchase and sale of the Company's equity to avoid concerns regarding short-swing trading and to prevent insider trading; a total of 6 advocacy sessions were conducted this year.	
III. Operation of the Company's Whistleblowing System (1) Whether the Company has established specific whistleblowing and incentive systems, established convenient whistleblowing channels, and assigned appropriate dedicated personnel to handle reports based on the subjects being reported?	✓		To specifically regulate and implement the Company's Code of Ethical Conduct and internal regulations such as the Integrity Code of Business Conduct, the Company encourages internal and external reporting of any illegal acts or behaviors that violate the Code of Ethical Conduct or the Integrity Code of Business Conduct, and has formulated the "Procedures for Handling Reports of Illegal, Unethical, or Integrity Conduct Cases," utilizing a dedicated email address as a grievance channel, with the legal unit receiving reported emails; and depending on the job level of the person being reported, the Company's spokesperson, human resources head, or legal unit are respectively assigned as different responsible units to handle the matter. The formulation of these	Compliance with Integrity Code of Conduct

Evaluation Item	Status of Operations (Note 1)			5
	Yes	No	Summary Description	
(2) Whether the Company has established standard operating procedures for the investigation of reported matters, follow-up measures to be taken after the completion of investigations, and relevant confidentiality mechanisms?	✓		procedures makes the handling process of internal and external reporting channels transparent, so that the Integrity business policies can be implemented accordingly; if a case is established and verified to be true after investigation, appropriate rewards or compensation may be provided to the whistleblower depending on the importance. The Company has corresponding investigation and handling procedures based on the different identities of the whistleblown persons and the nature of the cases involved; furthermore, the handling of whistleblowing cases is conducted through methods such as maintaining confidentiality, exerting full efforts to protect the whistleblower, and providing the respondent with an opportunity to appeal, so as to ensure the legitimate rights and interests of the whistleblower and the respondent. Where the reported matters are verified to be true, the respondent shall be immediately required to cease the conduct or appropriate measures shall be taken, and relevant units shall be instructed to conduct a review and propose improvement measures to prevent the recurrence of the same conduct; the legal unit shall separately report the reported matters, Handling method, and subsequent review and improvement measures to the Board of Directors.	Compliance with Integrity Code of Conduct

Evaluation Item	Status of Operations (Note 1)			5
	Yes	No	Summary Description	
(3) Whether the Company has adopted measures to protect whistleblowers from being subject to improper treatment due to whistleblowing?	✓		The Company handles whistleblowing cases in a confidential manner and makes every effort to protect whistleblowers; their identities shall be kept strictly confidential, and they shall not be subject to improper treatment due to the whistleblowing. Personnel handling whistleblowing cases shall also issue a written statement declaring that the identity of the whistleblower and the content of the report shall be kept confidential.	Compliance with Integrity Code of Conduct
IV. Strengthening Information Disclosure (1) Whether the Company has disclosed the content of its established Integrity code of business conduct and the results of its implementation on its website and Market Observation Post System?	✓		The Company has announced internal regulations such as the "Integrity Operating Code," "Code of Ethical Conduct," "Integrity Operating Procedures and Behavioral Guidelines," and "Procedures for Handling Reports of Illegal and Immoral or UnIntegrity Conduct" on the Company's website. Simultaneously, the Company has reported the implementation status of Integrity operations for the current year to the Board of Directors, the contents of which have also been disclosed on the Company's website. The Company has performed relevant internal audit operations and found no relevant abnormalities, indicating that the implementation remains effective.	Compliance with Integrity Code of Conduct
5. If the Company has established its own Integrity Management Principles in accordance with the "Corporate Governance Integrity for TWSE/TPEx Listed Companies", please describe any differences between its operations and the established principles: No material differences.				

Evaluation Item	Status of Operations (Note 1)			5	
	Yes	No	Summary Description		
VI. Other important information that facilitates understanding of the company's Integrity business operations: (e.g., the company's review and revision of its established Integrity code of conduct, etc.)					
1. The Company complies with the Company Act, Securities and Exchange Act, Business Accounting Act, Political Contributions Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, TWSE/TPEX listed related regulations, or other laws and regulations related to commercial activities, as the basic prerequisite for implementing Integrity management.					
2. The Company's "Rules of Procedure for Board of Directors Meetings" stipulate a system for the recusal of directors due to conflicts of interest. With respect to matters listed in the board of directors meeting for which a director or the legal person they represent has a personal interest that may be prejudicial to the interests of the Company, the director may state their opinion and respond to inquiries, but shall not participate in discussion or voting, and shall recuse themselves during discussion and voting, and shall not exercise voting rights as a proxy for other directors.					
(8) Other material information sufficient to enhance the understanding of the status of corporate governance operations:					
1. Market Observation Post System : http://mops.twse.com.tw					
2. The Company's website: http://www.billion.com.tw Investor Relations section and Corporate Governance section					
3. Status of directors' continuing education:					
All directors of the Company have completed the hours of continuing education in accordance with the requirements of the "Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies".					
Position	Name	Date of Continuing Education	Organizer	Course Name	Continuing Education Hours
Chairman	Sino-American Silicon Products Inc. representative: Chen Chen-Chien	114/2/6	Taiwan Corporate Governance Association	(1) Corporate Governance and Securities Regulations	3 hours
		114/7/9	TWSE	(2) 2025 Cathay Sustainable Finance and Climate Change Summit	3 hours
Director	Chang Shu-Mei	114/7/3	Taiwan Corporate Governance Association	(1) How the Board of Directors supervises the post-merger integration and management mechanism	3 hours
		114/7/8	Taiwan Corporate Governance Association	(2) Design of Senior Executive Compensation and ESG Performance Systems	3 hours
		114/7/9	SFI	(3) 2025 Cathay Sustainable Finance and Climate Change Summit	6 hours
Director	Weng Sheng-Hsien	114/3/19	Corporate Governance and Sustainable Development Association	(1) Analysis of Dispute Cases of Shareholders' Meetings	3 hours

Evaluation Item			Status of Operations (Note 1)			5
			Yes	No	Summary Description	
		114/3/27		Corporate Governance and Sustainable Development Association	(2) Corporate Governance and Securities Regulations	3 hours
		114/4/10		Corporate Governance and Sustainable Development Association	(3) Enterprise Risk and AI Application Risk Management - Oversight Responsibilities of the Board of Directors and Corporate Governance Levels	3 hours
		114/6/9		Taipei Bar Association	(4) Latest Developments in Corporate Governance and Liabilities of Directors, Supervisors, and Managers	3 hours
Director	Hung Yu-Chang	114/7/9		SFI	(1) 2025 Cathay Sustainable Finance and Climate Change Summit	6 hours
Director	Chien Ming-Hui	114/7/9		TWSE	(1) 2025 Cathay Sustainable Finance and Climate Change Summit	3 hours
		114/8/22		Chinese National Association of Industry and Commerce	(2) 2025 Taishin Shin Kong Net Zero Summit Forum	3 hours
		114/10/16		FSC	(3) The 15th Taipei Corporate Governance Forum	6 hours
Director	Yang Ting Co., Ltd. representative: Chen Chun-Yi	114/7/9		TWSE	(1) 2025 Cathay Sustainable Finance and Climate Change Summit	6 hours
		114/10/16		The Institute of Internal Auditors	(2) Analysis of the stewardship of directors and the effectiveness of internal control systems	6 hours
Independent Director	Chen Yung-Yen	114/8/28		Taiwan Investor Relations Association	(1) Corporate Group Responses Under the New Global Tax and Legal Order	3 hours
		114/9/2		Taiwan Corporate Governance Association	(2) Corporate Governance and Securities Regulations	3 hours
Independent Director	Cheng Cheng-Yuan	114/7/3		Taiwan Corporate Governance Association	(1) How the Board of Directors supervises the post-merger integration and management mechanism	3 hours
		114/7/8		Taiwan Corporate Governance Association	(2) Design of Senior Executive Compensation and ESG Performance Systems	3 hours
Independent Director	Chen Shih-Chieh	114/7/9		SFI	(1) 2025 Cathay Sustainable Finance and Climate Change Summit	6 hours

Evaluation Item		Status of Operations (Note 1)			5
		Yes	No	Summary Description	
4. The continuing education status of the corporate governance officer, other relevant officers, and deputies in 2025 is as follows:					
Position	Name	Date of Continuing Education	Organizer	Course Name	Continuing Education Hours
Corporate Governance Officer	Chang Shu-Mei	114/7/3	Taiwan Corporate Governance Association	(1) How the Board of Directors supervises the post-merger integration and management mechanism	3 hours
		114/7/8	Taiwan Corporate Governance Association	(2) Design of Senior Executive Compensation and ESG Performance Systems	3 hours
		114/7/9	SFI	(3)2025 Cathay Sustainable Finance and Climate Change Summit	6 hours
Chief Accounting Officer	Yang Kai-Cheng	114/11/7	Accounting Research and Development Foundation	(1) Key Points of Internal Control and Internal Audit for Sustainability Information Management and Analysis of Practical Cases	6 hours
		114/11/26	Accounting Research and Development Foundation	(2) Workshop on Sustainability Information Preparation and Reporting Practice	6 hours
Acting Chief Accounting Officer	Lee Yi-Lin	114/12/11 -114/12/12	Accounting Research and Development Foundation	Continuing Education Course for Accounting Supervisors of Issuers, Securities Firms, and Stock Exchanges	12 hours
Financial report preparation personnel	Hu Che-Yi	114/9/16	Accounting Research and Development Foundation	IFRS 18 Presentation and Disclosure in Financial Statements: Standards and Practical Analysis	6 hours
Chief Internal Auditor	Shen Yu-Hui	114/11/5	The Institute of Internal Auditors	(1) Matters to be Noted and Practical Analysis of Shareholders' Meetings and Company Act	6 hours
		114/12/9	The Institute of Internal Auditors	(2) Seminar on Key Points of Sustainability Information Management and Internal Control and Audit Practices	6 hours
Deputy Chief Internal Auditor	Wang Shih-Chieh	114/9/10	The Institute of Internal Auditors	(1) Subsidiary Audit Practices	6 hours
		114/12/12	The Institute of Internal Auditors	(2) Audit Techniques: Practice	6 hours

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

1. Internal Control System Statement [Please refer to Market Observation Post System \](https://mops.twse.com.tw/mops/#!/web/t06sg20)
<https://mops.twse.com.tw/mops/#!/web/t06sg20>

2. Internal Audit Organization and Operation

The internal audit unit of the Company is subordinate to the Board of Directors. The appointment and dismissal of the internal audit officer must be reviewed by the Audit Committee and submitted to the Board of Directors for approval, and shall be reported for recordation via the internet information system in accordance with the provisions of Financial Supervisory Commission by the 10th day of the month following the month in which it was approved by the Board of Directors. Currently, one audit manager and one audit specialist are appointed.

The internal audit unit shall formulate an annual audit plan based on the results of risk assessments, including items to be audited on a monthly basis, and shall faithfully execute audit operations in accordance with the annual audit plan to inspect the internal control system of the Company.

The Company has established an Audit Committee, which is composed entirely of independent directors. When the annual audit plan is submitted to the Audit Committee for discussion in accordance with regulations, the opinions of each independent director have been fully considered. An audit report shall be prepared after the completion of each audit, and shall be submitted to the management together with the working papers and relevant information, reporting the findings, deficiencies, and recommendations for improvement. Audit findings shall be truthfully disclosed in audit reports and followed up after the reports are submitted for review. Follow-up shall be conducted at least on a quarterly basis and follow-up reports shall be prepared until improvements are made, so as to ensure that relevant units have taken appropriate improvement measures in a timely manner. The communication between the members of the Audit Committee of the Company and the internal audit officer is in good condition.

The Company's certified public accountants report the results of the audit or review of the financial statements for the current quarter, as well as other communication matters required by relevant laws and regulations, at the Audit Committee meetings held each quarter. Communication between the members of the Audit Committee of the Company and the CPAs is in good condition.

3. Where an accountant is engaged to conduct a special audit of the internal control system, the accountant's audit report shall be disclosed: None.

(10) Material resolutions of shareholders' meetings and board of directors meetings during the most recent fiscal year and up to the date of publication of the annual report:

1. Important resolutions of the 2025 Annual General Meeting of Shareholders and the status of their implementation:

Meeting date	Important Resolutions	Implementation Status
May 22, 2025	1. Report on the implementation status of Purchase of treasury share 2. Report on the 2024 remuneration paid to directors 3. Report on the amendment of certain provisions of the "Integrity Operating Procedures and Code of Conduct" 4. Report on the amendment of certain provisions of the "Integrity Code of Conduct" 5. To acknowledge the 2024 Business Report and Financial Statements. 6. To approve the proposal for deficit compensation for	1. These shall be implemented upon approval by the shareholders' meeting. 2. It shall be implemented immediately upon approval by the shareholders' meeting. 3. It shall be implemented upon approval by the shareholders' meeting. 4. These shall be implemented upon approval by the shareholders' meeting. 5. These shall be implemented upon approval by the shareholders' meeting.

	2024 7. Approved the amendments to certain provisions of the "Articles of Incorporation" 8. Approval of the amendment to certain provisions of the "Procedures for Endorsement and Guarantee" 9. Approval of the amendment to certain provisions of the "Procedures for Lending Funds to Other Parties" 10. Proposal for By-election of Directors 11. Proposal to release the non-competition restrictions on the newly appointed Director non-competition	6. These shall be implemented upon approval by the shareholders' meeting. 7. These shall be implemented upon approval by the shareholders' meeting. 8. These shall be implemented upon approval by the shareholders' meeting. 9. These shall be implemented upon approval by the shareholders' meeting. 10. The shareholders' meeting completed the by-election of directors. 11. These shall be implemented upon approval by the shareholders' meeting.
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2. Material resolutions of the Board of Directors for the year 2025:

Meeting date	Important Resolutions	Opinions of all independent directors and the company's handling of such opinions
February 27, 2025	1. Functional Committee Report 2. Internal Audit Business Report 3. Material Financial and Business Reports 4. Report on the status of treasury stock execution 5. Report on the renewal of directors' liability insurance for 2025 6. 2024 Board of Directors and Functional Committees Performance Evaluation Report 7. Report on Independent Directors' compliance with relevant laws and regulations during their term of office 8. Approval of the 2024 Business Report and Financial Statements 9. Approval of the 2024 deficit compensation proposal 10. Approval of the by-election of directors of the Company 11. Approval of the removal of the non-compete restriction on the Company's newly appointed Director non-competition 12. Proposal for matters relating to the convening of the 2025 Annual General Meeting of Shareholders 13. Approval of the determination of the base date for capital increase for the exchange of employee stock options into ordinary shares of the Company and related matters 14. Approval of the 2024 Internal Control Effectiveness Self-Assessment Report and the issuance of the "Internal Control System Statement" 15. Approval of the appointment of certified public accountants and the assessment of their competence and independence 16. Approval of the proposal for the general principles of the Company's policy for pre-approval of non-assurance services 17. Approval of the proposal to cancel the credit limit for the lending of funds by the Company to its subsidiary, Sheng O Energy Storage Technology Co., Ltd. NTD 35 million 18. Approved the 2025 sustainability work promotion plan submitted by the Sustainability Committee 19. Approval of the remuneration for senior management	1. Independent director's opinion: None. 2. The Company's handling of independent directors' opinions: None. 3. Independent directors' dissenting or reserved opinions: None. 4. Voting Results: Approved by all attending directors. 5. Others: Proposal 17, interested Director Tim Chen recused from the discussion due to a conflict of interest; the proposal was approved as submitted with the unanimous consent of all other attending directors. Proposal 19, interested Director Chang Shu-Mei recused herself from the discussion due to a conflict of interest; the proposal was approved as submitted with the unanimous consent of all other attending directors.
March 13, 2025	1. Election of Chairman	1. Independent director's opinion: None. 2. The Company's handling of independent directors' opinions: None. 3. Independent directors' dissenting or reserved opinions: None. 4. Resolution result: All attending directors elected Director Chen, Chen-Chien, the

		representative of the legal person Sino-American Silicon Products Inc. Company Act, as Chairman. 5. Others: None.
March 27, 2025	1. Functional Committee Report 2. Report on the review of shareholder proposals for the shareholders' meeting 3. Approval of the amendment to certain provisions of the Company's "Procedures for Endorsements and Guarantees" 4. Proposal for the approval of the designated personnel responsible for the custody of the Company's special seal for endorsements and guarantees 5. Proposal for the approval of amendments to certain contents of the Company's "Management Measures for Levels of Approval Authority" 6. Approval of the amendments to certain provisions of the Company's "Articles of Incorporation" 7. Approval of the proposal for the definition of the scope of "non-managerial employees" of the Company 8. Approval of the by-election of directors 9. Approval of the proposal for nomination of director candidates 10. Approval of the amendment to matters related to the convening of the 2025 Annual General Meeting of Shareholders 11. Approval of the remuneration for Chairman 12. Approval of the appointment and remuneration of Director of the General Management Office	1. Independent director's opinion: None. 2. The Company's handling of independent directors' opinions: None. 3. Independent directors' dissenting or reserved opinions: None. 4. Voting Results: Approved by all attending directors. 5. Others: Proposal 11, interested Director Chen Chen-Chien recused himself from the discussion due to a conflict of interest; the proposal was approved as submitted with the unanimous consent of all other directors present.
May 8, 2025	1. Functional Committee Report 2. Internal Audit Business Report 3. Approval of the Company's consolidated financial statements for Q1 2025 4. Approval of the audit fees for the Company's certified public accountants for the year 2025 5. Approval of the proposal for the lending of funds to the subsidiary, Sheng O Energy Storage Technology Co., Ltd. 6. Approval of the issuance of the 2024 Sustainability Report	1. Independent director's opinion: None. 2. The Company's handling of independent directors' opinions: None. 3. Independent directors' dissenting or reserved opinions: None. 4. Voting Results: Approved by all attending directors. 5. Others: Proposal 5, interested Director Chang Shu-Mei recused herself from the discussion due to a conflict of interest; the proposal was approved as submitted with the unanimous consent of all other attending directors.
August 7, 2025	1. Functional Committee Report 2. Internal Audit Business Report 3. Report on the budget execution status for the first half of 2025 4. Approval of the Company's Q2 2025 consolidated financial statements 5. Approval of the disposal of Taichuang Energy Co., Ltd. equity interest 6. Approved the adjustment of the endorsement and guarantee limit for the financing needs of Sheng O Energy Storage Technology Co., Ltd. by the Company. 7. Approval of the proposal to adjust the financing interest rate for the lending of funds by the Company to Sheng O green energy Co., Ltd. 8. Proposal to evaluate whether overdue material receivables constitute Nature of loan 9. Approval of the determination of the base date for capital increase for the exchange of employee stock	1. Independent director's opinion: None. 2. The Company's handling of independent directors' opinions: None. 3. Independent directors' dissenting or reserved opinions: None. 4. Voting Results: Approved by all attending directors. 5. Others: Proposal 5, interested Director Chen Chun-Yi recused herself from the discussion due to a conflict of interest; the proposal was approved as submitted with the unanimous consent of all other directors present. Proposal 6, interested Director Chang Shu-Mei recused herself from the discussion due to a conflict of interest; the proposal was approved as submitted with the unanimous consent of all other directors present. Proposal 7, interested Directors Chen Chen-

	options into ordinary shares of the Company and related matters 10. Report on the operation of the Sustainability Committee regarding the Sustainability Development Roadmap	Chien, Chang Shu-Mei, Chen Chun-Yi, and Chien Ming-Hui recused themselves due to conflict of interest from the discussion, and the proposal was approved as submitted with the unanimous consent of all other directors present.
September 18, 2025	1. Functional Committee Report 2. Approval of the provision of credit facilities by financial institutions 3. Approval of the Company's proposal to acquire 100% of the shares of Billion Watts Technologies Co., Ltd. through a share exchange via the issuance of new shares, and the proposal for the issuance of new shares	1. Independent director's opinion: None. 2. The Company's handling of independent directors' opinions: None. 3. Independent directors' dissenting or reserved opinions: None. 4. Voting Results: Approved by all attending directors. 5. Others: Proposal 3: Directors Chen Chen-Chien, Chang Shu-Mei, Chen Chun-Yi, and Chien Ming-Hui, as interested parties, are not required to recuse themselves pursuant to the provisions of Article 29, Paragraph 7 of the Business Mergers and Acquisitions Act, mutatis mutandis Article 18, Paragraph 6 thereof; the proposal was approved as submitted with the consent of all directors present.
November 6, 2025	1. Functional Committee Report 2. Internal Audit Business Report 3. Report on the operation of the Information and Communication Security Committee 4. The Company's Q3 2025 consolidated financial statements case 5. Proposal for credit facilities provided by financial institutions 6. Proposal for the Company's provision of endorsement and guarantee for its subsidiary, Sheng O green energy Co., Ltd. 7. Proposal for the lending of funds to the subsidiary Sheng O green energy Co., Ltd. 8. Proposal for the cancelation of the fund lending limit for the subsidiary Sheng O green energy Co., Ltd. 9. 2025 ESG Stakeholders and Material Topics Proposal 10. Proposal for the amendment of certain contents of the Company's "Management Measures for Approval Authority" 11. Proposal for the amendment of certain provisions of the Company's "Rules of Procedure for Board of Directors Meetings" 12. Change of Corporate Governance Officer and salary adjustment proposal	1. Independent director's opinion: None. 2. The Company's handling of independent directors' opinions: None. 3. Independent directors' dissenting or reserved opinions: None. 4. Voting Results: Approved by all attending directors. 5. Others: Regarding Proposal 6 and Proposal 7, interested Directors Chen Chen-Chien, Chang Shu-Mei, Chien Ming-Hui, and Chen Chun-Yi recused themselves from the discussion due to conflicts of interest; the proposals were approved as submitted with the unanimous consent of all other attending directors.
December 18, 2025	1. Functional Committee Report 2. Internal Audit Business Report 3. Report on the adjustment of the submission date for the Company's 2026 budget proposal 4. Report on the Status of Corporate Governance Operations for the Year 2025 5. Report on the 2025 Full-Year ESG Promotion Status and Implementation Results of the Sustainable Development Committee 6. Report on Corporate Value Enhancement Plan 7. Proposal for the change of the record date for the share exchange between the Company and Sheng O green energy Co., Ltd.	1. Independent director's opinion: None. 2. The Company's handling of independent directors' opinions: None. 3. Independent directors' dissenting or reserved opinions: None. 4. Voting Results: Approved by all attending directors. 5. Others: None.

	8. Proposal for the appointment of directors and supervisors of the subsidiary Sheng O green energy Co., Ltd. 9. Proposal for the adjustment of the composition of the Company's Sustainable Development Committee 10. Case of credit facilities provided by financial institutions 11. The Company's 2026 Internal Audit Plan 12. Proposal for the amendment of certain contents of the Company's "Internal Control System" and "Internal Audit System" 13. Proposal for the cancelation of capital regarding the treasury shares from the Company's 10th repurchase of its issued shares	
March 12, 2026	1. Functional Committee Report 2. Internal Audit Business Report 3. Report on the renewal of directors' liability insurance for 2026 4. 2025 Board of Directors and Functional Committees Performance Evaluation Report 5. Report on Independent Directors' Compliance with Relevant Laws and Regulations During Their Term of Office 6. Proposal report on evaluating whether overdue material receivables constitute Nature of loan 7. Case of Resignation of General Manager Chang Shu-Mei 8. 2026 Annual Operating Plan and Budget 9. Proposal for the change of certified public accountants in accordance with the "Internal Tenure and Rotation Policy of the Accounting Firm" 10. 2025 Business Report and Financial Statements 11. Proposal for Deficit Compensation for the Year 2025 12. Proposal for the amendment of matters related to the convening of the 2026 Annual General Meeting of Shareholders 13. The 2025 self-assessment report on the effectiveness of internal control and the proposal for the issuance of the "Statement on Internal Control System" 14. Proposal for the Appointment of Attesting Certified Public Accountants and the Assessment of their Competence and Independence 15. Proposal for the lending of funds to the subsidiary Sheng O green energy Co., Ltd. 16. Proposal for the determination of the record date and related matters for the capital increase through the conversion of employee stock options into ordinary shares of the Company 17. Proposal for the adjustment of members of the Sustainable Development Committee 18. Proposal for the 2026 Sustainability Work Promotion submitted by the Sustainable Development Committee 19. Review of promotion and salary adjustment proposals for senior executives	1. Independent director's opinion: None. 2. The Company's handling of independent directors' opinions: None. 3. Independent directors' dissenting or reserved opinions: None. 4. Voting Results: Approved by all attending directors. 5. Others: Proposal 15: As the interested parties, Directors Chen Chen-Chien, Chang Shu-Mei, and Chen Chun-Yi recused themselves from the discussion due to a conflict of interest. Independent Director Chen Yong-Yan was appointed by Chairman to serve as the acting chairperson. The proposal was approved as submitted with the unanimous consent of all other attending directors.

(11) Where directors have expressed dissenting opinions on material resolutions passed by the Board of Directors that are recorded or made in writing, the main content thereof, for the most recent year and up to the date of publication of the annual report: None.

(12) Status of relevant licenses and certificates designated by the competent authority obtained by the Company's personnel related to financial information transparency:

Name of Certificate/License	Number of persons	
	Financial Accounting	Audit
Basic Test on Internal Control of Enterprises organized by the Securities and Futures Institute	0	1
Corporate Governance Basic Proficiency Test organized by SFI	0	1

3. Information on Audit Fees:

Unit: NTD ONE THOUSAND

Name of Accounting Firm	Name of CPA	Audit Fees	Non-audit fees					CPA audit period	Remarks
			System Design	Business Registration	Human Resources	Others	Subtotal		
KPMG	Kou Hui-Chih Kuo Hsin-Yi	3,995	0	0	0	1,614	5,609	114/1/1-114/12/31	Tax audit, non-managerial salary inspection, accounting processing fees, share exchange project

Note 1: If the Company has changed its certified public accountants or accounting firm during the current year, the audit periods shall be listed separately, the reasons for the change shall be explained in the Note column, and information such as the audit and non-audit fees paid shall be disclosed in sequence.

Note 2: Non-audit fees shall be listed separately by service item. If "Others" under non-audit fees reaches 25% of the total amount of non-audit fees, the service content shall be listed in the Note column.

(1) Where the audit fees paid for the year in which the accounting firm is changed are lower than the audit fees paid in the year prior to the change, the amount, percentage, and reason for the reduction in audit fees shall be disclosed: Not applicable.

(2) Where the audit fees decreased by 15% or more compared to the previous year, the amount, percentage, and reason for the decrease in audit fees shall be disclosed: Not applicable.

4. Change of Accountants: The Company has not changed its certified public accountants or accounting firm for the year 2025.

5. Where the Chairman, General Manager, or any manager responsible for financial or accounting affairs of the Company has held a position in the accounting firm of the attesting certified public accountants or its affiliates within the most recent year: None.

6. Changes in Shareholding and Pledges of Shares by Directors, Managers, and Shareholders Holding More Than Ten Percent of the Shares During the Most Recent Fiscal Year and up to the Date of Publication of the Annual Report

For information on changes in shareholdings of directors, managers, and major shareholders, please visit the Market Observation Post System at <https://mops.twse.com.tw/mops/#/web/home>

7. Information on the relationship between the top ten shareholders by shareholding percentage:

March 23, 2026
Unit: shares

Name	My Shareholding		Shares held by spouse and minor children		Aggregate shareholdings held under the names of others		Where any of the top ten shareholders are related parties as defined in Statement of Financial Accounting Standards No. 6, their names and relationships (Note 1)		Note
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio	Name	Relationship	
Sino-American Silicon Products Inc.	15,006,900	11.55%	0	0.00%	0	0.00%	None	None	None
Tim Chen	12,078,391	9.29%	4,569,745	3.52%	3,000,000	2.30%	Chang Li-Li Yang Ting Co., Ltd. Chen Chun-Yi	Spouse Chairman Father and daughter	None
Chang Li-Li	4,569,745	3.52%	12,078,391	9.29%	0	0.00%	Tim Chen Yang Ting Co., Ltd. Chen Chun-Yi	Spouse Director Mother and daughter	None
Yang Ting Co., Ltd.	3,000,000	2.30%	0	0.00%	0	0.00%	Tim Chen Chang Li-Li	Chairman Supervisor	None
Chen Chun-Yi	2,355,590	1.81%	0	0.00%	0	0.00%	Tim Chen Chang Li-Li	Father and daughter Mother and daughter	None
Chisort Technology Co., Ltd.	2,221,448	1.71%	0	0.00%		0.00%	None	None	None
Evolution Electromechanical Co., Ltd.	1,380,000	1.06%	0	0.00%	0	0.00%	None	None	None
Chien Shih-Che	1,124,850	0.86%	0	0.00%	0	0.00%	None	None	None
Liu Chi-Chang	1,106,000	0.85%	0	0.00%	0	0.00%	None	None	None
Li Fu-Tien	1,083,725	0.83%	0	0.00%	0	0.00%	None	None	None

Note 1: The shareholders listed above include legal persons and natural person, and their relationships with each other are disclosed in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

8. Number of shares held by the Company, the Company's directors, managers, and businesses directly or indirectly controlled by the Company in the same investee company, and the combined aggregate ownership percentage:

December 31, 2025
Unit: thousand shares; %

Investees (Note)	The Company's Investment		Investments of Directors, Supervisors, Managers, and Directly or Indirectly Controlled Enterprises		Consolidated Investment	
	Shares	Shareholding Ratio	Shares	Shareholding percentage	Shares	Shareholding Ratio
BEC Technologies Inc.	2,294	91.76	0	0	2,294	91.76
Billion Watts Technologies Co., Ltd.(Note 1)	18,458	100.00	0	0	18,458	100.00
Billion Energy Storage Co., Ltd.	7,686	100.00	0	0	8,000	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.	2,200	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 Co., Ltd.	2,700	5.24	0	0	2,700	5.24
Sheng Rui Technology Co., Ltd.	15,264	58.58	0	0	15,264	58.58
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
Sheng Chuang Energy Co., Ltd.	200	20.00	0	0	10	100.00
Billion Electric Japan Co., Ltd.	5	100.00	0	0	5	100.00
Billion Watts Australia Pty Ltd.	1,032	100.00	0	0	1,032	100.00
Billion AU Holding Pty Ltd.	0	100	0	0	0	100.00
Relocate Energy Co., Ltd.	800	40.00	0	0	800	40.00
Billion Energy Co., Ltd.	1	100.00	0	0	1	100.00
BL Anakie Solar Pty Ltd.	1,032	30.80	0	0	1,032	30.80
BL Longford Solar Pty Ltd.	200	40.00	0	0	200	40.00

Note 1: In December 2025, the remaining 38.02% equity interest was acquired from Non-controlling interests through the issuance of new shares, increasing the shareholding ratio from 61.98% to 100%.

III. Capital Raising Status

1. Company Capital and Shares:

(1) Sources of Capital Stock

1. Class of shares:

March 31, 2026

Class of shares	Authorized Capital		Total	Note
	Shares outstanding	Unissued shares		
Common Shares	129,942,549	120,057,451	250,000,000	Listed

2. Capital formation as of the publication date of the annual report:

(Unit: NT\$ / share)

Year/Month	Issue price	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Total	Shares	Total	Source of Capital Stock	Persons who subscribe for shares with property other than cash	Others
62/3	10	600,000	6,000,000	600,000	6,000,000	Establishment 6,000,000	None	—
65/8	10	720,000	7,200,000	720,000	7,200,000	Cash capital increase 1,200,000	None	—
71/4	10	1,080,000	10,800,000	1,080,000	10,800,000	Cash capital increase 3,600,000	None	—
74/11	10	1,728,000	17,280,000	1,728,000	17,280,000	Cash capital increase 6,480,000	None	Qi-Si-Jian-San-Zi No. 3897793
78/4	10	3,600,000	36,000,000	3,600,000	36,000,000	Cash capital increase 18,720,000	None	Ching-Shang No. 122673
79/11	10	4,320,000	43,200,000	4,320,000	43,200,000	Capitalization of earnings 7,200,000	None	Ching-(80)-Shang No. 103655
81/11	10	5,040,000	50,400,000	5,040,000	50,400,000	Capitalization of capital surplus 7,200,000	None	Ching-Tai-Shang-(1)-Fa-Tzu No. 126798
85/5	10	7,560,000	75,600,000	7,560,000	75,600,000	Cash capital increase 25,200,000	None	Ba-Shi-Wu-Jian-San-Zi No. 185796
86/10	10	15,120,000	151,200,000	15,120,000	151,200,000	Cash capital increase 75,600,000	None	Ching-(86)-Shang-Tzu No. 125890
87/4	10	30,000,000	300,000,000	19,656,000	196,560,000	Capitalization of earnings 22,680,000 Capitalization of capital surplus 22,680,000	None	Ching-(87)-Shang-Tzu No. 110480
88/9	10	30,000,000	300,000,000	25,552,800	255,528,000	Capitalization of earnings 51,105,600 Capitalization of capital surplus 7,862,400	None	Ching-(88)-Shang-Tzu No. 88139623
89/9	10	52,800,000	528,000,000	38,813,920	388,139,200	Capitalization of earnings 104,611,200 Capitalization of capital surplus 28,000,000	None	Ref. No. (89) Shang Zi No. 89134648
90/8	10	68,000,000	680,000,000	56,741,024	567,410,240	Capitalization of earnings 179,271,040	None	Ching-Shang-Tzu No. 09001269890
91/5	10	84,000,000	840,000,000	72,234,002	722,340,020	Capitalization of earnings 154,929,780	None	(91) Tai-Tsai-Cheng (1) No. 126448
92/7	10	92,000,000	920,000,000	86,197,933	861,979,330	Capitalization of earnings 139,639,310	None	Ching-Shou-Shang-Tzu No. 09201229300
93/8	10	92,000,000	920,000,000	89,591,250	895,912,500	Capitalization of earnings 33,933,170	None	Ching-Shou-Shang-Tzu No. 09301157220
94/8	10	92,000,000	920,000,000	91,514,326	915,143,260	Merger 19,230,760	None	Ching-Shou-Shang-Tzu No. 09401148210
94/8	10	107,800,000	1,078,000,000	95,950,099	959,500,990	Capitalization of earnings 44,357,730	None	Ching-Shou-Shang-Tzu No. 09401194840

95/9	10	107,800,000	1,078,000,000	96,215,341	962,153,410	Capitalization of earnings 18,652,420 Capital reduction 16,000,000	None	Ching-Shou-Shang-Tzu 09501216660	No.
99/3	10	107,800,000	1,078,000,000	95,620,917	956,209,170	Cancellation of shares 5,944,240	None	Ching-Shou-Shang-Tzu 09901055710	No.
99/6	10	150,000,000	1,500,000,000	95,620,917	956,209,170		None	Ching-Shou-Shang-Tzu 09901120550	No.
100/3	10	150,000,000	1,500,000,000	94,793,917	947,939,170	Cancellation of shares 8,270,000	None	Ching-Shou-Shang-Tzu 10001064610	No.
103/7	10	150,000,000	1,500,000,000	93,399,325	933,993,250	Cancellation of shares 13,945,920	None	Ching-Shou-Shang-Tzu 10301139440	No.
103/9	10	150,000,000	1,500,000,000	96,667,703	966,677,030	Capitalization of earnings 32,683,780	None	Ching-Shou-Shang-Tzu 10301197870	No.
104/9	10	150,000,000	1,500,000,000	97,634,380	976,343,800	Capitalization of earnings 9,666,770	None	Ching-Shou-Shang-Tzu 10401197880	No.
106/9	10	150,000,000	1,500,000,000	99,095,311	990,953,110	Capitalization of earnings 14,609,310	None	Ching-Shou-Shang-Tzu 10601128710	No.
107/10	10	150,000,000	1,500,000,000	98,856,311	988,563,110	Cancellation of shares 2,390,000	None	Ching-Shou-Shang-Tzu 10701128770	No.
110/9	10	250,000,000	2,500,000,000	98,856,311	988,563,110		None	Ching-Shou-Shang-Tzu 11001163500	No.
111/11	10	250,000,000	2,500,000,000	99,697,811	996,973,110	Conversion of employee stock options 8,410,000	None	Jing-Shou-Shang-Zi 11101223980	No.
112/03	10	250,000,000	2,500,000,000	99,868,811	998,688,110	Conversion of employee stock options 1,715,000	None	Ching-Shou-Shang-Tzu 11230048780	No.
	10	250,000,000	2,500,000,000	114,868,811	1,148,688,110	Private Placement 150,000,000	None		
112/05	10	250,000,000	2,500,000,000	114,963,311	1,149,693,110	Conversion of employee stock options 1,005,000	None	Ching-Shou-Shang-Tzu 11230090080	No.
112/12	10	250,000,000	2,500,000,000	115,419,061	1,154,190,610	Conversion of employee stock options 4,497,500	None	Ching-Shou-Shang-Tzu 11230222580	No.
113/04	10	250,000,000	2,500,000,000	115,463,811	1,154,638,110	Conversion of employee stock options 447,500	None	Ching-Shou-Shang-Tzu 11330046260	No.
113/09	10	250,000,000	2,500,000,000	115,532,811	1,152,328,110	Conversion of employee stock options 690,000	None	Ching-Shou-Shang-Tzu 11330156770	No.
114/03	10	250,000,000	2,500,000,000	116,004,061	1,160,040,610	Conversion of employee stock options 4,712,500	None	Ching-Shou-Shang-Tzu 11430033220	No.
114/10	10	250,000,000	2,500,000,000	116,064,561	1,160,645,610	Share conversion 140,359,880	None	Ching-Shou-Shang-Tzu 11430140600	No.
115/2	10	250,000,000	2,500,000,000	130,100,549	1,301,005,490	Retirement of treasury share -1580,000	None	Ching-Shou-Shang-Tzu 11530007050	No.
115/3	10	250,000,000	2,500,000,000	129,942,549	1,299,425,490	Conversion of employee stock options 177,500	None	Ching-Shou-Shang-Tzu 11530035150	No.

3. Information related to shelf registration: None.

(2) List of top ten shareholders

March 31, 2026

Unit: shares

Shares Name of Shareholder	Number of shares held	Shareholding ratio
Sino-American Silicon Products Inc.	15,006,900	11.55%
Tim Chen	12,078,391	9.29%
Chang Li-Li	4,569,745	3.52%
Yang Ting Co., Ltd.	3,000,000	2.30%

Chen Chun-Yi	2,355,590	1.81%
Chisort Technology Co., Ltd.	2,221,448	1.71%
Evolution Electromechanical Co., Ltd.	1,380,000	1.06%
Chien Shih-Che	1,124,850	0.86%
Liu Chi-Chang	1,106,000	0.85%
Li Fu-Tien	1,083,725	0.83%

(3) Implementation of the company's dividend policy:

1. Company's dividend policy:

The Company's dividend policy is formulated in line with current and future development plans, taking into consideration the investment environment, capital requirements, and domestic and foreign competitive conditions, while also accounting for shareholders' interests and other factors. Each year, no less than ten percent of the distributable earnings shall be appropriated for the distribution of shareholder dividends and bonuses; however, when the accumulated distributable earnings are less than five percent of the paid-in capital, no distribution may be made. When distributing shareholder dividends and bonuses, the proportion of Cash dividends distributed shall, in principle, be no less than five percent of the total dividend distribution for the current year, with the remainder distributed in the form of stock dividends; however, the actual distribution ratio may be adjusted based on the actual profit and operating conditions of the current year.

2. Implementation Status

The loss offset proposal for this shareholders' meeting was approved by the resolution of the Board of Directors on March 12, 2026, and is intended to be submitted to the 2026 Annual General Meeting of Shareholders for recognition.

(4) Impact of the proposed bonus issue of shares at this shareholders' meeting on the Company's operating performance and Earning per share: Not applicable.

(5) Employee and director remunerations:

1. The percentages or ranges set forth in Articles of Incorporation of Employee and director remunerations:

If the Company has profit for the year, it shall allocate not less than two percent as employee compensation, which shall be distributed in the form of shares or cash as resolved by the Board of Directors; the recipients of such distribution include employees of subordinate companies meeting certain conditions; The Company may, based on the aforementioned profit amount, have the Board of Directors resolve to appropriate no more than three percent as remuneration for directors. The distribution of employee compensation and director compensation shall be reported to the shareholders' meeting. However, if the Company still has accumulated losses, it shall reserve an amount to offset the losses in advance, and then appropriate the employees' compensation and directors' compensation in accordance with the proportions set out in the preceding paragraph. If there is a surplus in the annual final accounts of the Company, the Company shall, after paying taxes according to law and offsetting accumulated losses, set aside 10% as Legal reserve; however, when Legal reserve has reached the Company's Paid-in capital, no further appropriation may be made. The remainder shall be appropriated or reversed as Special reserve in accordance with laws and regulations; if there is still a balance, it shall be combined with the accumulated Unappropriated retained earnings, and the Board of Directors shall prepare a Earning appropriation proposal and submit it to the shareholders' meeting for a resolution on the distribution of dividends and bonuses to shareholders.

2. The basis for estimating the amount of remuneration for employees, directors, and supervisors for the current period; the basis for calculating the number of shares for employee remuneration distributed in stock; and the accounting treatment if there is any difference between the actual distributed amount and the estimated amount.
- (1) Basis for estimating the amount of employee compensation and director remuneration for the current period: Please refer to the description of (6).1. Dividend Policy of the Company above.
- (2) Basis for calculating the number of shares for stock dividends distributed in the current period: The Company did not distribute stock dividends in the current period; therefore, this is not applicable.
- (3) Accounting treatment for any difference between the actual amount of distribution and the estimated amount for the current period:
If there is a material change in the distribution amounts resolved by the Board of Directors, such change shall be adjusted as an expense in the year originally accrued; if there is still a change in the amounts by the date of the shareholders' meeting resolution, it shall be treated as a change in accounting estimate and adjusted in the year of the shareholders' meeting resolution.
3. Proposed distribution of remuneration approved by the Board of Directors:
- (1) The amount of employees' compensation and remuneration for directors and supervisors distributed in cash or stock. If there is any difference from the estimated amount in the year the expenses were recognized, the amount, reason, and treatment of such difference shall be disclosed:
Due to the losses incurred by the Company for the year 2025, there is no employees' compensation or directors' remuneration.
- (2) The amount of employee compensation distributed in the form of shares as a percentage of the sum of net income after tax and employee compensation in the parent company only or individual financial reports for the current period
Percentage of the total amount: None.
4. Actual distribution of remuneration for employees, directors, and supervisors in the previous year (including the number of shares, amount, and share price distributed); where there is a discrepancy with the recognized remuneration for employees, directors, and supervisors, the amount, reason, and treatment of such discrepancy shall be stated:

Items	Board of Directors Resolution for Distribution	Actual distribution	Difference	Explanation of differences
Employee compensation	0	0	None	Not applicable
Directors' Remuneration	0	0	None	Not applicable

(6) Status of the Company's buyback of its own shares:

Buyback Batch	10th	11th	12th
Purpose of Buyback	Transfer of shares to employees	Transfer of shares to employees	Transfer of shares to employees
Buyback Period	109/12/29–110/2/1	110/6/22–110/8/9	111/08/10–111/09/28
Buyback price range	NTD 19.02	NTD 23.12	NTD 18.94
Type and number of shares repurchased	Common Shares 1,200,000 shares	Common Shares 800,000 shares	Common Shares 168,000 shares
Amount of shares repurchased	NTD 22,822,074	NTD 18,492,041	NTD 3,181,498
Ratio of the number of shares repurchased to the scheduled number of shares to be repurchased (%)	100%	100%	8.4 %
Number of shares canceled and transferred	(1) 9/30/2021 transferred 962,000 shares to employees (2) 9/22/2022 transferred 15,000 shares to employees (3) 3/17/2023 transferred 25,000 shares to employees (4) 12/16/2023 transferred 20,000 shares to employees (5) 3/19/2025 transferred to employees 20,000 shares (6) 3/26/2026 cancelation of 158,000 shares	Not yet transferred	(1) 3/27/2026 transfer of 20,000 shares to employees
Accumulated holding of the Company Number of Shares	1,200,000 shares	2,000,000 shares	2,168,000 shares
Cumulative holding of the Company number of shares of the company accounts for Issued shares Total Ratio (%)	1.04%	1.73%	1.88%

2. Issuance of corporate bonds (including overseas corporate bonds): None.**3. Status of preferred shares: None.****4. Status of participation in the issuance of overseas depositary receipts: None.**

5. Status of Employee Stock Options:

(1) For employee stock options, the status of implementation up to the date of publication of the annual report and the impact on shareholders' equity shall be disclosed.

March 31, 2026

Type of employee stock options (Note 2)	1st (Issue) Employee Stock Options (Note 5)	2nd (Issue) Employee Stock Options (Note 5)	3rd (Issue) Employee Stock Options (Note 5)
Effective date of filing	August 6, 2020	August 6, 2020	August 6, 2020
Issue (Processing) Date (Note 4)	August 10, 2020	March 26, 2021	June 18, 2021
Number of units issued	2,559 units	130 units	111 units
Ratio of the number of shares available for subscription to the total number of issued shares	2.59%	0.13%	0.11%
Warrant Exercise Period	5 years	5 years	5 years
Method of Exercise (Note 3)	Issuance of New Shares	Issuance of New Shares	Issuance of New Shares
Restricted Subscription Period and Ratio (%)	2 years elapsed / Subscription ratio 50% 3 years elapsed / Subscription ratio 75% 4 years elapsed / subscription ratio 100%		
Number of shares acquired through exercise	1,587.25 units	55 units	31.50 units
Amount of exercised options	NT\$19,999,350	NT\$1,289,750	NT\$713,475
Number of unexercised options	971.75 units	75 units	79.50 units
Subscription price per share for unexercised options	NT\$12.60	NT\$23.45	NT\$22.65
Percentage of unexercised options Percentage of total issued shares (%)	0.08%	0.0065%	0.0069%
Impact on shareholders' equity	Will not cause a material impact on shareholders' equity		

Note 1: Status of employee stock option certificates, including public offerings and private placements of employee stock option certificates currently in progress. Publicly offered employee stock option certificates in the process of being handled refer to those that have become effective upon approval by this Commission; privately placed employee stock option certificates in the process of being handled refer to those that have been approved by a resolution of the shareholders' meeting.

Note 2: The number of columns shall be adjusted based on the actual number of occurrences.

Note 3: It shall be specified whether the delivery is of issued shares or the issuance of new shares.

Note 4: Where the dates of issuance (execution) are different, they shall be filled in separately.

Note 5: In the case of private placement, it shall be marked in a prominent manner.

(2) For employee stock options, the status of implementation up to the date of publication of the annual report and the impact on shareholders' equity shall be disclosed.

Unit: NT\$ thousands; thousand shares

Items	Position	Name	Number of options acquired	Ratio of number of options acquired to total number of issued shares	Executed				Unexecuted			
					Number of shares subscribed for	Subscription Price	Subscription amount	Ratio of shares subscribed for to total number of issued shares	Number of shares subscribed for	Subscription Price	Subscription amount	Ratio of shares subscribed for to total number of issued shares
Managers	Sheng Mei General Manager	Chen Hung-Cheng	461	0.399 %	299.5	23.45 12.60	4,451.8	0.259 %	161.50	23.45 12.60	3,758.4	0.139 %
	Director	Chiu She-Li										
	General Manager Office Manager	Chang Li-Li										
Employee Labor	Employees	Cheng heng Lee	556.75	0.481 %	431.5	23.45 12.60	5,875	0.373 %	125.25	23.45 12.60	2,924.7	0.108 %
	Employees	Chen Chun-Yi										
	Employees	Cheng Cheng-Ping										
	Employees	Chen Yen-Hsun										
	Employees	Liao Fang-Yi										
	Employees	Tsai Ting-Chun										

6. Status of Issuance of Restricted Stock Awards: None.

7. Status of new share issuance in connection with mergers or acquisitions of shares of other companies: None.

8. Status of implementation of capital utilization plan: None.

IV. Operational Highlights

I. Business Content

(1) Scope of Business

1. The scope of business of the Company includes

- (1) The Company is a provider of integrated energy and communication solutions. Its core business covers diverse fields such as electronic components, ICT Products, renewable energy equipment, and system integration, and it is committed to promoting smart grid and sustainable energy applications. The main business items are as follows:
- (2) The electronic products and information communication equipment business is engaged in the design, manufacture, and sale 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 and satellite communication terminal equipment, industrial routers, power and smart transportation, and smart city routers/Internet of Things gateway.
- (3) Customized energy storage and power supply products and engineering services possess the technical capabilities for the design, manufacture, and sale of customized energy storage and power supply products. Focusing on the assembly, manufacturing, and system integration of power equipment such as Switching Power Supplies adapters, photovoltaic inverters, and AC/DC charging piles, the company leverages years of power supply products R&D experience to provide highly stable modular Energy Storage System solutions that comply with international safety standards such as UL and IEC, strengthening the product reliability and international market competitiveness of the company in the field of energy storage applications.
- (4) Vertical Integration: Energy Storage System One-stop Solution Services The Company possesses vertical integration capabilities ranging from product design, core component development, manufacturing, system integration, and engineering construction to O&M (Operation and Maintenance) services. With deep-rooted expertise in energy management and ICT R&D as the core, integrating battery systems and Power Conversion Systems (PCS) from major international brands, and equipped with self-developed Energy Management Systems (EMS). A "one-stop comprehensive energy storage solution" ranging from initial assessment and planning to full life-cycle maintenance, constructing a solid industrial moat.
- (5) Horizontal Integration: Construction of a Diversified Renewable Energy Application Platform To create a comprehensive renewable energy solution platform, the Company horizontally integrates core technologies and applications such as solar energy, energy storage, and electric vehicle charging piles, covering equipment supply, engineering construction, operation and maintenance management, and after-sales service. Through cross-disciplinary technical synergy and resource integration, establish an "Energy as a Service" (EaaS) operating model to expand the depth and breadth of services in the smart grid, distributed energy, and green energy transformation markets.
- (6) Optoelectronics and monitoring system services have accumulated experience in connecting more than 1,800 solar power stations to the grid, with the total capacity of PV inverter agency shipments and installations exceeding 532MWp. Responsible for the design and construction of power generation systems and monitoring architectures, and developed the "Pixel View" intelligent cloud monitoring system, with cumulative shipment capacity exceeding 626MWp.
- (7) Energy trading and operation service resources with aggregator qualifications The Company possesses a Taipower electricity trader license and aggregator

qualifications, providing proxy operations and participation in market bidding to maximize the value of power assets. In terms of operations and maintenance (O&M), we have established a comprehensive Expertise team including Class B technicians for solar photovoltaics, electrical and mechanical engineering, and occupational safety. Through four directly-operated engineering offices across Taiwan (Yilan, Taipei, Yunlin, Kaohsiung) and two major spare parts warehouses (Taoyuan, Yunlin), we have constructed a high-availability maintenance network, deepening our core competitiveness in the green energy industry chain.

2. Revenue Breakdown

(Unit: NTD ONE THOUSAND); %

Product Category	2025 Revenue	Revenue Breakdown
power supply products	158,124	7.50%
ICT Products	287,835	13.65%
Renewable energy (including electricity sales)	1,662,596	78.85%
Total	2,108,555	100.00%

3. The Company's current products (services)

- (1) power supply and Adapters Expertise R&D and manufacturing of Switching Power Supplies and various types of power adapters, which are widely applied in the fields of industrial, automation, and information equipment.
- (2) LED drivers provide high-performance LED lighting driver solutions suitable for street lighting.
- (3) 5G / LTE terminal access equipment and industrial ICT Products design and manufacture of 5G / LTE indoor and outdoor terminal equipment, industrial-grade routers, communication equipment for power and smart transportation and smart cities, and industrial network switches.
- (4) Solar Energy Management Solution integrates power generation monitoring, performance optimization, and energy management technologies to provide a one-stop solar energy solution.
- (5) Solar Power Plant Energy Management and Monitoring System Establishment of Energy Management Systems (EMS) for large-scale solar power plants and the self-developed "Pixel View" intelligent monitoring system to assist in enhancing the operational efficiency and stability of power plants.
- (6) Inverter and optimizer products provide high-efficiency solar inverters and power optimizers, and act as an agent for international brand products for installation and technical support in the Taiwan market.
- (7) Energy Storage System manufacturing products (Energy Storage System, ESS) possess independent development capabilities, providing modular Energy Storage System that comply with international standards (UL / IEC), applied in grid regulation, load shifting, and power backup.
- (8) Solar power plant operation and maintenance (O&M) services provide Expertise services such as operation and maintenance management, routine inspection and maintenance, troubleshooting, and performance tracking for project sites across Taiwan.
- (9) Energy storage application development and engineering contracting services for the overall engineering design and construction of Energy Storage System, including the full-process execution of application development, civil engineering, electrical integration, and system grid connection.

4. New products (services) planned for development

(1) Research and development of communication and industrial application

equipment

- Broadband routers integrating 5G, Wi-Fi 4/5/6/6E/7 (802.11n/ac/ax/be), and LPWAN functions
- 5G industrial network equipment, applied in scenarios such as M2M, IoT, In-Vehicle, industrial control, power and smart transportation, and smart cities
- Industrial-grade and medical-grade power supply
- Customized power supply products
- power adapters complying with the latest fast charging standards (QC/PD)

(2) Smart Energy and Solar Application Products

- Solar Inverter (Inverter): includes micro-inverters for residential/commercial and industrial use, as well as 1500V large-scale utility-grade inverters with microgrid response and reactive power regulation
- Solar-plus-Storage Integration Platform: A systematic integration platform for high-end solar energy and Energy Storage System
- Measuring and control devices: including terminal measurement, data display, and control equipment dedicated to Energy Management Systems (EMS) and Solar Management Systems

(3) Energy Storage System Core Technology Development

- Energy Storage System Key Core Modules: Deeply integrating the three key subsystems of EMS (Energy Management System), PCS (Power Conversion System), and BMS (Battery Management System) to ensure the efficient operation of energy storage equipment
- High-safety battery energy storage cabinets: Providing energy storage cabinet products that comply with strict industrial safety regulations and the highest safety standards to ensure the long-term operational stability of project sites.
- AI Smart Energy Monitoring System: Implementing AI artificial intelligence for dynamic power dispatching, combined with Data Mining technology to achieve automated data analysis and comparison, optimizing asset management efficiency and energy revenue

(4) Electric vehicle charging equipment

- Product development of AC/DC electric vehicle charging piles, supporting multiple power and multiple communication protocol specifications

(5) Integrated Energy Solutions and Market Expansion Directions

- Expanding Application Footprint: Extending green energy solutions to smart campuses, electric vehicle (EV) infrastructure, and industrial microgrids
- Deepening Forward-looking Technologies: Introducing AI dispatching, edge computing, and power trading optimization models to maximize the benefits of energy assets
- Integrated green energy Ecosystem: Connecting solar-plus-storage systems with Virtual Power Plants (VPP), and positioning in carbon credit trading to seize net-zero business opportunities
- Optimize Energy Platform: Integrate ESS, PV, and EMS systems to create an integrated management platform featuring real-time data and map visualization

2. Industry Overview

1. Industry Status and Development

The global 5G FWA equipment market reached approximately USD 3.3 billion in 2022 and is projected to grow to USD 121 billion by 2032, with a compound annual growth rate (CAGR) of 43.6% from 2023 to 2032. FWA technology has been regarded as a key equipment for telecommunications operators in deploying the "Last Mile" of high-speed broadband.

In the field of traffic and transportation, along with the development of Intelligent Transportation Systems (ITS) and Vehicle-to-Everything (V2X) technologies, the demand for In-Vehicle communication and traffic management systems also continues to increase. According to the research report by DataM Intelligence, the global electric bus market reached USD 53 billion in 2022 and is projected to grow to USD 920 billion by 2030, with a compound annual growth rate (CAGR) of 42.8% during the period from 2023 to 2030. Smart busses, rail trains, and In-Vehicle communication equipment will become important infrastructure for intelligent transportation systems.

In terms of energy and critical infrastructure, North American electric power companies are gradually introducing 4G LTE and 5G NR communication technologies to construct power grid communication systems, and are utilizing the **CBRS band (3550 MHz–3700 MHz)** to establish private enterprise networks to enhance the efficiency of power grid monitoring, automation, and smart meter management. With the development of smart grids and distributed energy management systems, the power communication equipment market will also continue to grow.

On the other hand, with the development of Low Earth Orbit (LEO) satellite and **Non-Terrestrial Network (NTN)** technologies, satellite communications will become an important supplement to terrestrial mobile networks. In the future, 5G and satellite networks will gradually integrate to form an "integrated space-terrestrial communication architecture," enabling communication services to cover application scenarios such as remote areas, maritime, aviation, energy exploration, and emergency disaster relief, further expanding communication equipment market demand.

In addition, governments worldwide are actively promoting the construction of **Smart Cities**, driving the rapid development of applications such as smart lighting, smart transportation, smart grids, environmental monitoring, and urban sensing networks, which in turn facilitates the continuous increase in demand for Low Power Wide Area Networks (LPWAN), 5G private networks, Edge Computing, and AIoT equipment. The introduction of artificial intelligence and edge computing technologies can enhance urban management efficiency and promote the development of smart infrastructure.

Looking ahead to longer-term development, telecommunications industries and research institutions in various countries have also begun to invest in preliminary research on 6G communication technology, which is expected to further increase communication speeds, reduce latency, and strengthen global network integration capabilities in the future, laying the foundation for the next generation of the digital economy.

In terms of market strategy, the enterprise will continue to actively participate in global Expertise exhibitions and industry events, accelerate the promotion of new products, and deepen cooperative relationships with telecommunications operators, system integrators, and channel partners. By deeply cultivating vertical market such as power energy, In-Vehicle communications, intelligent transportation, and smart cities, we continue to enhance product competitiveness and accelerate project implementation. At

the same time, the Company actively expands its global market presence with its own brands, strengthening existing advantages in North America, gradually deploying in the European market, and deeply cultivating the Asian market to seize new business opportunities brought by the global development of 5G/LTE, satellite communications, and smart cities.

Global industries are currently encountering two irreversible megatrends: "Energy Transition" and "Digital Broadband." In the energy sector, in response to global Net Zero targets, the demand for renewable energy and Energy Storage System construction has shown explosive growth.

- **Global Electric Mobility and Smart Transportation Opportunities:** According to a research report by DataM Intelligence, the global electric bus market size is projected to grow significantly from USD 53 billion in 2022 to USD 920 billion in 2030, with a compound annual growth rate (CAGR) as high as 42.8%. This trend has driven the expansion of intelligent transportation systems, which in turn has boosted the demand for stable communication equipment in smart busses and rail trains.
- **5G FWA becomes a key growth engine for the broadband market:** Benefiting from the improvement of global 5G network coverage, 5G Fixed Wireless Access (FWA) has become a key device for solving "last mile" connectivity issues by virtue of its advantages such as low deployment costs, easy installation, and wide base station coverage. The 5G FWA equipment market size reached USD 3.3 billion in 2022 and is projected to grow to USD 121 billion by 2032, with a compound annual growth rate (CAGR) expected to reach 43.6% between 2023 and 2032.
- **North American Citizens Broadband Radio Service (CBRS) Business Opportunities:** In response to the application demands of North American power companies and utilities for 4G LTE/5G NR CBRS private bands (3550 MHz to 3700 MHz), as network deployment becomes increasingly mature, the growth momentum of the related terminal equipment market is poised for takeoff.
- **Globalized Operations and vertical market Cultivation:** The Company continues to pursue 5G/LTE communication business opportunities with its own brand, deepening its presence in high-barrier vertical market such as electric power, In-Vehicle, and intelligent transportation. In terms of market strategy, we will consolidate our existing advantages in North America and actively deploy in the European and Asian markets, establishing solid cooperative relationships with global telecommunications operators, distributors, and system integrators through participation in international Expertise exhibitions.

A. power supply products

power supplyThe industry is facing the dual challenges of technological innovation and market transformation. **Current development trends are focused on high-performance design, the introduction of digital control technologies, and integrated applications with renewable energy and electric vehicle infrastructure.**

Development Dimensions	Key Highlights	Impact
High Efficiency and Eco-friendly Design	Improve power conversion efficiency, reduce energy loss, and comply with energy conservation and carbon reduction regulations	Reduce carbon emissions and operating costs, and enhance product competitiveness
Digital control technology	Introduce smart controllers and algorithms to support remote monitoring and flexible dispatching	Enhance power management efficiency and stability, and support predictive maintenance
Renewable Energy Integration	Integrating solar energy, wind energy, and other green energy to support smart grids and microgrids	Expand application fields and align with sustainable development trends
Electric Vehicle Infrastructure Applications	Provides high-wattage, high-stability power conversion capabilities for scenarios such as charging piles	Promote technological upgrades and penetrate emerging electric mobility markets

B. Network ICT Products

In addition to 5G NR FWA (Fixed Wireless Access) terminal equipment becoming a universal demand across various countries, the opening of private LTE and 5G frequency bands for utility companies in North America, the emergence of demand for 5G SA RedCap energy-saving functions, and the gradual popularization of satellite communications will be followed by business opportunities for the replacement of existing equipment; in order to respond to such market demand, new products complying with private frequency bands or communication technologies are being actively launched.

Billion continuously 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 industrial M2M (Machine to Machine) product lines derived from the transformation have successively achieved breakthroughs and gained recognition in domestic and overseas markets. Billion Industrial M2M products have been cultivated for a long time vertical market, featuring rugged design, complete certification, and unique functional designs to meet various vertical market application requirements, which are respectively introduced as follows:

Industrial and power application routers:

Billion's industrial and power application routers provide stable and reliable IEC 61850-3/IEEE 1613 power certification to deploy intelligent power distribution networks, improve operational efficiency, and achieve modernization of power grids and energy distribution, meeting the global trend of power grid modernization/intelligence.

Smart Transportation Router:

Billion has been deeply engaged in the In-Vehicle router market for many years, providing comprehensive solutions. With the advancement of Internet of Things (IoT) technology, the future development of smart transportation is moving towards utilizing intelligent, secure, and cost-effective connectivity solutions to improve passenger experience, reduce costs, and enhance safety and performance. Billion In-Vehicle Routers are positioned as products for smart In-Vehicle and public safety, and can be applied to smart busses, police cars, and fire trucks. Future targets include

networking solutions such as rolling stock. In view of the increased demand for bandwidth, providing performance with higher speeds and lower latency. Metal housing supports 5G NR - 3GPP Release 16, M12 and FAKRA connectors, Smart Ignition SenseIn-Vehiclepower detection, and EN 50155, E-Mark, ITxPT, and VSCC international certification certifications. Build high-reliability smart transportation routers.

Retail/IoT application routers:

In the post-pandemic era, enterprises are actively investing resources in Information and Communication Technology (ICT) to bridge smart retail and equipment asset management. Billion's compact router features a metal casing design, wide temperature range, and dual SIM support with Failover to ensure communication stability. Optional e-SIM is available, allowing for remote deployment and the downloading of multiple carrier profiles to enhance usability. Its compact appearance is suitable for Kiosk and POS connectivity applications. and combined with LPWAN technology (such as LoRa, Wi-SUN, etc.) to form decentralized, large-scale equipment monitoring and management.

C. Current Status and Development of the International Renewable Energy Generation and Energy Storage Demand Industry

區域	再生能源政策目標 (2026-2030)	儲能需求與規模	補貼政策 / 容量市場與獲利機制	產業趨勢與挑戰
台灣	2030 目標： 光電 30GW、離岸風電 13.1GW。 進入第三階段區塊開發， 推動太陽能多元場域佈建。	2030 目標：約 5.5GW。 表前市場 (dReg/E-dReg) 趨於飽和，政策與資金加速轉向「光儲合一」與「表後市場 (BTM)」。	多元收益模式： 1. 電力交易平台 (輔助服務) 2. 光儲合一躉購費率加碼 3. 尖離峰電價擴大套利空間	趨勢：電價調漲推升企業自用儲能需求，綠電轉供 (CPPA) 大增。 挑戰：饋線容量不足、土地取得不易、綠電供需媒合存在落差。
澳洲	2030 目標： 再生能源發電佔比達 82%。 加速汰除老舊燃煤電廠。	AEMO 預估需爆發性新增電池儲能與抽水水力，大型電網級 BESS 為建置核心，以支撐高佔比之變動性能源。	政策與市場誘因： 1. 聯邦「容量投資計畫 (CIS)」 2. 各州長時儲能招標機制 3. FCAS (頻率控制) 與電價套利 (Arbitrage) 為核心營收來源	趨勢：大型儲能專案投資熱度極高。 挑戰：AEMO 併網審查冗長、區域性棄電 (Curtailment) 風險高、EPC 與設備成本波動大。
日本	2030 目標： 再生能源佔比達 36~38% (第六次能源計畫)。 推動太陽能主力化並擴大離岸風電。	隨再生能源滲透率提高，電網調節需求大增，2030 年儲能規模需達 10GW / 27GWh 以上。	市場機制轉型： 1. FIT 逐漸轉向 FIP 制度 2. 實施「長期脫碳電源拍賣」(提供 20 年容量收入保障) 3. 各地方自治體儲能建置補助	趨勢：企業 PPA 綠電採購市場快速成長。 挑戰：區域電網壅塞嚴重、太陽能「出力抑制 (棄電)」頻發，推升微電網與區域型儲能需求。

Industrial Layout and Development Strategy (Deepening Presence in the Taiwan Market and Expanding Energy Storage Business)

1. Strengthen Ancillary Services Market

- Actively participate in Taipower's "Trading Platform for Ancillary Services and Reserve Capacity" to provide frequency regulation and reserve capacity, enhancing grid stability.
- Develop smart grid and energy management technologies, and optimize energy dispatch through AI to improve Energy Storage System operational efficiency.

2. Expanding the Commercial and Industrial (C&I) Behind-the-Meter Energy Storage Market

- Behind-the-meter energy storage solution implementation track record: Actively positioning in the behind-the-meter energy storage market, having successfully completed the PoC solar-plus-storage-plus-charging demonstration site at Chunghwa Telecom's Kaohsiung office, perfectly integrating solar energy, Billion Fusio One (100kW/215kWh) Energy Storage System, and AC/DC charging piles. Furthermore, it also assisted hotel operators in Central Taiwan in establishing distributed energy storage to enhance power supply Quality and reduce electricity costs within limited

land use, while strengthening power supply resilience in the face of extreme weather such as typhoons.

- **Equipment and Technology Upgrades:** At the 2025 Energy Taiwan, with "Behind-the-Meter Energy Storage × Safety First" as the main theme, the Fusio Nex 125 kW/261 kWh All-in-One Commercial and Industrial Energy Storage System was officially and publicly unveiled. In the future, the Company will continue to focus on high energy-consuming industries such as semiconductors, assisting enterprises in optimizing electricity costs, and extending services to long-term operation and maintenance optimization and VPP (Virtual Power Plant) aggregation management.
- **Large-scale Site Capabilities and Corporate Honors:** Billion Watts Technologies Awarded the "Top Ten Outstanding Enterprises" at the 23rd Golden Peak Awards, demonstrating the capability to bridge from behind-the-meter to grid-scale levels; recently, the first 64MW/262.43MWh E-dReg large-scale energy storage sites in the Yunlin-Chiayi region was also promoted to official commercial operation, becoming a key new force in stabilizing the power grid.

3. Promoting the Integrated Development of Solar and Energy Storage

- In coordination with customers and investors participating in the bidding for the "Solar PV Integrated with Energy Storage Policy," promote large-scale energy storage projects to enhance power dispatch flexibility and market competitiveness.
- Establish strategic cooperation with domestic and foreign equipment suppliers to provide efficient and customized EMS energy management intelligent solutions.

4. International Market Expansion: Australia and Japan

Australian Market

Business Model Focus and Diversified Revenue: In response to the high volatility of the Australian National Electricity Market (NEM), the Company strategically targets sub-5MW commercial solar-plus-storage and standalone energy storage projects that feature simplified approvals and rapid construction and grid connection. Create long-term stable capital returns through diversified models such as electricity price arbitrage, Frequency Control Ancillary Services (FCAS), and Large-scale Generation Certificates certification (LGC).

Deepening of New South Wales (NSW) layout: The team continues to deepen hybrid and standalone BESS projects in NSW. Ensure the financial soundness of overseas project investments through rigorous local due diligence and contract negotiations, as well as the precise construction of project financial models to strictly evaluate FCAS and arbitrage revenue potential.

Deepening Overseas Alliances and Expanding Project Footprint: Following the commissioning of the Anakie solar-plus-storage project in Victoria in Q1 2026, the Company has capitalized on this momentum by expanding its cooperation with Australian strategic partner Enervest to launch a joint development plan for 10 subsequent project sites. The cumulative number of solar-plus-storage sites from the alliance between both parties has reached 14, with total capacity expected to reach 60MWp and 244MWh, significantly contributing to the Company's future revenue momentum in the Australian energy market.

Japanese market

Promote substantive verification of VPP: In 2026, the core objectives for Japan market operations will be to promote the commercial operation of project sites and to conduct Virtual Power Plant (VPP) demonstrations.

Deepen Front-of-the-Meter (FTM) Market Layout: Flexibly utilize government subsidies and capacity auction mechanisms to enter the FTM energy storage market and promote project implementation; and deepen after-sales Operation and Maintenance (O&M) and bidding agency services to establish customer trust relationships with long-term

competitive advantages.

5. Smart Energy and TechnologyInnovation

Strengthen energy data analysis and AI optimization technologies, enhance Energy Storage System operational efficiency, and develop smart grid integrated solutions.

Through "one-stop Energy as a Service (EaaS)," covering equipment supply, engineering construction, operation and maintenance management, and after-sales service, providing complete energy solutions.

Continue to cooperate with leading international energy storage technology partners to ensure the market competitiveness of technologies and products.

Strategic Direction	Key Measures	Description/Benefits
Strengthen Ancillary Services Market	Participate in the Taipower Ancillary Service Trading Platform; develop AI dispatching technology	Provide frequency regulation and reserve capacity to enhance grid stability and system operational efficiency
Expanding the Commercial and Industrial (C&I) Behind-the-Meter Energy Storage Market	Provide microgrid/VPP integrated solutions and arbitrage models; promote integrated solar-plus-storage charging systems	Assist enterprises in reducing electricity costs and strengthening reserve capacity, thereby enhancing economic benefits for customers
Promoting the Integrated Development of Solar and Energy Storage	Participate in solar + energy storage tenders; collaborate on the construction of EMS systems	Enhance market competitiveness and dispatch flexibility, and strengthen project execution capability
International Market Expansion: Australia	Deploying large-scale solar-plus-storage and behind-the-meter applications; collaborating with energy providers to develop pumped-storage and lithium-battery projects	Seizing opportunities from coal phase-out to establish a market-leading position in large-scale energy storage
International Market Expansion: Japan	Utilize subsidies and capacity auctions; deepen O&M and bidding services	Enter the front-of-the-meter energy storage market to establish long-term customer trust and competitiveness
Smart Energy and TechnologyInnovation	Develop AI energy analytics and EaaS services, and strengthen technical cooperation	Enhance the integration of overall energy solutions and global technological competitive advantage

2. Correlation between the upstream, midstream, and downstream of the industry

A. power and energy management products

Upstream	Midstream	Downstream
Printed Circuit Board Manufacturing Active Component Manufacturing (Semiconductor Industry IC)	Transformer and power supply design and manufacturing industry	Computer and Peripheral Equipment Communications and Electronic Industry Consumer Electronics Industry

Passive Electronic Components Manufacturing (resistors, transistors, etc.) Magnetic Components Manufacturing (Transformers, filters, etc.) Wire and Cable Industry		Medical instruments and equipment Industrial electronic instruments and equipment, military, and aerospace industrial equipment Lighting manufacturer System Integrator
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B. Network ICT Products

Upstream	Midstream	Downstream
Research, Development and Design of Key Technologies (Software and Hardware) Active Component Manufacturing (Communication Chipsets) Passive Electronic Components Manufacturing (resistors, capacitors, etc.) Magnetic Components Manufacturing (Transformers, etc.) Printed Circuit Board Manufacturing Antenna Manufacturing	5G/LTE and other network ICT Products design and manufacturing industry Manufacturer of IoT terminals and management platforms	Distributor (Agents, distributors, etc.) Network System Integration Industry Network Communication Services Telecommunications Company

C. Solar power plants, Energy Storage System, and charging piles

Product Category	Upstream	Midstream	Downstream
Solar Power Plant	Manufacturing of silicon wafers, solar cells, glass, and encapsulation materials	Solar module, mounting system, and inverter manufacturer and system integrator	System integrators, EPC contractors, electricity retailers, and power consumers
Energy Storage System	Battery cells (lithium batteries, lithium iron phosphate, etc.), key materials for battery modules (BMS chips, thermal interface materials)	Battery module, PCS (Power Conversion System), EMS (Energy Management System) integration and equipment manufacturer	Energy storage project owners, power dispatch units (such as Taipower), industrial and commercial users
Charging piles	Key components (power modules, insulation, connectors, and interconnects) manufacturer	Charging pile equipment assembly, power control system integrators, platform developers	Charging point operators, public/commercial premises, electric vehicle users

3. Future product development trends

(1) Product Diversification

Future trends for power supply include the following aspects:

1. High-performance and energy-saving technologies: As the demand for energy efficiency continues to increase, power supply will continue to develop towards higher performance and greater energy savings. This includes improving conversion efficiency, reducing standby power consumption, and adopting advanced energy management technologies.
2. Digital Control Technology: The application of digital control technology is

continuously expanding in power supply. This enables suppliers to provide more flexible and adjustable power management solutions to meet the needs of different applications while achieving higher performance.

3. Renewable Energy Integration: With the popularization of renewable energy, power supply will better integrate renewable energy sources such as solar and wind power. This means developing power conversion and management technologies that support these forms of energy.
4. Electric Vehicles and Energy Storage Technology: With the popularization of electric vehicles, the demand for high-efficiency and high-power charging infrastructure is also increasing. power supply will develop towards supporting fast charging and energy storage technologies.
5. Intelligence and Connectivity: With the rise of the Internet of Things (IoT), power supply will become increasingly intelligent, enabling remote monitoring, fault diagnosis, and real-time adjustment through network connectivity.

In summary, the future of power supply will be driven by energy conservation, digital technology, and renewable energy to meet evolving market demands and environmental considerations.

In terms of network ICT Products, for wireless broadband network (LTE/5G) products, in addition to Indoor, Outdoor, and smart transportation products, the Company is more actively developing application products for industrial, electric power, and smart transportation vertical market. By satisfying the software and hardware specifications of vertical market and international certification, the Company enters high-threshold, high-value-added niche markets, continuously introduces new products to maintain its leading edge in products and technology, and strengthens the functions and promotion of BECentral 2.0.

2. Technology advancement trends

The only way to maintain product competitiveness is to continuously enhance R&D technology and strengthen product functions. The enhancement of technology and product functions, in turn, relies on actively cultivating technical talent, researching and developing new technologies, and strengthening the capability to develop and design high-value-added products, so as to align with the marketability of rapid product iteration and the high-standard expectations of customers for Quality.

3. Cost reduction trend

There are numerous domestic manufacturers of power supply and network access-related products, and each manufacturer has invested significant capital to expand production capacity, even gradually moving production lines to Mainland China or ASEAN to reduce costs and maintain competitive advantages. A continuous decline in prices is an inevitable trend, and how to reduce costs to maintain gross margins is currently an important issue for power and the network communications industry.

4. Competition

A. power and Energy Management Business

1. Performance and Energy Saving: Manufacturers compete to improve the performance of power supply, reduce conversion losses, and decrease standby power consumption. Under the circumstances of increasing awareness of energy conservation, this is an important competitive factor.
2. Price competition: As power supply is a standard component widely used in electronic devices, pricing pressure has always existed. Manufacturers need to provide high-Quality products while maintaining competitive prices.

3. Technology Innovation: Advanced digital control technology, high-frequency conversion technology, and Innovation in material science are all driving factors for competition. Companies with Innovation technology have the potential to gain an advantage in the market.
4. Reliability and Quality: In many applications, the reliability of power supply is of critical importance. Manufacturers need to provide high Quality, reliable, and long-life products to win customer trust.
5. Supply Chain and Production Capacity: Companies with efficient supply chains and production capacities are more likely to respond to fluctuations in market demand while reducing costs.
6. Green and Sustainable Development: Public concern regarding environmental friendliness and sustainable development continues to increase; therefore, manufacturers need to consider and provide products that comply with green standards to cater to market trends. In summary, competition in the power supply industry stems from multiple aspects such as technological Innovation, price, Quality, and sustainability, and is influenced by the continuous changes in market demand and emerging technologies.

B. Network Communication Business

Competitors include Zyxel, Gemtek, Smawave, Robustel, Digi, and other manufacturers.

3. Overview of Technology and R&D

1. Research and development expenses for the most recent two fiscal years

Unit: NTD ONE THOUSAND

Year	Operating revenueNet Amount	Research and development expenses	Percentage %
2024	2,023,935	93,534	4.62%
2025	2,108,555	95,683	4.54%

2. Successfully developed technologies or products in the most recent five fiscal years

2021	■ Launched a more complete product series to meet various CBRS requirements, including the Indoor LTE-A Cat. 4 router MX-241NP with small size and superior performance, as well as the high-speed connectivity Outdoor LTE-A Pro Cat.15/Cat. 18 CBR routers 7000 R28/R26. ■ The launch of the 5G Sub-6GHz Indoor router 8112V adopts the latest 5G module and supports Gigabit Ethernet LAN interfaces as well as Wi-Fi 5 wireless LAN. and launched the 5G Sub-6GHzOutdoor router 8232, which can simultaneously support both LTE and 5G wireless communication technologies (EN-DC) to provide higher-speed Fixed Wireless Broadband (FWB) access functions and meet the network speed requirements of more applications.
2022	■ Launched the BEC MX-200 PL9 Advanced Industrial Router, a high-performance, fast-connectivity industrial-grade router designed to provide reliable and secure connectivity between devices in various M2M/IoT and industrial communication applications, specifically engineered for limited installation spaces. Equipped with two Gigabit Ethernet interfaces with configurable LAN/WAN options, one RS-232 serial interface for serial device connectivity via IP, active GPS, and enterprise-grade features such as advanced security mechanisms, Quality of Service Quality (QoS), SPI firewall, integrated VPN, and automatic failover, enabling unparalleled uptime and network redundancy. It is managed by BECentral®, BEC's cloud-based device management platform, to extend visibility and maximize deployment efficiency. ■ Launched North America's first BEC AirConnect® 8231 Outdoor 5G router to pass FCC Part 96 CBRS and OnGo® certification certification, which can be applied to various Fixed Wireless Access (FWA) markets and provides users with a broadband experience that surpasses competitors by offering extremely high data speeds, lower latency, broader coverage, and greater network capacity. ■ Launched the M600-M12-FA 5G, a 5G NR router featuring M12 and FAKRA connectors tailored for the European In-Vehicle market. The M12 rugged anti-vibration design ensures stable connection to in-vehicle equipment, while the FAKRA connector design for 5G/Wi-Fi/GPS allows field personnel to perform correct installation in any environment. Combined with 5G high bandwidth and low latency characteristics, it enables high-speed transmission of vehicle information. Smart Ignition Sensingpower detection function ensures the smooth operation of the vehicle battery.
2023	■ Launched the MX-220-UT 5G for the industrial/power markets, providing rich interfaces including Ethernet ports, serial ports, and DI, supporting PTP and industrial protocol conversion functions such as DNP3 over Ethernet/Modbus TCP/IEC 61850R-GOOSE, and passing IEC 61850-3/IEEE 1613certification to ensure stable operation in harsh industrial/power environments. ■ MX-250e is a compact industrial 5G router designed for Kiosk and POS equipment networking; its compact and rugged design, featuring dual SIM card redundancy, provides for reliable 5G connectivity requirements. ■ In response to customer network connectivity requirements, industrial-grade unmanaged Ethernet switches, ES 1010G-2SFP/ES 1010GP-2SFP, have been launched, providing 8 Gigabit Ethernet ports (optional PoE) + 2 Gigabit Ethernet/SFP combo ports, DIN rail mounting, wide temperature design of -40°C – 75°C, heavy industrial-grade electromagnetic protection, and a 5-year warranty. To provide for reliable network transmission needs. ■ In response to 5G usage environments with poor indoor reception, the 8355P has been launched, which is a 5G NR IP65 wireless router that can be placed indoors or flexibly installed outdoors, allowing customers to adjust the installation position according to reception conditions and resolving the issue of poor network reception.

2024	■ Launched the M700, a next-generation 5G NR router designed for busses and rail carriages, featuring a hostless design and providing functional interfaces such as 5G NR, Wi-Fi 6, Serial ports, USB ports, and Digital In/Out ports. Satisfy the requirements for high bandwidth, low latency, and diverse specification interfaces. ■ Liquid-cooled energy storage cabinets, all-in-one solar-storage systems, Web EV monitoring platform, DREAM certification
2025	■ BECentral CMS has been upgraded to 2.0, adding many advanced features and gaining adoption by U.S. power plant customers, while the embedded AI assistant feature is currently under development. ■ Provided NB-IoT/LTE-M/RedCap power plant routers, and successfully completed demonstrations with U.S. power plant customers and upstream/downstream vendors at the UBBA Plugfest testing conference in the United States in November. ■ Oilfield companies in the Middle East are testing BEC 5G millimeter wave (mmWave) CPE. ■ Officially launched the Fusio Nex 125 kW/261 kWh all-in-one commercial and industrial energy storage system, and introduced a full range of solar inverters covering micro-scale to 1500V large-scale projects, along with a high-end integrated solar-plus-storage platform. It is expected to launch a smart energy monitoring system combining AI (Artificial Intelligence) scheduling and Data Mining technologies, as well as AC/DC electric vehicle charging piles supporting multiple communication protocols.

4. Long-term and short-term business development plans

1. Short-term development plan

A. Marketing Strategy:

- (1) Standardize and serialize power supply, LED drivers, and products to facilitate the provision of samples in the shortest time to secure orders, and to achieve shipment within the shortest time.
- (2) Launch products integrating 5G/LTE M2M, deepen cooperative relationships with operators, distributors, and system integrators, and develop customers in the In-Vehicle, industrial, and power application markets. Manage existing power plant customers and provide a more diverse range of products to meet their integrated business needs.
- (3) Actively develop large-scale ODM customers.
- (4) Actively develop industry Key Account customers and strategic cooperative manufacturers to accelerate the development of business and brand awareness.
- (5) Organize Expertise seminars and roadshow activities to increase the exposure and Expertise image of agency products, and establish initial design and cooperative relationships with major renewable energy investors or developers.

B. Production Policy:

Introduce price-competitive suppliers and enhance the production line efficiency of power supply and 5G/LTE products.

C. Product Development Direction:

- (1) Conduct development and certification of environmentally friendly and high-performance power supply and LED drivers.
- (2) Seek strategic alliance partners to make power supply products more diverse.
- (3) Research and development of 5G/LTE wireless broadband communication routers for industrial, power, and smart transportation applications.
- (4) With respect to renewable energy products, continue to research and develop integrated products featuring software and hardware integration, combining inverters, Energy Storage System, and intelligent management systems to achieve the role of a comprehensive renewable energy power plant Expertise supply service

provider.

- D. Strengthening Information System Development: The Company has achieved significant results in adopting the ERP system, and has subsequently introduced an electronic signing and approval system, which will further implement the management of various branch locations and logistics support, and capture more timely information. With the establishment of new business models for cybersecurity gateway, an information platform for product upgrades and customer after-sales services will be actively established.
- E. Strengthening Corporate Health: The Company has established relevant internal control and internal audit systems to enhance internal control and the soundness of its financial position, strengthen operational management capabilities, and continue to cultivate and recruit outstanding talents, so as to facilitate the improvement of the Company's operating performance.

2. Long-term Development Plans

The Company focuses on the long-term layout of the global green energy market, with four major operational pillars as the core guiding principles for long-term development:

【Market and Business Expansion】

Actively seek domestic and overseas strategic partners for in-depth alliances or mergers and acquisitions (M&A) to accelerate international business growth. At the same time, the Company flexibly allocates global resources to expand its overseas logistics layout, diversifies risks from a single market, and promotes energy solutions that meet international standards and are highly customized.

【Technical R&D and Innovation】

Adhere to Taiwan as the core R&D base and deeply cultivate autonomous technological capabilities. Target high-potential niche markets, create a moat of differentiated products through the research and development of patents with high technical barriers, and strengthen the foundation for the sustainable development of the enterprise.

【Financial and Profit Optimization】

Adhere to the principle of prudent operations and control risks with a low debt ratio. Pursue "high-quality earnings growth" and do not blindly rush for revenue scale, but instead focus on high-value-added core businesses to ensure dual-axis growth of revenue and Gross profit margin, maximizing shareholders' equity.

[Corporate Governance and Team Building]

Implement internal control and internal audit mechanisms to comprehensively strengthen operational and financial health. At the same time, the Company regards talent as its most important asset, and continues to recruit and cultivate outstanding cross-disciplinary elites to build a high-performance team with international competitiveness.

2. Overview of Market, Production and Sales

1. Market Analysis

1. Sales regions of main products

Unit: NTD ONE THOUSAND

Sales Region \ Year	2024	2025
Domestic SalesOperating revenue	1,730,523	1,667,001
Export sales Operating revenue	293,412	441,554
Americas	240,869	297,221
Asia	37,443	41,459
Europe	14,381	3,719
Oceania	0	99,106
Other regions	719	49
Operating revenueNet Amount	2,023,935	2,108,555

2. Future Market Supply and Demand Conditions and Growth Potential

A. Market Demand Side

(1) Demand for power supply is affected by fluctuations in the electronic equipment market, including personal electronics, industrial applications, communication equipment, etc. Global technological development, the popularization of 5G, and the expansion of the Internet of Things (IoT) may all affect the demand for power supply.

1. Renewable Energy Integration: With the popularization of renewable energy, the application of power supply in integrating solar energy, wind energy, and other areas may become a future growth field.
2. Electric Vehicles and Charging Infrastructure: With the expansion of the electric vehicle market, the demand for charging infrastructure increases, which will drive the growth of power supply.

(2) In terms of 5G broadband products

In response to the gradual popularization of 5G NR network construction, coupled with breakthroughs in mobile broadband technology, multiple regions globally have gradually adopted 5G Routers as the connection network for access and the Internet of Things (IoT), with a high annual growth rate expected.

(3) In terms of renewable energy products

Benefiting from the global net-zero carbon emission trend and the rigid demand of the domestic green power supply chain, the construction of renewable energy sites in Taiwan is currently in a period of rapid expansion, and market momentum remains strong. In response to this trend, the Company will further deepen its core positioning as a "Expertise Energy System Integrator." Looking ahead, as the demand for power grid management and solar-plus-storage applications rises, it is estimated that the market shipment and installation demand for the Company's solar inverters, Energy Storage System, and their integrated solutions will experience exponential and robust growth.

B. Market Supply Side

(1) The market segmentation of power supply is quite distinct, with ODM power accounting for approximately 80%. Under continuous pressure from customers to reduce prices in order to maintain market share, product unit prices and profit margins have been squeezed, and market competition is now based entirely on price/cost. Therefore, the Company has strengthened cooperation with local suppliers in Mainland China to reduce costs.

- (2) The wireless broadband market will remain a scene of intense competition in the coming years; not only are there numerous system operators entering the market, but competition among upstream chip manufacturers and suppliers is also extremely fierce. Therefore, various manufacturers must differentiate their products to increase the added value of the products themselves and avoid vicious price-cutting competition.
3. Competitive niches and favorable and unfavorable factors for development prospects and countermeasures
- A. Favorable factors
- power supply, LED drivers, and renewable energy products:
 - (1) The Company has 50 years of experience in this field and has won long-term cooperative relationships with well-known major manufacturers through excellent Quality and services.
 - (2) Accumulating extensive analog circuit technology, responding rapidly to fully cooperate with customers, and attracting excellent human resources as the company continues to grow.
 - (3) Establish stable supply relationships with major suppliers to ensure effective control over supply sources, stability, and pricing.
 - (4) The inverter and energy storage products distributed by the Company are leading brands among products of the same category on the market and possess considerable competitive advantages.
 - (5) Utilize the Yilan Plant to assemble and produce inverters and charging piles that meet the requirements of the Taiwan market.
 - NetworkICT Products:
 - (1) The Company has established very close strategic partnerships with upstream 5G/LTE and WiFi chip manufacturers and module manufacturers. As the demand for telecommunications broadband construction varies across countries, and Product Development technology covers both software and hardware fields, the Company emphasizes research and development and has been able to master key technologies. Furthermore, the Company can flexibly adjust product strategies in response to the needs of different markets, possessing a strong competitive advantage.
 - (2) With the advancement of Industrial Internet of Things (IIoT) technology, the application market is flourishing, which improves efficiency and productivity through data analysis and utilization, assisting enterprises in enhancing flexibility and competitiveness. Billion has long focused on the industrial M2M and Artificial Intelligence of Things (AIoT) markets, providing high value-added products and services for vertical market to maintain competitive advantages. Billion's solutions assist global customers in rapid deployment within application markets such as power and intelligent transportation.
- B. Adverse factors
- power supply, LED drivers:
 - (1) Expertise R&D talent is difficult to recruit, and high-wattage, high-efficiency technologies are not easy to acquire or cultivate.
 - (2) In terms of sales channels, global marketing capabilities still need to be improved, and the completeness of product lines still needs to be strengthened.
 - (3) Regarding the renewable energy hardware segment, the business currently primarily consists of agency services rather than proprietary products; if a competitive advantage is not secured, there is a possibility of being replaced by the original manufacturer or facing competition from other agents.

- (4) Price competition: power supply Intense price competition exists in the market, and manufacturers may face pressure to reduce prices to remain competitive, which may affect their profitability.
- (5) Environmental regulations: As emphasis on environmental protection increases, stricter environmental regulations may require power supply manufacturers to comply with more stringent standards, increasing production costs.

◆Countermeasures:

- ①Recruit and cultivate R&D talent, and utilize external resources to accelerate R&D capacity.
- ②Continuously develop key accounts and deepen relationships with customers and suppliers.
- ③Strengthen the system integration and sales capabilities for large-scale renewable energy operators, and strengthen Expertise capabilities to avoid competition from other agents.
- ④Increase suppliers to mitigate impact.

■NetworkICT Products:

- (1)Due to the magnet effect of the semiconductor industry and the rise of the AI industry, it is not easy to recruit communication Expertise talent, and the number of graduates from communication departments and institutes produced by domestic colleges and universities each year is limited.

◆Countermeasures:

- ①Strengthen the capabilities of the R&D team, closely monitor industry development trends, obtain advanced technologies through cooperation with domestic corporate research institutions, such as collaborative development or technology transfer with the Industrial Technology Research Institute (ITRI), and strengthen cooperation or joint development with relevant manufacturers.
 - ②Enhance the corporate brand image (e.g., ESG), and establish sound salary and benefit systems within the company to attract high-tech talent to join
- (2) Changes in exchange rates often affect the competitiveness of export quotations and profitability.
- ◆Countermeasures:
- Monitor exchange rate fluctuations at all times, and adopt necessary hedging measures or utilize other financial instruments for hedging in a timely manner.

2. Important uses of major products

1. Important uses of main products

Principal Products	Product Functions and Applications
power supply	(1) Consumer ICT Products, such as TV and mobile phones. (2)Digital home appliances, communication equipment.
LED Drivers	LED light source drivers, such as indoor lights and street lights.
LTE/5G/NTN Router	5G/LTE Router/AIoT Gateway/NTN Gateway required for indoor, outdoor or industrial, power, smart transportation, and smart city applications.
Solar and Energy Storage Power Plants	Integrate solar modules, inverters, and Energy Storage System to enhance power supply stability and usage efficiency
Customized power supply products	Provide power module designs for special sizes, output parameters, and application fields based on customer requirements
Charging piles	Supports AC/DC charging requirements for electric vehicles, featuring network connectivity and monitoring management functions

3. Information on major suppliers and major sales customers for the most recent two fiscal years

1. List of major suppliers

Information on Major Suppliers for the Most Recent Two Fiscal Years

(Unit: NTD ONE THOUSAND)

Items	2024				2025				Current year as of March 31, 2026			
	Name	Total	Percentage of total net purchases for the entire year (%)	with the Issuer Relationship with	Name	Total	Percentage of total net purchases for the entire year (%)	with the Issuer Relationship with	Name	Total	Percentage of Net Purchases for the Current Year up to the End of This Quarter (%)	with the Issuer Relationship with
1	A	255,186	20	None	-	-	-	-				
2	B	291,178	23	None	-	-	-	-				
3	C	-	-	-	C	198,552	24	None				
4	D	-	-	-	D	117,795	14	None				
5	E	-	-	-	E	107,660	13	None				
6	F	-	-	-	F	91,654	11	None				
7	Others	727,349	57	None	Others	313,429	38	None				
	Net purchases	1,273,713	100		Net purchases	829,090	100					

Not applicable (Note 2)

Note 1: List the names of suppliers accounting for more than 10% of the total purchase amount in the most recent two fiscal years, and their purchase amounts and percentages; provided that if the names of the suppliers are not allowed to be disclosed due to contractual agreements, or if the Transaction counterparty is an individual and not a related party, they may be indicated by code.

Note 2: Up to the date of publication of the annual report, if a company whose shares are listed or have been traded at the business premises of a securities firm has the most recent financial data audited or reviewed by a certified public accountant, such data shall also be disclosed.

2. List of major sales customers

Information on Major Sales Customers for the Most Recent Two Fiscal Years

(Unit: NTD ONE THOUSAND)

	2024				2025				Current year as of March 31, 2026			
Items	Name	Total	Percentage of total net sales [%]	Relationship with the Issuer	Name	Total	Percentage of total net sales [%]	Relationship with the Issuer	Name	Total	Percentage of Net Sales for the Current Year up to the End of This Quarter [%]	Relationship with the Issuer
1	A	-	-	-	A	334,890	15.88%	None				
2	B	202,960	10.03	Affiliates	-	-	-	-				
3	C	628,919	31.07	None	C	491,671	23.32%	None				
4	D	207,286	10.24	None	-	-	-	-				
5	Others	984,770	48.66	None	Others	1,281,994	60.80%	None				
	Net sales	2,023,935	100.00	None	Net sales	2,108,555	100.00	None				
Not applicable (Note 2)												

List the names of customers who accounted for more than 10% of the total sales amount in the most recent two fiscal years, along with their sales amounts and percentages; however, if the names of customers are not allowed to be disclosed due to contractual agreements, or if the Transaction counterparty is an individual and not a related party, they may be represented by code names.

Note 2: Up to the date of publication of the annual report, if a company whose shares are listed or have been traded at the business premises of a securities firm has the most recent financial data audited or reviewed by a certified public accountant, such data shall also be disclosed.

3. Information on Employees for the Most Recent Two Years

March 31, 2026

Year		2024	2025	Year-to-date March 31, 2026
Number of employees	Managers	8	5	4
	General Staff	67	61	57
	Production line employees	10	1	0
	Total	85	67	61
Average age		49	44	44
Average years of service		12.7	7.7	8
Distribution Ratio of Educational Attainment	Ph.D.	0	0	0
	Master's degree	10	9	9
	Junior college	59	53	48
	Senior High School	14	5	4
	Senior high school and below	2	0	0

4. Environmental Protection Expenditure Information

- (1) Total amount of losses and penalties incurred due to environmental pollution during the most recent two fiscal years and up to the date of publication of the annual report: None.
- (2) Future response measures and possible expenditures: None.

5. Labor Relations

(1) Employee welfare measures, continuing education, training, retirement systems, and their implementation status:

1. Labor Insurance

- (1) Employees of the Company all participate in labor insurance in accordance with the law.
- (2) Labor insurance premiums include ordinary accident insurance Insurance expense and occupational accident insurance Insurance expense, of which 70% of the premiums payable for ordinary accident insurance Insurance expense shall be borne by the company, 20% by the insured, and 10% by the government; occupational accident insurance Insurance expense shall be borne in full by the company.

2. Group insurance

All regular employees of the Company are insured under term life insurance, hospitalization medical insurance, accidental injury insurance, cancer insurance, and occupational accident insurance, etc., to enhance employee benefits.

3. National Health Insurance

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

4. Year-end bonus

The Company appropriates bonuses with reference to its annual operating conditions,

and issues bonuses prior to the Lunar New Year based on items such as individual work performance, attendance records, and seniority.

5. Employee benefits/welfare Committee

The Company has established the Employee benefits/welfare Committee in accordance with the law, and appropriates welfare funds on a monthly basis, which are centrally managed by the Employee Welfare Committee for relevant activities and holiday bonuses, etc.

6. Education and Training

In order to enhance employees' Expertise capabilities, Quality awareness, environmental protection concepts, and production skills, to enable them to perform their functions within the organizational system, and further achieve the objectives of stimulating employee self-development and cultivating talent, relevant training is planned and executed.

The results of the Company's training and education for 2025 are as follows:

Course Item	Number of classes	Total number of participants	Total hours	Total expenses (NT\$)
Expertise Training	38	52	290	42,300
Management Competency	0	0	0	0
Orientation for New Employees	8	8	8	0
General Training	6	327	13	0
Total	52	387	311	42,300

7. Working Environment and Employee Personal Safety Protection Measures

In view of the importance of the work environment and personal safety protection measures for employees, the Company has achieved significant results and control through the following measures.

Objective	Plan	Implementation Status
Labor Occupational Safety and Health	Conduct relevant training in accordance with the law	1. Assign employees to participate in relevant training courses for first-aid personnel and labor safety and health personnel and obtain relevant certificates. 2. Appoint an occupational safety and health affairs manager in accordance with the law. 3. Arrange internal educational promotion of "Occupational Safety and Health Education and Training" annually.
Employee Safety and Reduction of Health Hazards	Arrangement of regular health examinations	1. Arrange free general health examinations and special health examinations once every year. 2. Each workplace, 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 Safety and Fire Inspection	Conduct public safety and fire inspections and disaster prevention drills on a regular basis to maintain the work environment and the personal safety of employees, and to provide a safe and healthy work environment.
Safety of Hazardous	Leakage prevention measures and	1. Conduct irregular inspections of chemical

Substance Use	provision of personal protective equipment to users	leakage prevention measures and safety protective equipment to confirm they are functioning normally. 2. Protective equipment is provided to operators for hazardous substances used in operations. 3. Arrange internal "Hazard Communication Education and Training" educational promotion annually.
Working Environment and Personal Safety Protection Measures	1. Access Control and Security 2. Disaster Prevention Measures and Response 3. Equipment Maintenance and Inspection	1. Strict access control and surveillance systems are installed for both day and night. Security personnel are stationed at the building entrances and exits during nighttime and holidays to maintain the security of the Company. 2. Establish emergency response task forces and periodically conduct public safety and fire inspections as well as disaster prevention drills. 3. In accordance with the Company's Labor Safety and Health Work Rules, maintenance and inspections are conducted annually for various equipment such as air conditioning, water dispensers, and fire-fighting apparatus. 4. Formulate the [Prevention Plan for Unlawful Infringement during the Performance of Duties] to achieve measures for the prevention of and response to workplace violence. 5. Obtain Safety Data Sheets (SDS) for hazardous substances used in operations and periodically review and update them. 6. Protective equipment shall be provided to personnel for hazardous substances used in operations. 7. Periodically outsource the implementation of environmental monitoring plans and announce the environmental monitoring results.
Compliance with regulatory requirements	Occupational Safety and Health Laws and Related Requirements	Compliance with safety and health laws and regulations and relevant requirements formulated by the government is the most fundamental requirement for the Company's safety and health management, and the Company shall move towards creating a low-risk working environment.

(2) Retirement system and its implementation

1. The Company has allocated retirement reserve funds in accordance with the provisions of Article 56 of the Labor Standards Act.

2. Effective July 1, 2005, the Company has been implemented in accordance with the "Labor Pension Act".
3. All employees of the Company have the right and obligation to comply with the pension system.
4. Standards for the granting of pension:
 - (1) Based on years of service, two bases shall be given for each full year of service; however, for years of service exceeding fifteen years, one base shall be given for each full year of service, subject to a maximum total of forty-five bases. A period of less than six months shall be counted as six months, and a period of six months or more shall be counted as one year.
 - (2) For a worker who is subject to mandatory retirement, if their mental loss or physical disability is caused by the performance of their duties, an additional 20% shall be granted in accordance with the provisions of the preceding subparagraph.
 - (3) The standard for the base units in the preceding paragraph refers to the average wage for the six months prior to the retirement approval.
 - (4) Regarding the contribution operations of the Labor pension New System, which include two parts: voluntary contributions by labor and contributions by the company, the contributed pension are stored in the labor's individual accounts designated by the Bureau of Labor Insurance.
5. Status of labor-management agreements
 The Company belongs to the high-tech industry, with a high-caliber workforce and clear and distinct corporate management. The business management system is sound and effectively implemented. Through various means of communication, a consensus has been gradually established, and the relationship between labor and management is harmonious, with no occurrences of labor disputes.
6. Losses suffered by the Company due to labor disputes during the most recent two fiscal years and up to the date of publication of the prospectus, and the estimated amounts and countermeasures for current and potential future occurrences: None.

(3) Losses suffered by the company due to labor disputes during the most recent two fiscal years and up to the date of publication of the prospectus, the estimated amounts currently and likely to be incurred in the future, and the countermeasures:

The Company maintains harmonious labor relations, and labor disputes are mediated in accordance with mediation procedures. For the most recent fiscal year and up to the date of printing of the annual report, there have been no losses incurred due to labor disputes.

(4) Code of conduct or ethics for employees:

In order to ensure that all employees understand employee conduct, integrity, and ethics, and to strengthen employee cohesion, the Company has specifically formulated relevant measures and regulations for the management and all employees to follow. The relevant measures and codes are summarized as follows:

1. Regulations on Delegated Responsibility and Approval Authority: The Company implements delegated responsibility, with job deputies assigned for each level, and all

departments comply with the regulations on approval authority to ensure the normal operation of the Company's various business activities.

2. Formulation of reward and punishment measures: In addition to the Work Rules, the Company clearly stipulates that rewards are categorized into three types: Commendation, Minor Merit, and Major Merit; and disciplinary actions are categorized into three types: Admonition, Minor Demerit, and Major Demerit.
3. Implementation of Trade Secret Maintenance Measures: To ensure the company's trade secrets and intellectual property rights, employees non-competition, and employees are required to sign a Non-Disclosure and Intellectual Property Rights Assignment Agreement.
4. Employee Annual Performance Appraisal Regulations: To enhance the morale and performance of the Company's employees, identify outstanding talents, and ensure that employee promotions, rewards, and punishments are fair and rationalized.
5. Guidelines for the Prevention of Sexual Harassment in the Workplace: To maintain gender equality in employment and human dignity, the Company strictly prohibits sexual harassment in the workplace and has established rules and employee grievance channels to regulate the conduct of employees in the workplace.
6. Employee Work Rules and Code of Conduct: To clearly define the rights and obligations of both labor and management, establish a sound modernized management system, encourage all employees to work together with one heart, achieve the goal of high manpower utilization, and jointly seek business development, the Company has formulated these Rules with reference to relevant laws and regulations, the main contents of which are as follows:

Chapter 1 Personnel Appointment

Chapter 2 Attendance

Chapter 3 Employee Overtime

Chapter 4 Salaries, Allowances, and Bonuses

Chapter 5 Transfer, Performance Appraisal, Promotion, Rewards and Penalties

Chapter 6 Resignation, Leave of Absence, Severance, Dismissal, and Retirement

Chapter 7 Labor Insurance, Health Insurance, Group Insurance, and Employment Insurance

Chapter 8 Employee benefits/welfare Committee

Chapter 9 Marriage, Funeral, Birthday, Emergency Relief and Assistance

Chapter 10 Occupational Hazard Compensation and Compassionate Payments

Chapter 11 Occupational Safety and Health

Chapter 12 Communication System and Miscellaneous

7. Factory Reward and Punishment Measures and Rules of Conduct for Factory Employees: The factory has separately formulated the "Colleague Work Rules," which are established for the conduct, integrity, and ethical standards of employees within the factory, ensuring that the Company's products Quality and comply with operational standards; regulations shall be observed when entering and exiting the factory area, and general provisions are established to create a good working environment and provide work efficiency to maintain the corporate image and enhance employee quality.
 - (1) Abide by work rules and all laws, regulations, and systems.
 - (2) Obey the assignment, guidance, management, and dispatch of supervisors at all levels, and shall not evade such duties under any pretext.
 - (3) Shall not privately operate any business related to the Company's business, and shall not use the Company's name externally without authorization.
 - (4) Shall not utilize one's official authority or status or information obtained in the course of duties to seek personal gain.

- (5) Company colleagues shall comply with the requirement not to disclose the Company's technical, management, and business secrets.
- (6) Without the consent of the Company, no information of the Company shall be released to the media privately.
- (7) Shall not privately collect or disseminate the Company's confidential information.
- (8) Contraband and flammable items shall not be brought into the Company and production areas.
- (9) Shall not enter restricted areas of the Company marked with warning signs without authorization, or bring relatives, friends, or former employees into the workplace without authorization.
- (10) The salaries of the Company's colleagues shall be treated as highly confidential; no person shall arbitrarily disclose their own salary to others or inquire about the remuneration of other colleagues.
- (11) Shall not engage in gambling, drug use, smoking, chewing betel nuts, or any acts against public morals at the workplace.
- (12) Shall not consume alcoholic beverages during working hours.
- (13) Public property shall be cherished and must not be wasted, damaged, exchanged, or used for private purposes.
- (14) Maintain a neat appearance, wear work uniforms, and display company identification cards.

To regulate matters to be observed by all employees, ensure that the Company's products Quality and comply with operational standards, and provide work efficiency so as to maintain the corporate image and enhance the quality of employees, these general provisions are established. Training on the aforementioned measures and regulations is provided to new employees upon reporting for duty, and the latest versions are posted on the factory bulletin boards at any time for employee reference.

8. Personal Data Protection Management Measures: To implement the protection and management of personal data, strictly comply with the provisions of the Personal Data Protection Act, and regulate the collection, processing, or utilization of personal data, the principles of appropriateness, necessity, and minimization shall be followed; the purpose and scope of collection shall be clearly informed to the party, and the rights and interests of the party shall be respected, so as to avoid infringement of personality rights and promote the reasonable utilization of personal data.

(5) Protective measures for the work environment and the personal safety of employees:

The Company has established a "Labor Safety and Health Management Unit" in accordance with the Labor Safety and Health Act, appointed labor safety and health business management personnel, and formulated the "Labor Safety and Health Management Guidelines." A summary of the main contents regarding the protection of the work environment in the plant area and the personal safety of employees is as follows:

1. Working Environment Regulations and Measures

- (1) Personnel shall at all times attend to their own physical and mental health adjustments and develop good hygiene habits.
- (2) The workplace shall be organized and tidied in a timely manner, and shall be kept neat and clean at all times.
- (3) Smoking, chewing betel nut, and consuming alcoholic beverages are strictly prohibited during work within the plant.
- (4) Smoking shall be conducted within designated smoking rooms, and cigarette butts shall not be discarded at will.
- (5) Relevant protective equipment shall be used correctly when disposing of hazardous substances.

- (6) Hazardous substances shall be accurately labeled and must not be arbitrarily damaged.
- (7) Drinking water equipment that complies with drinking water standards shall be installed at appropriate locations within the workplace, and shall be cleaned regularly and undergo water quality testing.
- (8) Conduct disinfection work for the entire plant area annually.
- (9) Toilets shall maintain good ventilation and be cleaned and disinfected.
- (10) All employees must maintain the 6S environmental cleanliness and hygiene of the plant area and cultivate good habits.
- (11) Shall not spit or urinate/defecate in public, shall not discard cigarette butts indiscriminately, and shall not litter.

2. Protection of Personal Safety of Employees

- (1) All work shall be performed and inspected in compliance with relevant safety standards, operating procedures, and work procedure safety checklists.
- (2) For temporary or non-routine operations where no such safety standards are available to follow, one must not proceed rashly; existing safety operation standards shall be utilized and, after consultation and discussion with the person in charge of the work, the safety steps and methods to be adopted shall be determined.
- (3) Personnel engaged in high-altitude operations at a height of two meters or more, or operations involving falling or flying objects, as well as inspection and supervisory personnel, shall strictly wear safety helmets and properly fasten the chin straps.
- (4) When performing operations on pipes, towers, or racks at a height of two meters or more above the ground where no platforms or guardrails are provided, or at the edges and openings of workplaces, safety belts and auxiliary ropes or safety ropes shall be used correctly.
- (5) When performing partial power outage operations on substation equipment or within the plant area, the scope of such power outage operations shall be enclosed and isolated with iron mesh or construction warning tape, etc., and signs stating "Power Outage Operation" or "Danger: High Voltage" shall be hung respectively for warning purposes. Upon completion of the operations, removal shall only be permitted after first confirming that the employees engaged in the operations have departed and that there is no risk of electric shock.
- (6) Personal protective equipment shall be worn in accordance with the regulations of each station during work; if any unsafe conditions, equipment, or operating methods are discovered, they shall be reported immediately.
- (7) Horseplay, joking, or other unsafe behaviors are prohibited during work.
- (8) The use of machinery and equipment shall not exceed the maximum operating load.

6. Information Security Management

- (1) Describe the information security risk management framework, information security policies, specific management plans, and resources invested in information security management, etc.:

The "Information Security Committee" was established on March 23, 2023, with General Manager serving as the convener, responsible for implementing the effective operation and continuous improvement of the information security management system. The Information Security Committee comprises General Manager, a dedicated information security officer, and two dedicated information security personnel, responsible for formulating internal information security policies, planning and executing information security operations, and promoting and implementing information security policies, and regularly reporting the

company's information security governance status to the Sustainability Committee and the Board of Directors.

●Information Security Organizational Structure:

The organizational structure and functions of the Company's "Information Security Committee" are as follows:

1. Information and Communication Security Working Group: Responsible for planning and executing various information and communication security operations.
2. Internal Audit Group: Responsible for evaluating the implementation status of the information and communication security management system.
3. Emergency Response and Incident Notification Team: Responsible for technical support in the prevention of, response to, and recovery from information and communication security incidents.

The Company periodically performs information security risk management, identifies and analyzes information security risks, and evaluates their levels in accordance with the information security risk control procedures. If a risk exceeds the acceptable risk value, appropriate control measures are selected, and necessary risk treatment and improvement measures are implemented to reduce potential risks. Furthermore, the PDCA (Plan-Do-Check-Act) management cycle is followed to ensure the achievement of information security objectives, thereby promoting continuous improvement in information security.

Plan—Information Security Risk Management 1. Information security risk assessment 2. Information Security Risk Management and Formulation of Countermeasures 3. Compliance with international information security standards (ISO 27001)	Do - Multi-layered Cybersecurity Protection 1. Information Asset Management 2. Access Control 3. Physical and Environmental Security Management 4. Cyber Security Management 5. Cloud Service Security Management 6. Change and Configuration Management 7. Information and Communication Security Incident Management
Check - Monitor the effectiveness of information security management 1. Continuous Monitoring of Information and Communication Security 2. Quantification of Information and Communication Security Indicators 3. Information and Communication Security Vulnerability Scanning 4. Internal Audit of Information and Communication Security 5. Passed international information security audits certification	Act-Review and Continuous Improvement 1. Review and Improvement of Information and Communication Security Measures 2. Information and Communication Security Education, Training, and Awareness

●Information Security Policy

The Company established an information security management system in 2023 and constructed four-level information security management documents to serve as the basis for the Company's current information security management operations. The Company has also obtained ISO/IEC 27001:2022 Information Security Management System certification to strengthen information security protection and implement information security risk assessment and management operations, ensuring the confidentiality, integrity, and availability of the Company's information assets, complying with the requirements of relevant laws and regulations, and protecting the privacy of user data to safeguard it from internal or external intentional or accidental threats.

●Resources Invested in Information Security Management

1. Information security case sharing and information security awareness enhancement promotion: 20 information security promotion sessions.
2. Software Inventory: Once every six months, to ensure the legal use of authorized software and to prevent malicious software.
3. Endpoint Protection: Servers and endpoint computers shall have MDR (Managed Detection and Response) installed; the cloud management platform shall be inspected weekly, and actions shall be taken against anomalies.
4. DR Drill: Conduct off-site backup data recovery testing at least once a year, and core system disaster recovery drills once a year.
5. Host Vulnerability Scanning: Host vulnerability scanning shall be conducted twice a year, and information security vulnerabilities shall be patched.
6. Important information security-related meetings: 1 Management Review Committee meeting.
7. Total number of information security personnel: 2 (1 x Chief Information Security Officer, 1 x dedicated information security personnel)

●Information Security Incident Notification Procedures

Upon the occurrence of a suspected information and communication security incident, the personnel of the unit responsible for the information asset who discovered the incident shall report it to their immediate supervisor based on the classification of the incident, and shall provide a carbon copy to the Emergency Response and Incident Reporting Team for technical support and assistance in handling. Upon determination of a cyber security incident, a decision shall be made based on the severity level as to whether to report to the competent government authority, and the business continuity plan and post-incident recovery, tracking, forensics, and investigation shall be initiated.

●Implementation Results of Information and Communication Security Measures

- 1.Information security certification : On June 20 and 21, 2023, an external audit by SGS confirmed compliance with the requirements of the ISO/IEC 27001:2022 Information Security Management System. A valid certificate was obtained on August 29, 2023, with a certificate validity period from August 29, 2023, to August 29, 2026. Passed the ISO/IEC 27001:2022 management system periodic surveillance audit on June 18, 2025.

●Implementation Status for 2025

- May 23, 2025 Internal servers completed vulnerability scanning.
- June 06, 2025 The entire Group completed the implementation of MDR (Managed Detection and Response).
- June 16, 2025–July 02, 2025 Conduct the initial test of the group-wide social engineering drill.
- June 18, 2025 SGS conducted a periodic surveillance audit of the ISO 27001 management system, which complied with the management system requirements with no

major non-conformities.

July 08, 2025–July 09, 2025 CompleteBillion ERP and BPM system disaster recovery drills.

August 13, 2025 Completed the annual information security education and training for the entire group, totaling 3 hours per person.

September 01, 2025–September 17, 2025 Conduct group-wide social engineering drill re-testing.

A total of 20 cybersecurity case sharing and cybersecurity awareness enhancement sessions shall be completed in 2025.

There were no material cybersecurity incidents affecting business operations in 2025.

- (2) Losses suffered due to material cyber security incidents, potential impacts, and response measures during the most recent fiscal year and up to the date of publication of the annual report; if such losses cannot be reasonably estimated, an explanation of the fact that they cannot be reasonably estimated shall be provided: None.

7. Material Contracts: None.

V. Review and Analysis of Financial Condition and Operating Results and Risk Matters

. Financial Condition

(1) Comparative Analysis Table of Financial Condition

Unit: NTD ONE THOUSAND

Year Item s	2025	2024	Increase (decrease) amount		Analysis of Changes (Note 2)
			Total	%	
Current assets	1,380,804	2,323,774	(942,970)	(40.58)	Note 3
Funds and long-term investments	65,252	90,332	(25,080)	(27.76)	Note 4
Property, plant and equipment	680,170	835,455	(155,285)	(18.59)	Note 5
Intangible assets	6,041	53,038	(46,997)	(88.61)	Note 6
Other assets	715,256	578,701	136,555	23.60	Note 7
Total assets	2,847,523	3,881,300	(1,033,777)	(26.63)	
Current liabilities	457,796	1,295,268	(837,472)	(64.66)	Note 8
Non-current liabilities	95,009	106,598	(11,589)	(10.87)	
Total liabilities	552,805	1,401,866	(849,061)	(60.57)	
Share capital	1,301,184	1,160,041	141,143	12.17	
Capital surplus	704,643	692,146	12,497	1.81	
Retained earnings	202,322	313,760	(111,438)	(35.52)	Note 9
Exchange differences on translation of financial statements of foreign operations	(142)	5,240	(5,382)	(102.71)	
Gains from investments in equity instruments measured at fair value through other comprehensive income(Loss)	(38,743)	(34,616)	(4,127)	11.92	
Treasury shares	(24,677)	(25,057)	380	(1.52)	
Non-controlling interests	150,131	367,920	(217,789)	(59.19)	Note 10
Total equity	2,294,718	2,479,434	(184,716)	(7.45)	

The explanation is as follows:

(Note 1): The data for these two years are consolidated financial data adopting International Financial Reporting Standards (IFRS), and have been audited and certified by CPAs.

(Note 2): Where the period-over-period change in any of the aforementioned items reaches 20% or more and the amount of such change reaches NT\$10,000,000 or more.

(Note 3): Current assets decreased, primarily due to the repayment of Bank loan, payment of dividends, and the reclassification of contract fulfillment costs from current to non-current items based on liquidity.

(Note 4): The decrease in funds and long-term investments was primarily due to the disposal of equity interests in investee companies.

(Note 5): Property, plant and equipment decreased, primarily due to the leasing of self-owned real estate to external parties, resulting in the reclassification of its carrying amount to investment property.

(Note 6): Intangible assets decreased, primarily due to the acquisition of the subsidiary, Sunray Science & Technology Co., Ltd.; based on periodic impairment testing, its value in use was lower than its carrying amount, resulting in the recognition of Impairment loss.

(Note 7): Increase in other assets, primarily due to the leasing of self-owned real estate to external parties, resulting in the reclassification of the carrying amount of such real estate to investment property.

(Note 8): Current liabilities decreased, primarily due to the repayment of Bank loan.

(Note 9): Retained earnings decreased, primarily due to Net loss for the period.

(Note 10): Non-controlling interests decreased, primarily due to the issuance of new shares to acquire the equity of Non-controlling interests.

2. Operating Results

(1) Comparative Analysis Table of Financial Performance

Unit: NTD ONE THOUSAND

Items \ Year	2025	2024	Increase (decrease) amount	Percentage Change %
Operating revenueNet Amount	2,108,555	2,023,935	84,620	4.18
Operating costs	1,745,867	1,609,740	136,127	8.46
Gross profit from operations	362,688	414,195	(51,507)	(12.44)
Operating expenses	430,595	433,870	(3,275)	(0.75)
Operating loss	(67,907)	(19,675)	(48,232)	245.14
Non-operating income and expenses	(75,874)	64,328	(140,202)	(217.95)
Continuing operationsProfit before tax	(143,781)	44,653	(188,434)	(422.00)
Tax expense	(2,556)	(27,745)	25,189	(90.79)
Net income from continuing operations	(146,337)	16,908	(163,245)	(965.49)
The analysis of changes in increase/decrease ratios is explained as follows: Explanation: Note 1. The 2025 Operating revenue and costs increased compared to 2024, primarily due to the continuous growth of the energy storage business; the slight decline in gross profit was due to the recognition of losses on slow-moving inventory. Note 2. The net amount for 2025 Non-operating income and expenses decreased compared to 2024, primarily due to the recognition of Goodwill, Intangible assets, and equipment Impairment loss.				

(2) Gross profit from operations Analysis of Changes

	Increase (decrease) from the previous period	Reasons for discrepancy			
		Selling price varianc e	Cost price varianc e	Sales Mix Varianc e	Quantity varianc e
Gross profit from operations	(51,507)		V		
Explanation:	It was due to the recognition of losses on slow-moving inventories and price declines related to renewable energy for the year 2025.				

Note: If an issuer operates in multiple industries, it shall analyze the reasons for changes in Gross profit from operations for each industry by industry category.

3. Cash Flows

(1) Liquidity analysis for the most recent two fiscal years

Items \ Year	2025	2024	Increase (decrease) percentage
Cash flow ratio	60.60%	0.96%	59.64%
Cash Flow Adequacy Ratio	52.54%	11.91%	40.63%
Cash Reinvestment Ratio	10.00%	-0.80%	10.80%
Analysis of changes in increase/decrease ratios:			
1. The cash flow ratio for 2025 increased compared to 2024, primarily due to cash inflows from operating activities and a significant decrease in the balance of Short-term borrowings.			
2. The cash flow adequacy ratio for 2025 increased compared to 2024, primarily due to the increase in the total cash flows from operating activities for the most recent five fiscal years compared to 2024.			
3. The cash reinvestment ratio for 2025 increased compared to 2024, primarily due to dividend expenditures exceeding operating cash flows in the previous year.			

(2) Cash flow analysis for the coming year

Unit: NTD ONE THOUSAND

Beginning cash balance	Net cash flows from operating activities for the year	Full-year cash outflows	Cash surplus (deficit) amount	Remedial measures for cash deficit	
				Investment Plan	Wealth Management Plan
540,932	106,183	30,000	677,115	-	-
Analysis of changes in cash flows for the current year:					
(1) Operating activities: Estimated cash inflows generated from operating activities.					
(2) Investing activities: Expected investment in optoelectronics and energy storage sites.					
(3) Financing activities: Expected energy storage sites toward Bank loan.					

4. Impact of major capital expenditures on financial and business conditions in the most recent year:

- Utilization of major capital expenditures and sources of funds: None.
- Expected potential gains
 - Estimated increase in production and sales volume, value, and gross profit: Not applicable.
 - Description of other benefits: Not applicable.

5. Investment policy for the most recent year, main reasons for profits or losses and improvement plans, and investment plans for the coming year

Invested companies	Recognized profit (loss) for 2025	Main reasons for profit or loss	Improvement Plan	Other future investment plans
BEC Technologies Inc.	(24,248)	The loss was primarily due to the recognition of provisions for inventory obsolescence in accordance with policies.	-	None
BEC International, LLC	(666)	The loss was primarily due to the payment of real estate taxes	-	None
Avantek Systems PTE. LTD	(918)	Mainly due to losses resulting from insufficient revenue	-	None
Billion Watts Technologies Co., Ltd.	13,035	Solar power plant equipment distribution and O&M services, as well as energy storage construction and O&M businesses, have all consistently contributed to profits.	-	None
Billion EVCVGwatt Energy Corp.	2,023	Distribution of solar power plant equipment stably contributes to profits	-	None
Billion EV Charging Technologies Co., Ltd.	(118)	Dissolved in 2025 and currently undergoing liquidation	-	None
Billion Energy Storage Technologies Inc.	(58,048)	Mainly due to the decrease in bidding amounts and the decline in revenue, as well as the energy storage plant equipment Impairment loss, resulting in a loss for the current period.	-	None
Sheng Kai green energy Co., Ltd.	1,956	Mainly due to the completion of rooftop solar power plant projects, resulting in profit for the current period	-	None
Billion Electric Holding Co., Ltd.	(108)	Mainly because the investee companies are all in the development stage and have not yet made any profit contribution	-	None
Billion Electric Japan Co., Ltd.	(5,504)	Mainly due to the lack of stable revenue, a loss was still incurred for the current year		None

Sheng Rui Technology Co., Ltd.	(31,915)	Primarily due to insufficient revenue scale and Operating expenses remaining high, a loss was still incurred for the current year.		None
Billion Power System Technologies Inc.	2,208	Dissolved and liquidation completed in December 2025	-	None
Billion Sun Energy Storage Technologies Inc.	(13)	Sold in April 2025	-	None
Billion Watts Australia Pty Ltd.	2,839	The profit for the current period was primarily attributable to the contribution of income from the development rights of the Australian project.	-	None
Billion Energy Co., Ltd.	(207)	Newly established and has not yet generated stable revenue; therefore, it remains in a loss position for the current year	-	None

6. Risk Management and Assessment:

(1) The Company's organizational structure for risk management:

1.Board of Directors:

As the highest unit of the Company's risk management, it shall, in accordance with the overall business strategy and operating environment, aim to comply with laws and regulations and to promote and implement the Company's overall risk management, clearly understand the risks faced by the Company's operations, ensure the effectiveness of risk management, and bear the ultimate responsibility for risk management.

2.General Manager Office:

Responsible for planning and directing the execution of the Board of Directors' risk management decisions, and coordinating cross-departmental risk management interaction and communication to mitigate strategic risks.

3.Each functional unit:

Responsible for analyzing, managing, and monitoring relevant risks within the respective unit to ensure that risk control mechanisms and procedures can be effectively implemented.

4.Internal Audit:

As an independent unit reporting to the Board of Directors, it assists the Board of Directors in supervising the implementation of risk management mechanisms, audits the execution of risk response and control by various functional units, and provides recommendations for improvement in risk monitoring.

(2) Impact of interest rate and exchange rate fluctuations and inflation on the Company's profit or loss and future response measures

Items	2025		2024	
	Total	Percentage of operating revenue Revenue Breakdown	Total	Percentage of operating revenue Revenue Breakdown
Interest revenue	20,351	0.97%	35,773	1.77%
Interest expense	5,100	0.24%	12,673	0.63%
Exchange gain (loss)	(31,218)	-%	51,065	2.52%

Source: Audited and certified by CPAs for the years 2025 and 2024

- (1) Interest rate fluctuation s: The interest expense of the Company and its subsidiaries for the year 2025 accounts for 0.24% of Operating revenue, which is a very low ratio and has no material impact on the Company's profit or loss. When the Company and its subsidiaries require funds to expand their scale of operations due to future business growth, they will, based on the overall financial environment and internal capital levels, and with reference to market information and interest rate trends, maintain good relationships with financial institutions to obtain favorable financing costs for the purpose of steady and conservative management.
- (2) Exchange rate fluctuation s: The Company and its subsidiaries have been affected by factors such as changes in the overall international market environment and U.S. tariff policies in 2025, leading to a weakening of the U.S. dollar exchange rate, which resulted in unrealized Net loss on foreign currency exchange from the valuation of foreign currency assets and liabilities. To avoid the risk of exchange rate fluctuations, the Company and its subsidiaries intend to respond with the following measures:
- A. Certain contracts are sold in US dollars, and the related purchases are settled in US dollars, utilizing a natural hedging approach to mitigate the risk of exchange rate fluctuations for these accounts receivable and Accounts payable.
 - B. Export quotations consider exchange rate fluctuations and timely reflect costs to adjust selling prices.
 - C. The finance department maintains close contact with correspondent banks on a daily basis and collects relevant information to serve as a basis for reference for future interest rate and exchange rate trends, and performs foreign currency settlements or adjusts holding positions in a timely manner to reduce foreign currency asset exposure and exchange rate risk.
- (3) Inflation: The Company and its subsidiaries monitor market price fluctuations of major raw materials at all times. Quotations to customers and from suppliers are adjusted based on market mechanisms as reference prices. In the future, the Company will maintain good interactive relationships with customers and suppliers. If purchase and sales prices can be adjusted in accordance with market fluctuations in the future, it should be possible to avoid material impacts on the Company arising from inflation.

(3) Policies on high-risk, high-leverage investments, loans to others, endorsements and guarantees, and derivative transactions in the most recent year, the main reasons

for profits or losses, and future response measures

1. The Company and its subsidiaries have not engaged in high-risk or high-leverage investments.
2. The Company and its subsidiaries engage in the lending of funds to others and the provision of endorsements and guarantees in accordance with the Procedures for Lending of Funds to Others, the Procedures for Endorsement and Guarantee, the Procedures for Acquisition or Disposal of Assets of the Company and its subsidiaries, and the relevant regulations of the competent authorities. Such activities are audited and announced periodically in accordance with regulations, and the executing units also follow relevant management measures for internal review and monitoring; therefore, no operational risks will be incurred.

(4) Future R&D plans and estimated R&D expenses to be invested: Please refer to the Technology and R&D Overview under the Operational Highlights section of this annual report.

(5) Impact of changes in important domestic and foreign policies and laws on the company's finances and business, and response measures

The Company and its subsidiaries, in addition to following relevant domestic and foreign laws and regulations in their daily operations, constantly monitor domestic and foreign policy development trends and changes in laws and regulations to fully grasp changes in the market environment and proactively propose response measures in a timely manner. As of the date of publication of this Prospectus, there have been no material circumstances affecting the financial or business operations of the Company and its subsidiaries due to significant domestic or foreign policy and legal changes.

(6) The impact of technological changes (including information security risks) and industrial changes on the company's finances and business, and response measures:

1. The products developed and produced by the Company are network communication devices and energy-related equipment and sites. Vulnerability scanning and penetration testing are completed prior to market launch and sale. The central control platform for energy sites is hosted in a cloud data center to ensure 99.99% availability and has completed relevant certifications for information security requirements;
2. In terms of information security risk control, the Information Security Working Group under the Information Security Committee is responsible for planning and executing various information security operations. The Audit Office has established relevant internal control procedures for management and conducts regular internal audits, reporting 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. Firewalls and SD-WAN have been established at each office location by outsourced vendors, and 24-hour SOC (Security Operations Center) maintenance, monitoring, and defense are conducted to block external network attacks.
- b. Fully implement MDR (Managed Detection and Response) services to protect servers and endpoint information equipment from cyberattacks.
- c. Periodically conduct information security promotion, education and training, and social engineering drills to enhance employees' information security

awareness. Vulnerability scans and penetration tests are performed on an irregular basis for information equipment of critical business processes to eliminate potential information security vulnerabilities.

(2) Information system business continuity

In addition to establishing an off-site backup center, cloud backup operations have been added, and disaster recovery plan drills are executed periodically to ensure the continuous operation of information systems.

(7) Impact of changes in corporate image on corporate crisis management and responsive measures

The Company is a Expertise manufacturing company of power supply products and broadband CPE devices , and the Company has focused on its core business operations since its inception, with good operating results and reputation; as there have been no adverse reports in the market regarding the Company's corporate image, there is no issue of change in corporate image.

(8) Expected benefits and possible risks of the merger or acquisition:

The Company and its subsidiaries currently have no plans to merge with or acquire other companies.

(9) Expected benefits and potential risks of plant expansion: None.

(10) Risks associated with concentration of purchases or sales:

1. Risk of concentration of purchases:

The Company and its subsidiaries actively develop other suppliers to reduce raw material procurement costs and to avoid the occurrence of supply shortages or interruptions.

2. Risk of concentration of sales:

The Company and its subsidiaries actively expand their customer base to reduce the risk of customer concentration; however, energy storage-related businesses are undertaken and constructed on a project basis, and their service targets differ from the stable customer base of the general manufacturing industry. Furthermore, construction periods are stipulated in the contracts. When engineering projects with higher Total price are completed, there will be a phenomenon where Engineering service revenue for that period is more concentrated on certain customers, which is indeed an industry characteristic. The energy storage business will continue to develop business opportunities; therefore, although there is a situation of sales concentration, there is no significant risk of sales concentration.

(11) Impact on and risks to the company arising from the massive transfer or change of equity interests held by directors or major shareholders with a shareholding exceeding ten percent: Not applicable.

(12) Impact on and risks to the company arising from any change in governance: None.

(13) Litigious or non-litigious matters:

1. In June 2018, the Company appointed attorneys to file for arbitration regarding the default by Potevio Co., Ltd. and Potevio International Trading Co., Ltd. for their long-delayed payment of accounts receivable to the Company totaling

Payment on behalf of others USD 4,459 thousand. In December 2025, a notice was received from the South China International Economic and Trade Arbitration Commission stating that the deadline for the arbitral award will be extended to March 31, 2026.

2. On October 17, 2024, a letter was received from the Commercial Court of the Intellectual Property and Commercial Court. Regarding the case in which the former Chairman Tim Chen was indicted for suspected violation of the Securities and Exchange Act for financial statement misrepresentation, and a petition was filed for a court judgment to dismiss them from the position of director, retained counsel has submitted a defense, and the case is currently under trial at the Intellectual Property and Commercial Court.

(14) Other material risks:

Management of Intellectual Property Rights and Risk Response Measures:

(1) Intellectual Property Management Policy and Objectives

To protect research and development results and reduce operational risks, the Company complies with intellectual property-related laws and regulations and has established an intellectual property management plan to strengthen competitive advantages and enhance technical research and development Quality. At the same time, this serves as the decision-making and implementation guidelines for internal handling of intellectual property-related matters. Through a method of continuous improvement year by year, it is expected that in the future, this may be cited to enable the Company to profit from intellectual property commercialization strategies or plan business development, and attract external investment to enhance brand value.

(2) Intellectual Property Management Plan

A. Common Management and Maintenance Measures

(A) Explicit agreements are made through contracts with employees, contractors, mandataries, relevant cooperating parties, and their personnel to ensure that the Copyright, Trademarks, Patents, and other related intellectual property rights of creations, designs, research and development, inventions, technologies, drawings, and markings completed using the Company's resources or commissioned by the Company shall all belong to the Company, be jointly owned by the Company and the cooperating parties, or the Company shall enjoy a permanent right of use.

(B) Regularly conduct education and training as well as relevant post-class tests on intellectual property-related laws and regulations and the Company's relevant internal specifications, and encourage participation in external seminars, so as to ensure that employees are aware of and comply with relevant legal provisions and company specifications, enhance the basic knowledge and protection awareness of intellectual property rights of all personnel, respect the intellectual property rights of others, and prevent the occurrence of infringements of others' intellectual property rights.

B. Patent and Trademark Management Measures

(A) Assign dedicated personnel to formulate a trademark list and periodically review, maintain, and manage the same, in order to evaluate the value of

continued existence and necessity of Trademarks, so as to promptly carry out Trademarks renewals.

- (B) The Company conducts close technical exchanges with academia through industry-university cooperation to inject new energy into the products launched by the Company, so as to enhance technical Quality and promote the generation of patentable new products, new technologies, and new processes and methods.
- (C) Assign dedicated personnel to periodically inventory the patent list and collaborate with technical team members to review patent content and implementation effectiveness, in order to evaluate the continued value and commercialization potential of patents, maintain existing Patents or waive maintenance to pursue patent applications for improved or updated technologies, and conduct searches prior to application to avoid rejection of the application cases.
- (D) The Company has established the "Intellectual Property Incentive Measures" to encourage employees' creative thinking and research, development, and design proposals, thereby promoting an increase in patent applications and enhancing the Company's patent volume.
- (E) To strengthen competitiveness, the Company regularly organizes internal education and training and encourages personnel to participate in external intellectual property-related seminars to enhance the basic knowledge of intellectual property among all personnel, thereby improving patent technology Quality.

C. Trade Secret Measures

Employees shall complete trade secret protection courses and tests to understand the scope of their confidentiality obligations and the liabilities to be borne in the event of a breach of confidentiality obligations or trade secret protection; upon resignation, employees shall be informed of their responsibility to continue to comply with confidentiality obligations and trade secret protection, and shall sign relevant statements promising compliance.

(3) Specific Implementation Status of Intellectual Property Management for 2025

A. Education, training, and promotion to enhance the basic knowledge of intellectual property among all personnel:

- (A) Legal personnel participate in external intellectual property-related courses.
- (B) Internal intellectual property education and training programs for all employees and the promotion of trade secret protection concepts
 - ✓ The Company arranged the "2025 Group Information Security Education and Training" courses for Billion Group employees and conducted an online test for all employees to complete, in order to strengthen the information security protection concepts of all employees.
 - ✓ The Company conducts information security awareness training for all Billion Group employees via email on an irregular basis, sharing case studies of information security issues and reminding employees to remain vigilant to avoid falling victim to fraud and creating information security risks. A total of 17 awareness sessions were conducted this year.

- ✓ In March and April of this year, the Company issued emails to all colleagues of Billion Group to reiterate the corporate information security policy, requesting colleagues to transmit corporate information and documents via email and that they shall not use communication software such as Line for transmission, so as to implement trade secret protection regulations; there were a total of 2 such advocacy sessions this year.
- ✓ In December of this year, the Company arranged an online educational course titled "Understanding Trade Secrets and Confidentiality Obligations" for Billion Group employees and conducted an online test for all employees to complete, in order to strengthen the understanding of trade secrets and the concept of confidentiality among all employees.

B. Completed the current patent and trademark inventory and list update for the current year for Billion Group; the current status of the Group's patents and Trademarks is as follows:

(A) New Applications (as of December 10, 2025): None.

(B) Certified and maintained (as of December 10, 2025):

	Patents	Trademarks
Taiwan	1 invention patent, 6 utility model patents	11 cases
Foreign	Invention: 0; Utility Model: 4	8 cases
Total	1 invention patent, 10 utility model patents	19 cases

Note: In 2024, 1 new trademark application was filed for Billion—"Mobile phone applications, battery chargers, charging piles, electrical control devices for energy management, charging station devices for electric vehicles, downloadable applications for chargers, inverters, energy storage devices, transformers, power supply, voltage regulators, AC/DC voltage converters, uninterruptible power supplies" for Class 009, and approval was obtained in June 2025; therefore, the number of domestic certified trademarks increased by 1.

C. Conduct the following industry-academic collaborations and government projects to increase research and development momentum:

- (A) The Group's subsidiary Billion Watts Technologies Co., Ltd. entered into a cooperation agreement with the Industrial Technology Research Institute to conduct exchange and cooperation regarding the introduction and verification technologies of compound semiconductor components in the application fields of optical charging and storage.
- (B) The Group's subsidiary Billion Watts Technologies Co., Ltd. participated in the tender for the Ministry of Economic Affairs Energy Administration's Energy Technology Development Program for Industry.
- (C) The Company continues to execute the industry-academic cooperative research project with National Ilan University.
- (D) The Company continues to execute the Industry-Academic Cooperation Agreement with National Taiwan University of Science and Technology.

D. Implementation of protection and confidentiality measures for trade secrets and information security:

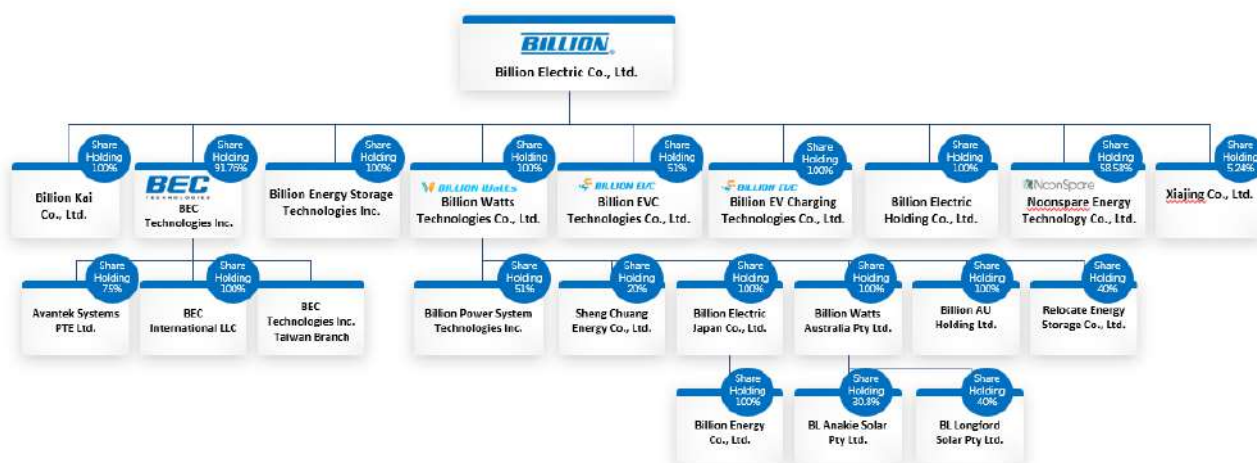
- (A) In accordance with ISO 27001, the "Access Control and Password Control Procedures" were formulated to regulate the creation of information system accounts and the appropriate control of data access for the Company; during the current year, an inventory of used accounts was completed, and unnecessary accounts were deleted or closed.
- (B) When negotiating various business collaborations, all employees shall sign a confidentiality agreement before disclosing the Group's confidential information, and ensure the inclusion of confidentiality clauses in agreements signed during the current year to strengthen the confidentiality obligations and responsibilities of all parties to the agreements.
- (C) In the relevant contracts for software use, licensing, technical development, and cooperation and creative services for the current year, intellectual property clauses have been stipulated to agree upon the ownership of intellectual property rights, warranties of non-infringement of third-party rights, and the responsible parties and compensation liabilities for handling disputes arising from derivative rights, so as to implement the principles of protecting one's own intellectual property rights and respecting the intellectual property rights of others.

7. Other important matters: None.

VI. Special Disclosure Items

I. Information Related to Affiliates

(1) Organizational Chart of Affiliated Enterprises (Division of Business Operations)



(2) Basic information of affiliated enterprises

(Unit: NT\$ thousands)

Name of Enterprise	Date of Incorporation	Address	Paid-in capital	Major Business Activities or Production Items
BEC Technologies Inc.	December 9, 2004	MATRIX DR STE 200 RICHARDSON, TX 75082-2760	USD 2,500	Sales of communication-related products
Billion Watts Technologies Co., Ltd.	January 18, 2017	8F.-1, No. 190, Sec. 2, Zhongxing Rd., Xindian Dist., New Taipei City	NTD 184,575	Provision of solar energy and energy storage solution services, power plant operation and maintenance management services, and other businesses
Billion Energy Storage Technologies Inc.	July 9, 2021	8F., No. 192, Sec. 2, Zhongxing Rd., Xindian Dist., New Taipei City	NTD 76,861	Energy storage sales business
Billion EVCWatt Energy Co., Ltd.	June 27, 2019	10F., No. 200, Sec. 2, Gaotie S. Rd., Zhongli Dist., Taoyuan City	NTD 36,025	Distribution services for solar power plant equipment and charging piles
Billion EV Charging Technologies Co., Ltd.	March 14, 2023	8F., No. 192, Sec. 2, Zhongxing Rd., Xindian Dist., New Taipei City	NTD 17,257	Community-based charging and energy storage supply services and other businesses
Billion Electric Holding Co., Ltd.	February 13, 2023	8F., No. 192, Sec. 2, Zhongxing Rd., Xindian Dist., New Taipei City	NTD 12,000	Investment company
Sheng Kai green energy Co., Ltd.	August 31, 2023	8F., No. 192, Sec. 2, Zhongxing Rd., Xindian Dist., New Taipei City	NTD 20,000	Solar power plant design, construction, and sales business
Billion Electric Japan Co., Ltd.	January 12, 2024	estaVIVO Musashikosugi, 3-447-8 Shinmaruko-higashi, Nakahara-ku, Kawasaki-shi, Kanagawa-ken	JPY 50,000	Energy storage sales business

Sheng Technology Ltd.	Rui Co.,	October 26, 2018	No. 486, Section 3, Zhongshan Road, Lilin Village, Tanzi District, Taichung City	NTD 260,560	Design and manufacture of lithium battery modules, household and industrial/commercial Energy Storage System integration, and energy technology services
BEC International, LLC		June 29, 2015	MATRIX DR STE 200 RICHARDSON, TX 75082-2760	USD 1,275	International Investment Industry
Avantek Systems PTE. LTD		April 19, 2022	531A UPPER CROSS STREET #04-95 HONG LIM COMPLEX Singapore 051531	USD 360	Cloud Software Hosting Services
Billion Power System Technologies Inc.		November 25, 2022	9F.-3, No. 190, Sec. 2, Zhongxing Rd., Xindian Dist., New Taipei City	NTD 10,000	Energy software design and sales business
Billion Watts Australia Pty Ltd.		October 18, 2024	Australia Square, Level 42, 264 George Street, Sydney NSW 2000.	AUD 1,032	Energy storage sales business
Billion AU Holding Pty Ltd.		October 25, 2024	Australia Square, Level 42, 264 George Street, Sydney NSW 2000.	Not yet injected	Energy storage sales business
Billion Energy Co., Ltd.		February 14, 2025	esta VIVO Musashi-Kosugi, 3-447-8 Shinmaruko-higashi, Nakahara-ku, Kawasaki-shi, Kanagawa-ken	JPY 5,000	Energy storage sales business

(3) Data of the same shareholders for those presumed to have a relationship of control and subordination: None.

(4) Industries covered by the business operations of the overall affiliated enterprises:

- (1) ICT Products Design, manufacture, and sale of (routers, In-Vehicle, and industrial networking, etc.).
- (2) power and energy management design, manufacturing, and sales (customized power and energy storage OEM, etc.).
- (3) green energy Business (provision of energy storage and solar energy solutions and investment in solar power plants and energy storage stations).

(5) Information on directors, supervisors and managers of each affiliated enterprise

Name of Enterprise	Position	Name or representative	Shareholding	
			Number of shares (thousand shares)	Percentage
BEC Technologies Inc.	Director	Jesse Lin	2,294	91.76%
	Director	Vu To		
	Director	Shu Mei Chang		
Billion Watts Technologies Co., Ltd.	Chairman	Billion Electric(Share)representative: Chen Chen-Chien	18,458	100.00
	Director	Billion Electric(Co.)representative: Chang Shu-Mei		
	Director	Billion Electric(Co.)representative: Chen Chun-Yi		
	Supervisor	Billion Electric(Co.)representative: Yang Kai-Cheng		

Billion EVCharging Energy Corp.	Chairman	Billion Electric(Co.)representative: Chang Shu-Mei	1,837	51%
	Director	Billion Electric(Co.)representative:Sam Chen		
	Director	You An Clean Energy Co., Ltd.representative:Dylan Yu		
	Supervisor	Yang Kai-Cheng		
Billion EV Charging Technologies Co., Ltd.	Supervisor	Tsai Ting-Chun	2,200	100%
	Supervisor	Yang Kai-Cheng		
Billion Energy Storage Technologies Inc.	Chairman	Billion Electric(Co.)representative: Chang Shu-Mei	7,686	100%
	Director	Billion Electric(Co.)representative: Chen Chun-Yi		
	Director	Billion Electric(Co.)representative: Chiu She-Li		
	Supervisor	Billion Electric(Co.)representative: Shen Yu-Hui		
Sheng Kai green energy Co., Ltd.	Chairman	Billion Electric(Co.)representative: Chen Yen-Hsun	2,000	100%
	Director	Billion Electric(Co.)representative: Yang Kai-Cheng		
Billion Power System Technologies Inc.	Supervisor	Chang Shu-Mei	510	51%
	Supervisor	Kuo Wen-Hsuan		
Billion Electric Holding Co., Ltd.	Chairman	Billion Electric(Co.)representative:Tim Chen	1,200	100%
	Supervisor	Billion Electric(Co.)representative: Chang Shu-Mei		
Sheng Rui Technology Co., Ltd.	Chairman	Billion Electric(Co.)representative: Chang Shu-Mei	15,264	58.58%
	Director	Billion Electric(Co.)representative: Chen Yen-Hsun		
	Director	Billion Electric(Co.)representative: Chen Chun-Yi		
	Director	Chang Yu-Chen		
	Director	Chen Chien-Hsi		
	Supervisor	Lu Hsieh-Luan		
	Supervisor	Yang Kai-Cheng		
Billion Electric Japan Co., Ltd.	Director	Tim Chen	7,000	100%
	Director	Chen Chun-Hsin		
	Director	Hsu Chien-Pang		
BEC International, LLC	Director	Jesse Chia Lin	-	100%
Avantek Systems PTE. LTD.	Director	Vu Hoang TU	270	75%
	Director	Jesse Chia Lin		
	Director	Ng Ren Hsien		
Billion Watts Australia Pty Ltd.	Director	Chen Chun-Yi	1,032	100%

Billion AU Holding Pty Ltd.	Director	Chen Chun-Yi	-	100%
Billion Energy Co., Ltd.	Director	Tim Chen	-	100%
	Director	Chen Chun-Hsin		
	Director	Chen Yen-Hsun		

(6) Overview of operations of affiliated enterprises

(Unit: NT\$ thousands)

Name of Enterprise	Capital Stock	Total assets	Total liabilities	Net Value	Operating revenue	Net operating income	Profit (loss) after tax for the period
BEC Technologies Inc.	USD 2,500	USD 9,884	USD 3,646	USD 6,238	USD 8,454	USD (1,008)	USD (845)
Billion Watts Technologies Co., Ltd.	184,575	702,118	281,819	420,299	1,335,692	9,809	18,350
Billion Energy Storage Technologies Inc.	76,861	25,242	5,987	19,255	3,572	(6,634)	(58,048)
Billion EVCVGwatt Energy Co., Ltd.	36,025	78,000	29,815	48,185	141,909	4,984	3,964
Billion EV Charging Technologies Co., Ltd.	17,257	47	-	47	-	(384)	(118)
Billion Electric Holding Co., Ltd.	12,000	970	110	860	-	(115)	(108)
Sheng Kai green energy Co., Ltd.	20,000	23,707	3,582	20,125	42,011	2,001	1,956
Billion Electric Japan Co., Ltd.	JPY 50,000	JPY 23,279	JPY 28,949	JPY (5,670)	JPY -	JPY (21,168)	JPY (21,550)
Sheng Rui Technology Co., Ltd.	260,560	272,371	29,714	242,657	25,181	(47,765)	(50,452)
BEC International, LLC	USD 1,275	USD 2,155	USD 39	USD 2,116	USD -	USD (216)	USD (21)
Avantek Systems PTE. LTD	USD 360	USD 322	USD 1	USD 321	USD 116	USD (39)	USD (39)
Billion Power System Technologies Inc.	10,000	16,019	1,133	14,886	7,920	5,338	4,329

Billion Watts Australia Pty Ltd.	AUD 1,032	AUD 8,859	AUD 7,686	AUD 1,173	AUD 4,907	AUD 183	AUD 141
Billion AU Holding Pty Ltd.	-	-	-	-	-	-	-
Billion Energy Co., Ltd.	JPY 5,000	JPY 4,061	JPY 53	JPY 4,008	JPY 0	JPY (939)	JPY (992)

2. Private placement of securities during the most recent year and up to the date of publication of the annual report:

Please visit Market Observation Post System for inquiry:

<https://mops.twse.com.tw/mops/#/web/t116sb01>

3. Other necessary supplementary explanations: None.

4. Matters which have a material impact on shareholders' equity or securities prices as stipulated in Article 36, Paragraph 2, Subparagraph 2 of the Securities and Exchange Act during the most recent year and up to the date of publication of the annual report: None.

Billion Electric Co., Ltd.

Chairman: Chen Chen-Chien

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

BILLION®

www.billion.com