

CyberPower

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HANDBOOK FOR THE 2026 ANNUAL MEETING OF SHAREHOLDERS

Cyber Power Systems, Inc.

Time: May 26, 2026 (Tuesday), 9:00 A.M.

Place: 12F, No. 26, Jinzhuang Road, Neihu District, Taipei City (Training Room)

DISCLAIMER

THIS IS A TRANSLATION OF THE HANDBOOK FOR THE 2026 ANNUAL MEETING OF SHAREHOLDERS (THE "HANDBOOK") OF CYBER POWER SYSTEMS, INC. (THE "COMPANY"). THIS TRANSLATION IS INTENDED FOR REFERENCE ONLY AND NOTHING ELSE, THE COMPANY HEREBY DISCLAIMS ANY AND ALL LIABILITIES WHATSOEVER FOR THE TRANSLATION. THE CHINESE TEXT OF THE AGENDA SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBJECT MATTER STATED HEREIN.

Cyber Power Systems, Inc.
2026 General Meeting Handbook Table of Contents

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Cyber Power Systems, Inc.
2026 Annual Meeting Procedure

I. Meeting Procedure

- I. Opening Address
- II. Chairman Address
- III. Report Items
- IV. Ratification Items
- V. Discussions
- VI. Directors Election
- VII. Other Proposals
- VIII. Extemporaneous Motions
- IX. Adjournment

Cyber Power Systems, Inc.
2026 Annual Meeting Agenda

II. Meeting Agenda

Time of the meeting: 9:00 am, May 26th, 2026 (Tuesday)

Place of the meeting: 12F, No. 26, Jinzhuang Road, Neihu District, Taipei City
(Training Room)

Meeting type: physical shareholders meeting

(I) Opening Address (report the attending number of shares)

(II) Chairman Address

(III) Report Items

1. The 2025 Business Report of the Company.
2. The 2025 Audit Committee Report.
3. The Report on the Status of the 2025 Distribution of Remunerations to Employees and Directors.
4. The Report on the 2025 Earnings distribution.
5. The Report on the fundraising status of the third domestic unsecured convertible corporate bonds.

(IV) Ratification Items

1. Adoption of the 2025 Business Report and Financial Statements.
2. Adoption of the 2025 Earnings distribution.

(V) Discussions

Amendments to the " Procedures for Acquisition or Disposal of Assets ".

(VI) Directors Election

Election of the directors of the company's 11th term.

(VII) Other Proposals

Proposal for lifting the non-compete restrictions on the directors of the company's 11th term and their representatives.

(VIII) Extemporary Motions

(IX) Adjournment

III. Reports Items

Item 1: The 2025 Business Report of the Company.

Explanation: Please refer to Attachment 1, page 7~10 of this Manual for the 2025 Business Report.

Item 2: The 2025 Audit Committee Review Report.

Explanation: Please refer to Attachment 3, page 31 of this Manual for the Audit Committee review report on 2025 closing statements.

Item 3: The Report on the Status of the 2025 Distribution of Remunerations to Employees and Directors.

Explanation: (1) The remuneration planned to be distributed by the Company to employee in 2025 is NT\$108,000,000, and NT\$5,950,000 to directors, please refer to Appendix 6, page 71 of this Manual.

(2) At least 10% of the total employee remuneration under this proposal shall be allocated to non-executive employees, in accordance with the Company's Article of Incorporation. The specific allocation ratio and amount will be determined at a separate Board meeting and disclosed in accordance with regulatory requirements.

Item 4: The Report on the 2025 Earnings distribution.

Explanation: (1) The company's 2025 cash dividend distribution was approved in accordance with Article 19 of the company's Article of Incorporation and the special resolution of the board of directors on March 10, 2026. The cash dividend to be distributed to shareholders is NT\$941,660,490, and NT\$10 per share. (The payment is rounded down to the nearest whole digit. The total dividend payment for odd lots of shares are included in the Company's other revenue.)

(2) If the distribution of surplus in the preceding paragraph changes due to the execution of conversion rights by the creditors of the company's convertible corporate bonds, the issuance of restricted stock awards, the exercise of employee stock options, or the transfer or cancellation of shares bought back by the company, etc., resulting in changes in the number of outstanding shares and changes in the dividend distribution ratio of shareholders, the board of directors is authorized to make full adjustments. In addition, to set the record date for dividend entitlement, dividend payment date, and other relevant matters.

Item 5: The Report on the fundraising status of the third domestic unsecured convertible corporate bonds.

Explanation: (1) In response to the funding needs to repay bank loans, the Company's Board of Directors approved the issuance of up to 15,000 units of the third domestic unsecured convertible bonds on November 7, 2024. Each unit has a face value of NT\$100,000, with a total issuance limit of NT\$1,500,000,000. The issuance was declared effective on December 18, 2024, under Financial Supervisory Commission (FSC) reference letter No. 1130366033.

(2) The Company completed the fundraising of its third domestic unsecured convertible bonds in the amount of NT\$1,506,972,000 on June 12, 2025. The issuance date was June 16, 2025, with a term of three years. The proceeds have been fully utilized in the second quarter of 2025 in accordance with the plan to repay bank borrowings. As of the book closure date on March 28, 2026, no conversion into common shares has been made.

IV. Ratification Items

Item 1: (Proposed by Board of Directors)

Cause: Adoption of the 2025 Business Report and Financial Statements.

Explanation:

- (I) The 2025 business report and financial statement of the company have been prepared and passed by the Company's Board of Directors on March 10, 2026 for the record. The 2025 financial statement and consolidated financial statement have been audited by accountants Chen Wen-Hsiang and Cheng Te-Chen from Deloitte & Touche, and the preceding statements and business report also have been audited by the audit committee, and the audit report has been issued for the record.
- (II) Please refer to Attachment 1, page 7~10 and Attachment 2, page 11~30 of this Manual for the above Business Report, accountant audit report and financial statements.

Resolution:

Item 2: (Proposed by Board of Directors)

Cause: Adoption of the 2025 Earnings distribution.

Explanation:

- (I) The net profit after tax of the Company in 2025 is NT\$(similarly hereinafter) 1,362,738,019, plus the beginning undistributed earnings of NT\$2,913,166,094 and the retained earnings of NT\$21,261 adjusted due to investment by adopting equity method, minus the remeasurement number of NT\$741,322 in confirmed benefit plan, after allocation of legal special reserve of NT\$136,201,796, the distributable earnings is NT\$4,138,982,256.
- (II) Please refer to Attachment 4, page 32 of this Manual for the 2025 Earnings Distribution Table of the Company.

Resolution:

V: Discussions

Item 1: (Proposed by Board of Directors)

Cause: Amendments to the " Procedures for Acquisition or Disposal of Assets".

Explanation: In accordance with the amendments to the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies," it is proposed to revise certain provisions of the Company's "Procedures for Acquisition or Disposal of Assets." Please refer to Attachment 5, page 33 of this Manual for the comparison table of the amended provisions.

Resolution:

VI. Directors Election

Item 2: (Proposed by Board of Directors)

Cause: Election of the directors of the company's 11th term.

Explanation:

- (I) The term of office of the Company's directors will expire on June 12, 2026. A full re-election of directors will be conducted at this Annual General Meeting in accordance with applicable laws and regulations. A total of 7 directors (including 4 independent directors) shall be elected under the candidate nomination system. The term of office of the newly elected directors shall be three years, from May 26, 2026 to May 25, 2029. Directors are eligible for re-election. All independent directors will form the Audit Committee, and the incumbent directors shall be discharged upon the commencement of the new term.
- (II) The eligibility requirements for director candidates have been reviewed and approved by the board of directors of the company on March 10, 2026. For relevant information, please refer to this manual Attachment 6 (page 37).
- (III) For the company's rules for election of directors, please refer to this manual Appendix 4 (page 68 ~ 69)
- (IV) Invite elections please.

Resolution:

VII. Other Proposals

Item 1: (Proposed by Board of Directors)

Cause: Proposal for lifting the non-compete restrictions on the directors of the company's 11th term and their representatives.

Explanation:

- (I) Pursuant to Article 209 of the Company Act, "a director who engages in any behavior for himself/herself or on behalf of another person that is within the scope of the company's business shall explain the essential contents of such an act to the shareholders' meeting and obtain its approval."
- (II) It is hereby necessary for the company's operation that it intends to lift the new directors and their representatives from the prohibition of the prohibition of competition in Article 209 of the Company Law in order to facilitate business development.
- (III) Details of other positions held by the new directors and their representatives, please refer to this manual Attachment 7 (page 39).

Resolution:

VIII. Extemporaneous Motions

IX. Adjournment

[Attachment 1: The 2025 Business Report]

Cyber Power Systems, Inc.

2025 Business Report

I. 2025 business results

1. 2025 business plan implementation achievement

The consolidated net operating income in 2025 is NT\$11,869,881,000, year-on-year decrease by 4.98%, comparing with NT\$12,492,000,000 in last year; after consolidation, the net profit after tax is NT\$1,375,621,000, and the Earning per share after tax is NT\$14.47.

2. Budget execution situation

Unit: NT\$ thousand

Item	Consolidated			Individual		
	Budget amount	Actual amount	Achievement rate (%)	Budget amount	Actual amount	Achievement rate (%)
Operating income	14,078,222	11,869,881	84.31%	8,187,283	5,862,283	71.60%
Operating costs	6,830,630	5,503,393	80.57%	5,790,137	4,015,964	69.36%
Operating margin	7,247,592	6,366,488	87.84%	2,397,146	1,846,319	77.02%
Unrealized profits with subsidiary, affiliated enterprise and joint venture	-	-	-	(14,152)	(10,452)	73.86%
Operating expenses	4,451,261	4,449,159	99.95%	1,080,889	1,105,633	102.29%
Net operating profit	2,796,331	1,917,329	68.57%	1,302,105	730,234	56.08%
Net non-operating revenue and expenditure	(42,985)	(103,170)	240.01%	1,050,278	819,489	78.03%
Pre-tax profit	2,753,346	1,814,159	65.89%	2,352,383	1,549,723	65.88%

3. Financial revenue and expenditure and profitability analysis

Unit: NT\$ thousand

Item	analysis	2025		2024	
		Consolidated	Individual	Consolidated	Individual
Financial revenue and expenditure	Operating income	11,869,881	5,862,283	12,492,000	7,562,873
	Operating margin (notes)	6,366,488	1,835,867	6,364,750	2,026,384
	Net profit after tax	1,375,621	1,362,738	2,308,378	2,283,855
Financial structure	Proportion of liabilities in assets (%)	31.96	27.77	39.34	34.87
	Proportion of long-term funds in real estate, factory building and equipment (%)	671.98	826.27	576.75	703.52
Debt paying ability	Current ratio (%)	360.81	245.47	201.69	151.36
	Liquidity ratio (%)	248.80	199.87	143.85	128.90
Profitability	Return on assets (%)	9.42	10.00	16.45	17.07
	Return on equity (%)	14.30	14.28	27.39	27.27
	Ratio in paid-up capital (%)	Net operating profit	77.55	257.77	100.60
	Net profit ratio (%)	Pre-tax profit	164.57	313.15	269.64
	Earnings per share (NT\$)	14.47	14.47	24.75	24.75

Notes: Individual financial statement includes the unrealized profits with subsidiary, affiliated enterprise and joint venture.

4. R&D status

Based on the attention to brand value, the Company especially focuses on the product development and investment in long-term core technical competence, so as to launch the products satisfying customer demands the most; in the last two years, the Company have invested about 3%~5% of the turnover in research and development innovation, continuously developing new products and renovating the existing products to lay a solid technology foundation for sustainable development of the company.

II. Summary of 2026 business plan

(I) Management Policy

In the first half of 2025, the global economy exhibited solid growth momentum, supported by short-term factors such as front-loaded trade activities and inventory adjustments. However, as these effects gradually subsided, economic indicators weakened in the second half of the year, accompanied by a cooling labor market. The lagged impact of tariff policies also became increasingly apparent. As a result, market expectations generally point to a renewed slowdown in global economic growth in 2026, with weakening trade momentum being particularly notable. In response to the rapidly evolving international market and industrial environment, the Company will continue to adhere to its established strategic direction while further strengthening a systematic, digitalized, and automated management approach. By leveraging quantitative indicators to monitor the quality of decision-making, the Company aims to build a flexible and efficient operating model that enables timely identification of operational changes and swift responses, while steadily advancing toward its vision of becoming a global leader in power management.

(II) Expected Sales and Basis

Leveraging its advanced technological capabilities, the Company has consistently received numerous prestigious awards both domestically and internationally. It remains committed to providing partners with diverse resources and technical support to deepen collaboration and maximize brand value. With the rapid development of data centers, cloud computing, and AI applications, the importance of power quality and management continues to grow, driving sustained market demand. The Company expects this trend to further boost revenue and market share, supporting steady progress toward its operational objectives.

(III) Important production and sales policies

1. In the aspect of production policy:

Self-owned factory is the key to allows us to effectively control product costs, quality, and delivery schedules, making significant contributions to enhancing overall competitiveness. Through efficient supply chain management, we can continuously monitor market demands and changes, implementing strategic material planning to reduce inventory levels, offering flexible production to meet diverse customer

needs, providing customized services to enhance customer satisfaction, and strengthening production quality management to ensure stable and high-quality products. These strategies enable us to consistently deliver premium products that meet customer expectations, thereby strengthening our market competitiveness.

2. In the aspect of sales policy:

By implementing core competitive strategies through adopting a parallel model of retail, distribution, and system integrator channels, we promote our brand with an emphasis on trust, quality, and value. Leveraging market information to flexibly adjust marketing strategies, enhancing the loyalty of existing core customers, and strengthening after-sales services through global locations, serving as the cornerstone of long-term operational growth.

(IV) Impact of external competitive environment, regulatory environment and overall operation environment

1. External competitive environment

The Company recognizes that, as market demands for product reliability, energy efficiency, and intelligent management continue to rise, the continuous development of innovative products and user-oriented solutions is a key strategy for maintaining competitive advantages. Going forward, the Company will focus on enhancing its core competitiveness by optimizing product portfolios, expanding into emerging markets, and strengthening channel strategies, while further promoting energy-saving and intelligent technologies, in order to address external competitive pressures and achieve sustainable operational growth.

2. Regulatory environment

The Company complies to the national policies and regulations and keep abreast the changes of significant policies or regulations by the finance, stock, audit, and law units; we also adjust the internal system and operation activities accordingly to comply fully with the requirements under the regulations, so as to ensure the smooth operation of the Company. Currently, there is no significant effects on the finance and business of the Company resulting from the changes of regulation environments at home and abroad.

3. Overall operation environment

Geopolitical risks and climate change remain key variables affecting the global economy. The prolonged Russia-Ukraine war and escalating conflicts in the Middle East have led to significant volatility in energy and raw material markets, thereby impacting the stability of global supply chains and increasing inflationary pressures. Broad market consensus suggests that the global economy in 2026 will experience moderate growth accompanied by persistent risks. Key growth drivers are expected to include artificial intelligence (AI), digital transformation, and technology-related capital expenditures. Meanwhile, supply chain restructuring, geopolitical uncertainties, and fluctuations in trade policies will pose critical challenges to corporate strategic planning.

Amid heightened global economic and geopolitical uncertainties, the Company remains committed to its core philosophy of “empowering technological advancement and enhancing quality of life through power quality.” It will continue to create value and expand its influence in the field of power solutions. Looking ahead to 2026, the Company will actively expand its lithium battery-related solutions and product applications. While consolidating its existing market foundation, it will further strengthen its competitive advantages through product portfolio optimization, expansion into emerging markets, enhancement of channel strategies, and elevation of brand value. In addition, the Company is committed to improving resource utilization efficiency by strengthening cost management and optimizing global resource allocation, thereby enhancing organizational agility and resilience. While pursuing sustainable growth, it is also proactively addressing climate risks by adopting green design principles, enhancing product intelligence and energy efficiency, and implementing circular packaging and the digitalization of product manuals. Through these initiatives, the Company is dedicated to advancing sustainable development. As a leading Taiwan-based brand, it firmly believes that each advancement represents a new milestone and will continue to enhance its global market presence and long-term sustainable value.

Wish all shareholders healthy, peaceful and joyful.

Chairman: Kuo, Chin

Manager: Ho, Lien-Hsun

Accounting Officer: Chen, Chih-Chang

[Attachment 2: Accountant Audit Report and 2025 Financial Statements]

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Cyber Power Systems, Inc.

Opinion

We have audited the accompanying consolidated financial statements of Cyber Power Systems, Inc. and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Group's consolidated financial statements is described as follows:

Assessment of Inventory

As of December 31, 2025, the balance of inventory amounted to \$2,995,487 thousand. As the Group sells its products to the American and European regions, particularly with a focus on the retail markets, the Group needs to maintain a sufficient level of safety stock for its customers, and this results in the net value of inventory accounting for 21% of the Group's total assets. Since the assessment of the net realizable value of inventories is subject to management's judgment, it has been identified as a key audit matter for the year ended December 31, 2025.

Net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. When the net realizable value is lower than the cost of inventory, the Group recognizes the loss on write-down; besides, the loss on obsolete inventory is estimated according to the aging and physical conditions of the inventory.

We obtained an understanding of the effectiveness of internal controls over the regular recognition of inventory valuation based on the Group's policies. We selected samples from the inventory list on the balance sheet date, verified the data used to calculate the net realizable value, recalculated the inventory valuation loss amount and compared it to the recognized amount based on the data. We also analyzed the actual inventory turnover, assessed the sufficiency and appropriateness of the policy for the recognition of obsolescence losses, and we calculated the obsolescence losses based on the policy and compared the obsolescence losses to the recognized amount.

For other relevant disclosures, refer to Note 4(f): Summary of material accounting policy information and Note 10: Inventories.

Other Matter

We have also audited the parent company only financial statements of Cyber Power Systems, Inc. as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Wen-Hsiang Chen and Te-Chen Cheng.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 16, 2026

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

CYBER POWER SYSTEMS, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 6 and 31)	\$ 4,344,734	31	\$ 4,529,969	29
Financial assets at fair value through profit or loss - current (Notes 7 and 31)	450	-	-	-
Financial assets at amortized cost - current (Notes 8 and 31)	158,271	1	804,430	5
Notes receivable from unrelated parties (Notes 9, 25 and 31)	2,309	-	1,581	-
Trade receivables from unrelated parties (Notes 9, 25 and 31)	2,158,939	15	2,681,244	17
Other receivables (Notes 9 and 31)	163,873	1	163,436	1
Current tax assets (Note 27)	25,396	-	2,155	-
Inventories (Note 10)	2,995,487	21	3,181,745	20
Other current assets (Notes 17 and 25)	139,992	1	165,843	1
Other current financial assets (Notes 31 and 33)	4,811	-	21,469	-
Total current assets	9,994,262	70	11,551,872	73
NON-CURRENT ASSETS				
Financial assets at amortized cost - non-current (Notes 8 and 31)	116,242	1	11,494	-
Property, plant and equipment (Notes 12 and 33)	1,703,781	12	1,740,877	11
Right-of-use assets (Note 13)	354,860	3	484,622	3
Investment properties (Notes 14 and 33)	1,166,554	8	1,175,900	7
Goodwill (Note 15)	59,009	-	58,861	-
Other intangible assets (Note 16)	74,607	1	73,646	1
Deferred tax assets (Note 27)	426,935	3	446,745	3
Other non-current financial assets (Notes 31 and 33)	19,375	-	127,877	1
Other non-current assets (Note 17)	303,480	2	95,014	1
Total non-current assets	4,224,843	30	4,215,036	27
TOTAL	\$ 14,219,105	100	\$ 15,766,908	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 18 and 31)	\$ -	-	\$ 2,400,000	15
Notes payable to unrelated parties (Notes 20 and 31)	29	-	32	-
Trade payables to unrelated parties (Notes 20 and 31)	1,070,538	7	1,383,556	9
Current tax liabilities (Note 27)	192,982	1	393,733	2
Other payables (Notes 21 and 31)	1,164,267	8	1,047,651	7
Provisions - current (Note 22)	121,683	1	137,204	1
Lease liabilities - current (Notes 13 and 31)	131,439	1	160,566	1
Other current liabilities (Notes 21 and 25)	89,020	1	203,663	1
Total current liabilities	2,769,958	19	5,726,405	36
NON-CURRENT LIABILITIES				
Bonds payable (Notes 19 and 31)	1,427,119	10	-	-
Deferred tax liabilities (Note 27)	20,579	-	41,798	-
Lease liabilities - non-current (Notes 13 and 31)	226,957	2	323,457	2
Deferred revenue - non-current	81,091	1	90,139	1
Net defined benefit liabilities - non-current (Note 23)	11,758	-	13,049	-
Other non-current liabilities (Notes 21 and 31)	7,458	-	8,367	-
Total non-current liabilities	1,774,962	13	476,810	3
Total liabilities	4,544,920	32	6,203,215	39
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 24)				
Ordinary shares	941,660	7	941,660	6
Capital surplus	3,110,236	22	2,964,377	19
Retained earnings				
Legal reserve	1,201,418	8	972,812	6
Special reserve	-	-	69,351	-
Unappropriated earnings	4,275,184	30	4,484,912	29
Other equity				
Exchange differences on translation of the financial statements of foreign operations	66,249	-	63,534	-
Total equity attributable to owners of the Company	9,594,747	67	9,496,646	60
NON-CONTROLLING INTERESTS (Notes 11 and 24)	79,438	1	67,047	1
Total equity	9,674,185	68	9,563,693	61
TOTAL	\$ 14,219,105	100	\$ 15,766,908	100

The accompanying notes are an integral part of the consolidated financial statements.

CYBER POWER SYSTEMS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Note 25)	\$ 11,869,881	100	\$ 12,492,000	100
OPERATING COSTS (Notes 10, 23 and 26)	<u>5,503,393</u>	<u>46</u>	<u>6,127,250</u>	<u>49</u>
GROSS PROFIT	<u>6,366,488</u>	<u>54</u>	<u>6,364,750</u>	<u>51</u>
OPERATING EXPENSES (Notes 9, 23, 26, 29 and 32)				
Selling and marketing expenses	2,467,902	21	2,102,325	17
General and administrative expenses	1,487,339	13	1,338,251	10
Research and development expenses	471,562	4	473,767	4
Expected credit loss	<u>22,356</u>	<u>-</u>	<u>23,123</u>	<u>-</u>
Total operating expenses	<u>4,449,159</u>	<u>38</u>	<u>3,937,466</u>	<u>31</u>
PROFIT FROM OPERATIONS	<u>1,917,329</u>	<u>16</u>	<u>2,427,284</u>	<u>20</u>
NON-OPERATING INCOME AND EXPENSES (Note 26)				
Interest income	131,253	1	157,890	1
Other income	56,755	-	74,134	-
Other gains and losses	(244,789)	(2)	339,964	3
Finance costs	<u>(46,389)</u>	<u>-</u>	<u>(50,493)</u>	<u>-</u>
Total non-operating income and expenses	<u>(103,170)</u>	<u>(1)</u>	<u>521,495</u>	<u>4</u>
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	1,814,159	15	2,948,779	24
INCOME TAX EXPENSE (Note 27)	<u>(438,538)</u>	<u>(3)</u>	<u>(640,401)</u>	<u>(5)</u>
NET PROFIT FOR THE YEAR	<u>1,375,621</u>	<u>12</u>	<u>2,308,378</u>	<u>19</u>
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 23)	(899)	-	2,761	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 27)	<u>179</u>	<u>-</u>	<u>(552)</u>	<u>-</u>
	<u>(720)</u>	<u>-</u>	<u>2,209</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				

(Continued)

CYBER POWER SYSTEMS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
Exchange differences on translation of the financial statements of foreign operations	<u>2,223</u>	<u>-</u>	<u>134,178</u>	<u>1</u>
Other comprehensive income for the year, net of income tax	<u>1,503</u>	<u>-</u>	<u>136,387</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,377,124</u>	<u>12</u>	<u>\$ 2,444,765</u>	<u>20</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	\$ 1,362,738	12	\$ 2,283,855	19
Non-controlling interests	<u>12,883</u>	<u>-</u>	<u>24,523</u>	<u>-</u>
	<u>\$ 1,375,621</u>	<u>12</u>	<u>\$ 2,308,378</u>	<u>19</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	\$ 1,364,733	12	\$ 2,418,949	20
Non-controlling interests	<u>12,391</u>	<u>-</u>	<u>25,816</u>	<u>-</u>
	<u>\$ 1,377,124</u>	<u>12</u>	<u>\$ 2,444,765</u>	<u>20</u>
EARNINGS PER SHARE (Note 28)				
Basic	<u>\$ 14.47</u>		<u>\$ 24.75</u>	
Diluted	<u>\$ 14.38</u>		<u>\$ 24.17</u>	

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)**

The accompanying notes are an integral part of the consolidated financial statements.

CYBER POWER SYSTEMS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 1,814,159	\$ 2,948,779
Adjustments for:		
Depreciation expenses	279,999	281,750
Amortization expenses	14,840	6,785
Expected credit loss recognized on trade receivables	22,356	23,123
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	1,200	(4,404)
Finance costs	46,389	50,493
Interest income	(131,253)	(157,890)
Share-based compensation	52,969	-
Write-down of inventories	94,702	63,155
Net (gain) loss on foreign currency exchange	(52,084)	105,969
(Gain) loss on disposal of property, plant and equipment	(152)	340
(Reversal) recognition of provisions	(15,763)	3,781
Lease modification benefits	(701)	(57)
Changes in operating assets and liabilities		
Notes receivable	(728)	728
Trade receivables	538,786	(422,653)
Other receivables	3,378	(49,905)
Inventories	102,931	(311,089)
Other current assets	24,844	(9,019)
Other non-current assets	2,653	(5,679)
Notes payable	(3)	1
Trade payables	(338,428)	306,510
Other payables	117,891	149,244
Deferred revenue	(9,048)	9,715
Other current liabilities	(114,643)	96,505
Net defined benefit liabilities	(2,190)	1,264
Cash generated from operations	2,452,104	3,087,446
Interest received	127,438	155,809
Interest paid	(31,026)	(54,291)
Income tax paid	(669,045)	(570,019)
Net cash generated from operating activities	<u>1,879,471</u>	<u>2,618,945</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	-	(604,116)
Proceeds from disposal of financial assets at amortized cost	541,411	-
Payments of property, plant and equipment	(62,886)	(105,501)
Proceeds from disposal of property, plant and equipment	1,322	569
Increase in refundable deposits	-	(7,174)
Decrease in refundable deposits	2,877	-
Payments for intangible assets	(15,580)	(51,432)
Increase in other current financial assets	-	(14,304)

(Continued)

CYBER POWER SYSTEMS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
Decrease in other current financial assets	125,160	-
Increase in prepayments for land and equipment	<u>(225,346)</u>	<u>(21,590)</u>
Net cash generated from (used in) investing activities	<u>366,958</u>	<u>(803,548)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	-	400,000
Repayments of short-term borrowings	(2,400,000)	-
Proceeds from issuance of convertible bonds	1,501,304	-
Repayments of bonds payable	-	(1,000)
Proceeds from guarantee deposits received	-	756
Refund of guarantee deposits received	(909)	-
Repayment of the principal portion of lease liabilities	(157,514)	(155,810)
Dividends paid to owners of the Company	<u>(1,412,491)</u>	<u>(728,070)</u>
Net cash used in financing activities	<u>(2,469,610)</u>	<u>(484,124)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES		
	<u>37,946</u>	<u>2,883</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(185,235)	1,334,156
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>4,529,969</u>	<u>3,195,813</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 4,344,734</u>	<u>\$ 4,529,969</u>

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Cyber Power Systems, Inc.

Opinion

We have audited the accompanying parent company only financial statements of Cyber Power Systems, Inc. (the "Company"), which comprise the parent company only balance sheets as of December 31, 2025 and 2024, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the "parent company only financial statements").

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

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Company's financial statements for the year ended December 31, 2025 is described as follows:

Assessment of Inventory

As of December 31, 2025, the balance of inventory amounted to \$980,085 thousand. As the Company sells its products to the American and European regions with a focus on the retail market, a sufficient level of safety stock is required to be maintained at the retail outlets, and this results in the net amount of inventory accounting for 7% of the Company's total assets. Since the assessment of the net realizable value of inventories is subject to management's judgment, it has been identified as the key audit matter for the year ended December 31, 2025.

Net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. When the net realizable value is lower than the cost of inventory, the Company recognizes the loss on the write-down; besides, the loss on obsolete inventory is estimated according to the aging and physical conditions of the inventory.

We obtained an understanding of the effectiveness of internal controls over the regular recognition of inventory valuation based on the Group's policies. We selected samples from the inventory list on the balance sheet date, verified the data used to calculate the net realizable value, recalculated the inventory valuation loss amount and compared it to the recognized amount based on the data. We also analyzed the actual inventory turnover situation, assessed the sufficiency and appropriateness of the policy for the recognition of obsolescence losses, and we calculated the obsolescence losses based on the policy and compared the obsolescence losses to the recognized amount.

For other relevant disclosures, refer to Note 4(e): Summary of material accounting policy information and Note 10: Inventories.

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

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

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Wen-Hsiang Chen and Te-Chen Cheng.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 16, 2026

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail..

CYBER POWER SYSTEMS, INC.

PARENT COMPANY ONLY BALANCE SHEETS DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

ASSETS	2025		2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 6 and 30)	\$ 2,606,724	20	\$ 3,429,403	23
Financial assets at fair value through profit or loss (Notes 7 and 30)	450	-	-	-
Financial assets at amortized cost - current (Notes 8 and 30)	144,290	1	98,355	1
Notes receivable from unrelated parties (Notes 9, 24 and 30)	744	-	639	-
Trade receivables from unrelated parties (Notes 9, 24 and 30)	267,450	2	487,295	3
Trade receivables from related parties (Notes 9, 24, 30 and 31)	1,412,528	11	2,449,202	17
Other receivables from unrelated parties (Notes 9 and 30)	1,202	-	1,856	-
Other receivables from related parties (Notes 9, 30 and 31)	1,200	-	1,181	-
Inventories (Note 10)	980,085	7	1,047,056	7
Other current financial assets (Notes 30 and 32)	1,000	-	1,000	-
Other current assets (Notes 16 and 31)	45,942	-	98,054	1
Total current assets	5,461,615	41	7,614,041	52
NON-CURRENT ASSETS				
Investments accounted for using the equity method (Notes 11 and 31)	4,923,705	37	4,017,382	28
Property, plant and equipment (Notes 12 and 32)	1,338,289	10	1,357,517	9
Right-of-use assets (Note 13)	25,376	-	29,272	-
Investment properties (Notes 14 and 32)	1,237,907	10	1,247,646	9
Other intangible assets (Note 15)	19,672	-	12,733	-
Deferred tax assets (Note 26)	272,666	2	297,603	2
Other non-current assets (Note 16)	3,541	-	4,727	-
Total non-current assets	7,821,156	59	6,966,880	48
TOTAL	\$ 13,282,771	100	\$ 14,580,921	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 17 and 30)	\$ -	-	\$ 2,400,000	17
Trade payables to unrelated parties (Notes 19 and 30)	302,513	2	358,157	3
Trade payables to related parties (Notes 19, 30 and 31)	1,014,534	8	1,223,889	8
Other payables (Notes 20, 30 and 31)	564,839	4	586,532	4
Current tax liabilities (Note 26)	189,847	2	266,421	2
Provisions - current (Note 21)	112,914	1	127,667	1
Lease liabilities - current (Notes 13 and 30)	14,251	-	12,577	-
Other current liabilities (Note 20)	26,034	-	55,332	-
Total current liabilities	2,224,932	17	5,030,575	35
NON-CURRENT LIABILITIES				
Bonds payable (Notes 18 and 30)	1,427,119	11	-	-
Deferred tax liabilities (Note 26)	1,103	-	20,787	-
Lease liabilities - non-current (Notes 13 and 30)	11,408	-	16,741	-
Net defined benefit liabilities - non-current (Note 22)	6,271	-	8,309	-
Other non-current liabilities (Notes 11, 20 and 30)	17,191	-	7,863	-
Total non-current liabilities	1,463,092	11	53,700	-
Total liabilities	3,688,024	28	5,084,275	35
EQUITY (Note 23)				
Share capital				
Ordinary shares	941,660	7	941,660	7
Capital surplus	3,110,236	23	2,964,377	20
Retained earnings				
Legal reserve	1,201,418	9	972,812	7
Special reserve	-	-	69,351	-
Unappropriated earnings	4,275,184	32	4,484,912	31
Other equity				
Exchange differences on translation of the financial statements of foreign operations	66,249	1	63,534	-
Total equity	9,594,747	72	9,496,646	65
TOTAL	\$ 13,282,771	100	\$ 14,580,921	100

The accompanying notes are an integral part of the parent company only financial statements.

CYBER POWER SYSTEMS, INC.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 24 and 31)	\$ 5,862,283	100	\$ 7,562,873	100
OPERATING COSTS (Notes 10, 22, 25 and 31)	<u>4,015,964</u>	<u>69</u>	<u>5,292,951</u>	<u>70</u>
GROSS PROFIT	<u>1,846,319</u>	<u>31</u>	<u>2,269,922</u>	<u>30</u>
UNREALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES	(920,585)	(16)	(910,133)	(12)
REALIZED GAIN ON TRANSACTIONS WITH SUBSIDIARIES	<u>910,133</u>	<u>16</u>	<u>666,595</u>	<u>9</u>
REALIZED GROSS PROFIT	<u>1,835,867</u>	<u>31</u>	<u>2,026,384</u>	<u>27</u>
OPERATING EXPENSES (Notes 9, 22, 25, 28 and 31)				
Selling and marketing expenses	318,518	5	369,098	5
General and administrative expenses	397,166	7	312,902	4
Research and development expenses	392,774	7	395,626	6
Expected credit (gain) loss	<u>(2,825)</u>	<u>-</u>	<u>1,423</u>	<u>-</u>
Total operating expenses	<u>1,105,633</u>	<u>19</u>	<u>1,079,049</u>	<u>15</u>
PROFIT FROM OPERATIONS	<u>730,234</u>	<u>12</u>	<u>947,335</u>	<u>12</u>
NON-OPERATING INCOME AND EXPENSES (Notes 25 and 31)				
Interest income	96,774	2	146,029	2
Other income	72,992	1	88,706	1
Other gains and losses	(198,941)	(3)	304,392	4
Finance costs	(37,705)	(1)	(41,356)	(1)
Share of profit of subsidiaries	<u>886,369</u>	<u>15</u>	<u>1,093,982</u>	<u>15</u>
Total non-operating income and expenses	<u>819,489</u>	<u>14</u>	<u>1,591,753</u>	<u>21</u>
PROFIT BEFORE INCOME TAX FROM CONTINUING OPERATIONS	1,549,723	26	2,539,088	33
INCOME TAX EXPENSE (Note 26)	<u>(186,985)</u>	<u>(3)</u>	<u>(255,233)</u>	<u>(3)</u>
NET PROFIT FOR THE YEAR	<u>1,362,738</u>	<u>23</u>	<u>2,283,855</u>	<u>30</u>
OTHER COMPREHENSIVE INCOME				

(Continued)

CYBER POWER SYSTEMS, INC.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 22)	(926)	-	2,781	-
Share of other comprehensive income (loss) of subsidiaries accounted for using the equity method	21	-	(16)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 26)	<u>185</u>	<u>-</u>	<u>(556)</u>	<u>-</u>
	<u>(720)</u>	<u>-</u>	<u>2,209</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	<u>2,715</u>	<u>-</u>	<u>132,885</u>	<u>2</u>
Other comprehensive income for the year, net of income tax	<u>1,995</u>	<u>-</u>	<u>135,094</u>	<u>2</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,364,733</u>	<u>23</u>	<u>\$ 2,418,949</u>	<u>32</u>
EARNINGS PER SHARE (Note 27)				
From continuing operations				
Basic	<u>\$ 14.47</u>		<u>\$ 24.75</u>	
Diluted	<u>\$ 14.38</u>		<u>\$ 24.17</u>	

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

CYBER POWER SYSTEMS, INC.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024
(In Thousands of New Taiwan Dollars)

	Share Capital			Certificate of Entitlement to New Shares from Convertible Bonds	Capital Surplus	Retained Earnings			Unappropriated Earnings	Other Equity	
	Ordinary Shares					Legal Reserve	Special Reserve	Foreign Operations		Total	
BALANCE ON JANUARY 1, 2024	\$ 904,329	\$	5,758	\$ 2,442,688	\$ 826,087	\$	78,460	\$ 3,064,534	\$	(69,351)	\$ 7,252,505
Appropriation of 2023 earnings	-	-	-	-	146,725	-	-	(146,725)	-	-	-
Legal reserve	-	-	-	-	-	-	-	(728,070)	-	-	(728,070)
Cash dividends distributed by the Company	-	-	-	-	-	-	(9,109)	9,109	-	-	-
Reversal of special reserve	-	-	-	-	-	-	-	-	-	-	-
Net profit for the year ended December 31, 2024	-	-	-	-	-	-	-	2,283,855	-	-	2,283,855
Other comprehensive income for the year ended December 31, 2024, net of income tax	-	-	-	-	-	-	-	2,209	132,885	-	135,094
Total comprehensive income for the year ended December 31, 2024	-	-	-	-	-	-	-	2,286,064	132,885	-	2,418,949
Convertible bonds converted to ordinary shares	-	-	31,573	521,689	-	-	-	-	-	-	553,262
Certificate of entitlement to new shares from convertible bonds	37,331	-	(37,331)	-	-	-	-	-	-	-	-
BALANCE ON DECEMBER 31, 2024	941,660	-	-	2,964,377	972,812	69,351	4,484,912	63,534	9,496,646	-	-
Appropriation of 2024 earnings	-	-	-	-	228,606	-	-	(228,606)	-	-	-
Legal reserve	-	-	-	-	-	-	-	(1,412,491)	-	-	(1,412,491)
Cash dividends distributed by the Company	-	-	-	-	-	(69,351)	69,351	-	-	-	-
Reversal of special reserve	-	-	-	-	-	-	-	-	-	-	-
Other changes in capital surplus	-	-	-	92,890	-	-	-	-	-	-	92,890
Equity component of convertible bonds issued by the Company	-	-	-	52,969	-	-	-	-	-	-	52,969
Share-based compensation (Note 28)	-	-	-	-	-	-	-	1,362,738	-	-	1,362,738
Net profit for the year ended December 31, 2025	-	-	-	-	-	-	-	(720)	2,715	1,995	-
Other comprehensive income (loss) for the year ended December 31, 2025, net of income tax	-	-	-	-	-	-	-	1,362,018	2,715	-	1,364,733
Total comprehensive income for the year ended December 31, 2025	-	-	-	-	-	-	-	1,362,018	2,715	-	1,364,733
BALANCE ON DECEMBER 31, 2025	\$ 941,660	\$	-	\$ 3,110,236	\$ 1,201,418	\$	-	\$ 4,275,184	\$	66,249	\$ 9,594,747

The accompanying notes are an integral part of the parent company only financial statements.

CYBER POWER SYSTEMS, INC.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 1,549,723	\$ 2,539,088
Adjustments for:		
Depreciation expenses	52,508	49,440
Amortization expense	5,703	1,737
Expected credit loss (reversed) recognized on trade receivables	(2,825)	1,423
Net loss (gain) on fair value changes of financial assets and liabilities at fair value through profit or loss	1,200	(4,404)
Finance costs	37,705	41,356
Share-based compensation	52,969	-
Interest income	(96,774)	(146,029)
Share of profit of subsidiaries	(886,369)	(1,093,982)
Loss on disposal of property, plant and equipment	-	140
(Reversal of) write-down of inventories	15,683	(2,559)
Unrealized gain on transactions with subsidiaries	920,585	910,133
Realized gain on transactions with subsidiaries	(910,133)	(666,595)
Net loss (gain) on foreign currency exchange	120,453	(216,331)
(Reversal) recognition of provisions	(14,753)	4,222
Lease modification benefits	-	(57)
Changes in operating assets and liabilities		
Notes receivable	(105)	383
Trade receivables	1,292,306	(159,431)
Other receivables	722	14,239
Inventories	51,288	43,470
Other current assets	52,450	(32,459)
Other non-current assets	3,840	(1,022)
Trade payables	(290,409)	(212,312)
Other payables	(20,501)	68,904
Other current liabilities	(29,295)	12,448
Net defined benefit liabilities	(2,964)	(529)
Cash generated from operations	1,903,007	1,151,273
Interest received	96,687	146,045
Interest paid	(22,259)	(35,484)
Income tax paid	(258,121)	(290,386)
Net cash generated from operating activities	<u>1,719,314</u>	<u>971,448</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(45,935)	(6,240)
Net cash outflow on acquisition of subsidiaries	(39,420)	(950)
Payments of property, plant and equipment	(8,783)	(11,042)
Increase in refundable deposits	-	(1,662)
Decrease in refundable deposits	408	-
Payments for intangible assets	(12,642)	(11,670)
Dividends received from subsidiaries	<u>22,015</u>	<u>-</u>

(Continued)

CYBER POWER SYSTEMS, INC.

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024 (In Thousands of New Taiwan Dollars)

	2025	2024
Net cash used in investing activities	<u>(84,357)</u>	<u>(31,564)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	-	400,000
Repayments of short-term borrowings	(2,400,000)	-
Proceeds from issuance of convertible bonds	1,501,304	-
Repayments of bonds payable	-	(1,000)
Proceeds from guarantee deposits received	-	346
Refund of guarantee deposits received	(937)	-
Repayment of the principal portion of lease liabilities	(13,743)	(11,313)
Dividends paid to owners of the Company	<u>(1,412,491)</u>	<u>(728,070)</u>
Net cash used in financing activities	<u>(2,325,867)</u>	<u>(340,037)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES		
	<u>(131,769)</u>	<u>177,534</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(822,679)	777,381
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>3,429,403</u>	<u>2,652,022</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 2,606,724</u>	<u>\$ 3,429,403</u>

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

[Attachment 3: Audit Committee Report]

Cyber Power Systems, Inc.

Audit Committee Report

The Board of Directors produced and submitted the Company's 2025 Business Report, financial statements and earnings distribution proposal. The financial statements were audited by Chen Wen-Hsiang and Cheng Te-Chen, CPAs of Deloitte & Touche, Taiwan, and an audit report was issued. The above business report and financial statements have been reviewed by the audit committee and found that there is no discrepancy. The report is as above in accordance with the relevant regulations of the Securities and Exchange Act and the Company Act. Please review.

Sincerely submitted to

Cyber Power Systems, Inc. 2026 General Shareholders Meeting

Convener of Audit Committee: Wang, Chin-Yen

March 16, 2026

[Attachment 4: 2025 Earnings Distribution Table]

Cyber Power Systems, Inc.

2025 Earnings Distribution Table

	Unit: NT\$
Undistributed earnings in previous year	2,913,166,094
Retained earnings adjusted due to investment by adopting equity method	21,261
Remeasurement number in confirmed benefit plan	(741,322)
Undistributed profit after adjustment	2,201,057,360
Plus: 2025 net profit	1,362,738,019
Minus: allocation of legal reserve	(136,201,796)
Distributable earnings	4,138,982,256
Distribution item:	
Shareholder dividend – cash (Note1)	(941,660,490)
Ending undistributed earnings	3,197,321,766

Notes 1: Calculated on the basis of the 94,166,049 outstanding shares on the resolution date of the board of directors, a shareholder dividend of NT\$941,660,490 will be distributed, the cash dividends of distribute NT\$10 per share ($94,166,049 \times 10 = 941,660,490$)

Notes 2: For the distribution mentioned above, if the quantity of outstanding common shares are affected due to employee's exercise of subscription right, the issuance of restricted stock awards, execution of conversion rights by holders of the convertible corporate bonds, and repurchase of shares by the company, and thereby causes changes in shareholder's dividend distribution ratio, it shall be authorize Chairman to make adjustment with full authority.

Notes 3: For dividend distribution, Chairman is authorized to determine the ex-dividend base date, distribution date and other relevant matters; cash dividend is calculated into NT\$1 (digits after the decimal point to be ignored), and the total of fractional shares amount will be calculated into other income of the Company.

Chairman: Kuo, Chin

Manager: Ho, Lien-Hsun

Accounting Officer: Chen, Chih-Chang

[Attachment 5: Comparison Table on the Amendments of “Procedures for Acquisition or Disposal of Assets”]

Cyber Power Systems, Inc.

Comparison Table on the Amendments of “Procedures for Acquisition or Disposal of Assets”

After amendment	Before amendment	Explanation
Article 27. If the Company acquires or dispose assets with the following circumstances, it shall declare the relevant information on the designated website of the Financial Supervisory Commission in the specified format within two days from the date of occurrence: 1. The acquisition or disposal of real estate or its right-of-use assets, or other assets other than the acquisition or disposal of real estate or its right-of-use assets, and the trading value exceeds 20% of the company's paid-up capital, or 10% of total assets or NT\$300 million. Yet, the trades of domestic bonds, bonds with trading back conditions, purchase or redemption of domestic money market funds are not in the restriction. 2. Carry out merger, division, acquisition or shares conversion. 3. The total amount of all or individual contract losses from the derivative commodities trade exceeds the limit specified in this Regulations. 4. The acquisition or disposal of equipment for operating use or its right-to-use assets, the trading object is not a relationship party, and the trading value reaches one of the following provisions: (1) The publicly-issued company whose paid-in capital doesn't reach NT\$10 billion and the trading value has not reached NT\$500 million. (2) The publicly-issued companies whose paid-in capital is NT\$10 billion or <u>more but less than NT\$50 billion</u>, the transaction amount reaches NT\$1 billion or more. (3) <u>The publicly-issued companies whose paid-in capital is NT\$50 billion, the transaction amount reaches 5 percent or more of paid-in capital.</u> 5. The public offering company, which operates the construction business acquires or dispose the real estate or its	Article 27. If the Company acquires or dispose assets with the following circumstances, it shall declare the relevant information on the designated website of the Financial Supervisory Commission in the specified format within two days from the date of occurrence: 1. The acquisition or disposal of real estate or its right-of-use assets, or other assets other than the acquisition or disposal of real estate or its right-of-use assets, and the trading value exceeds 20% of the company's paid-up capital, or 10% of total assets or NT\$300 million. Yet, the trades of domestic bonds, bonds with trading back conditions, purchase or redemption of domestic money market funds are not in the restriction. 2. Carry out merger, division, acquisition or shares conversion. 3. The total amount of all or individual contract losses from the derivative commodities trade exceeds the limit specified in this Regulations. 4. The acquisition or disposal of equipment for operating use or its right-to-use assets, the trading object is not a relationship party, and the trading value reaches one of the following provisions: (1) The publicly-issued company whose paid-in capital doesn't reach NT\$10 billion and the trading value has not reached NT\$500 million. (2) The publicly-issued companies whose paid-up capital doesn't reach NT\$10 billion and the trading value is over NT\$1 billion. 5. The public offering company, which operates the construction business acquires or dispose the real estate or its	1. The acquisition or disposal of equipment for operational use is an act required for a company's ordinary course of business. In consideration of the materiality of information disclosure, Item 3 is added to Subparagraph 4 of Paragraph 1 of this Article, and Item 2 of the same Subparagraph is amended accordingly. 2. In consideration that companies may, for the purpose of efficient utilization of operating funds, engage in investments in fixed-income instruments for fund allocation to enhance cash returns, and that the current announcement threshold of NT\$300 million for transaction amounts may result in frequent announcements by large enterprises, and in view of the materiality of information disclosure as well

After amendment	Before amendment	Explanation
right-to-use assets for construction use, and the trading object isn't the relationship party; the trading value exceeds NT\$500 million; the value of paid-in capital exceeds NT\$10 billion, disposes the self-constructed real estate, and the trading target isn't the relationship party, the trading value exceeds NT\$1 billion. 6. Real estate acquired by self-land construction, lease-land construction, joint housing construction, joint construction with earning share or joint construction with area share, the trading object isn't the relationship party; and the planned company-involved trading value doesn't exceed NT\$ 500 million. <u>7. In the case of a public company with paid-in capital reaching NT\$50 billion or more, transactions in government bonds, ordinary corporate bonds, and general bank debentures without equity characteristics (excluding subordinated debt) traded on securities exchanges or OTC markets, which do not fall under any of the circumstances listed in the proviso of subparagraph 8, and where furthermore the transaction counterparty is not a related party, and the transaction amount reaches 5 percent or more of paid-in capital.</u> 8. Asset trade other than the above <u>seven</u> items, creditor's rights disposed by the financial institutions or make investment in mainland China, the trading value exceeds 20% of the company's paid-in capital or NT\$300 million. However, the following situations are exempted: (1) Buy or sell domestic public debts. (2) Investment professional who buys or sells securities at stock exchange or securities firm's operating offices, or subscribes the ordinary corporate bonds and general financial bonds (excluding subordinated bonds) without equity issued in the primary market, or purchases or buys back the securities investment entrust fund or futures entrust fund, or purchases the securities according to the provisions of ROC Securities Counter Trading Center in the role of a securities dealer counseled and recommended by Taipei Exchange.	right-to-use assets for construction use, and the trading object isn't the relationship party; the trading value exceeds NT\$500 million; the value of paid-in capital exceeds NT\$10 billion, disposes the self-constructed real estate, and the trading target isn't the relationship party, the trading value exceeds NT\$1 billion. 6. Real estate acquired by self-land construction, lease-land construction, joint housing construction, joint construction with earning share or joint construction with area share, the trading object isn't the relationship party; and the planned company-involved trading value doesn't exceed NT\$ 500 million. 7. Asset trade other than the above six items, creditor's rights disposed by the financial institutions or make investment in mainland China, the trading value exceeds 20% of the company's paid-in capital or NT\$300 million. However, the following situations are exempted: (1) Buy or sell domestic public debts. (2) Investment professional who buys or sells securities at stock exchange or securities firm's operating offices, or subscribes the ordinary corporate bonds and general financial bonds (excluding subordinated bonds) without equity issued in the primary market, or purchases or buys back the securities investment entrust fund or futures entrust fund, or purchases the securities according to the provisions of ROC Securities Counter Trading Center in the role of a securities dealer counseled and recommended by Taipei Exchange.	as the risk characteristics of such instruments, Subparagraph 7 is added to Paragraph 1 of this Article.

After amendment	Before amendment	Explanation
(3) Buy or sell bonds with purchase and return conditions, purchase or buy back money market funds issued by domestic securities investment entrusts. The trading value stated above is calculated as follows: 1. The value of each trade. 2. The annual trade value to the same party in acquiring or disposing the objects with the same nature. 3. The annual trade value from acquiring or disposing (counted separately) the real estate or its right-of-use assets of the same development plan. 4. The annual trade value from acquiring or disposing (counted separately) the same securities. The year stated in the preceding paragraph is based on the date on which the trade fact occurred, and is retroactively calculated for one year. The announcement has been waived in accordance with the provisions of the Processing Guidelines. The Company shall monthly input the trading status information of derivative commodities made by the Company and subsidiaries that are non-domestic public offering companies to the information disclosure website designated by the Financial Supervisory Commission in the specified format by 10th of each month. If the company-announced item is in mistake or missing that shall be corrected, all items shall be re-announced and registered within two days from the date of awareness. When the Company acquires or disposes assets, it shall put all contracts, proceedings, record books, appraising reports and opinions from the accountant, lawyer or securities underwriter in the company and reserves them for at least five, unless otherwise stipulated by other laws.	(3) Buy or sell bonds with purchase and return conditions, purchase or buy back money market funds issued by domestic securities investment entrusts. The trading value stated above is calculated as follows: 1. The value of each trade. 2. The annual trade value to the same party in acquiring or disposing the objects with the same nature. 3. The annual trade value from acquiring or disposing (counted separately) the real estate or its right-of-use assets of the same development plan. 4. The annual trade value from acquiring or disposing (counted separately) the same securities. The year stated in the preceding paragraph is based on the date on which the trade fact occurred, and is retroactively calculated for one year. The announcement has been waived in accordance with the provisions of the Processing Guidelines. The Company shall monthly input the trading status information of derivative commodities made by the Company and subsidiaries that are non-domestic public offering companies to the information disclosure website designated by the Financial Supervisory Commission in the specified format by 10th of each month. If the company-announced item is in mistake or missing that shall be corrected, all items shall be re-announced and registered within two days from the date of awareness. When the Company acquires or disposes assets, it shall put all contracts, proceedings, record books, appraising reports and opinions from the accountant, lawyer or securities underwriter in the company and reserves them for at least five, unless otherwise stipulated by other laws.	

After amendment	Before amendment	Explanation
Article 32. Regarding 10% of total assets specified in this Regulations, it is calculated based on the total assets in the most recent individual or separate financial reports as set out in the “Guidelines for the Financial Reporting of Securities Issuers”. If the company's stock is not denominated or the denomination is not NT\$10, the condition of trade value exceeding 20% of in-paid capital specified in this Regulations is calculated at 10% of the equity of the owner of the parent company; <u>for the calculation of transaction amounts of 5% of paid-in capital under these Regulations, 2.5% of the owner of the parent company;</u> The condition of trade value exceeding NT\$10 billion stated in this Regulations is calculated at NT\$20 billion attributable to owners of the parent company; <u>for calculations under the provisions of these Regulations regarding transaction amounts relative to paid-in capital of NT\$50 billion, NT\$100 billion of equity attributable to owners of the parent company.</u>	Article 32. Regarding 10% of total assets specified in this Regulations, it is calculated based on the total assets in the most recent individual or separate financial reports as set out in the “Guidelines for the Financial Reporting of Securities Issuers”. If the company's stock is not denominated or the denomination is not NT\$10, the condition of trade value exceeding 20% of in-paid capital specified in this Regulations is calculated at 10% of the equity of the owner of the parent company; The condition of trade value exceeding NT\$10 billion stated in this Regulations is calculated at NT\$20 billion attributable to owners of the parent company.	In coordination with the amendment to Paragraph 1 of Article 27 of the <i>Regulations Governing the Acquisition and Disposal of Assets by Public Companies</i>, which adds the announcement and reporting standards applicable to public companies with paid-in capital reaching NT\$50 billion, Paragraph 2 of this Article is hereby revised. The revision explicitly stipulates the calculation methods for 5% of paid-in capital and for paid-in capital reaching NT\$50 billion in cases where a company's shares have no par value or a par value other than NT\$10 per share.
Article 33. This Regulations was established on 2007-10-25 Revise 1 made on 2008-06-25 Revise 2 made on 2012-06-12 Revise 3 made on 2014-06-12 Revise 4 made on 2017-06-20 Revise 5 made on 2019-06-11 Revise 6 made on 2020-06-12 Revise 7 made on 2022-06-15 <u>Revise 8 made on 2026-05-26</u>	Article 33. This Regulations was established on 2007-10-25 Revise 1 made on 2008-06-25 Revise 2 made on 2012-06-12 Revise 3 made on 2014-06-12 Revise 4 made on 2017-06-20 Revise 5 made on 2019-06-11 Revise 6 made on 2020-06-12 Revise 7 made on 2022-06-15	Add revision date

[Attachment 6: Candidates of Directors Proposed by Board of Directors]

Cyber Power Systems, Inc. 2026 Annual Meeting of Shareholders Candidates of Directors Proposed by Board of Directors

In accordance with the provisions of Article 192-1 of the Company Act, the list of candidates for Directors is as follows:

Title	Name	Main Education and work experience	Current Principal Position	No. of Shares
Director	Chih Yuan Investment Co., Ltd. Representative: Kuo, Chin	Education: Bachelor, Department of Business Administration, Feng Chia University Work experience: Chairman, Cyber Power Systems, Inc. Finance Supervisor, Rite-Tech Industrial Co., Ltd.	Chairman, Cyber Power Systems, Inc.	5,609,974
Director	Ning Yuan Investment Co., Ltd. Representative: Ho, Lien-Hsun	Education: Bachelor, Department of Control Engineering and Department of Management Science, National Chiao Tung University Master, Institute of Control Engineering, National Chiao Tung University Work experience: President, Cyber Power Systems, Inc. Project Manager, Power Electronics Research Laboratory, Industrial Technology Research Institute	President, Cyber Power Systems, Inc.	5,700,000
Director	Hsien Yueh Investment Co., Ltd. Representative: Lee, Chien Chin	Education: Bachelor, Department of English, Christ's College Taipei Work experience: Director, Mao Fei Investment Co., Ltd.	Director, Cyber Power Systems, Inc.	5,688,993
Independent Director	Wang, Chin Yen	Education: Master of Management, National Central University Work experience: CPA, Deloitte & Touche, Taiwan	Independent Director, Cyber Power Systems, Inc. Independent Director, LEATEC Fine Ceramics Co., Ltd Independent Director, Taipei Star Bank Legal Representative of Directors, SENTEC E&E Co., Ltd CPA, Hao Yu Accounting Firm	0
Independent Director	Ou Yang, Mang	Education: Ph.D, Department of Photonics, National Chiao Tung University Work experience: Associate Professor, Department of Optics and Photonics, National Central University Professor, College of Electrical and Computer Engineering, National Chiao Tung University	Independent Director, Cyber Power Systems, Inc. Professor of Electrical Engineering, National Yang Ming Chiao Tung University	0

Title	Name	Main Education and work experience	Current Principal Position	No. of Shares
Independent Director	Lin, Jung-Yueh	Education: B.B.A. in Statistics, National Cheng Kung University Work experience: Manager and Spokesman of the auditing of TOPOINT Technology Co., Ltd. Chief Financial Officer of Lustrous Technology Ltd. Independent Director, Cyber Power Systems, Inc.	Senior Advisor, Global Egg Bank	0
Independent Director	Chen, Shu Han	Education: Master of Finance, National Taiwan University Work experience: Assistant Vice President, China Development Industrial Bank Assistant Vice President, Han-Yu Investment Consulting Co., Ltd. Senior Vice President, Cathay Venture Inc.	Partner & General Manager, For Win Capital, Inc.	0

[Attachment 7: The concurrent duties of the new Directors and their representatives]

CYBER POWER SYSTEMS, INC.

The concurrent duties of the new Directors and their representatives

Director	Concurrent duties at other companies	
Representative of Legal Person director, Kuo, Chin	Representative of Legal Person Director, Broad Win Int'l Investment Co., Ltd Chairman, Cliquefie Co., Ltd. Director, Planet Technology Limited Director, Join Master Co., Ltd Director, Portal Star Co., Ltd. Director, Shining Pearl Co., Ltd. Director, Cyber Power Systems (HK) Limited Director, Fast Wind International Limited Director, Global Way Co., Ltd Director, Global Win Co., Ltd. Director, Full Star Co., Ltd.	Director, Grown Tech Ltd. Director, Shuoda Electronics (Shenzhen)Co., Ltd. Director, Cyber Energy (Shenzhen), Inc. Director, Guangdong Cyber Energy Co., Ltd. Director, Cyber Power (Shenzhen)Co., Ltd. Director, Cyber Power Systems B.V. Director, Cyber Power Systems K.K Director, Cyber Power Systems (India) Pvt Ltd. Director, Chih Yuan Investment Co., Ltd Director, Da Yuan Investment Co., Ltd. Director, Cyber Power Systems Manufacturing, Inc.
Representative of Legal Person Director, Ho, Lien Hsun	Director, Cyber Power Systems (USA), Inc. Director, Join Master Co., Ltd Director, Portal Star Co., Ltd. Director, Shining Pearl Co., Ltd. Director, Fast Wind International Limited Director, Global Way Co., Ltd Director, Global Win Co., Ltd. Director, Full Star Co., Ltd. Director, Grown Tech Ltd. Director, Cyber Power (Shenzhen) Ltd. Director, Cyber Energy (Shenzhen), Inc. Director, Cyber Power Systems B.V. Director, Cyber Power Systems UK Limited	Director, Cyber Power Systems K.K Director, Nitram S.A.S Director, CyberPower Systems GmbH Director, Cyber Power Systems S.A. DE C.V. Director, Cyber Power Systems (India) Pvt Ltd. Director, Best Top (Shenzhen) Inc. Director, Ningyuan Investment Co., Ltd. Director, Dan Zhi Investment Co., Ltd. Director, Jing De International Co., Ltd. Director, Cyber Energy Co., Ltd. Chairman, Cyber Power Systems Manufacturing, Inc. Legal Supervisor Representative, Liang Gao Co., Ltd.
Representative of Legal Person Director, Lee, Chien-Chin	Chairman, Hsien Yueh Investment Co., Ltd. Director, Mao Fei Investment Co., Ltd.	
Wang, Chin Yen	Independent Director, LEATEC Fine Ceramics Co., Ltd Independent Director, Taipei Star Bank	Legal Representative of Directors, SENTEC E&E Co., Ltd
Lin, Jung-Yueh	Senior Advisor, Global Egg Bank	
Chen, Shu Han	Partner & General Manager, For Win Capital, Inc.	

【Appendix 1: Articles of Incorporation】

ARTICLE OF INCORPORATION OF CYBER POWER SYSTEMS, INC.

- Article 1 The Company is incorporated in accordance with the Company Act, and shall be named Cyber Power Systems, Inc. (hereinafter referred to as the “Company”).
- Article 1-1 The Company shall have the English name of Cyber Power Systems, Inc.
- Article 2 The Scope of Business of the Company shall be:
1. F118010 Wholesale of Computer Software
 2. F218010 Retail Sale of Computer Software
 3. F401010 International Trade
 4. I301010 Software Design Services
 5. I301020 Data Processing Services
 6. I301030 Digital Information Supply Services
 7. CC01120 Data Storage Media Manufacturing and Duplicating
 8. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 2-1 The Company may provide guarantee or endorsement to affiliated enterprise or other company as required by its business operation, and that the Board of Directors is authorized to handle it.
- Article 2-2 Total investment by the Company may exceed 40% of the paid-in capital notwithstanding Article 13 of the Company Act.
- Article 3 The Company shall have its head office in Taipei, Taiwan, ROC and may, if necessary, set up branches outside of this country by the resolution of the Board of Directors.
- Article 4 Public notices by the Company shall be made in accordance with Article 28 of the Company Act.
- Article 5 The total capital of the Company is three billion and six hundred million New Taiwan Dollars (NT\$3,600,000,000) divided into three hundred and sixty million (360,000,000) shares, with at ten New Taiwan Dollars per share, and may be issued in a series of issuance. The Board of Directors is authorized to issue the un-issued shares in installments.
- Out of the above-mentioned total capital, two hundred million New Taiwan Dollars (NT\$ 200,000,000), divided into two million (20,000,000) shares are reserved for issuing employee stock options.
- Article 5-1 For employee stock options granted by the Company, if the exercise price is lower than the closing price on the grant date, it shall be subject to the approval of the resolution of shareholders meeting and the price adopted by more than two-third of the shareholders at a meeting attended by shareholders representing more than one half of the total issued shares. The exercise, can be granted in multiple tranches within one (1) year from the date when the resolution of the shareholders meeting is adopted.
- Article 5-2 The repurchased shares of Company stock according to Article 167-1 of the Company Act may be transferred to employees of this Company or its affiliates who meet certain conditions. If the Company signs stock option contracts with employees in accordance with Article 167-2 of the Company Act, they must be employees of this Company or its affiliates who meet certain conditions. If the Company issues restricted stock awards in accordance with Article 267 of the Company Act,

the recipients of restricted stock awards shall be employees of this Company or its affiliates who meet certain conditions.

Article 6 The share certificates of the Company shall bear the shareholders' names and shall be signed or sealed by at least three directors and be legally authenticated by the competent governmental authorities or the issuance registration organizations as approved by authorities of law before issued. In the case where issuance of shares, it does not require issuing of the share certificates, and the Company shall register the shares with the central securities depository institution.

Article 7 All transfers of the shares will be duly suspended within sixty (60) days prior to the general shareholders meeting, within thirty (30) days prior to a special shareholders meeting or within five (5) days prior to the record date fixed for distributing dividends, bonus or other benefits.

Article 7-1 To revoke public issuance after the Company publicly issues the share certificates shall be approved by the resolution of a shareholders meeting, and this Article shall remain unchanged during the period of emerging stock market and publicly listing on GTSM.

Article 8 Shareholders meeting of the Company shall be of two types, general meetings and special meetings. General meetings shall be convened once a year within six months after the end of each fiscal year. Special meetings shall be convened by law, whenever necessary.

All notices of the above-mentioned shareholders meetings shall specify the meeting date, meeting place and the reason for the convocation of the meeting. Such notice may be sent by e-mail if the addressee consents. Unless otherwise provided by the Company Act, the shareholders meeting shall be convened by the Board of Directors.

Article 8-1 The company's shareholders' meeting may be held by video conference or other methods announced by the central competent authority. The company's shareholders' meeting may be held by video conference or other methods announced by the central competent authority.

The requirements, operating procedures, and other matters to be complied with for the adoption of video shareholders' meetings shall be governed by the regulations of the competent authority if otherwise stipulated.

Article 9 A shareholder who is unable to attend a shareholders' meeting in person may authorize a proxy to attend the meeting by submitting the power of attorney printed by the Company specifying the scope of authority to represent him/her at the meeting. Acquisition of proxies after the Company publicly issues the share certificates shall be made in accordance with Article 177 of the Company Act and Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies enacted by the competent authorities.

Article 10 Apart from the restricted shares or shares without voting right as prescribed in Article 179 of Company Act, each shareholder of the Company has one voting right for each share.

Apart from exercising voting right in writing, shareholders of the Company may also exercise the voting right electronically, shareholders exercising the voting right electronically will be deemed as attending in person, and relevant matters thereof shall be handled pursuant to laws and decrees.

Article 11 The quorum for all shareholders meeting shall be the presence of shareholders representing more than one half of the total issued shares of the Company unless otherwise provided by the Company Act; all resolutions shall be passed by the concurrence of shareholders representing a majority of votes of the shareholders present.

- Article 12 The resolution adopted by the shareholders meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairman of the meeting and shall be distributed to all shareholders of the Company within twenty (20) days after the close of the meetings. The aforesaid minutes of shareholders meeting shall be prepared and distributed in accordance with the provisions of Article 189 of the Company Act
- Article 13 The Company shall have 7-9 directors, whose term of office is three years. The election of directors shall be subject to the candidate nomination system required by Article 192-1 of the Company Act and shall be selected from the candidate list by the shareholders' meeting and are eligible for re-election. The aggregate number of shares of nominal stocks held by all the directors and supervisors shall not be less than the percentage stipulated by the authority-in-charge of securities.
- Article 13-1 According to the Article 14-2 of the Securities and Exchange Act, for the list of the directors as set by the preceding Article, it is required to appoint independent directors, not less than three (3) in number and not less than one-fifth (1/5) of the total number of directors. Regulations governing the professional qualifications, shareholdings and restrictions on concurrent positions held and other matters for compliance with respect to independent directors shall be prescribed by the authority-in-charge of securities.
- Article 13-2 According to the Article 14-2 of the Securities and Exchange Act, for the list of the directors as set by the preceding Article, it is required to appoint independent directors, not less than three (3) in number and not less than one-fifth (1/5) of the total number of directors. Regulations governing the professional qualifications, shareholdings and restrictions on concurrent positions held and other matters for compliance with respect to independent directors shall be prescribed by the authority-in-charge of securities.
- Article 13-3 The Company shall establish an Audit Committee in accordance with the provisions specified in Article 14-4 of the Securities Exchange Act. The Audit Committee shall be associated by all independent directors. Audit Committee of its members shall be responsible for the implementation of the Company Act, the Securities Exchange Act and other laws and regulations.
- Article 14 The Board of Directors shall be formed by directors. The directors shall elect a chairman of the board of directors from among themselves by a majority vote at a meeting attended by more than two-thirds of the directors to represent the Company.

Meetings of the board of directors are convened by the chairman of the board of directors unless otherwise provided by the Company Act. When convening a meeting of the Board of Directors, a convention notices with the reasons for convening such meeting shall be sent to each director seven days prior to the meeting, provided that a meeting may be convened at any time by notice sent by fax or e-mail instead of a written notice in case of emergency.

The resolutions of the Board of Directors, unless otherwise provided by the Company Act, shall be adopted by a majority of the directors at a meeting attended by a majority of the directors.

A director who is unable to attend the Board meeting in person may appoint another director to attend a meeting of the Board of Directors in his/her behalf, in each time, by submitting a power of attorney specifying therein the scope of authority with reference to the subjects to be discussed at the meeting, provided that each director may act as proxy for one other director only. When a director attends a Board meeting held by a video conference, such attendance shall be deemed to be in person. A director residing overseas may authorize other director residing in this country to regularly attend the Board meeting in written to represent him/her at the meeting.

- Article 15 In case the Chairman of the Board is on leave or otherwise unable to perform his/her duties, matters conducted on behalf of the Chairman shall be handled in accordance with Article 208 of the Company Act.
- Article 16 The remuneration for directors shall be determined and paid by the Board of Directors based on their participation in and contribution to the operation of the Company and by reference to the common practical standards.
- The Company may purchase liability insurance for directors with respect to their liabilities resulting from performing the business of the Company during their terms of office, to protect the rights and interest of all directors and minimize the risk of the Company's business operation. The Board of Directors is authorized to handle the matter related to such liability insurance.
- Article 17 The Company may have managerial officers. Their appointment, dismissal and remuneration shall be handled in accordance with Article 29 of the Company Act.
- Article 18 At the end of each fiscal year, the Board of Directors shall prepare the following documents, and submit the same for the audit committee examination and for ratification at the shareholders meeting no later than thirty (30) days prior to the date of the general shareholders meeting:
1. Business report
 2. Financial statements
 3. Proposal for allocation of surplus profits or making up loss.
- Article 19 The Company shall, upon closing of accounts, if there is surplus profit, after paying all taxes and dues and making up all losses for the proceeding years, set aside 10 percent of such profits as legal reserve. Nevertheless, when the amount of legal reserve has reached the total amount of paid-in capital, the above may not apply. The remainder profits plus non-distributed earnings accumulated from previous period shall also be set aside as special reserve or reversed special reserve. If there still profits, in accumulation undistributed earnings, the board will scheme distribution plan, and have it submitted to the share-holders' meeting to determine the bonus to shareholders.
- The dividends, statutory surplus reserve and capital reserve stated above are allotted by the Board of Directors with the attendance of more than two-thirds of the directors and more than half of the directors' resolutions and report it to the Shareholders Meeting.
- In compliance with the long-term financial policy of the Company in the future, investment environment and the conditions of the industrial competition. The annual dividend is not less than 30% of the net profit after tax for the year; the total amount of cash dividends is not less than 10% of the total dividends to be issued in the current year.
- Article 19-1 The Company may distribute surplus or make up for losses after the end of each half fiscal year. The Board of Directors prepares and submits the aforesaid document and proposal to the Audit Committee for review; and the Board of Directors for resolution thereafter.
- When distributing surplus, it shall first estimate and retain taxes, make up for losses and list the statutory surplus reserve per laws, budget or revolve the special reserve. Yet, if the statutory surplus reserve has reached the amount of paid-in capital, it will not be listed. This surplus is distributed in cash; the Board of Directors decides that while issuing new shares, it shall be resolved by the Shareholders Meeting.
- Article 19-2 If the Company is profitable in this year, it shall pay no less than 2% from the profit for the employee's remuneration (At least 10% of the total employee remuneration shall be allocated to non-executive

employees). The Board of Directors shall decide to distribute it by stock or cash. The issuing objects shall include the employees of the subordinate companies that meet certain conditions; The amount of the profit shall be set by the Board of Directors to provide no more than 2% of the profit for the remuneration of directors and supervisors. The distribution of remuneration for employees and directors and supervisors shall be reported to the Shareholders Meeting.

When the Company still has accumulated losses, it shall retain the compensation amount in priority, and then pay the remunerations of employees and directors and supervisors according to the aforesaid proportion.

When the Company distributes the surplus after the end of each half fiscal year, it shall first estimate the retention of remunerations for employees and directors and supervisors according to item 1 above. If the company has accumulated losses, it shall also retain the compensation amount in priority, and estimate the retention of remunerations for employees and directors and supervisors per this Article.

Article 20 For matters not covered herein, provisions in the Company Act shall govern.

Article 21 These Articles of Incorporation were enacted on June 17, 1997, and were first amended on August 20, 1997.

The second amendment was made on January 12, 1998.

The third amendment was made on December 28, 1998.

The fourth amendment was made on June 30, 1999.

The fifth amendment was made on April 24, 2003.

The sixth amendment was made on September 22, 2003.

The seventh amendment was made on November 10, 2003.

The eighth amendment was made on April 1, 2004.

The ninth amendment was made on May 24, 2004.

The tenth amendment was made on September 27, 2006.

The eleventh amendment was made on June 28, 2007.

The twelfth amendment was made on October 25, 2007.

The thirteenth amendment was made on April 7, 2008.

The fourteenth amendment was made on June 25, 2008.

The fifteenth amendment was made on June 16, 2009.

The sixteenth amendment was made on June 15, 2010.

The seventeenth amendment was made on June 24, 2011.

The eighteenth amendment was made on June 12, 2012.

The nineteenth amendment completed on June 8, 2016.

The twentieth amendment completed on June 20, 2017.

The twenty-first amendment completed on June 12, 2018.

The twenty-second amendment completed on June 11, 2019.

The twenty-third amendment completed on June 15, 2022.

The twenty-fourth amendment completed on June 13, 2023.

The twenty-fifth amendment completed on May 28, 2025.

CYBER POWER SYSTEMS, INC.

Chairman of the Board of Directors: Kuo, Chin

【Appendix 2: Procedures for Acquisition or Disposal of Assets (before Amendment)】

Procedures for Acquisition or Disposal of Assets of Cyber Power Systems, Inc.

Chapter 1. General

- Article 1. To secure asset and fulfill information open, follow Article 36-1 of the Securities Exchange Act and “Guidelines for the Acquisition or Disposal of Assets of Public Offering Companies” (hereinafter referred to the “Management Guidelines”) issued by the Financial Supervisory Commission to establish this Regulations.
- Article 2. The Company’s acquisition or disposal of assets shall follow the handling standard of competent authorities and this Regulations to proceed. The Company’s acquisition or disposal of assets shall be handled in accordance with the Processing Guidelines of the competent authority and the provisions of these Regulations.
- Article 3. Scope of assets in this Regulations
1. Stocks, bonds, corporate bonds, financial bonds, securities of the commendation fund, depositary receipts, subscription (sales) warrants, beneficiary securities and asset-based securities (hereinafter referred to the securities).
 2. Real estate (land, houses and buildings, invested real estate and inventory of construction industry) and equipment.
 3. Membership certificates
 4. Intangible assets such as patents, copyrights, trademarks and concessions
 5. Right-of-use asset
 6. Claims of financial institutions (receivables, discounted bills and loans and collections).
 7. Derivative commodities
 8. Assets acquired or disposed by merger, division, procurement or share conversion per law.
 9. Other major assets
- Article 4. Definitions
1. Derivative commodities: Means the forward contracts, option contracts, futures contracts, leverage margin contract and exchange contract or their combination or the combination contracts of embedded in derivative commodities or the structured commodities whose values are derived from specific interest rates, financial tool prices, commodity prices, exchange rates, price or rate indices, credit ratings or credit indices, or other variables of the above contracts. The forward contract doesn’t include insurance contracts, performance contracts, after-sales service contracts, long-term lease contracts, and long-term import (sale) contracts.
 2. Assets acquired or disposed by merger, division, procurement or share conversion per law: Means the acquisition or disposal of assets merged, divided or acquired according to the Corporate Mergers and Acquisitions Law, Financial Holding Company Act, Financial Institution Merger Law or other legal laws; or new-issued shares and conversion shares from other companies (hereinafter sis called the share conversion) in accordance with Article 156-3 of the Company Act.
 3. Relationships and subsidiaries: It shall be decided in accordance with the “Guidelines for the Preparation of Financial Issues of Securities Issuers”.
 4. Professional appraiser: Means the real estate appraiser or others legally engaged real estate and equipment valuation.
 5. Factual day: Means the date of the trade signing date, payment date, entrusted trade date, transfer date, Board of Directors resolution date or other date on which the trade object and trade amount are decided. However, investors who are subject to the approval of the competent authority shall prevail on the above opening date or the date of approval by the competent authority, whichever is earlier.
 6. Investment in mainland China: Means the mainland investment in which the Investment Review Committee, Ministry of Economic Affairs engages in investment or technical cooperation licensing regulations in mainland China.

7. Investment Professional: Means a financial holding company, bank, insurance company, bills financing company, entrust vendor or securities dealer, futures dealer, securities investment entrust vendor, securities investment advisory business and fund management company operating a self-operated or underwriting business, established by the local enactments and managed by local financial authority.
8. Stock exchange: Domestic stock exchange means Taiwan Stock Exchange Co., Ltd.; foreign stock exchange means any stock exchange market organized and managed by the securities authority of the country.
9. Securities firm's operating offices: Securities firm's operating offices: Domestic securities firm's operating office means the places where the securities firm's special counters are used for trading according to the Rules governing Management of Securities Firm Operating Offices; foreign securities firm's operating offices means the financial institution's operating places managed by the foreign securities management authorities and can operate securities business.

Article 5. When the Company obtains a valuation report or an opinion from an accountant, attorney or securities underwriter, the professional appraiser and its appraisers, accountants, attorneys or securities underwriters shall meet with the following requirements :

1. Never have been convicted of any violation of the Securities and Exchange Act, the Company Act, the Banking Act, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or any fraud, breach of trust, embezzlement, forgery, or criminal conduct in connection with business, and have been sentenced to a term of imprisonment of at least one year, unless a minimum of three years has elapsed since the completion of sentence, the expiration of the probation period, or the commutation of sentence.
2. Shall not be related parties or substantial related parties to the transaction party.
3. If the Company shall obtain valuation reports from more than two professional appraisers, the different professional appraisers or appraisers shall not be related parties or substantial related parties to each other.

When issuing valuation reports or opinions, the personnel specified in the preceding paragraph shall follow the self-regulatory rules of their respective trade associations and the following matters:

1. Before undertaking the case, the personnel should carefully assess he/her professional competence, practical experience and independence.
2. When executing a case, the personnel shall make proper planning and implement appropriate operating procedures to form a conclusion and issue a report or opinion accordingly. The procedures performed, information collected and conclusions reached will be documented in detail in the case's working papers.
3. The appropriateness and reasonableness of the data sources, parameters and information used shall be evaluated on an item-by-item basis to form the basis for issuing a valuation report or opinions.
4. The declaration should include the professionalism and independence of the relevant personnel, the information that has been assessed to be appropriate and reasonable, and the compliance with relevant laws and regulations.

Chapter 2. Handling procedure

Section 1. Acquisition or disposal of assets

Article 6. Assessing procedure:

The manner of determining the price and the reference basis for the acquisition or disposal of assets by the Company shall be in accordance with the following provisions:

1. Securities investment
 - (1) The Company's acquisition or disposal of securities shall be handled in accordance with the investment cycle of the Company's internal control system.
 - (2) In the event of acquiring or disposing of securities, the most recent financial statements of the subject company audited or reviewed by an accountant prior to the date of occurrence of the fact shall be used as a reference for evaluating the transaction price, and the transaction price shall be determined in accordance with the following. :

1. The acquisition or disposal of securities traded on a central stock exchange or over the count is determined by the prevailing trading price.
 2. In the event of acquiring or disposing of securities that are not traded on a central stock exchange or over the count, the net value per share, profitability, and future development potential should be considered, and the reference basis or calculation of the transaction price and trading terms should be submitted to the president for approval.
 - (3) In addition, if the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, an accountant should be consulted to express an opinion on the reasonableness of the transaction price prior to the date of occurrence of the fact, unless the securities are publicly quoted in an active market or otherwise specified by the Financial Supervisory Commission (FSC).
2. Property, equipment or right-to-use assets
- (1) The acquisition or disposal of property, equipment or its right-to-use assets by the Company shall be handled in accordance with the property, plant and equipment cycle procedures of the Company's internal control system.
 - (2) In the event of acquiring or disposing of real property, the transaction terms and transaction price shall be determined in reference to the assessed present value, assessed value, and actual transaction prices of neighborhood real properties, and an analysis report shall be prepared and submitted to the chairman of the board of directors. The acquisition or disposal of equipment shall be made via one of the methods of price inquiry, price comparison, price negotiation or tender.
 - (3) In the event of acquiring or disposing of real property, equipment, or its right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain a valuation report prior to the date of occurrence of the fact from a professional appraiser and shall further comply with the following provisions :
 1. If due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted to the board of directors for approval in advance; the same procedure shall also be applied whenever there is any subsequent change to the terms and conditions of the transaction.
 2. If the transaction amount reaches NT\$1 billion or more, two or more professional appraisers shall be requested to appraise the property.
 3. If the valuation result of a professional appraiser is one of the following, except when the valuation result of an acquired asset is higher than the transaction amount or the valuation result of a disposed asset is lower than the transaction amount, an accountant shall be requested to express a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price :
 - (1) The difference between the valuation result and the transaction amount is 20% or more of the transaction amount
 - (2) The difference between the valuation results of two or more professional appraisers is 10% or more of the transaction amount.
 4. The date of the report issued by the professional appraiser and the date of establishment of the contract shall not be more than three months apart. However, if the assessed present value of the same period is applicable for both and they are not more than six months apart, a written opinion may be issued by the original professional appraiser.
3. Membership cards, intangible assets or its right-of-use assets
- (1) In the event of acquiring or disposing of membership cards, the transaction terms and transaction price shall be determined with reference to the fair market price, and an analysis report shall be made and submitted to the president. In the event of acquiring or disposing of

an intangible asset or its right-to-use asset, the transaction terms and transaction price shall be determined with reference to the expert evaluation reports or fair market prices, and an analysis report shall be made and submitted to the chairman of the Board of Directors.

- (2) In acquiring or disposing of membership cards, intangible assets or its right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, shall request an accountant to express an opinion on the reasonableness of the transaction price prior to the date of occurrence of the fact.
4. For an acquisition or disposal of derivative products, an assessment shall be made in accordance with the relevant provisions of Section 3, Chapter 2 of these Procedures.
5. In the event of a merger, spinoff, acquisition or transfer of shares in accordance with the law, an assessment shall be made in accordance with the relevant provisions of Section 4, Chapter 2 of these Procedures.
6. Financial institution's obligatory claims or other major assets
In the event of acquiring or disposing of financial institution's obligatory claims or other major assets, relevant price information shall be collected in advance, depending on the subject of the transacted assets, and the transaction price shall be determined after careful evaluation of the relevant laws and regulations and contractual contents.
7. The calculation of the transaction amount for the acquisition or disposal of securities, real property or equipment, membership cards, intangible assets and right-to-use assets shall be made in accordance with the provisions of Paragraph 2 of Article 27. The term "within one year" is calculated retrospectively one year from the date of occurrence of the transaction, and the portion of which the valuation report issued by a professional appraiser or accountant's opinion has been obtained in accordance with the provisions of these Procedures shall not be counted.
8. If the Company acquires or disposes of assets through a court auction process, court-issued supporting documents may be used in lieu of a valuation report or an accountant's opinion.

Article 7. Operating procedures

1. Authorization quota and level

- (1) For the Company acquisition or disposal of the assets, the undertaking entity shall collect the reason, targets trading counterpart, transfer price, price pay/receiving condition and price basis; submit them to the responsible entity making decision. The authorization quota and level of derivative commodities are handled in accordance with the relevant provisions specified in Section 3, Chapter 2 of this Regulations.

Item	Amount	Responsible unit			
		President	Chairman	Audit Committee	Board of Directors
Securities trading (including long-term equity investment and cash capital increase)	Single or cumulative investment amount: Below NT\$ 10 million (inclusive)	Decision			
	Single or cumulative investment amount: NT\$ 10 million ~ less than 10% of the Company's total assets, 20% of paid-in capital or NT\$ 300 million.	Review	Decision		
	Single or cumulative investment amount: Reaching 10% of the Company's total assets, 20% of paid-in capital, or NT\$ 300 million.	Review	Review	Review	Decision
	Securities trading (excluding long-term equity investment) : For a single transaction amount of more than NT\$ 50 million or a cumulative				

	transaction amount of more than NT\$ 100 million, it needs to be reported to the next Board of Directors meeting after the event, and at the same time a securities investment report should be submitted. Long-term equity investment and participating in affiliated enterprises' cash capital increase : Except for the single or cumulative investment amount of reaching 10% of the Company's total assets, 20% of paid-in capital or NT\$ 300 million or more, which must be approved by the resolution of the Board of Directors, the rest must be reported to the next Board of Directors meeting after the event, and an investment acquisition / disposition assessment report for long-term equity investment should be submitted.				
Property, equipment or right-of-use assets	Below NT\$ 10 million (inclusive)	Decision			
	NT\$ 10 million (excluded) ~ 50 million (inclusive)	Review	Decision		
	More than NT \$ 50 million (excluded)	Review	Review	Review	Decision
Membership card	Below NT\$ 10 million (inclusive)	Decision			
	More than NT \$ 10 million (excluded)	Review	Review	Review	Decision
Intangible assets or right-of-use assets	Below NT\$ 10 million (inclusive)	Decision			
	NT\$ 10 million (excluded) ~ 20 million (inclusive)	Review	Decision		
	More than NT \$ 20 million (excluded)	Review	Review	Review	Decision

- (2) If the Company acquisition or disposal of assets shall be approved by the Board of Directors according to this Regulations or other enactments, if any board director expresses objection with record and written statement, the Company shall submit the respective objection information to the audit committee.
- (3) If the Company has established independent directors in accordance with the provisions of the Securities Exchange Act, when submitting the acquisition or disposal of assets to the Board of Directors in accordance with the above item, the opinions of the independent directors shall be fully considered. If the independent directors have any objection or reservation, it shall be stated in the Board of Directors meeting minutes.

2. Performing entity

- (1) The acquisition or disposal of securities is performed by the Financial Dept.
- (2) If the acquisition or disposal of real estate or other stationary assets is performed by the related procurement and administration entities.
- (3) If acquiring or disposing membership certificates or intangible asset, the using department and Financial Dept. or Administration Dept. are responsible to perform it.
- (4) Announcement: The announcement application personnel shall contact the undertaker to collect the relevant announcement information and associate to handle them.

3. Trade process: The trade process and operation of assets acquisition or disposal shall be performed in accordance with the relevant enactments and the Company's interior control system.

Article 8. Sum limit of real estate and right-of-use assets or securities the Company and its subsidiaries can obtain and individual securities limits.

1. The sum of real estate and right-of-use assets the Company obtains that are not for business use shall not exceed 30% of the net value listed in the latest financial statements of the Company

audited, signed or approved by the accountant. The sum of real estate and right-of-use assets the subsidiary obtains that are not for business use shall not exceed 20% of the net value listed in the latest financial statements of the Company audited, signed or approved by the accountant.

2. The limits of the total securities and individual securities obtained by the Company and its subsidiary are as follows:

- (1) The sum of investment securities the Company obtains shall not exceed 30% of the net value listed in the latest financial statements of the Company audited, signed or approved by the accountant. The sum of investment securities the subsidiary obtains shall not exceed 20% of the net value listed in the latest financial statements of the Company audited, signed or approved by the accountant.
- (2) The sum of individual securities the Company invests shall not exceed 20% of the net value listed in the latest financial statements of the Company audited, signed or approved by the accountant. The sum of individual securities the subsidiary invests shall not exceed 10% of the net value listed in the latest financial statements of the Company audited, signed or approved by the accountant.

Article 9. The Company's control procedure to the subsidiaries on the acquisition or disposal of assets

1. Supervise and urge the subsidiary to set and implement the acquisition or disposal of assets in accordance with the processing guidelines, submit to the subsidiary Board of Directors for approval and report to the Shareholders Meeting to pass it; and shall be handled in accordance with the operating procedure.
2. Inspect and urge the subsidiary to self-assess the conformity of "Measure of Acquisition or Disposal of Assets" in compliance with the disposal criteria and the provisions of the Company and subsidiary and interior control system; and the acquisition control or disposal of the assets of the subsidiary follows the aforesaid regulations to proceed.
3. If the Company's subsidiary is not a domestic publicly issued company, the acquisition or disposal of assets shall be subject to the declaration announcement provisions specified Chapter 3.
4. The subsidiary shall regularly provide the trading checklist of derivative commodities and obey the matters to be announced and declared to the Company per month.
5. The auditor shall review the relevant matters from the subsidiary's self-assessment result.

Section 2. Relationship trading

Article 10. When the Company acquire or dispose assets with the relationship, except following the procedure stated in this and former sections and evaluate the rationality of trading condition, if the trading value exceeds 10% of the Company asset, follow the above section acquiring the appraising report issued by the professional appraiser or the accountant's opinion.

The trading value is calculated per the provisions stated in sub-item 7, item 1 of Article 6 to proceed. To judge if the trading object is the relationship, note both the legal form and substantive relation.

Article 11. If the Company acquires or disposes real property or its right-of-use assets from or to related parties, or assets other than real property or its right-of-use assets with the transaction amount exceeding 20% of the Company's paid-up capital, 10% of the total assets or NT\$300 million from or to related parties, except for buying or selling domestic government bonds, repo bonds, reverse repo bonds, subscription or buying back money market funds issued by domestic securities investment trust enterprises, the following information shall be submitted to the Audit Committee to be approved by at least one-half of all its members, and then submitted to the Board of Directors for approval before signing the transaction contract and making payment, and the provisions of Paragraph 2 of Article 31 shall be applied mutatis mutandis :

1. The purpose, necessity and expected benefits of the acquisition or disposal of asset.
2. The reason for selecting related parties as trading counterparties.
3. The information related to the evaluation of the reasonableness of the predetermined transaction terms in accordance with the provisions of Articles 12 and 13 in the event of acquiring real property or its right-to-use assets from related parties.

4. The original acquisition date and price of the related party, the counter-party and its relationship with the Company and the related party.
5. The forecast schedule of cash receipts and expenditures for each month of the coming year starting from the contract month, and the necessity of the transaction and the reasonableness of the use of funds assessed.
6. The valuation report issued by a professional appraiser obtained in accordance with the provisions of the preceding Article, or the opinion of an accountant.
7. Restrictions and other material covenants of the transaction.

The Board of Directors may authorize the Chairman of the Board of Directors to decide on any of the following transactions within the extent of 30% of the Company's paid-in capital between the Company and its parent company, subsidiaries, or between subsidiaries which the Company directly or indirectly holds 100% of the issued shares or total capital, and then submit the transaction to the most recent Board of Directors meeting for ratification :

1. The acquisition or disposal of equipment or its right to use assets for use in business.
2. The acquisition or disposal of real property right-of-use assets for business use.

If the Company has independent directors in accordance with the Securities and Exchange Act, the opinions of each independent director shall be fully considered during the discussion for matters submitted to the board of directors in accordance with the Paragraph 1. Any adverse opinions or modified opinions of the independent directors should be set out in the minutes of the Board meeting. The Company's capital increase to related parties (subscription for cash capital increase of subsidiaries) is the acquisition of securities from related parties, which is a related party transaction, and the Company shall handle it in accordance with the provisions of this Article.

If the Company or its subsidiaries have the transaction specified in Paragraph 1 and the transaction amount reaches 10% or more of the Company's total assets, the Company shall submit the information listed in Paragraph 1 to the shareholders' meeting for approval before signing the transaction contract and making the payment, unless the transaction is between the Company and its subsidiary or between its subsidiaries.

The calculation of the transaction amount specified in the preceding paragraph and Paragraph 1 shall be made in accordance with the provisions of Paragraph 2 of Article 27. The term "within one year" is calculated retrospectively one year from the date of occurrence of the transaction, and the portion of which has been submitted to the shareholders' meeting, the Board of Directors' meeting for approval and the Audit Committee for recognition in accordance with the provisions of these Procedures shall not be counted.

Article 12. When the Company obtains real estate or right-of-use asset from the relationship party, it shall evaluate the rationality of trading cost as follows:

1. Follow the relationship trading price plus the necessary capital interest and the cost that the buyer shall bear according to law. The necessary capital interest cost is calculated based on the weighted average interest rate of borrowing the Company's assets purchased in the year, but it shall not over the maximum borrowing interest in the non-financial industry announced by the Ministry of Finance.
2. If the relationship has set the mortgage borrower to the financial institution with the subject matter, the financial institution shall estimate the total loan value of the subject matter; yet, if the cumulative value of actual loan lending by the financial institution to the subject matter shall reach 70% of the total evaluation of the loan, and the loan period have been over one year. However, it is not applicable if financial institution and one party of the trade are relationship parties in each other.

If the land and house of the same target are purchased or leased together, the trade cost shall be assessed for the land and house in accordance with any of the methods listed in the preceding item.

While the Company obtains real estate or its right-of-use assets from the relationship, evaluates the cost of real estate or its right-of-use assets in accordance with item 1 or 2 above; and ask the accountant to review and express specific opinion on it.

While the Company obtains real estate or its right-of-use asset from the relationship party, if anyone of the following circumstances is involved, follow Article 11 to proceed; the above three provisions

shall not apply:

1. The relationship party obtains the real estate or its right-of-use assets due to inheritance or gift.
2. The time for the relationship party obtaining the real estate or its right-of-use asset is over 5 years on the trade-contract-set date.
3. Signing a contract for joint venture with the relationship party, or land-own construction, or land-lease construction, etc., that invite the relationship party to build the real estate and obtain it.
4. The Company, its parent company, subsidiary and subsidiary that directly or indirectly hold 100% of the issued shares or capital, mutually obtain the real estate right-of-use asset for business use.

Article 13. If the Company evaluating result made in accordance with the provisions of items 1 and 2 of precede Article is lower than the trading price, it shall follow Article 14 to proceed. However, if the following circumstances are met with objective evidence and the specific rationality opinion of the real estate professional appraiser and the accountant are taken, it can waive:

1. If the relationship acquires a plain land or a leased land and construct, show evidence of anyone of the following conditions is met:
 - (1) The plain land is assessed according to the method stipulated in the preceding article, and the house is calculated according to the construction cost of the related person plus the reasonable construction profit, and the total number exceeds the actual trading price. The alleged reasonable construction profit shall be based on the average operating gross profit margin of the related party construction department in the last three years or the lower of the latest construction industry gross profit margin announced by the Ministry of Finance.
 - (2) Other non-relevant trade cases within one year of the same floor or adjacent area of the same target, the areas of which are similar, and the trading condition shall be assessed by the reasonable floor or area spread according to the real estate purchase or lease convention.
2. The Company obtains the real estate right-of-use asset from the real estate acquired by the related party or the lease, and its trading condition is similar to that of other non-relationship trades in the neighboring region within one year.

The case of the adjacent area trades mentioned above is based on the same or adjacent street profile and the object size of the trade target is less than 500 meters or its present value is similar. If the area is similar, the area under other non-relevant trade case exceeds 50% of the area of the subject matter of the trade; the term of the year is based on the date of the real estate or the right-of-use asset, and the calculation is retroactively calculated for one year.

Article 14. The Company obtains real estate or its right-of-use asset from the relationship party. If the evaluation result is lower than the trading price according to Articles 12 and 13, the following matters shall be handled:

1. The difference between the trading price of the real estate or its right-of-use asset and the estimated cost shall be based on the special surplus reserve in accordance with the item 1, Article 41 of the Securities Exchange Act, and shall not be assigned or transferred to the rights issue. Investor who evaluates the company's investment using the equity method, if it is a public offering company, it also shall provide a special surplus reserve for the proposed amount in accordance with the item 1, Article 41 of the Securities Exchange Act.
2. The independent board members of Audit Committee shall be handled in accordance with Article 218 of the Company Act.
3. The handling of item 1 and 2 above shall be reported to the Shareholders Meeting; trade details shall be disclosed in the annual report and the prospectus.

If the Company shall provide a special surplus reserve in accordance with the provisions of the preceding paragraph, it shall spend the special surplus only after the asset purchased or leased at a high price has been recognized as a price loss or disposition or termination of the lease or properly compensated or reinstated, or there is other evidence showing there is no unreasonable matter, and approved by the Financial Supervisory Commission.

If there is other evidence showing that the trade of the Company obtaining the real estate or its right-of-use asset from the relationship party is against the irregular business practices, follow the above two provisions to proceed too.

Section 3. Deal with derivative commodities trade

Article 15. Trading Principles and Guidelines

1. Types allowed to engage in the derivative commodities trade.

- (1) The derivative commodities traded by the Company shall be limited to the derivative commodities specified in sub-item 1, item 1, Article 4 of this Regulations.
- (2) Matters relating to bond margin trading shall be handled in accordance with the relevant provisions of this Regulations.

2. Operation or risk-avoiding strategy

When the Company engages in derivative financial commodity trade, it shall aim at risk aversion. The traded commodities shall be selected to avoid the risks arising from company business operation. The currency held must match the foreign currency demand of the Company's actual import and export trades. The overall internal position (means foreign currency income and expenses) is self-leveling as a principle to reduce the overall foreign exchange risk and save foreign exchange operating cost. Other specific purpose trades shall be carefully evaluated and submitted to the Board of Directors for approval.

3. Division of powers and responsibilities

(1) Quota authorization of derivative commodities

- a. The Company's derivative commodities are executed by the Board of Directors.
- b. The approved rights/duties in trading the Company's derivative commodities are as follows:

(1) Below 10 million

Applicant	Review	Approve
Financial staff	Financial Chief	General Manager

(2) Exceed 10 million

Applicant	Review	Review	Approve
Financial staff	Financial Chief	General Manager	Chairman Manager

- c. In order to enable the Company to have relative management with the financial institutions in trade, traders and trade confirming personnel shall immediately notify the financial institution if there is any change, and require the financial institution to continue to execute the Company's existing regulations.

(2) Derivative commodities operation

The company acts the trade, delivery, risk measurement and supervision of derivative commodities, the Board of Directors authorizes the following entities in dealing.

1. Trade: The financial personnel and the chief are responsible for managing trade commodities; collecting derivative commodities market information, judging trend and risks, familiar with financial products and operational skill, and proposing level and hedging in accordance with company policy and authorization. The suggesting report of the method shall be submitted to the competent authority for approval and implemented.
2. The financial personnel shall complete the "Derivative commodities delivery order" based on the return of the financial institution on the trade, confirm the validity of the trade. When the financial institution trade confirmation document is printed, it shall be accompanied by the approved "Derivative commodities delivery order".
3. The financial personnel shall submit the monthly "Financial Commodity Trade Monthly Report" to the competent authority for approval, and submit it to the accounting supervisor as the basis for accounting evaluation.
4. The financial staff conducts evaluation twice per month and writes a "Derivative commodities trade evaluation report", signed by the head of accounting staff and presented to the senior executives authorized by the Board of Directors for review.
5. The financial staff shall file a declaration and announcement in accordance with the provisions of the Financial Supervisory Commission.

6. Accountant staff
 - (1) Review whether or not the trade is conducted in accordance with the authorized limit and established strategy?
 - (2) The company's engaging in derivative commodities trades shall set the complete booking and accounting records. Trades with different natures shall be handled in accordance with generally accepted accounting principles and relevant enactments, and the result shall be able to permit the process of expressing and exposing the trades and the result thereof.
 - (3) When preparing the periodic report, the Company shall disclose relevant matters in the notes to financial statements in accordance with the "Notes on disclosure of financial affairs on derivative commodities trade in Public Offering Company".
 - (4) Perform monthly evaluation; submit the evaluation report to the senior director authorized by the Board of Directors.
7. Delivery: When the cashier's financial commodity trade generates profit or loss, the delivery personnel will use the approved "derivative commodities" to request payment or collect the payment; use it as the depositing basis for accounting personnel.
8. Risk assessment: The head of accounting staff reports, monitors and controls the risks according to the economic sentiment, interest rate of exchange, market trend and level position of the Company's derivative commodities; reports to the Board of Directors or the senior executives not responsible for the decision of the trade or level position.
4. Performance evaluation
 1. Risk avoidance trade
 - (1) The profit and loss generated between the currency exchange cost and the derivative financial trade of the Company is the basis of performance evaluation.
 - (2) In order to fully grasp and express the evaluation risk of the trade, the Company evaluates the profit and loss by means of the monthly evaluation.
 - (3) The financial staff shall provide foreign exchange position evaluation, foreign exchange market trend and market analysis to the general manager as a management reference and instruction.
 2. Specific-purpose trades: The actual profit and loss is used as the performance evaluation basis, and the accounting personnel shall regularly report the position level to the management tier for reference.
5. Total contract amount and the ceiling of loss
 1. Total contract value
 - (1) Risk-avoiding trading quota
The financial staff shall master the entire position level of the Company in order to avoid trading risk. The amount of risk-avoiding trade shall not exceed two-thirds of the Company's overall net position level. If more than two-thirds, report to the general manager for approval.
 - (2) On special purpose trades
Based on the forecast of market change, Financial Dept. can formulate a strategy as needed, and report it to the general manager for approval and obtain Board of Directors agreement. The Company's specific-purpose trades are subject to a total contractual share of the Company's net cumulative portion of US\$10 million.
 2. Set the ceiling of loss
 - (1) The Company's hedging contract loss limit shall not exceed 20% of the contract value and shall apply to individual contracts and all contracts.
 - (2) In the case of specific purpose trade contract, after the position level is established, a loss-stop point shall be established to prevent excess loss. For the setting of the loss-stop point, the value of individual contract loss shall be the limit of not exceeding US\$100,000 or 10% of the trade contract amount; the total contract loss shall not exceed US\$300,000 or 10% of the trade contract amount, whichever is lower.

- (3) For a specific purpose trade contract, if the accumulated loss reaches 10% of the total contract value, it shall be reported to the general manager immediately and to the Board of Directors to discuss the necessary responding measures.

Article 16. Risk Management Measures

1. Credit risk management

Due to changes in various factors in the market, it is easy to cause operational risks of derivative financial commodities. Therefore, in market risk management, the following principles are followed:

- (1) Trading objects: Mainly on famous local/international financial institutions.
- (2) Trading commodities: Restricted to the commodities provided by famous financial institutions at home and abroad.
- (3) Trade value: The value of unreversed trade of the same object shall not exceed 10% of the total authorized value, but not limited to the one approved by the general manager.

2. Market risk management

Based on the open foreign exchange market provided by banks; the futures market will not be considered for now.

(1) Liquidity risk management

In order to ensure market liquidity, when selecting financial products, high liquidity one (i.e., it can be balanced at any time in the market); the entrusted financial institutions shall have sufficient information and the ability to conduct trade in any market at any time.

(2) Cash flow risk management

In order to ensure the stability of company's working capital turnover, the Company's source of funds for derivative commodities trade is limited to its own funds; the operating value shall consider the funding requirement for the next three months of cash receipt and payment.

(3) Operational risk management

1. Strictly follow the Company's authorization quota, operating procedure and incorporate into internal audits; avoid operational risk.
2. Traders engaged in derivative commodities and operators working with confirmation and delivery shall not concurrently serve each other.
3. The risk measurement, supervision and control personnel shall be in different departments from the aforesaid personnel; and shall report to the Board of Directors or the senior executives who are not responsible for the decision of trade.
4. Holding level of the derivative commodities exchange office shall be assessed at least once a week; but, if the risk-avoiding trade required for the business is to be assessed at least twice a month; the evaluation report shall be sent to the senior executive authorized by Board of Directors.

3. Commodity risk management

Internal traders shall have complete and correct professional knowledge of financial commodities; and require banks to fully expose risks to avoid risk of financial commodity misuse.

4. Legal risk management

To avoid legal risks, before they can be formally signed, documents signed with financial institution shall be formally signed by special personnel of legal counsel in foreign exchange.

Article 17. Internal Audit System

1. The internal auditor shall regularly understand the admissibility of internal control of the derivative commodities trading; check the compliance of trading department for the derivative commodities trading procedure and analyze the trading cycle on a monthly basis and make an "internal report". If a major violation is discovered, notify the Audit Committee in writing.
2. The internal auditor shall submit the audit report and annual audit status made in internal audit operation to the Financial Supervisory Commission before the specified time period; and report the abnormal event improvement to the Financial Supervisory Commission for reference before the time specified by the Financial Supervisory Commission.

Article 18. Regular evaluation method and abnormal situation handling

1. Board of Directors shall appoint a high-level supervisor to timely monitor and control the risk of derivative commodities; periodically assess whether the performance of the derivative commodities trade is in compliance with the established business strategy and the assumed risks are within the company's tolerance range or not?
2. The senior director authorized by Board of Directors shall periodically assess whether the risk management measures currently in use are appropriate, and substantially follow the Processing Guidelines and this Regulations to proceed or not?
3. The senior director authorized by Board of Directors supervises the trading profit/ loss status. When abnormal circumstance is found, necessary countermeasure shall be taken and reported to the Board of Directors immediately. If the Company has independent directors, Board of Directors shall have independent directors present and express their opinions.
4. The Company engages in derivative commodities trades and authorizes relevant personnel to be handled in accordance with this Regulations, and shall report to the latest Board of Directors afterwards.
5. When the company engages in derivative commodities trade, it shall establish a "Derivative commodities trade checklist", which shall include the type and value of derivative commodities trade and passing date from Board of Directors, and items to be carefully assessed per sub-item 3.4.1 & 3.4.2, item 2, Article 16, and state them in the reference book for reference.

Section 4. Enterprise merger, division or acquisition and conversion of shares

Article 19. While handling the merger, division, acquisition or share assignment, the Company shall appoint an accountant, lawyer or a securities underwriter to express rationality opinions on the conversion ratio, purchase price or cash or other property offered to shareholders before having the Audit Committee review about. The Audit Committee shall report the rationality opinions to the Board of Directors for discussion and approval. However, if the Company merges a subsidiary that directly or indirectly holds 100% of the issued shares or capital, or the merger is made among the subsidiary companies that directly or indirectly hold 100% of the issued shares or capital, can be exempted from the rationality opinions issued by the aforesaid experts.

Article 20. The Company participating in the merger, division or acquisition shall make the public document to shareholders stating the important agreements and related matters of merger, division or acquisition before the Shareholders Meeting, sent to shareholders along with the expert opinions stated in the preceding article and Shareholders Meeting notice, as a reference of whether or not agreeing with the merger, division or acquisition. However, as per other enactments, if it is not allowed to convene Shareholders Meeting to resolve for the merger, division or acquisition, this procedure can be waived. For companies participating in the merger, division or acquisition, if any party's Shareholders Meeting cannot be convened or resolved due to insufficient attendees, insufficient voting rights or other legal restrictions, or the proposal is rejected by Shareholders Meeting, the company involved in the merger, division or acquisition shall immediately explain the cause, subsequent processing and date on which Shareholders Meeting is expected to be held in public.

Article 21. Unless otherwise stipulated by other laws or with special reason agreed by the Financial Supervisory Commission in advance, Companies participating in the merger, division or acquisition shall hold Board of Directors and Shareholders Meeting to resolve the merger, division or acquisition matter on the same day. Unless otherwise stipulated by other laws or with special reason agreed by the Financial Supervisory Commission in advance, Companies participating in shares conversion shall hold Board of Directors on the same day.

Company involved in the merger, division or acquisition or conversion of shares shall fully record the following information and keep it for five years for review:

1. Basic information of personnel

Include the title, name and identity card number (passport numbers for foreigners) of person who

are involved in the planning or execution of merger, division, acquisition or shares conversion program.

2. Date of major dates

Include the dates of signing the letter of intent or memorandum, entrusting financial or legal counsel signing the contract, and holding board of directors meeting.

3. Important books and proceedings

Include the merger, division, acquisition or share conversion plan, letter of intent or memorandum, major contract and Board of Directors meeting minutes.

Listed company or company that its stocks are traded in with stocks traded in securities firm's operating offices participates in merger, division, acquisition or shall declare the information stated in item 1 and 2 above in the Internet Information system of Financial Supervisory Commission, in the specified form, within two days after the Board of Directors has pass it by resolution for information.

Non-listed company or company that its stocks are traded in with stocks traded in securities firm's operating offices participates in the merger, division, acquisition or conversion, the listed company or company that its stocks are traded in securities firm's operating offices shall sign agreement with it and follow the above two items to proceed.

All persons that participate in or know about the company's merger, division, acquisition or shares conversion plan shall submit the written confidentiality commitments promising that they won't disclose the plan before the information is published, nor trade the stocks or stakes-holding securities of all companies involved in the merger, division, acquisition or shares conversion by themselves or using third-party's entity.

Article 22. All persons that participate in or know about the company's merger, division, acquisition or shares conversion plan shall submit the written confidentiality commitments promising that they won't disclose the plan before the information is published, nor trade the stocks or stakes-holding securities of all companies involved in the merger, division, acquisition or shares conversion by themselves or using third-party's entity.

Article 23. For the Company involved in merger, division, acquisition or shares conversion, except under the condition specified in below, the conversion ratio or the purchase price shall not be arbitrarily changed, and shall specify the conversion-rate-change conditions in the merger, division, acquisition or shares conversion contract:

1. Make cash capital expansion, issue convertible corporate bonds, unpaid shares allotment, issue warranted corporate bonds, special shares with warrants or share warrants and other securities with equity nature.
2. Dispose the company's major assets and other activities that affect the company's financial operation.
3. Major disasters or technological changes, etc., that affect the company's shareholders' equity or securities price.
4. Any party that participates in the merger, division, acquisition or shares conversion buys back the treasury shares according to law.
5. The main or number of participants that participate in the merger, division, acquisition or shares conversion vary thereof.
6. Other change-allowable conditions specified in the contract and have been publicly disclosed.

Article 24. When the Company participates in the merger, division, acquisition or shares conversion, the contract shall state the rights and obligations of the company involved in the merger, division, acquisition or shares conversion, and shall state the following:

1. Handling of contract-liquidation.
2. Principle of dealing with previously issued securities with equity nature or purchased treasury shares on the companies that have been eliminated or divided by merger.
3. After the datum day of calculating the conversion ratio, the amount of treasury shares and dealing principle of involved company that can buy back per law.

4. The dealing method of changing the involving main or number of participants
5. Estimated plan implementing progress and expected completion schedule.
6. Procedure of deciding the date of holding the Shareholders Meeting per law when the plan fails to completed within the time limit.

Article 25. After information disclosed, if any party involved in the merger, division, acquisition or shares conversion plans to perform merger, acquisition, acquisition or shares conversion with other company, except under the cases of participants are decreased and the Shareholders Meeting has decided to authorize the Board of Directors to change the rights and the participating companies can be exempted from holding Shareholders Meeting to make new resolution, the completed procedures or legal acts in the original merger, division, acquisition or shares conversion shall be re-performed by all participated companies.

Article 26. If the company that participates in merger, division, acquisition or shares conversion isn't a publicly issued company, the public offering company shall sign an agreement with it, and follow Articles 21, 22 and 25 to proceed.

Chapter 3. Information disclosure

Article 27. Article 27 If the Company acquires or disposes of assets under any of the following circumstances, the Company shall, in the prescribed format by its nature, file and publicly disclose the relevant information on the website designated by the Financial Supervisory Commission within two days from the date of occurrence of the fact :

1. If the Company acquires or disposes real property or its right-of-use assets from or to related parties, or assets other than real property or its right-of-use assets with the transaction amount exceeding 20% of the Company's paid-up capital, 10% of the total assets or NT\$300 million from or to related parties, except for buying or selling domestic government bonds, repo bonds, reverse repo bonds, subscription or buying back domestic money market funds
2. Merger, spinoff, acquisition or transfer of shares.
3. Losses from derivative product transactions reach the maximum amount of losses for all or individual contracts as stipulated in the Procedures.
4. The acquisition or disposal of equipment or right-to-use assets for business use, where the counterparty is not a related party, and the amount of the transaction meets one of the following provisions :
 - (1) A public company with a paid-in capital less of NT\$10 billion, with a transaction amount of NT\$500 million or more.
 - (2) A public company with a paid-in capital of NT\$10 billion or more, with a transaction amount of NT\$1 billion or more.
5. The acquisition or disposal of real property or right-to-use assets for construction purposes from or to a public company engaged in the business of construction, the counterparty is not a related party and the transaction amount reaches NT\$500 million or more; of which, the paid-in capital amounts to NT\$10 billion or more, it is a disposal of the real property which is a completed self-construction project, the counterparty is not a related party, and the transaction amount is at least NT\$1 billion.
6. The real property is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT\$500 million.
7. An asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of obligatory claim by a financial institution, or an investment in the mainland China area reaches 20 percent or more of the Company's paid-in capital or NT\$300 million; provided, the following circumstances are excluded :
 - (1) Trading of domestic government bonds or foreign government bonds with a rating that is not lower than Taiwan's sovereign rating.

- (2) For professional investors, the buying and selling of securities on stock exchanges or OTC markets, or subscribing of foreign government bonds, ordinary corporate bonds offered and issued, or general financial debentures (excluding subordinated bonds) that do not involve equity in the primary market, or subscribing or repurchasing securities investment trust funds or futures trust funds, or subscribing or selling back exchange-traded notes, or for a securities firm, the subscribing of securities as necessitated by its undertaking business or as a recommended dealer for assistance for a listed company at the emerging stock market in accordance with the rules of the Taipei Exchange.
- (3) The buying or selling of repo bonds, reverse repo bonds, subscription or buying back money market funds issued by domestic securities investment trust enterprises.

The transaction amount specified in the preceding paragraph is calculated as follows :

1. Every transaction amount
2. The accumulated transaction amount with the same counterparty in acquiring or disposing of subjects of the same nature within one year.
3. The cumulative transaction amount in acquiring or disposing (the amount for acquisition or disposal shall be counted separately) of real property or right-to-use assets of the same development project within one year.
4. The cumulative transaction amount of the same securities acquired or disposed of (the amount for acquisition or disposal shall be counted separately) within one year.

The term "within one year" referred to in the preceding paragraph is calculated retrospectively one year from the date of occurrence of the transaction, and the part that has been announced in accordance with the processing standards is exempted from being counted.

The Company shall enter monthly, in the prescribed format, the information on derivative product transactions engaged by the Company and its subsidiaries that are not domestic public companies as of the end of the previous month on the information reporting website designated by the Financial Supervisory Commission by the tenth day of each month.

If there are errors or omissions that should be corrected or supplemented in the announced items in accordance with the regulations, the Company shall re-file and re-announce all the items within two days from the date of awareness.

When acquiring or disposing of assets, the Company shall retain the relevant deeds, minutes, memorandum books, valuation reports, and opinions of accountants, attorneys, or securities underwriters at the Company for at least five years, unless otherwise required by other laws.

Article 28. After the trade has been announced in accordance with the provisions of the preceding article, if meeting anyone of the following conditions, the Company shall publish and declare the relevant information on the designated website of the Financial Supervisory Commission within two days from the fact-occurring date:

1. The contract signed by the original trade has been changed, terminated or cancelled.
2. The merger, division, acquisition or shares conversion fails to be completed according to the contract schedule.
3. The original announcement has changed.

Article 29. If the Company subsidiary is not a domestic public offering company, and the acquisition or disposal of assets is subject to the provisions of Article 27 or Article 28 which shall be announced and declared, the Company shall do that. If the subsidiary mentioned in above applies the reporting standard concerning the 20% of the paid-up capital or 10% of the total assets, stated in item 1, Article 27, it shall be based on the paid-in capital or total assets of the Company.

Chapter 4. Supplementary

Article 30. When the Company's manager or undertaker violates this Processing Guidelines or this Regulations, follow the rules of the Company's "Work Rules" to proceed per the severity status.

- Article 31. The Company shall stipulate this Regulations in accordance with the Processing Guidelines. After more than one-half of the members of the Audit Committee agree and approved by the Board of Directors, submit the Shareholders Meeting for approval; same procedure is taken in amendment. If the above item is not approved by more than one-half of all members of the Audit Committee, more than two-thirds of all directors can agree to do so, and the Audit Committee resolution shall be stated in the Board of Directors' proceedings. All members of the Audit Committee and all the alleged directors are counted as actual incumbents.
- Article 32. Regarding 10% of total assets specified in this Regulations, it is calculated based on the total assets in the most recent individual or separate financial reports as set out in the "Guidelines for the Financial Reporting of Securities Issuers". If the company's stock is not denominated or the denomination is not NT\$10, the condition of trade value exceeding 20% of in-paid capital specified in this Regulations is calculated at 10% of the equity of the owner of the parent company; The condition of trade value exceeding NT\$10 billion stated in this Regulations is calculated at NT\$20 billion attributable to owners of the parent company.
- Article 33. This Regulations was established on 2007-10-25
Revise 1 made on 2008-06-25
Revise 2 made on 2012-06-12
Revise 3 made on 2014-06-12
Revise 4 made on 2017-06-20
Revise 5 made on 2019-06-11
Revise 6 made on 2020-06-12
Revise 7 made on 2022-06-15

【Appendix 3: Administrative Measures on Rules of Procedure for Shareholders' Meetings】

Administrative Measures on Rules of Procedure for Shareholders' Meetings Of Cyber Power Systems, Inc.

- I. Purpose: In order to establish good Shareholders' Meeting governance system and sound supervision function of the Company, and strengthen management function, it is hereby formulated these Rules pursuant to Article 5 of Listed Company Governance Best Practice Principles to comply with.
- II. Scope: to standardize the operation of procedures of Shareholders' Meeting of the company, unless otherwise prescribed by laws and decrees or Articles of Incorporation, these Measures shall apply.
- III. Responsibility: shareholders and related personnel attending the Shareholders' Meeting of the company.
- IV. Operation content:
 1. Unless otherwise prescribed by laws and decrees, Shareholders' Meetings of the Company shall be handled according to these Rules.

Virtual shareholders' meetings of the Company can be held through resolution approved by the majority of directors attending a meeting that is attended by 2/3 or more directors.

Any change in the manner of convening a shareholders' meeting shall be resolved by the Board of Directors and shall be made before the mailing of the meeting notice of the shareholders' meeting at the latest.
 2. The Company shall specify the accepted shareholder's reporting time, registration location, and other matters need attention in the meeting notice.

The time for shareholders to check-in specified in the preceding paragraph shall be at least 30 minutes prior to the commencement of the meeting; the check-in desk shall be clearly marked and adequately staffed with appropriate personnel to handle it; for the video conference of the shareholders' meeting, check-in should be accepted on the video conference platform of the shareholders' meeting 30 minutes prior to the commencement of the meeting. Shareholders who have completed the check-in shall be deemed to be present in person at the shareholders' meeting.

The accepted shareholder's reporting time as mentioned in preceding paragraph shall be at least thirty minutes before meeting start; the registration location shall be marked explicitly, and sufficient competent personnel shall be assigned for handling.

Shareholder himself/herself or the agent appointed by a shareholder (hereinafter referred to as shareholder) shall attend Shareholders' Meeting with certificate of attendance, attendance sign card or other attendance certificates; solicitor of proxy solicitation shall bring identity supporting document for checking.

Upon attending the meeting, the shareholder shall submit the sign card as signing for attendance. The attending shares shall be calculated according to the sign card submitted, plus the shares exercising voting right in writing or electronic way.

The Company shall deliver the meeting handbook, annual report, meeting name tag, written note of questions, ballots and other meeting materials to the shareholders attending the shareholders' meeting, and if there is an election of directors, election ballots shall be included.

If the shareholders' meeting is held by video conference, shareholders who wish to attend by video conference should register with the Company two days prior to the shareholders' meeting.

If a shareholders' meeting is held by video conference, the Company shall upload the meeting agenda, annual report and other relevant information to the shareholders' meeting video conference platform at least 30 minutes prior to the start of the meeting and continue to disclose them until the end of the meeting.
 - 2.1 When the Company convenes a video conference of the shareholders' meeting, the following matters shall be set forth in the meeting notice of the shareholders' meeting :
 - I. Methods for shareholders to participate in video conferences and exercise their rights.
 - II. The handling of obstacles to the video conference platform or participating in video conference due to natural disasters, incidents or other force majeure circumstances shall at least include the following items:

- (i) The time of the meeting which has to be postponed or continued due to the continued failure to remove the aforementioned obstacles, and the date of the rescheduled or continued meeting, if any.
- (ii) Shareholders who have not registered to participate in the original shareholders' meeting by video conferencing shall not participate in the rescheduled or continued meeting.
- (iii) For a video-assisted shareholders' meeting, if a video meeting cannot be continued, the shareholders' meeting shall continue if the total number of shares present reaches the quorum for the shareholders' meeting after deducting the number of shares present by means of video participation. The number of shares present by shareholders who participate by video conference shall be counted as the total number of shares present, but those shareholders shall be deemed to have abstained from voting on all motions at that meeting.
- (iv) The handling method in the event that the results of all motions have been announced and no extempore motions have been made.

III. For the convene of a video shareholders' meeting, it shall specify the appropriate alternatives for shareholders who would have difficulty participating in the shareholders' meeting via video-conference.

Other than the events listed under paragraph 6, Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall at least provide shareholders with connection equipment and necessary assistance and shall also specify the period during which the shareholders may file an application with the Company and other relevant matters.

- 3. The attendance and voting of Shareholders' Meeting shall be subject to the calculation of shares.
- 4. The convening place of Shareholders' Meeting shall be at the place where the Company locates in or convenient for shareholders to attend and suitable for convening Shareholders' Meeting, and the meeting start time shall not be earlier than 9:00am in the morning or 3:00pm in the afternoon.

When the Company convenes a video shareholders' meeting, the Company is not subject to the restrictions on the meeting location specified in the preceding paragraph.

- 5. If a shareholders' meeting is convened by the Board of Directors, the chairman of the meeting shall be the Chairman of the Board of Directors. If the Chairman of the Board of Directors is absent from office or is unable to exercise his or her duties for any reason, the Vice Chairman of the Board of Directors shall act for him or her. If there is no Vice Chairman or if the Vice Chairman is also absent from office or is unable to exercise his or her duties for any reason, the Chairman shall appoint a managing director to act as his or her proxy. If there is no managing director, one director shall be appointed to act as a proxy, and if the Chairman of the Board of Directors does not appoint a proxy, the managing director or the directors shall recommend a proxy from among themselves.

If the chairman specified in the preceding paragraph is acted by a managing director or a director, the managing director or director shall have been in office for at least six months and understands the Company's financial and business status. The same applies if the chairman is acted by a representative of a corporate director.

The Company shall, 30 days prior to the regular shareholders' meeting or 15 days prior to the special shareholders' meeting, transmit the electronic files of the notice of the shareholders' meeting, the proxy form, and the information on the reasons and explanations of the motions for recognition, discussion, and election or discharge of directors to the Market Observation Post System (MOPS). The electronic files of the meeting handbook and supplementary information of the shareholders' meeting shall be transmitted to the Market Observation Post System (MOPS) no later than 21 days prior to the regular shareholders' meeting or 15 days prior to the special shareholders' meeting. The meeting handbook and supplementary information for the shareholders' meeting shall be made available to shareholders 15 days prior to the shareholders' meeting and shall be displayed at the Company and its stock affairs agent. The meeting handbook and supplementary information specified in the preceding paragraph shall be made available to shareholders on the date of the shareholders' meeting in the following manner:

- I. If a physical shareholders' meeting is held, it shall be distributed on site at the shareholders' meeting.
- II. If a video-assisted shareholders' meeting is held, it shall be distributed at the shareholders' meeting and sent to the video conference platform by electronic file transmission.
- III. If a video shareholders' meeting is held, it shall be sent to the video conference platform by electronic file transmission.

The notice and announcement shall state the reason for the convening; the notice may be given by electronic means with the consent of the relative parties.

The election or discharge of directors, change of articles of incorporation, reduction of capital,

application for suspension of public offering, permission for competition among the Directors, capitalization of retained earnings, capitalization of capital reserves, dissolution, merger, spinoff, or the matters set forth in all subparagraphs, Paragraph 1 of Article 185 of the Company Act, and Article 26-1 and Article 43-6 of the Securities and Exchange Act which shall be listed and explained in the reasons for convening shall not be made by extempore motions. The main content of the notice may be placed on the website designated by the competent securities authority or the Company, and the website URL shall be included in the notice.

The reasons of convening the shareholders' meeting have set forth the general re-election of directors and the date of their assumption of office, and after the completion of such re-election at such shareholders' meeting, the date of their assumption of office shall not be changed at the same meeting by way of extempore motion or other means.

A shareholder holding at least one percent of the total number of issued shares may propose a motion for a regular shareholders' meeting to the Company, limited to one proposal. If any shareholder has more than one proposal, the proposals will not be included in the motions. In addition, if the proposal proposed by a shareholder falls under one of the circumstances specified in the subparagraphs of Paragraph 4, Article 172-1 of the Company Act, the Board of Directors may decide not to list it as a motion.

A shareholder may make a proposal to promote the public interest or fulfill social responsibility, but the procedure shall be limited to one proposal in accordance with the relevant provisions of Article 172-1 of the Company Act. If a shareholder has more than one proposal, the proposals will not be included in the motions.

The Company shall announce the acceptance of shareholders' proposals, the written or electronic means of acceptance, the place of acceptance, and the period of acceptance which should not be less than ten days prior to the book closure date before the convene of the regular shareholders' meeting.

Motions proposed by shareholders shall be limited to 300 words. If the proposal exceeds the 300-word limit, the proposal will not be included as a motion; the proposing shareholder shall attend the regular meeting of shareholders in person or by proxy, and participate in the discussion of the motion.

The Company shall notify the proposing shareholder of the processing results before the date of the convene notice of the shareholders' meeting, and list the motion that complies with the requirements of this Article in the convene notice of the meeting. For shareholders' proposals that are not included as motions, the Board of Directors shall state the reasons for non-inclusion at the shareholders' meeting.

6. If the Shareholders' Meeting is convened by other person who is entitled to convene other than the Board of Directors, such person who is entitled to convene shall preside over the meeting. When there are more than two such persons, one of them shall be mutually designated to preside.
7. The lawyer, accountant or relevant personnel appointed by the Company may attend the Shareholders' Meeting.
8. Meeting affairs personnel handling Shareholders' Meeting shall wear ID or arm-badge.
9. Starting from accepting shareholders' registration, the Company shall take continuous and uninterrupted sound or video recording for the whole course of shareholder's registration process, meeting process, voting and counting process.

The audiovisual materials mentioned in preceding paragraph shall be kept for at least one year. But if a shareholder files a lawsuit pursuant to Article 189 of Company Act, it shall be kept until the end of litigation.

10. The chairman of the meeting shall call the meeting to order immediately after the scheduled start time has been reached. However, the chairman may delay the call to order if the number of voting rights represented by the shareholders present has not reached half of the total number of issued shares. The number of delays shall be limited to two times, and the total delay time shall not exceed one hour. If the number of voting rights represented by the shareholders present has reached one-third but yet half of the total number of issued shares after two delays, a tentative resolution may be made in accordance with Paragraph 1 of Article 175 of the Company Act, and the shareholders shall be notified of the tentative resolution and a shareholders' meeting to be reconvened within one month. If a shareholders' meeting is held by video conference, shareholders who wish to attend by video shall re-register with the Company in accordance with IV.2. of these Procedures.
11. Before the end of the current meeting, if the attending shareholders are representing the majority of total outstanding shares, the chairperson may make a tentative resolution, and propose it again pursuant to Article 174 of Company Act to the meeting for voting.
12. If a shareholders' meeting is convened by the Board of Directors, the agenda shall be set by the Board of Directors, and the relevant motions (including extempore motions and amendments to original motions) shall be voted on a case-by-case basis. The meeting shall be conducted in accordance with the scheduled agenda and shall not be changed without the resolution of the shareholders' meeting.

13. If the Shareholders' Meeting is convened by other person who is entitled to convene other than the Board of Directors, the provisions in preceding paragraph shall apply.
14. Before the end of business discussion (including extemporary motions) in the agenda as scheduled in preceding two paragraphs, without resolution, the chairperson shall not unilaterally close the meeting.
15. After meeting closed, shareholders shall not otherwise urge the chairperson to otherwise find a place to continue the meeting; but if the chairperson violates the rules of procedure and closes the meeting, attending shareholders with the majority of voting right may agree to elect one person as the chairperson to continue the meeting.
16. Before giving a speech, an attending shareholder shall first fill in speech note to specify the speech topic, shareholder account number (or certificate of attendance number) and account name, and the chairperson will decide its speech order.
17. If an attending shareholder only submits speech note but does not give a speech, it shall be deemed as unspoken. In case of any discrepancy between speech contents and the record in speech note, the speech contents shall prevail.
18. When an attending shareholder is giving a speech, unless agreed by the chairperson and speaking shareholder, other shareholders shall not interrupt the speech, and violator shall be stopped by the chairperson.
19. For the same motion, unless with the consent of the chairperson, the speech of every shareholder shall not exceed two times and no longer than five minutes per time. If the speech of a shareholder violates the regulation or is beyond scope of motion, the chairperson may stop its speech.
20. When a legal person is entrusted to attend Shareholders' Meeting, such legal person can only assign one representative to attend.
21. When a legal person shareholder assigns more than two representatives to attend the Shareholders' Meeting, the same motion can only be spoken by one representative.
22. After the speech of an attending shareholder, the chairperson shall personally or designate relevant personnel to reply.
If a shareholders' meeting is convened by video conference, shareholders participating by video may ask questions by text on the video conference platform after the chairman calls the meeting to order and before the meeting is adjourned. The number of questions per motion shall not exceed two, each question shall be limited to 200 words, and the provisions of IV. 16.~19. and 21. shall not apply.
If the question specified in the preceding paragraph does not violate the regulations or is within the scope of the motion, it is advised to disclose the question on the video conference platform of the shareholders' meeting for it to be known.
23. For discussion of the motion and amendment or extemporary motions proposed by shareholders, when the chairperson thinks it is suitable for voting to decide, the chairperson may declare the stop of discussion and propose for voting to decide.
24. For the resolution of Shareholders' Meeting, the number of shares of shareholders without voting right will not be calculated into the total number of outstanding shares.
25. In respect of meeting matters, if a shareholder itself has interested relationship and thereby is suspected of damaging the interests of the Company, such shareholder shall not join in the voting, nor exercise voting right on behalf of other shareholders.
26. The number of shares cannot exercise voting right as prescribed in preceding paragraph will not be calculated into the number of voting rights of attending shareholders.
27. Except for trust enterprise or the stock affairs agency approved by competent authority in charge of securities, when one person is appointed by more than two shareholders, the agency voting right thereof shall not exceed three percent of the total outstanding shares with voting right, and the exceeding voting right will not be calculated.
28. The Shareholders shall have one vote per share, except for those who are subject to restrictions or those who have no voting rights as listed in Paragraph 2, Article 179 of the Company Act.
When the Company convenes a shareholders' meeting, it shall adopt electronic means and may adopt written means to exercise the voting rights. The method of exercising the voting rights by written or electronic means shall be stated in the convene notice of the shareholders' meeting. Shareholders who exercise their voting rights in writing or electronically are considered to be present in person at the shareholders' meeting. However, they are deemed to have abstained on extempore motions and the amendment to the original motions of the shareholders' meeting, so the Company is advised to refrain from proposing any extempore motions or amendments to the original motions.
If the voting rights are exercised in writing or electronically as specified in the preceding paragraph, the express of intent shall be delivered to the Company two days prior to the shareholders' meeting. In the event of duplicate expresses of intent, the first to be served shall prevail, unless it is a statement to revoke the former express of intent.

After the shareholders exercise their voting rights in writing or electronically, if they wish to attend the shareholders' meeting in person or by video, they shall revoke their express of intent of exercising the voting rights specified in the preceding paragraph in the same manner as their exercising of voting rights two days prior to the shareholders' meeting. In case of late revocation, the voting right exercised in writing or by electronic means shall prevail. If the voting rights are exercised in writing or electronically and a proxy is appointed to attend the shareholders' meeting by proxy, the voting rights exercised by the proxy appointed to attend shall prevail.

The chairman shall appoint scrutineers and vote counters for voting on the resolutions of motions, but only shareholders can be scrutineers.

The counting of votes for resolutions of motions or election motions for a shareholders' meeting shall be conducted openly on the floor of the shareholders' meeting. After the vote counting is completed, the voting results, including the weights for the totalization, shall be announced on the spot after the counting of votes is completed and recorded.

When the Company convenes a video shareholders' meeting, the shareholders participating by video shall vote on each motion and election motion through the video conference platform after the chairman calls the meeting to order, and shall complete the voting before the chairman announces the closing of the voting, and those who do not vote in time shall be deemed as abstained. If the shareholders' meeting is convened by video conference, after the chairman announces the close of voting, the votes shall be counted at one time, and the voting and election results shall be announced.

When the Company convenes a video-assisted shareholders' meeting, shareholders who have registered to attend the shareholders' meeting by video in accordance with the provisions of Article 6 and who wish to attend the physical shareholders' meeting in person shall revoke the registration by the same manner as they registered two days prior to the shareholders' meeting. Those who revoke the registration late can only attend the shareholders' meeting by video conference.

Those who exercise their voting rights by written or electronic means without revoking their expression of intent and participate in the shareholders' meeting by video means may not exercise their voting rights on the original motion, propose amendments to the original motion, or exercise their voting rights on the amendments to the original motion, except for extempore motions.

- 28.1 In the event of an election of directors at the shareholders' meeting, the election shall be conducted in accordance with the relevant election regulations set forth by the Company. The election results shall be announced on the spot, including the list of elected directors with the numbers of votes received, as well as the list of unsuccessful candidates with the numbers of votes received.

The election ballots for the aforementioned election shall be sealed and signed by the scrutineers and retained properly for at least one year. However, if a lawsuit is filed by a shareholder in accordance with Article 189 of the Company Act, the ballots shall be retained until the end of the lawsuit.

29. During the meeting, the chairperson may announce the rest at appropriate time, in case of force majeure circumstance, the chairperson may judge to temporarily stop the meeting, and announce the time for meeting continuation as the case may be.

Before the end of official business discussion (including extemporary motions) in the agenda scheduled by Shareholders' Meeting, if the meeting place is not available for continuous use at that time, Shareholders' Meeting may make a resolution to find another place to continue the meeting.

Shareholders' Meeting may make a resolution to postpone or continue the assembly within five days pursuant to Article 182 of Company Act.

30. Unless otherwise provided in the Company Act and the Articles of Incorporation, for the resolution of a motion, a motion is passed if it is decided by a majority of more than half of the voting rights of the shareholders present. When voting, the chairman or his or her designee shall announce the total number of voting rights of shareholders present, and then the shareholders shall cast the votes on each motion, and the results of shareholders' approval, disapproval and abstention shall be entered into the Market Observation Post System on the day after the shareholders' meeting.
31. When there is an amendment or replacement for the same proposal, the chairperson will decide its voting order together with the original proposal. If one of the proposals have been passed, the other proposals will be deemed as overruled, and voting therefor will no longer be necessary.
32. The chairperson may command picketer or security guard to assist to maintain meeting place order. When assisting in maintaining order on the spot, picketer or security guard shall wear the arm-badge with "Picketer" character.
- If a shareholder violates rules of procedure and disobeys the correction by chairperson, interrupting the proceeding of meeting and disobeying after being stopped, the chairperson may command picketer or security guard to ask such shareholder to leave the meeting place.
33. All resolutions of a Shareholders' Meeting shall be recorded in the minutes signed or sealed by the chairperson of the meeting, and the minutes shall be

distributed to the shareholders within 20 days after the meeting. The record and distribution of minutes may be made in electronic way.

For the distribution of minutes mentioned in preceding paragraph, the Company may make an announcement by inputting it at mops.twse.com.tw.

The minutes shall be recorded actually according to the meeting date, location, name of chairperson, resolution method, essentials of discussion process and its results, during the duration of the Company, it shall be kept permanently.

If a shareholders' meeting is convened by video conference, the meeting minutes shall include, in addition to the matters required to be recorded specified in the preceding paragraph, the starting and ending time of the shareholders' meeting, the manner in which the meeting is convened, the names of the chairman and the recorder, and the handling manner and circumstances when the video conference platform or video participation is obstructed due to natural disasters, incidents or other force majeure circumstances.

When the Company convenes a video shareholders' meeting, in addition to complying with the provisions of the preceding paragraph, the Company shall specify the alternative measures for shareholders who would have difficulty participating in the shareholders' meeting via video-conference in the meeting minutes.

34. The number of shares solicited by proxy solicitors, the number of shares represented by proxies and the number of shares represented by shareholders present in writing or by electronic means shall be clearly disclosed in the Company's shareholders' meeting at the shareholders' meeting venue on the date of the shareholders' meeting in a statistical form prepared in accordance with the prescribed format. If the shareholders' meeting is held by video conference, the Company shall upload the aforementioned information to the video conference platform of the shareholders' meeting at least 30 minutes before the meeting starts and continue to disclose it until the meeting ends.

The Company shall disclose the total number of shares represented by the shareholders present on the video conference platform at the time of the shareholders' meeting is called to order. The same applies if the total number of shares and voting rights represented by the shareholders present are also counted during the meeting.

If the resolution of the shareholders' meeting is a material information required by laws and regulations or by the Taiwan Stock Exchange Corporation (Taipei Exchange), the Company shall transmit the content to the Market Observation Post System (MOPS) within the prescribed time.

35. If a shareholders' meeting is held by video conference, the Company shall disclose the voting results of each motion and election results on the video conference platform of the shareholders' meeting in accordance with the regulations immediately after the close of voting. The disclosure shall continue for at least fifteen minutes after the meeting is adjourned by the chairman.
36. When the Company convenes a video shareholders' meeting, the chairman and the recorder shall be at the same location within the country, and the chairman shall announce the address of the location at the time of the meeting.
37. If a shareholders' meeting is held by video conference, the Company may provide a simple connection test for shareholders before the meeting and provide related services in real time before and during the meeting to assist in handling technical problems of communication.

If a shareholders' meeting is convened by video conference, the chairman shall, at the time of calling the meeting to order, separately announce that, except for the circumstances for not requiring a rescheduled or continued meeting as specified in Paragraph 4, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if, before the chairman declares the meeting adjourned, an obstacle to participation on the video conference platform or by video means occurs and lasts for more than 30 minutes due to a natural disaster, an incident or other force majeure, the meeting shall be rescheduled within 5 days or the date of a continued meeting, and the provisions of Article 182 of the Company Act are not applicable.

In the event of a meeting to be postponed or continued specified in the preceding paragraph, shareholders who have not registered to participate in the original shareholders' meeting by video shall not participate in the rescheduled or continued meeting.

For a rescheduled or continued meeting specified in the provisions of Paragraph 2, those shareholders who have registered to attend the original shareholders' meeting via video conference and have completed check-in but fail to attend the rescheduled or continued meeting, the number of shares represented, the number of voting rights and the number of election rights exercised at the original shareholders' meeting by those shareholders shall be included in the total number of shares, the number of voting rights and the number of election rights of the shareholders present at the rescheduled or reconvened meeting.

If the shareholders' meeting is postponed or continued in accordance with the provisions of Paragraph

2, it is not necessary to discuss and resolve again on the motions for which voting and counting have been completed and the voting results or the list of directors and supervisors elected have been announced.

In the event that a video-assisted shareholders' meeting convened by the Company cannot be continued as specified in Paragraph 2, if the total number of shares present, after deducting the number of shares represented by shareholders attending via video-conference, still reaches the quorum for the shareholders' meeting, the shareholders' meeting shall continue without holding a rescheduled or continued meeting in accordance with the provisions of Paragraph 2.

In the event that a meeting should continue as specified in the preceding paragraph, the number of shares represented by shareholders participating in the meeting by video shall be counted in the total number of shares represented by shareholders present, but those shareholders shall be deemed to have abstained from voting on all motions at that meeting.

If the Company postpones or reconvenes a meeting in accordance with the provisions of Paragraph 2, the Company shall comply with the provisions of Paragraph 27, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, and shall complete the relevant pre-operations in accordance with the date of the original shareholders' meeting and each provision of the Article.

During the period specified in the latter portion of Article 12 and Paragraph 3, Article 13 of the " Regulations Governing Use of Proxies for Attendance at Shareholders' Meetings of Public Companies," Paragraph 2, Article 44-5, Article 44-15, and Paragraph 1, Article 44-17 of the " Regulations Governing the Administration of Shareholder Services of Public Companies," the Company shall comply with the date of the shareholders' meeting specified for rescheduled or continued meeting in the provisions of Paragraph 2.

38. When the Company convenes a video shareholders' meeting, the Company shall provide appropriate alternative measures for shareholders who have difficulty attending the shareholders' meeting by video conference. Other than the events listed under paragraph 6, Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall at least provide shareholders with connection equipment and necessary assistance and shall also specify the period during which the shareholders may file an application with the Company and other relevant matters.

- V. These Procedures shall come into effect upon the approval of the shareholders' meeting, and the same shall apply when amended.

These Procedures were established on October 25, 2007.

The first amendment was made on June 12, 2012.

The second amendment was made on June 14, 2013.

The third amendment was made on June 11, 2019.

The fourth amendment was made on June 15, 2022.

The fifth amendment was made on May 28, 2024.

【Appendix 4: Rules for Election of Directors】

Rules for Election of Directors Of Cyber Power Systems, Inc.

1. Purpose:

For the fair, impartial and open election of directors, establish this Regulations to make the election standard of directors.

2. Scope:

Unless otherwise provided by the enactments or the Article of Incorporation, the selection of Company directors shall be governed by this Regulations.

3. Rights and responsibilities: Company shareholders

4. Operation content:

(1). The Company's directors (include independent directors) are elected at Shareholders Meeting and are subject to the nomination system procedure in accordance with Article 192 of the Company Act.

Independent directors and non-independent directors will be elected together and calculate the elected seats separately.

(2). The Company's directors are elected by a single-name cumulative election method. Each share has the same election right as the number of directors to be elected. One candidate can be elected in a centralized manner or distributed to several candidates.

(3). The Board of Directors shall prepare an election ballot type with the same amount of directors as the directors number, and fill in the respective election numbers on them, distributed to the shareholders attended the Shareholders Meeting, the elector name can be encoded and printed on the meeting pass.

(4). Before starting the election, the chairman shall designate a number of scrutineers and tellers with shareholder status to perform various duties.

(5). For the election of directors (include independent directors), the Board of Directors shall prepare for the voting cabinets and checked by the inspectors before voting.

(6). If the elector is a shareholder, he/she shall indicate the elected name and shareholder number on the electoral column of election vote; if not a shareholder, indicate the elected name and ID number of elector instead. Yet, when the government or corporate shareholder is the elected, the candidate name column shall be filled with the name of the government or corporate, and can be with the names of the government or corporate and its representative. When there are several representatives, the different representative names shall be filled in separately.

(7). The professional qualification, shareholdings, part-time restrictions, nomination and selection method and other obeying items of the independent directors shall be handled in accordance with the provisions of the securities authorities.

(8). If anyone of the following condition occurs, the ballot is invalid:

(A) Ballot is not prepared by Board of Directors.

(B) The blank ballots in the ballot cabinets.

(C) The mark is illegible or unrecognizable.

(D) If the candidate is a shareholder, the account name, shareholder number or shareholder's name list is inconsistent. Or if the candidate is not a shareholder, the name and ID number are incorrect after checking.

(E) In addition to the account name (name) or shareholder number (ID number) of the candidate and the voting rights, the other characters are written therewith.

(F) The candidate's name is the same as that of the other shareholders and the candidate's shareholder account number or ID number is not available.

(G) Fill in two or more candidates on the same ballot.

(H) Other election votes inconsistent with the enactments.

(9). Regulations governing the election of Company directors:

(A) The Company's directors, who are selected with acting capability and elected by Shareholders Meeting in accordance with the terms and amount set forth in the Article of Incorporation, are elected as directors, respectively. If two or more persons have the same ballots and the total amount is over the prescribed one, the ones gaining the same ballots shall be decided by lottery; those who are not present shall be drawn by the chairman.

The elected directors shall not be the director duty position if their personal information are verified to be inconsistent with the correct one or cannot be the positions per enactment provisions. If they are already on duty, dismiss the director duty from them.

Unless approved by the competent authority, a government or corporate who is a publicly issued shareholder shall not have the representative become the Company director concurrently.

After the audit committee is set up, the committee will replace the supervisor's authority. At least one of the members of the committee must have a residence in the country to play the monitoring function in time.

(B) The Company shall have over half of the elected director vacancies shall not have anyone of the following relationships:

(1) Spouse

(2) Second degree kinship

(C) If the Company directors unable to meet the provisions of item (B), Article 9 of this Regulation, the one among the disqualified directors with lower voting rights shall lose the elected director position.

(10). The election of directors shall be voted with respective ballot cabinets. After the votes, the ballot inspectors open the ballot cabinets

(11). The scrutineers monitor the ballot counting procedure; the chairman announces the voting result on site directly.

(12). The elected directors are issued separate notices by the Company Board of Directors.

(13). This Regulations is passed to implement by Shareholders Meeting and is to be amended with the same procedure, effective from the date of the establishment of the Audit Committee.

5. Documents

1. Company Act

2. Securities Trade Act

3. Article of Incorporation

4. Rule governing Establishment of Independent Directors for Public Offering Company.

6. Forms

1. Voting ballots

2. Notice of elected certification

【Appendix 5: List of Shareholdings by Directors】

Cyber Power Systems, Inc. List of Shareholdings by Directors

1. The Company's actual paid-in capital is NT\$947,660,490 with 94,766,049 issued common shares.
2. According to Article 26 of Securities and Exchange Act and "Rules and Audit Procedures for Director and Supervisor Share Ownership Ratios at Public Companies", all directors of the Company shall hold at least 7,581,283 shares.
3. Until the book closure date for the 2026 shareholders' meeting, the status of shareholdings of individual and all directors are shown below:

Job Title	Name	Appointment Date	No. of Shares at the Time of Appointment			Until March 28, 2026 (Note)	
			Appointment Term	No. of Shares	Holding Percentage	No. of Shares	Holding Percentage
Chairman	Chih Yuan Investment Co., Ltd. Representative: Kuo, Chin	2023.06.13	3 years	4,261,880	5.10%	5,609,974	5.92%
Director	Hsien Yueh Investment Co., Ltd. Representative: Lee, Chien-Chin	2023.06.13	3 years	5,418,089	6.49%	5,688,993	6.00%
Director/Manager	Ning Yuan Investment Co., Ltd. Representative: Ho, Lien-Hsun	2023.06.13	3 years	5,400,000	6.47%	5,700,000	6.01%
Director	Lu, Lee-Da	2023.06.13	3 years	—	—	—	—
Independent Director	Wang, Chin-Yen	2023.06.13	3 years	—	—	—	—
Independent Director	Ou Yang, Mang	2023.06.13	3 years	—	—	—	—
Independent Director	Ko, Po-Cheng	2023.06.13	3 years	—	—	—	—
Total number of shares held by all directors				15,079,969	18.06%	16,998,967	17.93%

Note: Refers to the number of shares stated in shareholder register until the book closure date for the 2025 shareholders' meeting (Mar. 28, 2026).

4. The total shares held by the Company's directors already reached the statutory standard.
5. The Company has an audit committee. Therefore, the statutory shareholding thresholds are not applicable to supervisors.

【Appendix 6: Relevant Information on the Remuneration of Employee, Director】

The distribution of employee compensation and director remuneration of 2025 is passed by the Board of Directors meeting on March 10, 2026.

1. The amount of any employee compensation and director compensation distributed in cash or stocks. If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed:

Unit: NT\$

Items	The amount approved by board of directors (A)	Annual estimated amount (B)	Discrepancy amount (A-B)	Reason of the discrepancy and follow-up action
Employees' Compensation- in Cash	108,000,000	108,000,000	0	Due to changes in accounting estimates, the difference will be listed as a deduction for expenses in 2026.
Remuneration of Directors - in cash	5,950,000	6,300,000	(350,000)	
Total amount	113,950,000	114,300,000	(350,000)	

2. The amount of any employees' compensation distributed in stocks as a percentage of the sum of the current after-tax net income and total employees' compensation in individual financial statement:

Not applicable as the employees' compensation passed by the Board of Directors this year does not involve stock distribution relevant matters.

Other Explanation Matters

Processing of proposals submitted by this shareholders' meeting: Explanations:

1. According to Article 172-1 of the Company Act, shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of a company may propose to the company a proposal for discussion at a regular shareholders' meeting, provided that only one matter shall be allowed in each single proposal be limited to not more than three hundred (300) words.
2. Shareholders may submit proposals regarding the 2026 regular shareholders' meeting to the Company from March 20st, 2026 to March 30st, 2026. The information is already announced on a market observation post system.
3. As of March 30st, 2026, the company has not received any application for shareholder proposal, hereby explain.

