

Stock Code:3027

Billion Electric Co. Ltd. and Its Subsidiaries
Consolidated Financial Statements and
Independent Auditors' Review Report
For the Three Months Ended March 31, 2026 and 2025

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The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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Independent Auditors' Review Report

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

Introduction

We have reviewed the accompanying consolidated balance sheets of Billion Electric Co., Ltd. and its subsidiaries as of March 31, 2026 and 2025, and the related consolidated statements of comprehensive income for the three months ended March 31, 2026 and 2025, as well as the changes in equity and cash flows for the three months ended March 31, 2026 and 2025, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, "Interim Financial Reporting" endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China. Our responsibility is to form a conclusion on the consolidated financial statements based on our reviews.

Scope of Review

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with the Standards on Review Engagements of the Republic of China 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would may not detect all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusions

As stated in Note 6 (9), the equity accounted investments of Billion Electric Co., Ltd. and its subsidiaries in its investee companies of \$63,431 thousand and \$23,739 thousand as of March 31, 2026 and 2025, and the related share of profit or loss of associates and joint ventures accounted for using equity method on these investee companies of (\$544) thousand and (\$576) thousand for the three months ended March 31, 2026 and 2025, respectively, were recognized solely on the financial statements prepared by these investee companies, but not reviewed by independent auditors.

Qualified Conclusions

Based on our review, except for the adjustment, if any, as might have been determined to be necessary had the financial statements of certain consolidated subsidiaries described in the Basis for Qualified Conclusion paragraph been reviewed by independent auditors, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of Billion Electric Co., Ltd. and its subsidiaries as of March 31, 2026 and 2025, and of its consolidated financial performance for the

three months ended March 31, 2026 and 2025, as well as its consolidated cash flows for the three months ended March 31, 2026 and 2025, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standard 34, “Interim Financial Reporting” endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

KPMG Certified Public Accountants Firm

May 7, 2026

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with the accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to review such consolidated financial statements are those generally accepted and applied in the Republic of China.

The independent auditors’ review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors’ review report and consolidated financial statements, the Chinese version shall prevail.

Billion Electric Co. Ltd. and Its Subsidiaries
Consolidated Balance Sheets
March 31, 2026, December 31, 2025 and March 31, 2025

Unit: NT\$ Thousand

		2026.3.31		2025.12.31		2025.3.31				2026.3.31		2025.12.31		2025.3.31	
Assets		Amount	%	Amount	%	Amount	%	Liabilities and equity		Amount	%	Amount	%	Amount	%
Current Assets:								Current liabilities:							
1100	Cash and cash equivalents (Note 6(1) and (28))	\$ 640,296	21	540,932	19	607,318	17	2100	Short-term loans (Note 6(17), (28) and (31))	\$ 70,000	2	30,000	1	188,250	5
1110	Financial assets at fair value through profit or loss - current (Note 6(2) and (28))	3,311	-	3,449	-	3,271	-	2110	Short-term notes and bills payable (Note 6(16), (28) and (31))	29,976	1	-	-	49,958	1
1136	Financial assets at amortized cost - current (Note 6(4), (28) and 8)	101,435	3	111,913	4	102,988	3	2130	Contract liabilities - current (Note 6(25) and 7)	239,058	8	156,499	6	491,846	14
1140	Contract asset - current (Note 6(25) and 7)	119,613	4	53,717	2	127,824	4	2150	Notes payable (Note 6(28))	4,739	-	-	-	157	-
1150	Net notes receivable (Note 6(5), (25) and (28))	2,569	-	3,608	-	2,407	-	2170	Accounts payable (Note 6(28))	141,783	5	94,507	3	111,154	3
1170	Net accounts receivable (Note 6(5), (25) and (28))	86,847	3	97,758	4	104,643	3	2200	Other payables (Note 6(28) and (31))	77,488	3	102,626	4	78,481	2
1180	Net accounts receivable – related parties (Note 6(5), (25), (28) and 7)	19,609	1	61,833	2	14,540	-	2230	Current income tax liabilities	12,248	-	10,462	-	27,358	1
1200	Other receivables (Note 6(6) and (28))	39,208	1	37,600	1	55,458	2	2260	Liabilities directly associated with non-current assets held for sale (Note 6(8))	-	-	-	-	3,808	-
1210	Other receivables - related parties (Notes 6(6), (28) and 7)	159	-	8,300	-	-	-	2280	Lease liabilities - current (Note 6(19), (28) and (31))	15,278	1	14,102	-	14,714	-
1220	Income tax assets in the current period	5,261	-	7,439	-	7,679	-	2320	Current portion of long-term loans (Note 6(18), (28) and (31))	-	-	-	-	18,950	1
130X	Inventories (Note 6(7))	195,110	6	239,669	8	460,674	13	2300	Other current liabilities	46,084	1	49,600	2	16,780	1
1460	Non-current assets held for sale (Note 6(8))	-	-	-	-	50,610	1		Total current liabilities	636,654	21	457,796	16	1,001,456	28
1470	Other current assets (Note 6(15))	73,312	3	57,505	2	77,642	2	2540	Non-current liabilities:	-	-	-	-	556	-
1482	Current costs of fulfil a contract (Note 6(25))	234,340	8	157,081	6	469,966	13	2570	Long-term loans (Note 6(18), (28) and (31))	24,229	1	19,922	-	31,149	1
	Total Current Assets	1,521,070	50	1,380,804	48	2,085,020	58	2580	Deferred income tax liabilities	51,852	1	49,807	2	57,699	2
	Non-Current Assets:								Lease liabilities - non-current (Note 6(19), (28) and (31))						
1517	Financial assets at fair value through other comprehensive income - non-current (Note 6(3) and (28))	14,114	-	12,132	-	65,758	2	2640	Net defined benefit liabilities - non-current	498	-	475	-	8,641	-
1535	Financial assets at amortized cost - non-current (Note 6(4), (28) and 8)	386,041	13	379,647	13	405,656	11	2645	Guarantee deposits received	22,926	1	23,414	1	30,982	1
1550	Investments accounted for using equity method (Note 6(9))	81,584	3	53,120	2	23,739	1	2600	Other liabilities – non-current	1,380	-	1,391	-	-	-
1600	Property, plant, and equipment (Note 6(11), (31) and 8)	647,766	21	680,170	24	835,909	23		Total non-current liabilities	100,885	3	95,009	3	129,027	4
1755	Right-of-use asset (Note 6(12), (31))	64,139	2	61,099	2	70,144	2		Total liabilities	737,539	24	552,805	19	1,130,483	32
1760	Investment property (Note 6(13))	85,012	3	57,382	2	23,909	1	3110	Equity (Note 6(22)):	1,299,604	43	1,301,006	46	1,160,041	32
1780	Intangible assets (Note 6(14))	5,337	-	6,041	-	50,693	1	3140	Ordinary shares capital	-	-	178	-	355	-
1840	Deferred income tax assets	32,988	1	33,725	2	14,365	-		Capital collected in advance	1,299,604	43	1,301,184	46	1,160,396	32
1900	Other non-current assets (Note 6(15))	83,997	3	86,220	3	49,329	1	3200	Capital surplus	703,262	23	704,643	25	686,758	19
1955	Contract performance costs – non-current (Note 6(25))	109,046	4	97,183	4	-	-		Retained earnings:						
	Total Non-Current Assets	1,510,024	50	1,466,719	52	1,539,502	42	3310	Legal surplus reserve	227,462	8	227,462	8	227,462	6
								3320	Special surplus reserves	38,678	1	38,678	1	40,765	1
								3350	(Accumulated deficit) Unappropriated retained earnings	(57,526)	(2)	(63,818)	(2)	81,733	2
										208,614	7	202,322	7	349,960	9
									Other equity:						
								3410	Exchange differences on translation of foreign financial statements	3,630	-	(142)	-	7,503	-
								3420	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	(38,754)	(1)	(38,743)	(1)	(34,769)	(1)
										(35,124)	(1)	(38,885)	(1)	(27,266)	(1)
										(21,295)	(1)	(24,677)	(1)	(24,677)	(1)
								3500	Treasury shares	2,155,061	71	2,144,587	76	2,145,171	58
									Total equity attributable to owners of the Company	138,494	5	150,131	5	348,868	10
								36XX	Non-controlling interests	2,293,555	76	2,294,718	81	2,494,039	68
									Total equity	\$ 3,031,094	100	2,847,523	100	3,624,522	100
									Total liabilities and equity						
Total Assets		\$ 3,031,094	100	2,847,523	100	3,624,522	100								

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

Billion Electric Co. Ltd. and Its Subsidiaries
Consolidated Statements of Comprehensive Income
For the three months ended March 31, 2026 and 2025

Unit: NT\$ Thousand

		For the three months ended March 31			
		2026		2025	
		Amount	%	Amount	%
4000	Operating revenue (Note 6(25), 7 and 14)	\$ 351,288	100	645,374	100
5000	Operating costs (Note 6(7), (11), (12), (14), (20) and 12)	267,043	76	553,021	86
	Operating gross profit	84,245	24	92,353	14
5910	Less: Unrealized Profit on Sales	1,461	-	-	-
	Realized Operating Gross Profit	82,784	24	92,353	14
	Operating expenses (Note 6(5), (11), (12), (14), (19), (20), (23), (26) and 12)				
6100	Sales expenses	27,487	8	33,923	5
6200	Administrative expenses	43,249	12	46,314	7
6300	Research and development expenses	18,588	5	23,466	4
6450	Expected credit loss (reversal gain)	1,870	1	(1,941)	-
	Total operating expenses	91,194	26	101,762	16
	Net operating profit	(8,410)	(2)	(9,409)	(2)
	Non-operating revenue and expenses (Notes 6(9), (13), (19), (27), (28) and 12):				
7100	Interest income	5,460	2	5,874	1
7010	Other income	4,641	1	57,809	9
7020	Other gains and losses	11,486	3	7,068	1
7050	Financial costs	(684)	-	(2,533)	-
7060	Share of profit or loss of associates recognized under equity method	(1,147)	-	(576)	-
	Total non-operating income and expenses	19,756	6	67,642	11
7900	Net profit before tax	11,346	4	58,233	9
7950	Less: Income tax expense (Note 6(21))	9,671	3	15,747	2
8200	Net Income	1,675	1	42,486	7
8300	Other comprehensive income (Note 6(21), (22) and (28)):				
8310	Items That Will Not Be Reclassified Subsequently to Profit or Loss				
8316	Unrealized gains (losses) from investment in equity instrument measured at fair value through other comprehensive income	(18)	-	(259)	-
8349	Less: Income tax related to non-reclassified items	-	-	-	-
	Total of Items That Will Not Be Reclassified to Profit or Loss	(18)	-	(259)	-
8360	Items that may be subsequently reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	4,716	1	3,072	-
8399	Less: Income tax related to items that may be reclassified to profit or loss	664	-	531	-
	Total of items that may be subsequently reclassified to profit or loss	4,052	1	2,541	-
8300	Other comprehensive income for the period	4,034	1	2,282	-
8500	Total comprehensive income for the period	\$ 5,709	2	44,768	7
	Net profit for the period attributable to:				
8610	Owners of the parent company	\$ 6,292	2	36,200	6
8620	Non-controlling interests	(4,617)	(1)	6,286	1
		\$ 1,675	1	42,486	7
	Total comprehensive income attributable to:				
8710	Owners of the parent company	\$ 10,053	3	38,310	6
8720	Non-controlling interests	(4,344)	(1)	6,458	1
		\$ 5,709	2	44,768	7
	Earnings per share (NT\$) (Note 6(24))				
9750	Basic earnings per share	\$ 0.05		0.32	
9850	Diluted earnings per share	\$ 0.05		0.31	

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

Billion Electric Co. Ltd. and Its Subsidiaries
Consolidated Statements of Changes in Equity
For the three months ended March 31, 2026 and 2025

Unit: NT\$ Thousand

	Equity attributable to owners of parent												Non-controlling interests	Total equity
	Share capital			Retained earnings				Other equity						
	Ordinary share capital	Capital collected in advance	Capital surplus	Legal Surplus Reserve	Special surplus reserve	(Accumulated deficit) Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gain (loss) from financial assets measured at fair value through other comprehensive income or (loss)	Treasury shares	Total equity attributable to owners of parent			
Balance as of January 1, 2025	\$ 1,155,328	4,713	692,146	227,462	40,765	45,533	313,760	5,240	(34,616)	(25,057)	2,111,514	367,920	2,479,434	
Net profit for the period	-	-	-	-	-	36,200	36,200	-	-	-	36,200	6,286	42,486	
Other comprehensive income for the period	-	-	-	-	-	-	-	2,263	(153)	-	2,110	172	2,282	
Total comprehensive income for the period	-	-	-	-	-	36,200	36,200	2,263	(153)	-	38,310	6,458	44,768	
Difference between actual acquisition or disposal of equity interest in a subsidiary and it carrying value	-	-	(5,668)	-	-	-	-	-	-	-	(5,668)	(25,514)	(31,182)	
Share-based payment transaction	-	355	280	-	-	-	-	-	-	380	1,015	4	1,019	
Advance receipts for ordinary shares turned share capital	4,713	(4,713)	-	-	-	-	-	-	-	-	-	-	-	
Balance as of March 31, 2025	\$ 1,160,041	355	686,758	227,462	40,765	81,733	349,960	7,503	(34,769)	(24,677)	2,145,171	348,868	2,494,039	
Balance as of January 1, 2026	\$ 1,301,006	178	704,643	227,462	38,678	(63,818)	202,322	(142)	(38,743)	(24,677)	2,144,587	150,131	2,294,718	
Net profit (loss) for the period	-	-	-	-	-	6,292	6,292	-	-	-	6,292	(4,617)	1,675	
Other comprehensive income for the period	-	-	-	-	-	-	-	3,772	(11)	-	3,761	273	4,034	
Total comprehensive income for the period	-	-	-	-	-	6,292	6,292	3,772	(11)	-	10,053	(4,344)	5,709	
Cancellation of treasury shares	(1,580)	-	(1,424)	-	-	-	-	-	-	3,004	-	-	-	
Share-based payment transaction	-	-	43	-	-	-	-	-	-	378	421	-	421	
Transfer of advance receipts for share capital to share capital	178	(178)	-	-	-	-	-	-	-	-	-	-	-	
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(7,293)	(7,293)	
Balance as of March 31, 2026	\$ 1,299,604	-	703,262	227,462	38,678	(57,526)	208,614	3,630	(38,754)	(21,295)	2,155,061	138,494	2,293,555	

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

Billion Electric Co. Ltd. and Its Subsidiaries
Consolidated Statements of Cash Flows
For the three months ended March 31, 2026 and 2025

Unit: NT\$ Thousand

	For the three months ended March 31	
	2026	2025
Cash flows from operating activities:		
Net profit before tax for the period	\$ 11,346	58,233
Adjustments:		
Adjustments to reconcile profit (loss)		
Depreciation expenses	13,536	15,937
Amortization expenses	704	2,378
Expected credit loss (reversal gain)	1,870	(1,941)
Net loss (gain) on financial assets measured at fair value through profit and loss	191	(104)
Interest expenses	684	2,533
Interest income	(5,460)	(5,874)
Share-based compensation cost	(2,041)	(52)
Share of associates' loss under equity method	1,147	576
Losses (Gains) from disposal of property, plant and equipment	(100)	7
Unrealized profit on sales	1,461	-
Unrealized foreign exchange gains	(8,174)	(5,663)
Total adjustments to reconcile profit (loss)	3,818	7,797
Net changes related to operating assets/liabilities:		
Financial assets at fair value through profit or loss	2	(3)
Contract assets	(64,525)	64,325
Notes receivable	1,039	7,627
Accounts receivable	8,997	26,802
Accounts receivable - related parties	44,904	(14,540)
Other receivables	6,824	(39,692)
Other receivables from related parties	141	-
Inventories	44,972	(173,697)
Other current assets	(15,732)	(31,456)
Costs of fulfill a contract	(86,000)	378,261
Contract liabilities - current	80,626	(191,948)
Notes payable	4,787	(70)
Accounts payables	47,009	4,679
Other payables	(23,389)	(11,993)
Other current liabilities	(3,444)	8,623
Net defined benefit liabilities	23	(736)
Other non-current liabilities	(11)	-
Total adjustments:	50,041	33,979
Cash flows from operating activities	61,387	92,212
Interest received	5,040	5,493
Interest paid	(623)	(2,518)
Income tax paid	(1,317)	(797)
Net cash flows from operating activities	64,487	94,390

Billion Electric Co. Ltd. and Its Subsidiaries
Consolidated Statements of Cash Flows
For the three months ended March 31, 2026 and 2025

Unit: NT\$ Thousand

	For the three months ended March 31	
	2026	2025
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(\$ 2,000)	-
Disposal of financial assets at amortized cost	4,931	5,802
Acquisition of investments using the equity method	(30,088)	-
Acquisition of property, plant and equipment	(3,586)	(9,391)
Disposal of property, plant and equipment	100	-
Decrease in other receivables from related parties	8,000	-
Acquisition of intangible assets	-	(34)
Decrease (Increase) in other non-current assets	1,132	(24,823)
Net cash flows used in investing activities	(21,511)	(28,446)
Cash flows from financing activities:		
Increase in short-term loans	103,000	356,914
Decrease in short-term loans	(63,000)	(431,519)
Increase (Decrease) in short-term notes payable	29,976	(29,956)
Repayment of long-term loans	-	(6,554)
Increase (Decrease) in guarantee deposits received	(488)	24,500
Repayment of the lease principal amount	(4,095)	(4,003)
Employee stock options exercised	-	691
Treasury shares acquired by employees	378	380
Acquisition of equity of subsidiaries	-	(32,704)
Disposal of equity of subsidiaries (no loss of control over the subsidiaries)	-	1,522
Changes in non-controlling interests	(7,293)	-
Net cash flows from (used in) financing activities	58,478	(120,729)
Effect of exchange rate changes on cash and cash equivalents	(2,090)	5,886
Net increase (decrease) in cash and cash equivalents for the period	99,364	(48,899)
Cash and cash equivalents at the beginning of the period	540,932	660,036
Cash and cash equivalents at the end of the period	\$ 640,296	611,137
Components of Cash and Cash Equivalents:		
Cash and cash equivalents presented in the balance sheet	\$ 640,296	607,318
Cash and cash equivalents classified as held for sale disposal group	-	3,819
Cash and cash equivalents at the end of the period	\$ 640,296	611,137

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

Billion Electric Co. Ltd. and Its Subsidiaries
Notes to Consolidated Financial Statements
Three Months Ended March 31, 2026 and 2025
(Expressed in NT\$ thousand, unless otherwise specified)

1. Company History

Billion Electric Co. Ltd. (the “Company”) was approved to be established on March 26, 1973. The main operating businesses of the Company and its subsidiaries (collectively referred herein as the “Group”) are the manufacturing of electronic components, design, manufacturing and sales of Integrated Services Digital Network (ISDN) equipment, broadband communication network terminal equipment and systems (ADSL), and broadband routers (Router), as well as renewable energy self-use power generation and energy technology services.

2. Date and Procedures of Authorization of Financial Statements

The consolidated financial statements were adopted and issued by the Board of Directors on May 7, 2026.

3. Applicability of Newly Issued and Revised Standards and Interpretations

(1) Impact of Newly Issued and Revised Standards and Interpretations Endorsed by the Financial Supervisory Commission

The Consolidated Companies has applied the following revised International Financial Reporting Standards effective from January 1, 2026, with no material impact on the consolidated financial statements.

- IFRS 17 “Insurance Contracts” and Amendments to IFRS 17
- Amendments to IFRS 9 and IFRS 7 regarding “Amendments to the Classification and Measurement of Financial Instruments”
- Annual Improvements to IFRS Accounting Standards
- Amendments to IFRS 9 and IFRS 7 “Contracts Referencing Nature-dependent Electricity”

(2) New and Amended Standards and Interpretations not yet Endorsed by the Financial Supervisory Commission

The International Accounting Standards Board has issued and amended the following standards and interpretations, which may be relevant to the Consolidated Companies but have not yet been endorsed by the Financial Supervisory Commission:

Standards or Interpretations	Content of amendment	Effective Date Issued by IASB
IFRS 18 “Presentation and Disclosure in Financial Statements”	The new standards introduces three categories of income and expenses, two income statement subtotals and one single note on management performance measures. The three amendments, combined with enhanced guidance on how to disaggregate information, set the stage for better and more consistent information, for users, and will affect all entities • A more structured income statement under current standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. The new standard promotes a more structured income statement, introducing a newly defined “ operating profit” subtotal and a requirement for all for all income and expenses to be allocated between three new distinct categories based on a company’ s main business activities. • Management performance measures (MPMs): the new standard introduces a definition for management performance measures, and requires companies to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards. • Greater disaggregation of information: the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.	January 1, 2027 Note: On September 25, 2025, the FSC issued a press release announcing that Taiwan will adopt IFRS 18 beginning in 2028. Entities that need to adopt the new standard earlier may do with the endorsement of the FSC.

The Group is evaluating the impact of its financial position and financial performance upon the initial adoption of the abovementioned standards or interpretations. The results thereof will be disclosed when the Group completes its evaluation.

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

- Amendments to IFRS 10 and IAS 28 “Sale or Contribution of Assets between an Investor and Its Associate or Joint Venture”
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” and Amendments to IFRS 19
- Amendments to IAS 21 “Translation to a Hyperinflationary Presentation Currency”

4. Summary of Significant Accounting Policies

(1) Statement of compliance

The Consolidated Financial Report has been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to as the “Preparation Regulations”) and International Accounting Standard 34 “Interim Financial Reporting” as endorsed and issued into effect by the Financial Supervisory Commission (FSC). The Consolidated Financial Report does not include all the necessary information required for a complete set of annual consolidated financial statements prepared in accordance with the International Financial Reporting Standards, International Accounting Standards, Interpretations and Interpretive Announcements approved and issued into effect by the FSC (hereinafter referred to as the “IFRSs approved by the FSC”).

Except as described below, the significant accounting policies adopted in the consolidated financial report are consistent with those of the consolidated financial statements for the year ended December 31, 2025. For relevant information, please refer to Note 4 of the consolidated financial statements for the year ended December 31, 2025.

(2) Basis of Consolidation

1. Subsidiaries Included in the Consolidated Financial Statements

The included Subsidiaries in the consolidated financial statements are as follows:

Name of the Investment Company	Subsidiary	Nature of Business	Percentage of Ownership			Remark
			2026.3.31	2025.12.31	2025.3.31	
The Company	BEC Technologies Inc. (BEC Technologies)	Sales businesses of telecommunication-related products	91.76%	91.76%	91.76%	
The Company	Billion Watts Technologies Co., Ltd. (Billion Watts)	Providing solar and energy storage solution services, power plant operation and management services, and other businesses.	100.00%	100.00%	61.98%	Note 1
The Company	Billion Energy Storage Technologies Inc. (Billion Energy)	Energy storage sales business	100.00%	100.00%	100.00%	
The Company	Pacific Solar Limited. (Pacific)	International investment	-%	-%	100.00%	Note 2
The Company	Billion EVC Technologies Co., Ltd. (Billion EVC)	Distribution services of solar power plant equipment and EV chargers	51.00%	51.00%	51.00%	
The Company	Billion Electric Holding Co., Ltd. (Billion Electric Holding)	Investment Company	100.00%	100.00%	100.00%	Note 3
The Company	Billion EV Charging Technologies Co., Ltd. (Billion EV Charging)	Community-type charging pile and energy storage supply services and other businesses.	100.00%	100.00%	100.00%	Note 4
The Company	Billion Kai Co., Ltd. (Billion Kai)	Design, manufacturing, and sales business of solar power plant.	100.00%	100.00%	100.00%	
The Company	Billion Electric Japan Co., Ltd. (Billion Electric JP)	Energy storage sales business	-%	-%	-%	Note 9

Name of the Investment Company	Subsidiary	Nature of Business	Percentage of Ownership			Remark
			2026.3.31	2025.12.31	2025.3.31	
The Company	NoonSpare Energy Technology Co., Ltd. (NoonSpare)	Design and manufacturing of lithium battery modules, integration of residential and commercial/ industrial energy storage systems, and energy technology services.	58.58%	58.58%	59.02%	Note 5
The Company	Billion Sun Energy Storage Technologies Inc. (Billion Sun)	Energy storage sales business	-%	-%	100.00%	Note 6
BEC Technologies Inc.	BEC International, LLC (BEC International)	International investment	100.00%	100.00%	100.00%	
BEC Technologies Inc.	Avantek Systems Pte. Ltd. (Avantek Systems)	Cloud Software Hosting Services	75.00%	75.00%	75.00%	
Billion Watts Technologies Co., Ltd.	Billion Power System Technologies Inc. (Billion Power System)	Design of energy storage software and sales businesses	51.00%	51.00%	51.00%	Note 7
Billion Watts Technologies Co., Ltd.	Sheng Chuang Energy Co., Ltd. (Sheng Chuang Energy)	Energy service business	20.00%	20.00%	100.00%	Note 8
Billion Watts Technologies Co., Ltd.	Billion Electric Japan Co., Ltd. (Billion Electric JP)	Energy storage sales business	100.00%	100.00%	100.00%	Note 9
Billion Watts Technologies Co., Ltd.	Billion Watts Australia Pty Ltd. (BW AU)	Energy storage sales business	100.00%	100.00%	100.00%	Note 10
Billion Watts Technologies Co., Ltd.	Billion AU Holing Pty Ltd. (AU Holding)	Energy storage sales business	-%	100.00%	100.00%	Note 11
Billion Electric Japan Co., Ltd.	Billion Energy Co., Ltd. (Billion Energy)	Energy storage sales business	100.00%	100.00%	100.00%	Note 12
Billion Watts Australia Pty Ltd.	BL Anakie Solar Pty Ltd. (BL Anakie)	Energy storage sales business	30.80%	30.80%	100.00%	Note 13
Billion Watts Australia Pty Ltd.	Billion AU Holing Pty Ltd. (AU Holding)	Energy storage sales business	40.00%	-%	-%	Note 11
BL Anakie Solar Pty Ltd.	BL Anakie Solar Nominees Pty Ltd. (BL Anakie Solar Nominees)	Energy storage sales business	-%	-%	100.00%	Note 13

Note 1: In the first quarter of 2025, the Company disposed of 25 thousand shares, resulting in a decrease in its ownership interest from 62.14% to 61.98%. Subsequently, in December 2025, the Company acquired the remaining 38.02% equity interest from non-controlling interests through the issuance of new shares, resulting in an increase in its ownership interest from 61.98% to 100%.

Note 2: Pacific was incorporated in March 2020 and was dissolved and completed its liquidation procedures in November 2025.

Note 3: Billion Electric Holding Co., Ltd. was dissolved on March 31, 2026, and its liquidation procedures are still in progress as of the reporting date.

Note 4: Billion EV Charging Technologies Co., Ltd. was dissolved on February 28, 2025, and its liquidation procedures are still in progress as of the reporting date.

Note 5: In the first quarter of 2025, the Company acquired an additional 2,415 thousand shares and disposed of 36 thousand shares of NoonSpare Energy Technology Co., Ltd.; subsequently, in the second quarter, the Company disposed of 115 thousand shares, resulting in a increase in its ownership interest from 59.02% to 58.58%.

Note 6: In March 2025, the Company entered into a share transfer agreement with Foxwell Power Co., Ltd. to dispose of its 100% equity interest in Billion Sun Energy Storage Technologies Inc. The share transfer was completed in April 2025, resulting in the loss of control over Billion Sun Energy Storage Technologies Inc.

- Note 7: Billion Power System Technologies Inc. was dissolved on December 5, 2025, and its liquidation procedures are still in progress as of the reporting date.
- Note 8: In July 2025, Billion Watts Technologies Co., Ltd. entered into a share transfer agreement with a non-related party to dispose of 80% of its equity interest in Sheng Chuang Energy Co., Ltd. The share transfer was completed in September 2025, resulting in a decrease in its ownership interest from 100% to 20% and the loss of control over Sheng Chuang Energy Co., Ltd.
- Note 9: In March 2025, the Group carried out an organizational restructuring, under which the 100% equity interest in Billion Electric JP previously held by the Company was transferred to Billion Watts Technologies Co., Ltd., which then held 100% of the equity interest.
- Note 10: In January 2025, Billion Watts Technologies Co., Ltd. acquired a 100% equity interest in BW AU and increased its capital by AUD 1,032 thousand in July 2025.
- Note 11: In January 2026, the Group carried out an organizational restructuring, under which the 100% equity interest in AU Holding previously held by Billion Watts Technologies Co., Ltd. was transferred to BW AU, which then held 100% of the equity interest. Subsequently, in March 2026, BW AU and other parties jointly increased the capital of AU Holding, resulting in a decrease in BW AU's ownership interest from 100% to 40% and the loss of control over AU Holding. Please refer to Note 6(9) for details.
- Note 12: In February 2025, the Group acquired a 100% equity interest in Billion Energy and increased its capital by JPY 5,000 thousand in November 2025.
- Note 13: In March 2025, the Group acquired a 100% equity interest in BL Anakie. Subsequently, in July 2025, the Group and a non-related party jointly increased the capital of BL Anakie, resulting in a decrease in the Group's ownership interest from 100% to 30.8% and the loss of control over BL Anakie and its subsidiary, BL Anakie Solar Nominees.

2. Subsidiaries excluded from the consolidated financial statements: None.

(3) Non-current assets held for sale

Non-current assets or disposal groups comprising assets and liabilities that are highly probable to be recovered primarily through sale rather than through continuing use, are reclassified as held for sale. Immediately before classification as held for sale, the assets, or components of a disposal group, are remeasured in accordance with the Group's accounting policies. Thereafter, generally, the assets or disposal groups are measured at the lower of their carrying amount and fair value less costs to sell.

Any impairment loss on a disposal group is first allocated to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to assets not within the scope of IAS 36 – Impairment of Assets. Such assets will continue to be measured in accordance with the Group's accounting policies.

Impairment losses on assets initially classified as held for sale and any subsequent gains or losses on remeasurement are recognized in profit or loss. Gains are not recognized in excess of the cumulative impairment loss that has been recognized.

Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortized or depreciated, and any equity-accounted investee is no longer equity accounted.

(4) Employee Benefits

For the defined benefit retirement plan during the interim period, the retirement benefit costs are calculated using the retirement benefit cost rate determined by actuarial calculations from the previous reporting date as a basis, covering the period from the beginning of the year to the end of the current interim period, and adjusted for significant market fluctuations, significant curtailments, settlements or other significant one-time events occurring after the reporting date.

(5) Income Tax

The Group measure and disclose interim income tax expenses in accordance with paragraph B12 of International Accounting Standard 34 “Interim Financial Reporting”.

Income tax expense is measured by multiplying the pre-tax net income for the interim reporting period by management’s best estimate of the expected effective annual tax rate.

Income tax relating to items recognized directly in equity or in other comprehensive income is measured based on the temporary differences between the carrying amounts of the related assets and liabilities for financial reporting purposes and their tax bases, using the tax rates expected to apply when the temporary differences are realized or settled.

5. Significant Accounting Assumptions and Judgments, and Major Sources of Estimation Uncertainty

According to the IAS 34 “Interim Financial Reporting” approved by the FSC, the Management must make about the future (including climate-related risks and opportunities) judgments and estimates in preparing the Group only financial statement that will have an impact on the adoption of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from the estimates.

When preparing the consolidated financial statements, the significant judgments made by management in applying the accounting policies of the Group and the key sources of estimation uncertainty are consistent with those in Note 5 of the consolidated financial statements for the fiscal year 2025.

6. Explanation of Significant Accounts

Except as described below, the significant accounting policies adopted in the consolidated financial report are consistent with those of the consolidated financial statements for the year ended December 31, 2025. For relevant information, please refer to Note 6 of the consolidated financial statements for the year ended December 31, 2025.

(1) Cash and Cash Equivalents

	<u>2026.3.31</u>	<u>2025.12.31</u>	<u>2025.3.31</u>
Petty cash	\$ 885	875	184
Bank deposits	362,523	305,306	383,185
Time deposits	22,732	44,649	58,705
Repurchase agreements collateralized by bonds	254,156	190,102	165,244
	<u>\$ 640,296</u>	<u>540,932</u>	<u>607,318</u>

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

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

	<u>2026.3.31</u>	<u>2025.12.31</u>	<u>2025.3.31</u>
Financial assets at fair value through profit or loss:			
Non-derivative financial assets			
Foreign Listed Stock	\$ 1,411	1,453	1,627
Fund Beneficiary Certificate	1,900	1,996	1,644
Total	<u>\$ 3,311</u>	<u>3,449</u>	<u>3,271</u>

For the amount recognized in profit or loss upon remeasurement at fair value, please refer to Note 6(28).

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

	<u>2026.3.31</u>	<u>2025.12.31</u>	<u>2025.3.31</u>
Equity instruments at fair value through other comprehensive income:			
Domestic emerging stocks	\$ 5,179	5,197	-
Domestic unlisted stocks	8,935	6,935	65,758
Total	<u>\$ 14,114</u>	<u>12,132</u>	<u>65,758</u>

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

(4) Financial Assets at Amortized Cost

	<u>2026.3.31</u>	<u>2025.12.31</u>	<u>2025.3.31</u>
Current			
Time deposits	\$ 65,186	88,342	63,752
Restricted deposit - current	36,249	23,571	39,236
	<u>\$ 101,435</u>	<u>111,913</u>	<u>102,988</u>
Non-current			
Time deposits	\$ -	-	10,500
Restricted deposit - non-current	386,041	379,647	395,156
	<u>\$ 386,041</u>	<u>379,647</u>	<u>405,656</u>

Information on the Group's financial assets measured at amortized cost provided as collateral for short-term and long-term borrowings and credit facilities as of March 31, 2026, December 31, 2025, and March 31, 2025 is disclosed in Note 8.

(5) Notes and Accounts Receivable

	2026.3.31	2025.12.31	2025.3.31
Notes receivable	\$ 2,569	3,608	2,407
Accounts receivable	96,126	105,156	107,327
Accounts receivable—related parties	19,609	61,833	14,540
Less: Loss allowance	(9,279)	(7,398)	(2,684)
	<u>\$ 109,025</u>	<u>163,199</u>	<u>121,590</u>

The Group applies the simplified approach to estimate expected credit losses for all notes receivable and accounts receivable, that is, using lifetime expected credit losses for measurement. For this purpose, these notes receivable and accounts receivable are grouped based on shared credit risk characteristics that represent the customers' ability to pay all amounts due in accordance with contractual terms, and forward-looking information has been incorporated.

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

	2026.3.31		
	Carrying Amounts of Notes Receivable and Accounts Receivable	Weighted Average Expected Credit Loss Ratio	Allowance Lifetime Expected Credit Losses
Not overdue	\$ 93,316	0.06%~0.49%	424
1 to 30 days past due	14,478	0.78%~3.55%	164
31 to 60 days past due	1,846	3.82%~10.67%	71
61 to 90 days past due	50	12.5%~30.74%	6
Over 91 days past due	8,614	100%	8,614
	<u>\$ 118,304</u>		<u>9,279</u>

	2025.12.31		
	Carrying Amounts of Notes Receivable and Accounts Receivable	Weighted Average Expected Credit Loss Ratio	Allowance Lifetime Expected Credit Losses
Not overdue	\$ 141,921	0.06%	111
1 to 30 days past due	9,118	0.78%	71
31 to 60 days past due	6,681	3.82%	255
61 to 90 days past due	6,761	12.50%	845
Over 91 days past due	6,116	100%	6,116
	<u>\$ 170,597</u>		<u>7,398</u>

	2025.3.31		
	Carrying Amounts of Notes Receivable and Accounts Receivable	Weighted Average Expected Credit Loss Ratio	Allowance Lifetime Expected Credit Losses
Not overdue	\$ 121,590	0%	-
Over 121 days past due	2,684	100%	2,684
	<u>\$ 124,274</u>		<u>2,684</u>

The movement in allowance for notes and accounts receivable of the Group is as follows:

	For the Three Months Ended March 31	
	2026	2025
Beginning balance	\$ 7,398	4,661
Impairment loss recognized (gain on reversal)	1,870	(1,941)
Amounts written off as uncollectible	(94)	(76)
Foreign exchange gains and losses	105	40
Ending Balance	<u>\$ 9,279</u>	<u>2,684</u>

As of March 31, 2026, December 31, 2025, and March 31, 2025, the Group did not have any notes receivable or accounts receivable pledged as collateral.

(6) Other Receivables

	2026.3.31	2025.12.31	2025.3.31
Other Receivables - Capital Loans to Related Parties	\$ -	8,000	-
Other Receivables - Related Parties	159	300	-
Receivables From Payment on Behalf of Others	170,535	167,523	176,984
Business Tax Refund Receivable	881	893	696
Interest Receivable	1,599	1,179	3,116
Power Trading Collections on Behalf of Others	34,771	33,740	-
Other	1,957	1,788	51,646
Less: Loss Allowance	<u>(170,535)</u>	<u>(167,523)</u>	<u>(176,984)</u>
	<u>\$ 39,367</u>	<u>45,900</u>	<u>55,458</u>

The movement allowance for other receivables of the Group is as follows:

	For the Three Months Ended March 31	
	2026	2025
Beginning balance	\$ 167,523	174,745
Foreign exchange gains and losses	3,012	2,239
Ending balance	<u>\$ 170,535</u>	<u>176,984</u>

Other credit risk information please refer to Note 6(28).

(7) Inventories

	2026.3.31	2025.12.31	2025.3.31
Raw materials	\$ 10,784	18,285	24,165
Work in process	24,632	21,559	26,806
Finished products	15,188	28,666	43,398
Merchandise inventory	144,506	171,159	366,305
	<u>\$ 195,110</u>	<u>239,669</u>	<u>460,674</u>

Detailed statement of operating costs is as follow:

	For the Three Months Ended March 31	
	2026	2025
Transfer of inventory sales	\$ 251,516	498,971
Inventory loss from price decline	3,356	47,104
Loss on inventory write-off	30	631
Operating costs of solar energy and energy storage	12,141	6,315
Total	\$ 267,043	553,021

As of March 31, 2026, December 31, 2025, and March 31, 2025, the Group did not have any inventories pledged as collateral.

(8) Disposal Group Held for Sale

On March 7, 2025, the Group entered into a share purchase agreement with a non-related party to dispose of its 100% equity interest in Billion Sun Energy Storage Technologies Inc., a subsidiary. The Group has commenced the related disposal process, and the equity interest was disposed of on April 1, 2025, and was therefore presented as a disposal group held for sale. As of March 31, 2025, the carrying amounts of the assets and liabilities of the disposal group were \$50,610 thousand and \$3,808 thousand, respectively, with details as follows:

	2025.3.31
Cash and cash equivalents	\$ 3,819
Other current assets	1,033
Prepayments for equipment	1,662
Refundable deposits	44,096
Assets of disposal group classified as held for sale	\$ 50,610
Other payable	360
Other current liabilities	3,448
Liabilities of disposal group classified as held for sale	\$ 3,808

The Group measured the disposal group at the lower of its carrying amount and fair value less costs to sell, and no impairment loss was recognized.

(9) Investments Accounted for Using Equity Method

1. Associates

- (1) The Group's associates accounted for using the equity method are individually immaterial. The aggregate financial information of these associates is as follows, representing the amounts included in the Group's consolidated financial statements:

	2026.3.31	2025.12.31	2025.3.31
Aggregate carrying amount of interests in individually immaterial associates at the end of the period	<u>\$ 81,584</u>	<u>53,120</u>	<u>23,739</u>

	For the Three Months Ended March 31	
	2026	2025
Share attributable to the Group:		
Net loss for the period	\$ (1,147)	(576)
Other comprehensive income	-	-
Total comprehensive income	<u>\$ (1,147)</u>	<u>(576)</u>

- (2) On January 5, 2026, the Group participated in the cash capital increase of its associate, Sheng Chuang Energy Co., Ltd., in proportion to its original ownership interest of 20%, with a total investment amount of \$2,000 thousand.
- (3) On March 20, 2026, the Group participated in the cash capital increase of Billion AU Holding Pty Ltd., with a total investment amount of AUD 667 thousand, equivalent to \$14,638 thousand. After the capital increase, the Group's ownership interest decreased from 100% to 40%.
- (4) On March 27, 2026, the Group participated in the cash capital increase of its associate, BL Longford Solar Pty Ltd., with an investment amount of AUD 613 thousand, equivalent to \$13,450 thousand. As the Group did not subscribe in proportion to its ownership interest, its ownership interest decreased from 40% to 25%. The change in the Group's ownership interest in BL Longford Solar Pty Ltd. had no impact on equity attributable to owners of the parent.

2. Guarantees

As of March 31, 2026, December 31, 2025 and March 31, 2025, there were no investments accounted for the Group using the equity method that were pledged as collateral.

3. Investments Accounted for Using Equity Method Not Reviewed

Except for BL Anakie Solar Pty Ltd., investments accounted for using the equity method and the Group's share of profit or loss and other comprehensive income of those investments were calculated based on financial statements that have not been reviewed by independent auditors.

(10) Changes in Ownership Interests in Subsidiaries

The changes in the Group's ownership interests in subsidiaries that did not result in a loss of control from January 1, 2025 to March 31 are as follows:

1. In March 2025, the Group disposed of 25 thousand shares of Billion Watts Technologies Co., Ltd. at a price of \$40 per share, totaling \$1,000 thousand, resulting in a decrease in its ownership interest from 62.14% to 61.98%. Subsequently, in December 2025, the Group acquired the remaining 38.02% equity interest from non-controlling interests through the issuance of new shares, resulting in an increase in its ownership interest from 61.98% to 100%.
2. In March 2025, the Group repurchased 2,415 thousand shares of NoonSpare Energy Technology Co., Ltd. from non-controlling interests at a price of \$13.54 per share, totaling \$32,704 thousand. In the same month, the Group disposed of 36 thousand shares at a price of \$14.49 per share, totaling \$522 thousand, resulting in an increase in its ownership interest from 49.89% to 59.02%. Subsequently, in April 2025, the Group disposed of 115 thousand shares at a price of \$14.49 per share, totaling \$1,666 thousand, resulting in a decrease in its ownership interest from 59.02% to 58.58%.

(11) Property, Plant, and Equipment

The changes in the cost, accumulated depreciation and impairment losses of the Group's property, plant and equipment are as follows:

		Land	Building	Machinery and Equipment	Transportation Facilities	Office Equipment	Other Equipment	Construction in Progress and Equipment to Be Inspected	Total
Costs:									
Balance as of January 1, 2026	\$	339,622	173,933	173,998	6,967	39,940	328,974	-	1,063,434
Addition		-	1,286	-	-	-	926	-	2,212
Disposal		-	-	-	-	-	(150)	-	(150)
Reclassification		(414)	(53,866)	60	-	-	1,021	-	(53,199)
Effect of changes in currency exchange rate		266	1,088	-	31	204	(27)	-	1,562
Balance as of March 31, 2026	\$	<u>339,474</u>	<u>122,441</u>	<u>174,058</u>	<u>6,998</u>	<u>40,144</u>	<u>330,744</u>	<u>-</u>	<u>1,013,859</u>
Balance as of January 1, 2025	\$	340,260	219,494	184,745	7,113	37,931	326,746	-	1,116,289
Addition		-	-	735	-	262	5,433	2,875	9,305
Disposal		-	-	(31)	(29)	(180)	(1,339)	-	(1,579)
Reclassification		-	(5,404)	4,975	-	-	-	-	(429)
Effect of changes in currency exchange rate		198	808	-	23	113	-	-	1,142
Balance as of March 31, 2025	\$	<u>340,458</u>	<u>214,898</u>	<u>190,424</u>	<u>7,107</u>	<u>38,126</u>	<u>330,840</u>	<u>2,875</u>	<u>1,124,728</u>

							Construction in Progress and Equipment to Be Inspected	Total
	Land	Building	Machinery and Equipment	Transportation Facilities	Office Equipment	Other Equipment		
Accumulated depreciation and impairment:								
Balance as of January 1, 2026	\$ -	74,993	61,521	6,207	33,206	207,337	-	383,264
Depreciation	-	963	2,658	127	484	4,251	-	8,483
Disposal	-	-	-	-	-	(150)	-	(150)
Reclassification	-	(26,007)	-	-	-	-	-	(26,007)
Effect of changes in currency								
exchange rate	-	322	-	31	150	-	-	503
Balance as of March 31, 2026	<u>\$ -</u>	<u>50,271</u>	<u>64,179</u>	<u>6,365</u>	<u>33,840</u>	<u>211,438</u>	<u>-</u>	<u>366,093</u>
Balance as of January 1, 2025	\$ -	73,447	57,982	5,958	31,406	112,041	-	280,834
Depreciation	-	1,557	3,153	130	689	6,073	-	11,602
Disposal	-	-	(31)	(22)	(180)	(1,339)	-	(1,572)
Reclassification	-	(2,364)	-	-	-	-	-	(2,364)
Effect of changes in currency								
exchange rate	-	187	-	26	106	-	-	319
Balance as of March 31, 2025	<u>\$ -</u>	<u>72,827</u>	<u>61,104</u>	<u>6,092</u>	<u>32,021</u>	<u>116,775</u>	<u>-</u>	<u>288,819</u>
Carrying Value:								
March 31, 2026	<u>\$ 339,474</u>	<u>72,170</u>	<u>109,879</u>	<u>633</u>	<u>6,304</u>	<u>119,306</u>	<u>-</u>	<u>647,766</u>
December 31, 2025	<u>\$ 339,622</u>	<u>98,940</u>	<u>112,477</u>	<u>760</u>	<u>6,734</u>	<u>121,637</u>	<u>-</u>	<u>680,170</u>
March 31, 2025	<u>\$ 340,458</u>	<u>142,071</u>	<u>129,320</u>	<u>1,015</u>	<u>6,105</u>	<u>214,065</u>	<u>2,875</u>	<u>835,909</u>

As of March 31, 2026, December 31, 2025 and March 31, 2025, the details of the Group's property, plant and equipment provided as collateral for short-term and long-term loans and credit facilities are disclosed in Note 8.

(12) Right-Of-Use Asset

The changes in the cost and accumulated depreciation of land, building, and transport equipment leased by the Group are as follows:

	Land	Buildings and Structures	Machinery and Equipment	Transportation Facilities	Office Equipment	Total
Costs:						
Balance as of January 1, 2026	\$ 14,705	81,363	844	11,832	-	108,744
Addition	-	6,049	-	1,401	-	7,450
Decrease	-	(1,771)	(844)	(3,051)	-	(5,666)
Balance as of March 31, 2026	<u>\$ 14,705</u>	<u>85,641</u>	<u>-</u>	<u>10,182</u>	<u>-</u>	<u>110,528</u>
Balance as of January 1, 2025	\$ 14,705	79,869	987	13,207	251	109,019
Addition	-	-	-	2,588	-	2,588
Balance as of March 31, 2025	<u>\$ 14,705</u>	<u>79,869</u>	<u>987</u>	<u>15,795</u>	<u>251</u>	<u>111,607</u>
Accumulated depreciation:						
Balance as of January 1, 2026	\$ 5,127	34,909	739	6,870	-	47,645
Depreciation	368	3,033	105	904	-	4,410
Decrease	-	(1,771)	(844)	(3,051)	-	(5,666)
Balance as of March 31, 2026	<u>\$ 5,495</u>	<u>36,171</u>	<u>-</u>	<u>4,723</u>	<u>-</u>	<u>46,389</u>
Balance as of January 1, 2025	\$ 3,656	24,787	424	8,137	236	37,240
Depreciation	368	2,656	141	1,043	15	4,223
Balance as of March 31, 2025	<u>\$ 4,024</u>	<u>27,443</u>	<u>565</u>	<u>9,180</u>	<u>251</u>	<u>41,463</u>
Carrying Value:						
March 31, 2026	<u>\$ 9,210</u>	<u>49,470</u>	<u>-</u>	<u>5,459</u>	<u>-</u>	<u>64,139</u>
December 31, 2025	<u>\$ 9,578</u>	<u>46,454</u>	<u>105</u>	<u>4,962</u>	<u>-</u>	<u>61,099</u>
March 31, 2025	<u>\$ 10,681</u>	<u>52,426</u>	<u>422</u>	<u>6,615</u>	<u>-</u>	<u>70,144</u>

(13) Investment Property

Investment property includes land and buildings held by the Group. The lease period of investment property under lease is from two to five years and the lessees do not have a preferential purchase right at the expiration of the lease period.

The changes in the Group's investment properties are as follows:

	Land	Buildings and Structures	Total
Costs:			
Balance as of January 1, 2026	\$ 5,319	61,345	66,664
Reclassification	414	53,866	54,280
Balance as of March 31, 2026	\$ 5,733	115,211	120,944
Balance as of January 1, 2025	\$ 5,319	18,390	23,709
Reclassification	-	5,404	5,404
Balance as of March 31, 2025	\$ 5,319	23,794	29,113
Accumulated Depreciation:			
Balance as of January 1, 2026	\$ -	9,282	9,282
Depreciation	-	643	643
Reclassification	-	26,007	26,007
Balance as of March 31, 2026	\$ -	35,932	35,932
Balance as of January 1, 2025	\$ -	2,728	2,728
Depreciation	-	112	112
Reclassification	-	2,364	2,364
Balance as of March 31, 2025	\$ -	5,204	5,204
Carrying Amount:			
March 31, 2026	\$ 5,733	79,279	85,012
December 31, 2025	\$ 5,319	52,063	57,382
March 31, 2025	\$ 5,319	18,590	23,909
Fair Value:			
March 31, 2026			\$ 375,399
December 31, 2025			\$ 200,340
March 31, 2025			\$ 90,824

The fair value of the investment property was not determined by an independent appraiser but was assessed by the Group's management with reference to existing lease agreements and market evidence from recent transactions of similar properties in the vicinity.

As of March 31, 2026, December 31, 2025 and March 31, 2025, details of the above investment properties provided as collateral for financing facilities are provided in Note 8.

(14) Intangible assets

The details of the cost, amortization and accumulated impairment of the Group's intangible assets are as follows:

	Goodwill	Patents	Computer software	Other	Total
Costs:					
Balance as of January 1, 2026 (i.e., ending balance)	<u>\$ 19,429</u>	<u>20,000</u>	<u>21,045</u>	<u>10,200</u>	<u>70,674</u>
Balance as of January 1, 2025	\$ 19,429	20,000	18,731	10,200	68,360
Addition	-	-	34	-	34
Effect of exchange rate changes	-	-	(1)	-	(1)
Balance as of March 31, 2025	<u>\$ 19,429</u>	<u>20,000</u>	<u>18,764</u>	<u>10,200</u>	<u>68,393</u>
Accumulated amortization and impairment:					
Balance as of January 1, 2026	\$ 19,429	20,000	15,004	10,200	64,633
Current amortization	-	-	704	-	704
Balance as of March 31, 2026	<u>\$ 19,429</u>	<u>20,000</u>	<u>15,708</u>	<u>10,200</u>	<u>65,337</u>
Balance as of January 1, 2025	\$ -	2,143	11,139	2,040	15,322
Current Depreciation	-	714	984	680	2,378
Balance as of March 31, 2025	<u>\$ -</u>	<u>2,857</u>	<u>12,123</u>	<u>2,720</u>	<u>17,700</u>
Carrying value:					
March 31, 2026	<u>\$ -</u>	<u>-</u>	<u>5,337</u>	<u>-</u>	<u>5,337</u>
December 31, 2025	<u>\$ -</u>	<u>-</u>	<u>6,041</u>	<u>-</u>	<u>6,041</u>
March 31, 2025	<u>\$ 19,429</u>	<u>17,143</u>	<u>6,641</u>	<u>7,480</u>	<u>50,693</u>

(15) Other Current Assets and Other Non-Current Assets

The other current and non-current assets of the Group are detailed as follows:

	2026.3.31	2025.12.31	2025.3.31
Current			
Prepayments for purchases	\$ 36,322	18,593	23,496
Prepaid expenses	30,389	31,861	43,825
Offset against business tax payable	6,265	6,634	8,476
Other	336	417	1,845
Total	<u>\$ 73,312</u>	<u>57,505</u>	<u>77,642</u>
Non-current			
Prepayments for equipment	\$ -	226	15,981
Refundable deposits	83,997	83,994	32,790
Long-term prepaid expenses	-	-	558
Other	-	2,000	-
Total	<u>\$ 83,997</u>	<u>86,220</u>	<u>49,329</u>

(16) Short-Term Notes and Bills Payable

The short-term notes payable by the Group are detailed as follows:

2026.3.31			
	Guaranty or Acceptance Institution	Interest Rate Range	Amount
Commercial paper payable	Taiwan Finance Corporation	1.75%	\$ 30,000
Less: Discount on short-term notes and bills payable			(24)
Total			<u>\$ 29,976</u>

2025.3.31			
	Guaranty or Acceptance Institution	Interest Rate Range	Amount
Commercial paper payable	Mega Bills Finance Co., Ltd.	2.14%	\$ 30,000
Commercial paper payable	Taiwan Cooperative Bills Finance Corporation	2.2%	20,000
Less: Discount on short-term notes and bills payable			(42)
Total			<u>\$ 49,958</u>

(17) Short-Term Loans

The short-term loans of the Group are detailed as follows:

	2026.3.31	2025.12.31	2025.3.31
Secured bank loans	\$ -	-	145,000
Unsecured bank loans	70,000	30,000	43,250
Total	<u>\$ 70,000</u>	<u>30,000</u>	<u>188,250</u>
Unused limit	<u>\$ 1,196,292</u>	<u>1,300,366</u>	<u>1,117,905</u>
Interest Rate Range	<u>2.17%-2.5%</u>	<u>2.17%-2.5%</u>	<u>1.80%-2.575%</u>

Please refer to Note 8 for details of the Group's pledge of assets for bank loans.

(18) Long-Term Loans

2025.3.31				
	Currency	Interest Rate Range	Maturity Year	Amount
Secured bank loans	NTD	1.95%	2025	\$ 7,717
Unsecured bank loans	NTD	2.82%	2025-2026	11,789
Less: Part due within one year				(18,950)
Total				<u>\$ 556</u>
Unused limit				<u>\$ 12,100</u>

Please refer to Note 8 for details of the Group's pledge of assets for bank loans.

(19) Lease liabilities

The Carrying amounts of the Group's lease liabilities are as follows:

	2026.3.31	2025.12.31	2025.3.31
Current	<u>\$ 15,278</u>	<u>14,102</u>	<u>14,714</u>
Non-current	<u>\$ 51,852</u>	<u>49,807</u>	<u>57,699</u>

For maturity analysis, please refer to Note 6(28) Financial Instruments.

The amounts recognized to profit and loss are as follows:

	For the Three Months Ended March 31	
	2026	2025
Interest expense on lease liabilities	<u>\$ 351</u>	<u>365</u>
Changes in lease not included in the measurement of lease liabilities	<u>\$ 103</u>	<u>94</u>
Short-term rental expense	<u>\$ 969</u>	<u>2,404</u>
Charges on low-value leasehold assets (excluding low-value leases on short-term leases)	<u>\$ 88</u>	<u>104</u>

The amounts recognized in the cash flow statement are as follows:

	For the Three Months Ended March 31	
	2026	2025
Total cash outflows from leases	<u>\$ 5,606</u>	<u>6,970</u>

1. Rental of Building and Transport Equipment

The Group leases land for use as a site for energy storage projects, with lease terms ranging from nine years and six months to ten years and seven months.

The Group leases building roofs for the construction of solar power plants for a period of twenty years.

The Group leases buildings, and transportation equipment for general operating activities, with lease terms typically ranging from one to ten years.

2. Other Leases

The Group leases office equipment, etc., with lease terms ranging from one to five years, and such leases are short-term or low-value leases. The Group chooses to apply the exemption recognition provisions instead of recognizing the relevant right-of-use assets and lease liabilities.

(20) Employee Benefits

1. Defined Benefit Plans

Since there were no significant market fluctuations, significant curtailments, settlements, or other significant one-time events after the prior year's reporting date,

the Group adopted the retirement benefit costs measured and disclosed for the interim period using the actuarial valuation determined as of December 31, 2025 and 2024.

The Group reported retirement benefit expenses of \$0 thousand and \$35 thousand for the three months ended March 31, 2026 and 2025, respectively.

2. Defined Contribution Plans

For the periods from January 1 to March 31, 2026 and 2025, pension expenses under the defined contribution plans of the Group amounted to \$2,615 thousand and \$2,808 thousand, respectively, which have been contributed to the relevant authorities.

(21) Income Tax

1. The Group's income tax expense are details as follows:

	For the Three Months Ended March 31	
	2026	2025
Current income tax	\$ 5,292	15,747
Deferred income tax	4,379	-
Income tax expense	<u>\$ 9,671</u>	<u>15,747</u>

2. The income tax expense recognized in other comprehensive income for the Group are details as follows:

	For the Three Months Ended March 31	
	2026	2025
Items that may be subsequently reclassified to profit or loss:		
Exchange differences on translation of foreign financial statements	<u>\$ 664</u>	<u>531</u>

3. The income tax returns of the Company and its subsidiaries have been assessed by the tax authorities. The status is as follows:

Company Name	Assessed Year
The Company	2024
Billion Watts Technologies Co., Ltd.	2024
Billion Power System Technologies Inc.	2023
Billion Energy Storage Technologies Inc.	2024
Billion EV Charging Technologies Co., Ltd.	2024
Billion EVC Technologies Co., Ltd.	2023
Billion Kai Co., Ltd.	2024
NoonSpare Energy Technology Co., Ltd.	2023
Billion Electric Holding Co., Ltd.	2024
BEC Technologies Inc.	2024

(22) Capital and Other Equity

Except the described contents down below, there was no significant change in the capital and other equity of the Group for the three months ended March 31, 2026 and 2025. For related information, please refer to Note 6(23) of the consolidated financial statements for 2025.

1. Issue of Common Stock

For the three months ended March 31, 2026 and 2025, the Company's authorized capital was \$2,500,000 thousand, with 12,350 thousand shares reserved for employee stock options, and a par value of \$10 per share, for a total of 250,000 thousand shares. The authorized capital includes issued and outstanding ordinary shares of 129,960 thousand shares and 116,004 thousand shares, respectively. All issued shares have been fully paid.

On December 18, 2025, the Company's Board of Directors resolved to retire 158 thousand treasury shares, with February 27, 2026 as the capital reduction record date. The relevant statutory registration procedures have been completed.

For the three months ended March 31, 2025, the Company issued 36 thousand new shares due to the exercise of employee stock options at par value, totaling \$355 thousand. All issued shares have been fully paid, and the relevant statutory registration procedures were completed on March 24, 2025.

2. Capital Surplus

The balance of the Company's capital reserve is as follows:

	2026.3.31	2025.12.31	2025.3.31
Premium on issuance of shares	\$ 650,240	651,664	634,385
Treasury share transactions	5,929	5,929	5,929
Treasury share transactions (transfer of employee stock options)	19,745	19,493	19,493
Difference between actual acquisition or disposal of equity interest in a subsidiary and its carrying value	14,521	14,521	14,109
Changes in ownership interests in subsidiaries recognized.	2,336	2,336	2,336
The number of changes in the net equity value of subsidiaries and associates	32	32	32
Consolidated overdraft	8,173	8,173	8,173
Employee stock options	396	605	411
Income received from gifts	1,890	1,890	1,890
	<u>\$ 703,262</u>	<u>704,643</u>	<u>686,758</u>

According to the Company Law, after losses have been offset using the capital reserve, the realized portion of the capital reserve may be distributed to shareholders in the form of new shares or cash in proportion to their original shareholding. The realized capital reserve mentioned above includes the premium arising from the issuance of shares in excess of par value and income from donated assets. In accordance with the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the total amount of capital reserve appropriated for such distribution shall not exceed 10% of the paid-in capital.

3. Retained Earnings

According to the Company's Articles of Incorporation, after all taxes and dues have been paid in accordance with the law and accumulated losses have been covered, 10% of the remaining annual earnings shall be appropriated as legal reserve. However, this requirement shall not apply once the legal reserve has reached the total paid-in capital of the Company. The remaining earnings shall then be used to appropriate or reverse a special reserve, as required. Any further remaining balance, together with any accumulated undistributed earnings, shall be subject to an earnings distribution proposal prepared by the Board of Directors and submitted to the shareholders' meeting for approval.

The Company's dividend policy, aligned with its current and future development plans, the investment environment, capital requirements, and both domestic and international competition, also takes into account the interests of shareholders and other relevant factors. Under this policy, the annual distribution of distributable earnings for shareholders' dividends shall not be less than 10% of the total distributable earnings. However, if the accumulated distributable earnings are less than 5% of the paid-in capital, no distribution is required. When distributing dividends, the cash portion shall account for no less than 5% of the total dividends distributed for the current year. The remaining amount may be distributed in the form of share dividends. The actual distribution ratio shall be adjusted based on the Company's profitability and operating conditions for the year.

Earnings distribution

On March 12, 2026, the Company's Board of Directors proposed the deficit compensation proposal for 2025, and on May 22, 2025, the shareholders' meeting resolved the deficit compensation proposal for 2024. No earnings were distributed.

4. Treasury Shares

The changes of the Company's treasury shares are as detailed as follows:

	For the Three Months Ended March 31			
	2026		2025	
	Transfer of Shares to Employees (thousand shares)	Transfer of Shares to Employees (thousand NTD)	Transfer of Shares to Employees (thousand shares)	Transfer of Shares to Employees (thousand NTD)
Beginning balance	1,126	\$ 24,677	1,146	25,057
Retired during the year	(158)	(3,004)	-	-
Transferred to Group's employees in the current year	(20)	(378)	(20)	(380)
Ending Balance	<u>948</u>	<u>\$ 21,295</u>	<u>1,126</u>	<u>24,677</u>

On December 18, 2025, the Company's Board of Directors resolved to retire 158 thousand treasury shares with a carrying cost of \$3,004 thousand, and set February 27, 2026 as the record date for the capital reduction. The relevant statutory registration procedures have been completed.

The number of uncanceled treasury shares of the Company as of March 31, 2026 and 2025, was 948 thousand shares and 1,126 thousand shares. The Treasury shares held by the Company shall not be pledged in accordance with the provisions of the Securities Exchange Act, and do not carry shareholder rights before transfer.

5. Other Equity (Net After Tax)

	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) From Financial Assets Measured at Fair Value Through Other Comprehensive Income	Non-controlling Interests	Total
Balance as of January 1, 2026	\$ (142)	(38,743)	150,131	111,246
Net loss for the period	-	-	(4,617)	(4,617)
Exchange differences on translation of foreign financial statements	3,772	-	280	4,052
Unrealized appraisal gains and losses on financial assets measured at fair value through other comprehensive gains and losses	-	(11)	(7)	(18)
Changes in non-controlling interests	-	-	(7,293)	(7,293)
Balance as of March 31, 2026	<u>\$ 3,630</u>	<u>(38,754)</u>	<u>138,494</u>	<u>103,370</u>

	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) From Financial Assets Measured at Fair Value Through Other Comprehensive Income	Non-controlling Interests	Total
Balance as of January 1, 2025	\$ 5,240	(34,616)	367,920	338,544
Net profit for the period	-	-	6,286	6,286
The exchange difference resulting from the conversion of the net assets of the foreign operating institution	2,263	-	278	2,541
Unrealized appraisal gains and losses on financial assets measured at fair value through other comprehensive gains and losses	-	(153)	(106)	(259)
Difference between actual acquisition or disposal of equity interest in a subsidiary and it carrying value	-	-	(25,514)	(25,514)
Share-based payment transaction	-	-	4	4
Balance as of March 31, 2025	<u>\$ 7,503</u>	<u>(34,769)</u>	<u>348,868</u>	<u>321,602</u>

(23) Share-Based Payment

	For the Three Months Ended March 31	
	2026	2025
Expenses Incurred due to Employee Warrants	<u>\$ (2,041)</u>	<u>(52)</u>

(24) Earnings per Share

The Company's basic and diluted earnings per share are calculated as follows:

1. Basic Earnings per Share

(1) Net income attributable to holders of ordinary equity of the Company

	For the Three Months Ended March 31	
	2026	2025
Net income attributable to ordinary equity holders of the Company	<u>\$ 6,292</u>	<u>36,200</u>

(2) Weighted average number of common shares outstanding

Unit: thousand shares

	For the Three Months Ended March 31	
	2026	2025
Weighted average number of common shares outstanding	<u>128,999</u>	<u>114,892</u>

2. Diluted Earnings per Share

(1) Net income attributable to holders of ordinary equity of the Company (Diluted)

	For the Three Months Ended March 31	
	2026	2025
Net income attributable to holders of ordinary equity of the Company (Diluted)	<u>\$ 6,292</u>	<u>36,200</u>

(2) Weighted average number of ordinary shares outstanding (diluted)

Unit: thousand shares

	For the Three Months Ended March 31	
	2026	2025
Weighted average number of common shares outstanding (Basic)	128,999	114,892
Effect of dilutive potential common shares		
Effect of employee stock options	1	84
Effect of employee stock compensation	-	75
Weighted average number of ordinary shares outstanding (diluted)	<u>129,000</u>	<u>115,051</u>

	For the Three Months Ended March 31	
	2026	2025
Basic earnings per share	<u>\$ 0.05</u>	<u>0.32</u>
Diluted earnings per share	<u>\$ 0.05</u>	<u>0.31</u>

(25) Revenue from Contracts with Customers

1. Subdivision of Income

	For the Three Months Ended March 31	
	2026	2025
Key Regional Markets:		
Asia	\$ 197,369	567,446
Americas	80,440	77,278
Australia	73,479	-
Other countries	-	650
	<u>\$ 351,288</u>	<u>645,374</u>
Key Products:		
Communication electronic equipment	\$ 72,447	75,774
Power supply equipment	33,458	39,320
Energy storage— equipment sales	109,279	471,079
Energy storage— system Integration	106,736	33,344
Energy storage— other	29,368	25,857
	<u>\$ 351,288</u>	<u>645,374</u>

2. Contract Balance

	<u>2026.3.31</u>	<u>2025.12.31</u>	<u>2025.3.31</u>
Notes receivable	\$ 2,569	3,608	2,407
Accounts receivable	96,126	105,156	107,327
Accounts receivable—related parties	19,609	61,833	14,540
Less: Loss allowance	<u>(9,279)</u>	<u>(7,398)</u>	<u>(2,684)</u>
	<u>\$ 109,025</u>	<u>163,199</u>	<u>121,590</u>
Contract performance costs- current	<u>\$ 234,340</u>	<u>157,081</u>	<u>469,966</u>
Contract assets - current	<u>\$ 119,613</u>	<u>53,717</u>	<u>127,824</u>
Contract performance costs- non-current	<u>\$ 109,046</u>	<u>97,183</u>	<u>-</u>
Contract liabilities - current	<u>\$ 239,058</u>	<u>156,499</u>	<u>491,846</u>

Please refer to Note 6(5) for detailed disclosure of notes and accounts receivable and their impairments

Contract liabilities are primarily derived from proceeds received on product sales contracts, which the Group will carry forward when products are delivered to customers.

Revenue recognized for the periods from January 1 to March 31, 2026 and 2025 that was included in the opening balances of contract liabilities as of January 1, 2026 and 2025 amounted to \$19,045 thousand and \$90,962 thousand, respectively.

(26) Remuneration to Employees and Directors

On May 22, 2025, the Company resolved at the shareholders' meeting to amend its Articles of Incorporation. According to the amended Articles, if the Company has profits in a given year, before deducting employee compensation and directors' remuneration from the pre-tax income, not less than 2% shall be allocated as employee compensation (of which not less than 60% shall be distributed to rank-and-file employees, with the definition of rank-and-file employees to be determined by the Board of Directors) and not more than 3% shall be allocated as directors' remuneration. However, if the Company has accumulated losses, the amount shall first be retained to offset the losses. The employees eligible for remuneration in the form of shares or cash may include employees of subsidiaries meeting certain criteria. The Articles of Incorporation before the amendment provided that, in accordance with the articles of incorporation the Company should contribute no less than 2% of the profit as employee compensation and no more than 3% as directors' remuneration when there is profit for the year. However, if the Company has accumulated deficits, the profit should be reserved to offset the deficit. The recipients of shares and cash may include the employees of the Company's affiliated companies who meet certain conditions.

For the period from January 1 to March 31, 2026, the Company did not accrue employee and directors' compensation, as there was no remaining balance after deducting accumulated losses from the Company's profit before tax before deduction of employee and directors' compensation for the period.

For the period from January 1 to March 31, 2025, the estimated amounts of employee compensation and directors' compensation were \$2,185 thousand and \$262 thousand, respectively. The estimates were based on the Company's profit before tax before deduction of employee and directors' compensation for the period, multiplied by the percentages for distribution of employee and directors' compensation prescribed in the Company's Articles of Incorporation, and were presented as operating costs and expenses for the period. If the actual amounts distributed in the following year differ from the estimated amounts, the difference shall be accounted for as a change in accounting estimate and recognized in profit or loss for the following year.

As the Company incurred losses before tax in both 2025 and 2024, no employee or directors' compensation was accrued. Relevant information is available on the Market Observation Post System.

(27) Non-Operating Revenue and Expenses

1. Interest Income

The Group's interest income are details as follows:

	For the Three Months Ended March 31	
	2026	2025
Bank interest	\$ 2,887	3,893
Other interest income	2,573	1,981
	\$ 5,460	5,874

2. Other Income

The Group's other income are details as follows:

	For the Three Months Ended March 31	
	2026	2025
Rental income	\$ 3,761	2,307
Other income	880	55,502
	\$ 4,641	57,809

3. Other Gains and Losses

The Group's other gains and losses are details as follows:

	For the Three Months Ended March 31	
	2026	2025
Gains (Losses) from disposal of property, plant and equipment	\$ 100	(7)
Foreign exchange gains	12,445	9,411
Profit (Loss) on financial assets measured at fair value through profit and loss	(191)	104
Other	(868)	(2,440)
	\$ 11,486	7,068

4. Financial Costs

The Group's financial costs are details as follows:

	For the Three Months Ended March 31	
	2026	2025
Interest on bank loans	\$ 286	1,679
Interest on decommissioning provision and lease liabilities	352	365
Interest on other loans	11	112
Interest on short-term notes and bills payable	35	377
	\$ 684	2,533

(28) Financial Instruments

Except as described below, there were no significant changes in the fair value of the Group's financial instruments and its exposure to credit risk, liquidity risk and market risk arising from financial instruments. Please refer to Note 6(29) to the consolidated financial statements for 2025 for relevant information.

1. Credit Risk

Concentration of Credit Risk Situation

As of March 31, 2026 and 2025, 18.89% and 10.10% of the Group's accounts receivable balances, respectively, were attributable to the Group's top five customers, indicating a significant concentration of credit risk. As of December 31, 2025, the Group did not have a significant concentration of credit risk with respect to accounts receivable.

2. Liquidity Risk

The following table shows the contract maturity dates of financial liabilities, including the impact of estimated interest.

	Carrying Amount of Investment	Contract Cash Flow	Within 12 Months	1 to 5 Years	Over 5 Years
March 31, 2026					
Non-derivative financial liabilities					
Non-interest-bearing liabilities	\$ 224,010	224,010	224,010	-	-
Lease liabilities (including maturity within one year)	67,130	72,407	18,322	47,053	7,032
Floating rate instrument	70,000	70,306	70,306	-	-
Fixed-rate instrument	29,976	30,000	30,000	-	-
Total	\$ 391,116	396,723	342,638	47,053	7,032

	Carrying Amount of Investment	Contract Cash Flow	Within 12 Months	1 to 5 Years	Over 5 Years
December 31, 2025					
Non-derivative financial liabilities					
Non-interest-bearing liabilities	\$ 197,133	197,133	197,133	-	-
Lease liabilities (including maturity within one year)	63,909	67,318	15,233	43,329	8,756
Floating rate instrument	30,000	30,215	30,215	-	-
Total	\$ 291,042	294,666	242,581	43,329	8,756
March 31, 2025					
Non-derivative financial liabilities					
Non-interest-bearing liabilities	\$ 189,792	189,792	189,792	-	-
Lease liabilities (including maturity within one year)	72,413	76,749	16,007	46,916	13,826
Floating rate instrument	200,039	200,873	200,315	558	-
Fixed-rate instrument	57,675	57,780	57,780	-	-
Total	\$ 519,919	525,194	463,894	47,474	13,826

The Group does not anticipate that the cash flows from the maturity analysis will occur significantly earlier or that the actual amounts will be significantly different.

3. Market Risk

(1) Foreign Currency Exchange Risk Exposure

A. Exposure to foreign exchange risk

The financial assets and liabilities of the Group exposed to material foreign currency exchange rate risks are as follows:

2026.3.31				2025.12.31			2025.3.31		
Foreign Currency	Currency Exchange Rate	NTD		Foreign Currency	Currency Exchange Rate	NTD	Foreign Currency	Currency Exchange Rate	NTD
Financial Assets									
<u>Monetary Items</u>									
USD	\$ 21,566	31.995	690,004	21,877	31.430	687,599	28,897	33.205	959,534
EUR	10	36.710	362	10	36.900	352	201	35.970	7,217
JPY	17,375	0.201	3,484	17,375	0.201	3,489	15,350	0.223	3,418
RMB	306	4.629	1,419	-	-	-	-	-	-
AUD	1,041	21.960	22,870	301	21.010	6,319	-	-	-
Financial Liabilities									
<u>Monetary Items</u>									
USD	\$ 106	31.995	3,388	346	31.430	10,887	885	33.205	29,394
RMB	3,174	4.629	14,692	4,883	4.496	21,953	566	4.573	2,589

B. Sensitivity analysis

The exchange rate risk of monetary items from Group mainly arises from cash and cash equivalents, accounts receivable, other receivables, accounts payable, and other payables denominated in foreign currencies, which result in foreign exchange gains or losses upon conversion. For the three months ended March 31, 2026 and 2025, if the New Taiwan Dollar had weakened or strengthened by 5% against the USD, EUR, JPY, RMB, and AUD, with all other factors remaining constant, the pre-tax net income for the three months ended March 31, 2026 and 2025, would have increased or decreased by \$35,003 thousand and \$46,909 thousand, respectively. The analysis for both periods is based on the same assumptions.

C. Exchange Gains and Losses on Monetary Items

Due to the diverse functional currencies of the Group, the exchange gains and losses on monetary items are disclosed in a consolidated manner. For the three months ended March 31, 2026 and 2025, the foreign exchange gains (including realized and unrealized) were \$12,445 thousand and \$9,411 thousand, respectively.

(2) Interest Rate Risk

Interest rate risks on the financial assets and financial liabilities of the Group are described in the Liquidity Risk Management section of this note.

The following sensitivity analysis is based on the interest rate risk of derivative and non- derivative instruments as of the reporting date. For floating rate liabilities, the analysis assumes that the amount of liabilities outstanding on the reported date is outstanding for the whole year. When consolidating the Group's internal reporting of interest rate fluctuations to key management personnel, an increase or decrease of 0.25% is used, which represents management's assessment of the reasonably possible range of interest rate changes.

If interest rates increase or decrease by 0.25%, with all other variables held constant, the pre-tax net profit of the Group for the three months ended March 31, 2026 and 2025 would decrease or increase by \$175 thousand and \$500 thousand, respectively.

(3) Other Price Risk

If daily price changes of equity securities are reported (the analysis of the two periods is based on the same basis, and other changing factors are assumed to remain unchanged), the impact on the comprehensive income and loss items is as follows:

Securities Prices on the Reporting Day	For the Three Months Ended March 31			
	2026		2025	
	Other Comprehensive Income Before Tax	Net Profit or Loss Before Tax	Other Comprehensive Income Before Tax	Net Profit or Loss Before Tax
Increase 10%	\$ 1,411	331	\$ 6,576	327
Decrease 10%	\$ (1,411)	(331)	\$ (6,576)	(327)

4. Fair Value

(1) Type and Fair Values of the Financial Instruments

The financial assets of the Group measured at fair value through profit and loss and the financial assets measured at fair value through other comprehensive profit and loss are measured at fair value on a recurring basis. Carrying amount and fair value of various types of financial assets and financial liabilities (including fair value grade information, but the carrying amounts of financial instruments not measured by fair value is a reasonable approximation of fair value, and leasing liabilities, according to the provisions of the fair value information is not required to disclose) are listed as follows:

	2026.3.31				
	Carrying Amount	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial Assets at Fair Value Through Profit or Loss	\$ 3,311	3,311	-	-	3,311
Financial Assets at Fair Value Through Other Comprehensive Income					
Shares of domestic emerging companies	5,179	-	5,179	-	5,179
Domestic unlisted (over-the-counter) shares	8,935	-	-	8,935	8,935
Subtotal	14,114	-	5,179	8,935	14,114
Financial Assets at Amortized Cost					
Cash and cash equivalents	640,296	-	-	-	-
Financial assets at amortized cost	487,476	-	-	-	-
Notes and accounts receivable (including related parties)	109,025	-	-	-	-
Other receivables (including related parties)	39,367	-	-	-	-
Subtotal	1,276,164	-	-	-	-
Total	\$ 1,293,589	3,311	5,179	8,935	17,425

2026.3.31					
		Fair Value			
	Carrying Amount	Level 1	Level 2	Level 3	Total
Financial Liabilities Measured at Amortized Cost					
Short-term loans	\$ 70,000	-	-	-	-
Short-term notes and bills payable	29,976	-	-	-	-
Notes and accounts payable	146,522	-	-	-	-
Other payables	77,488	-	-	-	-
Lease liabilities (including maturity within 1 year)	67,130	-	-	-	-
Total	\$ 391,116	-	-	-	-
2025.12.31					
		Fair Value			
	Carrying Amount	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss					
	\$ 3,449	3,449	-	-	3,449
Financial Assets at Fair Value Through Other Comprehensive Income					
Shares of domestic emerging companies	5,197	-	5,197	-	5,197
Domestic and foreign unlisted (over-the-counter) shares	6,935	-	-	6,935	6,935
Subtotal	12,132	-	5,197	6,935	12,132
Financial Assets at Amortized Cost					
Cash and cash equivalents	540,932	-	-	-	-
Financial assets at amortized cost	491,560	-	-	-	-
Notes and accounts receivable (including related parties)	163,199	-	-	-	-
Other receivables (including related parties)	45,900	-	-	-	-
Subtotal	1,241,591	-	-	-	-
Total	\$ 1,257,172	3,449	5,197	6,935	15,581
Financial Liabilities Measured at Amortized Cost					
Short-term loans	\$ 30,000	-	-	-	-
Notes and accounts payable	94,507	-	-	-	-
Other payables	102,626	-	-	-	-
Lease liabilities (including maturity within 1 year)	63,909	-	-	-	-
Total	\$ 291,042	-	-	-	-
2025.3.31					
		Fair Value			
	Carrying Amount	Level 1	Level 2	Level 3	Total
Financial Assets at Fair Value Through Profit or Loss					
	\$ 3,271	3,271	-	-	3,271
Financial Assets at Fair Value Through Other Comprehensive Income					
Domestic and foreign unlisted (over-the-counter) shares	65,758	-	-	65,758	65,758
Financial Assets at Amortized Cost					
Cash and cash equivalents	607,318	-	-	-	-
Financial assets at amortized cost	508,644	-	-	-	-
Notes and accounts receivable	121,590	-	-	-	-
Other receivables	55,458	-	-	-	-
Subtotal	1,293,010	-	-	-	-
Total	\$ 1,362,039	3,271	-	65,758	69,029

2025.3.31					
	Carrying Amount	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial Liabilities Measured at Amortized Cost					
Short-term loans	\$ 188,250	-	-	-	-
Short-term notes and bills payable	49,958	-	-	-	-
Notes and accounts payable	111,311	-	-	-	-
Other payables	78,481	-	-	-	-
Lease liabilities (including maturity within 1 year)	72,413	-	-	-	-
Long-term loans (including maturity within 1 year)	19,506	-	-	-	-
Total	\$ 519,919	-	-	-	-

(2) Valuation techniques for financial instruments measured at fair value

(2.1) Non-Derivative Financial Instruments

If a financial instrument has an open quotation on the active market, the fair value shall be the open quotation on the active market. The market prices announced by the major exchanges and the Central Government Bond Counter trading centers judged to be hot bonds are the basis for the fair value of listed equity instruments and debt instruments quoted in active markets.

If the quoted prices for financial instruments are readily and regularly available from an exchange, dealer, broker, industry association, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis, then the financial instruments have an active market quoted price.

If the above conditions are not met, the market is deemed to be inactive. In general, a wide bid-ask spread, a significant increase in bid-ask spread or very little trading volume are indicators of an inactive market.

The fair value of the financial instruments held by the Group in an active market is shown by class and attribute as follows:

The fair value of financial assets and liabilities, such as redeemable bonds, TWSE/TPE listed companies shares, bills of exchange and bonds, which are subject to standard terms and conditions and are traded in the active market, shall be determined by reference to market quotations respectively.

Besides the above-mentioned financial instruments with active markets, the fair value of the remaining financial instruments is obtained by means of appraisal techniques or by reference to counterparty quotations. The fair value obtained through valuation techniques can refer to the current fair value of other substantially similar financial instruments, the present value technique of cash flows, or other valuation techniques, including the use of models calculated with market information available on the reporting date

(e.g., Taipei Exchange reference yield curve, Reuters commercial paper rate average quotes).

The fair value of the financial instruments held by the Group in an inactive market is shown by class and attribute as follows:

Equity instrument without public quotation: The fair value is estimated using the market comparable company law, and its main assumption is based on the estimated earnings before interest, depreciation and amortization of investors and the earnings multiplier derived from the market quotation of comparable TWSE/TPEX listed companies. This estimate has been adjusted for the effect of the discount on the lack of market liquidity of the equity securities.

(3) Transfer between Level 2 and Level 3

The Group holds shares in Jong Shyn Shipbuilding Co., Ltd., which are classified as financial assets at fair value through other comprehensive income. Jong Shyn Shipbuilding Co., Ltd. is registered on the emerging stock market. Beginning from the second quarter of 2025, based on management's assessment of the turnover rate of emerging stocks on the Taipei Exchange, the shares were determined to be equity instruments in a market that is not active. Accordingly, the investment was transferred from Level 3 to Level 2 in the fair value hierarchy.

(4) Schedule of Changes to Level 3

	Fair Value Through Other Comprehensive Income	
	Unquoted equity instruments	
January 1, 2026	\$	6,935
Total Gains and Losses		
Purchase		2,000
March 31, 2026	\$	8,935
January 1, 2025	\$	66,017
Total Gains and Losses		
Recognized in other comprehensive income		(259)
March 31, 2025	\$	65,758

The above total gains or losses are recognized in "Unrealized gains (losses) on financial assets at fair value through other comprehensive income." The portion relating to assets still held as of March 31, 2026 and 2025 is as follows:

	For the Three Months Ended March 31	
	2026	2025
Total Gains or Losses -	\$ -	(259)
Recognized in other comprehensive income (Reported under "Unrealized appraisal gains on financial assets measured at fair value through other comprehensive gains and losses")		

(5) Quantitative Information on Fair Value Measurement of Significant Unobservable Inputs (Level 3)

The Group's fair value measurements categorized within Level 3 primarily relate to financial assets at fair value through other comprehensive income – domestic unlisted (over-the-counter) equity instruments without an active market, which have only one significant unobservable input.

Item	Valuation Technique	Significant Unobservable Inputs	Relationship between Significant Unobservable Inputs and Fair Value
Financial assets at fair value through other comprehensive income	Net asset value method	• Net asset value	• The higher the net asset value, the higher the fair value

(29) Financial Risk Management

The objectives and policies of the Group' financial risk management do not differ significantly from those disclosed in Note 6(30) of the 2025 consolidated financial statements.

(30) Capital Management

The objectives, policies, and procedures of the Group's capital management are consistent with those disclosed in the 2025 consolidated financial statements; furthermore, the quantitative information aggregated as items for capital management does not differ significantly from that disclosed in the 2025 consolidated financial statements. For related information, please refer to Note 6(31) of the 2025 consolidated financial statements.

(31) Investment and Financing Activities in Non-Cash Transactions

- Please refer to Note 6(12) for details on the acquisition of the right to use assets by means of lease.
- Cash paid for the acquisition of property, plant and equipment is as follows:

	For the Three Months Ended March 31	
	2026	2025
Acquisition of properties, plant and equipment	\$ 2,212	9,305
Add: Payables on equipment at beginning of period	1,741	322
Less: Payables on equipment at end of period	(367)	(236)
Cash Paid	<u>\$ 3,586</u>	<u>9,391</u>

3. Reconciliation of liabilities from financing activities is shown below:

	<u>2026.1.1</u>	<u>Cash flow</u>	<u>Changes in Non-Cash Items and Others</u>		<u>2026.3.31</u>
			<u>Increase</u>	<u>Other</u>	
Short-term loans	\$ 30,000	40,000	-	-	70,000
Short-term notes and bills payable	-	29,976	-	-	29,976
Lease liabilities (including maturity within 1 year)	63,909	(4,095)	7,316	-	67,130
Total liabilities from financing activities	<u>\$ 93,909</u>	<u>65,881</u>	<u>7,316</u>	<u>-</u>	<u>167,106</u>

	<u>2025.1.1</u>	<u>Cash flow</u>	<u>Changes in Non-Cash Items and Others</u>		<u>2025.3.31</u>
			<u>Increase</u>	<u>Other</u>	
Short-term loans	\$ 262,855	(74,605)	-	-	188,250
Short-term notes and bills payable	79,914	(29,956)	-	-	49,958
Lease liabilities (including maturity within 1 year)	73,828	(4,003)	2,588	-	72,413
Long-term loans (including maturity within 1 year)	26,060	(6,554)	-	-	19,506
Total liabilities from financing activities	<u>\$ 442,657</u>	<u>(115,118)</u>	<u>2,588</u>	<u>-</u>	<u>330,127</u>

7. Related Party Transactions

(1) Names and Relations of Related Parties

During the period covered by these consolidated financial statements, the related parties that had transactions with the Group are as follows:

<u>Name of Related Party</u>	<u>Relationship with the Group</u>
Hsia Ching Co., Ltd.	Associates
Sino-American Silicon Products Inc.	The institutional chairman of the Company
Sheng Chuang Energy Co., Ltd.	Associates
Susen Green Energy Co., Ltd.	The institutional chairman is the same as that of the Company
BL Anakie Solar Pty Ltd.	Associates
BL Longford Solar Pty Ltd.	Associates
Billion AU Holding Pty Ltd.	Associates

(2) Major Transaction with the Related Parties

1. Operating Revenue

The Group's material sales to related parties are as follows:

Related Party Type / Name	For the Three Months Ended March 31	
	2026	2025
Associates:		
Hsia Ching Co., Ltd.	\$ 2,593	123,265
BL Anakie Solar Pty Ltd.	48,201	-
Billion AU Holding Pty Ltd.	25,278	-
Other related parties:		
Sino-American Silicon Products Inc.	32	1,895
Susen Green Energy Co., Ltd.	1,901	-
	<u>\$ 78,005</u>	<u>125,160</u>

Sales are made on the basis of general market conditions, and the price and collection period are not materially different from those of other clients.

2. Contract Balance

Accounting Subject	Related Party Type / Name	2026.3.31	2025.12.31	2025.3.31
	Associates:			
Contract assets	Hsia Ching Co., Ltd.	<u>\$ 2,408</u>	<u>1,901</u>	<u>31,900</u>
	Other related parties:			
Contract liabilities	Sino-American Silicon Products Inc.	<u>\$ -</u>	<u>146</u>	<u>-</u>

3. Amounts due from related parties

Accounting Subject	Related Party Type / Name	2026.3.31	2025.12.31	2025.3.31
	Associates:			
Account Receivables — related parties	Hsia Ching Co., Ltd.	\$ 307	-	12,550
Account Receivables — related parties	BL Anakie Solar Pty Ltd.	-	30,492	-
Account Receivables — related parties	BL Longford Solar Pty Ltd.	17,306	29,426	-
	Other related parties:			
Account Receivables — related parties	Sino-American Silicon Products Inc.	-	1,915	1,990
Account Receivables — related parties	Susen Green Energy Co., Ltd.	1,996	-	-
		<u>\$ 19,609</u>	<u>61,833</u>	<u>14,540</u>
	Associates:			
Other Receivables — related parties	BL Anakie Solar Pty Ltd.	143	300	-
Other Receivables — related parties	Billion AU Holding Pty Ltd.	16	-	-
		<u>\$ 159</u>	<u>300</u>	<u>-</u>

The Group's receivables from related parties are unsecured. As of March 31, 2026 and 2025, no impairment loss was recognized after assessment.

4. Property transactions

The summary of the Group's acquisitions of financial assets from related parties is as follows:

Related party category	Account item	For the Three Months Ended March 31, 2026		
		Number of shares traded (thousand shares)	Subject of transaction	Acquisition consideration
Associates	Investments accounted for using the equity method	200	Shares of Sheng Chuang Energy Co., Ltd.	\$ 2,000
Associates	Investments accounted for using the equity method	667	Shares of Billion AU Holding Pty Ltd.	14,638
Associates	Investments accounted for using the equity method	613	Shares of BL Longford Solar Pty Ltd.	13,450
				<u><u>\$ 30,088</u></u>

5. Loans to related parties

The actual drawdown of loans provided by the Group to related parties is as follows:

Account item	Related party category / name	2026.3.31	2025.12.31	2025.3.31
Associates:				
Other receivables – related parties	Sheng Chuang Energy Co., Ltd.	<u>\$ -</u>	<u>8,000</u>	<u>-</u>

Account item	Related party category / name	For the Three Months Ended March 31	
		2026	2025
Interest income	Sheng Chuang Energy Co., Ltd.	<u>\$ 13</u>	<u>-</u>

As of December 31, 2025, the Group provided an unsecured loan with a maturity within one year to Sheng Chuang Energy Co., Ltd. Based on the assessment, no expected credit losses were required to be recognized.

6. Other related party transactions

Account item	Related party category / name	For the Three Months Ended March 31	
		2026	2025
	Associates:		
Interest income	BL Anakie Solar Pty Ltd.	\$ 1,502	-

(3) Major Management Transactions

Compensation for major managers includes:

	For the Three Months Ended March 31	
	2026	2025
Short-term employee benefits	\$ 9,265	7,428
Post-employment benefits	184	208
Share-based payment	-	15
	<u>\$ 9,449</u>	<u>7,651</u>

8. Assets Pledged as Security

The following assets of the Group have been provided to various financial banks as financing limit applications, project pledges or pledge guarantees. The carrying value details of the assets pledged by the Group are as follows:

Asset Name	Pledge to Secure the Subject Matter	2026.3.31	2025.12.31	2025.3.31
Financial assets at amortized cost - current	Short-term loans, payable short-term notes and performance guarantees	<u>\$ 36,249</u>	<u>23,571</u>	<u>39,236</u>
Financial assets at amortized cost - non-current	Note 9(3) – Commitments and Borrowings	<u>\$ 386,041</u>	<u>379,647</u>	<u>395,156</u>
Property, plant, and equipment	Long-term loans	<u>\$ 183,563</u>	<u>183,563</u>	<u>187,763</u>
Property, plant, and equipment	Long-term loans	<u>\$ 52,761</u>	<u>53,240</u>	<u>54,667</u>
Property, plant, and equipment	Long-term loans	<u>\$ -</u>	<u>-</u>	<u>6,444</u>

9. Significant Contingent Liabilities and Unrecognized Contract Commitments

(1) Contingent Liability

	2026.3.31	2025.12.31	2025.3.31
Purchas of inventories	<u>\$ 36,372</u>	<u>35,778</u>	<u>46,703</u>

(2) As of March 31, 2026, the Group had issued promissory notes for and \$1,575,284 thousand under a consolidated line of credit from financial institutions.

(3) The Company purchases on behalf of its customers and all payments receivable on behalf of customers have been covered by insurance. On February 22, 2017, the Company entered into an insurance contract with Cathay Century Insurance Co., Ltd. to insure against the payment on behalf of the Company for \$148,442 thousand (US \$5,330 thousand). The insurance contract period is one year. The insurance coverage includes the Company's debtors who have gone bankrupt (Insolvency), delayed payments (Protracted Default) and political risks. The non-life insurance company will bear the loss of the Company at an underwriting ratio of 90%. The maximum liability amount is US \$10,000 thousand each.

Cathay Century Insurance refused to claim the insurance premiums on the grounds that the payment in dispute was due on behalf of the insurer and did not conform to the insurance policy claim regulations.

In addition, in order to reduce the risk of accounts receivable and consider the efficiency of capital utilization, the Company has signed accounts receivable factoring agreements with financial institutions to sell accounts receivable to financial institutions (CTBC Bank and Taishin International Bank) on a non-recourse basis. In 2017, the factoring amount was \$435,776 thousand (US \$14,370 thousand), and the amount advanced was \$392,199 thousand (US \$12,933 thousand). According to the assessment of lawyers of TRI Law Offices appointed by the Company, the aforementioned accounts receivable factoring is a common clause in standard contract for the transfer of creditor's rights among between general financial institutions. The purchase price and the content of accounts receivable, as well as the transfer method and risk exposure are not inconsistent with the normal practices of general creditor's rights transfer. However, the definition and recognition of commercial disputes in the factoring agreements are quite loose, and the relationship between lending and borrowing is mutually existing. This is common in domestic financial cases. Financial institutions have more room for interpretation and development. As of March 31, 2026, according to the agreement, the Company and the financial institution deposited \$11,429 thousand in demand deposits and time deposits \$374,612 thousand as agreed shall not be used, and promissory notes amounting to US \$13,556 thousand and \$35,041 thousand have been issued.

As mentioned above, the Company has insured the above-mentioned claims or sold them to financial institutions on a non-recourse basis, and the Company has also continued to discuss with appointed lawyers to conduct legal proceedings and proceedings.

In addition, according to the contract, the Company did not pay the Company's receivables and payments on behalf of China Potevio Co., Ltd. and Potevio International Company Limited (hereinafter referred to as "Potevio Group") in the amount of US \$4,459 thousand. The Company has issued several letters to request Potevio Group to delay the outstanding accounts for various reasons. In June 2018, the Company commissioned a lawyer to arbitration the breach of contract by Potevio Group, but the other party reverse the arbitration request to the South China International Economic and Trade Arbitration Commission, requiring the Company to double refund the performance bond paid by Potevio Group in the amount of US \$469 thousand. In July 2018, the lawyer appointed by the Company assessed that the Company has completed the delivery obligation, Potevio Group shall pay the Company the final payment for the goods and bear the liability for breach of contract, and the Company is not obliged to refund the advanced payment to Potevio Group (Potevio is known as the "Performance Deposit"). In April 2026, the Company received a notice from the South China International Economic and Trade Arbitration Commission that the judgment period will be extended to June 30, 2026.

- (4) The Group's subsidiary, Billion Watts Technologies Co., Ltd. ("Billion Watts"), received a payment order issued by the Taiwan Taipei District Court on May 23, 2025. The order was filed by a customer of Billion Watts, Aster Renewable Energy Co., Ltd., alleging that Billion Watts failed to perform its contractual obligations. Accordingly, the customer notified the termination of the contract and requested the refund of the first installment of the project payment amounting to \$6,269 thousand, together with interest accrued from the day following the service of the payment order until the date of full settlement.

However, Billion Watts considers the claim to be disputed and involving substantive issues regarding contract performance. In accordance with Article 516 of the Code of Civil Procedure, Billion Watts filed an objection with the Taiwan Taipei District Court on June 4, 2025. Billion Watts has formally appointed legal counsel to handle the litigation, and the case is currently under trial in the court of first instance.

- (5) The The Group's subsidiary, Billion Watts Technologies Co., Ltd. ("Billion Watts"), received a notice from the Civil Division of the Taiwan Taipei District Court on September 2, 2025, together with a complaint filed by Collective Ingenuity Renewable Co., Ltd. ("Collective Ingenuity").

The case arises from disputes between Billion Watts and Collective Ingenuity regarding land development consulting service fees and related consulting matters. Accordingly, Collective Ingenuity has initiated a civil lawsuit against Billion Watts, claiming total compensation of \$100,800 thousand.

In response to the litigation, Billion Watts has appointed legal counsel and submitted its statement of defense in late September 2025. The case is currently under trial in the court of first instance.

10. Major Disaster Losses: None.

11. Major Events After the Reporting Period: None.

12. Others

Employee benefits, depreciation and amortization expense functions are summarized as follows:

By Feature By property	For the Three Months Ended March 31, 2026				For the Three Months Ended March 31, 2025			
	Classified as Operating Costs	Classified as Operating Expenses	Classified as Non-operating Expenses	Total	Classified as Operating Costs	Classified as Operating Expenses	Classified as Non-operating Expenses	Total
Employee benefit expenses								
Salary expenses	12,499	55,241	-	67,740	14,990	59,440	-	74,430
Labor health insurance costs	1,210	4,731	-	5,941	1,467	4,723	-	6,190
Pension expenses	548	2,067	-	2,615	664	2,179	-	2,843
Other employee welfare expense	699	2,221	-	2,920	1,310	2,854	-	4,164
Depreciation expenses	7,320	5,573	643	13,536	9,011	6,814	112	15,937
Amortization expenses	130	574	-	704	-	2,378	-	2,378

13. Notes to Disclosures

(1) Information on significant transactions

For the three months ended March 31, 2026, the Group, in accordance with the regulations of the Guidelines for the Preparation of Financial Reports by Securities Issuers, should disclose the following related information about significant transactions:

1. Lending Others:

Unit: NT\$ Thousand

No.	Lending Funds Company	Borrower	Current Accounts	Related Party Status	Current Maximum Amount	Ending Balance	Actual Drawdown	Interest Rate Range	Nature of Lending Funds (Note 2)	Amount of Business Transactions	Reason for Short-term Financing	Provision for Loss Amounts	Collateral		Loan and Limit of Funds to Individual Objects	Capital Loan and Total Limit
													Name	Value		
0	Billion Electric Co., Ltd.	Billion Energy Storage Technologies Inc.	Other receivables	Yes	45,000	-	-	-	2	-	Operating turnover	-		-	107,753 (Note 3)	431,012 (Note 3)
0	Billion Electric Co., Ltd.	Billion Watts Technologies Co., Ltd.	Other receivables	Yes	100,000	50,000	50,000	2.30%	2	-	Operating turnover	-		-	107,753 (Note 3)	431,012 (Note 3)
0	Billion Electric Co., Ltd.	Billion Watts Technologies Co., Ltd.	Other receivables	Yes	50,000	50,000	30,000	2.150%	2	-	Operating turnover	-		-	107,753 (Note 3)	431,012 (Note 3)
1	BEC Technologies Inc.	BEC International, LLC	Other receivables	Yes	19,197 (Note 5)	- (Note 5)	- (Note 5)	-	2	-	Repayment of bank loans	-		-	21,686 (Note 4)	43,372 (Note 4)
2	Billion Watts Technologies Co., Ltd.	Billion Electric Japan Co., Ltd.	Other receivables	Yes	20,000	20,000	5,000	2.35%	2	-	Operating turnover	-		-	80,993 (Note 6)	161,987 (Note 6)
2	Billion Watts Technologies Co., Ltd.	Sheng Chuang Energy Co., Ltd.	Other receivables	Yes	15,000	-	-	-	2	-	Operating turnover	-		-	80,993 (Note 6)	161,987 (Note 6)
2	Billion Watts Technologies Co., Ltd.	Billion Watts Australia Pty Ltd.	Other receivables	Yes	22,230 (Note 7)	21,960 (Note 7)	21,960 (Note 7)	6.31%	2	-	Operating turnover	-		-	80,993 (Note 6)	161,987 (Note 6)

Note 1: The remarks for the serial number column are as follows:

(1) For issuer, write 0.

(2) The investee company is numbered sequentially starting from Arabic numeral 1 according to the company type.

Note 2: 1. For those who have business transactions.

2. Necessary for short-term financing.

Note 3: The limits prescribed by the Company's operating procedures for capital lending are as follows:

(1) The capital lending line for individual object shall be limited to no more than 5% of the net value of the owner of Billion Electric Co., Ltd. for the current period.

(2) The total amount of foreign capital lending shall be limited to no more than 20% of the net value of the owner of Billion Electric Co., Ltd. for the current period.

Note 4: The limits prescribed by BEC Technologies Inc.'s operating procedures for capital lending are as follows:

- (1) The capital lending line for individual object shall be limited to no more than 10% of the net value of the owner of BEC Technologies Inc. for the current period.
- (2) The total amount of foreign capital lending shall be limited to no more than 20% of the net value of the owner of BEC Technologies Inc. for the current period.

Note 5: BEC Technologies Inc., a subsidiary of the Company, has lent a new capital to BEC International LLC, a second-tier subsidiary, an amount of US\$600 thousand since January 2021. The actual amount spent was US\$0 thousand. The exchange rate of USD to NTD at the end of the period was 1:31.995.

Note 6: The limits on fund lending in accordance with the procedures for lending funds of Billion Watts Technologies Co., Ltd. are as follows:

- (1) The capital lending line for individual object shall be limited to no more than 20% of the net current value of Billion Watts Technologies Co., Ltd.
- (2) The total amount of foreign capital lending shall be limited to no more than 40% of the net current value of Billion Watts Technologies Co., Ltd.

Note 7: Starting from November 2025, the Company's subsidiary, Billion Watts Technologies Co., Ltd., newly provided a loan to its sub-subsidiary, Billion Watts Australia Pty Ltd, amounting to AUD 1,000 thousand, of which the actual amount drawn was AUD 1,000 thousand. The exchange rate at the end of the period was AUD 1: NT\$21.96.

Note 8: The above transactions between parent and subsidiary companies have been eliminated in the preparation of these consolidated financial statements.

2. Endorsement/ Guarantee Provided for others:

Unit: NT\$ Thousand

No.	Endorser/Guarantor	Subject of Endorsements/ Guarantees		Limit on Endorsements/ Guarantees Provided for Single Entity (Note 3)	Endorsement and Guarantee Closing Balance	Endorsement and Guarantee Closing Balance	Actual Drawdown	Indorsement Secured by Property	Ratio of Accumulated Endorsement/ Guarantee to net Equity per Latest Financial Statements	Maximum Limit of Endorsement/ Guarantee (Note 3 and Note 4)	Endorsements/ Guarantees by Parent Company for Subsidiary	Endorsements/ Guarantees by Subsidiary to Parent Company	Guarantee Provided to Subsidiaries in Mainland China
		Company Name	Relation (Note 2)										
0	Billion Electric Co., Ltd.	Billion Energy Storage Technologies Inc.	2	1,077,530	60,000	15,000	-	-	0.70%	2,155,061	Y	N	N
0	Billion Electric Co., Ltd.	Billion Watts Technologies Co., Ltd.	2	1,077,530	68,802	67,966	50,886	-	3.15%	2,155,061	Y	N	N
1	Billion Watts Technologies Co., Ltd.	BL Anakie Solar Pty Ltd.	6	202,483	68,802 (Note 5)	67,966 (Note 5)	50,886 (Note 5)	-	16.78%	404,967	N	N	N

Note 1: The remarks for the serial number column are as follow:

- (1) For issuer, write 0.
- (2) The investee company is numbered sequentially starting from Arabic numeral 1 according to the company type.

Note 2: The relationship between the endorser and the object endorsed is as follows:

- (1) Companies that has business transactions with the clean away.
- (2) Companies in which the Company directly and indirectly holds more than 50% of the voting shares.
- (3) Companies that directly or indirectly hold more than 50% of the voting shares of the Company.
- (4) Intercompany entities where the Company directly or indirectly holds more than 90% of the voting shares.
- (5) Companies that are mutually guaranteed by the contract between peers or co-contractors based on the needs of the underwriting project.
- (6) Companies to which all investing shareholders endorse a guarantee based on its shareholding ratio as a result of the joint investment relationship.

- (7) Joint and several guarantees of performance bonds for pre-sale housing sales contracts with peers in the same industry in accordance with the regulations of the Consumer Protection Act.

Note 3: The limits on endorsements and guarantees in accordance with the Company's procedures for endorsements and guarantees are as follows:

- (1) The amount of endorsements and guarantees provided to any single enterprise shall not exceed 50% of the current equity attributable to owners of Billion Electric Co., Ltd.
- (2) The aggregate amount of endorsements and guarantees provided to external parties shall not exceed the current equity attributable to owners of Billion Electric Co., Ltd.

Note 4: The limits on endorsements and guarantees in accordance with the procedures for endorsements and guarantees of Billion Watts Technologies Co., Ltd. are as follows:

- (1) The amount of endorsements and guarantees provided to any single enterprise shall not exceed 50% of the current net worth of Billion Watts Technologies Co., Ltd.
- (2) The aggregate amount of endorsements and guarantees provided to external parties shall not exceed the current net worth of Billion Watts Technologies Co., Ltd.

Note 5: Starting from November 2025, the Company's subsidiary, Billion Watts Technologies Co., Ltd., newly provided endorsements and guarantees to its associate, BL Anakie Solar Pty Ltd. The exchange rate at the end of the period was AUD 1: NT\$21.96.

3. Status of Significant Marketable Securities Held at the End of the Period (Excluding Interests of Investment Subsidiaries, Associates and Joint Ventures):

Unit: NT\$ Thousand / thousand shares / thousand unit

Securities Holder	Type and Name of Marketable Securities	Relationship with Issuers of Securities	Journal Accounts	End of Period				Remarks
				Number of Shares	Carrying Amount	Shareholding Ratio	Fair Value	
Billion Electric Co., Ltd.	Ennova Technologies, Inc.	N/A	Financial assets at fair value through other comprehensive income - non-current	591	6,935	14.78%	6,935	
Billion Watts Technologies Co., Ltd.	Xi Yang Capital Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	200	2,000	5.00%	2,000	
NoonSpare Energy Technology Co., Ltd.	Jong Shyn Shipbuilding Co., Ltd.	N/A	Financial assets at fair value through other comprehensive income - non-current	60	5,179	0.07%	5,179	
BEC Technologies Inc.	Invesco QQQ Tr Unit Ser I	N/A	Financial assets at fair value through profit or loss - current	-	1,606	-%	1,606	
BEC Technologies Inc.	Vaneck Etf Trust Mmgstr Wde Moat	N/A	Financial assets at fair value through profit or loss - current	-	294	-%	294	
BEC Technologies Inc.	Berkshire Hathaway Inc	N/A	Financial assets at fair value through profit or loss - current	-	1,411	-%	1,411	

4. Related-party transactions for purchases and sales with amounts exceeding the lower of \$100 million or 20% of the capital stock: None.
5. Receivables from related parties with amounts exceeding the lower of \$100 million or 20% of capital stock: None.
6. Business relationships and significant intercompany transactions:

No.	Company Name	Transacting Counterparty	Relationship with Counterparty	Transaction Status			
				Accounts	Amount	Terms	Proportion of Consolidated Revenues or Assets
0	Billion Electric Co., Ltd.	BEC Technologies Inc.	1	Sales revenue	1,775	Mark-up from the cost according to the item type	0.51%
0	Billion Electric Co., Ltd.	Billion Watts Technologies Co., Ltd.	1	Other receivable – related parties	80,000	Capital lending	2.64%
0	Billion Electric Co., Ltd.	Billion EVC Technologies Co., Ltd.	1	Sales revenue	8,731	Mark-up from the cost according to the item type	2.49%
0	Billion Electric Co., Ltd.	Billion EVC Technologies Co., Ltd.	1	Account receivables – related parties	5,984	Net 60 days from month-end	0.20%
1	Billion Watts Technologies Co., Ltd.	Billion Electric Japan Co., Ltd.	3	Other receivable – related parties	5,000	Capital lending	0.16%
1	Billion Watts Technologies Co., Ltd.	Billion Watts Australia Pty Ltd.	3	Other receivables – related parties	21,960	Capital lending	0.72%

Note 1: The number should be filled in as follows:

1. 0 represents the parent company.
2. Subsidiaries are numbered sequentially starting with the Arabic numeral 1.

Note 2: The type of relationship with the trader is indicated as follows:

1. Parent company to subsidiary.
2. Subsidiary to parent company.
3. Subsidiary to subsidiary.

Note 3: The business relationship and important transactions between the parent company and the subsidiary company are only disclosed in terms of sales and accounts receivable, while the relative purchase and accounts payable are not mentioned here.

Note 4: The above transactions have been written off at the time of preparation of the consolidated financial table.

(2) Related Information on Investees

Unit: NT\$ Thousand / USD thousand / AUD thousand / thousand shares

Name of the Investment Company	Name of Investee	Location	Main Business Activities	Initial Investment		Holdings at the end of Period			Profit and Loss of the Investee in the Current Period	Investment Gains and Losses Recognized for the Period	Remarks
				End of the Current Period	End of Previous Year	Number of Shares	Ratio	Carrying Amount			
Billion Electric Co., Ltd.	BEC Technologies Inc.	United States	Sales businesses of telecommunication related products	69,257	69,257	2,294	91.76%	188,462	17,183	15,767	Note 2
Billion Electric Co., Ltd.	Billion Watts Technologies Co., Ltd.	Taiwan	Solar and energy storage solution services, power plant operation and management services, etc.	293,148	293,148	18,458	100.00%	399,252	(826)	(636)	Note 2
Billion Electric Co., Ltd.	Billion Energy Storage Technologies Inc.	Taiwan	Energy storage sales business	76,861	76,861	7,686	100.00%	18,296	(630)	(630)	Note 2
Billion Electric Co., Ltd.	Billion EVC Technologies Co., Ltd.	Taiwan	Distribution services for solar power plant equipment and EV charger	26,025	26,025	1,837	51.00%	24,775	745	380	Note 2
Billion Electric Co., Ltd.	Billion Electric Holding Co., Ltd.	Taiwan	Investment Company	12,000	12,000	1,200	100.00%	842	(18)	(18)	Note 2、5
Billion Electric Co., Ltd.	Billion EV Charging Technologies Co., Ltd.	Taiwan	Community-type charging pile and energy storage supply services and other businesses.	15,051	15,051	2,200	100.00%	47	-	-	Note 2、3
Billion Electric Co., Ltd.	Billion Kai Co., Ltd.	Taiwan	Design, manufacturing, and sales business of solar power plant.	20,000	20,000	2,000	100.00%	20,102	(23)	(23)	Note 2
Billion Electric Co., Ltd.	Hsia Ching Co., Ltd.	Taiwan	Self-usage power generation equipment utilizing renewable energy industry	27,000	27,000	2,700	5.24%	21,152	(11,759)	(549)	Note 1
Billion Electric Co., Ltd.	NoonSpare Energy Technology Co., Ltd.	Taiwan	Design and manufacturing of lithium battery modules, integration of residential and commercial/industrial energy storage systems, and energy technology services.	218,886	218,886	15,264	58.58%	133,125	(15,408)	(9,026)	Note 2
BEC Technologies Inc.	BEC International, LLC	United States	International investment	40,996	40,996	-	100.00%	69,357	1,626	1,626	Note 2
BEC Technologies Inc.	Avantek Systems PTE. LTD	Singapore	Cloud Software Hosting Services	8,639 (USD270)	8,486 (USD270)	270	75.00%	7,645	(62)	(47)	Note 2
Billion Watts Technologies Co., Ltd.	Billion Power System Technologies Inc.	Taiwan	Design and sales services of energy software	-	5,100	-	51.00%	-	9	25	Note 2、4
Billion Watts Technologies Co., Ltd.	Sheng Chuang Energy Co., Ltd.	Taiwan	Energy service business	4,000	2,000	400	20.00%	3,919	(48)	(9)	Note 1
Billion Watts Technologies Co., Ltd.	Billion Electric Japan Co., Ltd.	Japan	Energy storage sales business	3,494	3,494	5	100.00%	(1,714)	(580)	(580)	Note 2

Name of the Investment Company	Name of Investee	Location	Main Business Activities	Initial Investment		Holdings at the end of Period			Profit and Loss of the Investee in the Current Period	Investment Gains and Losses Recognized for the Period	Remarks
				End of the Current Period	End of Previous Year	Number of Shares	Ratio	Carrying Amount			
Billion Watts Technologies Co., Ltd.	Billion Watts Australia Pty Ltd.	Australia	Energy storage sales business	22,658 (AUD1,032)	20,038 (AUD1,032)	1,032	100.00%	22,386	(3,357)	(3,357)	Note 2
Billion Watts Technologies Co., Ltd.	Relocate Energy Storage Co., Ltd.	Taiwan	Energy storage sales business	8,000	8,000	800	40.00%	8,035	36	14	Note 1
Billion Electric Japan Co., Ltd.	Billion Energy Co., Ltd.	Japan	Energy storage sales business	1,003 (JPY5,000)	1,004 (JPY5,000)	1	100.00%	801	(3)	(3)	Note 2
Billion Watts Australia Pty Ltd.	BL Anakie Solar Pty Ltd.	Australia	Energy storage sales business	22,658 (AUD1,032)	21,678 (AUD1,032)	1,032	30.80%	18,153	(1,958)	(603)	Note 1
Billion Watts Australia Pty Ltd.	BL Longford Solar Pty Ltd.	Australia	Energy storage sales business	17,843 (AUD813)	4,202 (AUD200)	813	25.00%	16,390	-	-	Note 1
Billion Watts Australia Pty Ltd.	Billion AU Holding Pty Ltd.	Australia	Energy storage sales business	14,638 (AUD667)	-	667	40.00%	13,935	-	-	Note 1

Note 1: The investee company is evaluated by the equity method.

Note 2: The transactions on the left have been eliminated in the preparation of the consolidated financial statements.

Note 3: The entity was dissolved on February 28, 2025, and its liquidation procedures are still in progress as of the reporting date.

Note 4: The entity was dissolved on December 5, 2025, and its liquidation procedures are still in progress as of the reporting date.

Note 5: The entity was dissolved on March 31, 2026, and its liquidation procedures are still in progress as of the reporting date.

(3) Information on Investment in Mainland China: None.

14. Segment Information

Information and adjustment of the Group' operating department are as follows:

For the Three Months Ended March 31, 2026					
	Communications	Power	Renewable Energy	Adjustments and write off	Total
Revenue from external customers	\$ 72,447	33,458	245,383	-	351,288
Interdepartmental income	1,775	-	12,255	(14,030)	-
Total revenue	<u>\$ 74,222</u>	<u>33,458</u>	<u>257,638</u>	<u>(14,030)</u>	<u>351,288</u>
Departmental profit and loss should be reported	<u>\$ 23,963</u>	<u>943</u>	<u>(13,433)</u>	<u>1,020</u>	12,493
Share of associates' profit and loss under equity method					(1,147)
Net profit before tax					<u>\$ 11,346</u>

For the Three Months Ended March 31, 2025					
	Communications	Power	Renewable Energy	Adjustments and write off	Total
Revenue from external customers	\$ 75,774	39,320	530,280	-	645,374
Interdepartmental income	18,004	208	27,492	(45,704)	-
Total revenue	<u>\$ 93,778</u>	<u>39,528</u>	<u>557,772</u>	<u>(45,704)</u>	<u>645,374</u>
Departmental profit and loss should be reported	<u>\$ 4,176</u>	<u>6,020</u>	<u>46,745</u>	<u>1,868</u>	58,809
Share of associates' profit and loss under equity method				(576)	
Net profit before tax				<u>\$ 58,233</u>	

The measurement of total assets and liabilities of the Group segment information is not provided to the operating decision makers.